

MEETING OF THE PARLIAMENT

Wednesday 28 September 2005

Session 2

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Scottish Parliament

Wednesday 28 September 2005

[THE PRESIDING OFFICER *opened the meeting at 14:30*]

Time for Reflection

The Presiding Officer (Mr George Reid): Good afternoon. The first item of business today is time for reflection. Our time for reflection leader is the Rev Bobby Anderson, who is chair of the Network of International Development Organisations in Scotland.

The Rev Bobby Anderson (Network of International Development Organisations in Scotland): Scottish volunteers are an important part of our engagement with the developing world. Here is a story about one of them.

Graham McGeoch from Glasgow, who was working as a World Exchange volunteer in Zimbabwe, was on a bus journey from Harare to one of the rural areas in Zambezia. He had to change buses at a rural crossroads, seemingly in the middle of nowhere. Graham got off the bus, looked around and could see nothing much beyond a bus shelter, some houses and a lot of dusty ground. He had a long wait ahead—maybe five hours.

A boy who was wearing a Manchester United football strip appeared. To pass the time, Graham asked if the boy played football. He said that he did, so Graham suggested that the boy get a ball and they could have a bit of a game while he waited for the next bus. The boy said that he did not have a ball. After a bit more chat, the boy wandered off—he was obviously bored with the strange Scotsman—and began picking up the litter that was blowing around the bus depot. Graham was hugely impressed with the boy's sense of social responsibility and made a note in his diary to send him a bundle of footballs when he got back to Scotland.

A while later, the same boy came back with a few of his friends and a wonderful African football that was made out of the plastic bags that he had been collecting at the bus station. The bags had been tied together tightly and then heated over a brazier to form a solid ball for playing with. The boys took Graham off to their makeshift pitch nearby and they had a wonderful game. More kids joined in and eventually two full teams battled it out with their new Scottish player.

After the game, Graham walked back to the bus station accompanied by his new friends and found that his bus had come and gone and that the next

bus would be some time the next day. The kid whom Graham had met first, who was perhaps 14 years old, took him home to his family, and food was shared with the stranger—a young Scottish volunteer who was far from home. A bed was prepared and rural African hospitality was offered and received.

As the Scottish Parliament and the Scottish Executive engage more deeply with Africa—and with Malawi, in particular—I ask you not to forget Graham's story. Do not fill all your days with business meetings and conferences; make the shift from chronological time to people-oriented time and give yourselves the space and the time to miss some buses.

Waverley Railway (Scotland) Bill: Preliminary Stage

The Presiding Officer (Mr George Reid): The next item of business is a debate on motion S2M-3329, in the name of Tricia Marwick, on behalf of the Waverley Railway (Scotland) Bill Committee, that the Parliament agrees to the general principles of the Waverley Railway (Scotland) Bill and that the bill should proceed as a private bill.

14:34

Tricia Marwick (Mid Scotland and Fife) (SNP): Before I talk about some of the key aspects of the committee's report, it might be useful for me to set out some background to the bill. For me and the other members of the committee, today's debate has been a long time coming. It is more than 24 months since the bill was introduced by its promoter, Scottish Borders Council. It is only right that I thank my fellow committee members—Christine May, Gordon Jackson, Ted Brocklebank and Margaret Smith—who have shared the past two years with me. I thank the private bills unit and, in particular, the committee's clerk, Fergus Cochrane, who has given us great assistance and is a great credit to the Parliament.

The main purpose of the bill is to give the promoter statutory authority to construct a railway between Newcraighall and Tweedbank, with stations at Shawfair, Eskbank, Newtongrange, Gorebridge, Galashiels and Tweedbank. The passenger service railway will follow much of the former Waverley route, which was closed following the Beeching report.

The promoter considers the railway to be the best way of improving accessibility to and from Edinburgh, opening up new housing markets, retaining the population, providing an incentive for inward investment and increasing local spend and business opportunities.

I thank all those who engaged in the process and assisted in broadening our understanding of the scheme. We approached the task with an open mind and sought throughout to ensure balance, fair representation and participation.

I turn to the detail of the report's recommendations, starting with tourism, an industry that is particularly important to the Borders economy. The tourism sector has sought to diversify and invest in recent years and to attract more high-spending, short-break and niche-activity markets. However, evidence indicated that the area was not attracting a high enough share of tourists and visitors. The Scottish Borders Tourist Board feels that significant potential exists to improve the area's share of the Scottish and world

tourism markets. The railway could open up the Borders as part of Edinburgh's special and important role in the tourism market, as visitors to the capital would be able to travel more easily to the Borders. At present, 96 per cent of visitors to the area travel by car, while the number of overseas visitors is relatively small. The spin-offs for tourism-related businesses are obvious: new jobs could be created, and almost £2 million would be generated for the local economy.

Access and connectivity were common themes, as was the sense of isolation and exclusion felt in the Borders. Borders residents felt that there was an imbalance in opportunity. That, more than other issues, goes to the heart of the case for a railway as a way of tackling social exclusion. Midlothian and the Borders have faced the challenges of low-wage economies and the closure of traditional industries, whereas Edinburgh has enjoyed a stronger economic performance, with buoyant labour and housing markets. That success, however, has led to difficulties, not least in attracting skilled labour and in providing housing—particularly affordable housing—as there is a shortage of suitable development sites.

For the capital's economic performance to continue, the promoter argues the need for improved, clean, efficient transport links into the city. That would open up Midlothian and the Borders to meet Edinburgh's need for additional housing, as well as opening up the capital's job market to Midlothian and the Borders.

The promoter estimates that a railway would, over 30 years, generate £257 million, or, if one factors in new housing, almost £310 million across the three areas, although Midlothian and the Borders would account for 96 per cent of that. In addition, more than 500 new jobs could be created in Midlothian and the Borders.

An important point is that the railway could assist in removing the feeling of disconnection in the Borders. That is consistent with the Executive's objective under its transport spending priorities of promoting social inclusion by connecting remote and disadvantaged communities and by increasing access to the transport network.

However, if the railway is to open up communities and access to the transport network, we felt that it was essential that a Borders railway should have more than one stop in the Borders. Therefore, we have indicated support for a station at Stow. It is difficult to understand how it is that a Borders railway has only two stations at the start, or the end, of the line in the Borders, despite two thirds of the track being in the Borders.

The report also makes it clear that we do not support the termination of the railway at

Gorebridge, nor its phased introduction to Tweedbank. The bill is for a railway to the Borders, not to Midlothian only. If the plan was to have a railway only to Gorebridge, the promoter should have made that clear when introducing the bill.

Our report makes clear our concerns about the proposed housebuilding programme: those houses must be built. It is forecast that by 2030, 27,500 new houses will have to be built in Midlothian to cope with the anticipated population expansion along the A7 corridor from Edinburgh. In the immediate future, local authorities are aiming at the completion of more than 10,000 houses by 2011. Of concern to the committee were the low house completion rates in both areas over recent years. That concern was echoed by Homes for Scotland, whose member companies build 94 per cent of new houses in Scotland each year. It was clear that the process was too slow and that the statutory development plan process was failing. As part of the Executive's watching brief, perhaps the new Minister for Transport and Telecommunications could explain what specific action the Executive has since taken to assist in delivering those houses. It would also be helpful if he could indicate what discussions he has had with ministerial colleagues on the matter. We examined both councils' plans to increase house completion rates. Although both council leaders offered a degree of reassurance, they are under no illusion as to what is required to meet the targets.

A further worry was the installation of water and drainage services. Again, on such an important issue, our impression was that the level of active and constructive communication between key stakeholders left a lot to be desired. It appears that agreements between developers and Scottish Water are now being reached to allow services to be installed, but are enough being reached to meet targets?

Both council leaders appear confident that difficulties can be resolved through partnership working, and Scottish Water indicated that it has a good relationship with both councils. However, in our view, that is not enough. There remains a lack of commitment, or a guarantee, from Scottish Water to include those housing programmes in its business plan to 2010. The developments may be given priority for investment consideration but, until March 2006, when Scottish Water finalises its investment programme to 2010, there will be uncertainty. I am sure that both authorities are doing all that they can to ensure the inclusion of their housing programmes in Scottish Water's development plans, but we cannot safely sign off on that until the commitments are given, which is why we must return to the issue before the final stage.

The importance of the issue cannot be overestimated. Success in meeting the housing targets is fundamental to the railway's success. The promoter might argue that meeting the 2011 completion target five years later in 2016 would have minimal impact on the net present value, but we do not agree. Not meeting the targets by 2011 will have a detrimental effect on the project's viability. Put simply, the houses will bring people, who will become passengers.

Let me turn to project costs. At 2005-06 prices, the project's capital cost is estimated at £151 million, of which the Executive is providing nearly £124 million, or around 85 per cent. I appreciate that costs are of concern not just to the committee and to members of this Parliament, but to the council tax payers of Midlothian and the Borders. Members will have noted with disquiet the recent increase in costs associated with the Stirling-Alloa-Kincardine railway, for which the Executive is providing the bulk of the funding. With that in mind, I again emphasise the Executive's responsibility properly to monitor and evaluate the Waverley project to ensure that it comes in on time and on budget.

While the attachment by the Executive of four funding conditions is to be supported, there must be more assurances on whether, given past experience and the performance of the promoter to date, project costs are on target even this early on. We appreciated the direct yes from the previous Minister for Transport on 22 June, in response to Christine May's question on whether the estimated cost was still £151 million. The minister indicated that the Executive was seeking to learn lessons from previous capital projects. Perhaps the present Minister for Transport and Communications could outline what those lessons are and how they will be taken into account with Waverley. The previous minister stated that a clear risk management strategy must be developed and delivered. It would be useful if the present minister could set out what progress has been made on that over the past six months.

Before I move to my closing remarks I will say a few words about patronage forecasts. I repeat our concerns that the business case assumptions are just that—assumptions and aspirations, rather than conclusions and realities. While the Executive believes that the business case stacks up in terms of overall value for money, we were not convinced—and neither was the Strategic Rail Authority—by the conclusion that the railway will operate free from subsidy and that it will make an operating profit within six years of opening. As the report makes clear, the promoter and the Executive must update us before the conclusion of consideration stage on whether they both still support the business case assumptions. It will be for the chamber to reflect on that at final stage.

Our report recommends that the bill should proceed as a private bill and that the general principles be agreed to. However, as paragraph 312 makes clear, we are critical of the performance so far of the promoter and its consultants on the project, and we call on the Executive to reflect on that and to take whatever action is needed. The report sets out serious concerns about the standard of communication on key issues and highlights delays to the bill's progress, much to the frustration and disappointment of the committee, the objectors and others.

Even if the motion is agreed to today, the promoter and the Executive need to carry out a lot of work on many issues before the Parliament can make a final decision on the bill. The Executive has based its decision to fund the railway on its support for the business case and the housebuilding projections. Although it has indicated that it is fully satisfied that the required water and drainage infrastructure will be in place, we must have firmer guarantees. Despite the Executive's belief in the accuracy of the revenue yield, the railway's operating costs and subsidies require further consideration. Although the Executive believes that the patronage forecasts are appropriate, agreed and accurate, both parties must maximise passenger uptake—

Des McNulty (Clydebank and Milngavie) (Lab): I have been carefully listening to the concerns and problems that have been highlighted, particularly with regard to cost management. Will the member tell us a bit more about the committee's recommendation on the decision that the Parliament should make? She has made it clear that she does not believe that we can make a final decision at this time on whether the project goes ahead. Exactly what decision does she want us to make?

Tricia Marwick: The committee recommends that the bill proceed beyond the preliminary stage as a private bill and that its general principles be agreed to. There will be opportunities to make a final decision at consideration stage and at final stage, when the bill will come back to Parliament. I hope that, during that time, the Parliament will reflect on some of the committee's concerns and that the promoter and the Executive will have answers to our questions.

The Executive has indicated that it is happy to support the promoter in seeking other sources of funding. That approach must be encouraged. Work must also continue on integrating the railway and local bus services and maximising the railway's role in the tourism sector.

The report is not so much a yes to the railway as a yes, but. I will leave it to Gordon Jackson to set out in his closing speech how we see things

moving forward should the bill proceed to consideration stage. In the meantime, on behalf of the committee, I move,

That the Parliament agrees to the general principles of the Waverley Railway (Scotland) Bill and that the Bill should proceed as a Private Bill.

14:47

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): I begin by praising the hard work of the MSPs, witnesses, clerks and everyone else who, for more than two years, have considered the Waverley Railway (Scotland) Bill. I welcome the huge effort that plainly has been made. I understand that the evidence of the proceedings extends to nine volumes; indeed, it is so extensive that it is too expensive to publish.

The SNP has always supported the reopening of a Borders railway. Beeching's act of transport vandalism in removing the Waverley line is not ancient history—it happened in the 1960s. Now the Scottish Parliament has the chance to put that right.

The SNP carefully notes the criticisms in the committee's report, many of which the convener has outlined. We have lodged a reasoned amendment to the motion because I believe that the range and extent of the criticisms in the report are such that we require more than a simple noting motion. Those of us who believe that the project should go ahead must think about the best way of progressing it. The question is not so much about who should be in charge of the project—although that is important—but about the best way of turning it into a reality for Scotland and, in particular, for the people of the Borders.

I make it absolutely clear that I recognise the hard work that has been put in by the promoter, Scottish Borders Council, and the other councils and partners involved in the project. I am not criticising any individual in any way. The council's spokesman acknowledged that the council had no previous experience of such a project. Perhaps, in that respect, comparisons can be drawn with the Scottish Parliament building. Indeed, if we extend those comparisons, we reach the conclusion that we should take every opportunity, whether mid-project or before a project has got under way, to consider the best way of delivering it.

On the current private bills procedure, the First Minister remarked in his opening speech in this parliamentary year:

"Too many critical transport projects that we have planned are taking too long to implement."—[*Official Report*, 6 September 2005; c 18782.]

The fact that it has taken more than two years to complete the preliminary stage of the bill bears out

that conclusion, to which I hope we can all subscribe.

The question for the Executive to consider is whether the seriousness and robust nature of the criticism in the committee's report merits a rethink about how best to proceed. I do not pretend to be an expert on procurement or to be able to say who should be in charge of the procurement process. It might be the Scottish Executive, the national transport agency or one of those bodies that puts a professional company in charge of project management—indeed there might be many other solutions.

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): Given that the member is the official spokesman for the official Opposition, has he discussed his serious concerns with the chief executive of Scottish Borders Council, which is the promoter? If so, what did the chief executive tell him it was doing about procurement?

Fergus Ewing: I have discussed the matter with colleagues and have read the committee report, which we are debating. I look forward to having discussions with the promoter as we proceed.

My point extends to the other projects with which we are concerned. Private bills on the Glasgow and Edinburgh airport rail link proposals are, apparently, to come before the Parliament, and ad-hoc committees are to consider them. I question whether it is conceivable that those two projects could be delivered on time if they were to suffer a two-year period for completion of the preliminary stage. I make that point so that it is on the record.

Approximately three weeks ago, Ms Janette Anderson, the chief executive of First Engineering Ltd, made a speech in the chamber that I believe merits careful consideration by all. She pointed out that the £3 billion transport budget does not appear to have been spent thus far on new investment in the railway. She said:

"Many of the schemes require parliamentary approval. My experience tells me that the process is unbelievably slow and cumbersome and that the schemes will never get off the ground in anything like the timescales in which they need to. The process needs a serious revamp—and it needs it right now."

She also pointed out that, if the Scottish Executive does not get its act together, there is a danger that the supply chain will be "gobbled up in London" to meet the requirements of the London Olympics infrastructure projects, costed variously at between £4 billion and £17 billion, which was Barbara Cassani's estimate.

When someone of Janette Anderson's eminence issues a coherent, thought-out and detailed warning to ministers, it should be taken very seriously indeed, given that it comes from one of

Scotland's leading businesswomen. We know that the First Minister's response was to call that lady an idiot. I believe that he made remarks about me recently, calling me the dourest of the dour brigade. I woke up yesterday morning, looked in the mirror and asked, "Mirror, mirror on the wall, who is the dourest of them all?" I do not mind if the First Minister decides to put me in the same club as Janette Anderson; I am quite happy to be in a club of people who suffer personal attacks from him. That does not really worry me. What concerns me is much more serious. Who is in charge of delivering these projects in Scotland? Is there any chance that they will be delivered on time? Does the minister agree with the SNP that this is the time to decide how best to deliver them?

In the spirit of constructive co-operation, which, I hope, always informs my contributions in the chamber, I conclude by making a pledge to the Minister for Transport and Telecommunications: if he wishes to fast track this year—this month—a transport bill that will mean that the Parliament does not have to do work that it should not be doing and which it is not really qualified to do, he will have the SNP's support. The aim of such a procedure would be delivery of the Borders railway line and more effective and efficient delivery of all appropriate and successful transport projects for the greater good of Scotland.

I move amendment S2M-3329.1, to insert at end:

"but in doing so expresses concern over the management of the project and therefore considers that the Scottish Executive should discuss with the promoter of the Bill whether it is able to continue to be the promoter."

14:54

The Minister for Transport and Telecommunications (Tavish Scott): I will do my best to bring this debate back to the Waverley line and the committee's preliminary stage report. I thought that Mr Ewing was a bit wide of the mark when he started discussing poetry and other matters. However, that is his wont.

I thank Tricia Marwick and her committee for their work on behalf of Parliament. The committee has considered a huge amount of oral evidence during the preliminary stage of the bill, and an even larger amount of written representations. As Fergus Ewing said, it has been ably assisted by the clerks, and I would also like to express my appreciation of their work. I also hold that many of the improvements that have been made to the promoter's business plan have been made because of the solid work of the committee. I recognise the serious questions that Tricia Marwick raised and I will do my best, either now or later in the debate, to respond to them.

I cannot accept the Scottish National Party's delaying amendment. Time and again, Mr Ewing argued for moving matters forward, yet his amendment would delay the process. I am thoroughly disappointed that Christine Grahame, as a member for the South of Scotland, would support her party's spokesman's proposal to delay the project. That is not an option that the promoter will countenance, and as the minister with responsibility for transport, I will give the promoter my full support in taking the project forward.

Fergus Ewing: Will the member give way?

Tavish Scott: We have listened to Mr Ewing's arguments already and he has heard my view of them. I want to make progress.

We have an important choice to make today for the future of the Borders and Midlothian. I applaud and encourage the efforts of those seeking to bring new jobs to those areas to replace the jobs that were lost in mining, textiles and electronics. Those efforts are vital, but the future economic prosperity of Midlothian and the Borders depends on better links with the growing Edinburgh economy. Today, we can choose to strengthen those links or we can choose to increase the isolation that, as Tricia Marwick said, many clearly expressed to the committee.

The committee heard eloquent evidence of the feeling of many people in the Borders that they are cut off from the rest of Scotland and from the opportunities for jobs, education and leisure in Edinburgh. Too few people are accessing those opportunities due to the difficulty of travelling up the A7 by car or by bus. The railway will bring faster journeys, bypassing the congestion and parking problems that Edinburgh faces. The railway will provide a sustainable alternative to car travel and will make the capital more accessible.

The confidence of the Borders suffered a series of economic blows in the late 1990s. Those blows pushed an already fragile economy closer to the edge. The Borders working party, involving many agencies, worked to invest in the Borders and instil some much needed confidence and buzz in the local economy. That work has continued.

However, long-term solutions were needed and a step change was required to bring back belief. The return of the Waverley line has fired people's imaginations. The railway means more than just transport opportunities; it will be a concrete commitment of this Parliament to the Borders and an iron-clad demonstration that we are here for all of Scotland.

