



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE

Wednesday 20 March 2013

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INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE
8th Meeting 2013, Session 4

CONVENER

*Maureen Watt (Aberdeen South and North Kincardine) (SNP)

DEPUTY CONVENER

*Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP)

COMMITTEE MEMBERS

*Jim Eadie (Edinburgh Southern) (SNP)
*Alex Johnstone (North East Scotland) (Con)
*Gordon MacDonald (Edinburgh Pentlands) (SNP)
*Margaret McCulloch (Central Scotland) (Lab)
*Elaine Murray (Dumfriesshire) (Lab)

COMMITTEE SUBSTITUTES

Gil Paterson (Clydebank and Milngavie) (SNP)
Graeme Pearson (South Scotland) (Lab)
John Scott (Ayr) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

David Anderson (Transport Scotland)
Keith Brown (Minister for Transport and Veterans)
George Chree (Angus Council)
Tom Davy (Scottish Government)
Nigel Don (Angus North and Mearns) (SNP)
Gordon Hanning (Scottish Government)
Jill Mulholland (Scottish Government)
Derick Murray (Nestrans)
Michael Robson
Ewan Wallace (Aberdeenshire Council)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

Committee Room 1

Scottish Parliament

Infrastructure and Capital Investment Committee

Wednesday 20 March 2013

[The Convener opened the meeting at 10:00]

Subordinate Legislation

National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2013 [Draft]

The Convener (Maureen Watt): Good morning, everyone. Welcome to the eighth meeting in 2013 of the Infrastructure and Capital Investment Committee. I remind everyone to switch off mobile phones and BlackBerrys, as they affect the broadcasting system.

Agenda item 1 is subordinate legislation. We will hear evidence from the Minister for Transport and Veterans on the draft National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2013. I welcome Keith Brown and his officials, who are Tom Davy, who is team leader for bus and local transport policy, and Gordon Hanning, who is head of the concessionary travel and integrated ticketing unit.

The order has been laid under affirmative procedure, which means that Parliament must approve it before its provisions can come into force. Following the evidence session, the committee will be invited to consider a motion to approve the instrument, under agenda item 2.

Minister, I invite you to make some opening remarks.

The Minister for Transport and Veterans (Keith Brown): Thank you for the invitation to discuss the draft National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2013. The order sets out the reimbursement rate and capped level of funding for the Scottish national concessionary travel scheme in 2013-14 and 2014-15.

For my part, I am pleased that we have reached agreement with the bus sector on reimbursement arrangements for the next two years. The agreement is based on detailed independent economic research that was commissioned by the Scottish Government. The research, which was extensively discussed with the Confederation of Passenger Transport and its consultants, gives us a very good basis for informed decisions.

The research suggested that the reimbursement rates for 2013-14 and 2014-15 should be 58.6 per cent and 58.1 per cent, respectively, of the average adult single fare. That is the level at which we would most precisely meet the legal requirement to ensure that bus operators are no better and no worse off as a result of participating in the scheme. That is a fundamental principle, to which we must adhere.

We recognise that, nonetheless, that is a significant reduction from the current reimbursement rate of 67 per cent. To avoid destabilising the sector, we are managing the transition over more than one financial year. This year, we have provided an additional £10 million of transitional relief. Next year, we are setting the reimbursement rate at 60 per cent rather than at 58.6 per cent. In 2014-15, we will have the full reduction to 58.1 per cent in place. We expect the rate for next year to be affordable within the current £187 million budget. However, we have recognised that the 2014-15 rate will imply an increase in budget of £5 million on top of the existing £187 million.

For my part, I am committed to continuing to work with the bus sector on an economic model that is based on economic analysis that can be used in future years to simplify reimbursement rate and budget calculations. That will reduce uncertainty for all parties. In all this, I have been keen to ensure that we have a fair deal by phasing in the changes and by providing extra funding to ensure that the scheme remains sustainable for operators and taxpayers and continues to bring all the benefits of free travel to our over-60s and to people with disabilities.

Elaine Murray (Dumfriesshire) (Lab): You said that you have the agreement of the bus service operators—or, at least, of the Confederation of Passenger Transport, which represents them. However, several operators seem to be not content with the proposed reduction, which they say will cause fares to go up. In a letter to *The Herald*, Ralph Roberts of McGill's Bus Service Ltd warned that the proposed reduction would lead to service cuts, which we already seem to be seeing in some parts of the country. On Saturday, a constituent tweeted me a photograph of a poster on a Stagecoach bus that says that fares will go up on 1 April, which Stagecoach blames on "reduced government investment" in buses. How much discussion has there been with the confederation about the consequences for other bus users of the cut in support for the concessionary bus scheme?

Keith Brown: I am not aware that anyone within Parliament has advocated that we should spend more than we currently spend on the scheme.

Certainly, that did not come up during the budget discussions.

We have had a substantial number of discussions with CPT over a prolonged period. As I said in my statement, we are making the changes on the basis of independent research, which we discussed with CPT and its consultants and on which there is a level of agreement. It will always be the case that bus operators would like to have more, but I think that they recognised in the discussions that the Scottish Government has sustained our investment in buses, whereas that investment has been substantially reduced in many other parts of the UK.

In our view, the proposal is a fair settlement under the scheme, which is designed to ensure that operators are no better off and no worse off. I maintain that that is what will happen as a result of our decisions, which are based on economic research about the right level of reimbursement. However, we have gone beyond that by providing for a higher level in the first year, for which we introduced £10 million of transitional support. That was welcomed by one of the operators that has been mentioned. Our proposal is a fair settlement that should not offend the principles of the scheme, which was set up to ensure that operators are no better off and no worse off. We agree that that is what the proposed change will do.

We have not just insisted on the proposed change; we have discussed it at length, and not just with the CPT. Because about 20 per cent of bus services are provided by smaller operators, we had for the first time substantial discussions with the smaller operators, as well. I think that we have reached the right decision on the right basis.

Elaine Murray: I may just be a bit stupid, but I cannot understand how, when bus operators are getting less money per passenger, people will not be worse off. I do not understand that argument.

What was the scope of the review that was carried out? Did the consultants look just at the repayment per passenger? Was that the entire scope of the review, or did it look further than that, at other issues?

Keith Brown: That was the basis of the decision on the rate of reimbursement, which is the key decision that must be taken.

Dr Murray says that she does not understand. It is quite difficult to go into the detail of the process, so one of my officials can talk about the economic modelling and can say more about the scope of the review and how it was carried out. Where we have to end up is that the operators are no better off and no worse off. We are confident that we have achieved that, and CPT agrees that we have

done that. The figure is not based just on what we say; we do not just pluck a figure out of the air.

Tom Davy (Transport Scotland): As the minister said, the research looked at the evidence on what should be the rate of reimbursement, as a percentage of the adult single fare, that would on average leave operators no better off and no worse off as a result of the scheme. There are three main factors in that, none of which is particularly easy to calculate.

I will rewind a bit. There are basically two types of concessionary passenger: those who are travelling only because they can do so for free, who are extra passengers who have been generated by the scheme, and those who would have been travelling anyway and would have been willing to pay a fare but, because of the scheme, are now able to travel without paying a fare. For the operator, the difference is that there is an extra cost—the cost of fuel and so on—for carrying the travellers who are extra, and they lose the fares of travellers who would have travelled anyway and paid a fare.

The economic calculations need to try to work out what the relative proportions of those passengers are—how many concessionary passengers are extra and how many would have travelled anyway—as well as what the cost of carrying each extra passenger is and what fares the passengers would have paid if they were paying. The calculation as to how common the different types of passenger are is basically a function of the fares: the higher the fare is, the more likely it is that people would not travel unless it was free. Working out the fares that people would otherwise pay is not a straightforward calculation, because not everyone pays the full adult single fare; some people have season tickets and some people buy return tickets. A calculation is needed to try to work that out.

None of that is easy to calculate from the figures, because they are not things that would usually be observed directly. In an ideal world, we would have had no concessionary travel scheme back in 2005-06, we would have introduced the concessionary travel scheme cold and then we would have had an experiment in which we would have been able to see what had changed. In practice, there were concessionary travel schemes already in place, so the picture is very complicated. That is why our consultants and CPT's consultants spent the best part of half a year debating the figures before arriving at a set of numbers that they could agree on.

Those discussions suggested that the 67 per cent figure was, arguably, overcompensating in the present circumstances. It may have been right when it was set, but it is overcompensating in the market as it is now. The correct figure is more like

the 58 per cent figure that the minister referred to. That is mainly driven by the level of fares, which have gone up over three years since the rate of 67 per cent was set.

Elaine Murray: Thank you for that explanation. I am quite surprised by that because operators have told me that they have been losing money on the concessionary travel scheme, particularly because of the cap and the period when they were no longer being reimbursed. Some of them argue that they are already losing money on the scheme, and I cannot see how reducing it will resolve that issue.

Tom Davy: There are two things to say about that. First, the scheme is based on averages, which makes the scheme simpler but is, arguably, a weakness. Some operators have different cost structures from other operators; therefore, in a scheme that, on average, compensates operators correctly, the odds are that some operators are over and some are under. It is not entirely surprising that some operators feel that they are doing less well than others.

Secondly, are they better or worse off overall as a result of the changes? There is interaction between the rate and the cap. In the year that we are just coming to the end of, we had a cap of £187 million, which was breached as a result of payments. Earlier in the year, payments were being made at 67 per cent, but that had to stop because the cap was reached. However, as the minister said, we injected an extra £10 million in March to partly offset that.

Next year, payments will be made at the rate of 60 per cent—so, more slowly—but we think that that will result in the cap being used up by the end of the year. The cap is still £187 million, so the industry will get the same amount of money as it would have got this year; it is just that it will be phased out throughout the year and a rate will be established that the economics tells us is closer to average compensation than the 67 per cent was.

Elaine Murray: Let us return to the review. At another committee, I have heard evidence regarding the number of people aged 60 who are using their bus passes to go to work. I have raised the matter before and it has been depicted as my trying to take pensioners' bus passes from them. I am not talking about pensioners, though; I am talking about people who use their bus passes to go to work because the retirement age is now different from when the scheme came in. Have you given that any consideration? It seems to me to be unfair that somebody travels to work free while others who are under 60, possibly on the minimum wage or who are travelling to find work, may have to pay an increased fare to do so. Have you given any consideration to that?

Keith Brown: If Elaine Murray is questioning whether somebody should be able to travel free at the age of 60 if they are still in work, I do not think that it is unreasonable to assume that you are saying that those people should not have that bus pass. I disagree with that. I think that the scheme, as it is currently constituted, and which existed under the previous Administration, is the right way to go about it.

On Elaine Murray's substantive point, we consider all the different aspects of eligibility. That is part of having to look at the budgets. The rate of reimbursement, the cap, the discussions that we have had and the extra £10 million that we have invested are all aimed at ensuring that the scheme is sustainable, which is a key priority for me. The cap, in particular, is relevant because we have to be able to say, "That is the budget and no more." Otherwise it could, being a demand-led budget, go well beyond that. If we had a system in which patronage was static and fares were going up, it would be open to every operator to increase their fares substantially and to use up the cap. We need the cap because there must be a legal process by which the Government says, "That's as much as we can spend on this."

Yes—we look at issues of eligibility. The question has been raised in Parliament not just by Elaine Murray, but by others. However, we remain committed to the scheme as it is currently constituted.

Elaine Murray: I have been approached by a small bus operator who believes that her company is in a fair degree of trouble. Last year, to keep her company going, she had to raise money against her own home and she is worried about the future of her company. She told me—in rather more graphic terms than I will use—that people with addiction problems and their companions are eligible for concessionary fares. How widespread is that? Is that happening just in her area or more generally? To give people with addiction problems free bus passes does not seem to be the best way of supporting them.

Gordon MacDonald (Edinburgh Pentlands) (SNP): There are passes for disabled people with a companion.

10:15

Keith Brown: There are issues, but that is a local part of the scheme and not so much what the Government does. I do not know whether Gordon Hanning can give you more detail on that. I have spoken with that small bus operator, if it is the person to whom I think Elaine Murray referred. She has been unable to discuss those concerns directly with the Government in the past; one

change this year has been that we have had discussions with smaller operators.

The large operators account for approximately 80 per cent of all the bus journeys that are undertaken in Scotland, and they constitute the CPT, which tends to concentrate on those operators alone. They have raised particular issues such as the phasing of the scheme. When the cap is applied, there will suddenly be no revenue coming in for the last month, so we have agreed to flatten the introduction so that there is revenue. However, we have, as I said, held discussions with small operators for the first time.

On the point about eligibility for people with addiction issues, Gordon Hanning can perhaps underline the extent to which that is a local authority issue.

Gordon Hanning (Transport Scotland): The eligibility for the scheme has not changed all that much in the full seven years for which the Scottish Government has been running it. It is a bit of a myth that someone who has a casual drugs habit gets free travel; all sorts of people with disabilities get admission to the scheme.

We have to have pretty strong evidence of a long-standing problem, and we are ultimately in the hands of doctors and the medical profession in that regard. I am not qualified to comment on whether an individual is eligible, but we have to trust the medical profession to provide the evidence that triggers provision of concessionary travel. However, there must be evidence of illness rather than just a casual problem.

Elaine Murray: I am sure that you can understand why an operator who is struggling feels resentful when they see people with addiction problems getting a free bus pass to go down to the offy, or whatever.

Keith Brown: I do not understand why an operator would feel resentful about someone who is using the bus and accessing the scheme. I am not saying that the operator did not express that feeling to you, but I am not sure why they would feel resentful about that, to be honest.

