



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# MEETING OF THE PARLIAMENT

Thursday 6 March 2014

Session 4

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Thursday 6 March 2014

## CONTENTS

	Col.
<b>GENERAL QUESTION TIME</b> .....	28587
Aberdeen Western Peripheral Route.....	28587
Campaign for a Leith Museum (Support) .....	28587
Independence (Civil Servants' Impartiality) .....	28588
Elected Representatives from France (Meetings) .....	28589
A83 (Landslip Closures) .....	28590
NHS Greater Glasgow and Clyde (Meetings) .....	28591
Marine and Islands Renewable Energy (Transmission Charges) .....	28592
Education Maintenance Allowance.....	28594
Independence (Defence) .....	28594
<b>FIRST MINISTER'S QUESTION TIME</b> .....	28596
Engagements.....	28596
Secretary of State for Scotland (Meetings) .....	28599
Cabinet (Meetings) .....	28601
Women in Business .....	28603
Accident and Emergency Waiting Time Standard .....	28604
Rail Network (Upgrading) .....	28605
<b>SCOTLAND FAIR TRADE NATION (FIRST ANNIVERSARY)</b> .....	28608
<i>Motion debated—[George Adam].</i>	
George Adam (Paisley) (SNP) .....	28608
Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab) .....	28611
John Lamont (Ettrick, Roxburgh and Berwickshire) (Con) .....	28612
Fiona McLeod (Strathkelvin and Bearsden) (SNP) .....	28614
Liam McArthur (Orkney Islands) (LD).....	28615
Roderick Campbell (North East Fife) (SNP) .....	28617
James Kelly (Rutherglen) (Lab) .....	28618
The Minister for External Affairs and International Development (Humza Yousaf).....	28620
<b>DISTRICT HEATING AND DECARBONISING HEATING</b> .....	28623
<i>Motion moved—[Fergus Ewing].</i>	
<i>Amendment moved—[Iain Gray].</i>	
<i>Amendment moved—[Liam McArthur].</i>	
The Minister for Energy, Enterprise and Tourism (Fergus Ewing) .....	28623
Iain Gray (East Lothian) (Lab) .....	28627
Liam McArthur (Orkney Islands) (LD).....	28631
Murdo Fraser (Mid Scotland and Fife) (Con).....	28635
Kevin Stewart (Aberdeen Central) (SNP) .....	28638
Jayne Baxter (Mid Scotland and Fife) (Lab) .....	28640
Colin Beattie (Midlothian North and Musselburgh) (SNP) .....	28642
Rob Gibson (Caithness, Sutherland and Ross) (SNP).....	28645
Lewis Macdonald (North East Scotland) (Lab) .....	28647
Mike MacKenzie (Highlands and Islands) (SNP) .....	28649
Marco Biagi (Edinburgh Central) (SNP) .....	28651
Alison Johnstone (Lothian) (Green).....	28653
Richard Lyle (Central Scotland) (SNP).....	28656
Stewart Stevenson (Banffshire and Buchan Coast) (SNP) .....	28658
Sarah Boyack (Lothian) (Lab).....	28660
Nigel Don (Angus North and Mearns) (SNP) .....	28663
Liam McArthur .....	28665
Alex Johnstone (North East Scotland) (Con) .....	28667
Claudia Beamish (South Scotland) (Lab) .....	28669
Fergus Ewing.....	28672
<b>DECISION TIME</b> .....	28677



# Scottish Parliament

Thursday 6 March 2014

[The Presiding Officer *opened the meeting at 11:40*]

## General Question Time

### Aberdeen Western Peripheral Route

#### 1. Richard Baker (North East Scotland) (Lab):

To ask the Scottish Government whether it will provide an update on progress with the procurement process and construction of the Aberdeen western peripheral route. (S4O-02977)

**The Minister for Transport and Veterans (Keith Brown):** Procurement for the main works contract is progressing well. Overall the programme remains as set out by the First Minister in October 2012, with the award of the contract expected later this year and construction completed by spring 2018.

**Richard Baker:** Over the Christmas recess, the minister said that sections of the AWPR could be open early and before spring 2018. Can he tell us whether ministers have specific plans to open sections of the road early and which sections they would be? Will they be in the north or the south of the route? Is the pursuit of such plans forming any part of the procurement of the contract?

**Keith Brown:** What we said previously was that the idea of bringing forward certain sections—the two sections that have been mentioned are the Balmedie to Tippetty section and the road around the airport—could not be considered until we had received the bids, because it would have to be done in conjunction with the bidding process and the successful contractor. That remains the case. We will look at not only whether we can advance certain parts of the contract, but at what the implications of that would be for other parts of the road. We will take a balanced view on whether to open certain sections early, but that cannot be done until the process of bids coming forward is complete. We will look at the issue in detail at that stage.

### Campaign for a Leith Museum (Support)

**2. Malcolm Chisholm (Edinburgh Northern and Leith) (Lab):** To ask the Scottish Government what support it can give to the campaign for a Leith museum. (S4O-02978)

**The Minister for External Affairs and International Development (Humza Yousaf):** The Scottish Government provides support for non-national museums through Museums Galleries Scotland, the national development

agency for museums and galleries in Scotland. However, in this instance I understand that the Cabinet Secretary for Culture and External Affairs has agreed to meet Malcolm Chisholm and his colleagues to discuss the campaign for a Leith museum.

**Malcolm Chisholm:** I thank the minister and I thank the cabinet secretary for agreeing to the meeting. However, does the minister know of the great and growing support in Leith for the creation of a Leith museum and of the unanimous view that the A-listed custom house would be the ideal location? Given that National Museums Scotland will vacate the building quite soon, will the minister and the cabinet secretary ensure that the building is designated in the first instance for acquisition by the community, rather than for sale to a developer?

**Humza Yousaf:** I thank the member for the supplementary question. Of course we acknowledge the important role that the community is playing in relation to a Leith museum and the local interest in it, and the potential for bringing a building such as the Leith custom house back into public use. I am sure that the member will appreciate that the Scottish Government and its public bodies are obliged by the Scottish public finance manual rules to seek best value for the disposal of property. However, options for disposal other than on the open market are available, although they are limited. It would be helpful to discuss that when the member meets the cabinet secretary in the near future.

### Independence (Civil Servants' Impartiality)

**3. Sandra White (Glasgow Kelvin) (SNP):** To ask the Scottish Government what its position is on the inquiry by the United Kingdom Parliament's Public Administration Select Committee on the impartiality of civil servants in relation to the independence referendum. (S4O-02979)

**The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon):** We welcome the inquiry. It provides the opportunity to affirm both the commitment of the Scottish Government to the principles that underpin the operation of the civil service—impartiality, integrity, objectivity and honesty—and the record of the civil service in Scotland in upholding those values.

I am pleased also that the committee is to examine the role of the civil service in support of the UK Government's position on constitutional reform in Scotland. It will be important for the committee to ensure that consistent standards are applied across both Administrations.

**Sandra White:** I agree with the Deputy First Minister that any review should not single out one

part of the civil service. Does the Deputy First Minister agree that it is the proper role of the Scottish Government civil service to support the Scottish ministers' policies for constitutional reform?

**Nicola Sturgeon:** Yes, I agree with that, and I imagine that all democrats would agree with that position. This Administration stood for election on a platform of supporting a referendum and independence. It is absolutely appropriate for the civil service to support the Scottish ministers in delivering those policies, just as the civil service would support any other Government in developing and implementing its policies.

It is worth pointing out that any complaint that has been made about the Scottish civil service has been found to be unsubstantiated. Indeed, successive heads of the UK civil service have publicly acknowledged that it is the duty of the Scottish Government civil service to support this Government's policies for the constitution.

**Malcolm Chisholm (Edinburgh Northern and Leith) (Lab):** I have always supported Scottish civil servants, even when they have been under attack by certain people. Equally, will the cabinet secretary make sure that none of her colleagues criticises the UK civil service, and particularly in this connection the Permanent Secretary to the Treasury?

**Nicola Sturgeon:** As I said in my original answer, I think that it is good and I support the fact that the UK Parliament Public Administration Select Committee will examine the role of the civil service in supporting not just the Scottish Government but the UK Government's position on constitutional reform. It is important that the committee looks at both and that consistent standards are applied to both Governments in terms of the pursuit of their policies in the referendum. My comments about the civil service in Scotland apply generally, and I hope that the committee helps to get us to a position in advance of the referendum where the impartiality of the civil service is absolutely beyond doubt.

#### **Elected Representatives from France (Meetings)**

**4. Christian Allard (North East Scotland) (SNP):** To ask the Scottish Government whether it plans to meet elected representatives from France and, if so, when. (S4O-02980)

**The Minister for External Affairs and International Development (Humza Yousaf):** The Cabinet Secretary for Culture and External Affairs will meet the French member of Parliament Axelle Lemaire and member of the French elected second chamber Senator Claudine Lepage on Tuesday 11 March.

**Christian Allard:** The eyes of the world are upon us. Does the minister agree with the French Senatrice Mrs Garriaud-Maylam, who made it clear last week in a debate on Scotland's future that the threats formulated by Mr Barroso are inappropriate and are the result of pressure from London? Mrs Garriaud-Maylam added that those threats are not credible and that a yes vote will ensure that Scotland stays in the European Union.

**Humza Yousaf:** The Scottish Government has always been clear that an independent Scotland would negotiate its continued membership from within the EU. Mrs Garriaud-Maylam's comments were a welcome recognition of that point, as were the comments of former Czech president Vaclav Klaus that were reported in *The Herald* on 1 March and those of Professor Charlie Jeffery, professor of politics at the University of Edinburgh, who stated this month in his submission to the Economy, Energy and Tourism Committee:

"Barroso's was a personal, not a Commission statement, made by an outgoing Commission President with no influence on what might happen in the event of a Yes vote, on a matter where there is neither treaty provision nor precedent."

We hope that, by the time the rest of the UK has its in/out referendum on the EU, it too will choose to continue its membership of the European Union.

#### **A83 (Landslip Closures)**

**5. Jamie McGrigor (Highlands and Islands) (Con):** To ask the Scottish Government what steps it is taking to prevent further closures of the A83 because of landslips. (S4O-02981)

**The Minister for Transport and Veterans (Keith Brown):** The fact that the Scottish Government, working closely with our stakeholder partners, has already invested nearly £7.5 million on the A83 around the Rest and be Thankful is a clear sign of our intent to find solutions to keep the A83 open and operational. The old military road diversion is in use as we speak, which is a clear example of this Government's efforts.

The A83 route study recommended actions to address landslide hazards at other locations, particularly Glen Kinglas, Cairndow and Loch Shira, to give a level of landslide protection comparable to that which is proposed at the Rest and be Thankful. We have progressed investigations at all three sites and the output of that will be a report that recommends areas at each site that are considered high risk, together with potential mitigation options.

Following this morning's closure and representations that I received from the constituency member, Mike Russell, I have asked for members of the A83 task force to come

together in the next fortnight to take forward some of the plans that we have in that area.

**Jamie McGrigor:** I thank the minister for that and I welcome the fact that the old military road is being used as a diversion around today's landslide. However, does he understand the frustration of local businesses and residents that, more than two years on, we are still at the stage of having only draft options for the other locations? What can be done to get practical solutions? Lastly, will he consider his position on conducting a study of the economic impact of the closures? Every business in Argyll and Bute, from Cairndow to Campbeltown and Dunoon in Cowal, suffers each time the road is closed.

**Keith Brown:** I am well aware of the frustration that is caused and, unlike the member, I have attended all the meetings of the task force group at which the issues have been discussed in some depth.

**Members:** Oh!

**The Presiding Officer (Tricia Marwick):** Order.

**Keith Brown:** The members of the task force, which includes many of the businesses to which Jamie McGrigor refers, have made those points. They are keen to ensure that the media reports are accurate because they do not want the impression to be given that Argyll is closed for business, which is not the case.

With regard to today's landslip, the resilience programme that we put in place by investing in the old military road has allowed the closure to be brief and traffic to move quickly. That is the type of action that we have been asked to take by stakeholders.

I am aware of the frustration. We are doing as much as we can to mitigate the problem, and will continue to do so in future in the other areas that I mentioned.

#### **NHS Greater Glasgow and Clyde (Meetings)**

**6. Duncan McNeil (Greenock and Inverclyde) (Lab):** To ask the Scottish Government when the Cabinet Secretary for Health and Wellbeing last met the chief executive of NHS Greater Glasgow and Clyde and what was discussed. (S4O-02982)

**The Cabinet Secretary for Health and Wellbeing (Alex Neil):** Ministers and officials regularly meet representatives of NHS Greater Glasgow and Clyde, including the chief executive, to discuss matters of importance to local people.

**Duncan McNeil:** I hope that the cabinet secretary will think that the issue that I am about to mention is a matter of importance.

In response to my freedom of information request, NHS Greater Glasgow and Clyde confirmed that it has no systems in place to monitor the number of times that patients with dementia are boarded when they are in hospital. The board's response reflects the situation that exists in a number of other health boards in Scotland.

The cabinet secretary will be aware that boarding can increase dementia patients' confusion, make them more ill and lead to longer stays in hospital. Does he agree that keeping track of dementia patients' bed moves is vital for their wellbeing? Will he act, along with the health boards, to ensure that monitoring systems are put in place as soon as possible?

**Alex Neil:** As Duncan McNeil will be aware, we, along with the Royal College of Physicians of Edinburgh and a number of other key stakeholders, published a report on boarding last year in which we agreed a strategy for dealing with boarding in future. A key part of that strategy is to reduce the need for boarding for any patient, including dementia patients.

I appreciate that any change of circumstance is particularly difficult for a dementia patient, and the health service's policy is to minimise any disruption for those patients in particular. We are looking at the situation to see how further improvements can be made with regard to the wider issue of boarding as well as the specific issue of treating dementia patients.

**The Presiding Officer:** Question 7, from Jackie Baillie, has not been lodged. She has provided a full explanation and I am satisfied.

#### **Marine and Islands Renewable Energy (Transmission Charges)**

**8. Rob Gibson (Caithness, Sutherland and Ross) (SNP):** To ask the Scottish Government what progress it is making on reducing the transmission and access charges to the grid for marine and islands renewable energy. (S4O-02984)

**The Minister for Energy, Enterprise and Tourism (Fergus Ewing):** Last week I chaired an island electricity grid summit in Stornoway alongside council leaders from Orkney, Shetland and the Western Isles. It was evident from the discussion that progress has been made towards establishing market and regulatory frameworks that can support island renewables development.

**Rob Gibson:** What chance does the minister consider there to be that Westminster will cede powers to Holyrood to regulate energy production from our substantial marine and island renewables prospects—for example, in my constituency in the Pentland Firth, and in the northern and Western

Isles—to give us a greater means of tackling the increasingly urgent issues that are raised by the evidence on climate change and to give certainty to the supply chain?

**Fergus Ewing:** I am not aware of any proposals from the UK Government or from any Opposition party to devolve plans for regulatory powers to this Parliament. Only independence can do that.

It is important to recognise that the islands—Orkney, Shetland and the Western Isles—are the best place in the world to produce renewable energy. According to an expert, they can deliver up to five per cent of the electricity needs of the whole of Great Britain by 2030. However, there are difficulties, which I can best highlight by quoting Martin McAdam, the chief executive officer of Aquamarine Power. He says:

“There are worrying parallels ... with the UK’s early history in wind technology, where the UK had an early ... lead ... but a succession of poor policy measures handed the lead to Denmark ... I would encourage the UK Government to be more bold, to recognise the economic opportunity which ... exists, and to work alongside the Scottish Government to implement island-specific solutions which can work for tidal and wave as well as wind.”

I very much endorse those sentiments and look forward to continuing to work with Ed Davey to deliver improved connections for our islands.

**John Scott (Ayr) (Con):** Can the minister update us on interconnection capability in the Firth of Clyde, where, as he knows, there are great opportunities in renewable energy harvesting?

**Fergus Ewing:** I will be able to give John Scott a detailed answer to that question in due course, but we very much welcome the increased connection from Hunterston to the south, which is, I think, the issue to which he is alluding.

Of course, that example simply illustrates the truth of the matter. Contrary to what we sometimes hear from Mr Davey and others, Scotland’s electricity, which is massively in greater supply, will be required to be exported to maintain security of supply and keep the lights on in England. Although we might sometimes feel that, metaphorically at least, the English Government is in the dark, we do not actually want the English people to be literally in the dark.

**Rhoda Grant (Highlands and Islands) (Lab):** Were Scotland to become independent, how would the minister fund the interconnectors to the northern and Western Isles?

**Fergus Ewing:** We will fund them from the very substantial resources that will be available to the people of Scotland. The number of renewable schemes in Scotland is more than those south of the border by about a third, but I point out that no nuclear power stations are proposed, such as that at Hinkley Point, for which the UK Government is

proposing a taxpayer subsidy of £35,000 million over 35 years, and that there is no nuclear decommissioning bill of around £70,000 million. We need to look at all parts of the equation, not just at those parts that suit certain political parties.

### Education Maintenance Allowance

**9. Linda Fabiani (East Kilbride) (SNP):** To ask the Scottish Government when it will publish the findings of its review of the guidance on the administration of the education maintenance allowance. (S4O-02985)

**The Minister for Youth Employment (Angela Constance):** The education maintenance allowance guidance documents are revised annually to give local authorities and colleges the necessary guidelines to help them administer the EMA programme effectively and fairly. The guidance documents will be issued in April 2014 and will allow local authorities and colleges to deliver the programme using their own discretion and in line with both local and national policies.

**Linda Fabiani:** Is the minister aware of the Scottish Youth Parliament’s current care.fair.share campaign for young carers, a component of which is the education maintenance allowance? Does she agree that it would be useful if she could sit down with the members of the Scottish Youth Parliament who are directly affected by this issue and discuss the way forward?

**Angela Constance:** I am more than happy to meet Ms Fabiani, young carers and their representative organisations. I point out that the current guidance makes it clear that discretion can be exercised at a local level in respect of vulnerable young people and that the new guidance, which will be issued next month, will make it crystal clear to our partners in colleges and local authorities that there needs to be flexibility for vulnerable young people and young carers in particular.

I pay tribute to the campaign that the Scottish Youth Parliament is leading. We have had the opportunity to work very effectively on this matter and to ensure that any issues that have arisen have indeed been resolved. This Government, unlike that south of the border, has retained the education maintenance allowance, which benefits nearly 35,000 young Scots, and we will do our utmost to ensure that any young Scot who is entitled to the allowance receives it.

### Independence (Defence)

**10. Graeme Dey (Angus South) (SNP):** To ask the Scottish Government what engagement it has had with the United Kingdom Government on defence in an independent Scotland. (S4O-02986)



**The Minister for Transport and Veterans (Keith Brown):** The Scottish Government has contacted the Ministry of Defence, requesting factual information to support our consideration of the defence options that would be open to an independent Scotland. The Ministry of Defence has been unable to provide the full level of detail requested.

**The Presiding Officer:** Briefly, please, Mr Dey.

**Graeme Dey:** During a recent flying visit to RM Condor in Arbroath, the UK Secretary of Defence Philip Hammond sniped at the Scottish Government's detailed and costed plans for defence in an independent Scotland. Would the minister welcome an opportunity to have a face-to-face debate with Mr Hammond about the benefits that independence would bring to this country's defence versus the UK Government's track record of slashing Scotland's service footprint?

**The Presiding Officer:** Briefly, minister.

**Keith Brown:** Of course, I have made a public request of Philip Hammond that, rather than jetting into Scotland and then scurrying away immediately afterwards without answering questions, he stays and debates some of those important issues with me. It seems to me that he has no awareness of any contingency plans being laid by the Ministry of Defence; that he is unaware of the fact that Scottish taxpayers pay around £3.3 billion towards defence and that only about £2 billion is spent in Scotland in return; and that he is completely unaware of the defence asset register that is published by his own department.

It is important, especially as we see, even today, complaints about cuts in the armed forces—with people having P45s delivered to them on the front lines—that we debate these issues in a proper and sensible way. I challenge him to do that in future. *[Interruption.]*

**The Presiding Officer:** Thank you, minister. The sound of a phone going off was a cue that your time was up, but I ask members to ensure that all their phones are off when they are in the chamber.

Before we move to the next item of business, members will wish to join me in welcoming to the gallery His Excellency Konstantinos Bikas, the ambassador of the Hellenic Republic to the United Kingdom. *[Applause.]*

## First Minister's Question Time

12:00

### Engagements

**1. Johann Lamont (Glasgow Pollok) (Lab):** To ask the First Minister what engagements he has planned for the rest of the day. (S4F-01927)

**The First Minister (Alex Salmond):** Engagements to take forward the Government's programme for Scotland.

**Johann Lamont:** Will the First Minister join me in condemning the Tories' top-rate tax cut for millionaires, or does he agree with George Osborne?

**The First Minister:** I join Johann Lamont in condemning that. Not only do I do so; I point out that the Scottish National Party led the Opposition in the House of Commons in voting against the measure.

I tend to agree with the points that are now made by the shadow chancellor that, when the deficit is high, it is unfair to place a burden on the ordinary people of this country, and that that burden ought to be shared by those who are better off. Hence we followed that logic in our votes in the House of Commons.

**Johann Lamont:** So will the First Minister back Labour's policy of reintroducing the 50p tax rate now or after a yes vote?

**The First Minister:** I look forward to a vote in the House of Commons, which I am confident will come later this month in the budget, and I am also confident about how the SNP will vote on that.

Perhaps Johann Lamont will give us some assurance that the Labour Party will also vote against the cut. As she will remember, on 27 March 2012, when the SNP moved against the measure in the House of Commons, only two Labour MPs—Dennis Skinner and Paul Flynn—voted against the reduction in the top-rate tax.

There were a number of explanations for why that happened. Willie Bain tweeted that Labour did not support the vote on partisan grounds, as there "is a ... convention that we do not support SNP motions".

Luckily for Johann Lamont, if it is the Labour Party that moves against the measure later this month, the SNP has no such bar—we will judge the issue based on what is right and proper.

We think that it is wrong, at this time, when the deficit is high, to ask ordinary people to bear burdens and for those burdens not to be shared by those who are better off. I am sure that, with her influence over her Westminster colleagues,

Johann Lamont will manage to bring them into line on tax matters.