Sentiment is running high in the Borders, as the committee has heard. Sentiment alone, though, is not enough. The Waverley railway partnership has presented evidence of the jobs and new opportunities for residents of the Borders that the

railway can bring, and of the boost that it will bring to Borders College and the Heriot Watt University campus in Galashiels. The business case for the scheme is positive and the Executive is backing that up with its commitment to the scheme. That commitment is £115 million, at 2002 prices. It amounts to 88 per cent of the construction costs, which compares to the devolved Government's contribution of 72 per cent to the Larkhall to Milngavie line and the 89 per cent contribution to the construction and reopening of the Stirling-Alloa-Kincardine railway.

For Midlothian—another of Scotland's local authority areas that is currently without railway services—the challenges are different. Midlothian's economy is changing as jobs in traditional industries are replaced with those in new technology; it also has closer links to the Edinburgh economy. However, those changes have brought their own pressures, and traffic from Midlothian to Edinburgh adds to congestion in the capital. We need to provide new and better public transport links to support existing commuters and the large amount of housing growth that is planned and predicted in Midlothian.

The Waverley line must be seen as part of the Executive's overall strategy for improving transport links to Midlothian and the Borders. In March, we announced bus route development funding of £1.18 million to strengthen services from Jedburgh, Hawick and Galashiels to Edinburgh. In June, we let the contract for the final design of the A68 Dalkeith bypass, which will reduce congestion and improve air quality in the town.

We are investing in rail, road and bus to provide stronger links between the Borders, Midlothian and Edinburgh. Our investment does not stop there: with our plans for the Edinburgh airport rail link, we will be transforming the Borders from an area that can feel isolated even from other parts of Scotland into a place that is connected globally, with the benefits that that brings to business.

The Borders rail link is a strong scheme. I am pleased that the committee subjected the scheme to a robust analysis before recommending that the Parliament agree to the general principles of the bill. The analysis highlighted the strengths of the scheme, which is to provide sustainable transport for people in Midlothian and the Borders who wish to travel to Edinburgh and spread the reach of Edinburgh's economic growth.

Mr John Home Robertson (East Lothian) (Lab): I agree with everything that the minister said about the potential value of the project for Midlothian. Perhaps I should declare an interest as a Borders council tax payer. Is he aware that the Borders section of the railway is of very limited interest to the bulk of the population in the Borders? Even those who live near enough to the

line may not be terribly attracted by the idea of a journey time of one hour to Edinburgh. In those circumstances, will he be careful to control the expenditure of taxpayers' money—both council tax payers' money and Scottish taxpayers' money—on what could turn out to be a white elephant?

Tavish Scott: I believe that the Borders economy in general will grow because of investment in the Waverley line. Tourism, which Tricia Marwick mentioned earlier, will grow as well. We are talking not just about people coming to Edinburgh but about people visiting the Borders. I am sure that other members who know more about the area than I do will raise those issues.

I can give John Home Robertson the assurance that he seeks on the financial position. I accept the arguments and the concerns that members across the Parliament have expressed on the need for the financial position to be robust. I assure him that I take such matters very seriously indeed.

The committee identified a number of areas of concern with regard to the promotion of the scheme. I am pleased that the Waverley railway partnership takes seriously those concerns and that it has taken action to tackle the issues that the committee raised. The action plan that the partnership submitted to the Parliament includes positive steps to improve engagement with, for example, Scottish Water and housebuilders in order to deliver the housing growth that is required to make the railway economically viable.

It is important to remember that the partnership has taken on this enormous project—

Tricia Marwick: Will the minister give way?

Tavish Scott: I will finish the point, after which I will give way.

The partnership has taken on this enormous project because it is determined to deliver for the people of the Borders and Midlothian. However, it is not surprising that two of Scotland's smaller local authorities—even with the support of the City of Edinburgh Council—should find it difficult to navigate their way through the complexities of the rail industry. As we move closer to delivery, the partnership is moving to strengthen its team. The promoter will, of course, promote the bill. However, after my discussions with it, it will sensibly ensure that an experienced project manager builds the railway. The promoter hopes to announce how it will do that next week.

Tricia Marwick: Will the minister confirm that, when his predecessor announced funding of £115 million, he attached four criteria to that funding, two of which are that

“the assumptions that underpin the business case (patronage forecasts, housing growth assumptions, project cost containment, risk management) must hold”,

and that

“a clear, comprehensive risk management strategy must be developed and delivered”.

Does the minister also believe in those four funding criteria? Will he monitor carefully their delivery?

Tavish Scott: I give Tricia Marwick and all members of the Parliament that commitment. The four criteria that Nicol Stephen laid out in announcing the Government's commitment to the project are at the core of our analysis of the case. It would not be appropriate for me to back off from them in any way; I am certainly not doing that in today's debate.

The people of Midlothian and the Borders look to the Scottish Parliament to invest in their communities; they look to us to make the devolution difference real. The railway will create a vital link between the economic growth of Edinburgh and the fragile economy of the Borders; provide a sustainable alternative to car travel along the A7 corridor; and expand the labour force for Edinburgh businesses, thereby fuelling a cycle of continued economic strength that will benefit all of Scotland.

On that basis, I urge the Parliament to support the general principles of the Waverley Railway (Scotland) Bill.

15:04

Mr Ted Brocklebank (Mid Scotland and Fife) (Con): I echo the thanks that Tricia Marwick expressed to the clerks and others who helped the committee through its long deliberations on the bill.

No one should be in any doubt that Conservative members support the aspiration of thousands of people in the Borders and Midlothian to have a rail link restored. Conservatives believe that it is important to improve our road and rail infrastructure. Too often, the Borders has been at the bottom of the pecking order for Executive funding. Over the years, the area has experienced considerable job losses in textiles and other sectors. To support diversification and especially to improve tourism, a good case is made for a rail link.

The case for the link from Waverley to Gorebridge is perhaps even more powerful—certainly on economic grounds—for existing commuters as Edinburgh rapidly approaches gridlock. The link would attract people to move out of the crowded city centre and to make their homes in Midlothian.

It is less clear whether the proposed Waverley project is the right link, whether its emphasis is sufficiently geared towards the Borders, given that only two stops—at Galashiels and Tweedbank—are proposed there, and whether the project with

its accepted limitations will revitalise the Borders. If nagging doubts remain about the last point, will the Waverley line simply end up as another of the expensive white elephants that John Home Robertson mentioned?

As the committee took evidence from experts from all quarters, doubts were expressed over and over again about the economic case. Questions were asked, such as whether the proposed hour-long journey from Gala to Waverley is likely to attract the volume of passengers necessary to make the project viable, given that it is possible to drive to the capital in under an hour.

Christine Grahame (South of Scotland) (SNP): What is the position of the member's party on twinning the track at Midlothian, so that an express service that travelled on the hour and half-hour could pass straight through the Midlothian stations and stop at the other stations? That is possible or could at least be built in as a prospect.

Mr Brocklebank: I will talk about that point when I deal with other aspects of the proposal.

If the journey time cannot be cut, how confident can the promoter be about attracting the housing—10,000 new homes within the Waverley railway corridor—that is an integral part of the funding package and the overall economic case? We heard evidence of doubts from various quarters about whether it would be physically possible to build those houses in the projected timeframe.

When we questioned expert witnesses about the journey time, which will be longer than that for the old pre-Beeching line, we were told that electrifying the line would be too expensive, as would creating two lines, which might allow faster, direct trains at peak times. Some witnesses claimed—it seemed to be justification for the weakness of the financial case—that railways do not make money wherever they are. That is as may be, but is it right for the Executive to press ahead with a project in the clear knowledge that the criteria of the financial case are unlikely to be met?

There are many good reasons to restore the Borders rail link, but we must be absolutely sure of the basis on which the Executive proposes to restore it. Neither the promoter nor taxpayers will forgive the Lab-Lib coalition if it takes us into the scheme on a false prospectus. That is all the more important in view of the spiralling costs of some of the Executive's existing projects. In 2003, it was estimated that the new Stirling-Alloa-Kincardine link would cost £37 million. That figure has now risen to £60 million and could well double.

Jeremy Purvis: Will the member give way?

Mr Brocklebank: I will proceed a little.

The Edinburgh tram was estimated to cost £274 million, but only this week we have heard that the new figure is likely to be a staggering £714 million. The Waverley line is estimated to cost £151 million at 2005 prices—the Executive is to pick up £129 million of that cost—but does anybody seriously believe that the new line will confound the sceptics and be on budget? The ultimate cost can be balanced only by the outcomes. Will the new line provide the social inclusion benefits for the Borders, the quantity of housing, the improved environment and the reduced congestion that have been promised? Like R L Stevenson, the Executive's motto seems to be:

"To travel hopefully is a better thing than to arrive".

Mike Rumbles (West Aberdeenshire and Kincardine) (LD): I have listened to Ted Brocklebank's speech and I am more confused now than when he started. Is the Conservative party in favour of the bill? I am interested to find out.

Mr Brocklebank: We are in favour of the bill, but we are in favour of a correctly costed estimate that shows that the railway will produce what the Executive claims that it will produce. Is it reasonable, for example, that there should be only two stops in the Borders—at Galashiels and Tweedbank—and that those stops should be only a couple of miles apart, when the township of Stow, which is midway between Galashiels and Gorebridge, is not included in the current plan? In our view, there is a determination to make the facts fit and the figures add up, no matter what.

What do the people of the Borders and Midlothian make of the proposals? Broadly speaking, we found in the evidence sessions that there were three distinct groups. There were those who thought that the proposals represented an idea whose time had come, whatever the cost; those who thought that the scheme should be abandoned on economic or environmental grounds; and those who could see an economic case for a line to Gorebridge, but thought that it should go no further until more evidence had been received.

We have heard the minister's assurances, but is he totally happy with the economic case that has been made for the line? Is the project's financial ceiling really £151 million, as has been promised? What percentage of any shortfall will Midlothian Council or Scottish Borders Council eventually have to pick up? Alternatively, does the Executive believe that there are overriding factors that make it necessary for the Executive to fund the eventual cost of the project wherever the line goes? The minister has a duty to take us into his complete confidence on those matters.

To satisfy Mike Rumbles and others who have asked, I say that we will support the motion, for the

reasons that I outlined at the beginning of my speech.

15:11

Christine May (Central Fife) (Lab): I reiterate the thanks of my committee colleagues to all those who have supported us and given evidence.

For the avoidance of doubt, I repeat what I said in my minority report on the preliminary discussions on the Waverley Railway (Scotland) Bill. I support the project and recognise that it is likely to do what it says on the tin by bringing the benefits that are envisaged and planned. However, I have concerns about the costs that are involved and the length of time over which those costs are likely to be recovered and over which the line will be viable.

The project has been planned for a long time. As I sat for an hour and 20 minutes today at North Queensferry in a passenger train that had stopped dead behind a broken-down freight train, I thought that it was just as well that only a passenger line has been proposed, so that passengers on that line will not suffer the same fate. Indeed, the line will not carry any freight; it will not take one lorry off any road in the Borders.

Transport planning is not an exact science. For every good case, there is another case that ticks different boxes and looks just as good. Yesterday, the Enterprise and Culture Committee was discussing transport as part of our business growth inquiry. We heard that, ultimately, decisions are made by politicians; we heard that decisions are political and are based on sets of competing priorities.

The social case for the project is stronger than the economic case, but the scheme has been presented to us as being economically viable. I want to consider its economic viability and whether it is essential for Midlothian and the Borders. I contend that the line makes more economic sense for Midlothian, for which the case is incontrovertible.

Transport projects are not a series of sequential events in which one project is done, the next project is started and then another project is started. Of necessity, projects go ahead in different parts of the country at the same time. They are subject to similar risks from cost overruns that can arise from changing safety requirements and other requirements, legal issues and engineering difficulties. Nonetheless, we have a finite budget.

That brings me to my concerns, which I am grateful to the committee for allowing me to raise in my minority report. How will the minister ensure that there are no cost overruns? What assurances

can he give that any cost overruns will be managed within the total cost allocation for the project and that projects such as the Airdrie to Bathgate link and the Stirling-Alloa-Kincardine line, which have already been agreed to—as well as other projects—will not be delayed or rephased? I think that that is the correct word. Does he appreciate the fears that I and others have that there might be further delays to projects that are entirely legitimate for the same social and economic reasons but have not yet passed the starting gate? I am thinking of the reopening of the rail link to Leven in my constituency.

Any additional funding that is available or likely to be available will be limited. We must recognise that funding can come only from one of three places—from the Executive, from council tax payers in the affected area or from business. The minister might wish to consider the promoter's reluctance, as it appears to me, at this stage to lever the additional land value—the prices that the developers will get—into the project. If the promoter did that, it might enable costs to be held down.

As I said in my report, the case for a phased introduction—first to Gorebridge, where the economic case is overwhelming and where most of the benefits are concentrated, and subsequently to Tweedbank—should have been considered, analysed and presented. It is a matter of considerable regret to me that it was not. If it had been, the Parliament would have had a coherent and rationally based project to agree to.

We have heard much about capital costs but little about revenue or the level of subsidy that may be required above the norm for public transport projects and who will pay that subsidy. I would like some assurances from the minister on what the promoter has told him since we stopped discussing the project in committee about how the line will be funded. If the Parliament agrees to the project—I suspect that it will, as the social case is made—I want it to do so with its eyes wide open and with the rose-tinted steam from the engine firmly wiped away.

15:16

Alasdair Morgan (South of Scotland) (SNP): I speak in support of the railway—more enthusiastically, I hope, than some of the members who have spoken in support of it. I urge members not to be too despondent over the timescales. When the railways were built originally, it sometimes took 15 to 20 years from the idea being mooted to its gaining parliamentary approval. I hope that we can improve on that timescale for the second Waverley line, but we should not be too worried about the fact that we have spent so long on it, regrettable though that is.

I will comment briefly on the queries over the financial case that Christine May raised just now and in her minority report. It is difficult to make any predictions in this area. The only certainty about a projection of what will happen in 2020 or 2030 is that that projection will be totally wrong. We must adopt a much wider perspective. Even the current railway network—or lack of it, in places such as the Borders—is the result of projections that were wrong. Dr Beeching, who has been mentioned, was wrong, as were the people who closed the Bathgate to Edinburgh line well before Dr Beeching was appointed to his post. That line is now a huge success in terms of the number of passengers that it carries, although I do not know whether it makes any money. I suspect that it loses money, but I do not think that anyone would now want to close the line.

I share the concern that rail and tram projects are subject to a cost and revenue analysis to which other projects are not subjected. Nobody asks for the same kind of information and positive balance sheet for road projects. The question mark over the Waverley project is that it does not—at least, beyond reasonable doubt—meet a certain standard of proof. My worry arises from the fact that the same standard of proof is not applied to other transport projects that will be competing for the same cash.

John Home Robertson said that the railway would not serve other parts of the Borders or his constituency. I did not notice him making that point every time he asked a question about dualling the A1. That project was of no interest to me, but I support such projects because they are of benefit to the whole of Scotland, just as the Waverley line will be of benefit to the whole of Scotland. If the project were to fail, that would be a tragedy not just for the area that the line would serve, but for us as we try to face up to our future.

An article in *Le Figaro* the other day suggested that several eras in human existence are coming to an end, one of which is the era of petrol. The author's conclusion was that we might all need to rely on communications technology much more—and on transport a lot less—for our interaction with one another. He was not even a green—or perhaps I should say “vert”.

To say that we should not travel is going a bit far, although we might hear that from Chris Ballance a bit later. However, we need to travel much more efficiently and sustainably. That means that we have to make some sensible decisions now. On the one hand, we can just squander public money willy-nilly. On the other hand, we should not let the bean counters stifle a project that seems eminently sensible and that will bring long-term economic and environmental benefits to the whole of Scotland.

The committee's report highlights the issues—the proximity of the areas that will be served to the metropolis of Edinburgh, the potential for journeys that are currently made by car to be made by rail and the potential to revitalise the economy in the Borders and Midlothian—that make the proposal one of the best fits for building a new railway in Scotland. To anyone who seeks to concentrate on the numbers, I say that, if we are not going to build this railway in Scotland, we will never build any railway in Scotland. That is why I support the motion.

15:21

Jeremy Purvis (Tweeddale, Ettrick and Lauderdale) (LD): It is always a pleasure to follow the reasoned and mostly constructive comments of Mr Morgan. As the MSP for the majority of the railway route, I speak with great pride today, but, before I go any further, I will pay tribute to the members of the committee. I am on the Edinburgh Tram (Line Two) Bill Committee, so it is with admiration and a tinge of sympathy that I congratulate my colleagues on the Waverley Railway (Scotland) Bill Committee. I know that my colleague Rhona Brankin, who is not able to speak this afternoon, has contributed passionately to the overall debate, as she did to the campaign.

As other members have said, there has been a long process of campaigning, petitioning, organising meetings and undertaking studies. Most of that work was done by the many people who are in the gallery today from the Campaign for Borders Rail, as well as by the promoter. Since I was elected two years ago, I have been very happy to help out. There have been more than 30 meetings with the promoter and many meetings with individuals and campaign groups, as well as four meetings with both the promoter and the ministers responsible for transport, to whose iron-clad commitment I pay tribute.

Ms Grahame and Mr Brownlee are disappointed that I am in the chamber today. I understand that they have been spreading rumours that I would not be present. I have returned early from an overseas delegation to India—if that is not too pompous to say—and I flew overnight via Heathrow to ensure that I would be here this afternoon. I am delighted to be back in a country that is investing in its railways, which is in stark contrast to what is happening in the place that I have just come from—London.

Many issues have been raised today, but the underlying one is whether the case for the railway is robust. I know that it is—the Executive has accepted that it is and the committee has found that it is.

One hundred and fifty-six years ago, the North British Railway Company opened a line from

Edinburgh to Hawick via Gala. The Waverley route, as it became known when it was extended to Carlisle, was closed in 1969. Since then, my constituents have contributed to the public subsidy of our rail services in Scotland without having a rail service into the heart of their community. The Borders is the largest landmass in the United Kingdom that is not connected by rail.

Scotland has 340 passenger stations. Glasgow has 59 and the Highlands 58. That situation has evolved—we accept that there is the same need to be connected in a rural area as there is in an urban area. Of course we would be surprised if Glasgow MSPs made moves to close Highland stations. As I said, Scotland has 340 stations. Fife, which is represented by the author of the minority report, has 19 stations, whereas the Borders and Midlothian have none—there are no rail services into the heart of the Borders through Midlothian.

I will not spend much time on the minority report except to say that, unfortunately, it displays a deep misunderstanding of the need to ensure that all parts of Scotland are connected through integrated regional transport networks that serve the interests of all local authority areas. Of course we need proper scrutiny of public investment, but to argue that a staged process would reduce land price inflation is bizarre.

Christine May: For lack of time, I did not go into why our proposal would be a more viable route, but will the member accept that precedents exist? We have experience of phased projects in Fife, which—along with my colleagues—I represent.

Jeremy Purvis: I certainly do not agree that a staged process is the right recommendation for the Waverley project. We have the right scheme at the right time and we need to see it delivered.

The committee agreed that the railway will be a stimulus for the local economy. The line will not only provide the Borders with rapid communications with Edinburgh, the rest of Scotland and the rest of the world, but benefit businesses in Edinburgh and the Lothians by providing access for their workforces. In addition—this is an important issue for me—it will provide opportunities for our young people.

I want today's debate to be the start of the regeneration of the area that I represent. That would be absolutely consistent with the aim of having a smart, successful Scotland and the priority of

“Developing and promoting regional identity”.