Gordon MacDonald: I want to ask about the reimbursement calculation. Most bus companies in Scotland provide some form of saver ticket—such as a return, day or weekly ticket, a 10-journey ticket or a monthly season pass—and yet none of those tickets is openly reflected in the formula. The calculation involves taking journey times and other factors into account, but it is based on a single adult fare although the majority of adult passengers do not use that type of fare.

The local bus company in Edinburgh recently announced that it is putting up its single adult fare, but not the price of its bus passes. I am curious

about why your calculation is based on a narrow section of passengers and therefore does not reflect fares for regular passengers, as the people who use adult single fares tend to be visitors to a city or people who usually use their car rather than the bus. People who travel regularly tend to use some form of saver ticket, so your reimbursement rate therefore generates a higher value than the value to the bus company, because the income per journey on a normal bus service is lower than the single adult fare.

Keith Brown: That is a good point, which has been raised before. We apply fare tests, so that situation is not simply accepted. If an operator simply puts up their single adult fare because they know that they will be reimbursed at a higher rate, that is not the end of the story. We are aware of the issue, and the deal that we have just struck with the industry includes constraints on fare increases, so we acknowledge that point.

To return to Elaine Murray's point about dissatisfaction among some operators, that arises in large part because the costs that they are having to pay are going up so much. The cost of fuel is one of the key determinants for their cost base, and that can have an impact on fares. We accept that, but the fares should reflect the actual cost, so one fare should not be less reflective of the cost than another. We are dealing with that in a number of ways. Perhaps Tom Davy can add more on the subject.

Tom Davy: I mentioned that there are several variables in setting the reimbursement rate, none of which is easy. One of the non-easy ones is called the discount factor. I looked through the consultants' report to remind myself about the issues, so I know that there are about 10 pages on the issue. I will not talk through them all for the committee, but in essence the discount factor attempts to model the extent to which the fares that concessionary passengers would pay if they had to pay would be different from the adult single fare.

I remember some of the discussion about that. It was a non-trivial discussion, not least because the assumption is that concessionary passengers differ from passengers in general in their behaviour, partly because they tend to be older and less likely to be in regular work, and therefore less likely to buy weekly season tickets. However, we think that that is allowed for in the calculations. There is, however, still an element of rough justice, because the whole thing is done on averages.

The consultants point to that as an area of uncertainty and, potentially, abuse. I am not saying that this happens but, as the minister said, an abusive operator could jack up the adult single fare and have all their paying passengers

travelling on something else, while we pay them for the adult single fare. I do not think that that happens very often, but Gordon Hanning's team keeps an eye open for it.

Gordon MacDonald: Thank you for that reassurance. When the scheme was introduced in 2006-07, the total pot was £159 million and by 2014-15 it will have increased by £33 million, or roughly 20 per cent. How does that compare with the consumer price index? Is the cost keeping pace with inflation?

Tom Davy: That is a good question. I do not think that I have that figure.

Keith Brown: We will have to get an exact comparison of the increase in the CPI compared to the increase in the cost of the scheme. However, members can see how the cost has increased over the years. We keep an eye on patronage levels, and we are much happier to see an increase in the cost if patronage levels increase. However, during that time we have had a double-dip recession and substantial increases in fuel duty and fuel costs, so costs have been rising, which is perhaps one reason why the cost of the scheme has increased.

Adam Ingram (Carrick, Cumnock and Doon Valley) (SNP): That begs the question why the subsidy rate is reducing rather than increasing, given that there is a rise in costs. Can you explain why the subsidy rate has decreased from 67 per cent to 58 per cent?

Keith Brown: I cannot do that in one sentence and without going through some of the formulas. Tom Davy hinted at the complexity of the issue. One factor is price elasticity of demand and another issue is to do with people who travel but who would not otherwise have travelled. That tends to produce benefits the more it happens. As we have heard, the issue is complex; Tom Davy will say more about it.

Tom Davy: My only comment is to go back to the principle of the scheme, which is reimbursement of costs. We use the term "subsidy" loosely—when I say "we" I include myself and my colleagues—but the concessionary travel scheme is not intended to be a subsidy; it is intended to be a payment to operators for the costs of carrying concessionary passengers for free. European Union state-aid rules govern how generous we can be in such schemes, which is why we try not to overpay.

There is a wider and separate question, which I will not go into, about levels of overall public support for bus transport. There are other public funding streams for bus travel, such as the bus service operators grant and local authority support for specific routes. There is a totality of funding for bus transport, some of which is a subsidy. The

concessionary travel scheme is not supposed to be a subsidy, although I accept that for an individual bus operator it is all income that has to offset costs.

Keith Brown: The other element is the bus service operators grant, which is a subsidy to try to protect against price increases and to safeguard routes. As has been mentioned, the route development funding—the previous funding for local authorities to maintain routes in their areas—is still there, but it is wrapped up in the overall grant to local authorities. If more groups are eligible for concessionary travel—for example, we have introduced eligibility for certain categories of veterans—and more people use the scheme, that should affect the levels and therefore the level of subsidy. There is no doubt that some local authorities spend more than others do on local bus services and on protecting services that they feel are the most important. We also have the green bus fund, which helps operators to buy much more efficient buses, which drives down costs. There is a substantial level of subsidy.

In all this, it is worth bearing in mind the benefits that the scheme brings. I have used this anecdote before, and my auntie and uncle probably do not like it, but their children bought them a trip to Edinburgh for their 50th wedding anniversary. They came from Brora, which is 240 miles away, and stayed in a hotel overlooking Princes Street, as they had done many years ago. Their children paid for the hotel, but to get them down on the bus cost a 50p booking fee both ways. There are real social benefits from the extent to which pensioners can move around the country. That is why we continue to operate the scheme with the current eligibility criteria that we have fixed on.

Adam Ingram: I have a further point on the tweet about Stagecoach that Elaine Murray mentioned. I can confirm that the situation is the same in my area, with Stagecoach notices informing the public that a reduction in Scottish Government investment is causing the fares to rise. How do you respond to that?

Keith Brown: The same notice mentions increasing fuel prices. Another operator has put up notices saying that it has increased fares simply because it wanted to increase the wage settlement for its staff. Different operators have different reasons. Tom Davy mentioned that the suite of subsidies and fare support that we provide affects operators in different ways. We had a number of discussions with Stagecoach; I am not sure that those notices necessarily reflect its senior management's view on the support that the company gets.

Stagecoach operates across the United Kingdom. In some cases, the BSOG has been wiped out completely or concessionary schemes

have been reduced substantially, but we have done neither of those things in Scotland. I am more than happy to defend the level of support that we provide for the industry, which compares well with the support across the rest of the UK. If Stagecoach has concerns, it can get back to us on that, but those were not expressed to us during the discussions that we have had.

Alex Johnstone (North East Scotland) (Con):

I want to ask about the overall support, which we have moved on to in the past few minutes. Setting aside local authority support for bus travel, am I correct that the Government's contribution to supporting bus travel is the concessionary fares scheme, the green bus fund and the bus service operators grant? Is there anything else that I am not aware of that is rolled up into the budget for supporting bus travel?

Keith Brown: We provide assistance in relation to biofuels, which some operators use. We are trying to encourage wider use of biofuels. Off the top of my head, I cannot think of any other support.

Tom Davy: The biofuels support is part of BSOG, although this year I think that it was additional to the £50 million for that. Bus services obviously benefit from other funding streams for things such as maintenance of roads and funding for capital investment in things such as bus stations. While the committee was talking, I found the figures for public funding for bus in "Bus and Coach Statistics", which focuses on concessionary travel and BSOG payments and so does not include the green bus fund. Including local authority support, the real-terms figure at 2011 prices for all government support for bus in Scotland in 2006-07 was £294 million, and for 2011-12 it was £299 million, so there was a small real increase. If we strip out local authorities, there is an even smaller real increase. Central Government funding remained constant in real terms up to 2011-12.

Alex Johnstone: That gets me to where I wanted to go on the issue. The character of BSOG has changed in recent years. As I have said in the Parliament, I support the change that has happened. However, I am concerned that, within an overall fixed budget with an increase—although I concede that it is slight—there has been a shift in priority away from BSOG towards the concessionary fares scheme. Increases in the cost of the concessionary fares scheme have been accompanied by reductions in the overall bus service operators grant. Will the increase in the order result in further squeezing of that grant?

10:30

Keith Brown: It is hard to give commitments on future spending when there is a level of uncertainty, which Alex Johnstone will be aware of. We wait to hear what the budget today produces, for example.

The bus service operators grant had its substantial reduction of around £10 million last year, from £60 million to £50 million or thereabouts. However, that has essentially been reinstated by the £10 million that I mentioned, which was fed through to the bus industry via the BSOG route and provided quick and effective assistance to the industry at that time. Until now, I do not think there has been much difference in the level of support through BSOG and the concessionary scheme. If we accept that there has been a slight real-terms increase in the overall budget, there has not been that much difference in the ratio that operators receive from the concessionary scheme and from the BSOG scheme—which, by my calculation, is about the same as it was before, at around £60 million. Do you agree, Tom? I hope so.

Tom Davy: The £10 million was a payment in this financial year, so next year BSOG will be about £50 million, as things stand at the moment. If we take the £50 million as a base figure, this year the figures would have been £50 million BSOG funding and £187 million concessionary travel funding. Next year, barring the unexpected, the figures will be £50 million and £187 million—the proportion is the same, in terms of the budget. The minister declined to offer a prediction on the BSOG budget for 2014-15, but we expect the concessionary travel budget to go up to £192 million. Obviously if BSOG funding does not go up at the same time, the proportion of the budget that goes on BSOG will be slightly reduced, but we do not know that figure.

Alex Johnstone: The minister made it clear, I think in his answer to Elaine Murray's first question, how the figures of 60 per cent and subsequently 58.1 per cent were arrived at and I am happy to accept that explanation. In my opinion it was mathematically sound.

The problem that I have is that as the proportion of support moves gradually away from BSOG towards concessionary fares, that in itself will have a distorting effect in the bus industry and services will be designed to cater for what provides the resource. As a result of squeezing BSOG, we are seeing above-inflation fare increases and, in some cases, the removal of services that are relatively well used, because of the costs involved, particularly with the change in the rules on urban and suburban bus services. Does the minister accept that?

Keith Brown: I do not accept that—in previous years, we have seen above-inflation increases when the ratio was more as Alex Johnstone would like to see it. Above-inflation increases are not necessarily an indication of a widening of the difference in support between BSOG and concessionary travel, which I stress again is not seen as a support or subsidy; rather it is the reimbursing of costs or revenue forgone. I do not think that the evidence over a number of years will bear that out.

It is worth thinking again about why we have changed BSOG. I concede Alex Johnstone's point that the industry does not want to see radical and sudden changes to BSOG, because that causes it issues. We have listened to that and taken it on board. Who knows what future public spending rounds will bring, but I do not foresee any radical or drastic changes to BSOG. We think that it serves its own function.

Before we made the changes, people were rewarded for buses that were moving along with no passengers. Given our climate change targets, that situation cannot be sustainable. There was also less emphasis than there should have been in urban areas, as Alex Johnstone mentioned. The changes that we have made are having a beneficial impact and should not have a distorting effect, because the concessionary travel scheme is to reimburse for revenue forgone. I do not see why that should distort bus services.

Support is given to continue services that might not otherwise continue, by BSOG and by local authority support. I do not see why that should be affected by what we pay for concessionary travel.

Alex Johnstone: Thank you.

Jim Eadie (Edinburgh Southern) (SNP): The minister said in earlier comments that there was a requirement for the scheme to be sustainable for bus operators and for taxpayers. When the business and regulatory impact assessment was done, did it look at the significant projected increase in the number of people in Scotland of retirement age—in the years up to 2020 and beyond—in relation to the affordability and sustainability of the scheme in the medium to long term?

Tom Davy: With regard to the longer term, we have looked at the forward projections for two years in the course of some of the considerations that the minister mentioned with regard to changes in eligibility—a policy that we are not pursuing. In the context of these discussions, we have looked at the budget for the next two years, on the basis of some expectations about likely changes in take-up and usage of cards. We do not expect the demography to have a significant impact.

Jim Eadie: Given the significant social and health benefits for older people, disabled people and veterans that arise from access to the scheme, has an assessment been made of what the increase in demands on the scheme will be due to the increase in the older population? That exercise has either been done or it has not been done. I would like clarification on that point, please.

Keith Brown: Yes, if you look at the general increase and the projection for what the likely increase will be. However, to be frank, those are not necessarily the main determinants of whether there will be an increase in demand. Things such as the availability of services can have a bigger impact. Do you want to add anything, Gordon?

Gordon Hanning: It is difficult to comment about what will happen in the future. The number of people who are eligible to utilise the scheme across Scotland has been increasing for some time; it probably increases by between 1 and 1.5 per cent a year. It is interesting that since we got the smart technology—which has been extremely effective—properly in place, the pattern of claims is absolutely flat. In other words, going back over the past three years, the total number of passenger journeys within the scheme has stayed absolutely flat in real terms. If anything, it has probably gone down slightly this year compared with last year.

In contrast, the average adult single fare, which is the other main component of the demand-led bit of the scheme, has always gone up by something between 6 and 8 per cent for the seven years that I have been running the scheme. It is clear what is driving the increased cost; it is not increased eligibility or increased passenger activity. Another point is that with the smart technology and the skills that we now have to manipulate and analyse the data, we are continually finding more effective ways to manage the scheme. We are managing fraud out of the scheme more and more with every passing year. That in itself goes a long way towards offsetting the concerns that we all have about eligibility increasing in the long run.

Keith Brown: Jim Eadie's point is about the future proofing of the scheme—perhaps to ensure that potential future demands can be accommodated and the scheme will still be sustainable. That is one of the reasons why each deal runs over the course of just a few years; this deal is for two years and the previous one was for three years. If things were fixed for 10 or 15 years, a detailed assessment would have to be made of that.