**Johann Lamont:** Of course, we have developed an interesting convention in here that we do not answer the question that we were asked.

In all of that, I do not think that we got an affirmation that the First Minister will back Labour's policy of reintroducing the 50p tax rate after a yes vote. Indeed, on Monday, he said:

"we certainly are not going to put ourselves at a tax disadvantage with the rest of the UK."

He says one thing in one place and says absolutely nothing in here. We look forward to hearing the answer to the question that I asked him, which, as the Deputy First Minister is keen to say, is a quite simple yes or no.

There is something curious here. The First Minister says that we should vote for independence to get away from the Tories' destructive policies, and yet he is committing an independent Scotland to the same tax rates that the Tories set—[*Interruption*.]

**The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon):** No, he is not.

**Johann Lamont:** Well, he was doing that on Monday—unless he is now recanting that position. The exception, of course, are taxes such as corporation tax, which he wants to cut even further than anything George Osborne sets.

Is it not the case that the First Minister's vision of an independent Scotland will not get rid of the Tories but will enshrine a tougher tax-cutting agenda than even the Tories have come up with?

**The First Minister:** In my first answer, I pointed out that I agree with Ed Balls, the shadow chancellor, who changed Labour's policy on 25 January and said:

"When the deficit is still high ... it cannot be right ... to give the richest people in the country a huge tax cut."

That is the right policy. Not only do I think that now; we thought it in 2012 when we led the opposition to the tax cut in the House of Commons.

I was not going to pursue the matter but, since Johann Lamont has offered me the opportunity, I will do so. I said that there were a number of explanations why Labour did not support the SNP motion. Ed Balls's political adviser, Alex Belardinelli, admitted that

"there was a"—

something that is unmentionable in Parliament—

"up somewhere along the way last night and it wasn't clear what SNP had called a vote on or how, so we abstained on their vote."

Alan Gillam, Margaret Curran's political adviser, then emailed Labour's Holyrood media team on 27 March 2012:

"I am trying to find out where we went wrong."

In an earlier email, he hoped that the Scottish media would just ignore the matter, saying:

"We should probably hold off releasing line in Scotland just yet, in the hope that it is ignored".

I thank Johann Lamont for giving me the opportunity to draw the matter to people's attention.

In 2012, we fought the tax cut for the richest people in the country. In the circumstances the cut was wrong, so we voted against it; we think that it is wrong now, so we are voting against it; and, in a vote that I expect to take place in the House of Commons later this month, we will vote against it yet again.

I agree with Ed Balls that in the current circumstances, when the deficit is still high, it is wrong to reduce the top-rate tax on those who are better off in this country. That is unfair. I suggest to Johann Lamont that we seem to have followed that policy rather more consistently than she and her colleagues have managed to do over the past two years.

**Johann Lamont:** We know what the First Minister will do now, but we do not know what he would do in an independent Scotland—no surprise there.

The First Minister appears to be saying that the tax policies of the Tories restrict growth—I agree with that—but that, somehow, the same policies in an independent Scotland would create growth. That is simply not credible. He owes it to the people to whom he is offering an alternative to the Tories to follow through and answer the simple question that I asked him: does he support Labour's policy of reintroducing the 50p tax rate after a yes vote? We have heard no answer from the First Minister—nothing new there.

The truth is that, in seven years, we have not seen a single policy from Alex Salmond that has redistributed wealth from the rich to the poor. He talks of Scotland being a progressive beacon, but it turns out to be a beacon that he has never lit. Now the First Minister has committed himself to tax levels that will be set by a Tory Government in what he will have made a foreign country.

In the 1970s, we called the SNP the tartan Tories. Is it not the case that a First Minister who cannot answer a simple question on taxation might still be tartan but is committing himself to out-

Torying the Tories on tax in an independent Scotland?

**The First Minister:** The answer to Johann Lamont's question is "No" on all counts.

Can I just point out the history of this? *[Interruption.]* Oh, yes—members are going to hear the history. *[Interruption.]*

**The Presiding Officer (Tricia Marwick):** Order.

**The First Minister:** Labour was in power at Westminster for 13 years but had the 50p top-rate tax for just 36 days of those 13 years in power. Ed Balls has adopted the entirely sensible position that, while the deficit is still high, it is unfair to ask the lower paid and people on average earnings to accept the burden. Under these circumstances, we should not have the cut in the top-rate tax.

Last month, John Swinney set out very clearly and in detail the SNP's position—what we have done, what we would do and the circumstances of an independent Scotland. He also pointed out that, under the current position of this Parliament, we do not have the power to set taxation. Under the proposals that are coming, we will still not have the powers to vary top-rate taxation.

In an independent Scotland, we will have the ability to vary not just top-rate taxation but all taxation. We will do that to benefit the people of Scotland and the Scottish economy. Under independence, we will also introduce policies such as the transformation of childcare and free schools meals across the country. No doubt we will do that against Labour Party opposition, but we will do so because we are committed to a fairer and better society in Scotland.

### **Secretary of State for Scotland (Meetings)**

**2. Ruth Davidson (Glasgow) (Con):** To ask the First Minister when he will next meet the Secretary of State for Scotland. (S4F-01924)

**The First Minister (Alex Salmond):** No plans in the near future.

**Ruth Davidson:** In 2007, when the First Minister came into office, there were 386 operational police stations in Scotland. How many of those stations have closed to the public under his watch?

**The First Minister:** I will certainly write to Ruth Davidson with the figure. However, I can tell her absolutely that there are now 1,000 more police officers on the streets and in communities around Scotland. That is a substantial achievement and a fact and a figure that the people in Scotland rally around.

**Ruth Davidson:** It was a perfectly simple question, and I do not need to wait for a letter. The

answer is 233, as of Monday, when a whole raft of front desks were shut. That is 233 out of 386 police stations, so 60 per cent of Scotland's police stations have been closed to the public or closed altogether under this Scottish National Party Government. That is a disgrace.

On top of that, a fifth of Scotland's sheriff courts have been shut, half of the police control rooms are for the axe, with Dumfries first next month, and a shambolic approach has been taken to corroboration and the law of evidence. The justice secretary has claimed that any opposition to change is a unionist conspiracy. However, the voice of reason, Joan McAlpine—sadly, she is absent from the chamber—said in an SNP press release that I have in front of me:

"The move to a single force, reductions in public access counters and now the proposed removal of the police control room create a risk .... that a service that was once very close to the community is becoming distant from them."

There we have the First Minister's own adviser warning that the SNP's policies are taking justice further from the people of Scotland. Even Joan McAlpine recognises that there is a problem. When will the justice secretary and the First Minister do so?

**The First Minister:** I do not share Ruth Davidson's analysis, for a range of reasons. As she well knows, under current circumstances our budget for justice, the police and virtually every other spending department is controlled by what is spent at Westminster. As she also knows, over the past few years, there have been dramatic declines in the justice budget and police numbers in England and Wales of 10 per cent. Despite that situation, we have managed in Scotland not just to maintain but to increase police numbers. Those increases are not being centralised; they are happening across the country.

In comparison with the figures for the first quarter in 2007, the figures for the first quarter in 2013 show that police numbers were up 8 per cent in Strathclyde, 6 per cent in Dumfries and Galloway, 10 per cent in Grampian, 8 per cent in Tayside, 12 per cent in the Northern Constabulary area, 6 per cent in the Central Scotland area, 5 per cent in Fife and 7 per cent in the Lothian and Borders area. That shows that the increase in police numbers has not been concentrated in a few areas, but has taken place around the country.

That brings me to the second difference. The figures on recorded crime demonstrate the extraordinary success—over more than a generation—of the decrease in recorded crime figures. What matters with regard to police effectiveness in communities is not where the

back-up office is, but where the front-line officers are. It is not the number of chief constables or deputy chief constables that matters but where the front-line officers are. No reasonable person looking at the situation in Scotland compared with that in England and Wales would come to any other conclusion than that the decrease in recorded crime figures in Scotland totally vindicates our increase of 1,000 police officers in communities the length and breadth of the country.

### **Cabinet (Meetings)**

#### **3. Willie Rennie (Mid Scotland and Fife) (LD):**

To ask the First Minister what issues will be discussed at the next meeting of the Cabinet. (S4F-01925)

**The First Minister (Alex Salmond):** Issues of importance to the people of Scotland.

**Willie Rennie:** Last week, the Cabinet Secretary for Justice let the Parliament down: he dismissed critics of his plan to abolish the requirement for corroboration as a unionist cabal that did not care about victims. Let us look at who he picked on: John Finnie is no unionist; Rhoda Grant stands up for victims every day of the week; and Christine Grahame is a proud member of the Scottish National Party.

I know that, deep down, the First Minister was not proud of his justice secretary, so will he take the opportunity now to put things right by taking the measures on corroboration out of the Criminal Justice (Scotland) Bill?

**The First Minister:** No, that would not be the right way forward. I quote Sandy Brindley, the national co-ordinator of Rape Crisis Scotland, on the reason why it would not be the right way forward:

"We are delighted that the vote went in favour of the removal for the requirement for corroboration in this landmark debate. This is a step forward in ensuring our justice system is able to deliver effective justice for all. All too often victims of sexual violence and domestic abuse see their cases fail at the first hurdle given the burden of proof required by corroboration. Removing this barrier and looking instead at the quality of the evidence in the case is common sense and why every other justice system in the world has abandoned this rule."

I think that Willie Rennie would agree that, among organisations that represent the victims of crime, there is substantial support for the moves that the justice secretary is making so that justice can be seen to be done for the victims of crime. If, as the justice secretary has proposed with the review group under Lord Bonomy, we can ensure that there are safeguards to prevent miscarriages of justice, that is surely the right conclusion to get to—it safeguards against miscarriages of justice and represents the victims of crime.

I know that Willie Rennie does not feel that people should be denied justice, but does he not at least accept that, for many cases—they were listed before the Justice Committee—a general rule of corroboration results in the denial of justice to some victims of some of the worst crimes that we can have in our society? That tends to indicate that the direction of travel that the Government is taking is the right one.

**Willie Rennie:** There are many others who disagree with the First Minister. He once said in the Parliament that he had a majority but did not have a "monopoly on wisdom". There is little wisdom in the justice department just now. There is chaos on police centralisation, with a Strathclyde takeover, police stations shutting and control rooms closing; there was a misjudged bill on sectarianism; there have been court closures; there are levels of stop and search that the Metropolitan Police in London would reject as extreme; and now there is corroboration. The justice secretary has had to hire 17 experts to fix the damage that he is about to cause on corroboration and, in today's papers, there is more news about people being angry at the divisive and tarnished behaviour.

Is the First Minister really proud of the work of the Cabinet Secretary for Justice on the Criminal Justice (Scotland) Bill?

**The First Minister:** Willie Rennie rather ruined his case. I tried to answer his first question by looking at the substance of the argument. Now, after denouncing party politics in his first question, he has asked a second question that seems to me entirely party political and partisan in the points that he has made. *[Interruption.]* People can judge the record. It did not seem to me to represent the pinnacle of consensus towards which Willie Rennie has been working in previous questions.

I will try and answer again on the substance of the issue. The substance of the issue is that there is injustice, which can be perpetuated in a system in two ways. The first is through miscarriages of justice, which nobody wants. Everybody wants safeguards in a system to ensure that those do not happen and are limited. The second is through people being denied justice. We have had case after case that cannot be brought to court because of the general rule of corroboration—that is, cases are judged on the quantity of evidence as opposed to the quality of evidence. Therefore, with the safeguards that the justice secretary has proposed and the safeguards review under Lord Bonomy, abolition seems a reasonable way to proceed.

As Willie Rennie offered me the opportunity to comment on this, I think that I will allow myself to do so. Let us say that we were contrasting two justice systems. Let us say that we were contrasting a justice system in which there was a

fundamental fissure and division between the police service and the Government and a lack of confidence on both sides with a justice system in which the police, the Government and the justice system were working effectively to reduce levels of recorded crime. The first description is a description of what is happening in England at the moment, where Willie Rennie's party is in power jointly with the Conservatives. The second description involves more police and less crime, which is what is happening in Scotland. So, yes, I have every confidence in the pursuit of justice in Scotland.

### Women in Business

**4. Linda Fabiani (East Kilbride) (SNP):** To ask the First Minister what the Scottish Government is doing to encourage more women to start their own businesses. (S4F-01940)

**The First Minister (Alex Salmond):** With the Presiding Officer's permission, I will begin by reflecting on this morning's news—which I am sure will have brought sadness to the whole Parliament—that Ailsa McKay, the professor of economics at Glasgow Caledonian University, has passed away.

As we all know, Ailsa was a leading voice in the campaign for gender equality, not simply through her work but as a founding member of the Scottish women's budget group. In this week, as we go forward to international women's day, it is important that we note her astonishing contribution as a feminist economist, in arguing the case for getting women into work and in being the principal author of and arguer for, over many years, the transformation of childcare that would make that possible. I know that Ailsa's contribution will be recognised by every member. [*Applause.*]

**Linda Fabiani:** We know that Ailsa will be sorely missed.

I ask the First Minister to set out the opportunities that independence will offer to increase the number of business start-ups by women and to improve childcare for households in Scotland to encourage that.

**The First Minister:** I ask Linda Fabiani to forgive me—I should specifically have mentioned the number of women who run their own business, which grew from 81,900 in 2009 to 93,700 in 2013. That is an increase of 14 per cent. It is also the case that the number of women in employment in Scotland has increased by 70,000 over the past year, which is a substantial success. In fact, the number of women in employment in Scotland is now at a record high.

It is important that everyone understands that policies that we pursue for Scotland should pass what I describe as the childcare test. That is to

say, they must be sustainable in the way that the transformation in childcare that we propose will be. That policy needs to be sustained by the Government bearing what is an important cost but one that must be met because of the crucial nature of the policy and the benefits that it will give rise to, such as the increase in taxation that will come from having more women move into the workforce. The childcare policy is justified not just by the benefits to children, which are substantial, and the emancipation of women into the workforce, but because it can lead to more sustainable economic growth and fundamental equality in Scotland.

### Accident and Emergency Waiting Time Standard

**5. Neil Findlay (Lothian) (Lab):** To ask the First Minister when the waiting time standard of 98 per cent of patients being seen and admitted, transferred or discharged from accident and emergency departments within four hours was last met across the whole country. (S4F-01938)

**The First Minister (Alex Salmond):** The 98 per cent four-hour accident and emergency performance level, which relates to patients being treated, admitted, transferred or discharged, was set by the previous Administration in 2004 and was never met by that Administration. An Information Services Division sample survey for April 2006 showed performance at 87.6 per cent. ISD statistics show that the standard of 98 per cent was first exceeded in May 2008 and last exceeded in September 2009.

I am pleased to say that, through the £50 million three-year unscheduled care action plan, the national health service will be reshaping and enhancing services to make sure that those standards can be met sustainably in the future.

**Neil Findlay:** I think that what the First Minister meant to say—I am sure that it just slipped his mind—is that the A and E waiting time figures are worse than they were in 2007, and that the last time the standard was met across Scotland was almost four and a half years ago.

People are waiting longer and staff are struggling to cope because of the intense and growing pressures on A and E. I ask the First Minister—just for once—to give us a clear answer. Does he think that that is acceptable? When will he finally keep his promise to staff and patients on A and E waiting times?

**The First Minister:** I will repeat what I initially said to Neil Findlay, since he obviously wanted to get on to his supplementary question. The ISD sample survey for 2006 showed performance at 87.6 per cent and ISD statistics show that the standard of 98 per cent was first exceeded in May

2008 and last exceeded in September 2009. What on earth was his second question about? Everything that he asked about was covered by my first answer.

**Members:** No.

**The First Minister:** We can do a bit of pantomime here—yes, it most certainly was.

The pertinent statistic, which Neil Findlay tried to slide over, is that we had a test in the previous Administration. Not only was the figure 87.6 per cent, but Andy Kerr hailed the performance. He said:

“This is the first time we have had comprehensive data ... The data shows that the vast majority of A & E departments are meeting the four hour target ... Investment and reform in the NHS is paying off”.

That was the then Minister for Health and Community Care hailing a performance of 87.6 per cent.

I agree that the investment that is going into the unscheduled care campaign is enabling us to resist winter pressures far better than last year, for example. How on earth can the Labour Party come along here and complain about statistics that are infinitely better than the statistics that it hailed when it was in office?

### **Rail Network (Upgrading)**

#### **6. Liz Smith (Mid Scotland and Fife) (Con):**

To ask the First Minister what the Scottish Government's position is on the calls from Transform Scotland to upgrade the rail network. (S4F-01928)

**The First Minister (Alex Salmond):** The £5 billion package of funding and investment for our railways in 2019, which represents a figure per head of population that is twice the United Kingdom Government's figure, will support improvements to infrastructure and services across the network. That will benefit freight and passengers alike. The investment will enable substantial improvements to the Highland main line and the Aberdeen to Inverness line, for example, including improvements on the route between Aberdeen and Inverness that aim to deliver an hourly service, a two-hour journey time and enhanced commuter services to both cities and which will enable the opening of new stations at Kintore in Aberdeenshire and Dalcross, which is near Inverness airport.

**Liz Smith:** Everybody welcomes the changes to the infrastructure, but I will ask the First Minister about the pledge that he made in August 2008, when he said that the Scottish Government would reduce the journey time on the Edinburgh to Inverness rail route by 35 minutes by 2012. Two years on, when will that pledge be met?

**The First Minister:** I just read out to Liz Smith the investment profile for Inverness and Aberdeen. I am glad that she welcomes what is being done, because there are substantial improvements. For example, there is a 33 per cent rise in passenger numbers, 26.5 miles of new railway line and an investment programme that is twice that of the UK Government.

I know that, in her normal cheery way, Liz Smith will see that as progress. I undertake to see that progress continue in the rail network in Scotland.

#### **Roderick Campbell (North East Fife) (SNP):**

Part of Transform Scotland's proposals is the implementation of a direct link between Perth and Edinburgh at a cost of approximately £500 million. That might well have a knock-on effect on existing rail services in central and eastern Fife. Does the First Minister share my concern that any proposals should consider fully the impact on existing services?

**The First Minister:** We all welcome Transform Scotland's ambition and many of the proposals that it makes, but it is important to highlight the need for promoters of change to approach the relevant regional transport partnerships to discuss the potential impact of proposals on areas and the requirement to develop an up-to-date feasibility study that examines all transport modes. The member is right to point out that the impact on communities on the Edinburgh to Perth corridor should be assessed as improvements are proposed.

The statistics show that these are exciting times for the railways in Scotland. There are laudable ambitions to make even greater progress. We should recognise the progress that has been made, but we should also consider carefully the implications of any proposals, to ensure that they do not result in a deterioration of the service elsewhere.

#### **Alison McInnes (North East Scotland) (LD):**

On top of the £650 million that is being spent on the Edinburgh to Glasgow rail improvement programme, the First Minister's Government now proposes to build a high-speed rail line between Edinburgh and Glasgow by 2024. In contrast, the scale of his ambition for his constituents is to offer them a meagre 20-minute reduction in train journey times between Edinburgh and Aberdeen by 2030. When will he stop short-changing the north-east?

**The First Minister:** Unfortunately for Alison McInnes, she should have changed her question after she heard my answer to Liz Smith's first question, which was all about the enhanced improvements to the Aberdeen to Inverness line. I can assure Alison McInnes that they are of great concern to my constituents and that they are

indeed looking forward to the new stations at Kintore and, I am sure, further north at Dalcross.

The concentration of the transport budgets—rightly so, in my view—over the next planning period is on the peripheral route round Aberdeen and the dualling of the A9, which was, incidentally, not promised by any previous Administration, including the ones that the Liberals were involved in. Does Alison McInnes not recognise that one of the great things that is happening is seeing those transport improvements across Scotland? I am sure that she did not want in any way to attack and criticise—or maybe the Liberals have not got much to lose in the Edinburgh to Glasgow corridor—the important developments in electrification that are taking place from Edinburgh to Glasgow.

I seem to remember that when the Liberals, through the arithmetic of the chamber, had a decisive role in deciding where the transport budget should be allocated, they played an absolutely decisive role in deciding that the trams project in Edinburgh should be put above other things. Thanks to the intervention of Transport Scotland and the good work of the new administration in the City of Edinburgh Council, the trams are back on track, of course, but I think that most people in Scotland might judge that, back in 2007-08, Alison McInnes should have listened to wiser counsel and perhaps given more of what is now being invested in the A9 and the peripheral route round Aberdeen.

**Lewis Macdonald (North East Scotland (Lab)):** Does the First Minister agree with Transform Scotland that the journey times between Aberdeen and the central belt would be greatly improved by double tracking the one short stretch of single track on the east coast main line at Montrose? If he does, is that something that the Scottish Government is prepared to consider?

**The First Minister:** That is most certainly something that the Scottish Government is prepared to consider. The dual tracking of the Aberdeen line and the Inverness line offers substantial improvements to journey times. Keith Brown will actively take forward that issue, and if the member would like to arrange a meeting, he can hear our thinking on that in person.

I know that Lewis Macdonald would want to welcome the improvements on the Aberdeen to Inverness line that I spelled out in my first answer, because his and my constituents are very pleased to hear about them.

## Scotland Fair Trade Nation (First Anniversary)

### **The Deputy Presiding Officer (John Scott):**

The next item of business is a members' business debate on motion S4M-09000, in the name of George Adam, on Scotland's first year as a fair trade nation. The debate will be concluded without any question being put.

### *Motion debated,*

That the Parliament notes that 25 February 2014 marks the first anniversary of Scotland achieving fair trade nation status; congratulates everyone who has continued their commitment to fair trade in the last year and who will be holding events during Fairtrade Fortnight 2014 from 24 February to 9 March in Paisley and across the country; supports the work of the Scottish Fair Trade Forum in promoting the deepening and widening of awareness and purchasing of fairly traded goods and who will be hosting fair trade visitors to Scotland from Nicaragua, Nepal and Colombia during this Fairtrade Fortnight; considers that Scotland needs to continue to lead the global campaign to make trade fair to honour its fair trade nation status; celebrates the achievements of fair trade businesses here in Scotland in leading the way in showing that trade can be mutually beneficial for producers and consumers, and welcomes moves to encourage public bodies and private business to procure fairly traded products.