With the proposed Edinburgh airport rail link, the line will provide a direct connection between Tweedbank and Edinburgh airport, which provides connections around the world. Given a journey time of around an hour, that will be the modern-

day equivalent of the ability that people had at the beginning of last century when they could buy a ticket from Riccarton in the Borders to Edinburgh, London or other European destinations. The line will provide us with a better option for the future. It will benefit the growth of existing companies such as Lochcarron of Scotland and ProStrakan, but it will also help to diversify the types of jobs and businesses that exist in the area.

The committee considered the issue of housebuilding. I am pleased that Homes for Scotland has clarified its original evidence to the committee. I am also satisfied that the water infrastructure has sufficient capacity to ensure that the current local plan is not put at risk. However, I confess that I listened to that part of the debate with some surprise, given that the central Borders, as the home of the textiles industry, has considerable capacity available.

Much has been said in the local media, and by Mr Ewing, about whether the promoter has the capacity to continue. The promoter has been tasked with taking forward a capital project that will account for almost three quarters of the local authority's overall budget. However, there has never been any prospect, intention or desire for the promoter itself to procure and build the project. As the minister outlined, the detailed process is now under way. Indeed, the discussions that the promoter and I had with the minister two weeks ago on that very issue focused on how the project would be delivered. All that the SNP seems to want to do is to delay the project even more. The effect of the SNP amendment would be to grind the project to a halt—

Fergus Ewing: Will the member give way?

Jeremy Purvis: If the member had remained in the chamber for some of the other speeches, I might have been more sympathetic.

I am disappointed that, on this historic day, some people have chosen to continue their vainglorious self-publicising rather than to back the Borders.

Fergus Ewing *rose—*

Jeremy Purvis: I asked the shadow transport minister whether he has ever discussed the Borders railway with the promoter and with the chief executive of the local authority, which one might have expected of a shadow minister in the official Opposition, but he has not done that. He has had no official contact.

Fergus Ewing: Will the member give way?

Jeremy Purvis: No, I will not.

Fergus Ewing *rose—*

The Deputy Presiding Officer (Trish Godman): Mr Ewing, sit down.

Jeremy Purvis: Mr Brocklebank spent five minutes criticising the proposed scheme. He said that we need a different scheme because the proposed scheme has not been properly prepared, but he did not tell us how his scheme would be put together. He went round and round in so many circles that Jim Mather, with his virtuous circle, would be proud.

The Deputy Presiding Officer: Mr Purvis, you must finish now.

Jeremy Purvis: One factor that contributed to the decline of the Borders was the decline of the textile industry. The line was needed to bring coal from Newtongrange to the mills, but when that need no longer existed, the line, too, declined. Today, the engine of our local economy must be our people. They are young and skilled, but they must be able to move freely via connections that are not just by road but by modern, convenient and sustainable public transport. To help to stem out-migration and to stimulate a more diverse economy, we must connect the Borders with Edinburgh's service sector, the airport and beyond. I hope that other members will share my vision and allow my constituents the right to realise theirs.

15:29

Derek Brownlee (South of Scotland) (Con): All members, including the Minister for Transport and Telecommunications, will be well aware of my interest not just in the Waverley railway project, but in the broader issue of transport in the Borders.

For an area that is so close to Edinburgh, the Borders does not yet have the levels of prosperity or opportunity that we might expect. For generations now, the economy in the Borders has been too dependent on single industries, whether textiles or electronics, and wages have remained too low. I have witnessed many of my own generation leave the area to study and to find work. Some, like me, may return, but many—too many—do not.

Improving transport links to the Borders is absolutely vital if we are to be able to turn the situation around. We must enable the whole population to tap into the growing prosperity of Edinburgh in a way that simply has not been possible so far. We all want the young to stay in the Borders, to live there and to work there, but we should be realistic. For some, that will be possible. For others, working in and around Edinburgh will be a choice or perhaps a necessity. The bill at least gives them an option of remaining in the Borders to live.

The bill is part of the answer to transport problems in the Borders, but I emphasise that it is

only a part. In a rural area, roads will always be crucial. For many people in the Borders, the Waverley line will not be of direct benefit and it would be wrong to pretend that there is universal support in the Borders for the project—there is not. However, I believe that the majority of people are in favour of it, which we should bear carefully in mind.

The objections to the project, as members of the committee know, fall into a number of categories, but the two major objections centre round the cost of the project and the impact that it will have on the communities that the railway would serve. There is a great deal of scepticism about whether the projected costs are accurate. Major infrastructure projects, as many members have said, have a poor track record for remaining on budget. Careful cost control is not just important to the project; it should be absolutely central to it.

Understandably, many people are still concerned that the costs of the project might spiral out of control. That fear is still more understandable if one realises that council tax payers in the Borders may well be left to pick up the tab if that happens. I know that the Scottish Executive budget is not limitless, but it is significantly bigger than that of Scottish Borders Council and council tax payers in the Borders are already being asked to make a significant contribution to the building of the railway and the associated infrastructure. Perhaps the minister could clarify today just how much the Executive expects the project to cost. If he does not expect any cost overruns, the Executive could no doubt underwrite the project with confidence. If he expects cost overruns, I think that we have a right to know.

Jeremy Purvis: What about Conservative councillors in the Borders?

Derek Brownlee: Some members may laugh, but I think that I have raised a serious issue.

The second thread of objections centres around the housing projections, which play a central part in the business case. I understand why many people fear that the character of the Borders will change if there is a significant influx of people, but change is coming whether we like it or not. If the Borders railway is not built, there will still be new housing in the Borders. If we look at Peeblesshire, we see that it is not just the railway that drives new housing. The Borders is famous for the strength of its community spirit and for the strength of character of its towns; if any area in Scotland is capable of withstanding an influx of people, it is undoubtedly the Borders. I understand why some people in the Borders do not want the project to proceed. I do not dismiss their arguments out of hand or doubt the strength of their feelings towards the Borders, but I do not agree with them.

I do not see Fergus Ewing's amendment as a delaying amendment; it is not fair to characterise the SNP's approach as delaying the railway. I do not agree with the amendment and I think that it is unnecessary, but it is unfair to take it out of context. The danger is that, as we have already heard, there are some on the Executive benches who are sceptical about the project. They are not daft and they do not want to take the rap—if the project fails, they want the blame to fall squarely on Scottish Borders Council. My fear about the amendment is that it would make that job easier. That is why I do not support the amendment.

My colleague Ted Brocklebank referred to Stow. The project is a serious issue for the people of Stow, who will be on the route but without direct access to the railway. I very much hope that the issue of a station at Stow is given serious consideration by the promoter in the light of the committee's comments.

In relation to Jeremy Purvis's remarks, I can say only that I am happy to see him in the chamber and that our gain today is surely the sub-continent's loss.

I am pleased to support the bill today and I urge other members to do the same. The bill will enable the restoration of the railway to the Borders, but let us not pretend that it will guarantee it. Important decisions on the Waverley project lie ahead, not only for the Parliament, but for the Executive. I hope that the Parliament votes today to allow the project to continue. However, the real test, which is coming, is whether the Scottish Executive takes the same view.

15:35

Chris Ballance (South of Scotland) (Green): I speak in support of the Waverley rail project. I congratulate not only the committee on its work, but the Campaign for Borders Rail, the Waverley Route Trust and the borderers whose campaign over the past 35 years has brought us all to this debate today. Those people and organisations deserve our congratulations. I also congratulate my colleague Jeremy Purvis, whose action in flying to Edinburgh today demonstrates the importance that he places on rail travel and sustainable transport in general.

The railway line is important because the Borders and borderers want to be included in the new Scotland. They have been excluded by a lack of decent public transport for the past 35 years. The line will help to tackle problems of social inclusion, encourage jobs and promote short-break tourism in the Borders, particularly when it is combined with properly integrated bus services.

Almost everyone—I look round at John Home Robertson—in the chamber is singing from the

same hymn sheet, but some of us are singing the descant. The Greens support the proposal because it is the best that is on offer, but it is deeply flawed. It is not a proper Borders railway: it will not serve Borders general hospital, it will not serve Scottish Borders Council's offices and it will not go through Hawick to provide a third national link to England. It will not even go east to Kelso to link through to Berwick. It will not, as currently proposed, include a station at Stow, although residents of Stow will find that their bus route along the A7 deteriorates. I am delighted to note the committee's support for a railway station at Stow and I hope that the promoters will take that on board.

There are real problems, some of which have been highlighted in the debate. For example, neither housing provision nor access to water and sewerage services can be guaranteed at this stage. There is an active campaign against such an immense programme of housebuilding in the Borders—I have opposed the creation of a new town in Walter Scott country. The line is not yet the Borders railway that we need, but will be merely a Galashiels to Edinburgh commuter link.

Costs are also a concern. The promoter's business case relies in part on income from congestion charging in Edinburgh, but since the Edinburgh Liberal Democrats and others successfully defeated that proposal, there is a clear hole in the business case. Those who defeated the congestion charging proposal must tell us where that money will now come from.

There is also concern about promotion of the scheme. The committee notes in its report

"the promoter's lack of effective dialogue and communication with key parties involved in the project"

such as Scottish Natural Heritage and Scottish Water. It also notes

"notification failures by the promoter".

The report also states:

"The Committee retains reservations that a number of the business case assumptions are just that, assumptions and aspirations".

Those are serious accusations by a private bill committee, so there are good grounds for supporting Fergus Ewing's amendment.

Finally and most important, the railway will put the Borders on the national rail map of Great Britain. The Borders is among the largest areas in Europe without a railway station. It is vital that that be rectified, so the Greens will support the railway, although we support the railway and the bill as a first stage towards a proper Borders railway.

15:39

Des McNulty (Clydebank and Milngavie)

(Lab): It is interesting to hear the Greens support Jeremy Purvis's travelling by air to get to such an august occasion as this. If he had remained in India, he would have seen people on the roofs of trains; I wonder whether he expects to see such sights on the Borders railway. I doubt it.

We need more honest debate than we have had up to now in this building, because this building is a reminder to us that our credibility depends on our examining seriously and cogently financial cases that lie before us, and on our making determinations and decisions on that basis. Having listened to members of the bill committee and other members, it seems to me that the logic of much of what they say does not point to agreement to the recommendation that is before us today.

I do not want to be cast in the guise of being anti-Borders, because I am not. I argue that some of the points that I will make would apply to a number of different transport projects. However, it seems to me that there is a right way and a wrong way to address the issues. I want Parliament always to do things the right way, rather than allow sentiment to take over from logic, or allow politics to dictate economic calculations. We should have in Parliament a system whereby we can develop policies that lead to priority allocations, which would lead to budget allocations that the Executive would manage properly. That is what we have a right to expect in Parliament and that is the proper way to go about dealing with such issues.

Individuals and organisations have expressed serious reservations about the Borders railway—it is reasonable for them to expect us to consider their reservations seriously. The first point that I want to highlight is a factual one. In August 2002, the estimated cost of the railway was £73 million. By January 2003, it was £100 million; by March 2003, it was £126 million; by September 2003, it was £130 million, where it remained until September 2005, when it went up to £151 million. That does not seem to me to be evidence of firm cost appraisal and effective cost management by the promoter. Like Fergus Ewing, I would have serious reservations about an organisation that has such a track record of cost overruns being in charge of or managing a project. I hope that the minister can provide us with some satisfaction in relation to that issue and say whether the body that is developing a project of such magnitude is the appropriate one to do so.

Jeremy Purvis: I defer to the member's experience on the Finance Committee and his experience as a former member of the Scottish Parliamentary Corporate Body, which were undoubtedly at the heart of issues with regard to

the Parliament building. The process of bringing together an outline business case started with initial feasibility funding when Ms Boyack was Minister for Transport. Is not a process that allows Parliament, through the bill committee and this debate, to go through all the financial aspects that the outline business case presented, the right one?

Des McNulty: We have a right to do that, but I am asking whether £150 million of Parliament's money is being well spent on this particular project and whether that figure is, in fact, a firm estimate on which we can rely and a realistic appraisal of the project's costs at this stage. Ultimately, the minister must take responsibility for ensuring that that cost is accurate and that his proposal to proceed with the project will be delivered confidently. It seems to me that that is important.

The second question that we must ask is whether the tests that have been applied to the project up to this point have been applied with all the evidence being properly taken into account and considered effectively. The Robert Gordon University recently did a study that was co-authored by Iain Docherty, of whom Fergus Ewing is well aware. That study said that the Borders railway project offers low value for money, even after its score had been twice increased by assessing its potential benefits over a longer period. Essentially, the promoter has tried to find a way of making the net present value and the cost ratios add up, but the railway barely gets there if the cost over 60 years is considered. No one should be in any doubt that that is the reality of the situation.

The third point to raise is that a crucial element of the proposal is that 10,000 houses will be built in the Borders and that that will generate passengers. There is a circle involving housebuilding—

Tavish Scott: The houses will be built along the whole corridor.

Des McNulty: Okay—I might have been exaggerating. The track record is that only 445 houses a year have been built along that corridor. That is a much slower rate of housebuilding than is suggested by the estimates that have been generated to defend the promoter's position.

I do not argue that it is easy to develop coherent assumptions—that is always difficult to do. However, it surprises me when I listen to the Conservatives who, let us not forget, were the people who closed the Borders line 50 years ago—

Mr Brocklebank: It was closed in 1969 and it was Labour that closed it.

Des McNulty: It was the Tories' idea.

When one makes certain arguments, one must follow through on them and consider them seriously. If there are reservations about the scheme and about whether it is cost effective, such as were expressed by Mr Brownlee and Mr Brocklebank, the way to resolve them is not to add to the cost by making the route longer. There is an argument for saying that we should consider the project as it stands, or even a reduced project that would take the railway to Gorebridge. I am convinced that the economics of that case add up and are secure. The construction of a shorter railway would provide a basis for assessing whether to build a further stage down to the Borders.

The Deputy Presiding Officer: You must finish now, Mr McNulty.

Des McNulty: I am not necessarily arguing that we should reject the bill and not allow it to go forward to consideration stage; I am saying that, before we commit money, we must decide what could and should be afforded. We should deal with that at the tendering stage, when we know firmly what the project will cost, which is why I asked Tricia Marwick what decision she wanted us to make. At that stage, there will be hard decisions to make. Decisions should not be made on the basis of sentiment or because one feels nice or wants to achieve balance round the country—

The Deputy Presiding Officer: You must finish now.

Des McNulty: Such decisions must be made on the basis of hard logic. That is how Parliament should operate, especially after everything that happened with the Parliament building.

The Deputy Presiding Officer: I apologise to Euan Robson, as Margaret Smith will speak before him.

15:48

Margaret Smith (Edinburgh West) (LD): As a member of the Waverley Railway (Scotland) Bill Committee, I begin by thanking my committee colleagues, the private bills unit, the promoter, the objectors, the campaigners and the witnesses for all the work that they have put in over the past two years, for which we owe them a great deal of gratitude.

Other colleagues have raised many of the reservations that committee members have had about the project. However, at this stage I am assured that the proposals in the Waverley Railway (Scotland) Bill should be allowed to pass on to consideration stage. The railway is one of the most important infrastructure projects that Parliament will be asked to scrutinise and decide on, partly because Midlothian and the Borders are

two of only three mainland areas in Scotland that are not served by a passenger railway. I will leave members to dwell on what the effect on their constituencies might be if they were in the same situation. Jeremy Purvis made that point effectively.

I believe that the railway has the potential to bring greater prosperity to the Borders and Midlothian, and to assist Edinburgh in many ways. The promoter quantifies the economic benefits to the three areas as being worth about £516 million over the next 30 years. Each area faces slightly different challenges. The Borders is a low-paid area on the edge of Edinburgh's wealthy and growing economy, Midlothian is trying to move on from its heavy industrial past and Edinburgh is struggling to cope with some of the effects of growth—it is having difficulty housing its workforce, filling its jobs and coping with congestion.

It is clear that the Waverley line alone will not solve all the problems, but it is likely that it will take away some of the sense of isolation that some people who live in the Borders feel, improve their connectivity with Scotland as a whole and go some way towards alleviating some of the area's problems.

The committee came to a split decision, with Christine May suggesting that we should not progress to the next stage. I cannot agree with her that the evidence does not make a sufficiently robust case for the social benefits. I believe that it does, and I believe that the committee shares that view. However, the committee also believes that further work should be done to improve the economic case; many of Christine May's concerns were shared by the committee as a whole. That is why we have asked the promoter and the Executive to develop several more areas of work. That is why we spent a great deal of time covering issues such as housebuilding and examining whether the thousands of houses that will be needed could and would be built. It is why we sought assurances from council leaders on what work was being done in their planning departments to build those houses, and why we took extra evidence on the necessary provision of water and drainage services.

We need assurances from Scottish Water. If we do not have them, the bill will be in a weaker position at the end of consideration stage and, indeed, will be less able to advance to the final stage. That is why we have requested bi-monthly updates on the housebuilding programme. We intend to update Parliament at consideration stage on that important issue.

I also fundamentally disagree with the proposition that the project should end at Midlothian. Such a move would mean no

economic benefits for the Borders. This is a debate about a Borders railway too, which was campaigned for for decades and which has been needed for decades. There is a feeling of exclusion in the Borders; the effects of exclusion are greater in the Borders than they are in Midlothian. We feel that we must go ahead with a railway to Tweedbank in order to increase inward investment and to improve the economy of both areas. Indeed, in recognition of the need to open up the opportunities that the line brings to the mid-Borders, we have suggested that the promoter make suggestions for a stop at Stow to increase the Border stations from two to three. A phased approach would be likely to cost more and would be the wrong way forward.

The promoter has been cautious in some of its projections. For example, much more could and should have been made of the positive effect that the railway will have on tourism, and of the fact that it could work ideally alongside Edinburgh in developing the Borders as a major tourist destination.

The committee expressed concerns to the promoter about patronage, notification failures, the lack of effective dialogue with key stakeholders, the housing programme and the future of bus services. We also expressed concerns about funding.

The Scottish Executive is to be congratulated on its funding of many new railway projects; the Waverley line is no exception. However, the committee calls on the Executive to consider whether the project is being competently managed. We want the Executive, as a principal funder, to monitor aspects of the project, such as risk assessment, patronage, housing and costs in a proactive and even—dare I say it—a heavy-handed way. The Executive is investing £122 million of taxpayers' money in this important project, which is the right thing to do. However, it is important that we get it right. Therefore, I urge the Executive and the promoter to work together to address the many concerns that are expressed in the report.

At the end of the day, the committee, after two years of work, asks Parliament to let the bill progress to consideration stage so that Parliament can play its part in proper recognition and regeneration of Midlothian and the Borders. This is a Parliament for the whole of Scotland. Today we have a chance to prove that.

15:53

Euan Robson (Roxburgh and Berwickshire) (LD): It is, of course, a privilege to speak in the democratic forum of the nation, but I feel especially honoured to do so today because I

have the opportunity to contribute to a debate of such importance to my part of the world—the Scottish Borders.

Parliament has the opportunity to vote in principle to restore the Waverley railway line, initially as far as Tweedbank. My hope is that in years to come there will be stages to Hawick, perhaps to Kelso and eventually to Carlisle. However, I agree with members that Parliament needs to consider our procedures in respect of bills such as this one.

What was wrongly removed 36 years ago can rightly be restored today. At the time, the case for abandoning the Waverley line was neither proven nor justified. The proposal that is before us today, however, is both demonstrable and, in my view, undeniable.

Perhaps I might first pay tribute to all the people who contributed to keeping the case for the railway line alive. There are too many to mention here, but perhaps the persistence of my constituent Madge Elliot from Hawick symbolises the efforts of so many people from the time of the line's closure to today. Indeed, our former Presiding Officer, David Steel, took the case forward during his years at Westminster and sustained it during the many days, months and years of Margaret Thatcher's great car economy.