Gordon Hanning's point was about the extent to which, even seven years in, the scheme is still settling down. Not least through the huge amount of work that has been done on fraudulent or

mistaken claims, which has drawn positive comment from elsewhere in the UK, we have been given a much truer indication of baseline demand. Getting those figures is helpful. In the meantime, the deal is set for two years out not just because it is difficult to project that much further into the future in terms of demand. It is difficult to project much beyond that in terms of what money we will have, to be perfectly honest—in future spending reviews—so that is the right way to go about it. That means that the scheme is future proofed as far as we can future proof it just now.

Jim Eadie: I take all that on board. I am well aware of the difficulties around forecasting, particularly when it comes to projections that are made by organisations such as the Office for Budget Responsibility.

You rightly say that the intention behind my question was to understand whether the scheme is affordable and sustainable over the longer term. There are clear benefits to having the scheme, and I was asking whether—notwithstanding the fact that there are problems involved in medium to long-term projections—the forecasting has been done to understand what future increase in demand for the scheme there may be.

Keith Brown: Our forecasting is based on our past experience—although it may seem a bit odd to be looking back to see how we should look into the future. We need to have a pretty good idea of the baseline demand for the scheme, and we are getting closer to that as the scheme is refined over time. We must ensure that the deal that we strike takes into account the forecasting and all the variables that I have mentioned, including price variability, the price of fuel and demand throughout the economy. Even as recently as seven years ago, the projection for the population of Scotland was different from what it is now. If we are not able to say with any certainty how things will change demographically in 10 or 15 years' time, we should not set a budget for 10 or 15 years' time. I think that the forecasting that has been done is sufficient for the purposes of the scheme, although that is not to say that we will not want to undertake further forecasting and look at other variables in the future.

The Convener: Mr Hanning said that the single adult fare has gone up by about 6 per cent per annum. Have the bus companies seen a reduction in the number of people travelling on that fare? In my view, the companies sometimes price themselves out of the market. If they reduced the fare, more people might travel on their buses—it is economics. Is that the case?

Gordon Hanning: As you know, the UK bus industry is deregulated, so we do not have any automatic right to the detail. We get some high-level figures and those statistics were published

not long ago, but it is difficult for us to drill down into what might be happening from bus company to bus company. I have my own thoughts on the relationship between the fares that are charged and the extent to which services are used, but in a deregulated market we have no automatic right to that level of detail. All that we can go on is the statistics that are collected, which tend to look backwards a bit too much to be useful in drawing meaningful conclusions. Tom Davy might have something to add on that.

Tom Davy: I am just looking at the bus and coach statistics that were published in February, although they run only to 2011-12 so there is a lag, as Gordon Hanning said.

The figure for passenger journeys on local bus services in Scotland was up by 2 per cent over the year, but down by 8 per cent over five years; so, there is a slight downward trend in the long term. The number of concessionary journeys—which are not sensitive to fares, as they involve people travelling free—has declined by 6 per cent over four years. There is obviously something going on there. One would expect the fares rising above inflation to have a depressing effect on bus patronage, but there seems equally to have been a reduction in bus travel even among people who are not paying, who are not influenced by fare levels. The trend is at best static but probably slightly downward at the moment, and that is allied with a tendency for fares to increase above retail prices index inflation. That is not a particularly healthy long-term situation, but I do not know what the answer to that is.

The Convener: Do you have a figure for the proportion of bus journeys that involve concessionary travel?

Tom Davy: We do, but I do not know whether I have it written down in my notes. Without having to do quick mental arithmetic and possibly misleading the committee, I am not sure.

Keith Brown: The figures that have just been produced show that it is a lower proportion. If there has been an increase in the overall number of passenger journeys of 2 per cent in the past year but there has been a decrease in the number of concessionary journeys, the proportion would be less.

The Convener: I would just like to get an idea of how many of the journeys involve concessionary travel. If the figure is 50 per cent, quite a big part of the bus operators' income is coming from the concessionary travel scheme.

Tom Davy: As the minister has demonstrated, the mental arithmetic is easier than I feared that it would be. The figure is about a third. In 2011-12, there were 150 million concessionary passenger journeys out of 439 million journeys in total. That is

about a third. It is some way off a majority, but it is a significant fraction of passenger journeys.

The Convener: The scheme is quite a part of the bus operators' income and, if it did not exist, many of those journeys and routes might be completely uneconomic.

10:45

Keith Brown: For the reasons given earlier, some passengers will choose to travel because of the concessionary scheme but it is hard to drill down into those figures.

It is important to mention that, as the operators will always say, the scheme is not designed to overcompensate or undercompensate; it is meant just to compensate such that they are no better off and no worse off. However, there is no doubt that it comprises a substantial element of their fare box.

The Convener: Do you have any idea of the reasons for the decline in bus journeys? Is it just that, because of the recession, people are not going to the shops? Do you have any way of knowing what it is?

Gordon Hanning: For some time, we have been keen to do some meaningful customer research. We have commissioned that work and I think that the surveys have been completed now. The next step is that we will receive some meaningful feedback from the market research company, which spoke to 3,000 or 6,000—I cannot remember now—cardholders.

Part of what we want to find out is the answers to questions such as the ones that you ask. That will be quite revealing. We recognise that, as you pointed out, the scheme is a big proportion of the overall bus industry. It is a big proportion of what we fund. Therefore, it makes sense to find out what the consumers think of the service that is being provided. We hope to get that feedback sometime in the not-too-distant future.

Alex Johnstone: What we need is a Scotland-wide travel card scheme. Then, we would be able to analyse the figures.

The Convener: You have put me off my train of thought, Alex.

A couple of the witnesses mentioned fraud. Are passengers still contacting whoever is the contact in relation to that? Is the number of complaints going up, is it static or is it going down?

Keith Brown: We are certainly still getting representations. We most frequently receive them about overstaging, whereby what is claimed for does not reflect the length of journey that has been undertaken. People can inform us about fraud through a number of routes, such as

Transport Scotland. Many people do it through their MSP—I get correspondence on it as well.

I do not know how the figures have varied over time. Perhaps Gordon Hanning knows.

Gordon Hanning: We deliberately set out to give the issue quite a profile to encourage people to complain to us and we set up a 24-hour hotline—the hotline existed anyway, but we just tagged on fraud as an extra activity, so we were able to do it cheaply.

We probably get about 3,000 allegations of overstaging in a year out of 147 million journeys, so it does not keep me awake at night. We drill down into every one of those 3,000 complaints and we tend to find that about half of them are valid complaints and half of them are passengers misunderstanding the slight misalignment between the exact stop at which they boarded and alighted and the way that operators run fare stages, which is a much broader definition of where people board and alight.

Even more recently, using smart technology, we have introduced what is known as hotlisting. If cards that have been lost are sold down the pub for a tenner, for example, we can now hotlist them. That means that, the next time that such a card is presented to a ticket machine, a message comes up to the driver that it is not valid any more.

We keep developing our techniques to eat into the fraud, and I am pretty pleased that we are doing a good job on that.

The Convener: I still hope that bus passengers would be vigilant about that.

Gordon Hanning: They are. That is one of the reasons why your mailbox and, therefore, much of the stuff with which we have to deal has a continual flow of such complaints. The evidence that we get is that people who participate in the scheme appreciate the benefits that they get and are concerned about those benefits being eroded. Quite a lot of them respond to the posters that we put on buses and elsewhere and bring to our attention things that they think are not right. We investigate every one of them. We have quite a good self-sustaining system.

Keith Brown: The system does not only rely on passengers: inspections and mystery shopper-type exercises are carried out as well. However, there are far more passengers than there are likely to be people who are able to inspect, so we rely on passengers coming forward.

The Convener: Do the 1,500 or so complaints that are valid tend to involve the usual suspects?

Gordon Hanning: That is a difficult question to answer. A larger proportion come from the big companies simply because they run more

services, and some of the valid complaints may involve only 20p or so. We also look for proportionality. If a small bus operator receives a disproportionate number of complaints, that might trigger a more intensive discussion with that operator. However, 1,500 complaints spread over the number of services that we have shows that there is not too much going on that gives us cause for concern. However, we never like to get complacent.

Gordon MacDonald: I have a question on the dropping off in the number of concessionary passengers. I wonder how much of that was weather related, bearing in mind the minister's example of his aunt and uncle coming down from Brora. I am aware that other people use the concessionary scheme for regular trips to Dundee, Glasgow or wherever once a week or once a month. Given the bad weather that we had last summer and the bad winter that we had previously, how much of the dropping off in the number of concessionary passengers was weather related rather than a general dropping off?

Keith Brown: It is hard to say. I am not sure that we have any figures on that. However, if the dropping off in concessionary journeys was weather related, that would mean that those were discretionary journeys, which would argue against the idea that a lot of such journeys are being made for commuting to work. I imagine that the biggest impact would have been caused by the severe winter two years ago, which prevented buses from getting around the country. I am not sure that bad summer weather would have done that, although there is a corresponding dropping off in tourism during bad weather. I do not know whether we have that information.

Tom Davy: We do not have information on the reason for the drop-off. According to the time series, the big drop came between 2008-09 and 2009-10. I am trying to remember what the weather was like then.

Gordon Hanning: I assure you that that was nothing to do with the weather.

Tom Davy: There was another fairly significant drop in 2010-11 before things started to pick up again. The Great Britain figure rose slowly over those two years but by less than the year before. Maybe there was something about Scotland that was different from the rest of Great Britain.

Gordon Hanning: There was something different about Scotland—we managed to introduce smart ticketing technology. I do not have the exact figures in front of me, but my recollection is that, in the first two or three years of the scheme, the long-term trend of increasing eligibility that you talked about was matched by

the increased passenger numbers that operators were claiming. When we introduced the new technology progressively between 2006 and 2010—it really kicked in in 2008-09—we noticed a significant drop in the number of passenger journeys claimed. It fell by something like 10 million or 11 million. Tom Davy would not necessarily be aware of that, but it goes a long way towards explaining some of the statistics. Within the scheme, the passenger numbers claimed fell in two years from around 157 million to 146 million. I cannot prove this, but I believe that the bulk of that was not down to weather, the recession or anything else—it was down to the introduction of the smart technology.

Keith Brown: The fraud is not just in relation to what could be called overstaging. There have been instances of people putting one card repeatedly through the system to gain an awful lot of money from the system. We have taken a very robust approach to that and have referred such cases to the fiscal, although that has not always resulted in prosecution. We have taken a robust approach that has drawn substantial interest from elsewhere in the UK.

Elaine Murray: In an answer to Adam Ingram, you mentioned an issue to do with state aid. It was always intended that an operator should be neither better off nor worse off as a result of the scheme. What is the issue to do with state aid, since it is available to any operator in Scotland?

Tom Davy: I mentioned that briefly. The origins of the no-better and no-worse-off test are in language in an EU instrument on—sorry, I forget the exact terminology—transport services that provide a public benefit. The instrument discusses what payments are allowable for those services. Obviously, the main purpose of the instrument is to prevent overcompensation as a disguised form of state aid to transport operators.

Elaine Murray: However, some EU countries heavily subsidise public transport.

Tom Davy: I do not pretend to understand the ways in which they do that. Obviously, there may be all sorts of different subsidies.

We regard the concessionary travel scheme as an instance in which commercial transport operators are required to provide something for public benefit and receive compensation for doing so. Those compensation arrangements are governed by EU state aid rules, which allow a reasonable rate of profit—or some such terminology.

The Convener: Okay, that is all our questions. I thank the witnesses for answering a fair number of questions.

Agenda item 2 is formal consideration of motion S4M-05911, in the name of Keith Brown, which calls on the committee to recommend approval of the order.

Motion moved,

That the Infrastructure and Capital Investment Committee recommends that the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2013 be approved.—[*Keith Brown.*]

The Convener: If members have no further comments to make on the motion, I will put the question.

The question is, that motion S4M-05911, in the name of Keith Brown, be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Eadie, Jim (Edinburgh Southern) (SNP)
Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
Johnstone, Alex (North East Scotland) (Con)
MacDonald, Gordon (Edinburgh Pentlands) (SNP)
Watt, Maureen (Aberdeen South and North Kincardine) (SNP)

Abstentions

Murray, Elaine (Dumfriesshire) (Lab)
McCulloch, Margaret (Central Scotland) (Lab)

The Convener: The result of the division is: For 5, Against 0, Abstentions 2.

Motion agreed to.

The Convener: I suspend the meeting briefly to allow the officials supporting the minister to change over.

10:57

Meeting suspended.

11:00

On resuming—

Public Transport Users' Committee for Scotland (Removal of Functions) Order 2013 (SSI 2013/79)

The Convener: We move on to agenda item 3, which is evidence from the minister on a negative instrument. The order removes from the Public Transport Users Committee for Scotland all the functions that it currently has. As witnesses we again have Keith Brown, Minister for Transport and Veterans, and Tom Davy, team leader for bus and local transport policy; and we are joined by Jill Mulholland, unit head for transport accessibility and road safety at Transport Scotland. I welcome

you all and invite the minister to make opening remarks.

Keith Brown: Thank you, convener. The Passengers' View Scotland review paper, which acknowledged the work, knowledge and experience of PVS members, concluded that it was difficult to identify many tangible outputs or outcomes from the body and that its continuation therefore did not represent good value for money.

The main recommendation of the independent review was that PVS should only continue with the functions of the subcommittee, bus passengers' platform—BPP—which deals with second-tier bus complaints in Scotland. The review also highlighted the fact that that bus complaints process should itself be subject to a review.