12:33

**George Adam (Paisley) (SNP):** I see it as a particular honour to lead this fair trade debate a year after Scotland's historic achievement of fair trade nation status.

For me, fair trade is not just about becoming a fair trade town, county or nation; that is but a starting point. It is about what we can do in the world to make a difference and to change people's lives, and it is about how consumers purchase goods throughout the world.

In Paisley, which is my home town and constituency, Labour Provost John McDowell started the ball rolling for us. It was always cross-party work, and the aim was always something that everyone worked towards. When the Scottish National Party administration eventually came in, we went for fair trade county status. Again, that was not just about getting that status; it was about ensuring that we delivered much more. It is not just about box ticking and getting the stamp of approval; it is about making a difference.

Fair trade originated with small local groups—churches and community groups—working hard in their areas to make a difference in the world. Some people may say that it is a bunch of do-gooders trying to impose their ideals on others, but we can see the difference that fair trade can make in the countries that it affects. As co-convenor, with James Kelly, of the cross-party group on fair trade, I can say that we have seen the difference

in many of the people who have come to speak to us. In the past year, we have had people over from Malawi and from various other countries that are experiencing difficulties. At last night's meeting, we heard from people from Nepal.

Last year, Henry Kalombu and Howard Msukwa—I am sorry if I have pronounced their names wrong—from Malawi came to talk to us about Kilombero rice. They told us how difficult it was for them to ensure that they could deliver their products and make a change for their children and young people so that they could be educated and have opportunities in life. They explained to us how working as a co-operative had transformed their lives. It is not only how they deliver their rice and bring it to market that has been transformed—they went from balancing it on their heads to using a mechanised process—but it has made a difference for the next generation, because they can now afford to educate their children and family members.

That is what fair trade is all about and that is how fair trade works. What makes it exciting for those of us who are involved in the fair trade movement is our seeing and hearing about the difference that it makes to people's lives. It is not just about buying a bottle of red wine or a bar of chocolate that has the Fairtrade stamp on it.

Yesterday, some young women from Nepal came to our cross-party group meeting. They represented Get Paper Industry, which is a co-operative that produces handmade paper products using all types of waste paper. Anita Roddick's company, The Body Shop, gave the co-operative an opportunity to produce The Body Shop's packaging, thereby representing Ms Roddick's ideal of ensuring that everything is done properly. The Body Shop went as far as to use fairly produced and fairly traded packaging for its products. Oh, to live in a world that had Anita Roddick's ideals. That is our aim for the future. It will make a massive difference.

We should not only support such initiatives; we should tell everyone the difference that they can make in the world. This is not just about us sitting here, being seen to be doing something good and patting ourselves on the back. Whether it is as a fair trade nation, town or county, or at individual level, it is about considering what difference we can make and the kind of world that we want to live in.

Get Paper Industry was established in 1985 and has reached the stage at which it is able to educate young women. It has had to deal with the caste system in Nepal—a country where young women are not encouraged to go into full-time education. It has transformed many lives and now has five schools. Making a difference in people's lives is the exciting part of fair trade.

**John Mason (Glasgow Shettleston) (SNP):** George Adam has mentioned food, drink and paper. Would he say that clothing is an area in which we need to do more in terms of fair trade?

**George Adam:** I agree. I was attracted to fair trade as a young man in relation to sportswear manufacture, which is a particularly difficult area. The Commonwealth games is working with the Fairtrade Foundation in trying to be a fair trade games. However, we still have the difficulty that a pair of trainers or a T-shirt from a sportswear manufacturer can cost hundreds of pounds, but costs pennies to produce. In the past, the Minister for External Affairs and International Development has used the example of footballs made in factories in Pakistan whose cost is phenomenal by the time they get over here. We need to examine the manufacture of sports goods.

**Kenneth Gibson (Cunninghame North) (SNP):** Does George Adam agree that with fair trade it is important not only to pay a decent price for produce but to have manufacturing in the core countries? On Saturday I attended the 10th anniversary of Fairlie fair trade village, in my constituency, which was the first fair trade community in Scotland. Manufacturers from Ecuador were there who not only export plantains but grow, pack and transport them, which gives their community the opportunity to learn new skills. They add value to their community, instead of just being a primary producer.

**The Deputy Presiding Officer:** You have 15 seconds remaining, Mr Adam.

**George Adam:** Kenneth Gibson has made a valid point about the whole production process, which has many difficulties that we have to address.

I will tell the minister about some of the issues that I have come across in the past year. Procurement is an on-going issue. We have the Procurement Reform (Scotland) Bill, but procurement is still an issue for a lot of people in the public sector in Scotland. We need to find a way to tap into that and ensure that we can deal with it.

**The Deputy Presiding Officer:** Will you draw to a close, please?

**George Adam:** I will, Presiding Officer.

There are many positives and negatives regarding the Fairtrade brand. There are things that are fairly traded but for which it is difficult to get the Fairtrade brand. Kilombero rice, for example, does not have the Fairtrade logo, because it is very expensive and it is necessary to get other individuals to vote for it.

In closing—



**The Deputy Presiding Officer:** Finally.

**George Adam:** If you will give me a second, Presiding Officer, I would like to say that the debate is about more than saying that we are a fair trade nation and then patting ourselves on the back. It is about our Scottish values, how we see ourselves in the world and the kind of world that we want to live in. That, for me, is what fair trade is all about.

**The Deputy Presiding Officer:** Thank you very much. You must stop, Mr Adam. The next speaker is Patricia Ferguson.

12:41

**Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab):** I congratulate George Adam on securing today's debate and giving us the opportunity to celebrate the first anniversary of Scotland's being a fair trade nation.

It was not easy to become a fair trade nation—nor should it have been. It needed the efforts of churches, schools, colleges, universities, individuals and local authorities to make it happen. However, as George Adam rightly said, it was never a tick-box exercise, and we need to continue our efforts if we are to live up to the commitment that we have made and maintain that status.

My home city of Glasgow became a fair trade city in 2006 and successfully renewed its status in 2013. As part of that process, a survey identified that 200 shops and catering outlets now sell fairly traded products. That is a significant number, as I am sure the Presiding Officer will agree.

I want to talk about an initiative that Glasgow City Council—in particular, the lord provost, Sadie Docherty—has taken forward and which is helping to keep the issue live. As we have heard before, in June 2013 two Malawi rice farmers visited Glasgow as part of a tour that was organised by the importers Just Trading Scotland. The two farmers—Howard Msukwa and Susen Ntende—visited a number of schools, including St Roch's secondary school in my constituency. They also visited Glasgow city chambers, where they met the deputy lord provost.

Howard and Susen explained that, in Malawi, secondary school education is not free, but a Malawian rice farmer who can sell 90kg of rice makes sufficient profit to send one of their children to school. Glasgow City Council agreed that it would develop a way of assisting that campaign, which has culminated in the Lord Provost's Malawi rice challenge. Within the city council's departments and its arm's-length external organisations, staff are buying and selling rice to friends and family with a target of selling 1,080 1kg

bags of rice, which will generate enough profit to allow 12 children to go to high school.

Glaswegians like a challenge, as you will know, Presiding Officer. I am told that in Exchange house alone there are only a couple of bags of rice left and that competition to see which department can sell the most rice is fierce. Indeed, it might be the lord provost's rice challenge to some, but to others it is nothing less than rice wars. It seems to me that that is an enjoyable and imaginative way to demonstrate the value of the fair trade premium and to get more people interested in the issue at the same time. Of course, the end result is that at least 12 young Malawians will be given the gift of education. However, it does not end there; many of the bags of rice that are bought by city council employees have been donated to food banks, which has, in effect, doubled the value of those simple bags of rice.

I congratulate Just Trading Scotland, the lord provost and everyone who has been involved in the challenge and I look forward to seeing just how much rice is actually sold and, more important, how many young Malawians can be helped to continue their education.

Parliament can be proud of the role that it has played in encouraging fair trade in Scotland, but I suggest that we might go a step further and begin to sell fairly traded products in the Parliament shop; I am not aware that we do so at the moment. It could start with a small number of items, such as the attractive paper products from the Get Paper Industry project that George Adam mentioned. Also, it need not take up much space, but it would be an excellent way to demonstrate our on-going commitment and the importance of fair trade to us and, more important, to our friends in other countries.

12:45

**John Lamont (Ettrick, Roxburgh and Berwickshire) (Con):** I, too, begin by congratulating George Adam on securing this important debate.

I am pleased that we are acknowledging the achievement of the Scottish Fair Trade Forum in increasing public awareness of Fairtrade fortnight and of fairly traded products. Scotland should be proud to be leading the way in promoting sustainable production and commerce.

Fair trade is all about making sure that products that are exported internationally from developing countries to developed countries are produced under fair conditions. That means promoting payment of fair prices, safe and healthy working conditions and responsible environmental practices.

In a sense, it is unfortunate that the fair trade movement is even needed, and that corporate responsibility and responsible trading and sourcing are not already commonplace. However, it is a positive sign that sales of fairly traded products are increasing year on year, and today exceed £1.5 billion in the United Kingdom alone. One in every three bananas that are sold in the UK is Fairtrade certified, almost half of all bagged sugar that is sold in the UK is Fairtrade certified, and a quarter of all coffee that is sold in the UK is Fairtrade certified. That shows that people are getting the message and are increasingly receptive to the work, ethos, and overall aims and objectives of the movement.

We have heard that last year Scotland officially became a fair trade nation, having reached the required number of councils, cities and people that support the movement. I have attended several fair trade events across the Borders, which are a credit to the Borders groups that contributed to Scotland's being awarded the coveted fair trade status. Ever since Selkirk was awarded fair trade status more than a year ago, I am pleased to report that support has been growing across the Borders for the fair trade movement. A number of other Borders towns are looking to follow Selkirk's lead, and a Borders fair trade steering group has been established, so I hope that the Borders will soon be designated as a fair trade region. That would strengthen Scotland's credentials as a fair trade nation, and show that we all support producers getting a better deal.

Of course, it is not only in the Borders that fair trade is gaining support. During last week and this, events are being held across the country to promote the work of the fair trade campaign. From Selkirk to St Andrews, from Airdrie to Aberdeen, communities across Scotland will be learning about the great work that is being done by the fair trade movement, and how they can get involved.

Fair trade is the only way that we can guarantee a fair deal for food producers, who so often get squeezed and are left with little money for what they make. Through the initiative, many people in developing countries now receive far more money for their goods and it is important that we do what we can to support it. Too often at the checkout, we are more concerned about the price tag than we are about the origin of the products that we are buying and the effort that goes into their production.

One of the key achievements of the Fairtrade Foundation was its setting of a minimum price that a buyer of Fairtrade products has to pay to a producer organisation. Most products—including coffee, cocoa, tea and bananas—have been set a minimum price that covers the costs of sustainable production. That ensures that local producers are

not squeezed out of the market by larger producers that are more able to bear the burden of reduced profit margins. However, fair trade is not just about prices; it is also about standards that ensure that products are produced and traded under fair and environmentally responsible conditions.

Whether it is buying items with the official Fairtrade logo on them, or drumming up support at a local school, office or community group, anyone can help to support fair trade, and it is our responsibility in this Parliament to lead by example.

12:49

**Fiona McLeod (Strathkelvin and Bearsden) (SNP):** I join everyone else in the chamber in thanking George Adam for bringing this very important debate before Parliament today. It is just a shame that we do not have more time to explore the issue in more depth. I thought that George Adam's impassioned explanation of the benefits of fair trade, which go beyond commerce and into supporting communities, was an important message to take from the debate.

I remember my own journey in fair trade beginning back in the 1980s, when I—and, I am sure, many others in the chamber—would not buy oranges from South Africa. That very small political but also commercial act has now, through the Fairtrade standard, become a coherent worldwide movement for social justice, rather than just an attempt at protest.

George Adam explained how important it is for communities abroad to be involved in fair trade. I will concentrate on some of the initiatives in my constituency of Strathkelvin and Bearsden, where we see the value of working in our community to support communities all round the world.

I am short of time, but this morning I was, off the top of my head, able to identify nine fair trade initiatives that are happening across Strathkelvin and Bearsden. East Dunbartonshire became a fair trade zone in 2007. Lenzie became a fair trade town in April 2013. Bearsden and Milngavie have a working group that was started in 2012. We are nearly there; we are about to put our application in. Last year, ED's Cycle Co-op held a fair trade festival. Lenzie fair trade town is holding a fair trade baking competition this Saturday. Guess who is going there to judge it? I am not a baker—as my mum would be one of the first to say—but I am good at eating baking.

George Adam and Patricia Ferguson told us about the women who came from Nepal, from Get Paper Industry, to talk to the cross-party group last night. For international women's day, those women are coming to talk to women in Kirkintilloch

to explain to us how important it is that my community support their community in Nepal.

George Adam has referred to Paisley's Just Trading Scotland, which of course is in partnership with the Coach House in Balmore in my constituency. I am not saying that just to boast; more than £1 million has been raised through fair trading, and that money can be put back into the communities.

One thing that I want to concentrate on is the fact that between 2012 and 2013 nurseries in East Dunbartonshire piloted being fair trade nurseries. That was so successful that the Scottish Fair Trade Forum is going to roll out that programme across Scotland. I think that at least eight other local authorities are looking to be involved.

That is so important, because one is never—even at three or four years of age—too young to be a responsible citizen. When a child of three or four is learning about fair trade, they take that home to their parents and their grandparents, so they are taking the message forward.

Procurement is an important element. I know that George Adam did not have enough time to go into it. We talked about it in the debate on the Procurement Reform (Scotland) Bill last week. In response to John Mason's intervention, I point out that one of my constituents, Angela Oakley, has been looking at fairly traded and fairly procured school clothing and protective clothing. It is so interesting that we all accept that the next step forward is to look at fairly traded and ethically traded procurement.

We have come a long way from the days when I was refusing to buy South African oranges. It is about helping Scotland to help across the world, because Scotland as a nation is a good global citizen.

12:54

**Liam McArthur (Orkney Islands) (LD):** I join others in congratulating George Adam on securing this debate, which allows us to recognise and celebrate Scotland's achievement in attaining fair trade nation status.

Patricia Ferguson was right to point to the great deal of work that has been done across the country in getting us to this point. As many speakers have said, that is reflected in action happening at a very local level. I am sure that it will come as no surprise that I will spend my time reflecting on some of the work that is being done in Orkney.

Westray and Papa Westray were very much in the vanguard. It was a privilege for me to be at the launch of their bid to attain fair trade island status. It was obvious that there was genuine enthusiasm

for that objective among people of all ages across the community. It is no surprise to me that Westray school has reached FairAchiever status, which I understand is the highest award under the new scheme of awards for schools. Westray's links through the school, the church and the wider community with Malawi, particularly with the district of Chiwalo, has informed a lot of the activity on the ground. The minister will be aware of our mutual friend Kester Chiwalo's recent visit to Orkney and Scotland to highlight the benefits of fair trade to the community to which he belongs.

Following in Westray's footsteps are the schools that I attended. The Sanday school and Kirkwall grammar school have achieved their own landmarks. Sanday achieved Fairtrade school status last August. Again, the links there with Malawi are very strong, in that case with the community around Minga. Kirkwall grammar school achieved Fairtrade school status last month, on the back of a year or more of activity within the school and in the wider community. The driving force was Theo Ogbhembe, who explained in an email to me the benefits that it has delivered. He said:

"It's great for KGS, putting it at the heart of the movement for change; it's great for young people because it's fun and is part of something happening all over the world; and it's great for farmers, who are earning a fair price, and feeling the support of people on the other side of the world."

KGS was commended by the Fairtrade Foundation in particular for its use of social media and for interacting globally with supporters of fair trade. However, KGS is acting locally as well. I was in Kirkwall town centre last Saturday when young musicians from KGS were entertaining shoppers while others were handing out leaflets. Thanks to the efforts of Harry Sandison, an ardent supporter of the fair trade movement, I have now written to my colleague Vince Cable highlighting the need to increase the proportion of fair-traded bananas that are imported into this country.

The commitment to fair trade in Orkney obviously goes far wider than the schools. I pay tribute to the work of Orkney Islands Council, which has played a leading role; the Fairtrade Foundation acknowledged that the council has led

"a genuinely community led campaign."

Orkney achieved fair trade zone status less than 15 months after the steering group was set up. Gill Smee, a leading light in the movement, explained that the work linking promotion of locally produced food, drink and crafts with those of fair-traded status has been a key plank in the campaign under the banner, "Buy Fair and Buy Local in Orkney." It has resulted, for example, in the use of Crantit Dairy milk in fair-traded coffee and fair-traded chocolate on Orkney ice cream. I am

conscious that we are in the run-up to lunch time, so I should probably stop there. However, I am sure that the minister would agree that those are examples of how collaborative action—being better together, if you will—can allow us to have the best of both worlds.

Again, I congratulate George Adam on bringing this important debate to the Parliament. I think that there are exciting times ahead as we extend the work that we are doing under fair trade nation status. I look forward to the minister's comments.

12:58

**Roderick Campbell (North East Fife) (SNP):** I congratulate George Adam on securing the members' business debate slot for such an important issue—not only for Paisley, important as it is, but for the wider world.

Scotland's status as a fair trade nation is something that we can all be proud of a year on, but we should be equally proud of the efforts of communities across Scotland in the work that they have done to make their towns and villages fair trade settlements, whether that be Lenzie, Orkney, Selkirk or Glasgow. In my constituency, Cupar has been a fair trade town since 2007; St Andrews is in its ninth year, having been established as a fair trade town on St Andrew's day in 2005; and Fife as a whole is, of course, a fair trade council area. I think that there are nearly 100 fair trade towns, villages and zones around Scotland, and many more are striving for that accolade. The individual community efforts link up to afford Scotland as a whole the title of fair trade nation.

Why is fair trade so important? A poll last year showed that nine in 10 Scots are aware of the concept of fair trade. People recognise that, at its most basic level, fair trade means exactly what its name suggests. We know that encouraging fair trade is an absolutely essential part of tackling and eradicating poverty in many of the world's poorest countries. The Scottish Fair Trade Forum has identified three key areas of sustainable development that together encompass the concept of fair trade: social development, economic development and environmental development. All three are enshrined in the Scottish Government's international development framework, and the Minister for External Affairs and International Development has made high-profile visits to Malawi and Zambia in recent months to further those aims. I look forward to hearing his thoughts in his concluding remarks.

The sustainable economic development strand of the Scotland Malawi Partnership and the Malawi development programme puts a significant focus on the important role of fair trade in growing a more prosperous future for Malawi—a country

with which Scotland has had a close and enduring relationship since David Livingstone travelled there in 1859.

In my constituency of North East Fife, the St Andrews fair trade town campaign is working hard to promote the cause of fair trade, and last year it managed to ensure that the fair trade status was renewed. The group has produced a fair trade directory of shops, restaurants, cafes, community organisations, workplaces, visitor accommodation and wholesalers in the town, and during Fairtrade fortnight it will be handing out copies of the directory to shoppers in one of the town's supermarkets. The group is keen to promote local businesses that trade fairly whether they use the official Fairtrade logo or whether they do not, for whatever reason.

The University of St Andrews has developed its own fair trade policy, with student societies working together with the university administration to deliver an ethical approach to procurement that extends from the highest levels right down to things such as the use of fair trade products in catering at university functions. In Cupar, we had a banana hour on Saturday morning. That themed event allowed people to exchange banana recipes and purchase Fairtrade goods in recognition of Fairtrade fortnight. That and the hundreds of other events around Scotland prove that the grass-roots approach to encouraging fair trade is working.

As we increasingly realise the importance of equitable trade, fighting climate change and ensuring that people in developing countries are paid a fair wage, we see that the concept of fair trade has never been more relevant. It truly is an idea whose time has come. It is certainly not bananas, nor even all about bananas. I hope that the trend will continue and that more communities will be inspired by the initiatives around Scotland, establish their own fair trade status and help to keep Scotland a fair trade nation.

13:02

**James Kelly (Rutherglen) (Lab):** I congratulate my fellow co-convenor of the cross-party group in the Scottish Parliament on fair trade, George Adam, on securing this debate to mark the first anniversary of Scotland becoming a fair trade nation, and I welcome to the gallery Calderwood primary school from my constituency. Through the years, it has taken an interest in fair trade and a number of pupils have gone on to be active in fair trade groups in Cambuslang and Rutherglen. It is great that the school is here to witness today's debate.

It is important to mark the first anniversary of Scotland becoming a fair trade nation. There was a fair bit of activity throughout the country to

celebrate that—I remember one particular event in Perth that was attended by hundreds of fair trade activists and included a number of stalls and celebrations to mark that landmark event.

However, it is also important to recognise the contribution that fair trade makes and what it actually means to the communities that trade goods and to Scotland. There was a good practical example of that last night at the meeting of the cross-party group on fair trade. As colleagues have mentioned, we heard from Get Paper Industry in Nepal about how successful it has been in growing its fair trade product, but also the effect that it has had on its community. We heard the story of how the schooling in the area was very basic 20 years ago, and that many of the young women did not get any schooling at all, but the group's success has meant not only that young women have been able to get into education but that facilities have vastly improved. The group demonstrated that through its presentation.

That shows us that the important thing is not just that people get a fair price, but the impact on the countries throughout the world from which we purchase fair trade products. We can link that back to Scotland and groups such as those in Rutherglen and Cambuslang. A real momentum has been building up over the years. In 2006, opinion polls showed that only 64 per cent of people in Scotland recognised the concept of fair trade, whereas the figure has now grown to 87 per cent, which highlights the impression that it has made.

In my local area, towns such as Rutherglen and Cambuslang have achieved fair trade status as a result of hard campaigning work by local churches, schools and community groups, with young and old alike coming together. One such group that has been very successful is Stonelaw high school, which has traded £160,000 in fair trade products and has one of the most successful school groups not only in Scotland but throughout the UK.

It is important that we not only mark the anniversary, but keep the momentum going and look at what we can do as we move forward. The Procurement Reform (Scotland) Bill that is going through Parliament deals with public contracts to the value of £10 billion, which gives us an opportunity not only to showcase fair trade products but to ensure that we promote them properly through our local procurement practices.