Latterly, many people have come together from different political persuasions and walks of life to promote the case, most notably the Campaign for Borders Rail, which I believe is represented in the gallery. I appreciate the First Minister's support for the project, and that of the former and present Deputy First Ministers, and councillors and officials from the three councils involved. I also welcome Conservative party support, although Mr Brocklebank's enthusiasm reminded me of the shopkeeper who tapped on his window with a sponge to call back a customer for change that he had left on the counter.

There are five key reasons why Parliament should approve the Waverley Railway (Scotland) Bill at preliminary stage. The first is that restoration of the line will boost the economy of the Borders and south-east Scotland. The promoter estimates that the project will deliver up to £516 million in economic benefits to the Borders, Midlothian and Edinburgh over a 30-year period, and that it will create up to 548 sustainable and full-time equivalent jobs. Some people, however, actually claim too much for the economic impact of the railway line. It will not be a cure for the economic difficulties of the Borders and the fragility of our economy, but it will be a major contribution in terms of direct and indirect investment.

The second argument for the railway line is that the business case is positive and clear. In my

view, the promoter's initial submission understated a number of key factors. The revised and improved business case, which was developed in partnership by the promoter and the Scottish Executive, incorporated what was omitted and refined and developed a number of the impacts and variables, particularly in terms of tourism potential, which notably was underscored recently by BBC television presenter Michael Palin.

The third reason to support the bill is that it will undoubtedly foster social inclusion. We talk a lot about that in this Parliament, and rightly so, but the project will literally connect the Scottish Borders and Midlothian with the rest of the country.

The fourth reason to support the bill is the partnership approach that is being taken by the local authorities, the private sector, the Executive and—I hope, today—the Parliament. The Executive will rightly contribute 89 per cent of the construction costs, which is better than the contributions to recent projects. Developer contributions over 30 years will fund the councils' contributions. My understanding is that never before have section 75 agreements run over such a period. That is an important innovation in public policy to deliver transport projects.

I will briefly emphasise a point about housing numbers. Just over 10,110 houses are programmed to be completed by 2011 along the railway corridor—4,790 in Midlothian and 5,320 in the Borders. Scottish Borders Council has the opportunity to consider a number of potential brownfield sites to accommodate some of its share, for example—but not exclusively—in Newtown St Boswells.

The fifth reason is the importance of cutting congestion and ensuring access to sustainable transport for borderers. The promoter estimates a reduction of more than 700,000 car journeys per annum, which will also improve road safety.

In Victorian and Edwardian times, Scotland was the workshop of the world and there was confidence in our engineering and construction capabilities. We have the chance in the next few years to rekindle that spirit, but we must have the imagination, self-belief and confidence to do so. We can travel in that direction by backing projects such as the Waverley railway.

I have always believed that Parliament—*[Interruption.]* Forgive me, I have dropped my speech.

Parliament represents the whole nation, therefore in the past transport projects have covered the whole nation—the Skye bridge tolls, ferries to the isles or railway and other transport schemes in urban areas. If Parliament turns its back on the Waverley railway project today, it will

be saying that it is not interested in one part of the country and that it turns its face away from it. I am sure that it will not do that; rather, I am sure that we will today endorse this most important project for our part of Scotland.

I welcome the committee's work and congratulate its members on the work that they have done in delivering the project. I look forward to working on the later stages and on implementation and construction. Where I can, I shall contribute to ensure that the project is delivered.

16:00

Mr David Davidson (North East Scotland) (Con): For the avoidance of doubt, I make it clear that the Scottish Conservatives have long supported the reopening of the line which, as members have already pointed out, could bring significant economic and social benefit to the Borders. As a result, we will support the committee's recommendation that the bill be taken to consideration stage.

The debate has been interesting, although we have had too much local party politicking on a matter of such national importance. The railway line will connect to the national railway system and, as other members have pointed out, to airports. It will also provide a lifeline for the Scottish Borders economy and its people. As a member for North East Scotland, I know that parts of that region have been deprived of reasonable and safe local transport. The arguments that have been made for creating transport links in those areas are the same as those that have been made for this venture.

The committee members and the clerks have done a lot of work on this bill and I congratulate them on their thoroughness. I do not have a particular problem with the committee's having taken time over that, but now that we have reached this stage, much work has to be carried out speedily and vigorously.

Many members highlighted concerns about the substantial costs of the project, about whether the figures are definite and, indeed, about whether the estimates are too optimistic. As Tricia Marwick pointed out, there is a major link between development of housing and the people who will use the railway. I want to hear the minister's comments on subsidy, which I believe was raised by Tricia—or perhaps it was raised by another member. What is the Executive's position on whether the railway line will be subsidised if it does not wash its face in the early years? After all, the railway line might well have to be progressed before the housing has been built. It is important that the minister set out his position clearly.

I must say that some of the comments that members have made this afternoon are very similar. I was particularly taken by Christine May's point about the lack of freight on the line. In fact, evidence that the committee received suggested that the Scottish Executive and the Strategic Rail Authority were against using the railway line to carry freight. How many lorries would such a move take off the road? Having driven on the road to the Borders, I know that that decision is not very clever and I believe it is an oversight.

Someone asked earlier what future the railway will have if there is no station at Stow. Chris Ballance wanted to know whether a proper Borders rail link that connected with Carlisle and other parts of the region would be completed at some point. At the moment, that question is not within the committee's remit, although it has suggested some amendments to the bill that could be discussed at consideration stage.

As I said, we thoroughly support the committee's recommendation that the bill progress to consideration stage. However, the minister has a big weight on his shoulders this afternoon; he has to convince Parliament that he has answers to the questions that hang in the background. If, as he says, he is satisfied with the business case and if he is truly adamant that it is robust, he should put his money where his mouth is and confirm that despite all the work that has still to be done, council tax payers in the three council areas that are involved will not be left to fund a huge sum in order to complete the project. I believe that his remarks might have been a little premature, because I do not think that all the figures that show that the railway is able to go ahead are in the public domain.

However, the project is vital. I still have family members in the Borders who are looking forward to taking the Borders train eventually, if only to give them access to other parts of the country. My colleague Derek Brownlee made a good point about young people leaving the Borders in droves, never to return. It would be a good thing if those young people were able to access educational opportunities in the Borders or Edinburgh, if we could remove traffic from the road and if we could ensure that the exercise is viable. I agree with the committee that the railway meets its social inclusion objectives, but we need to know that the Executive is in there. If anything, the Executive has been fairly prescriptive about the railway's development and has cast uncertainty over it.

This is an opportunity for the minister to come out in the open and say whether he thinks the railway will happen, how it will happen and who will pay for it. The minister might shrug his shoulders, but that is an essential part of the project. He will be the one who signs the biggest

cheque, if he is still in office at that time—although who knows what will have happened by then? It is vital that we get that commitment today.

There is support for the bill throughout the chamber. There are questions, but they can and should be answered promptly if we get to the next stage. The Scottish Conservatives will certainly vote that way this evening.

16:05

Christine Grahame (South of Scotland) (SNP): I will deal first with the amendment in my colleague Fergus Ewing's name, which states:

"the Scottish Executive should discuss with the promoter of the Bill whether it is able to continue to be the promoter."

As far as I am concerned, that reflects absolutely paragraph 312 of the committee's report, which states:

"In light of the concerns expressed by the Committee in this report, the Committee calls upon the Scottish Executive, as the principal funder of the project, to consider whether this project is being competently managed and to reflect on what action is required".

Because of the mishandling of parts of the presentation of the land referencing, the bill has been set back a year, as the committee made plain. That is the issue. No one in the chamber could be keener to see the bill delivered than I am. My first members' business debate was about the Waverley line, I set up the cross-party group on Borders rail and I encouraged the Public Petitions Committee to go to the Borders to hear the evidence, with 250 people present. It is not a question of my showing passion or commitment, but of my being dismayed at the fact that Scottish Borders Council has let us down throughout, although it is now getting its act together to some extent.

Jeremy Purvis: Will the member give way?

Christine Grahame: No. I have only a short time. Some of the member's colleagues took eight minutes for their speeches.

It has been stated that wages in the Borders are extremely low. The average wage in the Scottish Borders is only £371 a week. If people travel to Edinburgh they get another £66 a week. While we are considering the business case we must consider the broader area.

Currently, the area has been thrown back to relying on its traditional industries—textiles, farming and, more recently, tourism. I had a terrible job getting ministers to consider the case for the railway in relation to tourism in the Borders in a series of parliamentary questions. I kept being reassured that the Executive was content with the details that it had on the tourism case. I am delighted that that case has been strengthened

and that the committee has recognised it. My goodness, it was like pushing a boulder up a hill to get the Executive to consider the tourism industry in the Borders, which generates £200 million and employs 3,500 people. Pushing the case has been hard work.

It is difficult to prove beyond a reasonable doubt that the wider Borders economy will benefit, although it is possible to prove it on the balance of probabilities. I am not in dispute about that with colleagues of any party who represent the Borders.

I pray in aid as evidence the impact on the local economy of the closure of the Kyle of Lochalsh line for three months in October 2002, when it was assessed that £5 million was lost to the local economy in that time. The converse therefore follows that £5 million must be dependent on that line. It is a chicken-and-egg situation for the Borders line: we will know how the wider Borders economy will thrive once the line is there. I am convinced that, given what we have seen elsewhere, the impact on that economy has been underestimated. I do not want us to get trapped into talking about whether houses to fund the line will be built or about bums on seats, because there is a much bigger argument.

How did we get here? This is an example of a people's campaign to which more than 18,000 borderers drew the Parliament's attention. I congratulate the Parliament, through its Public Petitions Committee and the then Rural Affairs Committee, which brought the debate in June 2000 and voted unanimously for the line to be reinstated all the way from Edinburgh to Carlisle. That is credit to a Parliament that does not often get it when it ought to.

In the debate in 2000 I said:

"This is a question of vision and hard cash. One vision is a terminus at Galashiels, trains with Borders rail livery, cycleways parallel to the track, bridle paths, local industries flourishing alongside the line, villages in which the schools remain open because families live there and a community at last repaid long-overdue debts accrued in the time from the closure of the railway to the closure of Viasystems. That would be a tangible achievement that would last for centuries. It might not be the rail that Jack would build, but it would be the rail that this Parliament would build. Most important, it would be a lasting testament to the tenacity of the Borders people."—[*Official Report*, 1 June 2000; Vol 6, c 1225.]

So I defer to the Campaign for Borders Rail, of which I am an honorary lifelong member, to Madge Elliot, who was mentioned by Euan Robson, and others. They are the people who have brought this matter to the floor of this people's Parliament. They deserve to have the line reinstated.

The problems relating to funding should be addressed in that context. The £11 million that

Scottish Borders Council has to find might not be found. This Parliament should be generous to the people in the area that has the lowest wages and the highest elderly population in Scotland—which imperils all the area's services—and ensure that the railway line is delivered.

Yesterday, driving the tortuous A7 route, which parallels the rail bed, I saw two yellow-waistcoated workmen on the track. I hope that that portends well for the future.

I have news for Michael Palin. He is behind me in that queue for tickets for the first train on the Waverley line since 1969.

16:11

Tavish Scott: I appreciate the passion with which many members have expressed their views. None was more passionate than Euan Robson, who knocked over his desk in the articulation of his argument.

I recognise, as many members have, the range of people across the political spectrum who have long supported this project, both in a political sense and in a campaigning sense. It is right that we should recognise the ordinary men and women in the street, in the village and in the countryside who have articulated a strong message over many years. It should be a source of comfort to Parliament and pride to each of us that we can take forward a project that is not only an immensely important strategic one for Scotland, but which meets many aspirations in the Borders and Midlothian.

I acknowledge Euan Robson, Jeremy Purvis and Rhona Brankin and thank them for their support, constructive engagement and determination to see the Waverley line project realised.

Many members have raised concerns about the possible rises in capital costs but it is important to recognise that capital cost rises are not inevitable. The Larkhall to Milngavie line is on time and on budget. I want us to hit all our budget numbers consistently, and I hope that that is what Parliament wants as well. Specifically, I want the Borders railway line to hit its budget numbers and be delivered on time. I say seriously to Des McNulty and the Finance Committee that I have no desire to see cost overruns on any of our public transport projects. I expect the numbers to be hit, just as I expect them to be hit across our capital investment programme.

It is important to remember that this devolved Government's funding for construction is dependent on the production and implementation of a robust risk management strategy to contain costs. That plan is being developed in the context of the Waverley railway partnership and will be pursued in the most rigorous manner.

The Executive will play its part by sharing lessons that were learned from other projects. Members were right to raise points about the Stirling-Alloa-Kincardine line. In response, I can say that those lessons—such as those relating to mine workings and land valuations—have already been identified and passed on to the Waverley partnership. However, I cannot agree with Des McNulty and Christine May's suggestion that the project be stopped at Gorebridge. That does not seem right. I agree with the committee that we should take the project right down into the Borders through Midlothian.

I recognise that the Waverley line is part of our overall transport investment plans, which involve spending around £3 billion on road and rail schemes across Scotland—Glasgow, Edinburgh, Aberdeen, Lanarkshire and our rural and isolated parts. We are making investments through the improved rail franchise, our bus route development grants and the national concessionary fares scheme and are making record investments in the rural transport fund.

Fergus Ewing: Will the minister give way?

Tavish Scott: I will give way in just two seconds.

Christine Grahame made an entirely fair point about Leven. I say to her that the strategic investment plan that will be produced out of the national transport strategy allows exactly that sort of argument to be taken forward. I am sure that she will accept that.

Fergus Ewing: The minister will be aware of the report in *The Herald* yesterday that the estimated bill to reintroduce trams to Edinburgh has increased by £340 million to £714 million. Is the minister not concerned that, with projects being affected by rises of that sort, something will have to give? If so, will he tell the chamber what consideration the Executive has given to the matter and whether it has reached a conclusion?

Tavish Scott: I will not make up policy—financial or otherwise—on the hoof. I am sure that Mr Ewing would not expect me to do so.

I apologise to Christine May for calling her Christine Grahame just before I let in Mr Ewing. I honestly did not mean to do that.

Many members raised the question of Scottish Water and housing. Scottish Water confirmed to the Executive today that it is optimistic that water and drainage services will not be a barrier to delivery on housing. I hope that that is an important confirmation both for members in the chamber today and for the Waverley railway partnership.

The points that committee members and others—Conservative members in particular—

raised on patronage and revenue were fair. The Waverley railway partnership has commissioned an independent review of the estimates. The conclusion of the review is that the estimates are sound and we regard them as appropriate. However, it is important to ensure that housing is delivered and that the railway is marketed effectively in order to generate the predicted levels of patronage and revenue. If Conservative members want further detail, I am sure that it is available from the partnership.

I move on to address some of the more political arguments. Conservative members say that they have long supported the scheme—well, yes, but not during 18 years of government. Their support seems dreadfully grudging. I will address two of their points; one made by Ted Brocklebank and the other by Derek Brownlee. Mr Brocklebank made a point about the 59-minute journey time. I am sure that he will accept that the Dunblane to Edinburgh journey time is 62 minutes and yet it is a thriving route that is growing in patronage terms. The route, which is an important commuter route, links one attractive part of Scotland to another. I ask Mr Brocklebank to compare and contrast that and accept the aspiration that the Borders railway could be the same as the Dunblane route.

Mr Brocklebank: The only point that I was making was to ask whether it is not a little sad that, all these years later, the journey time for people to get between Tweedbank and Edinburgh on the new railway line will be seven minutes longer than the time on its predecessor, pre-Beeching line.

Tavish Scott: I do not doubt that that is the fact. At least we will do it and at least the line will be in place and the opportunity will be there. If we had waited for the Conservatives, we would still be waiting.

I say to Derek Brownlee that I take his point about the car; it was entirely fair. However, as the briefing points out, 24 per cent of households in the Borders, 28 per cent of households in Midlothian and 32 per cent of households in Gala do not have a car. I am sure that Derek Brownlee appreciates that the Executive has a responsibility not only to deal with people who have a car but to provide alternatives, which we will seek to do.

I will finish by dealing with the SNP amendment and some of the remarks that were made in that regard. First, I commend Alasdair Morgan for his eminently sensible speech. It is unfortunate that Christine Grahame and Fergus Ewing could not be in the chamber for it, as it was the best speech made by a member on the SNP benches today.

I want to deal with two of the points that Alasdair Morgan made. I accept his challenge on the parliamentary process. I suspect that all members,

both those who have sat on the private bill committees and those who have appeared in front of them, accept the point. That is why we will seek to make progress on the proposed transport and works bill, subject of course to the parliamentary process.

I take the point that Alasdair Morgan made about transport investment in general, which was much the same point that Des McNulty, the convener of the Finance Committee, made. The point is a fair one and I accept it. I absolutely give the commitment to take forward the robust assessment of transport projects right across the board in the same manner.

I am concerned that the SNP proposes a delay.

Christine Grahame: It is not a delay.

Tavish Scott: Let me quote the amendment:

"the Scottish Executive should discuss with the promoter of the Bill".

I wonder how many parliamentary questions I would get from Christine Grahame on why we were having further discussions, how long they were taking and so on and so forth. I would get 15 more from Fergus Ewing even if I got none from Christine Grahame. I want not to discuss, but to do. I think that that is what the Parliament wants to happen. I can only quote Christine Grahame from the *Border Telegraph* of 26 July, in which she said:

"The focus must now be to ensure that the line is built on time and without any further delay."

Indeed—so she should stop telling us to delay the line even more.

The Borders rail link will benefit the Borders and Midlothian. The railway will stop at Tweedbank, Galashiels, Eskbank, Newtongrange, Gorebridge and Shawfair. Good bus connections can and must link the railway to Dalkeith, which is the largest settlement in Scotland without a railway station. We can improve accessibility, promote inclusion and reduce congestion by supporting the railway.

I, too, read that Michael Palin last week announced his support for bringing back the Borders railway. I was reminded immediately of the scene in the "Life of Brian" when the question is asked, "What have the Romans ever done for us—apart from roads, sewers, aqueducts and so on?" We should see whether we can make a good answer to the question, "What has the Scottish Parliament ever done for the Borders and Midlothian?" and let the answer start, "Apart from the railway".

16:20

Gordon Jackson (Glasgow Govan) (Lab): Many members have spoken in support of the

railway. In her opening speech, Tricia Marwick laid out the committee's thinking and our general considerations in giving that support. The committee and I totally agree with that. I am unashamedly a fan of railways and the idea of the railway is good. I do not pretend to have the passion of Euan Robson or Christine Grahame—I never thought that I would say that, but there it is—but despite that, I support the project.

I say that initially because I will now be Mr Grumpy to an extent. Alasdair Morgan said that several people supported the project but made negative points. I hope that he will not accuse me of that, because it falls to me, on the committee's behalf, to mention some matters that we were not best pleased with, so that it can be seen that we do not give support thoughtlessly.

Several issues must be mentioned. I will explain the notification question, the objections and how they have been dealt with. Members might also want to know what the future holds and what the process will be, in so far as I understand it.

Just over a year ago, the promoter brought to our attention a failure to notify several residents in the Falahill and Fountainhall areas and about 130 properties in Gorebridge and Galashiels. To say that the committee was disappointed would be a large understatement. We were very annoyed. When that happened, we were leading up to the commencement of oral evidence meetings. That was on the back of the bill's progress being hampered by delays in submitting the business case, which meant that we could not commence oral evidence meetings before the summer recess of 2004. Given the work that we had undertaken to invite written evidence from organisations and objectors, we had no choice but to wait until all the properties were notified by the promoter and afforded the opportunity to lodge objections and to submit written evidence as other objectors had.