Before making any decision on the review, I asked officials to provide an overview of the landscape of passenger representation across all modes of public transport and for a proposal on a way forward that would reinvigorate and repack advice and complaints handling for bus users in Scotland. Our overall review of passenger representation in Scotland highlighted that rail was dealt with by Passenger Focus, ferries by the regional transport partnerships and air by the Civil Aviation Authority. That left a gap for bus user representation and complaints handling, which was partly being addressed by a small amount of funding to Bus Users UK, to part fund a Scottish representative on national groups.

Alternatives were investigated for bus representation and complaints handling, but the most straightforward and value-for-money approach and the best case scenario for bus users in Scotland is to grant fund an independent organisation, based in Scotland, to carry out the functions. Through grant funding we can enable an organisation to develop its ability to represent bus users and to extend the range of activities it carries out. A grant offer letter sets out the agreed activities, processes and appropriate standards that should be used. A monitoring and reporting process will ensure value for money and, as with any agreements, if there is a need to change anything, that can be accomplished without recourse to legislation.

Finally, Bus Users UK is keen to expand its existing Scottish representation for buses. It proposes forming a distinct Scottish branch to be entitled Bus Users Scotland, which provides a very convenient acronym. That branch will have an office and staff based in Scotland. The Government proposes to grant fund BUS to enable it to develop the range of activities it provides in Scotland to match similar representation in England and Wales. Those activities include bus complaint handling and bus service compliance monitoring, which will deliver

real benefits for the Scottish Government, the traffic commissioner and bus users.

BUS will also provide a function relating to bus compliance monitoring that the Vehicle and Operator Services Agency is no longer willing to provide on a regular basis, and thus it will help us to implement the bus regulatory regime.

The Convener: Thank you. At our last committee meeting with PVS, it highlighted its problems to almost all committee members. Elaine Murray was not on the committee then, so I presume that she has some questions.

Elaine Murray: I apologise, minister—it is actually my fault that we are having to speak about a negative instrument. I did not intend to move a motion against it; I just wanted to ask some questions about the successor arrangements—and you have answered some of them already.

How will the members of Bus Users Scotland—or BUS, as it will presumably be known—be appointed? You say that it is part of Bus Users UK. Will BUS have any separate accountability to you?

Keith Brown: We will not be appointing members to BUS. I know that you have asked a written question about the issue, and I have responded to it, although it might not have come to you yet.

BUS is not of the same type as PVS, for which there was an appointments process. PVS will now be taken off the relevant list of public bodies, and the appointments process for BUS will not be the same. The new group is to be funded through the grant scheme whereby we say that we want certain things done and it is up to the organisation to make provision and to provide information to the required standards.

We are asking BUS to do a bit more than before because, as I said, VOSA has taken away its inspection regime for vehicles and we are adding that into the BUS process. We feel that we will get more for the money that we spend and more control over what is done. Perhaps Jill Mulholland wants to add to that.

Jill Mulholland (Transport Scotland): That is exactly what we are trying to do in the proposal. We have a Scottish representative in Bus Users UK, whom we fund, and the proposal is to enlarge that and to bring in the compliance function that is now not being done by VOSA. It was a question of timing that through the new organisation we could prepare a whole package for bus users in Scotland and put bus users advice, policy guidance, complaints and compliance in that one package.

Elaine Murray: Despite Passengers' View Scotland's name—although I know that that was

not its formal title—it only really looked at buses, so there will be no loss of service to ferry service passengers or rail service passengers.

Keith Brown: That is correct: they are dealt with by different organisations.

Elaine Murray: Is the review, which we have a copy of with our papers, to be published on the Transport Scotland website? I have not yet seen it on there.

Keith Brown: Yes, the review has been published and should be on the website.

Elaine Murray: I looked for it yesterday and did not see it on the website.

Keith Brown: I will check that but it should be published by now.

Elaine Murray: Thank you.

Jim Eadie: On page 30 of the review that Elaine Murray mentioned, under section 9.2 there is a recommendation that:

“the bus complaints process should be subject to a ‘root and branch’ review with consideration being given to the development of a ‘one stop shop’ for bus passenger complaints.”

Is that something that the Government intends to progress? What do you see as the advantages of that approach?

Keith Brown: No, what we have decided is not quite a one-stop shop because we have the traffic commissioner who will also have responsibilities for complaints. The traffic commissioner also has other important functions and we do not intend to change them. We considered whether it was possible to give all the complaints function to the traffic commissioner, but we decided that that was not the best approach and that we should use the expertise of Bus Users UK.

Our decision was based in some part on the representations that we had from members, both in debates in the chamber and from the previous committee in the last session of the Parliament. It was felt that there was a need for a specific organisation with the requisite expertise to take things forward, and we think that BUS is the best outcome—but it is not quite a one-stop shop.

Jim Eadie: Are you confident that the proposals will allow for members of the public to make complaints that will be investigated fully?

Keith Brown: Yes. There are still some things that operators are statutorily obliged to do that the traffic commissioner will be responsible for. For example, if they give adequate notice for starting up a new route or deregistering a route, that has to be done through the traffic commissioner—that is set out in statute. However, I think that BUS is the best way forward for other things.

More importantly, having come to an agreement with Bus Users UK over how exactly everything is to be achieved, we retain an element of control. If we think that one part of the group is not working as well as it should, through the grant process we are able to change things much more quickly than would have been the case if, for example, we had had to set up another body in statute and think of all the different things that we would want it to do. BUS gives us a better prospect for investigating complaints by bus users and also the ability to change the service if we think that that is necessary.

Margaret McCulloch (Central Scotland) (Lab): In relation to the existing PVS committee, page (i) of the review states:

“there is evidence that its activities are more reactive than proactive.”

The review also states that there is little evidence in the annual reports that those documents have driven forward the work plan of the committee.

What steps will you take to ensure that the new organisation achieves the standards that you are looking for? The previous organisation produced four annual reports, yet no intervention took place and no work was done with the organisation to bring it up to an acceptable standard. What sort of key performance indicators will you put in place to ensure that that does not happen with the new organisation?

Keith Brown: A great deal of work was done, although perhaps not in the public way that is suggested, to try to make the previous organisation more proactive and evidence based. Its annual reports were the subject of substantial discussion between Government and the organisation. It was not the case that it was left to wither on the vine. A lot of work was done, but it just did not seem possible to get to where we wanted to be with that organisation.

How can we ensure that we have the right level of service from the new organisation? Well, we know a great deal about what it does already and, of course, it has a Scottish representative. We have said that there are certain things that we want to do. We have chosen the things to ask it to do; I have mentioned compliance inspection of vehicles, which VOSA has drawn back from. We are the ones who will say in the grant letter exactly what level of service we want, and we will retain that control. If the body does not provide that service, we can of course change things.

Jill Mulholland might want to speak about the specific things that we want the body to do.

Jill Mulholland: We will specify in the grant letter what we want the organisation to do and we will have performance indicators to make sure that

it meets those specifications. There will also be quarterly reporting and an annual report to Transport Scotland to evidence what the organisation has done during the year.

A couple of my civil servants carry out the bulk of the complaints on behalf of the bus passengers' platform on an on-going basis. The majority of complaints should go to bus operators. One of the main things that we have asked the new organisation to achieve is to ensure that the public are aware that their first recourse for complaint is to the bus operators, because they are most appropriately placed to deal with complaints. Bus Users Scotland will be the second tier, which will be able to deal with complaints that the customer believes have not been resolved by the bus company.

Looking at it in that way, therefore, there should be more of a one-stop customer complaints shop. The complaints process should be much more integrated and Bus Users Scotland will have much more involvement with the bus companies to ensure that that takes place.

The Convener: As there are no more questions, I thank the witnesses for their evidence.

The committee appears to have no issues to raise in relation to the order. Members should note that no motions to annul the order have been received. Does the committee therefore agree that it does not wish to make any recommendation in relation to the order?

Members indicated agreement.

11:13

Meeting suspended.

11:18

On resuming—

Petition

A90/A937 (Safety Improvements) (PE1236)

The Convener: Under agenda item 4 we will take evidence on PE1236, on the Laurencekirk junction, as agreed at our committee meeting on 27 February. The session will be split into three evidence panels: community representatives; local authorities and regional transport partners; and Transport Scotland. We will hear first from community representatives. I welcome Michael Robson.

Members will be aware that we have received a lot of written evidence on this petition. With that in mind, Mr Robson, please make some brief opening remarks.

Michael Robson: Thank you very much.

The Convener: We have read your document, from Laurencekirk villages in control, so please keep your remarks as brief as possible.

Michael Robson: I will do. I noted in the document that I am a retired vet and I regard this as an acute case of preventive medicine. We think that a compelling case has already been made for the upgrade of this junction. The traffic statistics support that. It is the busiest crossing on the A90 between Perth and Aberdeen that does not have a grade-separated junction, although it fulfils the criteria for such a junction to be built. In addition, the problem is having a huge effect on the local community—from an agricultural and oil and gas point of view, and from the point of view of the residents of the area.

The group that I represent is a local economic development body in Laurencekirk. We try to support local commerce and industry, but the issues with the road are providing a great disincentive to that. The importance of the link to Montrose cannot be overestimated. It is a traditional link for Laurencekirk, as Montrose is the next big town. A lot of agricultural traffic goes to and from the harbour in Montrose. Of course, the A90 has become a popular commuter route, mainly to Aberdeen.

Transport Scotland has done a lot of work on preparing the details for improving the road. However, Transport Scotland does not remember the people or look at the human impact of the road in its current state. It is a physical barrier between two halves of a community. Basically, the road goes right up through the Howe of the Mearns and splits one side from the other, which has a direct effect on the people who host the main road. It

also has a psychological effect, in that the whole community is preoccupied with the problem of crossing the road. No matter where people go, they have to cross it.

I gather that the main issue for the Scottish Government is not so much the case for upgrading, but who will pay for it. Mention has been made of planning gain funding from developers at Laurencekirk, which was discussed fairly extensively at the inquiry for the local development plan. At that time, there were two prospective developments. One of them, which is on a site in the north of Laurencekirk, is edging forwards. The other potential site was in the south, but the development was not accepted and is not in the current local plan. So we have no developer in sight to fund anything at the south junction. It was agreed with the developer that the north site was not large enough to fund two graded junctions.

We think that the plans that Transport Scotland has proposed to improve the road are ideal and would address many of the local issues with crossing the road. We appreciate the time and effort that has gone into the work by Transport Scotland and by members who are here. However, we expect action. Robust decisions should be made and something should progress rapidly, because of the prospect of much increased traffic on the A90. Under the local structure plan, another 72,000 houses are being built along the length of the A90 northwards, and I believe that the figure is to be reviewed shortly because of the anticipated demographics of the oil industry, which mean that 50 per cent of the staff are expected to be replaced in the next 10 years.

We therefore expect many more commuters travelling north from south of Aberdeen. The issue with the crossing is not largely a result of the growth in local traffic; it is a result of the fact that the traffic on the A90 is 300 per cent of what it was when the road started. We see the responsibility for implementing the crossing as being right at the feet of Transport Scotland, and we think that you should decide to progress on that basis.

Elaine Murray: I should point out that this committee does not allocate funding, so we cannot make a decision to fund the improvements, although we can make recommendations on the process.

I watched a good film on YouTube that starred yourself, Mr Robson, and others, which Nigel Don provided to us during the weekend. The situation with vehicles pulling out at the junction looks pretty horrific. Will you say a little more about your dealings with Transport Scotland on the issues that you raised in the petition? What relationship has there been between Transport Scotland and members of the community?

Michael Robson: When we have met representatives from Transport Scotland, we have been delighted with the way in which they described the plans that they have to implement and their general reasoning. A possible issue that we have with them is that of risk assessment. They seem to deal primarily with historical information about deaths and serious injuries, but the situation is changing. Traffic volume continues to go up and Transport Scotland does not seem to put a lot of emphasis on near misses and the pointers to the seriousness of the risk element.

I have asked Transport Scotland to give us details about how it carries out risk assessment. Colleagues in my organisation who work in the oil industry get the impression that the procedure is not nearly as robust as it should be for a situation in which the risks are so high. I would like the committee to assess the level of risk assessment to see whether it really is adequate for purpose in this day and age. I am talking particularly about prevention, because it seems to us that we are just counting deaths and putting a value on them of £2 million a death. That does not seem to be very constructive, unless we think that we can prevent those deaths and save £6 million or £8 million, for example.

However, access to information from Transport Scotland has generally been very good and the talks that we have had with its representatives and our understanding of its plans have been excellent.

Elaine Murray: Is it one of your criticisms that Transport Scotland's view of the issue is historical and that it bases its assessments on the road's past, rather than on future developments?

Michael Robson: That is right. For example, its references to the size of the community were historical, and the fact is that accident figures are historical. However, we have a lot of information about how things are developing in the north east. We have the main road to Europe's oil capital—it is clogging up much closer to Aberdeen at the moment—on which the traffic flow is increasing, as is the number of junctions that are becoming more difficult to use to join the road.

For example, the fact that there are 20,000 vehicles a day at Laurencekirk means that a vehicle passes every three seconds. The rush hour is not an hour; it lasts for about six hours every day because people working in the oil industry start early and finish late. The more traffic there is, the shorter the intervals will be between vehicles. If we build 72,000 houses on that stretch of the A90, for instance, it will mean 150,000 more cars feeding on to the A90. It will not all be at our end, thank goodness, but it will make a difference to what is already a critical situation around a very busy junction. It should be remembered that it is a

crossroads, not just a T-junction. Vehicles have to join the flow or cross the road from a standing start and that is a big issue for lorries and tractors—they run out of time.

Considering only the historical data is missing the point. We want to prevent problems from occurring and try to give the local people their community back. The situation is having a huge impact on the way we can behave. It is limiting what the community does by preventing people from travelling and inhibiting what they would normally do because they all have to go on to the A90. Usually, they have to cross it. For instance, Laurencekirk has no fuel station so someone who wants to refuel their car has to go on to the dual carriageway and drive seven miles north or south.

