



OFFICIAL REPORT
AITHISG OIFIGEIL

Rural Economy and Connectivity Committee

Wednesday 19 August 2020

Session 5



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.parliament.scot or by contacting Public Information on 0131 348 5000

Wednesday 19 August 2020

CONTENTS

	Col.
STONEHAVEN RAIL ACCIDENT	1
FISHERIES BILL	2
DIGITAL CONNECTIVITY	15

RURAL ECONOMY AND CONNECTIVITY COMMITTEE
17th Meeting 2020, Session 5

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

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

COMMITTEE MEMBERS

*Peter Chapman (North East Scotland) (Con)
*John Finnie (Highlands and Islands) (Green)
*Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)
*Emma Harper (South Scotland) (SNP)
*Richard Lyle (Uddingston and Bellshill) (SNP)
*Angus MacDonald (Falkirk East) (SNP)
Mike Rumbles (North East Scotland) (LD)
*Colin Smyth (South Scotland) (Lab)
*Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Caroline Cowan (Scottish Government)
Clive Downing (Scottish Government)
Fergus Ewing (Cabinet Secretary for Rural Economy and Tourism)
Paul McCarthy (Scottish Government)
Robbie McGhee (Scottish Government)
Paul Wheelhouse (Minister for Energy, Connectivity and the Islands)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

Virtual Meeting

Scottish Parliament

Rural Economy and Connectivity Committee

Wednesday 19 August 2020

[The Convener opened the meeting at 10:00]

Stonehaven Rail Accident

The Convener (Edward Mountain): Welcome to the 17th meeting in 2020 of the Rural Economy and Connectivity Committee. Apologies have been received from Mike Rumbles.

Before we start the formal part of the meeting as laid out on the agenda, I would like to make a brief statement on behalf of the committee. At 9.43 this morning, railways across Scotland and much of Britain fell silent to mark the tragic derailment of a train just one week ago at Stonehaven. The accident resulted in the sad loss of three lives.

Time will tell on what lessons need to be learned from the accident to ensure that it is never repeated but, now, we would like to pass on our thoughts and support to the families of Brett McCullough, Donald Dinnie and Christopher Stuchbury. We know and can appreciate how deeply you will miss them, as indeed will all their friends and work colleagues. To all of you, we would like to say that we share your pain.

I also put on record our thanks to all those in the emergency services who responded to the event. They did so in a way that demonstrated their true professionalism.

I would now like to return to the agenda and move to item 1.

Fisheries Bill

10:01

The Convener: Agenda item 1 is consideration of a legislative consent memorandum—LCM-S5-41, which was lodged by Fergus Ewing, the Cabinet Secretary for Rural Economy and Tourism. The LCM relates to the Fisheries Bill, which is a piece of proposed United Kingdom Parliament legislation. As the lead committee, we are required to reflect on the memorandum and consider whether we are content with its terms. We will then report our findings to the Parliament.

The Delegated Powers and Law Reform Committee considered the LCM yesterday, and members have a note of its comments.

I welcome, from the Scottish Government, Fergus Ewing, the Cabinet Secretary for Rural Economy and Tourism; Caroline Cowan, head of European Union exit in the directorate for Marine Scotland; Paul McCarthy, policy manager; and Marie Penman, lawyer.

I invite the cabinet secretary to make an opening statement of up to three minutes.

The Cabinet Secretary for Rural Economy and Tourism (Fergus Ewing): Thank you, convener, and good morning to all members of the committee. Thank you for giving me the opportunity to discuss the UK Fisheries Bill and the legislative consent memorandum.

You will have noted that I have recommended that we consent to the bill as introduced in full. Unlike for other UK bills, the co-operative working between officials and indeed ministers in the Scottish Government, the Department for Environment, Food and Rural Affairs and the other devolved Administrations has demonstrated what can be achieved when the UK Government seeks to work with us and not impose its plans on us.

I also contend that the bill, to be frank, would be the poorer without our input. The input of Scottish expertise and knowledge has, I believe, significantly improved the bill from the original draft and from its previous iteration, and I think that DEFRA has recognised that as well.

This Government believes that the UK Government's failure to seek an extension to the Brexit transition period is reckless and is creating unhelpful cliff edges on a host of policy matters, including fisheries. However, we have made it clear that, as a responsible Government, we will work on a four-nations basis so that we are as prepared as we can be for the end of the transition period.

The Fisheries Bill seeks to ensure that we have a legal framework to operate outside the European Union so that we can deliver sustainable fisheries management in tandem with the protection of the marine environment. I am confident that the bill gives the Scottish ministers and the Scottish Parliament the necessary powers and tools to do that in a way that respects devolution.

I appreciate that there is some concern about the Parliament's role in the context of some of the provisions in the bill. I fully agree that the Parliament should continue to have the ability to undertake effective scrutiny. The joint fisheries statement, which sets shared high-level objectives for the whole UK, will be laid in each of the four legislatures before being finalised. When it comes to UK-wide legislation, I envisage that being the exception and certainly not the norm. I welcome that the protocol that has been developed will ensure that the Parliament has a scrutiny role, and I will be happy to discuss that further, if the committee wishes.

Finally, although the LCM relates to the bill as introduced, you might be aware that a number of amendments were made to the bill in the Lords stages. I have written to the UK fisheries minister, Victoria Prentis, to set out our position on those. In particular, I am keen for the amendments on landing and remote electronic monitoring to remain in the bill, but I cannot accept them as they are currently drafted, as they clearly impinge on the devolution settlement. Therefore, I have asked my officials to work with DEFRA to see whether modifications can be made to protect devolution. I will keep the committee informed of developments, as necessary.