I congratulate George Adam on bringing the debate to the chamber. We need to learn the lessons of recent years, and from our first year as a fair trade nation, and move forward with great momentum.

13:06

**The Minister for External Affairs and International Development (Humza Yousaf):** It is a great honour to close the debate on behalf of the Scottish Government. I thank George Adam for bringing the debate to the chamber, and for his personal commitment to fair trade, which started long before his election to the Parliament. When he was a local authority councillor, he was—as he said in his opening remarks—very keen on promoting the issue.

I will reflect on some of the excellent contributions from members in the chamber as I go through my remarks, and I add my welcome to that of other members to the pupils from Calderwood primary school in James Kelly's constituency—I am delighted that they are here.

The Scottish Government has funded the Scottish Fair Trade Forum since 2007 because of the importance of fair trade, not only the products themselves but their effects throughout the supply chain. I am pleased to announce that we have agreed to continue that funding until 2017 to enable the forum to develop further support for fair trade among all sections of Scottish society.

The forum was instrumental in driving forward the campaign for Scotland to become a fair trade nation; we received the accolade last year and 25 February marked one year since that fantastic achievement. Since then, as James Kelly said, we have continued to build support for fair trade through our work with the forum. In the past 12 months, five towns have newly achieved fair trade status; 18 towns have renewed their status; two local authority areas, Inverclyde and Orkney, have newly achieved fair trade zone status; and two further local authorities are preparing to submit their applications. Another college has achieved fair trade status, and three more are actively pursuing it. An additional 153 schools are registered with the Fairtrade schools programme, bringing the total number of schools in Scotland that are registered with the programme to more than 1,000.

That all demonstrates not only that fair trade and our commitment to it is part of the remit of Government, politicians or MSPs, but that it has been driven by the people on the ground through organisations such as churches—which have been mentioned—local authorities, libraries, charities and schools, which are incredibly important.

I was at Wallacewell primary school in north-east Glasgow last week—my job is, if nothing else, extraordinarily varied. I was there to judge the best-dressed banana competition. Barack Obama may be President of the United States, but unfortunately Barack O'Banana did not win that

competition. That accolade went to Jimmy, the Scottish Jamaican bobsleigh banana. As I said, my job is varied.

In just over eight years, awareness of fair trade has grown, as members all round the chamber have mentioned, as can be seen from the recent opinion poll that shows that nearly nine out of 10 Scots are aware of the Fairtrade mark. I am really impressed with the people-to-people relationships that fair trade brings. It is not just about buying a chocolate bar, a coffee or a banana because of the Fairtrade mark, but about the links that have been created between people in communities who probably would not have met otherwise. That is the real benefit that Scotland gets from her relationships in the fair trade movement.

Liam McArthur mentioned our mutual friend Pastor Kester Chiwalo. I was in the job one week when I met Pastor Kester, a gentleman from the Thyolo highlands, who told me about the places in Orkney that I had to go and see. He had seen more of Orkney than I had. It certainly showed that he had built up a true relationship with the presbytery and community in Westray.

As Roderick Campbell has pointed out, I have visited a number of countries, including India, Pakistan, Malawi and Zambia, where we are committed to fair trade and where I have seen at first hand its importance. I could stand here and tell the chamber the difference that it makes but until members see it for themselves and hear, as the cross-party group did yesterday, about its impact on people's lives they will not be able to comprehend it. For example, I was told by a group of women in Malawi who were making batiks that, although they were getting a fair price for their fairly produced products, the worth of what they were doing was not just in the creation of these wonderful products but in the fact that they were able to send their children to school. Otherwise, they simply would not have an opportunity that we all take for granted. The more people we can get from the countries that are benefiting from this relationship to tell their story, the better.

As Fiona McLeod made clear, Scotland is a caring nation; indeed, that is one of our values, and a great many people in our villages, towns and cities show their commitment by doing what they can to make a difference. We hear of, for example, fair trade bake sales—I expect an invitation from Fiona McLeod to be a judge in the one that she mentioned—the film showings that have been hosted in Bridge of Allan, the big banana walk in Johnstone or the smoothie bike that visited Mr Adam's Paisley constituency last Friday. I am sure that Mr Adam was pedalling the bike very hard.

Of the specific questions that have been raised, one in particular that has been mentioned by

James Kelly and George Adam is what we can do through the Procurement Reform (Scotland) Bill. The achievement of fair trade nation status was only the beginning, and we must continue to explore what we can do with the powers that the Parliament has. One thing we can do is to promote and increase the uptake of fair trade and ethical procurement in the public sector. Although that can be achieved primarily through guidance and secondary legislation, the Scottish Government has demonstrated its commitment by lodging an amendment to the Procurement Reform (Scotland) Bill to require public authorities, in preparing a procurement strategy, to include a statement of their policy on the procurement of fairly and ethically traded goods and services. I think that that will be welcomed by members across the chamber. I also point out that when this week the Deputy First Minister met Christian Aid and the Scottish Catholic International Aid Fund, she said that, on this issue, her mind will always be open.

**Liam McArthur:** I welcome the minister's announcement but, given the importance of supermarkets with regard to the volume of food and goods that are sold, does more need to be done, particularly at a time when household budgets are under pressure, to ensure that there is no reining back from any commitment to fair trade or, indeed, efforts to extend the breadth of fair trade products that are retailed through our larger supermarkets?

**Humza Yousaf:** The member makes a fair point. We can do certain things through primary and secondary legislation, but there are other avenues that we must explore and I am happy to have that discussion.

I thank the member for bringing this motion to the chamber for debate and other members for their fantastic contributions. Like James Kelly, I attended the festival of fair trade in Perth. Indeed, I remember it very well because I emerged having purchased Fairtrade candy floss, chocolate and crisps. The basic message is that supporting such a good cause has never been so tasty, so we should continue to do so.

**The Deputy Presiding Officer:** Many thanks, minister. I thank all members for their contributions to the debate and suspend the meeting until 2.30 pm.

13:14

*Meeting suspended.*

14:30

*On resuming—*

## District Heating and Decarbonising Heating

**The Deputy Presiding Officer (Elaine Smith):**

Good afternoon. The first item of business this afternoon is a debate on motion S4M-09239, in the name of Fergus Ewing, on maximising the opportunities for Scotland from district heating and decarbonising the heat system.

14:30

**The Minister for Energy, Enterprise and Tourism (Fergus Ewing):** I welcome the opportunity to discuss how we can respond collectively to the challenges and opportunities facing the heat system in Scotland.

We are an energy-rich nation, in which heat accounts for more than half of all the energy we use, including transport energy. An estimated £2.6 billion a year is spent on heating and cooling in Scotland. Heat from all sources, including electricity, is estimated to be responsible for 47 per cent—nearly half—of Scotland's greenhouse gas emissions.

We are facing unprecedented challenges to the ways in which we generate and use energy for heating and cooling, which have developed over the past decade. In 2009, the Scottish Parliament unanimously set Scotland's ambitious climate change targets, including a minimum of an 80 per cent reduction in greenhouse gas emissions by 2050 and a world-leading 42 per cent reduction by 2020.

Households and businesses have faced rapidly rising energy costs, primarily due to changes in the wholesale gas market. We should seize opportunities for more productive use of energy for heating and cooling. Doing that will boost economic growth and activity, ensure more affordable warm homes and benefit the environment. While we expect to have a mix of heat sources moving forward, we will see a move to reduce our reliance on fossil fuels and growing proportions of low-carbon and renewable generation.

We have made significant progress in reducing greenhouse gas emissions and reducing the need for heat. However, there is far more still to be achieved to meet our long-term targets. The draft heat generation policy statement, published this week for consultation, sets out the Scottish Government's developing heat generation policy for delivering solutions to meet those challenges. It sets out the approach that will deliver an

affordable and effective heating and cooling framework for Scotland through to 2050.

We can meet the challenges in a way that will deliver commercially viable, diverse systems of heat generation and use for Scotland, support a competitive business and industry base, provide affordable warmth for householders, address climate change imperatives and tackle our overreliance on fossil fuels. Those aims can be achieved only in close collaboration with a wide range of public, private and community stakeholders. I am pleased to say that I am happy to support the Labour amendment, which, among other things, recognises the invaluable role that local authorities will play in meeting all those objectives.

I turn to fuel poverty and rural issues. Reducing the need for heat helps to reduce fuel poverty, which remains a key priority for our Government. We have allocated around £250 million of funding through our home energy efficiency programmes for Scotland, or HEEPS. We recognise that the delivery of energy efficiency measures is often difficult in rural areas and have raised that with the Department of Energy and Climate Change in relation to United Kingdom-wide programmes. In Scotland, that affects some, but not all, rural areas. For example, HEEPS area-based schemes are running in the Western Isles, Dumfries and Galloway, and Argyll and Bute. I was made aware of that in a recent visit to Stornoway.

That said, there are issues with some remote and island areas, where it is expensive for utility companies to fund energy efficiency measures. We are working with stakeholders to develop local markets and ensure that our funding continues to tackle fuel poverty. I am sure that many members, on all sides of the chamber, will wish to cover those matters in more detail in the course of the debate, and rightly so.

Earlier this week, we announced £60 million of funding to local authorities to ensure that Scottish households receive the energy efficiency measures that they need to live in warm, affordable homes.

We also believe that we would gain from the opportunity of acquiring additional powers in an independent Scotland, in which we would be free to design a new means of funding and delivering energy efficiency improvements to Scottish homes that is perhaps better suited to our needs. The costs of current schemes to address fuel poverty and improve energy efficiency, operated through energy companies, are met by householders through their energy bills, irrespective of income. We plan to transfer responsibility for the energy company obligation and the warm homes discount from energy companies to the Scottish Government, meeting the costs from central

resources. By passing on those cost reductions to consumers, energy companies will be able to reduce bills.

I turn to low-carbon heat and district heating. Supplying heat efficiently will help to reduce costs to consumers, emissions from heat and our reliance on fossil fuels. There is a significant economic opportunity presented by efficient supply, particularly when coupled with other low-carbon and renewable technologies. Efficient supply through district heating has been shown to be a very effective method of reducing fuel poverty and I am sure that many members across the chamber will highlight examples of district heating schemes, such as Aberdeen Heat and Power, Shetland Heat Energy and Power, and Ignis Wick, which all provide affordable low-carbon heat to connected households. In each area, the local authorities have played a key role in the delivery of those successful schemes.

We will prioritise the development of the emerging district heating sector and today I announce that we will set a target for district heating. We propose an overall target of 1.5 terawatt hours of heat to be delivered to households and the non-domestic sector by district heating by 2020. We propose a target of supplying 40,000 homes with affordable low-carbon heat through heat networks and communal heating by 2020.

I am also increasing funding for the district heating loans fund by more than £4 million, making a total of £8 million available over the two years from 2014 to 2016. We want to see more successful district heating projects like Fife Council's Dunfermline network and the Glasgow Commonwealth games village. The increase is part of a £10.5 million package of support for heat policy over the next two years. We will also continue to support projects with the renewable energy investment fund and the warm homes fund.

We will publish the Scotland heat map in spring and make heat map data sets available to Scottish local authorities from April, to support local strategic heat planning. That powerful tool helps to visualise opportunities and support Scottish heat planning and projects. We will support the use of recoverable heat by ensuring that the planning system and our enterprise agencies support the co-location of relevant industrial plant.

Before I leave the issue of low carbon, I make it clear that I have agreed with Liam McArthur that we on the Scottish National Party benches support his amendment. We believe that it expresses the sentiment that we all seek a low-carbon economy. A zero-carbon economy would present practical problems. I think that I share an understanding with Mr McArthur that the spirit of his amendment

is that we strive towards a low-carbon economy. I would be grateful if he would clarify that.

**John Pentland (Motherwell and Wishaw (Lab)):** I am sure that the minister knows that everybody is very supportive of reducing emissions, but I have some concerns about emissions from a biomass energy centre that will be part of the new Clyde valley school campus in my constituency. Originally, it was going to be only a few feet away from homes; it will now be 12m away. Can the minister assure me of the environmental and health measures regarding such developments, including those that relate to the emission of particulates and airborne spores?

**Fergus Ewing:** I will be very happy to look into the case that Mr Pentland has rightly raised and I will discuss it with him, if he wishes, to obtain more details and make sure that it is thoroughly investigated so that we can provide an answer to his question.

More businesses are realising that using resources efficiently is an important part of any good business strategy. We have seen that through the levels of demand for our £7 million resource efficient Scotland programme, with more than 5,000 organisations accessing advice and support in its first nine months, which is quite a record. I have seen the benefits at first hand. Companies such as Elan Hair Design in Inverurie credit the implementation of measures such as solar energy and air-source heating with driving the success and profitability of the family firm. Businesses can therefore do a tremendous amount and help, advice, and support are available to them for appropriate schemes.

Our community and renewable energy scheme is available to help rural business to benefit from renewables such as small-scale anaerobic digestion, such as the digester that has been installed at Rainton farm, the home of luxury ice cream maker Cream o' Galloway. Very pleasant it is too, and I am sure that I am not the only one to have had personal experience of it.

The resource efficient Scotland programme also supports heat-intensive industries based in Scotland such as food and drink, cement and chemicals. Those industries have taken significant steps to become more energy and resource efficient through significant investment in processes and greater efficiencies. However, there is potential for further decarbonisation, technology improvements, and increased uptake of technologies.

Through the resource efficient Scotland programme, the Scottish Government will provide support to Scotland-based industry to develop individual sector road maps for decarbonisation. That work will be carried out in conjunction with



the Scottish Environment Protection Agency, and will engage directly with a process to develop UK-wide industry sector pathways and action plans. I have met a great many businesses that have devised their own plan to reduce their energy consumption and, although many of them start off with an approach of some scepticism, many find that, when they look into it in detail, access the advice that is available and enlist the support of all their employees and staff, it is quite extraordinary what can be achieved in saving energy, cutting emissions, and reducing the cost of their bills.

We see opportunities for new sectors and opportunities to exploit some of Scotland's untapped renewable resource. We will support the development of a geothermal industry initially through developing a call for geothermal heat or heat and power demonstration projects. That is one of the key recommendations in our recently published report identifying significant geothermal energy potential in Scotland, and I know that my colleague Colin Beattie will cover that in more detail during the debate.

These initiatives demonstrate the direction of travel that we wish to take to support a vibrant, commercially viable, low-carbon heat sector in Scotland to 2050, and through more productive use of energy for heating and cooling, to seize the opportunities to boost economic growth; and ensure more affordable warm homes.

I move,

That the Parliament notes the publication on 4 March 2014 of the *Draft Heat Generation Policy Statement* for public consultation; agrees with the statement's ambition to deliver an affordable low-carbon heating and cooling framework for Scotland through to 2050; recognises that the policy statement establishes a strong foundation for decarbonising the heat system, helping underpin climate change targets, while offering real economic opportunities for business and industry along with affordable warmth for households; recognises the success of projects such as Aberdeen Heat & Power, Shetland Heat Energy & Power, the Glasgow Commonwealth Games Village, Fife Council's Dunfermline District Heating Network, Ignis Wick and the many small-scale renewable district heating schemes in rural Scotland, and encourages all interested parties to respond to the consultation.

14:43

**Iain Gray (East Lothian) (Lab):** Presiding Officer, perhaps I can start by craving your indulgence to allow me to welcome pupils from Law primary school from my constituency to the public gallery. Not half an hour ago, I assured them that being a member of the Scottish Parliament is extremely interesting, so I hope that the next 10 minutes does not disabuse them of that.

Nor should it, because what we are debating today has at its heart the state of the planet that

we will leave as a legacy for our young people. Changing how we heat our homes and workplaces is critically important if we are to have any chance of achieving our ambition of reducing Scotland's greenhouse gas emissions by the figures that the minister outlined: 80 per cent by 2050 and 42 per cent by the end of the decade.

Indeed, today's debate is overdue. Back in November 2012, the Economy, Energy and Tourism Committee published its report on the Scottish Government's renewables target and said:

"We note that the interim target for renewable heat has been exceeded. However, from the evidence we received, there is a risk that the 2020 target may not be met. We are fully supportive of ambitious targets, particularly given the importance of heat within overall energy demand. Swift and decisive action to address this risk, particularly by boosting the penetration of Combined Heat and Power and district heating, is necessary."

Here we are in the spring of 2014 with a draft policy statement out for consultation into the summer of this year, and the document itself has appeared some three months later than we had been promised.

What is more, the achievement of our 2020 target—the delivery of 11 per cent of non-electrical heat demand from renewable sources—does in one respect seem further away than ever. We had thought that we had reached an annual figure of 3.8 per cent in 2011 and 4.1 per cent in 2012. However, the statement revises that calculation, giving us a 2011 figure of 2.6 per cent, so I think we can assume that we are not at 4.1 per cent. The challenge that we face is therefore even greater than we had thought.

It is debatable whether the statement constitutes swift action and we will debate this afternoon the degree to which it qualifies as decisive, but it would be churlish not to acknowledge that it is action and that it is undoubtedly a step in the right direction, which is why we will certainly support the Government motion and, broadly, the statement this evening.

We have sought not to amend the motion but to add to it in order to give additional emphasis to areas that we believe need to be highlighted as necessary elements of the policy. In truth, they are all referred to in the statement. I am pleased that the minister feels able to accept our amendment as a helpful addendum offered in support rather than in opposition.

Underpinning our amendment is the importance of the domestic sector to achieving climate change targets. Half of Scotland's CO<sub>2</sub> emissions come from heating buildings and hot water and half of Scotland's heat demand is from the housing sector. The minister knows that of course. The executive summary of the statement highlights the

investment that the Government is making in tackling fuel poverty and improving domestic energy efficiency by saying that it is committed to making available nearly a quarter of a billion pounds of funding.

That sounds—and is—an impressive figure; it is somewhere north of £200 million. However, it is over three years and it rolls up a number of schemes with different purposes, from insulating homes to installing more efficient heating systems.

WWF Scotland's recent report, "The Burning Question: What is Scotland's Renewable Heat Future?" points out that 600,000 homes in Scotland still lack cavity wall insulation and 546,000 do not have solid wall insulation. Achieving our targets requires all of them to be insulated over the next decade. We need to hear more detail from the minister as to how the funding provided will achieve just that.

Domestic energy efficiency is not just necessary to achieve climate-change targets. That purpose cannot be disentangled from the equally important obligation that we have to reduce fuel poverty. Although the latest figures available showed a small but welcome reduction in the number of fuel-poor households in Scotland, the figure was still an unacceptably high 647,000 families.

Those figures also predated the latest round of energy price increases, which Energy Action Scotland has estimated might increase the figure to as many as 900,000. Of course, those households are the least likely to be able to invest in energy efficiency measures to make savings in the long term. Energy Action Scotland has made some criticisms of some aspects of the home energy efficiency programme in relation to targeting those particular families.

The minister is well aware that we in the Labour Party believe that the most direct and immediate help for those fuel-poor households would be to freeze energy prices and to pay for that out of the excessive profits of the energy companies.

I turn to district heating schemes. The increase in the district heating loans fund is very welcome, as is the target of 1.5 terawatt hours of heat delivered by 2020. That means that, as the minister said, the target is 40,000 homes connected in the next six years. We currently stand at 10,000 homes and 0.2 terawatt hours. The targets are welcome, but we believe that the statement needs to be much clearer about exactly how the funding and direction suggested will lead to a sevenfold increase in the energy that is delivered by those communal schemes. Moreover, WWF has pointed out that the second report on policies and proposals states that by 2020 100,000 homes should have

technologies. That implies that 60,000 will have had to have installed individual renewable heat systems. The statement does not explain how that will happen.

**Mike MacKenzie (Highlands and Islands) (SNP):** On individual systems, does the member share my disappointment that the United Kingdom Government has taken four years—or is it five?—to roll out the domestic renewable heat incentive? Had the UK Government introduced that more timeously, we could have made much more progress than we have to date.

**Iain Gray:** Yes, I agree with that. Progress has been too slow for a number of reasons. As an adviser to the Secretary of State for Scotland 10 years ago, I visited a housing association development in Islay that used ground-source heat pumps; 10 years on, that has still not become anything like the norm, but it surely must if we are to achieve our aspirations. Just to address Mike MacKenzie's point more directly, my own local experience of trying to get HEEPS and its predecessor schemes to install ground or air-source heat pumps, even for constituents who are off the gas grid, has not always been a happy one. I believe that the minister's aspirations in the area are sincere, but the reality on the ground can sometimes be more difficult.

The statement rightly talks about the supply chain opportunities for these technologies, and the minister has referred to that this afternoon. On that point, the innovative Sunamp heat batteries—the firm is based in my constituency—are being exhibited this week at the Ecobuild 2014 exhibition. I am pleased to see that the statement uses Sunamp as an example. However, the statement needs to say more about what support supply chain companies such as Sunamp can expect and how we can accelerate the deployment of these technologies. Too many of them are opportunities that we have been talking about for some 10 years. In truth, we have not seen enough progress.

I accept Mike MacKenzie's point that some responsibility for the situation lies not with the Scottish Government but with the UK Government. Indeed, I feel the statement is rather benign in its comments on, for example, the green deal. To my mind, that scheme has simply failed, with only 750 installations across the whole United Kingdom. Labour certainly believes that the scheme needs to be replaced.

**Murdo Fraser (Mid Scotland and Fife) (Con):** On the subject of the renewable heat incentive, does the member accept that a major reason for the delay was the delay in getting European Union approval in order to ensure that it complied with state aid rules?

"adopted ... individual or community renewable heat"

**The Deputy Presiding Officer:** I can give you an extra minute, Mr Gray.

**Iain Gray:** There might be some truth in what Mr Fraser says, but if our approach to climate change is just to shift the blame from one layer of government to another, we are not going to move forward. Indeed, when the Scottish Government does that, Mr Fraser is usually the first to leap to his feet and complain—and rightly so.

We share the minister's aspirations, for they are ours too, and we welcome the steps in the right direction contained in the statement, from the heat map to HEEPS and the district heating loans fund. However, we ask for greater clarity about the connections between the inputs in the form of funding, regulation and Government leadership, and the delivery of the targets. We come indeed neither to bury the statement nor to simply praise it but to support it and to ask for more, more quickly. That is the spirit in which I move the amendment.