The junction has a dramatic effect on the community and it is visibly worsening. I have lived there all my life and it has amazed me how the volume of traffic has gone up without an apparent increase in activity in Aberdeen, although Aberdeen is growing and flourishing. Even if you were to visit, it would be difficult for you to appreciate the trend and the fact that the road is filling up rapidly. It is not just happening for an hour in the morning and at night; it is pretty much from 6 or 6.30 in the morning to about 7 at night. It does not stop at weekends because Aberdeen empties on Friday, so there is a rush hour from 3 o'clock until late evening, then people start to come back on Sunday from lunchtime and we can hardly get across the road.

It is a critical situation. It is not a minor problem.

The community thought that it was great in 1984 when the Government gave the okay for a bypass. It got rid of 7,000 cars a day from our high street and gave us our lives back. Now we are getting cut off and it is not just us but the whole of the community—about 9,000 people live in the area.

11:30

Elaine Murray: Irrespective of whether you agree with the decision, did Transport Scotland explain well enough how it reached its decision? Is the way in which it communicates with the public good enough? Is the dialogue good enough?

Michael Robson: The funding issue does not make sense. It keeps saying that any improvement must be paid for by developers but, when there is no developer, you might as well say that it must be paid for by Mr Putin or Sir Moir Lockhead or someone. The money is not there, so unless you want me to go round the community with a begging cap, the money has to come from Transport Scotland's budgets. It is its road and its responsibility. We are hosting the thing but we are not causing the problem.

The Convener: I think that people would disagree that Aberdeen empties on a Friday; it is clogged up every day of the week.

Margaret McCulloch: In your introduction you said that Laurencekirk fulfils the criteria for a new grade-separated junction. Will you summarise the points that meet the criteria? Why does Transport Scotland disagree?

Michael Robson: I do not think that Transport Scotland does disagree. If you were building a new road, the criterion for a grade-separated junction is to have 3,000 vehicles a day crossing it. The numbers at the south junction are approaching 6,000 a day. By what factor do we have to exceed the criterion before it is satisfied? I appreciate that it is not a new build, but if those are the guidelines, we are exceeding them twofold.

Alex Johnstone: I use that junction regularly and every time I use it I see something that horrifies me.

On Monday morning past, when Nigel Don and his team were making the film, completely coincidentally my colleague Nanette Milne and I were driving south—we were heading for a meeting in Glasgow. Just before eight o'clock, we were in the lane of traffic that slowed down to the 50 mile-an-hour limit. We were overtaken by a heavy lorry that did not slow down at all and went through the junction at full speed—perhaps in excess of that—in the fast lane, which at the time was covered in snow. When incidents such as that happen, it can be only a matter of time before something serious happens as a result. My concerns are very much in line with those that Mr Robson expressed.

How easy is it to contact the right people in Transport Scotland to get your message across?

Michael Robson: It is easier to contact the right people in Transport Scotland than it is to contact the right people in the Government. Access to the Government is a problem. It started off very well a number of years ago—I found it open and easy to access. Now, if we try to contact ministers, we get no response. The only way in which we can get a response from a ministerial department is to write to our MSP or MP. They will write to a minister and we will get a reply second hand. That is very effective, but it is not the way that it should be.

We have existing links with Transport Scotland because when we write to the minister, he gets Transport Scotland to reply. We do not get a reply from the minister. I regard that as bad manners, if nothing else; it is certainly poor communication. We have plenty of communication with Transport Scotland, thanks very much, not because we wrote to it in the first place, but because we wrote to the minister.

I do not know whether that is normal practice. I took it up with Alison McInnes, who I believe is business manager for the Lib Dems and she advised me that it is the duty of MSPs to reply to mail, although I do not think that she was quite so convinced that it was the duty of ministers or their staff to reply to mail. Transport Scotland is not the problem—we have been diverted to it the whole time.

Alex Johnstone: How effectively have Transport Scotland, Nestrans—the north east of Scotland transport partnership—and the local authorities worked together in dealing with the proposal for a junction improvement? How might they improve their co-operation?

Michael Robson: It is a fact that we have an increasing number of interested parties, and there has not really been an obvious forum for everyone to take part in. We are aware of Nestrans and Transport Scotland reports and of the opinions of councillors and the local council, but we do not have an opportunity as a body of interested parties to work together on the matter.

Alex Johnstone: How could those bodies improve matters? Do they simply need to talk more to each other?

Michael Robson: Yes. It is not difficult. For example, a slip road was recently put in at the north junction. A T-junction with a standing start was changed so that there is a slip road going north, and that has made a phenomenal difference. Breedon Aggregates, which got the contract to do that work, held meetings with the community, the council and you. It explained what it was doing and asked whether there were any other things that it should consider. One item was mentioned and was immediately adopted, which made a significant difference. The model that that contractor followed was very effective, but we do not have anything like that to deal with the situation.

Alex Johnstone: Is there proper and effective understanding at various levels of how increasing traffic and the prospects for development will influence demand and the availability of funding? Earlier, you said that the potential development to the south of Laurencekirk is now not on the local plan and, consequently, it is unlikely that money will come from that to develop a junction. Do Transport Scotland and the other organisations that are involved have an adequate understanding of the relationship between development plans and that potential?

Michael Robson: I would be surprised if they do not, but they did not convey that to the minister. The replies that I received from the minister, which Transport Scotland drafted, persisted in stating that the funding had to be developer led, as if a

developer was there. However, there is no prospect of a developer at the moment.

Alex Johnstone: Did they fail to understand that what we are talking about is the demand that is placed on the road network by the broader community and the effects of that, rather than the demands made by any local development?

Michael Robson: Yes. It almost seems as though there was misinformation, because they relied on the report on the local development plan. They were not aware that things had moved on since then, so that report is out of date. It was also inaccurate on a couple of issues. It said that the north junction was the busier one and had more accidents, but that was not true. I do not know whether members were aware of that. Compared with the north junction, the south junction has almost twice the traffic crossing.

Alex Johnstone: The north junction is not a crossing, of course.

Michael Robson: It is not a crossroads; it is just a T-junction.

Alex Johnstone: Thank you.

The Convener: Does anyone else have any questions for the community representative?

Nigel Don (Angus North and Mearns) (SNP): Thank you for letting me speak, convener.

Can Mr Robson give us a little more understanding of the implications of the junction in the absence of a flyover in the context of the 20 miles between Brechin and Stonehaven, and of the way that people around that area drive—and sometimes do not drive—because of what they know about that road and other junctions? I am talking about people in the wider community rather than only people who live in Laurencekirk.

Michael Robson: People cope with the problem in a number of ways. One is to try to find a junction that is less crowded. There are several of those around. The problem is that they are not any safer, because they tend to have smaller central reservations and shorter horizons. However, people have no competition when they get to those junctions; they have them to themselves. Another way is to get to a grade-separated junction, which means driving to Brechin or Stonehaven, which are about 10 and 14 miles away, respectively.

There are complicating issues, such as darkness—the junction is not lit, and it is relatively difficult to judge traffic speed when vehicles are coming towards you out of the darkness, so people just do not travel at night. The same thing applies in bad weather conditions—visibility is critical because of the speed of the traffic.

There is a speed limit of 50mph at the junction that we are talking about upgrading but, at the other junctions, you are going from a standing start into traffic doing 70mph or 80mph. It is more dangerous for people to divert to the faster junctions. Further, to do that, they must drive along the back roads and the side roads, and it is well known that more accidents occur on those kinds of roads than on the main roads. If you count only accidents on the main road, you are dismissing those that will happen elsewhere, if you follow me. We will be creating more hazards on the side roads if we ask people to avoid that crossing.

A lot of people will not use the junction. They have stopped shopping in Laurencekirk or have stopped visiting people on the other side of the crossing. As I said, it creates a mental phenomenon within the people in the locality. Transport Scotland is good at thinking about physical health, but it does not think about the mental health of the people whose lives are being cut in two by this fine road. There is a huge impact.

On a positive note, if the junction is made into a grade-separated junction, and is therefore made safe to use, it will pull in all the people who were previously travelling along the back roads to use the minor junctions. A recent fatality occurred at a junction about three miles north of Laurencekirk, which is, in effect, a crossroads. Such junctions are more dangerous than T-junctions, at which, in many cases, people tend to just come into the flow of traffic.

The south junction is important because the traffic that crosses it is selected, as it were. The Montrose traffic in the morning is all going to Aberdeen, so it is all turning right. As the junction is to the south of Laurencekirk, all the traffic from Laurencekirk is going south and turning right. Everything that crosses that junction, unless it is going straight between Montrose and Laurencekirk, is doing a right turn. Right turns are notorious for being the ones that involve accidents. The dangers there are obvious to everyone.

Anyone who tackles the junction gets a major adrenalin rush. The first thing that visitors comment on when they arrive is the junction. The signs might warn people, but they also scare the living daylights out of them. They are not the best way to attract people to come to Laurencekirk.

Margaret McCulloch: How long does it take, on average, for a car, bus or tractor to cross over and get on to the main road? Do school buses and tourist coaches use the junction?

Michael Robson: Twenty-two bus loads of children cross the junction each day. That is a

huge concern. Counting vehicles is one thing, but obviously there are more people on a school bus than there are in a car.

Based on the existing population, pupil numbers in Laurencekirk are anticipated to increase by 30 per cent in the next 10 years, so the risks will get worse. The only way to avoid the risks is to improve the junctions. However, none of the other junctions qualifies for improvement to the same extent as the south junction because it has the priority between Stonehaven and Brechin. Basically, there are long journeys of 12 or 13 miles each way of open road with no protection and minimal central reservations.

11:45

Margaret McCulloch: What about the average time taken to access the main road?

Michael Robson: You cannot rely on the fact that the vehicles are going at 50 mph—you must remember that 15 per cent of them are exceeding the speed limit. The required safe period to get across to the central reservation—which is half the road—and avoid causing a hazard to the oncoming traffic is about 8 or 9 seconds. However, when a vehicle is crossing the junction, there is a steady flow of vehicles passing, with one passing every six seconds, which is one every three seconds for the combined road. At the busier periods it is obviously more challenging.

Margaret McCulloch: Excuse my ignorance, but is the Laurencekirk area busier during the summertime because of holiday traffic and visitors and so on? If you had a junction via which transport could safely gain access to your village, would that improve the village's economy?

Michael Robson: It would. As I said, we lost our petrol filling station and there is a demand from the local population to reinstate one. Because the population is barely big enough to justify a fuel station, the only economic possibility of that happening is to have one with access to a grade-separated junction. In addition, there is a total lack of accommodation in our area; the problem of getting on and off the road does not encourage people to stay. One benefit of having a grade-separated junction is that it would give us the possibility of reinstating a fuel station and having some accommodation.

Tourism in our area is minimal. It consists largely of people who have local connections coming home. Others parties come, too. The through traffic would increase, but not so much the local traffic. It would be a route over the hills to Deeside. The main difference in the summertime would be the traffic flow on the main road north to Aberdeen and beyond.

The Convener: Thank you very much for your evidence, Mr Robson.

In our second panel on the petition, we have Ewan Wallace, head of transportation, Aberdeenshire Council; George Chree, head of planning and transport, Angus Council; and Derick Murray, director, Nestrans.

Welcome to the meeting. I invite witnesses to make brief opening remarks.

Ewan Wallace (Aberdeenshire Council): In relation to the junction provision issues at Laurencekirk, the council's view is that we never consider road safety in isolation. When we look at road safety, we also look at the purpose and capacity of the road, how it connects communities and the wider network.

We try to develop most of our road safety interventions according to the principles of the community planning process and community safety. We have always been keen on doing that at Laurencekirk in our on-going discussions and communications with colleagues in Transport Scotland. It is certainly our view that the junction at the south end of the town has a historical capacity issue. I agree with most of the comments that the community representatives have made about the number of vehicles crossing the A90 at that location and the fact that it is a historical problem. Our view is that the junction is not fit for purpose.

As a road safety intervention, putting in place the 50mph zone and safety cameras has had the desired effect of reducing the number of accidents. There is certainly an issue with the length of queues on the side roads that have resulted from that. Local members have had anecdotal reports of waits of up to 30 minutes during some periods. The traffic flow has increased considerably and is three times what it was in 1984. The overall accident statistics for that short stretch of road show an increased number of collisions at the north end as well.

The key point that I want to get across is that we cannot consider the Laurencekirk junction purely as a road safety issue, because it is very much more than that. Mr Robson made that point eloquently from a community perspective. I certainly hope that all the agencies involved could consider on a collaborative basis all the existing information and identify proper solutions along the whole of this part of the A90 network.

Derick Murray (Nestrans): There is an awful lot of information about this issue—there has been report after report. I will simplify that a bit, if I can. The first point is that it is both a safety and a capacity issue. The A90 was designed and built some time ago and it has experienced very high traffic growth over its lifetime and now has three times its anticipated traffic flow.

When it was designed back in the 1980s, this type of junction may well have been fit for purpose and may well have been the right kind of junction. However, it is now a different junction because the amount of traffic that uses it has hugely increased. The current traffic flow there warrants a grade-separated junction. As far as we are concerned, we should look at this as both a safety issue and a capacity issue.

To put the junction into context, part of the justification for the Aberdeen western peripheral route fastlink section is to reduce the amount of traffic on the A90 between Stonehaven and Aberdeen because there are 40 crossings across the central reserve on that section of the road. The Laurencekirk junction is a bit further down the road, but the same justification applies to it as well. The current assessment of the A9 between Perth and Inverness is that a dual carriageway with grade-separated junctions should be built there, but there is less traffic on the A9 than there is on the A90.