I do not refer to that from a sense of pique. The public are interested in why the delay occurred. If the committee was frustrated at the delay, I can only imagine what objectors must have felt—particularly those who were served with compulsory purchase notices of their land and properties. As Tricia Marwick said, we have tried to keep objectors involved throughout the process, so we wrote to explain to them what had happened.

If we thought that that error was a one-off, we were sadly mistaken. A succession of further errors by the promoter and its consultants led almost to a drip-feed of further notices that were issued to affected individuals and bodies that should have been notified before the bill was introduced in September 2003. Further delays were inevitable, which caused the committee further anxiety. We were extremely anxious about

the ability of the promoter and of its consultants and advisers.

We did not receive satisfactory assurances from the promoter that convinced us that matters were fully under control. We were told in a memorandum that the promoter had carried out an audit of the referencing process and that it

“believes the information now recorded to be correct”

and that

“the fact that no further errors have been notified by landowners in respect of a project that has been publicly known in detail since September 2003 is, it is submitted, a strong indication that there is nothing further requiring notice.”

How wrong that statement has proved to be.

The criticisms of that in our report were clear. If a full and vigorous audit of the referencing process had been carried out when the initial errors came to light, there would not have been the delays that there were over many months and we would have completed consideration of the bill some time ago. We are concerned about the large number of errors that were found as a result of the review that the promoter was finally forced to carry out.

We accept that identifying those with an interest in every plot of land in a project of such a size, which involves 31 miles of land—a lot of which is open farmland—is, on balance, complex, but that is why professionals were employed to do the work. It may not be possible to achieve 100 per cent accuracy, but the result of not getting as near to that accuracy as the promoter should have been has led to delays to the bill, inconvenience to a great many people, huge anxiety for individual objectors and—one assumes—an increased cost for the project.

I repeat: I hope that it is not thought that I am saying what I am saying on behalf of the committee out of a fit of pique or because we are being precious. Many people out there are seriously concerned about the delay because their livelihoods and lives are involved. It falls to the committee to make it clear that what has happened should never happen again. Indeed, parliamentary officials have considered clarifying the whole private bill process.

Fergus Ewing: In the light of what Gordon Jackson says, is he confident that the project will be completed on time, by 2008?

Gordon Jackson: I am. I have made criticisms, but I should be fair and balanced. The promoter has taken on board the criticisms that have been made and I have been extremely impressed by its response to them.

Of course the committee is concerned about control. Des McNulty spoke about costs going

away and the need for a decision-making process. We totally agree with him. Our report states that

“the Committee recognises that assessment of the business case is primarily a matter for those who would provide the funds for the proposed railway.”

In other words, it is for the minister to be satisfied and to keep control of such matters—I am sure that he accepts that. I say to Fergus Ewing that I am satisfied that the project will be completed on time, but I am not passing the buck when I say that, to some extent, it is for the minister to keep firm control of the process in future, as he is funding the project.

I want to say something about the objections to the bill. We had no major reservations about the promoter’s consultation arrangements. The promoter has sought to make information widely available, which we encourage and support, but concerns have been expressed by some objectors—particularly by landowners whose land will be subject to compulsory purchase—about the lack of information that they were given on the level of land take, its purpose, and when land would be acquired.

There was a feeling that, although the promoter had sought to meet affected individuals, more could have been done to address some basic, understandable, concerns. A point that is made in the report is that, more than two years since the bill was introduced, there are still 129 outstanding objections and only five of the 140 admissible objections have been withdrawn. We are disappointed about that. We might have expected more progress to have been made in resolving objections. That means that 129 objections—or perhaps 130—will go forward to the consideration stage. However, we have received monthly progress reports from the promoter on its negotiations with objectors and there are undoubtedly agreements in the pipeline that could lead to withdrawals.

We note, for example, that the promoter has made contact with landowners who objected to the bill, offering meetings to discuss precise land-take issues, and has offered meetings to discuss other objections. We support that, and we hope that productive and speedy progress is now made. On behalf of the committee, I invite the promoter and the objectors to take note of our desire for open, constructive and productive dialogue to be entered into and for accommodations to be made by both parties to bring about agreement and make it possible for objections to be withdrawn.

What happens next—apart from the fact that I stop speaking? I will close by saying what we need to do next. A common theme of all speeches that have been made today, especially by committee members, is our general frustration at the lack of progress on key issues surrounding the

project—matters not moving along because key parties were, frankly, not speaking; the anxiety that has been caused by unnecessary and avoidable delays to the bill's progress; and the fact that it has taken this long to get here. I say to the promoter that, supportive as we are, the committee asks it to do a bit better, please.

The consideration stage will involve the committee acting as an arbiter between the promoter and objectors, allowing differences between them to be resolved by negotiation; however, where that is not possible, we will have to make decisions. We must ensure that each party has had a fair opportunity to present its case and question the opposite case. That may involve the leading of evidence and the cross-examination of witnesses and their evidence. Once the first phase of that is completed, we will prepare another report, giving our decisions on the objections that have been considered and reasons for those decisions, where appropriate. We will also indicate where we think that it would be appropriate for amendments to be lodged during the second phase of the process.

I will not bore members with the detail of the process—I do not fully understand it yet myself, as it is quite different from normal bill procedure. It is complex and slow, and there will be a lot more evidence, much of which will be highly technical. Nevertheless, I say to objectors—who I know are listening to the debate—that the committee will do everything that we can to facilitate a swift and streamlined process. We will try to make it as friendly, understandable and efficient as our rules of procedure allow. Our aim is to get to oral evidence meetings at which everyone can focus on the key issues arising out of the objections. Our officials will arrange meetings with the objectors and the promoter to explain the process in due course. We hope that all the parties will enter into dialogue now and that they will work with us to make the next stage as focused, efficient and productive as possible.

I am sorry that my speech has been somewhat boring, technical and niggly, but there are things that the committee thought that it was important for us to say. I thank everyone who has helped the committee so much—the staff and all who have been involved in the process. The committee appreciates hugely what they have done. I am not often conned, but someone said to me, “Just go on the Waverley Railway (Scotland) Bill Committee. It's not a lot of work; you'll be fine.” I advise colleagues that, if anyone says that to them about a private bill, it is not true.

Waverley Railway (Scotland) Bill: Financial Resolution

16:34

The Deputy Presiding Officer (Murray Tosh):

The next item of business is consideration of a financial resolution. I invite Tavish Scott to move motion S2M-3342, on the financial resolution in respect of the Waverley Railway (Scotland) Bill.

Motion moved,

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Waverley Railway (Scotland) Bill, agrees to any expenditure of a kind referred to in Rule 9A.14.3(b)(ii) of the Parliament's Standing Orders arising in consequence of the Act.—[*Tavish Scott.*]

Committee of the Regions (Membership)

The Deputy Presiding Officer (Murray Tosh):

The next item of business is a debate on motion S2M-3344, in the name of George Lyon, on membership of the Committee of the Regions.

16:34

The Deputy Minister for Finance, Public Service Reform and Parliamentary Business (George Lyon):

We are here to determine who will represent Scotland for the next four years in the United Kingdom delegation to the European Union's Committee of the Regions. The Committee of the Regions brings together members from tiers of government below that of member states, enabling them to take part in the Community's decision-making process, in an advisory capacity, alongside the other EU institutions.

The COR has an important role to play in the conduct of European business, with one of its main aims being to strengthen the economic and social cohesion of the member states. The COR's responsibilities cover a wide range of areas that are important to regional and local authorities, especially here in Scotland, including transport, the environment, employment, training and social provisions, culture and health. It may also issue an opinion on its own initiative in cases in which it considers such action to be appropriate. That enables the committee to monitor closely the implementation of Community law affecting regional and local authorities. Therefore, the committee has an important role in striving to ensure that the subsidiarity that we all desire in European decision making is achieved.

All members must have an electoral mandate to be eligible to serve. Before devolution, all Scottish representatives on the United Kingdom delegation came from local authorities. Four years ago, the Parliament agreed that Scotland's representation on the UK delegation to the Committee of the Regions should be split equally between members of the Parliament and representatives of local government, giving them two full and two alternate members each. Therefore, I am surprised that the Scottish National Party appears to be opposed to that position. It is a bit like "Groundhog Day", in that the amendment is exactly the same as the one that the SNP lodged last time round.

Alex Neil (Central Scotland) (SNP): Will the minister tell us how many of the 24 or so plenary sessions of the Committee of the Regions that have taken place since the First Minister was appointed he has attended? Am I right in saying that he has attended only one?

George Lyon: Ministers have attended more than one third of the meetings of the Committee of the Regions. Indeed, as we have to release ministers and representatives of the Parliament to attend the meetings, the SNP would do well to engage in proper pairing arrangements. It should also be noted that when Nicola Sturgeon served in Europe, she did not turn up to any meeting. People cannot even remember who she is, despite her being a chairman of one of the committees. Alex Neil would do well to check that he is not in the glass house before he throws stones.

Alex Neil: Will the minister take another intervention?

George Lyon: I have to make up time; I have given the member an opportunity to have the debate.

I am puzzled by the suggestion that the Executive and Parliament should not seek to be represented on the Committee of the Regions. That would run against the COR's mission statement, which is that European, national, regional and local government working together is indispensable to the European decision-making process. The Committee of the Regions marks a formal opportunity for those tiers of government to contribute to European decision making on issues such as structural funds, which are particularly important to Scotland, interregional co-operation, promotion of the subsidiarity principle and bringing Europe closer to its citizens. Those issues are all extremely important to Scotland and representation on the Committee of the Regions allows the Parliament to influence Europe on those matters. Agreeing to the SNP amendment would deny Parliament that opportunity. I am sure that several Labour members would be delighted to support the amendment to stop Mr Lochhead going to Europe regularly; even so, we will be forced not to support it so that we get proper representation at the right level in Europe.

Alex Johnstone (North East Scotland) (Con): We should send Phil Gallie.

George Lyon: I think that we will be forced to resist that suggestion.

That is probably why every other country with legislative regions—including Germany, Spain, Italy and Belgium—sends representatives from levels of government equivalent to the Executive and the Parliament to the Committee of the Regions. I do not see why we should elect to be out of kilter and should refuse to join colleagues from Parliaments in Bavaria, Catalonia, Tuscany and Flanders in participating in the formal structures of the European Union, alongside using the other avenues available to us through the UK Government and groupings such as the group of regions with legislative power, or Regleg.

I turn to the nominations. The Convention of Scottish Local Authorities has nominated Councillor Corrie McChord of Stirling Council and Councillor Andrew Campbell of Dumfries and Galloway Council as full members. It has also nominated Councillor Graham Garvie of Scottish Borders Council and Councillor Jim McCabe of North Lanarkshire Council as alternate members. Local authority councillors who were nominated by COSLA have played an active part in the work of the Committee of the Regions and in furthering Scotland's interests, so I place on record the Executive's thanks for their unstinting efforts.

For those nominees who are to be drawn from the Parliament, the Executive considers that Scotland's interests would be best served by selecting members whose existing remits currently give them a substantial involvement in European Union business. Accordingly, the Executive proposes that Jack McConnell and Irene Oldfather should be full members and that I and Richard Lochhead should be the alternates for the First Minister and Ms Oldfather respectively.

Alasdair Morgan (South of Scotland) (SNP): Will the minister take an intervention on that point?

George Lyon: I am in my final minute—

The Deputy Presiding Officer: You are beyond your final minute.

George Lyon: If the Presiding Officer is happy, I will give way to Mr Morgan.

The Deputy Presiding Officer: No. I said that you were beyond your final minute.

George Lyon: I am sorry, Mr Morgan. Had I not been ruled out of order, I would have been delighted to take an intervention.

The First Minister has already contributed to an important COR opinion during the debate on the future of Europe. He will attend the next COR plenary meeting in October, when he will also meet key players in the EU and convey to them the Scottish Executive's views and its keen desire to play a role in all aspects of EU decision making.

The presence of Scottish ministers in Brussels is very much appreciated there, as it ensures that key decision makers and opinion formers are familiar with Scottish views. In nominating two ministers, the Scottish Executive has recognised that it is important that all tiers of administration in Scotland continue to be represented on the Committee of the Regions.

I hope that the Parliament will support the nominations, even that of Mr Lochhead.

I move,

That the Parliament endorses the Scottish Executive's proposal to nominate as representatives of the Parliament

Jack McConnell MSP and Irene Oldfather MSP as full members and George Lyon MSP and Richard Lochhead MSP as alternate members on the UK delegation to the Committee of the Regions for the forthcoming session from 2006 to 2010 and notes that the representation from local government will be Councillor Corrie McChord and Councillor Andrew Campbell as full members and Councillor Graham Garvie and Councillor Jim McCabe as alternate members.

The Deputy Presiding Officer: I call Alasdair Morgan. You have four minutes.

16:41

Alasdair Morgan (South of Scotland) (SNP): Do I have only four minutes?

The Deputy Presiding Officer: Four minutes.

Alasdair Morgan: I have only four minutes, whereas the minister was given seven.

As Mr Lyon said, the SNP amendment is similar to that of four years ago. Basically, there are three reasons why the Scottish representatives on the Committee of the Regions should be from local authorities.

The first reason, which I will not go into at length, was the subject of the previous debate in October 2001. The participants in that debate included such people as Brian Fitzpatrick, Mike Russell, Ian Jenkins and Ben Wallace, all of whom—apart from the last mentioned—have gone on to better things. Basically, our first reason for opposing the motion concerns whether the Committee of the Regions should have representatives from national Government or from local government. Clearly, the view that the SNP takes is that it should be the latter.

The second reason is that we need some proportionality between voting and representation, and if all eight members were taken from the same source, that would make proportionality much easier to achieve. The white paper that led the way to the setting up of this Parliament stated:

“it is ... important to provide for ... proportionality”.

When Andy Kerr summed up the debate on the Local Governance (Scotland) Bill, he said:

“The bill will put voters first”.—[*Official Report*, 23 June 2004; c 9454.]

He said that because the bill introduced proportionality. We need to ask whether the motion before us will provide that.

Given that there are four full members and four alternates, it will always be difficult to get a solution that coincides entirely with proportionality. The issue is made especially difficult by the fact that the alternate members are very much third best, with much lower status than the full members. How has the Labour Party recognised

the need for proportionality? When we last nominated COR representatives in 2001, Labour took two full and two alternate members on the basis of 36 per cent of the local votes and 43 per cent of the Scottish Parliament seats. Four years later, although Labour's representation has gone down from 36 per cent to 33 per cent locally and its share of Scottish Parliament seats has gone down from 43 per cent to 36 per cent, that has not been recognised by giving Labour a lower proportion of COR members. Instead, Labour has decided to keep the same total number of positions, but has upgraded one of them from an alternate to a full member. Thus, Labour will have gone from two full members to three full members. On that logic, if Labour loses more votes at the next election, it will be entitled to have all the full Scottish members on the delegation.

How does that compare with the treatment of the SNP and the Conservatives? The Conservatives have 15 per cent of the local authority votes and 14 per cent of Scottish Parliament seats. Under this type of proportionality, that gets them no COR members. The SNP got 24 per cent of the council vote—

George Lyon: Will the member give way?

Alasdair Morgan: I am sorry, Mr Lyon, but I have only a minute and a quarter remaining.

Given that the SNP got 24 per cent of the council vote, one might have thought that we would get a quarter of the local authority COR seats or even a miserable alternate member. However, COSLA decided that 24 per cent was too much for the SNP. So much for proportionality.

The third reason why I oppose the motion is that, as Mr Lyon has just admitted, it is hugely impractical for MSPs to attend the Committee of the Regions. The plenary sessions of the Committee of the Regions are on a Wednesday and a Thursday, with the result that nearly all our members, from our benches or the Executive's, or their alternates, cannot go.

Even if the First Minister had managed to attend more than one of the 24 plenary sessions that he was entitled to go to, the nonsense then would be that the main function of the Committee of the Regions is to be consulted by the Council of Ministers. I am sorry, but I thought that, where appropriate, Scottish ministers represented this Parliament at the Council of Ministers. We are being asked to send the First Minister to Brussels so that he can be consulted by himself.

The truth is that this is just a tawdry stitch-up. It is old-fashioned Labour politics in all its unproportional, unrepresentative glory. The truth is that Councillor Keith Brown, who is the current SNP full representative on the council, was too much in the face of the Labour Party. He upset

Labour members by being a member of the Committee of the Regions bureau, by being president of one of the political groups in the Committee of the Regions and by being successful at representing Scotland. Today's proposition is his reward—or, more likely, his come-uppance—from the Labour Party.

I move amendment S2M-3344.1, to leave out from "endorses" to end and insert:

"supports the Committee of the Regions as an institution of European co-operation based on the role of regional government and, in promoting the regions of Scotland in that role, proposes that the full and alternate members representing Scotland are elected members of Scotland's local authorities, including Councillor Keith Brown, Councillor Corrie McChord and Councillor Andrew Campbell as full members and Councillor Graham Garvie and Councillor Jim McCabe as alternate members and instructs the Executive to return to the Parliament with three additional names of councillors as nominees."

Irene Oldfather (Cunninghame South) (Lab): On a point of order, Presiding Officer. Mr Morgan indicated that he was unable to take interventions on the basis that he had one minute left to go, and he has spoken for one and a half minutes beyond that.

Members: Oh!

The Deputy Presiding Officer: Order. I cannot hear the point of order.

Irene Oldfather: Under the circumstances, I want that to be noted in the *Official Report*.

The Deputy Presiding Officer: Let us indeed note in the *Official Report* that both the minister and Mr Morgan overran on their speeches, and that one of the consequences of that, and of the point of order, is that someone else will have to forgo that time at the end of the debate. I wish that I could say that it would be Ms Oldfather, but it will probably not be.

I call Mr Gallie.

16:47

Phil Gallie (South of Scotland) (Con): On this occasion, we will support the Executive's proposals. We do so on the basis that although we stood against the Parliament in the original days, we have accepted it and are intent that the Parliament should play a full part in Scotland's affairs and in wider affairs. It would be wrong if we were not represented at parliamentary or Executive level on the Committee of the Regions.

I am concerned to hear of Jack McConnell's poor attendance and I wonder whether the Executive has selected the right individual to represent it. I acknowledge that Irene Oldfather has been an assiduous attender at the COR's meetings in the past and, on that basis, I feel that Parliament should support George Lyon's motion.

However, I hope that full use is made of the alternates. I am an alternate for the Parliament on the Congress of Local and Regional Authorities of Europe, and one of the difficulties that I have had in the past is a lack of clarity on when I would need to cover, with notification coming at very short notice. If we are going to name the alternates, they should be given the courtesy of early notification when ministers, members or councillors decide that they will not be present.

Alasdair Morgan: Is Mr Gallie aware whether there is any guarantee that the alternate who is summoned would be somebody from the Scottish Parliament delegation, or could it be anyone from the UK delegation? On how many occasions has that happened?

Phil Gallie: As far as I am aware, if the Scottish representative advises an alternate that they will be needed, that alternate will be nominated to fill the position, but I accept that alternates can perhaps be used to cover other vacancies. I myself was used to cover a Welsh member on one occasion.

Considering the issue further, I believe that there are currently so many important issues in Europe that division on this particular issue is a bit irrational. Quite honestly, although it is important to have a voice on the Committee of the Regions, to my mind its importance is fairly minimal. On that basis, I do not see that playing party politics with the issue, one way or another, is worthy of the Parliament.

The Deputy Presiding Officer: I am sure that Irene Oldfather will want me to keep her strictly to four minutes.

16:50

Irene Oldfather (Cunninghame South) (Lab): I was going to start my speech by making many consensual, constructive and philosophical comments, but I will have to scrap them and go straight to the background of the Committee of the Regions.