I move amendment S4M-09239.2, to insert at end:

“; further recognises that, if Scotland is to meet its climate change targets, it must acknowledge climate justice commitments and should ensure that communities and households that are financially challenged are supported and not left in fuel poverty as heat is decarbonised; understands the necessity of the active involvement of local authorities and all public bodies in the process of decarbonising heating in domestic and non-domestic buildings, and agrees that there must be robust energy efficiency measures to support heat and decarbonisation, along with awareness raising of the ways in which demand reduction can be addressed”.

14:55

**Liam McArthur (Orkney Islands) (LD):** I welcome the minister's statement, which was published earlier this week, and the tone and content of his remarks this afternoon. I am pleased to have an early opportunity to debate some of the issues arising out of the statement.

For all the focus on the need to tackle climate change, reduce emissions and decarbonise our economy, it is fair to say that the pivotal role that heat must play in helping us to achieve those collective aims is too often underestimated. We are probably all a bit guilty of focusing on electricity generation and even transport and downplaying the importance of heat. I certainly welcome the statement and the opportunity that it affords us to direct some overdue attention to this critical area, partly in the hope that, as I think Iain Gray suggested, we can get back on track to meet the 11 per cent renewable heat target for 2020.

I am happy to support the Government's motion as well as the sensible additions that Iain Gray seeks to make, which relate to the social justice aspects of the debate and the vital role of local

authorities. I put on the record the contribution that Orkney Islands Council and the housing association within Orkney have made in tackling the very real issues head on.

However, we need to send out a much clearer message—both in the motion and as part of the Government's overall strategy—on the key role that is played by energy efficiency and demand reduction. The minister touched on that in his opening speech.

I am happy to clarify that my amendment should indeed refer to creating a low-carbon or a net-zero-carbon Scotland.

As my amendment acknowledges, the heat hierarchy features up front in the Government's consultation. That is entirely appropriate, and there is a consensus, including in the Parliament, that it is far easier to decarbonise the production of energy if demand is further reduced.

With around 50 per cent of our total CO<sub>2</sub> emissions coming from heating and an appallingly high number of households—more than a quarter nationally and significantly more in my constituency—living in fuel poverty, both Scotland's Governments must adopt a ruthless focus on energy efficiency. The minister will argue, with some justification, that the Scottish Government has a number of initiatives that support households, businesses and communities in that respect. They build on the work that started under the previous Scottish Executive, adapting and refining support programmes to reflect the lessons learned and capitalise on new opportunities.

However, the truth is that the inexorable rise in fuel costs means that we are succeeding only in slowing the rate of increase in fuel poverty. Moreover, the easier and more straightforward steps have been taken, and what must follow will inevitably be more complex, extensive and—as a result—more costly, albeit that action at district and community levels can deliver efficiencies of scale, as the minister suggested.

At the same time, as some of us discussed yesterday with representatives of E.ON, the availability of smart meter technology can help by raising awareness among householders and businesses of their energy usage. Smart meters allow people to see instantly, as well as to track over time, the way in which they use energy, making them more able and, I suppose, incentivised to act to reduce their demand.

**Mike MacKenzie:** I am sure that the member is aware that smart meters work only where there is a 2G signal. Does he agree that the UK Government has manifestly failed to provide 2G coverage across the largest part of the Highlands

and Islands, including the areas that most need smart meters?

**Liam McArthur:** I certainly recognise the collective efforts of both Scotland's Governments to address not just mobile phone coverage but broadband coverage in the parts of the world that I and Mike MacKenzie represent. Although the roll-out will take some time, I certainly hope that what is put in place will meet the needs of those whom it is there to support.

Of course, in many fuel-poor households, it is not a question of trying to persuade people to cut down on fuel use—quite the reverse. However, even there, if people have a clearer idea of how energy is being used, that can help to bear down on bills. As I acknowledged earlier, acting on a collective scale can also reduce costs by delivering efficiencies. That is recognised in the Government's statement, which talks of plans for 40,000 homes to be connected to community or district heating systems.

Iain Gray mentioned RPP2, pointing out that the aim for 100,000 homes to have individual or community renewable heating technologies by 2020 rather implies that the Government expects 60,000 individual dwellings to take up such technologies. It would be useful to know how that is expected to be rolled out.

Meanwhile, Calor Scotland questions how many off-grid households will be among the 40,000 that are set to benefit from increased funding for district heating through the loans fund. It argues that the minister's statement

"in its present form does not sufficiently meet rural and off-grid challenges".

It goes on to argue that a

"more holistic approach"

should be taken, encompassing the Government's energy action plan, sustainable housing strategy, review of building standards and heat statement, to ensure that

"rural households and businesses are not disadvantaged".

Given the parts of the world that both Fergus Ewing and I represent, albeit that all of my constituency is off the gas grid, I know that he will take those concerns seriously and wish to address them through the consultation process.

Energy performance certificates grade houses by the notional cost of providing energy for heating and hot water. The lower the cost, the higher the rating, so buildings in Orkney and other off-grid areas are typically graded at a lower rating than equivalent buildings elsewhere in Scotland. House building is considerably more expensive in the Orkney islands—costs are on average approximately 20 per cent higher than they are

across the water in Rob Gibson's constituency—and there is a further inflation in the smaller islands of between 20 and 30 per cent. That makes affordable house building challenging, to say the least. Those points are not a call for reduced standards in the islands, but rather a plea for Government programmes at both the Scottish and UK level to reflect the additional costs and challenges.

I have some sympathy with Calor Scotland's points on micro combined heat and power technologies, and the minister can perhaps reflect on how those might be more explicitly incorporated into the strategy. Likewise, he may want to respond to the concerns of WWF Scotland and Scottish Renewables about the lack of clarity on how the Government expects to achieve the laudable aspirations that it has set out. There is a consultation, of course, and space needs to be left for views to come forward, but WWF Scotland states:

"if the final document is to trigger the transformation we need to see then it will need to flesh out the framework provided ... with a stronger package of regulation and support that builds investor and consumer confidence".

**The Deputy Presiding Officer:** I ask you to begin to conclude, please, Mr McArthur.

**Liam McArthur:** Yes. The opportunities from district heating and decarbonising our heat system are immense. Whether that involves helping to tackle fuel poverty, making businesses more competitive or developing skills and generating many thousands of jobs, it is what some might call a no brainer.

I welcome the publication of the Government's statement and the focus that it has allowed us on a key, if rather neglected, area. I look forward to continuing to contribute to the debate, particularly in ensuring that the strategy on heat can help to address the needs of households and businesses in rural and island areas as well as tackling fuel poverty.

I have pleasure in moving amendment S4M-09239.1, to insert at end:

"... believes that reducing energy demand at a domestic level is key to cutting carbon emissions; notes the importance that insulation plays in the heat hierarchy; considers that well-funded energy efficiency and insulation schemes are an important way of encouraging householders to reduce their energy consumption while also saving households money on their energy bills; welcomes the introduction of smart meter technology, which can help households and small businesses to monitor and reduce energy usage; notes that more than 50 million smart meters will be introduced to 30 million homes and smaller non-domestic properties in the UK by 2020, and believes that improving energy efficiency at as local a level as possible can help meet climate change targets while transitioning to a zero-carbon Scotland".

15:01

**Murdo Fraser (Mid Scotland and Fife) (Con):**

In a period in which we seem to spend a lot of our time in the chamber disagreeing with each other, this might be one of those debates in which we spend a lot of time doing the opposite, and it is none the worse for that.

I read with great interest the Government's strategy document, in which there seemed to be something for everyone. I even found, on page 17, a favourable reference to shale gas and how it has reduced energy prices in the US. Perhaps that is the start of a welcome trend on the part of the Scottish Government, but we will await further developments on that front.

I think that we would agree that securing more of our heat through renewable sources will be central to the ambition of decarbonising our economy. The Scottish Government aims to have 11 per cent of heat delivered via renewable energy by the end of the decade, which is a bold target.

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** After being encouraged to reach page 17, will Murdo Fraser agree, for those who are listening to his peroration, that simply to refer to the facts of the change in the market for gas that comes from shale is not necessarily to commend it?

**Murdo Fraser:** If Stewart Stevenson pays as close attention to such matters as I do, he will have noticed a lack of any previous reference to shale gas in any Scottish Government document. The very fact that it has been referred to seems to be a welcome step in the right direction. However, I will not be tempted to go off on that particular tangent at this point, when we are still so much in agreement.

On the renewable heat targets, we are currently at 4.1 per cent according to the published figures. I listened with interest to Iain Gray's comments about the previous targets, and I would be interested to hear from the minister whether he believes that the 4.1 per cent figure is still accurate.

The renewable heat target is sometimes forgotten about because there is so much focus on the renewable electricity target of 100 per cent by 2020. We should not forget the importance of heat, because nearly half of all energy that is consumed in the UK is utilised for heating purposes, with 8.6 per cent of Scotland's carbon emissions coming from household heating. Heating our homes and businesses from renewable sources will be a crucial step in securing a low-carbon Scotland.

The minister spent quite a lot of time talking about district heating. Such schemes have been

around in the UK for a long time—the first were installed in London after the blitz in world war two. Scotland is already pushing ahead in trying to exploit the potential of district heating schemes, and there are several success stories on which the Scottish Government can draw.

As the minister pointed out, Fife Council operates a district heating scheme in Dunfermline in my region. The scheme, which has existed since 2007, uses landfill gas as its main energy source to provide the fuel for two 1.1MW combined heat and power engines, and heat recovered from the engines is pumped to the town to heat more than 200 flats and a number of public buildings, including a leisure centre, a care home and a national health service clinic. Moreover, in Glasgow, participants at the Commonwealth games will be serviced by a new heating system in the newly constructed athletes' village.

That said, we should not forget that district heating poses a number of quite serious challenges. Given that retrofitting existing homes is complicated, time-consuming and expensive, it makes more sense to try to tie it in to new-build housing such as the athletes' village. Of course, that, too, is not without its challenges. For example, a number of proposals for new biomass power stations that I have seen have promised to tie in district heating schemes; however, because heat gets lost over distance, houses have to be built near to the power station—and not everyone wants to live beside a power station.

Moreover, another key point that the minister made and which was the focus of a lot of Liam McArthur's speech is that one fifth of Scotland's homes are in rural areas where 46 per cent of homes are off the gas grid. District heating is simply not an option for those residents.

Rural residents are often forgotten when fuel poverty is discussed. Off-grid homes use a variety of fuel sources including oil-fired boilers, solid fuel and liquefied petroleum gas, all of which are considerably more expensive than conventional grid-connected heating systems, and giving those residents the ability to go green and reduce their heating bills must be a priority for Governments. Increasing the funding for district heating, although welcome, will not in itself do anything to alleviate the fuel poverty faced by rural residents.

In the eastern Highlands and Aberdeenshire, there is great potential in geothermal heating, and I welcome the Scottish Government's commitment to developing demonstration projects. I note that Southampton is home to the UK's only geothermal plant, which started generating heat for public and private properties in 1987. Having saved around 10,000 tonnes of carbon and reduced energy bills by up to 25 per cent, it provides a welcome model.

It has been said that the cheapest unit of energy is the one that is not used, and the fundamental idea behind that perhaps overused soundbite still rings true. Scotland has some of the most energy-inefficient housing stock in all of Europe and, as Iain Gray and Liam McArthur have acknowledged, improving it should be just as important as creating renewable heat. Concerns have been raised about building standards and energy performance certificates, and we need to strike a balance between decarbonising the housing stock and building affordable homes. Energy performance certificates could handicap rural house builders and make affordable housing harder to obtain, and the Scottish Government must be careful not to penalise Scots living in rural communities and not to put so many burdens on the house-building sector that we prevent new affordable homes from being built where people require them.

**Mike MacKenzie:** Will the member give way?

**Murdo Fraser:** Yes—if I have time.

**The Deputy Presiding Officer:** I will give you some time back, Mr Fraser.

**Mike MacKenzie:** Does the member agree that the green deal, ECO and their predecessor schemes, the carbon emissions reduction target programme and the community energy saving programme have failed to tackle the rural fuel poverty that the member has referred to and, indeed, have manifestly failed rural areas?

**The Deputy Presiding Officer:** I will give you another minute, Mr Fraser.

**Murdo Fraser:** I certainly do not agree that they have manifestly failed rural areas. All such schemes could be improved upon, and keeping them up to date is a continual challenge. Of course, another major factor in rural fuel poverty is the high cost of energy, which is another debate on which, as the member knows, I have very distinct views. As I have said, we can always improve these schemes and I look forward to hearing shortly from the member whether he has any constructive ideas in that respect.

I also note that Scotland is falling behind England and Wales with regard to the regulations for air-source heat pumps. The regulations for installing such pumps have already been simplified in England and Wales, while in Scotland there are still significant restrictions on where they can be fitted. Given the opportunities presented by this technology, the Scottish Government must ensure that we amend our regulations to at least catch up with those that apply south of the border, and I will be interested to hear what the minister says about that when he winds up.

I, too, support the Scottish Government's draft heat generation policy statement, welcome its pledge to help develop geothermal heat and urge it to sustain and improve its current energy efficiency initiatives. In particular, I call on it to ensure that rural households and businesses are not disadvantaged in the decarbonisation process.

I am pleased to support the Government's motion and the two Opposition amendments.

**The Deputy Presiding Officer:** We now move to the open debate. Before I call the next speaker, I remind all those who wish to participate that they should press their request-to-speak buttons. We also have a little bit of time in hand to compensate for interventions.

15:09

**Kevin Stewart (Aberdeen Central) (SNP):** In 2002, Aberdeen Heat and Power was set up by Aberdeen City Council as an arm's-length not-for-profit company, mainly to deal with difficulties of fuel poverty and decrepit heating systems in multistorey buildings that were often not well insulated. Aberdeen Heat and Power's mission statement is

"To deliver clean, affordable energy";

its values are to provide

"affordable energy with low environmental impacts that delivers socio-economic benefits to the citizens of Aberdeen";

and its vision is to be "a committed proactive organisation" that

"will be a leading example to communities in Scotland and the UK, delivering decentralised sustainable and affordable energy."

This afternoon, I will go over those points and see whether Aberdeen Heat and Power has delivered on that mission statement and those statements of values and vision, and whether any lessons that can be taken from the good examples of what has been done in Aberdeen can be exported across the country.

Let us look at some of the work that Aberdeen Heat and Power has done. In Seaton, in my constituency, 1,050 flats in 14 multistorey blocks receive heat and hot water from the Seaton plant, as does the Beach ballroom, the Beach leisure centre and the Linx ice arena. Similarly, Aberdeen Sports Village receives heat from the plant at Aulton, which is housed in the sports pavilion there. In Stockethill, 268 domestic houses are connected to Aberdeen Heat and Power. At Hazelhead, in Maureen Watt's constituency, four multistorey blocks and a sheltered housing block are connected to a plant that also provides heat for the Hazelhead pavilion and heat and electricity

for Hazelhead academy and the swimming pool in that area.

There are also standalone schemes in other multistorey blocks, mainly in my constituency and in Mark McDonald's constituency, and there are ambitious plans to roll out connections in the Tillydrone and Cairncry areas of the city, which would be welcome.

When I talk to folk who have been connected to Aberdeen Heat and Power, I hear the same story from everyone, particularly just after they have been connected. That story is that their heating bills have gone down dramatically. There has been an eradication of fuel poverty in many places in Aberdeen because of Aberdeen Heat and Power. I dread to think what the situation would be in certain parts of my constituency and throughout the city if folk were not connected to Aberdeen Heat and Power.

Beyond that, there is even greater ambition. We have seen a move into the city centre, and five public buildings, including Aberdeen townhouse, will be connected. I do not know whether the minister will be welcome to visit those public buildings—we will wait and see what happens as we progress.

**Lewis Macdonald (North East Scotland) (Lab):** Does the member agree that the minister will be all the more welcome if he continues to grow the pot of funding that is available to allow the further extension of heat and power schemes in Aberdeen and everywhere else?

**Kevin Stewart:** Mr Macdonald is obviously a bit embarrassed by what his colleagues have done over the past wee while, which has besmirched the reputation of Aberdeen and has made the council administration, which he supports, a laughing stock.

We should talk about investment, because that is important. The current scenario, with Aberdeen Heat and Power advancing into the city centre, is down to investment from this Government. The Government recently provided £1 million to Aberdeen Heat and Power when I was in the council Administration, and that investment is allowing the expansion to take place.

I will tell members how future expansion, which is very important indeed, can take place. The motion talks of

"real economic opportunities for business and industry along with affordable warmth for households".

Many businesses in Aberdeen that are on the route should take advantage of the heat that Aberdeen Heat and Power provides. I intend to write to a number of businesses on that newly expanded route, asking them to consider signing up and connecting to Aberdeen Heat and Power. I

hope that the minister will be willing to support me in doing that. I hope that Mr Macdonald, as a regional MSP, will also be able to support me, as I think that it is extremely important that we do that.

Aberdeen Heat and Power has succeeded in its mission to deliver clean, affordable energy in many areas of Aberdeen.

**Richard Lyle (Central Scotland) (SNP):** Will the member give way?

**The Deputy Presiding Officer:** The member is just closing.

**Kevin Stewart:** It has provided affordable energy with low environmental impacts and has delivered socioeconomic benefits to the citizens of Aberdeen: that has happened. Aberdeen Heat and Power has delivered its values. Finally, I will consider its vision to be committed, proactive and a leading example to communities in Scotland and the UK in delivering decentralised, sustainable and affordable energy. Aberdeen Heat and Power has not only been proactive and a leading example in Scotland and beyond in these islands, but won a global district energy climate award in September 2013. The scheme is internationally recognised and we need to replicate it throughout the country.

15:17

**Jayne Baxter (Mid Scotland and Fife) (Lab):** I welcome the opportunity to participate in the debate—not least because of the acknowledgement in the Government's motion of the excellent work that is being carried out in Fife through the Dunfermline district heating network. As the minister and others have mentioned, the Dunfermline district heating network is a great example of a community energy project that is utilising waste in landfill sites to generate electricity and to heat homes and businesses.

District heating systems may not come up in casual conversation or feature much in popular culture, but the benefits of district heating schemes are clear. They not only help to make significant reductions in carbon emissions, but contribute to meeting renewable energy targets. In Dunfermline, the whole community has benefited from district heating, and an existing network in the town is being supplemented by a new anaerobic digestion plant at Lochhead. The performance potential of the plant is a real eye opener. When it is fully operational, the plant will be able to process up to 43,000 tonnes of food and garden waste each year. That is an awful lot of potato peelings. It is also estimated that it will save the council more than £1 million and will reduce carbon emissions by up to 11,000 tonnes every year, which is good news for council tax payers in Fife.

That is a great achievement and is to be applauded, but we know that such projects are never easy to establish. Any development of such scale and expense will require numerous scoping studies, diligent research and funding applications, and planning considerations will need to be taken into account. However, if we want to see the success of the Fife example being replicated across Scotland, measures can be undertaken—which I would welcome—to minimise the hurdles that will be faced by similar projects in the future.

With that in mind, I urge the Scottish Government to consider the challenges that are faced by homes in rural and remote areas, as the strategy goes forward.

**Mike MacKenzie:** Will Jayne Baxter take an intervention?

**Jayne Baxter:** If Mike MacKenzie does not mind, I would like to get on and make my argument.

Although energy issues impact on every home in Scotland, the solutions are clearly going to have to be adaptable and to vary between rural and urban areas. As we know, the draft heat generation policy statement covers much more than just district heating. Measures to improve existing housing stock, through retrofitting and green measures and the implementation of new green standards and technologies in new builds are vital if we are to improve the energy efficiency of Scotland's homes.

I turn to another example of excellence in the kingdom of Fife. Members may be aware of the housing innovation showcase 2012, also in Dunfermline, which was a joint project between the Kingdom Housing Association and Fife Council. The project, which has won several awards—six at the last count—is a development of twenty-seven homes that have been built by a number of different construction partnerships that aimed to produce energy efficient family homes. Every house in the development uses thermally efficient construction methods similar to the well-known German Passivhaus system. It has been estimated that the annual energy cost for each house will be as little as £300 a year, which is an astoundingly low figure for a family home. Even more laudable is that the project highlights how homes for social rent—not just the top-budget developments like those that are often featured on television programmes—can be energy efficient and sustainable, and can be of high quality, which is most important.

As members have heard on a number of occasions, we have world-leading climate change legislation. However, I am sad to say that the Scottish Government has missed the past two years' climate change targets on reducing

emissions. In the light of the missed targets, it is essential that any steps that are taken in the future strategy for Scotland that boost our capacity to decarbonise heat production are to be welcomed, as we strive to get back on track towards meeting our targets.

The topic abounds with jargon, technical terms and acronyms, and there is a vast array of programmes and policies. It goes from small-scale microgeneration to larger district heating projects in which several hundred homes and public buildings are heated from one source. The subject can be a bit of a turn-off, if one is not into technicalities. However, behind the complexities of discussing a decarbonised heat sector lies the reality that there are families who are coping with fuel poverty. This week, Parliament has heard in the Welfare Reform Committee, and in the chamber debate on welfare reform, about the pressure that faces families and individuals in Scotland.

Houses that are energy inefficient, resulting in cold and damp living conditions, and the challenge of either keeping warm or preparing hot food do nothing to maintain the health and wellbeing of Scotland's poorest households. The daily impact that those issues have on people's lives is well documented, and the issues are similar across the country, even if the solutions are not. Some groups are more vulnerable to fuel poverty than others, and many people in rural areas are as badly affected as people in towns. Therefore, the debate is not about targets or technology, but about how the expertise and knowledge that we have can be brought to bear to change the lives of Scotland's most vulnerable families.

I have spoken before about Fife Gingerbread and the Poverty Alliance. In their excellent report on the impact of poverty on lone parents in rural areas, they found that 37.5 per cent of the lone parents who were surveyed cited heating costs as being one of the causes of financial stress in the past year. Therefore, I sincerely hope that the policies that have been laid out by the Scottish Government today are a success. We cannot afford for them not to be.