Another point to consider is that, although we can currently justify having a grade-separated junction at Laurencekirk, the future growth of the towns and villages along the A90—for example, Forfar, Stonehaven, Brechin, Portlethen and Newtonhill—is projected to be between 10 and 19 per cent, whereas the projection for Laurencekirk is 95 per cent, which is a significant step change.

There are two main junctions at Laurencekirk: the north junction and the south junction. The Aberdeenshire development plan has significant housing to the north. The reporter supported that as the right place, because it suits the services, the schools and the railway station.

Therefore, most of the traffic generated in Laurencekirk in the future will be at the north and it is possible to see justification for some developer contribution to any improvements to the junction to the north, but it is not possible to imagine much developer contribution coming to the junction at the south. Bear in mind that we think that we already have a justification for putting in a grade separation at the south simply because of the natural increase in traffic that has happened over the years.

To summarise, we believe that Transport Scotland needs to upgrade its junction to meet the current demand at it.

George Chree (Angus Council): First, I apologise on behalf of Mr Green, the head of roads at Angus Council. He took ill yesterday afternoon and is not here today.

Angus Council is an adjoining authority to Aberdeenshire Council and there is complementarity between the north of Angus and south Aberdeenshire as people commute to

Aberdeen. Over the past couple of years, elected members of Angus Council have been increasingly concerned about the condition of junctions on the A90 not only at Laurencekirk but at, for example, the Edzell base. As a planning authority, Angus Council is consulted by Aberdeenshire Council on major developments in the south of Aberdeenshire and responds when consulted. We have an interest in developments in and around south Aberdeenshire and the A90.

Tayside and central Scotland transport partnership, which is the regional transport authority that covers Angus, Perth, Dundee and Stirling, is concerned in general about the connectivity between Dundee and Aberdeen on the A90. In essence, tactran's strategy is that improvements on the A90 will help to improve the economy of Dundee, Angus, Perth and Stirling.

Therefore, although it is not the authority that is responsible for the A90 junction, Angus Council has an interest in improvements on the A90.

Gordon MacDonald: We heard this morning that the road is not fit for purpose, and I understand that a grade-separated junction is identified as a priority in the local and regional transport strategies. How did your organisations engage with Transport Scotland before those policies were put in place?

Ewan Wallace: We regularly engage with Transport Scotland on all aspects of issues that affect the trunk road. We do that formally through local development planning processes and through the consultative processes for the development of our local and regional transport strategies. We have a good relationship with the teams in Transport Scotland and we do not spring surprises on each other.

Our desire for an upgrade at Laurencekirk goes back a number of years. It is six, eight or perhaps even 10 years since the issue was first raised. It is not new and there are reams of paperwork on how the issue has progressed. However, on stumbling blocks, as Mr Robson said, we have got to a point at which there is a difference of view about how to provide a solution at the location.

We developed our local development plan proactively. We invited bids from developers and the one that has made it through the due process is at the north end. That developer understands that there would be a need to contribute to an upgrade to the junction there.

As Mr Robson said, there is existing planning permission at the south end as well and a developer who has land in their control that would be useful in developing a junction there. That permission has a condition on it that the developer cannot build there until there is a grade-separated junction. It is perhaps a catch-22 situation and,

because the permission is likely to run out in the near future, the developer is currently pursuing a negotiated position to change that condition to one whereby it is not possible for houses to be occupied until such time as the junction is provided.

There is lots of detail available on what we have been doing. Over the past six years, probably barely a month has gone by in which I have not been in contact with Transport Scotland on this issues or others relating to the corridor.

12:00

Derick Murray: Over the years, we have had quite a good relationship with what is now Transport Scotland, with which several projects have been taken forward collaboratively. In the north-east, individual councils and Nestrans—like the previous Grampian Regional Council—have taken projects to a certain stage that have then been taken forward by Transport Scotland because of their effect on trunk roads or the railways. Projects such as the Aberdeen western peripheral route, Laurencekirk station, Kintore station, the Haudagain junction and, further back in history, Bucksburn diversion were all taken forward locally first and then in conjunction with Transport Scotland. We see the Laurencekirk junction as another one of those, in that we have seen the problem and then discussed it with Transport Scotland.

As with all transport projects, the issue is that things always take too long to happen. Transport Scotland needs to prioritise projects, but it seems to have prioritised them in a different way from what we would like—there is nothing unusual in that. However, we have a reasonably good relationship with Transport Scotland for taking forward such projects. The issue is not lack of co-operation from Transport Scotland but the fact that we need Transport Scotland to give the Laurencekirk junction project a different priority.

George Chree: My experience is similar to that of Mr Wallace. We have regular liaison meetings with Transport Scotland and we consult Transport Scotland on our emerging development plans. When we receive major applications, Transport Scotland will consider those and make recommendations to us on traffic impact assessments. The liaison is fairly strong.

Gordon MacDonald: Mr Murray, you listed a number of projects a minute ago. Is six years the norm for the development of those projects, given that you have been campaigning for the Laurencekirk grade-separated junction for that length of time?

Derick Murray: I suspect that I would need to go back into history and have a look, but from

memory six years is not a particularly long time. Transport projects take a long time because of the need to build the understanding of the need for the project and engagement on taking the project forward. That engagement involves public consultation, which takes a long time.

Gordon MacDonald: Mr Robson said earlier that, when the slip road to the north of Laurencekirk was being built, the road contractor had an effective community engagement. What role did local communities play in the development of your transport strategy, particularly for the suggested trunk road improvements?

Derick Murray: The transport strategy for the north-east has been particularly well consulted on over a number of years. Different views on what should be done and how were all taken on board and we developed up—this goes back into history—a modern transport system, which was consulted on. That modern transport system was the forerunner to the regional transport strategy, which was also consulted on and was approved in 2008. Recently, we have begun work on refreshing that strategy, which will be revised and extended a wee bit. Again, that is being consulted on. We have published a main issues report, which went out for consultation. We have recently agreed a draft revised strategy, which will be subject to consultation once we have produced the other complementary documents such as the strategic environmental assessment and the equalities impact assessment. That will happen in the next few weeks. There has been extensive consultation throughout.

Ewan Wallace: The transport strategy at the local level is entirely complementary to the regional-based piece of work. We had an approved revised strategy just over a year ago. That was done in conjunction with community councils and local action groups, so there is a proactive engagement process to get views. The interesting thing is that we are probably in the fourth or fifth iteration of that document, so a number of the issues that are coming forward are ones that we have seen before. The changes between documents have lessened as we have developed them.

The Convener: Derick, you said that, if the developer gets the go-ahead at the north, there will have to be improvements to that junction, which will be partially or wholly funded by developer contributions. There might still be access northbound by the slip road, but if there was a grade-separated junction at the south, there would surely be no right turn at the north. I presume that you would expect vehicles to go to the flyover or whatever it is and come back into Laurencekirk that way.

Derick Murray: Over time, we should perhaps put in a grade-separated junction at the south, and once we have done that, I would have thought that we would want to consider closing the central reservation at the north end, so that people who want to access Laurencekirk from Aberdeen would go down to the grade-separated junction and then come back up to the north junction and come off there. As Laurencekirk is developed and the new houses are put in at the north, we could get developer contributions to help to take forward a grade-separated junction at the north if that was required.

The Convener: Okay, but we could get a situation in which the development at the north is given the go-ahead and the developer is asked to make improvements at the north junction, but that, in effect, delays any development of a grade-separated junction at the south.

Derick Murray: I would hope that that will not happen. I hope that Transport Scotland will make it a priority to upgrade the south junction regardless of whether there is development at the north of Laurencekirk, on the basis that the south junction requires upgrading now.

The Convener: But did one of you not say that, despite the catch-22 situation at the south, if the development at the north gets the go-ahead, there will have to be improvements to that junction?

Derick Murray: Yes, but I do not think that improvements to the north junction impact on or affect the case for the south junction. There will still be a lot of traffic coming out of Montrose and turning right, and there will still be a lot of traffic coming out of Laurencekirk and turning right to go south. That type of traffic would be less likely to move to the north. In fact, the Montrose traffic could not do that.

The Convener: What role, if any, do your organisations have in funding improvements such as junction improvements at Laurencekirk?

Derick Murray: Sorry. Can you explain that?

The Convener: Nestrans does not really fall into this, but could Aberdeenshire Council and Angus Council contribute anything from their budgets to improvements to the junctions?

Derick Murray: I cannot speak for the local authorities, but Nestrans would love to have that conversation with Transport Scotland. We have not had the opportunity to have that conversation yet.

George Chree: As you know, convener, Angus Council improved the A92 between Dundee and Arbroath, and in fact funded it—we are still paying for it, of course. We therefore have experience in major road construction. I would have to say that Angus Council's ability to use its budget to help to

fund a road that it does not own and which is in another local authority area is limited.

The Convener: Although there are a lot of people from your council—

George Chree: Yes, there are but, at present, I would have to be honest and say that it would be a limited budget, if any, from Angus Council.

Ewan Wallace: Aberdeenshire Council has that specific allocation of up to 885 houses at the north end of the town. Following negotiations with developers, there will then be contributions in relation to school provision, other associated impacts in the town and potential local road upgrades. That is all part and parcel of the package. There will also be a requirement to put in the upgraded junction at the north end.

We have had a similar experience elsewhere on the corridor, at Portlethen, where permission was given for about 850 houses. The developer, who is still in the process of building out that site, provided a full grade-separated junction access on to the A90 at Findon.

The Convener: Was that fully funded by the developer?

Ewan Wallace: Yes.

The Convener: That was for 850 houses.

Ewan Wallace: Yes, that was for 850 houses.

The Convener: What is the number at Laurencekirk?

Ewan Wallace: It is 885.

The Convener: At the north end?

Ewan Wallace: Yes. Four hundred will be built in the first period and 480 or thereabouts in the second period.

The Convener: What about at the south end?

Ewan Wallace: There is existing permission for 99 units to be built at the south end, with the condition attached to it that nothing can happen until there is a grade-separated junction. That puts the development in the context of the need to bring all those elements together. The council has endeavoured to bring forward the development side to provide an overall solution, and in an awful lot of what we have looked at, ultimately, over the longer term, we are looking at two junctions for the settlement in two locations.

The Convener: The petition is about the south junction.

Ewan Wallace: Yes.

The Convener: That is what we are talking about. Why can you not say to the developer at

the north end that their developer contribution will be a grade-separated junction at the south end?

Ewan Wallace: Under the planning guidance and circulars relating to planning agreements and contributions, there has to be a direct impact. The advice that we have had—I am sure that George Chree will back me up on this—is that the contribution must be directly attributable to the impact of the development.

I go back to our earlier comments. We are of the view that there is an existing problem at the south junction; therefore, the discussions, the negotiations and the premise in the local development plan have focused on the development in the north dealing with the issue at the north end. There will be a benefit at the south end, in terms of rerouting in the first instance, but there is an existing problem there. That is why I said in my introductory remarks that we would never normally look at something as complex as this junction in isolation as a single junction. I know that the petition is about the single junction, but we have to look at more than one junction; we have to look at the overall capacity and purpose of this part of the network. I would invite Transport Scotland to carry out a “Design Manual for Roads and Bridges” stage 2 assessment. The other agencies would be happy to assist with that, and it would clearly identify the types of junctions and interventions needed. We have to look at it as more than just a road safety issue.

The Convener: I am totally confused. You had a development of 800-plus houses at Hillside, in Portlethen, and you got the developer to pay the full cost of a grade-separated junction. You are talking about the same amount of development at the north end of Laurencekirk, yet you are not asking the developer to put in a grade-separated junction. It strikes me that you could get a grade-separated junction at the north end first, if you told the developer that you wanted a grade-separated junction there. I am not sure why you are not asking the developer to put in a grade-separated junction there although you asked for one at Hillside, in Portlethen. I know that that does not relate to the petition, which is about the south end, but why are you not asking for that? That would not solve the problem of the south junction, but it would help a bit with traffic in the area.

Ewan Wallace: I apologise, convener. There is a requirement that it would have to be a grade-separated junction for the 885 houses at the north end. Ultimately, the matter sits with us as the planning authority and with Transport Scotland as the roads authority, and that would come forward as a specific requirement. I am sure that Mr Anderson and Mr Kenny will take the opportunity, in the next panel session, to clarify their views on the number of junctions that would be required to

serve those 885 houses and anything at the south end.

12:15

George Chree: I am not speaking on behalf of Aberdeenshire Council, but I have some experience of planning obligations, which is the new term for section 75 agreements. The Scottish Government has laid down specific and necessary tests on the imposition of planning obligations on developers. The legislation advises local authorities that

“Planning obligations should not be used to resolve existing deficiencies”.

Planning authorities cannot come along with a shopping list of existing deficiencies and expect the developer to pay for them. The test is whether a development would adversely affect a situation or create a new adverse situation. There was no grade-separated junction at Portlethen and no houses. Presumably, without the 850 houses at Porthlethen, the grade-separated junction would not be required, and therefore the developer paid for one.

Similarly, there is no grade-separated junction on the north side of Laurencekirk. Eight hundred houses would command such a junction and that is why the developer would be asked to provide one. The south is slightly more difficult, because there is an existing situation. The question is whether the developer would be required to contribute to that.

Developers can agree to do anything. There might be a benign developer who says, “I will contribute to a junction at the south end.” That remains to be tested by the planning authority. I am making the point that there are specific tests laid down in legislation regarding planning obligations.

The Convener: Okay. To get this right, there could be a grade-separated junction at the north that would be developer funded. There are not enough houses in the current plans for that to happen at the south; however, through planning consent, there could be a developer contribution to a grade-separated junction.

Ewan Wallace: Yes, that is my understanding.