At the intergovernmental conference of 1991, when preparations were being made for the institutional reform that was to lead to Maastricht, there was an opinion in key member states with strong regional tendencies, such as Germany, Belgium, Spain and Italy, that the voice and views of regional and local authorities should have greater input to European policy to improve policy making and redress what had been seen up until that point as a democratic deficit within Europe. The Committee of the Regions was set up in 1994 and it is refining and developing its work as it goes.

The mission of the Committee of the Regions is to defend the common interests and viewpoints of

local and regional authorities before the other European Union institutions. As Mr Lyon said, it issues opinions on matters of importance to Scotland such as economic and social cohesion, trans-European networks, public health, education, culture, employment, social policy and structural funds. It is also a vehicle for entering into dialogue with both the European Commission and the European Parliament.

The Committee of the Regions promotes the work of local and regional government throughout Europe. At the next plenary session in October, which will be attended by John Prescott, the Deputy Prime Minister, it will—in partnership with the European Commission—promote an open day on the theme of working together for regional growth and job creation. I would have thought that the Scottish National Party would want representatives of this Parliament to be in attendance at that event.

I do not have time to list all the important joint initiatives that have been undertaken by the Committee of the Regions in conjunction with the European Parliament and the European Commission, but a document is available to anyone who wants to read it that outlines the 10-year plan for regional impact assessment and what has been achieved in 10 years of the COR. The Parliament should rest assured that Scottish members have played a full part in discussions and reports on a wide range of matters of importance to Scotland. Those include economic and social cohesion; decentralisation of the Lisbon agenda; environmental standards; restructuring and its role in the European and global economy; and better regulation.

Phil Gallie: Will the member give way?

Irene Oldfather: I want to make an important point, but if I have time I will give way in a minute.

I wanted to raise a point with Mr Morgan, but he was not able to take time to hear it. Mr Morgan has been clear about the importance of there being SNP representation on the delegation to the Committee of the Regions—he made particular mention of Mr Keith Brown. I asked COSLA today about its process for electing its representatives on the delegation, and I have a letter from it, from which I will quote Barbara Lindsay, COSLA's strategic director. It states:

“On the day, Labour and the Independents came to the meeting with nominations as did the Liberal Democrats. Unfortunately, the SNP Group came with no nomination as a ballot still had to be conducted within the party.”

The issue was so important to the SNP that it turned up on the day without an SNP nominee.

Mr John Swinney (North Tayside) (SNP): There was no point. It is the usual suspects.

The Deputy Presiding Officer (Trish Godman): Do not intervene from a sedentary position, Mr Swinney.

Irene Oldfather: I conclude by saying that there is no precedent in Europe for the SNP proposal.

The Deputy Presiding Officer: Ms Oldfather must finish now.

Irene Oldfather: No member state that has regional government or parliamentary representation is withholding all places from the regional or Government representatives in favour of representatives of local authorities.

I support the motion.

16:54

George Lyon: It is important that those whose remits include European matters represent Scotland on the Committee of the Regions. I believe that that is administratively more efficient and will enable nominees to build up more effective networks of contacts. Irene Oldfather has networked extensively throughout Europe and has spent significant amounts of time ensuring that Scotland's interests are represented on the Committee of the Regions.

I turn to Mr Morgan's argument—*[Interruption.]*

The Deputy Presiding Officer: Order.

George Lyon: Mr Morgan's argument about proportionality would have had more substance if he had argued that Parliament members should take up all our places on the Committee of the Regions and that Tories, the Greens and others should be considered for a place under the proportional system. He would also have been on much safer ground if the SNP had turned up at COSLA and nominated a councillor to represent the SNP's interests. Why did that not occur? Perhaps Mr Morgan can tell us.

Alasdair Morgan: Because it was a stitch-up and we were told in advance not to bother coming with any nominations. How will Mr Lyon address the problem caused by the fact that the Committee of the Regions meets on Wednesdays and Thursdays? I thought that we were paid first of all to be in this place.

George Lyon: Mr Morgan has a lame excuse for what happened with COSLA. The SNP had the opportunity to put forward a nomination, but it did not bother. Now the SNP turns up here with an amendment that is trying to override the proper process that COSLA went through to nominate representatives from local councils. I think that the SNP is a bit late. It would be on much safer ground if COSLA had supported the position that the SNP takes here today. As Irene Oldfather

rightly pointed out, the SNP's arguments would have had much more credibility in that case.

I turn now to Mr Gallie.

Phil Gallie: I thank the minister for giving way. There seems to be a lack of information about what members achieve on the Committee of the Regions. Can we have a commitment that members will come back with written reports that are put on the Parliament website?

George Lyon: I take that point on board and I am willing to consider it. Indeed, if I represent us on the committee, I will consider writing to Mr Gallie to let him know all the important things that have been done in his name while I am there.

I thank Mr Gallie for his support. As members will know, he is highly sceptical of Europe, but he recognises that important decisions are taken there that influence what happens in Scotland and that the Scottish Parliament should be represented in Brussels to ensure that our voice is heard.

The SNP's proposal would deny the Parliament the right to be heard in the Committee of the Regions. Indeed, when Nicola Sturgeon was nominated as the SNP's representative, she did not bother to turn up once. Therefore, I do not understand how the SNP can criticise the Executive for attending only one third of the meetings that we would have hoped to attend. If members want to improve attendance at the Committee of the Regions, they might wish to agree pairing arrangements on a Wednesday and Thursday to allow us to be properly represented in Brussels.

I hope that the Parliament will recognise that we need appropriate representation in Brussels, where we can influence decisions that are important for Scotland. I believe that we have got the balance right with our proposal and I hope that members will support us and ensure that we are represented in Europe and have influence there. I hope that members do not accept the SNP's position, which would deny us the opportunity to influence the events in Europe that are so important to Scotland.

Business Motion

16:59

The Deputy Presiding Officer (Trish Godman): The next item of business is consideration of business motion S2M-3352, in the name of Margaret Curran, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees—

(a) the following programme of business—

Wednesday 5 October 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Member's Oath/Affirmation

followed by Executive Debate: Planning Reform

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 6 October 2005

9.15 am Parliamentary Bureau Motions

followed by Scottish National Party Business

11.40 am General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—
Finance and Public Services and
Communities;
Education and Young people,
Tourism, Culture and Sport

2.55 pm Ministerial Statement: Business
Rates

followed by Stage 1 Debate: St Andrew's Day
Bank Holiday (Scotland) Bill

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 26 October 2005

2.30 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Executive Business

followed by Business Motion

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 27 October 2005

9.15 am Parliamentary Bureau Motions

followed by

11.40 am Executive Business
General Question Time

12 noon First Minister's Question Time

2.15 pm Themed Question Time—
Health and Community Care;
Environment and Rural Development

2.55 pm Executive Business

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

(b) that the period for members to submit their names for selection for Question Times on 27 October 2005 should end at 12 noon on Wednesday 5 October.—[*Ms Margaret Curran.*]

Motion agreed to.

Parliamentary Bureau Motions

16:59

The Deputy Presiding Officer (Trish Godman): The next item of business is consideration of three Parliamentary Bureau motions. I ask Margaret Curran to move motions S2M-3346 to S2M-3348, on the approval of Scottish statutory instruments.

Motions moved,

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 9) (Scotland) Order 2005 (SSI 2005/421) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 10) (Scotland) Order 2005 (SSI 2005/431) be approved.

That the Parliament agrees that the draft Housing Grants (Assessment of Contributions) (Scotland) Amendment Regulations 2005 be approved.—[*Ms Margaret Curran.*]

The Deputy Presiding Officer: The question on the motions will be put at decision time.

Decision Time

17:00

The Deputy Presiding Officer (Trish Godman): There are six questions to be put as a result of today's business. The first question is, that amendment S2M-3329.1, in the name of Fergus Ewing, which seeks to amend motion S2M-3329, in the name of Tricia Marwick, on the Waverley Railway (Scotland) Bill, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)

Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

MacDonald, Margo (Lothians) (Ind)
 Swinburne, John (Central Scotland) (SSCUP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Deputy Presiding Officer: The result of the division is: For 28, Against 72, Abstentions 3.

Amendment disagreed to.

The Deputy Presiding Officer: The next question is, that motion S2M-3329, in the name of Tricia Marwick, that the Parliament agrees to the general principles of the Waverley Railway (Scotland) Bill and that the bill should proceed as a private bill, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baird, Shiona (North East Scotland) (Green)
 Baker, Richard (North East Scotland) (Lab)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 Grahame, Christine (South of Scotland) (SNP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lochhead, Richard (North East Scotland) (SNP)
 Lyon, George (Argyll and Bute) (LD)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 MacDonald, Margo (Lothians) (Ind)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McFee, Mr Bruce (West of Scotland) (SNP)

McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Morgan, Alasdair (South of Scotland) (SNP)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Neil, Alex (Central Scotland) (SNP)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Eleanor (Highlands and Islands) (Green)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinburne, John (Central Scotland) (SSCUP)
 Swinney, Mr John (North Tayside) (SNP)
 Tosh, Murray (West of Scotland) (Con)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)
 Wallace, Mr Jim (Orkney) (LD)
 Welsh, Mr Andrew (Angus) (SNP)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

May, Christine (Central Fife) (Lab)

The Deputy Presiding Officer: The result of the division is: For 103, Against 0, Abstentions 1.

Motion agreed to.

That the Parliament agrees to the general principles of the Waverley Railway (Scotland) Bill and that the Bill should proceed as a Private Bill.

The Deputy Presiding Officer: The third question is, that motion S2M-3342, in the name of Tom McCabe, on the financial resolution in respect of the Waverley Railway (Scotland) Bill, be agreed to.

Motion agreed to.

That the Parliament, for the purposes of any Act of the Scottish Parliament resulting from the Waverley Railway (Scotland) Bill, agrees to any expenditure of a kind referred to in Rule 9A.14.3(b)(ii) of the Parliament's Standing Orders arising in consequence of the Act.

The Deputy Presiding Officer: The fourth question is, that amendment S2M-3344.1, in the name of Alasdair Morgan, which seeks to amend motion S2M-3344, in the name of George Lyon, on membership of the Committee of the Regions, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Byrne, Ms Rosemary (South of Scotland) (SSP)
 Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)
 Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

AGAINST

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)
 Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Jamieson, Margaret (Kilmarnock and Loudoun) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)

May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

ABSTENTIONS

Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 MacDonald, Margo (Lothians) (Ind)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Swinburne, John (Central Scotland) (SSCUP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Deputy Presiding Officer: The result of the division is: For 21, Against 72, Abstentions 10.

Amendment disagreed to.

The Deputy Presiding Officer: The fifth question is, that motion S2M-3344, in the name of George Lyon, on membership of the Committee of the Regions, be agreed to. Are we agreed?

Members: No.

The Deputy Presiding Officer: There will be a division.

FOR

Aitken, Bill (Glasgow) (Con)
 Alexander, Ms Wendy (Paisley North) (Lab)
 Arbuckle, Mr Andrew (Mid Scotland and Fife) (LD)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Barrie, Scott (Dunfermline West) (Lab)
 Boyack, Sarah (Edinburgh Central) (Lab)
 Brankin, Rhona (Midlothian) (Lab)
 Brocklebank, Mr Ted (Mid Scotland and Fife) (Con)
 Brown, Robert (Glasgow) (LD)
 Brownlee, Derek (South of Scotland) (Con)

Butler, Bill (Glasgow Anniesland) (Lab)
 Canavan, Dennis (Falkirk West) (Ind)
 Chisholm, Malcolm (Edinburgh North and Leith) (Lab)
 Curran, Ms Margaret (Glasgow Baillieston) (Lab)
 Davidson, Mr David (North East Scotland) (Con)
 Deacon, Susan (Edinburgh East and Musselburgh) (Lab)
 Douglas-Hamilton, Lord James (Lothians) (Con)
 Eadie, Helen (Dunfermline East) (Lab)
 Finnie, Ross (West of Scotland) (LD)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Gallie, Phil (South of Scotland) (Con)
 Gillon, Karen (Clydesdale) (Lab)
 Glen, Marlyn (North East Scotland) (Lab)
 Goldie, Miss Annabel (West of Scotland) (Con)
 Gorrie, Donald (Central Scotland) (LD)
 Henry, Hugh (Paisley South) (Lab)
 Home Robertson, John (East Lothian) (Lab)
 Jackson, Dr Sylvia (Stirling) (Lab)
 Jackson, Gordon (Glasgow Govan) (Lab)
 Jamieson, Cathy (Carrick, Cumnock and Doon Valley) (Lab)
 Johnstone, Alex (North East Scotland) (Con)
 Kerr, Mr Andy (East Kilbride) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Livingstone, Marilyn (Kirkcaldy) (Lab)
 Lyon, George (Argyll and Bute) (LD)
 Macdonald, Lewis (Aberdeen Central) (Lab)
 Macintosh, Mr Kenneth (Eastwood) (Lab)
 Macmillan, Maureen (Highlands and Islands) (Lab)
 Martin, Paul (Glasgow Springburn) (Lab)
 May, Christine (Central Fife) (Lab)
 McAveety, Mr Frank (Glasgow Shettleston) (Lab)
 McConnell, Mr Jack (Motherwell and Wishaw) (Lab)
 McGrigor, Mr Jamie (Highlands and Islands) (Con)
 McLetchie, David (Edinburgh Pentlands) (Con)
 McMahon, Michael (Hamilton North and Bellshill) (Lab)
 McNeill, Pauline (Glasgow Kelvin) (Lab)
 McNulty, Des (Clydebank and Milngavie) (Lab)
 Milne, Mrs Nanette (North East Scotland) (Con)
 Morrison, Mr Alasdair (Western Isles) (Lab)
 Munro, John Farquhar (Ross, Skye and Inverness West) (LD)
 Murray, Dr Elaine (Dumfries) (Lab)
 Oldfather, Irene (Cunninghame South) (Lab)
 Peacock, Peter (Highlands and Islands) (Lab)
 Peattie, Cathy (Falkirk East) (Lab)
 Pringle, Mike (Edinburgh South) (LD)
 Purvis, Jeremy (Tweeddale, Ettrick and Lauderdale) (LD)
 Radcliffe, Nora (Gordon) (LD)
 Robson, Euan (Roxburgh and Berwickshire) (LD)
 Rumbles, Mike (West Aberdeenshire and Kincardine) (LD)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, Tavish (Shetland) (LD)
 Smith, Iain (North East Fife) (LD)
 Smith, Margaret (Edinburgh West) (LD)
 Stephen, Nicol (Aberdeen South) (LD)
 Stone, Mr Jamie (Caithness, Sutherland and Easter Ross) (LD)
 Tosh, Murray (West of Scotland) (Con)
 Wallace, Mr Jim (Orkney) (LD)
 Whitefield, Karen (Airdrie and Shotts) (Lab)
 Wilson, Allan (Cunninghame North) (Lab)

AGAINST

Crawford, Bruce (Mid Scotland and Fife) (SNP)
 Cunningham, Roseanna (Perth) (SNP)
 Ewing, Fergus (Inverness East, Nairn and Lochaber) (SNP)
 Ewing, Mrs Margaret (Moray) (SNP)
 Fabiani, Linda (Central Scotland) (SNP)
 Fergusson, Alex (Galloway and Upper Nithsdale) (Con)
 Gibson, Rob (Highlands and Islands) (SNP)
 Grahame, Christine (South of Scotland) (SNP)

Ingram, Mr Adam (South of Scotland) (SNP)
 Lochhead, Richard (North East Scotland) (SNP)
 MacAskill, Mr Kenny (Lothians) (SNP)
 Marwick, Tricia (Mid Scotland and Fife) (SNP)
 Mather, Jim (Highlands and Islands) (SNP)
 Maxwell, Mr Stewart (West of Scotland) (SNP)
 McFee, Mr Bruce (West of Scotland) (SNP)
 Morgan, Alasdair (South of Scotland) (SNP)
 Neil, Alex (Central Scotland) (SNP)
 Stevenson, Stewart (Banff and Buchan) (SNP)
 Sturgeon, Nicola (Glasgow) (SNP)
 Swinney, Mr John (North Tayside) (SNP)
 Welsh, Mr Andrew (Angus) (SNP)

ABSTENTIONS

Baird, Shiona (North East Scotland) (Green)
 Ballance, Chris (South of Scotland) (Green)
 Ballard, Mark (Lothians) (Green)
 Byrne, Ms Rosemary (South of Scotland) (SSP)
 Harper, Robin (Lothians) (Green)
 Harvie, Patrick (Glasgow) (Green)
 MacDonald, Margo (Lothians) (Ind)
 Ruskell, Mr Mark (Mid Scotland and Fife) (Green)
 Scott, Eleanor (Highlands and Islands) (Green)
 Swinburne, John (Central Scotland) (SSCUP)
 Turner, Dr Jean (Strathkelvin and Bearsden) (Ind)

The Deputy Presiding Officer: The result of the division is: For 70, Against 21, Abstentions 11.

Motion agreed to.

That the Parliament endorses the Scottish Executive's proposal to nominate as representatives of the Parliament Jack McConnell MSP and Irene Oldfather MSP as full members and George Lyon MSP and Richard Lochhead MSP as alternate members on the UK delegation to the Committee of the Regions for the forthcoming session from 2006 to 2010 and notes that the representation from local government will be Councillor Corrie McChord and Councillor Andrew Campbell as full members and Councillor Graham Garvie and Councillor Jim McCabe as alternate members.

The Deputy Presiding Officer: I propose to put a single question on motions S2M-3346 to S2M-3348. The question is, that motions S2M-3346 to S2M-3348, in the name of Margaret Curran, on the approval of Scottish statutory instruments, be agreed to.

Motions agreed to.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 9) (Scotland) Order 2005 (SSI 2005/421) be approved.

That the Parliament agrees that the Food Protection (Emergency Prohibitions) (Amnesic Shellfish Poisoning) (West Coast) (No. 10) (Scotland) Order 2005 (SSI 2005/431) be approved.

That the Parliament agrees that the draft Housing Grants (Assessment of Contributions) (Scotland) Amendment Regulations 2005 be approved.

Affordable Rented Housing

The Deputy Presiding Officer (Trish Godman): The final item of business is a members' business debate on motion S2M-2911, in the name of John Home Robertson, on affordable rented housing. The debate will be concluded without any question being put.

Motion debated,

That the Parliament is concerned about the shortage of affordable rented housing in East Lothian and many communities and the fact that some applicants in overcrowded or unsuitable accommodation can be stuck on waiting lists for years, while others may be compelled to buy or rent housing that they cannot afford; suggests that there is a need for a clearer definition of affordability for the purposes of housing policy; welcomes initiatives by the Scottish Executive to help councils and registered social landlords to increase the supply of affordable housing, including prudential borrowing to fund new building; recognises that the high cost of development land is hindering that policy, and believes that there is a case for further measures to help local authorities to acquire and secure land for affordable housing in the Executive's proposed Planning Bill.

17:06

Mr John Home Robertson (East Lothian) (Lab): I am grateful for the opportunity to raise the serious and deteriorating housing crisis that exists in many parts of Scotland. I am particularly grateful to 45 parliamentary colleagues from the Labour, Scottish National Party, Conservative, Liberal Democrat and independent groups, and indeed from every part of Scotland, who signed the motion.

I said that there is a housing crisis in many parts of Scotland, and I put it to the minister that that is no exaggeration. I ask him specifically to consider the situation in my constituency. The population in East Lothian is growing, so there is a strong demand for housing. It is a seller's market: local people and incomers have to pay high prices, big mortgages or hefty rents for private housing. The stock of council and housing association housing is down to just 10,100 houses and flats, and that stock fell by another 280 last year under the right-to-buy scheme.