15:22

**Colin Beattie (Midlothian North and Musselburgh) (SNP):** Governments across the world are looking for reliable sustainable energy options. Our impact on the environment from carbon-based energy is undeniable. I will focus on geothermal energy in my speech; I cite the Scottish Government's publication "Towards Decarbonising Heat: Maximising the Opportunities for Scotland: Draft Heat Generation Policy Statement for Consultation" in that regard.



Geothermal projects in other countries have proved to be very successful. For example, Boise in Idaho uses the largest district geothermal system in the United States. The four systems there heat more than 200 homes and about 85 government and business buildings before re-injecting 70 per cent of the extracted water back into the aquifer.

Scotland is striving to meet its renewable energy goals by 2020. Those include sourcing 11 per cent of heat demand from renewable sources and 100 per cent of demand for electricity from renewable energy. Despite the lack of any obvious signs of geothermal heat flow in Scotland, three different forms of geothermal heat resources can be found: abandoned mine workings, hot sedimentary aquifers and hot dry rocks.

The first of those three approaches—using abandoned mine workings—would be ideal in Scotland's midland valley, which includes my constituency. It has been estimated that mine water could theoretically supply up to one third of Scotland's heat demand. Back when mines were used for mining coal, the amount of water that was pumped out and treated for contamination exceeded the amount of coal that was dug out. As mining stopped, the mines and surrounding areas flooded. That water is warmed by the earth's geothermal heat and the temperature increases as depth increases, thereby providing a viable option for geothermal energy production.

Many projects have successfully used that system. A United States municipal building in Park Hills, Missouri, has used the system for several years, as has Marywood University in Pennsylvania. Another in Springhill in Nova Scotia, Canada, has saved an estimated \$160,000 a year in heating and cooling costs. Two small open-loop installations that are less than 200m deep in east Glasgow and Fife have been using mine water since 2000. Both serve fewer than 20 dwellings.

In Heerlen in the Netherlands there is a much larger operation. The mine-water project there serves as an example of the potential that geothermal energy has in Scotland. In Heerlen, warm and cool water in mines is extracted and used to heat and cool buildings with advanced ventilation technology and with a CO<sub>2</sub> reduction of 50 per cent, compared with traditional systems.

The second method of extraction is hot sedimentary aquifers—or HSA. Those are permeable rock bodies that can conduct ground water with enough heat to produce geothermal energy. Scotland's best realistic prospects for HSA are likely to be in the northern midland valley or the Moray Firth basin. An existing commercial HSA plant in Birdsville, Australia has operated since 1992. Plants in Europe and the United States have also been operating for years.

Thirdly, hot dry rock resources are used for extracting heat by fracturing rock at significant depths, injecting cold water into the hot fractured rock and extracting the resulting hot water. Extracting water is most efficient on a closed-loop system, and water at those depths is hot enough to produce electricity.

In countries including Australia, Germany, France and the US, large projects have shown considerable potential in generating electricity using HDR sources. Many countries have increased investment in order to continue developing the potential of those resources, but there are not yet adequate data on such resources in Scotland. So far, the most ideal locations have been identified only in the east Grampians region, and north of Inverness.

It would probably be a smart move for Scotland to integrate geothermal heating into new development areas, including Shawfair, especially as Scotland aspires to be a leader in the technology that is needed to exploit deep geothermal resources. Upgrading of technology and infrastructure to be able to use geothermal heating and cooling systems can be a costly venture, which discourages the shift. However, there is no reason why new development areas cannot initially be set up to use geothermal heating and cooling systems.

There are many benefits for Scotland in expanding its use of geothermal resources. Geothermal energy significantly lowers the amount of carbon emissions from energy production. The Geothermal Energy Association has found that

“geothermal plants emit about 5 per cent of the carbon dioxide, one per cent of the sulphur dioxide, and less than one per cent of the nitrous oxide emitted by a coal-fired plant of equal size, and certain types of geothermal plants produce near zero emissions.”

Geothermal energy can help to reduce Scotland's fuel poverty. On average, 27 per cent of households in Scotland are fuel poor and in some parts of Scotland the amount increases to an alarming 54 per cent. As welfare cuts continue, more households will be unable to afford to heat their homes. Scotland should be committed to providing support for geothermal investment. Increased use of geothermal energy could lower the costs of heating, cooling and electricity for more individuals and households throughout Scotland.

Geothermal energy serves as an opportunity to utilise the networks of flooded mines across Scotland and to create employment opportunities in areas including the central belt, where communities are still recovering from the closure of coal mines. In the United States, an estimated 25,000 jobs are now related to the geothermal

industry. There is no reason why we could not do similarly well, or better.

Geothermal energy has the potential to be a significant resource: Iceland gets nearly two thirds of its energy from geothermal sources, heats 90 per cent of its homes using geothermal sources and continues to develop the industry. Recently, the Iceland deep drilling project developed the technology to use magma to create geothermal energy for the first time, near Krafla central volcano, after accidentally hitting the magma during drilling in 2009.

I anticipate that geothermal sources of energy will provide a lasting strategic resource for Scotland. Projects in 24 countries around the world have proved that geothermal energy is a realistic source of green energy. It is now our turn.

15:29

**Rob Gibson (Caithness, Sutherland and Ross) (SNP):** I welcome the fact that we are having a debate on renewable heat in the context of Scotland's adjusted emissions having fallen by 25.7 per cent from 1990, and our being over half way to achieving our target to reduce CO<sub>2</sub> equivalents by 40 per cent by 2020.

That is the biggest fall in emissions in the countries of the European Union 15 since 1990, so it allows us to think that we are in an achievement zone and not in one in which we should castigate ourselves—although we should, of course, always be aware that we can do better.

I welcome the draft statement's overall target to deliver 1.5 terawatt hours of heat through district heating, and to supply 40,000 homes with affordable low-carbon heat by 2020. I want to dwell on some aspects of district heating and, in particular, the problems of dealing with hard-to-heat and hard-to-treat houses in our rural areas.

I welcome the heat map that is to be published very soon—in April—which will provide planning authorities with the knowledge base to highlight in their development plans heat opportunities including heat recovery, district heating, renewable heat and low-carbon heat. As we know from our discussions on the national planning framework 3, many development plans are out of date and need to be brought up to date in order to ensure that affordable housing, including council housing, is built in a fashion that allows renewable heat to be included. Such schemes should be part of development plans.

I want to look at the renewable heat situation in Wick in Caithness, where I have my constituency office. Ignis Wick, which is one of two projects that have received £400,000 to make them work, has been a great success since it took over from a

council scheme in June 2012. It has added another 37 domestic dwellings to the original 165, as well as Wick assembly rooms, Caithness general hospital and Mackays hotel. Other customers include Old Pulteney distillery, which is an important part of our infrastructure. The fact that wood fuel from local sources has been used to fire up the system is welcome, as is the fact that all Ignis Wick's customers get heat at a lower cost than they would if they did it for themselves. In the case of domestic customers, the tariff is 20 per cent lower than the price of natural gas. For an average user, that is equivalent to a saving of £200 per year.

That is the benefit that a district heating system brings to one part of the town of Wick. I believe that Ignis wants to seek more support so that it can deliver the scheme on the north side of the town. Like many towns, Wick is built along a river, and taking the system across the river is quite a logistical problem. We look forward to Ignis's proposals for doing that, and people in the north part of Wick look forward to receiving the service that people in the south of the town—particularly those in Pulteneytown—already receive.

The Minister for Housing and Welfare, Margaret Burgess, has said:

"We are doing everything that we can within our limited powers to provide a wide range of energy efficiency measures to individual households and to local authorities."

She said that the Government is looking at rural areas, in particular. However, I have been told about a catalogue of problems with delivery of the measures, particularly when the deliverer, Scottish Gas, brings in subcontractors from areas that are far from those that are being targeted. The procurement process ought to allow more local people to bid to deliver such systems.

Calor Gas is right to say that

"while the modelling does take into account off-grid economics, there is little in the strategy that focuses on off-grid solutions."

I would like to hear a little more about some of those off-grid solutions when the minister winds up the debate.

A problem has been created for small-scale anaerobic digestion, which could provide district heating systems. It has been brought to my attention that the Department of Energy and Climate Change in London has introduced a misconceived 20 per cent depression in the feed-in tariff for smaller AD schemes, which will harm a number of British companies and prevent new AD plants in the next three to five years, unless there is a change in the budget this April. We look forward to finding a way forward that includes small anaerobic digestion schemes in places where there are farms that can provide the

material and where it could be used for district heating.

I like the idea from Scottish Renewables to have a national indicator to show the increase in renewable heat production as part of the national performance framework. I hope that the Government will take up that idea and make such an indicator available, because I believe that as people see our success in delivering renewable heat, they will be encouraged to take part. I look forward to the minister's response on that in his closing remarks.

15:35

**Lewis Macdonald (North East Scotland)**

**(Lab):** Like other members, I welcome the debate and the growing consensus on the potential contribution of district heating and combined heat and power. Five years ago, when we passed the Climate Change (Scotland) Act 2009, district heating and CHP were highlighted in the chamber, and there was already wide recognition that they could make a difference to climate change. However, it took a little longer to get agreement to follow up that recognition in principle with the necessary resources. When we debated the matter towards the end of 2009, I argued that the consequentialists that were then available because of spending on district heating in England should be invested in district heating in Scotland. It did not happen then, but I am pleased that the Scottish Government has made additional loan funding available today.

That is important, because successful roll-out of district heating schemes requires public investment and political will at the local level and at the national level. Local and national funding and political commitment have helped the city of Aberdeen to lead the way in the sector, as it has done in relation to other energy industries.

Like other cities, Aberdeen met the high demand for social housing in the 1960s and 1970s by building high-rise housing. There are about five dozen council-built multistorey blocks in the city, containing about 4,500 flats and maisonettes of different sizes. Aberdeen is best in class among cities in Britain in the successful maintenance of that high-rise housing, and an important part of that was the decision 12 years ago to invest in combined heat and power as a way to reduce the costs and increase the efficiency of heating multistorey flats. The then Labour-led city council set up a company limited by guarantee, Aberdeen Heat and Power, which has been backed by administrations of all parties ever since.

I pay particular tribute to Janice Lyon who, as energy manager at Aberdeen City Council, guided AHP's growth in its first 10 years and who

continues her interest in social housing and energy issues to this day. As we have heard, Aberdeen Heat and Power established gas-fuelled combined heat and electricity generation systems in the Stockethill, Hazlehead and Seaton areas of the city. Council tenants in high-rise buildings in those three areas benefited from cuts in the order of 50 per cent in their electricity and heating bills, as inefficient electric heating and power from the mains were replaced by heat and power from gas-fired turbines next door. The carbon saving benefits were in the region of 40 to 50 per cent, with more rather than less heat available at a much lower price. Further, the life expectancy of the buildings was extended, perhaps by as much as another 30 years.

So it is a win-win-win situation—for tenants, the social housing provider and the wider environment—that is based on a well-designed business model that allows for continued expansion even in tough financial times. My daughter's high school, Hazlehead academy, is, as we have heard, on the AHP grid, as are the swimming pool next door and many other public buildings. I am delighted that AHP is extending its provision yet again to more high-rise blocks in Stockethill and Cornhill and that there are plans to extend provision to the multistorey buildings in Tillydrone and to a raft of public buildings in the city centre, with a £1 million extension of underground mains heading towards the city centre already under way.

Kevin Stewart, who I think has left the chamber, mentioned the potential for connecting private sector buildings to the CHP network in the city centre. I am delighted to say that Aberdeen Heat and Power is already doing just that through its new subsidiary, District Energy Aberdeen Ltd, or DEAL. My message to Mr Stewart—when he returns—is that we should all get behind that innovative approach, because that is the one that can work.

Aberdeen Heat and Power has already shown that it is possible to extend district heating from council-owned flats to privately owned flats in the same building. It has always taken the view that the sky is the limit, and it continues to look at opportunities to connect up new customers. I believe that DEAL will help it to include new types of building in its schemes.

That is why, six months ago, Aberdeen was the first British city to win a global district energy climate award, which was given to Aberdeen City Council and Aberdeen Heat and Power in New York in September last year. I have no doubt that, under the leadership of the general manager, Ian Booth, Aberdeen Heat and Power and DEAL will continue to grow and diversify in the years ahead.

There is one other important point to make about the Aberdeen model that ministers and other cities that are looking to follow Aberdeen's lead should take on board. Combined heat and power in Aberdeen is not fuelled by biomass and it is not energy from waste. The model uses gas, which is a relatively low-carbon but not carbon-free, energy source. I hope that we will avoid making the mistake of taking the view that only strictly renewable energy can help to meet our carbon-reduction targets. It is clear that more efficient use of a lower-carbon energy source is in itself significant progress and deserves vigorous Government support.

This is not simply about the 45 per cent reduction in carbon emissions or the 50 per cent cut in consumers' bills. It is hugely advantageous to create a network of connections and pipes, and to include more and more housing and other buildings in a common supply scheme. That will allow conversion to other fuel types to take place in future much more readily than if a renewable-fuelled district heating scheme was to be started from scratch.

On that basis, I hope that other cities and communities will follow Aberdeen's lead, and I welcome the broad support today for such an approach.

15:41

**Mike MacKenzie (Highlands and Islands) (SNP):** I am pleased to speak in the debate, as it gives me the opportunity of sharing with members some of the examples that have been set by excellent district heating projects across the Highlands and Islands region. In fact, the motion mentions one of them: the Shetland Heat Energy and Power project. I have had the pleasure of visiting and seeing for myself the benefits of that very well-run and innovative project, which utilises almost all Shetland's waste and some that it imports from Orkney to power a very successful district heating network. In fact, it is so successful that private sector householders are queueing up to be connected. Glass that is separated out of that waste is further utilised by the Enviroglass community project, which manufactures a range of products from waste glass in a great example of the circular economy.

In talking about Shetland, I must pay tribute to Fred Gibson of Shetland Composites, who is typical of many islanders in having a high degree of practical skill and craftsmanship as well as a formidable intellect and the creative ingenuity to marry those qualities together. He has developed a very well-insulated glass-reinforced plastic water tank, which stores heat in the form of hot water. He heats that water from an air-source heat pump that operates during the day, when it is much more

efficient. That allows him to heat his premises day and night much more cost effectively than would be the case if he ran the heat pump throughout the night.

That simple idea would work equally well in storing the energy that is produced by wind turbines or, indeed, any other renewables device. Unfortunately, UK energy policy provides no incentives for either small-scale or large-scale energy or heat storage, which is a great pity, because that simple but ingenious idea would provide a solution for many off-gas-grid rural areas, which suffer disproportionately from fuel poverty.

I must now take members 400 miles south-west of Shetland, all the way to my home town of Oban, where the West Highland Housing Association is a pioneer of small-scale rural district heating schemes. I must declare a partial interest. Until two years ago, I was a board member of that very innovative and courageous housing association. Despite retiring from that post, I remain deeply interested in the work that it is doing. I pay tribute to the housing association for its courage, because its first district heating scheme was problematic. It would have been easy for it to have given up at that point. Instead, it forged on, learning from that experience, and has now successfully implemented a number of excellent small-scale district heating schemes.

The progressive care facility on Mull is an example of good collaboration between the housing association and NHS Highland. The creation of a public sector client has allowed a local woodchip-producing business to become established. In turn, that business now supplies, cost effectively, a number of private sector customers throughout Mull. Woodchip biomass makes a great deal of sense in Argyll and Bute, which is off the gas grid but has a significant proportion of Scotland's forestry.

The technology involved and the practicalities of implementing such projects are now well understood and do not really present any difficulties. The problems that future projects will face will be in persuading public sector partners to participate, since it is necessary to balance daytime and night-time demand. They will also face problems in negotiating what can be the Kafkaesque complexity of multiple incentivisation schemes, particularly those operated by the UK Government: the energy company obligation and the green deal, like their predecessors CERT and CESP, are not sensitive to local conditions in rural and island areas. Time and again, businesses and community organisations across the Highlands and Islands are thwarted in their renewable energy aspirations by UK Government incentives that are

unworkable in those areas. Grid constraints are delaying many excellent projects.

**Liam McArthur:** I accept that there have been problems with a number of incentive schemes over the years but point out that those problems have beset initiatives that have been taken forward by the Scottish Government and the UK Government. One example is the boiler scrappage scheme, which, given the constraints, no one in Orkney was able to access.

**Mike MacKenzie:** I agree that not all the schemes are perfect, but I am sure that Mr McArthur would accept that most energy policy derives from the UK. I am sure that he will be particularly aware of that in Orkney, where it is a particular problem.

Feed-in tariff depression, which Rob Gibson mentioned, means that after years of planning and development, many projects have to be scrapped, including projects involving promising technologies such as small-scale anaerobic digestion, to which he also referred. Such technologies could offer many environmental benefits, as well as energy benefits.

Increasingly, people throughout the Highlands and Islands are coming to understand the many opportunities that could be realised if energy policy was in the hands of the Scottish Government—a Government that understands conditions on the ground throughout Scotland. I think that that is the great idea that Murdo Fraser was seeking from me.

As we have heard, fuel poverty on Scotland's islands stands at 50 per cent, which is surely unacceptable in an energy-rich country such as Scotland. I warmly welcome the Scottish Government's draft heat generation policy statement, but we could do so much better with the full powers of independence.

15:48

**Marco Biagi (Edinburgh Central) (SNP):** Love them or loathe them, wind turbines command the debate when we talk about renewable energy—they do so in a way that is perhaps excessive when we remember that half of our energy goes on heating.

The target of getting 11 per cent of non-electrical heat from renewable sources has been overshadowed by the target for renewable electricity, but it is as important, if not more so.

Like other members, I want to give some constituency examples. I have two very effective examples of the efficient use of heat. One is the North British Distillery in Wheatfield Road in Gorgie, which has a physical connection to the nearby high school. It supplies the school with

surplus heat from its industrial processes. People say that whisky can warm us up when we are cold, but in Edinburgh I think that we are taking that a little bit literally.

The second example is something that is of longer standing and on a larger scale. Ahead of other universities, the University of Edinburgh launched an environmental initiative in 1990, which made it a relative pioneer in the sector. The initiative led to energy efficiency and sustainability projects. The most significant was the investment that began in 2002 in combined heat and power installations over the district that made up the university's campus. The campuses at George Square and King's Buildings resemble what one might find at other large institutions such as hospitals. At George Square, 14 large buildings were connected, and at King's Buildings, 35 were connected. Two systems were replaced—one was 45 years old and the other was 50 years old.

However, the Pollock halls complex was the first to be tackled. The complex, which accommodates 2,000 students, offers a more direct comparison with the kind of housing in the wider city and country that often faces difficulties with heating. In 1970, Pollock halls served as a Commonwealth games village. Therefore, we have two Commonwealth villages that are heated in that way, albeit that one has been pressed into a different kind of service.

A fourth CHP project in the university has now been completed, almost next door to where we are now. Anyone who has been down Holyrood Road will have seen the building work that is going on—work that is testament to the university's success in growing its postgraduate population in particular. The 20 buildings that will be connected are another addition to the initiative. The CHP plant began operating in October last year and the buildings that it will power are not yet finished.

Thus far, there have been annual savings of 8.5 kilotonnes and £1.5 million.

The university uses gas CHP, which is not complete decarbonisation. Gas will never be renewable, even if it is carbon captured, so to reach the 2020 decarbonisation target we have to use new technologies. As Lewis Macdonald said, gas is a very effective stepping stone. The problem with a stepping stone is that we do not want to stay standing on it for ever, otherwise we will fall into the river. When the next generation comes round, we have to be in a position to exploit air and ground-source heat pumps; solar thermal, which has potential for application even in Scotland, as anyone who has been through towns of detached homes that have panels poised on their roofs can testify; and small-scale, efficient biomass.

The University of Edinburgh's experience illustrates that, as with so many things, collective working brings down costs. However, collective working needs up-front investment. It helps to have a large institution such as a local authority or a local authority-backed project behind any work. The university required investment of £20 million over a decade for the first three projects and a further £8 million for the Holyrood facility. The projects are paying that off over their lifetime, but the up-front costs would be eye watering for an individual or a small group of homes.

As the member for Edinburgh Central, which is full of tenements, I repeat what is, for me, a familiar refrain: housing stock is a key determinant of how we can roll out renewable heat, as with so many other things. Statistics show that social housing is already the most energy efficient, followed by owner-occupied housing. However, the private rented sector, which makes up 40 per cent of accommodation in my constituency, sits at the bottom. I have heard concerns that the energy efficiency ranking system assumes that properties are in a full state of repair, which is often quite a heroic assumption when it comes to private rented properties. We have to reduce demand, which the Government's draft policy statement emphasises. If we do not, in essence we are sitting beside the fireplace with the window open.

I accept that tenements are not the low-hanging fruit that we need to pick to achieve early progress—and we need that progress if we are to demonstrate success. However, need is acute in tenements—perhaps they are the properties on the gas grid where need is most acute. Mixed ownership models will pose serious problems to the roll-out of energy efficiency and larger-scale projects such as renewable heat.

We see from community back green initiatives that it is possible to get a group of people who share a common piece of land to create a community project, but achieving that requires a great deal of work and, usually, support from a voluntary organisation, grant support and unanimity.

If we are to have all our homes decarbonised and renewable heat as the norm by 2050, we must find a way to get over that problem at some point in the next 36 years. We must do that because it is a worthwhile aim. Progress thus far has been very substantial, and I hope that the agreement that we have seen today will carry us forward to that objective.

15:54

**Alison Johnstone (Lothian) (Green):** When we look back in 10 to 20 years, we will think it incredible that building a housing development of

70 flats meant fitting 70 individual boilers, and that 300 flats meant fitting 300 boilers. That is incredibly inefficient compared with the mature alternative district heating technologies that exist.

Electricity gets much of the attention but, as many members have recognised, heat accounts for more than half our energy use. That is part of the reason why, during the Economy, Energy and Tourism Committee's scrutiny of RPP2 last year, I concentrated my questions on heat.

There was not much detail on Government plans back then; there is more today. I am pleased to see the strong synergy with fuel poverty in the consultation document, but more leadership and direction on regulation are required. Both the amendments add to the Government motion, which was missing an explicit mention of reducing demand and improving energy efficiency. I will support all the amendments at decision time.