The Convener: Would you say that the plans are well co-ordinated, or should there be a review to take into account the different circumstances?

Ewan Wallace: The statutory processes that we have undertaken on regional and local transport strategies, local development plans and the structured planning approach have been well co-ordinated. We have had the same message about what the requirements have been. There is a need at this point for greater co-ordination about what

we want to put in on the ground on this section of an important trunk road.

The Convener: Finally, Mr Chree, there are a number of grade-separated junctions between Dundee and Perth, with not much housing near the road. How were those paid for?

George Chree: That is not my authority—I do not know.

The Convener: You are a member of tactran—can you not tell us about it?

George Chree: If I had to guess, I would say that they were paid for by Transport Scotland. As you know, there are grade-separated junctions between Dundee and Brechin. I do not think that they were funded by developer contributions.

The Convener: Has there been a change in policy since those grade-separated junctions were installed?

George Chree: Yes, it looks that way.

Alex Johnstone: I want to ask a question that relates specifically to the Montrose economy. Unlike other towns in north Angus, Montrose has a strong link to the oil and gas industry, partly because it has major port capacity, where a number of major companies do fabrication work and other activities that are directly associated with the oil industry, which generates a lot of traffic—especially heavy goods vehicles. The Montrose economy is directly affected by an access issue with the A90 northward. There are three alternative routes—Brechin, the A92 north, and the point where the A937 meets the A90 at Laurencekirk, which remains a popular road. What is your opinion about Montrose's access northward on to the A90?

George Chree: Clearly, there are relationships between Montrose and Aberdeenshire and between Montrose and Aberdeen city because of the oil industry. We are experiencing an uplift in interest and activity, particularly in relation to offshore renewables. The Montrose economy is trying to position itself as a landfall base to service the wind turbines, should they come to pass. According to my colleague Mr Green's figures, there are about 4,800 traffic movements daily from Montrose northwards. HGVs going to Aberdeenshire and Aberdeen—going northwards—account for about 10 per cent of those movements.

The rough split is that there are about 4,000 movements to Brechin, 4,800 movements to the north and about 4,300 movements to the A92, but there is clear connectivity, and we hope that the economy will grow in Montrose and in Montrose port.

In Montrose, as Mr Johnstone probably knows, housing development has not blossomed since 2008. In north Angus, Brechin, Montrose and Edzell, we are down to around 39 house completions a year, purely because of the economy. More land is being allocated than housing is being built. It is almost the reverse of Laurencekirk, so I do not really see a major impact coming in the next few years due to housing. However, the economy—and the vehicle movements that fuel the economy—will have an impact.

Nigel Don: I expected to have to ask the panel how much more traffic there would have to be on the A90 before the building of a flyover would be triggered, but from what Mr Murray has already said, it seems that he believes that we are well past whatever that number might be. Can I confirm that?

Derick Murray: Yes. My understanding of the current guidelines means that there is enough traffic there for a flyover. It is not just the traffic on the main road—you have also to take into account the traffic on the side roads. For the volume of traffic on the main road, we have more traffic on the side road than is needed to justify a grade-separated junction.

Nigel Don: Before I ask you about how you have put that point to Transport Scotland, has anybody estimated how long it will be before the A90 at the Laurencekirk south junction becomes impossible to join? One of my colleagues asked earlier about how long it takes to join it. From the film that I made—which I am sure some people have seen—my rough estimate was that cars were taking eight minutes to get from the back of the queue from Marykirk that morning. Just standing there in the extreme cold watching the traffic, I got the impression that with an increase of 5 or 10 per cent in vehicles on the A90, nobody would be able to join it. There would just not be the gaps; it would be a full road and people will not be able to join it. That is my untutored estimate. Have you, as professionals, been able to estimate when it would just snarl up completely?

Derick Murray: That is not how we look at the situation. We tend to look at where you start from—where the bottom point is—to work out when you require to move up to the next level of junction. We believe that we are beyond the point of moving to a grade-separated junction; we believe that the case has already been made. We do not tend to look at it from the perspective of coming down the other way.

Nigel Don: Okay. Thank you. I will, in that case, pursue the obvious question. That seems to be your unambiguous view; I take it that Mr Wallace is entirely in agreement with that. Clearly, Transport Scotland is about to tell us that it

disagrees. Can you explain from the Nestrans side how on earth there can be disagreement on that point? Why is it, given the view that you have just expressed, that—as I understand it—the Laurencekirk south junction is not on anybody's list anywhere for a capital project that will be brought forward?

Derick Murray: We take guidance from the “Design Manual for Roads and Bridges”, which means that we are looking at what would happen in the case of a new build—if a new junction was being designed. Transport Scotland can answer for itself, but I suspect that Transport Scotland is looking at the matter from an operational point of view; taking that point of view, it has introduced road safety measures to try to resolve the issue. It believes that it can justify the view that further development would provide funding to help to resolve the situation.

We have come to the conclusion that that is not going to happen and that Transport Scotland needs to go back and look at the issue from the perspective of the need for a grade-separated junction. Its view has always seemed to be that such a junction will be needed in the future.

Nigel Don: In which case, what is your professional view of the 50mph limit, which has clearly been introduced for safety reasons and which, in its own way, seems to be working—although I acknowledge that a significant number of vehicles do not seem to be following it and are accelerating to the point of danger? How, from your side of the table, does its apparent permanence and the repeated letters from Transport Scotland saying, “Well, ministers set speed limits; that's what they've set in this case; and that's it. Full stop.” seem?

Derick Murray: I would look at that from the perspective of Transport Scotland's approach to the A9, where even though there is less traffic—and, one would assume, less traffic on the side-roads—it has decided to build a dual carriageway with grade-separated junctions. That decision will have been taken for good reasons, but we believe that what is good for the A9 will be good for the A90. If that is the view that has been taken, albeit on a new road, a retrospective view could be taken of the situation with regard to the Laurencekirk junctions.

There is a similar situation on the A96, which has been dualled between Aberdeen and Inverurie and about which Transport Scotland has said that it will take a retrospective look at the at-grade junctions into Blackburn and Kintore. We would hate for the rest of the A96 to have grade-separated junctions while the busiest bit of it still has at-grade junctions. Transport Scotland has accepted the view and we are simply asking it to extend that thinking to the A90.

The Convener: As members have no more questions for our council representatives, I thank the witnesses for their evidence.

I welcome our third panel of witnesses: David Anderson is head of planning and design, and Laurence Kenny is head of development and strategic planning, in major transport infrastructure projects at Transport Scotland. Do either of you wish to make any opening remarks?

David Anderson (Transport Scotland): I thank you for the opportunity to talk to the committee and to answer members' questions. I was interested to read in the *Official Report* of the previous meeting the reasons why you wanted us to come and give evidence. In that respect, we are in your hands.

Adam Ingram: How does Transport Scotland decide on its investment priorities for the trunk road network?

David Anderson: There are a number of different levels to our investment priorities. For road safety issues, we have an annual programme that examines places on the network where accidents happen within a 100m radius. We review those areas to find out what might be done to resolve such situations. Money for that annual review of the pattern of road accidents on the network and the actions that might be appropriate is allocated from the road safety budget, whereas Transport Scotland's other investment in roads and indeed investment in general is governed by discussions with ministers. The amount that might be put to railways or capital roads is set out in our budget and will be the subject of another discussion. In this discussion, it might be helpful to think about road safety investments.

Adam Ingram: We heard the petitioners' opinion that the risk assessment process is too hidebound by existing or historic records. The fact is that there has been a significant growth in traffic in the area, and the risk factors have built up to the point at which, if I may speak for the petitioners, accidents are waiting to happen at the junction. Why take the risk and allow that situation to develop? Why cannot we move now to put this development on to our priority list?

12:30

David Anderson: There are two elements to that. The first is that we look at the historical accident statistics according to a rolling three-year programme that is reviewed annually, and we ask what is happening. We do that because, when we put in a measure—we have heard a number of times about the measures that we have put in at the south junction at Laurencekirk, including 50mph limits—we monitor it to determine its effectiveness. On the monitoring report, the

measures were implemented in May 2010 so, because we monitor on a three-year basis, the time will expire in May this year. We are continuing to monitor the situation; we will see the evidence and decide whether the measures have been successful. As we have heard, the slip lane at the northern end of Laurencekirk was built to allow traffic to accelerate to join the main line.

The second element relates to Mr MacDonald's question about the future and development plans. I refer also to the convener's question regarding the allocation of 885 houses in Laurencekirk. We engage with local authorities and transport authorities at the very earliest stages of setting strategic and local development plans. We ask them what their thinking is and we discuss the consequences of that thinking, as well as outlining our thinking about how the trunk network—road and rail—operates. We enter that dialogue to point out the consequences of their putting in a load of stuff at a certain place on the trunk network. We can see the result in Laurencekirk, particularly in relation to the allocation of 885 houses and the condition associated with a grade-separated junction.

There is another step in the sequence. As Mr Chree said, when development applications will impact on the trunk network, they are passed to Transport Scotland so that the impacts and how they can be mitigated can be considered; there is a well-accepted principle that developments should mitigate their impacts. Mr Wallace was referring to the condition that was initially set regarding the southern end of Laurencekirk: that the development there should not begin until such time as there was a grade-separated junction. As we have accepted, it is beginning to look as though that means that the development cannot be occupied until that point.

There are three stages. There is the very early thinking; there is the actual development; and there is the post-opening bit—meaning that we consider what is the right thing to do.

Adam Ingram: We heard evidence from the local authorities and others that the traffic flows there require a grade-separated junction whether or not there is any development in the pipeline. The question remains: why has that not been prioritised among Transport Scotland's plans, given the growth of traffic and all the other factors that we have heard about this morning?

David Anderson: As I think Mr Murray accepted, the numbers that have been cited come directly from the "Design Manual for Roads and Bridges" and our guidance for new structures. I am about to agree with exactly what he said I would agree with: the A90 is an existing road. We undertook our survey in 2009, which videoed the junctions over a three-day or four-day period and

asked where the potential conflicts were, and we obtained some very good data showing what was actually happening and which movements caused the greatest concern. As a result, we put in the measures that are now in place and that are being monitored.

We have not said that the solution at the south junction would be a grade-separated junction, given what we have at the moment; we have said that, for the level of flows at that time, the measures that we put in are the appropriate measures. The evidence appears to support us so far with regard to the number of accidents that have occurred there.

That does not mean—I think the convener touched on this—that, if intensification of land uses off the trunk road network were to happen, a grade-separated junction might not become the right answer in due course.

The Convener: I think that you are saying that it must be a road safety issue—in other words, if there were more accidents, you might look at it again—or that there must be development, but we know that, at the south end of Laurencekirk, large developer contributions are not likely.

However, surely one of the roles of Transport Scotland, as an agency of the Scottish Government, is to look at sustainable economic growth. We know that Aberdeen is very busy. Montrose harbour has gone through a lot of reconstruction—it is becoming a sustainable port that could get a lot more business—but the Laurencekirk junction might be hindering economic growth in Montrose. Could Transport Scotland consider upgrading the junction from the point of view of sustainable economic growth and spreading a bit of the wealth of the north-east a bit further south?

David Anderson: I see where you are going. I come back to the point that considering the development planning aspect of the issue involves understanding the growth aspirations and plans for Montrose and looking at the consequences.

I think that Mr Chree suggested that the traffic from Montrose splits three ways as it moves towards the A90 corridor: one third goes up the A92, one third goes via Brechin and the rest goes to the A90 at Laurencekirk. We need to consider what that means when it comes to how best to exploit that opportunity.

I take the convener's point. The issue can be about what the right solution would be if we were talking about putting a grade-separated junction on the A90 at the south junction at Laurencekirk, which is what the petitioner has asked for. When we reviewed the A90 as a corridor, that suggestion was considered as part of the strategic transport projects review. The issues for the A90, as a

corridor between Dundee and Aberdeen, were to do with reducing road safety incidents to the average level—that is a terrible thing to say, but we are talking about the average—and looking at carbon emissions measures and the creation of opportunities to invest in rail freight and other means of transport.

Therefore, I think that I am agreeing with you. If we were talking about the installation of a grade-separated junction at Laurencekirk, we would be talking about the form that it would take, how best to do that and how best to fund it. However, we have not been tasked with installing a grade-separated junction at that location.

The Convener: You have raised another interesting point. Have you measured the carbon emissions from vehicles that have to wait to get across the junction?

David Anderson: No.

The Convener: Perhaps such an exercise should be undertaken.

Margaret McCulloch: You said that you have not been tasked with putting in a new junction. Who would task you to do that? What did you mean by that statement?

David Anderson: We have a programme of road projects that are being taken forward. The best-known ones are projects such as the dualling of the A9, but we also have a number of other projects that affect many constituencies. For example, Mr Ingram will be familiar with the Maybole bypass. Other projects around Scotland are part of the programme that ministers have agreed that we should take forward.

Those projects are set in the context of the infrastructure investment plan, which sets out a pipeline for forward investment and on which the committee heard evidence from the Cabinet Secretary for Infrastructure, Investment and Cities last week. It is about making that use of the projects that we are taking forward. As has been touched on, they take some time to deliver. Given the time that it takes to start analysis of any form of junction or road, the process takes at least two or three years, depending on how the approvals process comes to fruition. Such projects are not immediate things; they take some time, so we have a forward programme for delivery.

Margaret McCulloch: Mr Robson and the previous three witnesses said that the south junction at Laurencekirk meets the safety and capacity criteria for upgrading. Do you agree?

David Anderson: The evidence that we have gathered from the work that we have done suggests that the measures that we have put in manage the safety risk to the level that we have.

The evidence in that regard is that, so far, we have seen a reduction in the number of accidents.

Margaret McCulloch: What about capacity?