Fewer and fewer houses are becoming available to let. There were just 350 tenancies to allocate this year, 70 per cent of which have to go to people who are statutorily homeless. There are fewer than 100 houses to let each year for more than 7,000 applicants who are stuck on the waiting list in my constituency. Some towns get only a handful of re-lets each year, and in some villages years can go by with no allocations to people on the waiting list. Faced with a waiting time of 10 years, families are often forced to make a choice between moving away from their communities and

mortgaging or renting private housing at costs that they cannot possibly afford. That is a recipe for crippling debt.

Those who are statutorily homeless are not the only ones with urgent housing needs. People on waiting lists include young families living in outrageously overcrowded circumstances with their parents, older people who need ground-floor accommodation, and single people with urgent needs.

Alex Fergusson (Galloway and Upper Nithsdale) (Con): Does John Home Robertson agree with Dumfries and Galloway Council's housing strategists that the Executive's proposal to abolish the priority needs test for homelessness in 2012 will lead to a situation in 2017 in which more than 90 per cent of all vacancies will be filled by referrals under section 5 of the Homelessness etc (Scotland) Act 2003? That will simply increase the problems to which the member draws attention.

Mr Home Robertson: That is precisely the point that needs to be exaggerated. The problem will get worse before it goes away.

At present, there is just no hope for people on the waiting list unless they are priority homeless. Sometimes, the only way out of the trap is the degrading and traumatic process of going homeless, whereby families have to be put out of their parents' homes so that they can be housed as homeless people. That is unfair and uncivilised.

The Executive has taken steps to speed up the allocation of housing for statutorily homeless people but, sadly, that has made matters worse for other people whose needs may be almost as urgent—Alex Fergusson just made that point. Concentrating on statutory homelessness is like trying to get rid of the tip of an iceberg—it will not work, because the underlying problem is still there. We must do more to meet the need for affordable housing.

Incidentally, I am worried about the lack of a clear definition of affordability. We all know of examples of houses that are nominally in the social rented sector, but for which the tenancy is entirely dependent on eligibility for housing benefit. If the tenant gets a job, he can no longer afford the rent. The Executive could usefully address that point by setting a formula with a direct link to the national minimum wage.

I welcome the fact that the Executive has taken some important steps to promote affordable rented housing. The amended right to buy for new lets will protect part of the remaining stock. Consent for prudential borrowing could allow some councils to borrow to invest in more housing to let. In March, the Executive issued planning advice note 74, on affordable housing, with a commendable objective of providing sites for houses to let.

Those are important steps, but we need a lot of sites. The Lothian housing needs assessment identified a requirement for more than 2,000 affordable houses for East Lothian in the next five years. The council and the housing associations are ready and willing to rise to that challenge. They have negotiated a package with a builder to construct houses for £66,000 each, but they cannot get any land on which to build the houses, because virtually every potential site that is adjacent to towns and villages in East Lothian is either owned by a developer or subject to an option to buy.

Farmland with an existing use value of about £2,000 an acre goes up to as much as £750,000 an acre as soon as it is zoned for housing. On the basis of 40 units per acre for lower-cost housing, that is about £20,000 a site for the land. Add that to the cost of servicing the site and building the house, and the total is a capital cost of more than £100,000, which means a rent that will probably not be affordable.

PAN 74 cites heartwarming examples of developers co-operating with councils to provide affordable housing, but our experience in East Lothian is that developers will not release land to the council or to housing associations, even at £20,000 a site. They seem to be content to sit on their land in the hope that they will eventually get permission to build high-cost, high-profit houses for sale. I am afraid that that experience indicates that PAN 74 is insufficient to unlock the door to meet the need for rented housing.

The problem is that our planning legislation fails to make an effective distinction between land for affordable rented houses and land for executive villas—it is all zoned as land for housing—so the temptation remains for developers to procrastinate and hold out for the highest potential value of housing land; I suppose that that is in their nature. I propose that we remove that temptation by making a new statutory land use classification for affordable housing. That would enable local planning authorities to designate sites or parts of sites for affordable housing. Apart from removing any doubt about the nature of development that would be permitted on such sites, it should establish an affordable value for affordable land for affordable housing. I could go further and talk about a power of compulsory purchase, but I do not think that that is necessary, because we could achieve the aim by making the change that I propose to the planning system. Land use classification is a planning issue, so I ask the minister to take the opportunity that will be afforded by the new planning bill to address this urgent need in this session of Parliament.

I hope that the debate will confirm the urgent need for action to increase the supply of affordable rented housing throughout Scotland. I have asked the minister to consider the need for a definition of affordability with a link to the national minimum wage, but my urgent request is that we create a new land use classification for affordable housing in the planning bill to unlock the supply of land that is desperately needed in constituencies such as mine.

17:14

Christine Grahame (South of Scotland) (SNP): I congratulate John Home Robertson on securing the debate and on making a very informed speech. I have heard his previous remarks on the subject and I am aware of East Lothian's problems; indeed, at one point, the council had to buy back ex-council homes at substantial cost to meet its legislative obligations. I believe that that takes us to the heart of the matter. The sale of council houses has caused an enormous problem in Scotland, especially in some of our picturesque areas. Houses were purchased not only by residents in the area but as second homes, which meant that they were removed completely from the housing stock.

The SNP believes that we should end the right to buy for new tenancies—I make it clear that we are talking about new, not existing, tenancies. I appreciate that the Executive has deferred the matter until 2012, but we must grasp the nettle now. Why should housing associations or local authorities buy houses while this sword of Damocles hangs over them? They will not spend that money on properties if they know that they will lose them in due course.

The circumstances in which people find themselves cause particular difficulties in rural areas. For example, if a couple separates, both people might require rented accommodation. One of them might then find themselves homeless, but the only housing association property that is available might be 50 or 60 miles away from where their children attend school. The large distances between rural communities can give rise to such huge issues.

We require a culture change. In a sense, the culture has changed because of the high price of first-time-buyer properties. Although the SNP believes that a £2,000 first-time-buyer grant should be introduced, I do not think that that alone will solve the problem. People used to earn kudos for owning their homes, but home owning has now become a necessity because, with nothing available in the social rented sector, mortgage payments are sometimes cheaper than the extortionate sums that can be charged for private rented accommodation.

That situation has a knock-on effect for couples because, if they do not have secure accommodation, they can defer having children for a considerable time. When I first married, couples started out in a council house. They were able to save a little money, put a deposit down on a very modest house and go on from there. The ability to do that has been lost to this generation. I am sure that that is linked to the decline in our population, and that it ripples out to other areas. For example, who will provide the tax receipts that will pay for services for the rest of society? This is not just a housing issue but a huge social problem.

I completely concur with John Home Robertson's point about land banks. The prospect that, for example, a railway might be constructed has led developers, particularly in some areas of the Borders, to build up the amount of land that they have—and they will certainly not allow anyone to develop it until the railway comes.

We must consider the role of Scottish Water, because funding is required to develop the infrastructure in certain areas. In the Borders—some areas of Peebles, for example, and in Lauder, although I think that the situation there is all right now—any further development was embargoed simply because sewerage systems could not be put in. Indeed, the same problem meant that not one more house could be built in the whole of Perth.

I end my speech by highlighting a typical case. A letter that I received says:

"Dear Christine Grahame

I'm writing to you as I don't know what to do! The problem is my daughter ... and her partner ... and their three year old son ... live in a one bedroom flat. My grandson can't even have his own bed as there is no-where to put it.

They have been down time and time again to the"

housing association

"but they are getting nowhere. Can you give some advice on what to do."

The problem is that very little can be done. As John Home Robertson pointed out, homeless people—quite rightly—always get properties ahead of these people. Such a situation cannot be good for that family or that child.

17:19

Sarah Boyack (Edinburgh Central) (Lab): I congratulate John Home Robertson on securing the debate and thus enabling us to discuss the subject in Parliament. I strongly support his emphasis on the planning system. The debate is important not just in East Lothian, but across all of rural and urban Scotland.

Some of the most heart-rending visits that I receive from constituents centre on the lack of affordable housing and on people's sense of powerlessness and of being trapped in inappropriate properties with inappropriate neighbours. However, neither I nor the local council can solve the problem with a simple fix. Members have already mentioned young couples who want to start families. I should point out that older people who need a ground-floor property can also wait years to get one and, when they do, it is unlikely to be located where they currently live. They are most likely to be forced out of decent areas where they have lived for the past 30 or 40 years. I have heard from nurses, national health service staff, shop workers and bus drivers. In fact most working people in Edinburgh cannot afford regular house prices—£90,000 for a one-bedroom flat in Gorgie tells us what a problem we have. Virtually no three-bedroom properties in the city are available for families. There is huge competition and very few appropriate houses are available.

Many of the antisocial behaviour problems that people bring to our door are exacerbated by the lack of options for where councils put people to ensure that we get the right housing mix. The problem is huge and is worsening all the time.

The cost of land is a key part of the problem. If the public sector puts land on the market, it has to accept the district valuer's estimate, which means that it will be used for private housing for sale. The response of the City of Edinburgh Council is to require that on all sites of a certain size—if there are to be 25 to 40 units—25 per cent must be sold as affordable housing. That means that there are tortuous site-by-site negotiations and that there is less scope for other community benefits to be drawn out of sites. It is slowing down the rate of development in the city and what is worse is that it means that often the affordable rented housing is built at the end of the project in the last phase of development. That is the case with the waterfront development.

I agree with the City of Edinburgh Council that we need regulation and partnership with the private sector if we are to have the affordable housing that our constituents need. The land use planning system is a vital part of that process. We need sites allocated specifically for affordable housing and we must be able to apportion a proportion of bigger sites. We need mixed developments because they are desirable, but not every site will be big enough to accommodate such developments. We need to change the rules so that capital receipts do not force councils down the route of having to allocate sites that are inappropriate for private housing.

I ask the minister to consider the matter. If we bring planning into the equation, it will open up

new opportunities. Currently, councils cannot allocate sites for affordable housing for rent, even though they know from research that there is a crying need for affordable rented housing. We, as representatives, and our councillor colleagues know that there is a huge problem. The advantage of the planning designation will be to reduce the over-inflation of land values, about which John Home Robertson talked, and enable affordable housing to be developed. At the moment, housing associations and councils have to dig into their much-needed funds and pay over the odds for land that should be affordable.

I agree with John Home Robertson that we need to ensure that councils have a range of options. I do not think that merely considering the planning system will solve the problem, but it will help. I return to the point that when the cheapest one-bedroom flat in Gorgie is £90,000, who will be able to afford the £250,000 new build in the city? We need a mix of options—private rented, public sector rented and private for sale. Private houses for sale have to be affordable as well. If we do not change the planning system, we will not give councils enough tools to tackle the problem. I support John Home Robertson in his bid.

17:23

Murray Tosh (West of Scotland) (Con): I congratulate John Home Robertson on securing the debate, and Sarah Boyack on the excellent speech that she has just made, which drew on her professional expertise.

A couple of weeks ago I had the temerity to ask the minister about some of the issues that John Home Robertson has raised. The minister, who I can only assume was having a bad day, gave me a most dismissive response and said, in effect, that the publication of planning advice note 74 on land for affordable housing had taken care of the concerns that I was expressing.

PAN 74 does indeed allow councils to zone land for affordable housing, but if only it were that simple. The advice note is new and current structure plans and local plans do not generally allocate land for affordable housing. The only new example that I know of is the new Argyll and Bute Council local plan, which allocates a substantial search area to the east of Helensburgh for affordable housing—a town that has many of the characteristics of towns in East Lothian. No one can say what the result of allocating that land will be, because all the land there has a certain hope value for its owners. I suspect that that hope value will be increased by the zoning for affordable housing.

The minister might find it instructive to ask his officials why existing plans do not identify land for affordable housing, because they could. I think

that one of the reasons why is that planners know perfectly well that the definition of affordable housing is far from legally watertight and they know that land that is allocated for affordable housing goes into the same use class as market-led housing—there is no distinction in law between the two. They fear that if land is zoned for affordable housing, it will end up going into the market sector and will not increase the supply of land that is available for affordable housing.

The minister could close down some of those routes. He could make it clear that land that is zoned for affordable housing could not reasonably be developed principally by private housing with an affordable component, and that it would not be reasonable to develop in that category what is, in effect, a private-housing development using support from the grant for owner-occupation scheme to subsidise the initial occupiers. However, until statements such as that are made and are justified by local plan inquiries and by the caseload of appeals, no one will believe that land that is zoned for affordable housing is secure for that purpose.

Even if the minister can give such satisfactory statements and the caseload of appeals eventually demonstrates that land is safely zoned, the minister must surely grasp a further perspective: once land is zoned for affordable housing and is put into that use class, any owner with half a brain will know that when next there is a greenfield land release—whether two or 20 years down the road—the land that has been zoned for housing for one purpose is the land that is most likely to be rezoned for the other purpose. That land, therefore, will have a very substantial hope value, which is why it is impossible to conceive of councils acquiring land for housing associations or housing associations acquiring it directly.

In places such as East Lothian, East Dunbartonshire, East Renfrewshire, the northern parts of North Ayrshire and South Ayrshire, Helensburgh, Aberdeenshire, communities the length and breadth of the land and in pockets in most council areas, land will simply not be affordable. The Communities Scotland regime does not fund to an extent that allows acquisition of sites in direct competition with the private sector. That is the reality of life in pressured markets.

The minister is a decent man and I know that he goes out into the community and talks to housing associations and providers all the time. However, when will he listen to them when they tell him that his targets are unattainable and that the steps that he has taken are not adequate to deliver the land supply that his own ambitions make necessary?

There are things that the ministers can do and measures that he can take. I hope that, in the planning bill and the revised policy notes that will follow it, he will take the opportunity of making those further steps.

17:27

Des McNulty (Clydebank and Milngavie) (Lab): I congratulate John Home Robertson on securing the debate and on highlighting some of the issues that affect not only East Lothian, but other areas, such as East Dunbartonshire, which I represent part of.

I remind the minister that his formal designation is the Minister for Communities. That involves a range of components—he is also responsible for planning, housing, equalities and so on—which have to be fused together in him in a way that will benefit communities. He obviously has an across-Scotland responsibility, but today we are focusing on communities in which there are high market rates that make it difficult to get hold of land and housing. If we do not address the problems of people in such communities, some of those people will be forced out of their communities.

In Bearsden and Milngavie, it is difficult for someone who works in a shop or post office, drives a van or even teaches in a school to find housing. Nurses, hospital porters and people in a range of occupational groups cannot live there because they do not earn enough. That situation is fundamentally unacceptable. We do not want to create ghettos of better-off people and people from an older generation who are able to afford to live in a particular place while the younger people—often the children of that generation or the people who provide the services that underpin those communities—are forced to live elsewhere.

The minister has to look across the range of his responsibilities. He has to examine the new planning legislation and the strategies in his housing approach and equalities strategies, some of which are delivering perverse results. In Bearsden and Milngavie, it is not acceptable that a person has practically to be homeless to get rented accommodation. That was not an anticipated consequence of legislation, but it has been its practical effect.

That is happening not just in areas such as Bearsden and Milngavie, but in other areas. East Kilbride will be close to that situation soon and in parts of Edinburgh it will soon be difficult to get accommodation unless one is homeless. That was never the intention of the Homelessness etc (Scotland) Act 2003 or, indeed, of the Housing (Scotland) Act 2001. Parliament wanted to protect the rights of homeless people against disadvantage—it did not want to take away the

right to appropriate housing of people who live, or who want to live, in rented accommodation. The issue needs to be addressed. Government is about balancing rights and responsibilities in the context of limited resources, but that is not the situation at present.

The minister has to reconsider legislation that the Scottish Parliament has passed. He has also to look at future legislation and at the procedures that he has put in place to deliver a fairer outcome for everybody, because that is something that we do not have at present.

17:31

Mr Jamie Stone (Caithness, Sutherland and Easter Ross) (LD): I warmly congratulate John Home Robertson on bringing forward the debate on a courageous and, more important, timely motion. Each of us who has been a councillor or who is an MSP knows that the housing situation has worsened over the years; it has worsened considerably since I was first elected as a councillor in 1986.

Earlier today, I was talking to a friend who is a community councillor from the village of Castletown, just outside Thurso. He said that the problem is that local authorities do not build houses these days. As other members have said, when a house comes on to the market, it is priced well beyond the pockets of local people. I congratulate Des McNulty—in fact, I congratulate all the previous speakers—on putting his finger on the issue by asking how a nurse or any health worker can afford the prices that houses go for nowadays. As Sarah Boyack said, the issue is almost certainly linked to antisocial behaviour.

A significant part of my work, and of all MSPs' work, concerns housing; all of us deal with absolutely desperate cases. I have an example to equal Sarah Boyack's: a one-bedroom former council house in the village of Portmahomack in my constituency sold recently for £95,000.

I have a positive suggestion for the minister. The fact is that local authorities are not building houses—or, at least, that is the case for Highland Council. The situation may be linked to what was formerly known as the block A allocation or capital consents. John Home Robertson's wise words were that the planning process should cover allocation of land for affordable housing. That, in itself, would dictate the role of councils in housing. I remain completely unreconstructed in my view that councils have an important role to play. I mourn the passing of the day when councils could do something about building new houses.

I have another suggestion for the minister. Surprisingly, there is empty and unused accommodation in my constituency—oddly

enough, it is to be found above shops. The situation is not the same in a city such as Edinburgh. If one examines a street in my home town of Tain, for example, one will find above shops flats that are not being used for housing. Shop owners could be encouraged to do up and rent out such flats. The suggestion is connected to what used to be known in local authority work as block B moneys. As any former councillor will recall, when block B moneys were unringfenced, a lot of it was taken away and put into block A allocations. I am talking technicalities, but the situation could be eased if we could have a distinct capital stream that was aimed accurately at the private sector with the option to target, for instance, improvements to unused flats above shops.

Another example in my constituency is the high number of derelict croft houses on the east side of Caithness. Again, using grant money or a targeted or increased form or level of grant, it may be possible to bring those houses back into use for people who need them so badly.

We have heard the wise and accurate perspective of members from the south of Scotland—the situation is absolutely the same in the Highlands. As other members have correctly said, people may well be forced to move away from their local areas so that they can access housing. In the case of a Highland community, that can be tragic. I have nothing against incomers—they are very welcome—but I have everything against local people having to move away because they cannot afford to put a roof over their heads. The subject is so big that it demands action. I exhort the minister to do everything in his power to examine the issue. If that means cross-cutting into other departments, so be it.

17:35

Maureen Macmillan (Highlands and Islands) (Lab): Like others, I welcome the debate, which John Home Robertson instigated, and I was pleased to sign his motion. As others have said, affordable housing concerns us all, whether we represent rural or urban areas.

Recently, numbers on the housing waiting lists in the Highlands have increased hugely due to the surge in house prices. People who aspired to buy now find that impossible to contemplate. They swell the housing lists, which stand at about 8,000. Many immigrant workers are also coming into the Highlands, mostly from eastern Europe, and they are also putting local housing under pressure.

I am aware that affordable houses to rent and buy are being built in the Highlands and Islands. When I was in the Argyll islands this summer, I saw projects under way in Islay and Tiree to build

affordable houses to buy. Substantial amounts of social housing are in the pipeline for Lochaber and the inner Moray firth area and private developers are required to make 25 per cent of their developments affordable housing. However, that is for years ahead and the pressure is on now.

I am also concerned about how we keep affordable bought houses affordable for the next generation of purchasers. It is unclear how that can be done in all cases. The Highlands and Islands come under substantial pressure from the second-home market, but useful legislation exists: a rural housing burden under the Title Conditions (Scotland) Act 2003 would enable a rural housing body to buy back at a non-inflated price a property that it had helped to fund, whenever that property went on sale.