I want to talk about the delivery of new insulation and heating infrastructure. We have to act fast to make installing efficient collective heating systems the norm. One of the figures that stood out from the consultation was the Arup estimate that, over the next 40 years, £100 billion-worth of heat equipment will be replaced. Heating systems are not upgraded very often, so we have to work out how to ensure that when investment happens, it is future proofed and low carbon. The University of Edinburgh, one of the case studies in the consultation, has been a leading light, investing in four CHP plants for its campuses. The £12 million investment has now been paid off and the latest plant was completed last year to power the Moray House campus and new student blocks that are under construction. The project is five minutes walk up the road and the university is keen to welcome interested visitors.

The old brewery site and a large swathe of Edinburgh's Fountainbridge area is being redeveloped. The community, Green councillor colleagues and developers are working together to make a district heating system happen for 500 homes, offices and a school. The technical assessment says that it is feasible and commercially viable, but the city-centre location precludes the use of biomass. I ask the minister whether the district heating loans fund or any other financial support is available to urban schemes that are not considering biomass. Perhaps he could consider that in his closing remarks.

Minimum standards for energy efficiency in private sector housing will be key. The Government has now said that it will start to consult in spring 2015, but that should not be the start of the process. I know that preparatory work is on-going, but early action in the private sector is essential to reduce fuel poverty numbers and heat demand. We should see minimum standards as a

way of unlocking investment and supporting traders and small construction businesses. To make that work, the VAT that is charged on all repairs and energy improvements must be cut. There is no sense in having the zero rate for construction and the full rate for double glazing and energy efficient boilers. I had hoped to see the heat plan recognise that and commit to pushing the UK on VAT, because the cheapest unit of heating is the one that is not used, as Murdo Fraser pointed out.

There is a chapter on the key role of the public sector in the consultation, but we need the ambition to go further. Local authorities can sell electricity to the grid if it is renewable or produced in association with heat. That opens up innovative ways of developing heat projects, helping to tackle fuel poverty and cutting climate emissions, but also of creating new revenue streams to fund public services.

Two years ago, the Greens brought a debate on local energy companies, arguing that the Government should support local authority-owned energy service companies to drive forward the energy agenda and create a revenue stream for local authorities. Through sheer hard work, that has been done in Aberdeen for 10 years. The motion and other members referred to Aberdeen Heat and Power, and to the Commonwealth games village that will provide hundreds of homes after the games. Other local authorities are following suit. The pleasingly named GLESCO, or Glasgow Energy Services Company, has potential. A Green councillor-prompted report from the City of Edinburgh Council recently recognised that an ESCO could protect future council budgets in Edinburgh. It is up to local authorities to bring forward proposals, but the Government needs to empower them and provide the energy finance expertise to help local energy companies happen.

We have a centralised energy market that is dominated by a few companies, which has hampered the ability of new companies to deliver the levels of district heating seen in Norway and the Netherlands. Our centralised governance has hampered locally driven developments.

Recent conclusions from the heat and the city initiative at the University of Edinburgh are that progress in Scotland is likely to require a “mandate for local authorities” to drive the agenda as well as “devolved control over resources” and a

“policy framework which recognises combined public benefit of low carbon energy, equity and retention of revenues in local economies”.

This heat plan recognises the first two benefits—low-carbon energy and equity, in relation to fuel poverty—but it would benefit from a recognition that local authorities have a role in generating

heat, generating revenue and boosting local economies.

While the so-called “greenest Government ever” at Westminster, with its shale gas dash, appears not to appreciate the damaging climate impacts of increasing demand for energy from fossil fuels, I urge the Scottish Government to focus on the many low-carbon opportunities that are available to us here in Scotland.

16:01

**Richard Lyle (Central Scotland) (SNP):** I would suggest that Scotland has world-beating, ambitious climate change targets, including a minimum 80 per cent reduction in greenhouse gas emissions by 2050 and a 42 per cent reduction by 2020. Scotland’s adjusted emissions have fallen by 25.7 per cent from 1990. A clear plan for improving energy efficiency and increasing renewable power sources is highly welcome.

By increasing energy efficiency, Scotland aims to reduce the total final energy consumption by 12 per cent. The targets require great commitment, and reducing the carbon intensity of heat is paramount in their achievement. Modelling commissioned by Arup has shown that heat is responsible for approximately 47 per cent of Scotland’s total emissions. In respect of both electrical and non-electrical heat, more than half of the harmful greenhouse gas emissions are sourced from industry and more than a third come from domestic housing.

I note from this week’s press that Scotland’s greenhouse gas emissions have reduced substantially.

The draft heat generation policy statement considers the challenges that Scotland faces in power consumption. Decarbonising the heat system is the main focus. That will underpin climate change targets while simultaneously increasing economic opportunity for industry and business. It will also provide needed heating for Scottish homes.

The modelling that I mentioned shows that the cost-effective delivery of an increasingly decarbonised heat system is possible but will require action on both the supply side and the demand side. A range of possible pathways to decarbonise the heat system and increase energy efficiency has been proposed.

As Alison Johnstone mentioned, it is estimated that in the 40 years from 2010 to 2050 heat equipment valued at more than £100 billion in today’s prices will need to be replaced. In order to maintain climate change targets and further the goal of decarbonisation of the heat system, those installations will need to be increasingly low

carbon. That can be achieved through increased efficiency, such as better insulation; district heating systems; heat recovery; delivering renewables such as geothermal and biomass; and, as we decarbonise the electricity grid, resistive heating and ground or air-source heat pumps. Each of those technologies will play a role in delivering low-carbon heat. Demand for them will increase only as the economics of heat generation shifts away from the rising costs of fossil fuels and carbon.

Over the past two years, I have been in discussions with a company called Own Energy, which has devised a new system of power generation: small wind turbines on lamp posts, which can be erected in sustainable areas, which can feed power into the national grid and substantially reduce costs for councils and generate an income for them.

The project is being considered by several councils in Scotland and by other agencies. I hope that when it is proved and installed in the sites under discussion, it will increase energy efficiency and that the technology will be taken up nationally. I would invite any MSP to visit the company's factory, which is in Livingston. The project has been fully tested and patented in Scotland by someone from Scotland. If they wish, members can visit my office and see a working model of the technology.

As power gets substantially dearer for all consumers, we must take steps to explore other options to heat homes. Power companies have a part to play in reaching the objective of reasonable power costs.

I stress that many companies must do more to help people who are on benefits. Companies are not supplying the cold-weather payment rebates early enough. I know of one lady who applied for a rebate but has yet to be given it, although we are now in March.

**Iain Gray:** I share the member's concerns for those living in the circumstances that he described. Would he not agree that the simplest thing would be to freeze energy prices and reduce the cost for families in that way?

**Richard Lyle:** That is too simplistic. I have spoken to Scottish Gas and other people, who say that under Mr Gray's proposal, companies would hike the price up first, then perhaps look at a freeze. I am sorry, but what Mr Gray suggests is only a political ploy that does not cut it with me or with many members on this side of the chamber.

As I said, companies should be giving cold-weather payment rebates in November or December, not in March or even later. I hope that the company in question gets in contact with me, because I certainly will not miss the wall.

There are many lessons to be learned about alternate power sources from other countries in which houses are being built. New developers should be encouraged to explore all avenues to reduce power consumption. That can be done through communal heating, of which there are many examples throughout this country and in many other countries. We should build houses for the 21st century, taking into account the weather that prevails.

**The Deputy Presiding Officer (John Scott):** You should draw to a close.

**Richard Lyle:** I will finish. I know that other members got seven minutes, but I will cut down my speech.

The statement is a consultation draft that seeks a response from stakeholders. I compliment the minister on what he has done, which I know he is doing well on behalf of the people of Scotland. I support the motion.

16:07

**Stewart Stevenson (Banffshire and Buchan Coast) (SNP):** I have lived in Scotland all my life. I suppose I take heat for granted now, but when I was a youngster I was brought up in a very large, draughty, old Victorian house with no central heating. We woke up in the morning to ice on the inside of the window and slept under eight blankets, not because we could not afford heating but because the technology just was not there. So, in one sense, we were lucky.

However, all over Scotland, citizens are struggling with fuel poverty. Indeed, even in an area of relative success and substantial wealth compared with the rest of Scotland—Aberdeen—a survey has suggested that up to 70 per cent of residents might struggle to afford the heat that they need. If that is the case in Aberdeen, how much worse is it likely to be elsewhere? The cost of heating is substantial. It has been suggested that it might be around £2.6 billion a year in Scotland for heating and cooling. So, the economics as well as the climate impacts are quite substantial.

Of course, we exist here at all because of energy. At the very beginning of the universe, before the big bang happened, there was nothing but energy. There was no clock, because there was no mass; but when energy started to convert into mass, the clock started. So, from energy we have sprung. A sustained change from energy to mass is what has caused our expanding universe to be present. Probably it required that energy to behave in a coherent way. I make that point in reference to the way in which lasers work.



Similarly, in today's debate, we need coherence, which I think we have heard from all parts of the chamber.

In context terms, we are talking about climate change. Recent weather events have probably started to persuade even the most reluctant accepters of climate change, who know little and understand less of scientific method and knowledge, that there is actually a problem to be solved. We have seen flooding wrecking people's lives, mostly in England but in Scotland as well; we have seen a harsh winter on the east coast of the United States that has killed older and vulnerable people; and only this week we have seen it reported that a 30,000-year-old virus has been brought back to life as the permafrost in the tundra areas of Siberia has receded, allowing it to be rediscovered. There may be a biological time bomb just waiting to wipe us out, perhaps overnight.

Climate change is a substantial problem. Because heat represents half of our energy use, decarbonising it is an important part of how we can help the world to deal with the problem. However, we have to up the ante, and the consultation that the minister has published this week is a substantial contribution to that. Our power industry has dramatically reduced its emissions, but because it is part of the European emissions trading scheme, that is barely reflected in the actual numbers that we use to count our climate change emissions. However, that is no excuse for not doing it—it is a good thing to do.

As we have heard from a number of members—and it is rather obvious—heat does not travel great distances very effectively. It is a bulky thing to carry. Water is usually the medium, and a cubic metre of water weighs a tonne, so we can see why moving it can be expensive.

We have a variety of different ways to deal with heat. By way of a side reference, I am extremely glad that at Peterhead in my constituency we are now seeing the carbon capture project moving ahead, which will help. It would be awfie nice if we could find some way of getting the heat out of the power station to heat most of Peterhead as well, so we will keep an eye on that.

There was reference by Colin Beattie to what goes on in Iceland. I was slightly surprised that he did not develop that a little further. At Hveragerdi, which is the main volcanic region, something happens that has not been touched on in this debate, which is that the thermal energy that comes out of the ground is used to grow crops in greenhouses. We have not heard anything in this debate so far about how we might exploit our heat sources to support agriculture. When we go into supermarkets at this time of year, we see strawberries from Morocco, Mexico or Egypt. It

would be awfie nice if they could come from Aberdeenshire, where we have thermal energy embedded in the granite. If we could just bring it up, we could grow our own. It is the high-value elements of food that it might be useful to produce in that way. Agriculture is the third biggest cause of climate change emissions, so if we can use heat to address some of the issues, that is likely to be a good thing.

When I visited Iceland 40 years ago, the road into Reykjavik from Hveragerdi was a big pipe that carried hot water. It kept ice off the road and heated the whole of Reykjavik, and then the warm water was discharged into the sea at Reykjavik, where people had year-round swimming in warm water. That was a truly integrated approach to heat. Question 16 in the consultation, which asks for

“further evidence on thermal storage”,

might be a useful way of going into such things.

The bottom line is that this work is urgent and necessary, and the consultation paper is welcome. I hope that recent events convince the declining number of people who do not see climate change as a priority that it is something with which we must engage. We are engaged with it here, and we are basically united on it. Let us now go forward and do what is necessary.

16:14

**Sarah Boyack (Lothian) (Lab):** I want to focus on what we need to do, the progress that we have made so far and how we can overcome the obstacles.

A few years ago, a huge development project was going on up the road. It had a chequered planning history, but the intention was to use heat as part of the process for powering the development. However, that was of course one of the first things that dropped off the agenda, and issues with technical expertise, money and risk were—and are—at the heart of the matter.

Local authorities can make a vital contribution to the district heating agenda by bringing to bear collective solutions, whether they involve co-operative projects, a council setting up its own energy company or using economies of scale across local authorities to bring community projects into play. Planning powers must be used as part of that approach.

I welcome not only the opportunity to debate those issues but the fact that the minister has accepted the Labour and Liberal Democrat amendments, because they both add to the picture. On the Labour side, I will concentrate on local authorities, but I agree with Liam McArthur's comments on the basic need to sort out energy

efficiency as part of our approach. There is no point in putting in new decarbonised heating systems if they still cost a lot to run and heat is simply going out through the walls and the roofs. I would be interested to hear from the minister in summing up just how he intends to tackle the issue of installing insulation—cavity wall or any other type—to meet the needs of thousands of properties that are not currently being addressed.

I started working on the subject of renewables and buildings more than a decade ago. When the Parliament passed the Climate Change (Scotland) Act 2009, I was pleased that some of the amendments had been lodged as a result of campaigns outside the Parliament. However, it saddens me that we are not moving fast enough. We need to use the strength from the fact that we have unanimity on the need to work together in order to move forward more urgently. We have simply not done enough in the past five years since the 2009 act was passed.

A good example is the lack of progress in the private rented sector, and Marco Biagi—who is no longer in the chamber—was right to raise that issue. The issue of tenements is crucial, and it is not good enough that it will be nearly a decade after passing the 2009 act before we get action on the private rented sector. Local authorities are in the perfect position to move on enforcement, but the powers need to come through the Scottish Parliament, and we need a sense of urgency.

We need collective solutions, but there are barriers. We can see where those barriers have been overcome; colleagues have talked about the fantastic work that is being done in Fife, Aberdeen and Edinburgh. I have visited many of those projects, and it is clear that they are taking place in areas where local champions are in power in the local authority and are prepared to bring businesses together and use the powers that they have. We need more of that work, but we also need finance to help to bring it about. It is inspiring to visit those projects and talk to pensioners who now have warm homes in which they can afford to use heating systems and pay the bills, but there is a lot more that we can do.

The challenge for the Scottish Government from today's debate is to think about what it can bring to the table to help local authorities to do the work that is needed. It is no accident that it is the big authorities that have done the ground-breaking work so far. They are using their scale to achieve success, and we need to ensure that their approach can be replicated throughout Scotland.

We have lost nearly 35,000 council officers in the past five years, and we all know about the financial problems that local authorities have. That presents a problem, because the technology that we have discussed requires that there are people

in councils who understand the financial mechanisms and opportunities, and who know which is the right kit to go for. Heating systems, CHP systems and air-source heat pumps are fantastic technologies, but they need to go into the right buildings and communities. If heating schemes are to be successful, the choice of technology and the funding for it are crucial elements.

The cross-party group in the Scottish Parliament on renewable energy and energy efficiency has looked at what has been done in Birmingham and in the north-east of England, and in the Scottish local authorities. The combination of choosing the right technology and having the right funding mechanism, along with the use of co-operatives and arm's-length energy companies by councils, is crucial, and the Scottish Government needs to pull those elements together. It also needs to use its access to knowledge and expertise and the fact that it can bring local authorities together.

How much does the minister expect the money that he has announced today to deliver retrofitting in existing homes or schemes in new homes, and how does that compare with the other opportunities that exist? After all, collective heat systems present many opportunities across Scotland. A lot of our local authorities know what those opportunities are; the challenge is scoping how we make the most of them and take things to the next level and to the point at which those opportunities become real schemes.

We must ensure that private sector companies that promote planning applications do not tempt local authorities at the pre-planning stage by promising some fantastic community energy scheme that has disappeared by the time the planning proposal is submitted. We must also ensure that the private sector works with our councils; that the knowledge, the funding expertise and so on out there are transferred to the whole country; and that the money that the Scottish Government puts into the pot buys what we need. The challenge is to move from the one or two fantastic schemes or projects in our universities and councils—

**The Deputy Presiding Officer:** You must draw to a close, please.

**Sarah Boyack:** —to delivery of those schemes by councils. As WWF has said, we need a massive step change and transformation across the country.

Although I welcome the strategy that has been announced this week, I have to say that it is late and that it needs to be kicked up a gear if it is going to deliver on the targets that we all agree on.

16:21

**Nigel Don (Angus North and Mearns) (SNP):**

As usual when one bats last, there is not a great deal left to say. Nevertheless, I shall try to say something interesting.

I want to start by echoing an awful lot of what Sarah Boyack has just said. The energy hierarchy is crucial to this; after all, there is absolutely no value in finding an efficient way of heating a damp and draughty building. We have to get rid of those things first. As Marco Biagi pointed out and, I think, Sarah Boyack has just confirmed, the private rented sector is by far the worst in that respect and the assumption made by the energy efficiency ranking system that properties are in a full state of repair is, as Marco Biagi said, pretty heroic. In other words, it is a load of nonsense and we really need to do some work on that.

Like other members, I want to reflect on what is going on in my constituency. My substantially rural constituency is actually moving towards using wood chips in a number of settings as a substantially decarbonised source of heat, and includes a couple of substantial producers of wood chips. For example, Arbuthnott Wood Pellets in Kincardineshire and Angus Biofuels in Padanaram by Forfar are suppliers to the biomass energy supply framework, which I confess I did not know existed but is clearly the Government's way of bringing together suppliers who can work with the public sector to provide these fuels. I very much welcome that. I also note that Vinny Farms near Forfar has a straw boiler, which provides a wonderful example of how materials that can be found to hand can work in a business context. Such approaches are to be commended.

Several members have highlighted the difficulties faced by off-gas-grid constituents in qualifying for HEEPS, ECO and other such funding streams. Although a property might comply entirely with all the rules as defined by the Office of Gas and Electricity Markets, one might find that the big six energy suppliers are simply not prepared to turn up and do the work. I have heard that story many times; it seems to be a real structural problem and I ask the Scottish Government whether it might be able to address it. I am not sure how much control it has in that respect, but any influence that it could bring to bear would help my constituents.

When I spoke earlier to Claudia Beamish, she seemed to think that it would be a good idea if I talked about something technical. Unfortunately, however, she is not in the chamber to hear it. I briefly considered talking about reversible gas-fired absorption heat pumps, but I decided that, on balance, that would not be wise and the chamber will be delighted to learn that I will not do so. That said, I want to pick up on one or two of the terms

that have been bandied about and to distinguish a few thoughts to ensure that our thinking is clear.

First, we should distinguish between district heating schemes and combined heat and power schemes, which can often be found in the same place. The benefit of a district heating scheme, which is about distribution, is one of scale. It is simply about having a bigger heat source supplying a larger number of outlets. The benefit of a combined heat and power system is that it delivers electricity and hot water. That is what would otherwise be described as a power station. However, if it is of the right size and in the right place, there are none of the power station losses, because that energy can be put into hot water, which can then be put into a heat distribution set-up. The two systems are totally different.

In that light, high-energy industries should be located near communities because the inevitable low-grade heat that they produce should be used in a district heating system, and often is. That point was made earlier in the debate and I apologise for the fact that I cannot remember who made it. I think that it was Stewart Stevenson, who talked about the need to use the waste heat—because that is what it is, in that context—from Peterhead power station to heat Peterhead. The answer, of course, is that Peterhead power station should be moved. It was built in the wrong place. It should actually be in the middle of town, which would mean that that heat could be used. That is what we should be doing. Incidentally, that is not quite such a daft idea, because a gas-fired power station is very clean.

Equally, the point was made that fruit should be grown in tunnels using that heat. It absolutely should. Anyone who wants to start a fruit farm should put it next to a power station, and they would probably get their heat for next to nothing.

I finish by considering another structural issue, which has been mentioned today only briefly in an exchange between front-bench members: the difficulty, in this particular instance, of getting Europe to agree to a scheme. Of course, sometimes we blame the Scottish Government, local authorities blame us and someone else will blame someone else. I am not looking for the right person to blame on any occasion. However, it seems to me that, given that the problem that we face is worldwide—it is certainly Europe-wide—we need to get the European authorities in the right place so that we do not have to have further discussions about whether this, that or the other scheme is acceptable. We have to work out how we are going to tackle that, at a European level, so that we can get on with the process. The good news that has come out of this debate is that it is pretty clear that we would all like to do so.

16:27

**Liam McArthur:** This has been a good debate. It has been constructive and good natured, and I think that we have all borne up rather well despite the imminent threat of annihilation that Stewart Stevenson reminded us of. He also reminded us of the fact that we are genuinely united on this issue. That consensus is important. As Scottish Renewables and WWF pointed out in their briefings, the progress that Scotland has made in relation to renewable electricity has been achieved through a combination of political leadership, cross-party backing, policy and financial support mechanisms, meaningful targets and a collaborative approach across Government, industry and civil society; they encourage us to continue that approach in relation to heat. There is much evidence that the will to ensure that that happens exists.

The importance of heat to achieving our climate change ambitions and a range of other objectives has been agreed across the board. Iain Gray did well with regard to inspiring the next generation—or, at least, that part of it which attends Law primary school—with regard to the importance of heat in this debate. He also set out the challenge that we face in terms of where we are at the moment, with 2.6 per cent of our heat coming from renewable sources, which sits against a target of 11 per cent by 2020. There is a clear challenge there.

The only point at which the consensus was at risk of breaking down was during discussions about who was or was not welcome in the city of Aberdeen, although it was also at risk when Murdo Fraser managed to dig out a relatively positive quote about shale gas from the minister's statement. I noticed that Stewart Stevenson, in an attempt to avoid the need to pulp thousands of copies of the statement 48 hours after its publication, leaped to the minister's defence.

Murdo Fraser also focused on the particular problem that we face in relation to rural areas. The minister spent quite a bit of time focusing his remarks on that.

Calor made clear in its briefing the challenges that we face in taking forward the strategy. As Rob Gibson said, the Calor briefing states:

"While the modelling does take into account off-grid economics, there is little in the strategy that focuses on off-grid solutions."

We will need to keep an eye on that as we go forward.

I am grateful to Rob Gibson for making the entirely valid point that some schemes have led to the arrival in many of our constituencies of installers and suppliers from other parts of the country, who do not always conduct the work to

the highest standard and whose presence means that, in terms of the development of skills, the local multiplier effect in our constituencies is entirely lost, as is much of the after-sales service that one would expect with that type of work.