David Anderson: That goes back to the point that the convener was asking about. If one is looking to the future, what is the trigger point at which one would make the major investment that would allow the movements to happen freely? That takes us back to the issue of the grade-separated junction.

One question is: when is a queue of eight minutes too long? We have not got into that discussion. Is the issue one of capacity? If it is, what is causing the increase? The surveys show that, as many people have said today, the traffic has increased threefold since the road was opened: there are something like 18,000 vehicles a day in each direction, with about 3,000 vehicles crossing the road. Those are the survey figures—somebody sat there and counted the vehicles.

Are we trying to make the road easier to use and, therefore, draw traffic to it? That relates to the impact of development in Laurencekirk, which would be informed by a transportation assessment that asked where those people would choose to go. Again, that would be a professional piece of work that examined how traffic moves around. The convener touched on that when she talked about people going either north or south. If you were to take action on the road in one direction or the other, you would affect the traffic patterns on and around the local roads and in Laurencekirk. Those factors need to be understood before we come to the answer.

Margaret McCulloch: How does Transport Scotland assess requests from local communities regarding trunk roads?

David Anderson: Interested parties tend to make requests in letters to MSPs or ministers, asking them to consider an issue. That goes into our thinking, and we consider how to convert that thinking into a plan. We have been looking back at the programme that I touched on, which sets out our priorities. Often, there will be calls to modify existing schemes. As you might imagine, we are engaged in a dialogue in relation to the upgrading and dualling of the A9, and we are asking ourselves what the implications of that are. Is it all about grade separation? What do we do about access? What do we do about the other issues? Often, calls for schemes are actually part of bigger programmes rather than stand-alone pieces of work, such as at Laurencekirk.

Margaret McCulloch: The comments that I heard from the other witnesses seemed to me to justify the upgrading of the junction. However, from the feedback that I am getting from you, it seems that, no matter what anybody else says,

you have already decided that the junction does not meet the necessary criteria. I feel as if we have hit a brick wall in our discussion with you. There seems to be no room for manoeuvre, agreement, consultation or further consideration of the project. Do you agree that that is the case?

David Anderson: I hope that we are not being a brick wall, because we have heard this morning about how there is good dialogue among the professionals.

The issue is that, having been told that there is a problem that we should look at, we have done a considerable amount of work. We have looked at the surveys and conducted the cost refinement exercise that you are aware of, which estimates the cost of any new junction. There is a sense that, as Mr Wallace said, we must consider whether the piece of work is to be treated as a single, isolated item or as part of a wider consideration of the A90 corridor.

Margaret McCulloch: Thank you.

Adam Ingram: I presume that the report that will come back to you in May will have some influence over the decision whether to place the junction on Transport Scotland's priority list.

David Anderson: Yes, it may.

Adam Ingram: On part of the A77, a 50mph speed limit was imposed, the central reservation was closed and speed cameras were installed, but that was done in anticipation of a development. The situation that you describe on the A90 seems equivalent to what happened with the A77, but we know that, on the A77, the actual work of putting in a grade-separated junction is about to start this year. Is the evidence that you are gathering from this exercise likely to have a significant impact on the decision whether to put the Laurencekirk project into the plan?

12:45

David Anderson: I think that we previously provided the committee with accident statistics for the A90 since the current measures were put in, although, as I said, those statistics do not cover the full three years. The statistics show that there have been no serious accidents at the southern junction, which suggests that the measures have been successful. Mrs McCulloch's question was about whether the A90 as a corridor can achieve the strategic purpose of ensuring that the accident rates are no worse than for any other road, and what that means for the route. That would involve considering whether there might be a situation in which the improvements at the southern junction are the right thing to do at some point to allow sustainable economic growth to occur.

Adam Ingram: To continue with my comparison with the A77, as far as I am aware, there have been no serious accidents since the temporary restrictions were put in, but there were severe and fatal accidents on that stretch of road beforehand. Therefore, your point about the particular restrictions that have been put in place on the A90 does not equate with the situation on the A77, where there is a commitment to do something with the road. How do you square that circle?

David Anderson: Perhaps I am misunderstanding your point, but I think that we are saying the same thing. I am saying that the consideration of a pre-existing issue resulted in a series of measures being implemented, which appear to have been successful. The question then is about what one might do in the future to deal with additional development. Part of the work that we are doing is about considering the development plans in Aberdeenshire and Angus. There are a number of plans in the area, such as at Fordoun airfield, Edzell Royal Air Force base, the port of Montrose and Laurencekirk. That work is about understanding the consequences of those plans for the trunk road network and then considering the right solution to deal with those.

Adam Ingram: In essence, are you saying that we are not going to take forward improvements to this stretch of road until we can access developer contributions?

David Anderson: When the reporters provided information on the Aberdeenshire local plan, they said that the access improvements at the north junction at Laurencekirk should be developer funded, as the need for them is occasioned by the increase in traffic that is associated with the development there. I think that that is about all that I am saying.

Adam Ingram: All our previous witnesses indicated that there was enough justification, given the evidence, for this particular junction to be included in the strategic transport projects review in some way, shape or form. Why was it not included?

David Anderson: The junction was considered as part of that appraisal, but it did not meet the corridor-level criterion—remember that the STPR looked at the corridor level—of reducing accident statistics on the corridor as a whole. I take the point about accident statistics at that locale, but the STPR looked at the corridor level, and in this case, the corridor is between Dundee and Aberdeen.

The Convener: I will ask you the same question that I asked the previous panel. Between Perth and Dundee there are three, if not more, grade-separated junctions with less housing on either side of the road than at Laurencekirk. However, at

Laurencekirk, we have a stretch of 20 miles, which is about the same distance as between Perth and Dundee, that has no grade-separated junctions. How did we get to that point?

David Anderson: To be honest, that situation arose before Transport Scotland came into existence. I would be happy to find out and write to the committee about how that came about. I do not have a good answer for you just now.

The Convener: Okay. Can you also tell us who paid for those junctions and whether there has been a change in policy?

Alex Johnstone: I can summarise what was done in that case for the committee's information. Five grade-separated junctions were provided on that stretch of road. One was at Longforgan, which is a fairly big community so I suspect that the level of use justified the junction. There was one near the small village of Inchtute, which is significantly smaller than Laurencekirk, and there were three others positioned in rural communities that are so small that I cannot name them and at which there are no significant built-up areas. There has been no development in those areas since the construction of the junctions.

The Convener: We will await the Government's written reply.

Margaret McCulloch: I want to recap what you said, Mr Anderson. Would you consider moving the upgrade of the road to the top of your list of priorities if there were, God forbid, fatal accidents on the road?

David Anderson: No one wants there to be accidents. No one is designing roads to hurt people. No one is trying to injure people. We are trying to use a system that allows us to see where best to spend the resources that we have for road safety issues. I do not accept that we have to do this, then that and then that. We are looking at the whole network and using the same process to look across the network to ensure that we operate it as safely as we can.

Margaret McCulloch: Your review is to be held in May 2013. Could the committee receive a copy of it?

David Anderson: Certainly.

Nigel Don: The original petition was about safety issues. We just do not want accidents to happen. I understand your comment about the network and how the Government has to prioritise on that basis. You will appreciate that we—especially me—have drawn the conclusion that there will never be enough development at the south junction to pay for a grade-separated junction with what used to be section 75 money. That position was summed up earlier.

I will take the slightly different tack that I started to take earlier. If the traffic heading north or north-east up that road in the morning rises by a fraction—I do not know how big that fraction would be; you will have heard my previous question—it will become impossible for traffic for Marykirk to cross. Does Transport Scotland do those calculations? If so, could you do such a calculation in this case, bearing in mind the fact that although the AWPR is designed to remove traffic from Aberdeen, it will certainly increase the traffic flow? On the development of the north-east, we know that it is the only region of Scotland that is expanding. Everything we know tells us that the amount of traffic on the A90 will increase. Everything that we have heard tells us that there is a pre-existing problem, despite your accident statistics, which do not reflect the inherent dangers of the situation—thankfully, people are being careful. At what point will the traffic flow tell you that we need a grade-separated junction?

David Anderson: Laurencekirk has become a case in which those calculations might be performed. We do not run them routinely on every junction on the trunk road network, because that would be impossible.

The other issue is the way in which drivers react to congested junctions. We have heard that there are a number of routes. In considering the impacts of developments, modelling would tell us that people look for alternatives if they cannot get through a junction at a reasonable pace. I think that there would be some re-routing, and because people would find other routes, the situation that you describe could be further into the future than you expect. People may use the A92 or do other things—perhaps they would change their travel times. People adapt to the situation with which they are presented.

I know that that does not perfectly answer your point, but making an absolute determination of when something will reach capacity is often a dangerous science. That rarely comes to pass because people adapt to changing circumstances.

Nigel Don: I am sure that that is true. People will behave in such a way that they will not have to use a junction that they perceive they will not get across. However, it will not come as a surprise to you that I, as the MSP for Angus North and Mearns, am not especially impressed by the idea that, because there is not a flyover at Laurencekirk south, people will finish up driving through Brechin, which happens to be my home town—my home city—or going up the A92 right the way round. I can visualise every inch of that road. At the very least, we would not want heavy goods vehicles and other heavy traffic going on such roads.

Alex Johnstone: Especially the bridge over the North Esk.

Nigel Don: Indeed. There are a number of technical reasons for that that anybody who knows the location will understand. I understand that, mathematically, that is what people will do, but that is certainly not what we want them to do. It adds miles, corners and danger.

I will ask the question in a different way. At what point in the future and by what criterion would Transport Scotland say, "Yes, we should have a grade-separated junction there"?

David Anderson: I think that Mr Wallace suggested that we could have a look at the development plans for that corridor and think through what the solution might be for a number of areas between Brechin and Aberdeen. I am happy to have discussions with the councils to see what the right strategy might be. I do not know whether the right strategy would be one junction or more junctions at Laurencekirk, but I am more than happy to have those discussions and to continue to discuss the issue with the councils.

Nigel Don: Do you nonetheless accept that, on the A937 from Montrose through Marykirk, the south junction is a particular point that cannot be moved? The traffic cannot be re-rerouted to a north junction. Do you accept that that point has to be dealt with?

David Anderson: As you say, it is a junction on the network, and it is likely to remain a junction on the network. We are discussing the form of that junction.

Nigel Don: Sadly, you have not offered me any hope that my point will be dealt with at any time soon.

The Convener: Surely you do not want people to move to other junctions, as that would simply make the problem worse. If we followed your logic, we could end up with 50mph stretches at the other junctions, which would become more dangerous, as people move from the junction in question.

Alex Johnstone: I was going to make that very point. We heard from earlier witnesses that there is a strong possibility that traffic could move to alternative junctions as opposed to using the junction in question. There continue to be fatalities at the other junctions, of course. The most recent of those was just over a week ago, at the Powburn junction, which is only 2 miles further up the road. I believe that the investigation into that is continuing. Although the cars that were involved in the fatality were using the A90, the accident may have been caused by a car accessing the junction from a side road.

What action is Transport Scotland taking to monitor the accidents at the south junction and

any increases in the number of accidents and/or fatalities at adjacent junctions in the area?

David Anderson: As I have said, that is part of our standard process of looking at the network as a whole and at what we call a moving cursor programme, which identifies accidents and considers them on an on-going basis to see whether there is a recurring theme. We look at not just fatal accidents but serious and slight accidents. We monitor each type of accident and put that information into the process.

The Convener: As no one else has questions, I thank all the witnesses very much. I have let the session run on quite a bit, and I suggest that we delay any further consideration until we get the letter from Transport Scotland and have a look at the *Official Report* of the meeting, because a lot has been said.

We will carry on while the gentlemen leave the room, if they do not mind, as we are running behind schedule.

Subordinate Legislation

Road Traffic (Permitted Parking Area and Special Parking Area) (East Renfrewshire Council) Designation Order 2013 (SSI 2013/67)

13:00

The Convener: Item 5 is subordinate legislation. The committee will consider three negative instruments, the first of which is Scottish statutory instrument 2013/67. The order extends to East Renfrewshire Council arrangements for enforcing parking controls by designating the East Renfrewshire local government area as a permitted parking area and a special parking area in accordance with the Road Traffic Act 1991.

The Subordinate Legislation Committee determined that it did not need to draw the order to Parliament's attention. The committee is invited to consider any issues that it wishes to raise in reporting to Parliament on the order. Members should note that no motion to annul has been lodged in relation to it.

As members have no comments, do they agree that the committee does not wish to make any recommendation in relation to the order?

Members indicated agreement.

Road Traffic (Parking Adjudicators) (East Renfrewshire Council) Regulations 2013 (SSI 2013/68)

The Convener: The second instrument is SSI 2013/68. The regulations prescribe the procedure to be followed in relation to appeals before parking adjudicators against decisions of the parking authority under a decriminalised parking regime in the East Renfrewshire local government area.

The Subordinate Legislation Committee did not raise any concerns about the regulations. The committee is invited to consider any issues that it wishes to raise in reporting to Parliament on them.

As members have no comments, do they agree that the committee does not wish to make any recommendation in relation to the regulations?

Members indicated agreement.

Parking Attendants (Wearing of Uniforms) (East Renfrewshire Council Parking Area) Regulations 2013 (SSI 2013/69)

The Convener: The third instrument is SSI 2013/69. The regulations prescribe functions during the exercise of which a parking attendant

must wear such a uniform as the Scottish ministers may determine.

The Subordinate Legislation Committee did not raise any concerns about the regulations, and no motion to annul has been received.

As members have no comments, do they agree that the committee does not wish to make any recommendation in relation to the regulations?

Members indicated agreement.

The Convener: We now move into private session, as previously agreed.

13:02

Meeting continued in private until 13:11.

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