Homestake is being piloted. Under that scheme, onward sales can be restricted if a registered social landlord keeps a golden share and if the original criteria for purchase—a local connection and a certain level of income—are applied to prospective buyers. I would like the minister to confirm that.

I am anxious about whether all affordable homes that have been bought by local people as part of the criteria for ownership are similarly protected. In an advert in Tiree's local newspaper, M & K MacLeod Ltd offers, with grant assistance from Communities Scotland, houses at £80,000 for people with local connections and so on, subject to vetting by Communities Scotland. I believe that the subsidy is £40,000 per house. The advert does not say that the houses are part of homestake and I do not know whether Communities Scotland considers itself a rural housing body under the 2003 act. I have written to ask the minister what will happen when those houses are sold. Will a mechanism reserve them for local people, or will it be possible to sell them as holiday homes at double the price? Such homes must be protected from future speculation, so I ask the minister what is happening.

On the right to buy, it has been possible to apply for pressured area status for some time—since the first housing bill that Parliament passed—but local authorities have been reluctant to do that. We must ask why. Is the system too bureaucratic, or do authorities not want to tell people that they will be unable to buy their council houses? Local authorities and housing associations would prefer the Executive to abolish the right to buy.

In the Highlands, some former local authority homes have ended up on the second-home market, which is intolerable. If we were to keep the right to buy, could we amend the 2003 act to provide a right of pre-emption over a former local authority or housing association house, as exists for rural housing, so that such properties could be

brought back into community use at a reasonable price? Otherwise, could rented houses be converted into homestake houses? That would enable ex-tenants to personalise their houses, to improve them and to have a fair return when they wished to sell, while retaining the properties for the community on their sale.

It is important that, having invested much money in building affordable housing to rent or buy, we do not lose it—and certainly not to the second-home market.

The Deputy Presiding Officer: The debate is heavily oversubscribed, so I am minded to accept a motion to extend it by 15 minutes.

Motion moved,

That, under Rule 8.14.3, the debate be extended until 6.06 pm.—[*Murray Tosh.*]

Motion agreed to.

17:39

Fergus Ewing (Inverness East, Nairn and Lochaber) (SNP): Members have made important points, which I will not repeat. There is a chronic shortage of affordable housing in my constituency, but a lot of good work is being done by housing associations and other agencies, including private sector companies such as Tulloch Construction, Morrison's and Robertson's, which do a sterling job.

I want to deal with three issues that have not been raised, the first of which is self-invested pension plans. All parties in the Scottish Parliament may be concerned about the surge in house prices, to use Maureen Macmillan's phrase. However, if the chancellor down in Westminster takes measures that will increase the value of existing houses, that will be bad—it will be inflationary, as we can foresee. However, that is what Gordon Brown is doing by allowing people to include houses in their pension schemes, which, of course, will attract tax relief. Demand will be created as soon as people are offered tax relief if they put something in their pensions and prices will be inflated if demand is created. I would be interested to know what the minister has to say about that.

Secondly, there have been severe restraints in rural Scotland in particular as a result of the lack of water and sewerage infrastructure. The next round of improvements under quality and standards III is due to begin shortly and will last for a long time—I think that it will last for around nine years. I understand that Scottish Water has estimated that the cost of Q and S III will be £3.3 billion, but the water industry commissioner, with consultants—whose remit has not been published—has given an estimated figure of £2.2 billion. How on earth

can the figure go from £3.3 billion to £2.2 billion? Will the minister say whether the figure that has been given is reliable? The issue is not his department's responsibility, but he has an interest. If there is not enough money in the budget, development will not be possible in many places in my patch, such as Newtonmore, Kingussie, Kincaig, most of Badenoch and Strathspey and much of Lochaber.

Thirdly, for some time I have pressed the Forestry Commission to make available some of its land for housing. Obviously, the Forestry Commission is in the business of growing trees; indeed, I hope that it will plant a few more trees in the years to come. However, it is Scotland's largest landowner—it owns even more land than the Duke of Westminster does. I was delighted and surprised that a copy of the national forest land scheme arrived by e-mail but, when I sat down and read it, I thought that it seemed too bureaucratic and complicated. The scheme is only for communities—private individuals cannot apply—which must have a ballot if the value of the plot that is to be acquired by them for housing is more than £50,000. Why? Individuals rather than communities will live in the house. Should not individuals in the Highlands have the chance to buy a plot from the Forestry Commission?

I wrote a characteristically long, lawyerly letter with 29 numbered paragraphs to Bob McIntosh and received a pleasant reply. However, I did not get the impression that the Executive is grasping the issue by the scruff of the neck and saying to the Forestry Commission, "Look, we want you to supply us with targets for the number of houses." In my patch, people could wait on a housing list for several decades after their expected lifespan. I ask the minister whether there is an imperative to get the Forestry Commission—well intentioned though it is—to be rather more ambitious for Scotland.

I hope that the minister will address those three issues and say in particular whether he agrees with what Gordon Brown is doing—it would be reassuring to hear that not everybody in the Labour Party supports Gordon Brown. However, to be serious, it must be clear to everybody in Scotland that the new Labour measure that I mentioned will be fairly disastrous if we are to achieve the aims that we all want to achieve.

17:44

Dr Sylvia Jackson (Stirling) (Lab): I thank John Home Robertson for bringing the debate to the Parliament. His motion has been well supported, as it should be, because the topic is important.

Obviously, there is concern throughout Scotland about the social rented sector and the shortage of

rented housing. I simply have to look at my area to find out about the problem. A recent survey on rural housing by MyHousePrice.com found that the average house price in rural Stirling is £157,000. That price is topped only by prices in the four Es: East Lothian, East Dunbartonshire, Edinburgh and East Renfrewshire.

Maureen Macmillan and other members mentioned the right to buy. The Rural Stirling Housing Association tells me that it is now only seven years away from having all its stock—more than 300 houses—covered by the right to buy. To Maureen Macmillan I say that rural houses are not all protected from the right to buy and that that is a problem. I would like the minister to consider introducing some sort of measure, such as Maureen mentioned, to save those houses.

The second point that John Home Robertson makes in his motion is that

"applicants in overcrowded or unsuitable accommodation can be stuck on waiting lists".

There are more than 2,000 people on Stirling Council's waiting list and there are 123 homeless applications. The Forth Housing Association's waiting list is 709 and the Rural Stirling Housing Association's waiting list is nearly 600. The figures in my constituency are very high.

The third point in the motion is that

"there is a need for a clearer definition of affordability".

Early on, the cross-party group on affordable housing raised the issue of the definition not so much of affordability as of affordable housing. The Executive's Scottish planning policy 3—"Planning for Housing"—defines affordable housing as

"housing of a reasonable quality that is affordable to people on modest incomes."

As Murray Tosh said, that is a bit airy-fairy. Affordable housing is not well defined at all.

Another important issue that the cross-party group considered is how an accurate assessment of housing need can be made. As the Bramley research has pointed out, the difficulty of using housing market areas is that some areas are masked by others, as Cornton is masked by Bridge of Allan in my constituency. That, too, is a problem.

The fourth key point in the motion is its welcome for the Executive's initiatives. We must be positive about the fact that huge amounts of money are going into regeneration in areas such as Raploch, Cornton and Culterhove. That represents a new, holistic approach to regeneration, which is about not just houses, but schools, health and the environment.

Nevertheless, other members have raised some important issues. Sarah Boyack spoke eloquently

about issues to do with the planning bill, which Murray Tosh also highlighted. We must use the opportunity that the bill gives us to do something constructive and release more land at prices that enable it to be used for the social rented sector.

A further issue is the escalating cost of raw materials. We have a good example in the Ballater project and I believe that we should have more initiatives of that type. We also have a labour and skills shortage, although there are good examples of local labour agreements, such as those in Raploch, and training schemes, of which we should have more. Finally, we have problems with water and sewerage infrastructure, as Fergus Ewing mentioned. We must enable further development of the infrastructure. Although a lot is being done—I do not want to be totally negative—we must move on and do other things as well.

17:48

Dr Jean Turner (Strathkelvin and Bearsden) (Ind): I thank John Home Robertson for securing this debate on a subject that everyone agrees is important. I also thank members who have spoken for the things they have said.

For most of my life, I have been involved with people at the sharp end. I know that homes mean a lot to people and that they affect their health. People need more than just windproof and watertight homes to make their lives whole. The point about antisocial behaviour was well made. In Bearsden, a leafy suburb, we have a single parent with two children who has been on a waiting list for nine years. The teenage son is fed up with moving around and not having a home, and he is beginning to go off the rails. We must think about the whole person and about communities.

When I moved into East Dunbartonshire, I was surprised to find that it is top of the price list, along with East Renfrewshire, East Lothian and Edinburgh. I was also surprised to learn that we need to build 500 new homes every year. That figure is based on 2001 figures in a tested study by the Scottish Executive reporter. There are nine sites in East Dunbartonshire where they are intending to build, but we will be lucky if we get 100 rented houses out of them.

The availability of land is extremely important. We have to define affordable housing and to explain to the people who might not want it in their back yard why we have to build houses that people can afford.

The subject of what is affordable has been mentioned. There are professionals in medicine and teaching who cannot afford £250,000 for a house. I am reminded of when the oil came in Aberdeen and a lot of the junior doctors had to move further away from the city because they

could not afford houses in the centre. If we have nothing but very expensive houses, who is going to buy them?

There are about 4,000 people on the waiting list for new provision or transfer in my area. Good points were made about the homeless. New regulations will make that situation more difficult because, at present, 70 per cent of the vacant properties go to homeless people and only 30 per cent go to people on the waiting list. That 70 per cent will probably reduce as new regulations come into force.

I am worried about people having the right to buy. I am certainly worried about patients of mine who were able to pay mortgages but not rent. Houses have upkeep costs and I wonder what will happen to houses if people cannot keep them in good repair.

A lot of national health service land has been given up for building and the Scottish Executive makes health boards maximise receipts from land. Perhaps the Executive could think about that and how it hinders the building of affordable and rented housing. The minister could also consider taking in more of the green belt. Dare I say that, coming as I do from a place that has lots of green belt? There are things the minister could do to help the quite dire situation, which is extremely worrying. People will end up with ill health even if they have warm and dry accommodation if they are not settled in their existence with their own home.

17:53

Susan Deacon (Edinburgh East and Musselburgh) (Lab): I join others in congratulating John Home Robertson on securing tonight's debate. He and I share a constituency boundary so it should come as no surprise that I share the experiences that he has described. I also share his analysis of the problem and his views on many of the potential solutions.

I am impressed by some of the solutions that have been offered tonight and, like others, I am also impressed with many of the steps that the Executive has taken. However, I underscore the view that has been expressed by other members about how profound the situation is.

As I represent part of East Lothian and part of the city of Edinburgh, I represent two of Sylvia Jackson's Es. I can honestly say that there is no other issue that causes such difficulty in local areas as the shortage of affordable housing. It causes difficulty to the individuals concerned through unmet social need and it has knock-on economic consequences. It breaks my heart—I am sure other members feel the same—to explain, time after time, what has happened in the housing market, why the situation is as it is, and why, even

though they can hardly believe it, it is true that it might be a decade or longer before they can get a house, despite the profound overcrowding many of them are experiencing, despite the endless documentation of the condition of their health that they have produced, and despite the fact that they are marooned upstairs because of age or mobility problems.

We must do something to ensure that we do not continue to preside over such a situation. I know that there are no quick fixes and that the Executive is taking steps, but my plea is that we inject into such action as is being taken an urgency and pace that has not always been apparent so far. We need to join up policy, practice and thinking in a meaningful way.

Let me briefly reiterate some of the issues that have been mentioned tonight and add one or two others. First, I would not have believed that I could become so interested in planning as I have over the past couple of years. In part, that is because I realise just how key planning is to housing and many other central aspects of the Executive's social and economic policies. I plead with the minister to ensure that the proposed planning bill is used to unlock some of the issues that have been described tonight.

Sylvia Jackson mentioned regeneration. As I represent areas such as Craigmillar, I can see the win-wins that could exist if we could get moving further and faster in taking forward the next stage of regeneration in such communities. That could help to resolve some of the city's wider housing needs.

Construction has not been mentioned. We desperately need to build skills so that, when we take the decisions to move forward and build the houses that are needed, we have the people who can do it.

As my constituency shares a boundary with the minister's, I know that he cares about the issue as profoundly as the rest of us. I hope that tonight's debate will have added weight to the arguments that he is putting within the Executive so that the issue is given the priority it desperately needs. We must not lose more months or years in finessing consultation processes, reviews or strategies; action is needed. We already have the commitment; we just need to see things happening.

17:56

The Minister for Communities (Malcolm Chisholm): I congratulate John Home Robertson on securing and introducing what I think has been one of the best debates that I have sat through in all the years of the Scottish Parliament.

I am passionately and open-mindedly committed to increasing the supply of affordable housing, including affordable to rent and affordable to buy housing. I say open-mindedly quite deliberately, as I have found tonight's debate very interesting. I shall read over it with care and I shall take on board and reflect on many of the interesting points that have been made.

There is no one solution to the problem—or even just six or 10 solutions—so we need a jigsaw of policies to deal with it. If the Executive has not yet put parts of the jigsaw into place, I am more than happy to seek them out and put them in place.

Murray Tosh: Will the minister give way?

Malcolm Chisholm: I might in a moment, but I need to make progress.

I am quite willing to challenge anyone—including Gordon Brown—if I think that they are stopping our policies, but I must say that Fergus Ewing has lost perspective on the chancellor's pension proposals. I do not believe that they will have the effect that Fergus Ewing suggested.

Let me summarise what we are doing before I move on, in the second part of my speech, to planning. Our big programme for affordable rented housing will provide 16,500 homes over the next three years. That is the highest level of new provision for a generation. This year, our overall affordable housing investment programme will receive more than £400 million, which is a 23 per cent increase on last year.

On low-cost home ownership, other members have mentioned the homestake scheme, which I launched last week. Homestake will help in particular first-time buyers and people on low incomes who are unable to pay the full price of a property. I can reassure Maureen Macmillan that an advantage of the scheme is that it provides a mechanism that allows registered social landlords to retain a golden share of properties in pressured areas so that affordable housing is not lost from the affordable sector.

An important point is that homestake is overwhelmingly about new build. Given that several speakers are from Edinburgh and the Lothians, I should say that we are piloting in the Lothians a slightly different version of homestake that will run alongside the Scotland-wide scheme. The pilot will allow successful applicants to buy a home on the open market.

However, there are many other parts to housing policy. Prudential borrowing, which John Home Robertson mentioned, is available to many councils. Community ownership will help significantly in tackling the issues in Edinburgh that Sarah Boyack and Susan Deacon mentioned.

Another issue is the additional income from reduced council tax discounts, but that has not been mentioned. We also have the amended right to buy.

I have just received an application from East Renfrewshire Council, on which I hope to give a view very soon. If local authorities feel that they have a problem with the right to buy and the availability of affordable rented housing in their areas, they should use the powers that enable them to apply for an exemption. It seems to me that enabling local solutions to that problem was a wise move by the Scottish Executive.

Before I move on to planning, I shall take Murray Tosh's intervention.

Murray Tosh: My question relates to the figures the minister quoted for his three-year building programme. He will remember that his predecessor, Margaret Curran, announced a target of 6,000 houses in each of three years—a total of 18,000. Was that enough? Were 6,000 a year achieved? Why is his current target lower than his predecessor's?

Malcolm Chisholm: The current three-year target is obviously more than the previous target, at 21,500, but that was based on the evidence of Bramley and others and on local authority housing assessments. We remain committed to further improvement of the evidence base, and work is under way to improve the quality and consistency of local housing assessments.

Of course, there are other land issues apart from planning. Forestry Commission land has been mentioned and there is a land banking scheme in the Highlands that I wanted to refer to. I can also tell Sarah Boyack something that is quite significant in relation to what she said about public sector land: we are considering the results of a recent consultation on new regulations, under the Local Government in Scotland Act 2003, to streamline the consents process for the disposal by local authorities of land at less than market price. That certainly goes some way to answering her point on public sector land.

I shall move on to planning, because time is vanishing at an alarming rate. I want to talk mainly about PAN 74, but I remind members of SPP 3, on planning for housing, which requires planning authorities to meet the need for housing within their areas, encourages them to take a long-term view when allocating land for new housing through their development plans, and indicates in general terms how the planning system can support the delivery of affordable housing. The revised draft SPP 21, on green belts, which was issued this summer, is intended to reiterate that guidance and to encourage a long-term view to be taken of the need for land for development. The draft SPP 21

encourages use of green belts and of tools of long-term settlement planning, and encourages a review of existing boundaries.

However, it is PAN 74 that has mainly been referred to, and it addresses the points raised by Murray Tosh, John Home Robertson and others about designating land for affordable housing. The key role of the PAN is to establish a benchmark in local authority areas where there is evidence of a shortage of affordable housing of 25 per cent of the units on market housing sites being made available for the provision of affordable housing for sale or rent.

Mr Home Robertson: I acknowledge everything that is said in PAN 74. It enables the local authority to express a wish that a proportion of the land should be developed as affordable housing, but the trouble is that it cannot deliver. If the people who own the land sit on it and will not release it for affordable housing, we are no further forward. Can the minister help to unlock that, please?

Malcolm Chisholm: The reality is that PAN 74 is delivering. Authorities such as City of Edinburgh Council have been using the affordable housing contributions for some time. When I visited Inverness last week, councillors there were praising PAN 74 for offering them many new opportunities to develop affordable housing. PAN 74 urges developers to work with housing associations to deliver affordable housing as part of market housing developments. Where a relevant policy has been included in the development plan, developers will be expected to make a proportion of housing on each new site available for affordable housing. The land for affordable housing may be sold to a registered social landlord for development, in which case it must be transferred at below market value.

In response to Murray Tosh's point, I should also say that PAN 74 indicates the possibility that planning authorities can make interim policies for affordable housing when development plan review is not imminent. PAN 74 indicates that, in preparing development plans, local authorities can influence the delivery of affordable homes by allocating sites specifically for affordable housing. When I was in the Highlands last week, I was told that Highland Council had recently used that approach, allocating land for affordable housing in its finalised draft local plan for Wester Ross.

John Home Robertson thought that he was going too far when he suggested compulsory purchase, but when a planning authority wishes to play an active role in prioritising the delivery of affordable housing on allocated sites, it can make use of compulsory purchase powers to acquire land allocated for affordable housing.

Murray Tosh *rose—*

Malcolm Chisholm: I am happy to consider the points raised by Murray Tosh—he might be about to make another one now. As I said at the beginning of the debate, I am happy to consider his points and other suggestions that have been made so that we can improve the way in which the system works. The fundamental point that I am making is that a designation of land for affordable housing can already be made. It may be that we need to get better at implementing such a designation.

Murray Tosh: I am aware that local authorities can compulsorily purchase, but I am also aware that none of them ever does. The minister knows that his department carried out significant research into the issue a couple of years ago. Is he willing, given his open-mindedness, to consider the suggestion that the planning bill becomes a planning and compulsory purchase bill, which is what was passed in the United Kingdom Parliament?

Malcolm Chisholm: I do not think that we can change the planning bill in that way at such short notice, but I accept that compulsory purchase may well have to be considered in another context.

I am well over my time already and I have not had time to address several other points that were raised.

In conclusion, I am happy to consider all the points that have been made and to establish what other actions can be taken through the planning system or in housing investment to address the problems that have been eloquently described. I am passionately committed to securing an increase in the supply of affordable housing by whatever means are at my disposal and I thank members for all the suggestions that they have made.

Meeting closed at 18:06.

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