During the debate, in an exchange between he and I, Mike MacKenzie seemed intent on attacking the UK for the way in which schemes are constructed. The point is that problems have beset the schemes of both the Scottish and UK Governments, although that is something to which we will need to pay more attention in the future.

**Mike MacKenzie:** Will the member take an intervention?

**Liam McArthur:** I have a lot to get through. I am sorry.

Many members focused on district heating around the country. There is plenty of good practice on which we can draw and, as Nigel Don suggested, we benefit from the scale of those developments. Kevin Stewart rightly pointed to the example of Aberdeen combined heat and power and the notable reduction in bills. His plea to get businesses to sign up to the scheme appeared to be met with reassurance from Lewis Macdonald that they already are signed up. I hope that the controversy around who is welcome in Aberdeen may be abating.

Jayne Baxter highlighted the example of the Dunfermline district heating network in Fife and the benefits of utilising waste. She was also right to emphasise that such schemes are not straightforward. From the scoping to the planning, the role of local authorities is critical.

Rob Gibson drew attention to what Ignis is doing in Wick. I had the chance to visit the plant during more troubled times, and it is good to see that lessons have been learned and that it is moving on in a positive fashion.

Mike MacKenzie took us on a tour of the Highlands and Islands, from Shetland to Oban, demonstrating what can be delivered even in rural areas.

In a more urban context, Alison Johnstone and Marco Biagi highlighted the excellent work of my alma mater, the University of Edinburgh. What the university has been able to achieve in curbing energy consumption despite its large expansion is highly commendable.

Many of my comments were focused on the link between energy efficiency and fuel poverty, and the theme was picked up by several members. I concur with Sarah Boyack's point about the futility of installing renewables systems only to see energy leaking out of the buildings. The minister acknowledged the higher rates of fuel poverty that exist in rural areas, but the problem is not a

feature simply of rural life—it affects urban centres as well, as Stewart Stevenson reminded us.

Iain Gray was absolutely right to say that the challenge that we face in retrofitting is that it will be costly and will, therefore, require more than simply political buy-in—it will need finance as well. A number of members, including Marco Biagi, Alison Johnstone and Sarah Boyack, emphasised the importance of tackling the private rented sector.

I found Colin Beattie's speech on the potential for geothermal heating fascinating. I did not understand large swathes of it, compelling though it sounded. It occurred to me that he might be spending too much time in the company of Stewart Stevenson and Nigel Don.

The debate has been consensual and constructive. I welcome the statement and the fact that a process of consultation is under way. However, I conclude with the comment from WWF Scotland and Scottish Renewables that we need

"clear Government direction, policy and support."

That is what we will be looking for from the Scottish Government in the months ahead.

16:34

**Alex Johnstone (North East Scotland) (Con):**

Like Liam McArthur, I believe that this has been a consensual debate. That is not something that I get the chance to participate in very often these days, so it has been a novelty. It is a debate in which everyone is pushing in the same direction, but there has been a diversity of ideas and I think that it has made a great contribution to what we are all trying to achieve.

Decarbonisation is a priority because we have made climate change-related commitments that we must succeed against. Also, with high energy prices, fuel poverty is a vital area that we must attack. With those two matched priorities, the subject of the debate is both timely and important to those not only in the chamber but across the country.

**Iain Gray:** We need to do rather more than attack fuel poverty—the Scottish Government has a statutory obligation to eradicate it by 2016.

**Alex Johnstone:** We had a diversity of ideas on a number of key areas that should be taken on board and considered. Stewart Stevenson's light-hearted approach used quantum physics to explain to us that energy can be turned into mass. Had he studied his physics more closely, he would have discovered that mass can also be turned into energy and that, too, is a low-carbon process. However, let us not go there.

It was also interesting that the moment Stewart Stevenson mentioned that a 30,000-year-old virus was found this week, poor Sarah Boyack had a coughing fit and, as a consequence, I was worried for her health.

We have heard some interesting speeches. It is notable that Mike MacKenzie mentioned that although a great deal can be achieved, some of the early efforts were not as successful as they might otherwise have been. In fact, earlier this week I had a discussion with Tricia Marwick, the Presiding Officer, who pointed out that some of the first efforts to introduce district heating in Fife were equally controversial. However, progress is being made.

We also heard an interesting speech from Colin Beattie about geothermal energy. Geothermal energy has its possibilities; indeed, there are plenty of successful examples to look at. However, if we were to drill holes in certain places in Scotland and fracture a bit of the rock down there, while we might well get warm water coming up the pipe, the danger is that, as the pressure is released, that warm water might begin to fizz a little. That fizz is not carbon dioxide but hydrocarbon, so we will need to work out what to do with all that terrible poisonous gas.

We need to address the energy issue. We must remember that using gas instead of coal, for example, means that we can get our energy with a quarter of the carbon emissions. If we use combined heat and power—the key subject of the debate—we can double that efficiency. Although non-carbon methods of generating energy are desirable, we must not ignore the opportunity to use cheap, effective gas resources because they both decarbonise and deal with fuel poverty.

Interestingly enough, Murdo Fraser said that the Government's report suggests something positive about shale gas. I return to that point, so that we know what the report says. Page 17 of the report says:

"The market for gas in the US, however, has changed with the introduction of shale gas. US gas prices are now moving independently (at a lower price) of prices in the UK and Europe."

By failing to address opportunities in our energy market, we are preventing the opportunity for lower-carbon energy sources and artificially inflating the price that we pay for our domestic energy. In both those cases, we have a duty to look at our conscience to see whether we cannot do better with the resources that we have.

**Rob Gibson:** Will the member take an intervention?

**Alex Johnstone:** I am afraid that I must move on—I am quickly running out of time.

I also take the opportunity to join some of my north-east colleagues—Kevin Stewart and Lewis Macdonald in particular—in paying tribute to the work of Aberdeen Heat and Power. In fact, it was Lewis Macdonald who paid direct tribute to Janice Lyon for her work. She was so evangelical about the project that she even attended a north-east Conservative Party conference to tell us how successful it was.

When looking at the existing opportunities to ensure that we use our energy efficiently, we must make sure that we do so for the benefit of everyone in Scotland. We have had a consensual debate. We all understand that there are demands placed on us and opportunities before us. By taking the opportunities to satisfy those demands, we can deliver against our climate change and fuel poverty commitments and, at the end of the day, succeed where many others will fail.

16:40

**Claudia Beamish (South Scotland) (Lab):** The Scottish Government's "Towards Decarbonising Heat: Maximising the Opportunities for Scotland: Draft Heat Generation Policy Statement for Consultation" is most welcome. The fact that it is a consultation is also welcome. We have heard from members from across the chamber about how many different projects already exist and how many people and organisations we can encourage to take part in the consultation. I will highlight one or two other interesting models and some challenges that have held up progress so far but which the policy statement will, I hope, help to overcome.

I remind members of the context: heating in relation to climate change. A particularly shocking statistic that immediately jumped out at me is the fact that 50 per cent of Scotland's CO<sub>2</sub> emissions are the result of heating for buildings and hot water. In its report "The burning question: What is Scotland's renewable heat future?", WWF Scotland suggests that achieving our climate change emissions targets will be impossible if we do not address heating.

As we have heard, according to RPP2, the aim is to decarbonise the sector by 2030, with 11 per cent of heating demand being met by renewables by 2020 as an interim target. If that target is to be achieved, we must drastically rethink the ways in which we produce our heat. According to WWF Scotland, current policy commitments are not adequate to achieve those targets without more regulation and more detail. That, of course, will come in part from the consultation.

Progress has been slow so far, as some colleagues have said, but Rob Gibson's suggestion of including a renewable heat indicator

in a future review of the national performance framework could be valuable.

As the Scottish Government highlights, there is a wide range of potential low-carbon solutions. I suggest that that is part of the reason why progress has been slow. As Sarah Boyack stressed, the question is what is suitable for what site and with what requirements.

As the Economy, Energy and Tourism Committee's 2012 report on the achievability of the Scottish Government's renewable energy targets pointed out,

"There is no heat network akin to the electricity and gas networks and, therefore, no straightforward market place for heat."

Lewis Macdonald and Kevin Stewart described the excellent Aberdeen Heat and Power, which is lowering costs and carbon. It is noteworthy that that expanding scheme uses gas, which is perhaps part of the reason for its easier expansion, as it fits with the centralisation model. However, we must move towards more local, district models, as Alison Johnstone and others highlighted. Jayne Baxter highlighted the Dunfermline community district scheme and the mix with anaerobic digestion. Often, a mix of the different technologies is useful.

Another solution could be to promote co-operative district heating schemes, similar to the one that is used in west Whitlawburn, which has been funded partly by the Scottish Government. That co-op has built a biomass district heating scheme, which serves 543 homes. Will the minister tell us whether there are plans to support other such projects? I welcome his announcement on the targets for district heating and the loans fund. As Alison Johnstone said, 70 flats should not equal 70 boilers.

Home heating becomes more complex when it comes to rural off-grid homes, but that provides an opportunity for low-carbon heating. Rural fuel poverty is stark, as Jayne Baxter, Rob Gibson and others stressed, and small-scale biomass could prove to be a crucial component in the heating mix.

In RPP2, the Scottish Government stated its support for promoting the use of biomass

"to optimise local supply"

and

"serve localised heat markets".

The Scottish Government is right to stress in the current consultation the need for further targeted use of biomass, especially for off-grid homes. I hope that it will be able to carry out meaningful and focused research to identify the most suitable sites.

There are good examples of that approach working well, such as Dumfries house in Ayrshire and the Douglas estate, near where I live, where there is a woodchip boiler for 11 tenants, the estate office and the workshop. However, the expense of changing boilers is still prohibitive and beyond the means of many households. I ask the minister to clarify whether the Scottish Government loans will support such change. If small-scale biomass is to be successful in supporting off-grid households, the issue of the wood pellet supply chain needs to be addressed so that there can be confidence in the market.

When I visited the Dormont estate near Lockerbie, I was very interested to find out about the benefits of passive housing. The houses there, which were built to the pioneering Passivhaus standards that originated in Germany, have very high levels of insulation and triple-glazed windows, and they are all south facing to ensure the maximum solar gain from their panels. They also have a wood-burning stove as a back-up for the solar panels. I hope that the success of those houses will prove the worth of the model and that it will be replicated in other areas. Wood supplies are becoming more costly for rural dwellers, but their price is nothing compared with that of oil alternatives. In addition, of course, wood is renewable.

Although we agree with Murdo Fraser that rural house building should not be hampered, we do not think that the building regulations should be slackened for house building in rural areas. Surely the important thing—in rural as well as urban Scotland—is to provide warm, affordable homes, so there is no point in building to lower standards.

Ground and air-source heating would be an ideal solution for many people who live off grid. In Carlisle in my region, a number of households have gone for air-source heat pumps, which are widely used in Scandinavia. I am pleased that there is a focus on such technology, as it will give a signal to companies that are based in Scotland to move into that area.

However, as our amendment states, challenged households and communities must be

“supported and not left in fuel poverty as heat is decarbonised”.

Other members have mentioned fuel poverty in urban and rural areas, and we have all focused on the central issue of energy efficiency and insulation. As our amendment and the Liberal Democrat one make clear, it is no use expending energy to keep warm if it just goes out the window. RPP2 states that the home energy efficiency programmes will be expanded to cover the whole of Scotland. I hope that the minister will address that in his closing remarks, in view of the 2016

target. I hope that he will also address the fact that, like the insulation measures, all the new technologies bring employment possibilities, which are an important consideration.

As Colin Beattie and Murdo Fraser said, geothermal systems have been used elsewhere, but it is a concern that research issues need to be addressed and that funding needs to go into such new technologies. I expressed similar concerns when we debated RPP2. I would also like the minister to clarify what support is to be provided for energy storage.

In its consultation, the Scottish Government rightly attaches importance to behaviour change and the need to reduce demand. Behaviour change is a crucial piece of the puzzle and I am pleased that the consultation addresses it, but there are many variables at stake when it comes to predicting a reduction in demand. Therefore, I agree with the consultation on the need for further modelling.

Sarah Boyack emphasises how essential the commitment of local authorities and other public bodies is to the success of heat decarbonisation, and the scale on which it must be implemented if the venture is to go forward. I welcome the minister's announcement of £60 million of funding, but I ask him to explain how the Government's plans for decarbonisation will fit with NPF3, given the remarks that have been made about local authorities.

A collective response is needed across Scotland and leadership is vital. If we are to have a warm future in which everyone in Scotland has affordable and decarbonised heat, we must all work together to that end. I encourage people across Scotland to take part in the consultation.

16:49

**Fergus Ewing:** I thank all the members who have taken part in what has been an extremely constructive debate. A wide range of useful speeches have been made by members of all the parties in Parliament, for which I am grateful.

The debate has been on the draft heat generation policy statement. I stress that it is a draft that is being consulted on. We are going through a process.

We are quite good at having this type of debate, but perhaps none of us is quite so good at following through and ensuring that the effort that we put into speeches in the debate is reflected in our efforts to perfect, improve and work together on the consultation document, which is what the policy statement is. I explicitly make the point that we want to gain from every party and from every member who has a sincere and genuine interest in

making progress on what is a largely shared set of objectives.

**Iain Gray:** The minister has made a fair point, and a number of members have said that they welcome the consultative nature of the statement. The consultation closes in June; does the minister have a timetable in mind for publishing a final version of the document?

**Fergus Ewing:** We want to make progress as quickly as possible, for the reasons that Iain Gray set out, which are that we want to move forward to meet the challenges because they are pressing urgent, especially for the people who are in fuel poverty throughout the country. I will want to move quickly; I do not have a timetable to hand, but I will respond to Iain Gray on that specific point.

I was making the overarching point that we can, working together, use the ideas that have been set out and the excellent contributions that have made in the debate to improve the policy statement and make progress.

**Liam McArthur:** As the minister did, I acknowledge that it is sometimes a weakness that we debate a subject then move on to other issues. The minister will have heard the concerns that Murdo Fraser, Rob Gibson and I expressed about the rural dimension in the document. I wonder whether it would be worth our while to pull together a small group—before the conclusion of the consultation—to look at the issues and, in particular, to ensure that the strategy addresses the concerns that have been raised.

**Fergus Ewing:** I will come on to address that subject because it is one of the most important points that has been raised. I do not seek to avoid it, so I will address it along with Liam McArthur's suggestion in a moment.

I will not have time to respond to all the points that members have made, but as I often say, I will ask my officials to go through each speech, and I undertake to respond in writing to members who made specific requests for responses.

I will deal with some matters now, however. Murdo Fraser and, I think, Iain Gray raised the issue of permitted development rights for air-source heat pumps. They made a fair point. My understanding is that the Scottish Government has introduced permitted development rights for many technologies, but not for air-source heat pumps, which has been due to noise concerns, although in England there are permitted development rights for the technology. I have seen air-source heat pumps—it is perhaps not fair to name the company—that seem to emit virtually zero noise, so although I am not an expert on the issue, I was somewhat surprised to find that noise is the reason why permitted development right status is not enjoyed by that method of providing heat. That

is a specific example of where further work by us in the next couple of months could play a part, because it is most certainly not a political issue.

**Sarah Boyack:** I welcome the minister's comment. Just last month, I visited the Mitsubishi factory in Livingston. It was interesting to be close to the technology and to find out how quiet it is—the minister is spot-on about that. The challenge is to develop a proportionate regulatory system, because there is a danger that we have fallen behind on a technology that could be fantastic for Scotland.

**Fergus Ewing:** I am familiar with the Mitsubishi product. Derek Mackay, who has responsibility for the issue, keeps such matters constantly under review. He and I would welcome further dialogue and debate on that and on other specific matters. Success will come down to making progress on a large number of specific issues.

On Alison Johnstone's question about Fountainbridge, I confirm that the district heating loan fund supports non-renewables opportunities, and the Energy Saving Trust has already passed contact details to the Fountainbridge initiative so that it can apply for a loan.

A great many members raised the off-grid issue, which is one of the most important issues of all. First, I state as a matter of fact that a substantial amount of resources and effort is directed towards helping to tackle fuel poverty in rural Scotland, especially off-gas-grid properties. A number of factual issues, which Mike MacKenzie touched on, make it difficult to tackle those problems; for example, there are often no cavities in the walls in which to put insulation. Liam McArthur pointed out the higher building costs on islands and elsewhere. All those points were well made. In addition, it is often extremely difficult to procure somebody who is accredited in a particular scheme to carry out work, especially on the islands. Even in Inverness, I have come across that as a practical problem. Those are all practical problems that require practical solutions. We have carried out a huge amount of work under the radar to provide those, but that does not mean that there are not still challenges; there are.

In 2013-14, the Government invested nearly £4.5 million in our interest-free home renewables loan scheme. We expect 500 loans, totalling £4.1 million, to be made this year. As a result of the uptake of the non-domestic renewable heat incentive—which will not, I think, be interest free—and our district heating loan fund, we have seen the development of a number of rural off-grid district heating schemes.

Therefore, many good things are going on, but challenges still remain, and they are substantial. More needs to be done to highlight the



opportunities and to make people aware of them—another point that many members made. We need to preach and get out the message about what the opportunities are in rural Scotland. That is not an easy thing to do, but all of us can play a part in that.

Fuel poverty is most prevalent among consumers in off-gas-grid rural areas. A point that has not been made is that there is another way to help to attack fuel poverty, although it is perhaps up to communities and not central Government to dictate whether that solution may work. I was in Stornoway recently; in the Western Isles, for example, there is an enormous opportunity to develop onshore wind energy. Incidentally, the same applies to a development in Shetland, which I should not mention, because it is sub judice. Enormous onshore wind developments allow the prospect of equally enormous community benefit payments or, indeed, community ownership options. Is it not a matter of justice that, if we have such schemes that are empowered through connections to our islands, which we all wish to see, the money that comes from the renewable energy that is generated by the wind should be used to tackle the fuel poverty that is created by the fierce cold that is generated by the wind? That benefit is on an enormous scale. It is up to the communities themselves, but that factor has perhaps not been mentioned in the debate.

A number of very interesting contributions have been made. Colin Beattie's contribution on geothermal energy was extremely considered and very thoughtful. We should all reflect on how we can take advantage of geothermal opportunities. Working with Mr Beattie and others, I will address that particular problem in the short term.

We heard from a number of MSPs including Lewis Macdonald, Kevin Stewart and Jayne Baxter about district heating schemes throughout the country. I have visited the one in Aberdeen, and have met Janice Lyon several times. She has helped us enormously in the expert commission on district heating, which I have co-chaired with Mike Thornton. Perhaps more than anyone else in Scotland, she is a dynamo for the promotion of district heating. I pay tribute to all her marvellous work over the years in keeping us politicians at it. We need people like her in Scotland. There is a great number of them out there who keep us at our task. Her achievement has been terrific, especially in the mixed phase of the extension in Aberdeen, as we heard from Kevin Stewart and Lewis Macdonald.

As Murdo Fraser identified, the difficulties are substantial; for example, there have been practical difficulties in retrofitting district heating schemes in tenements. Those difficulties have been

overcome, but we need to make haste slowly in order to sort out the problems.

Rob Gibson highlighted issues in Wick. There, of course, the main reason why there is a district heating scheme is that a biomass-fuelled steam boiler fires the Old Pulteney distillery, which I recently visited. I was happy to receive a gift of its world-beating award-winning 21-year-old malt. Not only do

"Freedom an' whisky gang thegither"

but heating and whisky gang thegither.

We debate electricity quite a lot and we have hotly contested politicised debates. This afternoon, we have debated heat instead of light. This afternoon, instead of more heat when we debate light, we have had more light when we have debated heat.

**The Presiding Officer (Tricia Marwick):** I will try to follow that. That concludes the debate on maximising the opportunities for Scotland from district heating and decarbonising the heat system.

## Decision Time

change targets while transitioning to a zero-carbon Scotland.

*Meeting closed at 17:01.*

17:00

**The Presiding Officer (Tricia Marwick):** There are three questions to be put as a result of today's business.

The first question is, that amendment S4M-09239.2, in the name of Iain Gray, which seeks to amend motion S4M-09239, in the name of Fergus Ewing, be agreed to.

*Amendment agreed to.*

**The Presiding Officer:** The second question is, that amendment S4M-09239.1, in the name of Liam McArthur, which seeks to amend motion S4M-09239, in the name of Fergus Ewing, be agreed to.

*Amendment agreed to.*

**The Presiding Officer:** The third question is, that motion S4M-09239, in the name of Fergus Ewing, as amended, be agreed to.

*Motion, as amended, agreed to,*

That the Parliament notes the publication on 4 March 2014 of the Draft Heat Generation Policy Statement for public consultation; agrees with the statement's ambition to deliver an affordable low-carbon heating and cooling framework for Scotland through to 2050; recognises that the policy statement establishes a strong foundation for decarbonising the heat system, helping underpin climate change targets, while offering real economic opportunities for business and industry along with affordable warmth for households; recognises the success of projects such as Aberdeen Heat & Power, Shetland Heat Energy & Power, the Glasgow Commonwealth Games Village, Fife Council's Dunfermline District Heating Network, Ignis Wick and the many small-scale renewable district heating schemes in rural Scotland; encourages all interested parties to respond to the consultation; further recognises that, if Scotland is to meet its climate change targets, it must acknowledge climate justice commitments and should ensure that communities and households that are financially challenged are supported and not left in fuel poverty as heat is decarbonised; understands the necessity of the active involvement of local authorities and all public bodies in the process of decarbonising heating in domestic and non-domestic buildings, and agrees that there must be robust energy efficiency measures to support heat and decarbonisation, along with awareness raising of the ways in which demand reduction can be addressed; believes that reducing energy demand at a domestic level is key to cutting carbon emissions; notes the importance that insulation plays in the heat hierarchy; considers that well-funded energy efficiency and insulation schemes are an important way of encouraging householders to reduce their energy consumption while also saving households money on their energy bills; welcomes the introduction of smart meter technology, which can help households and small businesses to monitor and reduce energy usage; notes that more than 50 million smart meters will be introduced to 30 million homes and smaller non-domestic properties in the UK by 2020, and believes that improving energy efficiency at as local a level as possible can help meet climate

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