The Convener: Thank you. We move to questions from members.

John Finnie (Highlands and Islands) (Green): Good morning. Cabinet secretary, you mentioned the bill's passage through the House of Lords. A number of individuals have highlighted to us the lack of legally binding duties and targets in relation to achieving fisheries management objectives, including sustainable fisheries stocks, net zero emissions fishing fleets and the duty to fish at sustainable levels.

We have received a briefing from the Marine Conservation Society, WWF and RSPB Scotland, which talks about the importance of

"putting environmental sustainability first and foremost in our fisheries management regime."

Concern has also been expressed about the absence of a legal duty on the Scottish ministers to produce fisheries management plans. With regard in particular to local fisheries management, how will the committee be able to measure the

Scottish Government's progress in producing fisheries management plans?

Fergus Ewing: The starting point of my response is to say that, as members know, in 2019 I published "Future of fisheries management in Scotland: national discussion paper". The discussion phase ended last year and an analysis of the responses to that phase is near completion; I expect to revert to the committee shortly with the timescale for the publication of that analysis. The process and the responses were very positive.

It is essential that we recognise that we must promote the long-term sustainability—environmental, social and economic—of stock as well as its optimal utilisation. The principles of sustainable fisheries always underlie our approach to negotiations and were set out clearly in our discussion paper, in the context of fisheries as a devolved topic.

On the House of Lords amendments, we support the intention behind them but think that further work needs to be done on the technical wording. I will bring in Caroline Cowan and her officials to respond to the technical aspects of Mr Finnie's question.

John Finnie: I thank the cabinet secretary for his comments. In the briefing that we have received, we are told:

"In Scotland, the Marine Atlas identifies fishing as the most widespread pressure on our seas alongside climate change, and the National Performance Framework Indicator on sustainability of fish stocks shows that just 54% are harvested sustainably."

What steps can be taken to improve that situation?

The Convener: Cabinet secretary, do you want to bring in your officials now?

Fergus Ewing: I think so. We are guided by sustainability and always pursue that principle in the negotiations. In practice, we take scientific advice from the International Council for the Exploration of the Sea, and the negotiations are informed by that science.

As the original question covered some technical aspects of the legislation, it might be helpful if Caroline Cowan comes in or brings in another official, if appropriate.

Caroline Cowan (Scottish Government): Thank you, cabinet secretary. With regard to fisheries management plans, clause 6 of the bill requires each Administration to produce such plans, so there is a legal obligation to do so.

We are still working across the four Administrations to look at existing indicators—such as those in the national performance framework, those that are set by ICES and those in the sustainable development goals and under

the United Nations Convention on the Law of the Sea—to identify exactly which ones to use. I understand that they will be part of the plans for measuring progress.

With regard to the House of Lords amendments, as the cabinet secretary said, the key issue of concern relates to the devolution aspects. As the amendments are written, they would not allow the Scottish ministers and the Scottish Parliament to produce the regulations in an area that is within our competence, so we are seeking to work with our UK Government colleagues to address that.

I remind Mr Finnie that the bill includes the climate change objective, which we will be required to demonstrate how we are meeting. In addition, if I remember rightly, the Scottish climate change legislation sets certain targets and obligations.

John Finnie: I am grateful for the detail in the reply, but it did not cover local fisheries management plans. Could we hear something about that?

Caroline Cowan: If I may, I will hand over to Paul McCarthy, who is the lead on such matters.

Paul McCarthy (Scottish Government): As Mr Finnie has noted, there is an obligation on the four fisheries Administrations to produce fisheries management plans, which will cover mainly the stocks that are shared between the Administrations—in other words, the widely distributed stocks or the stocks in the North Sea, such as haddock, whiting and cod.

For the more local stocks that are not shared, such as crab and lobster, I believe that we are looking to bring forward management plans through our “Future of fisheries management” consultation document. I imagine—although I am not as linked into this area—that those will be steered mainly by the regional inshore fisheries groups, which are our main co-operative bodies for the management of local inshore fisheries.

The Convener: I have a quick question for Mr Ewing about fisheries management plans. Will those be laid before Parliament? Will Parliament have a chance to scrutinise them?

Fergus Ewing: I think that we will wish to consult Parliament. As far as the legislative commitment is concerned, to be accurate, I would like to check with officials to see whether there is any specific legal requirement. As the convener knows, we are subject to scrutiny, quite properly, now and in the future. The approach that I seek to take is to involve Parliament fully in any substantive issue of importance. I hope that I follow that approach. However, I do not want to transgress and commit any technical infelicity, so I

will pass the question to our legal expert, Paul McCarthy.

Paul McCarthy: As the committee will be aware, the bill imposes a legal obligation on the four Administrations to lay a draft of the joint fisheries statement before each legislature for scrutiny. There is no similar obligation with individual fisheries management plans, but the joint fisheries statement must contain a list of all the fisheries management plans that will be taken forward. It will then be up to each Administration to decide how best to consult on the details of their individual fisheries management plans.

10:15

Maureen Watt (Aberdeen South and North Kincardine) (SNP): Cabinet secretary, you said that there had been good co-operation among the Governments on the Fisheries Bill, which is to be welcomed. How did the Scottish Government manage to strengthen the bill? Are you confident that the devolved competences will be respected, given that, as the DPLR Committee highlighted, a lot of power is being devolved to the secretary of state, rather than to the Scottish Government?

Fergus Ewing: I thank Ms Watt for the question. I will respond with what is possibly the most important point that I will make this morning, which is that we are not delegating legal powers to the UK Government. In certain circumstances, where it is a matter of important administrative convenience, we propose to pass functions to the UK Government to be carried out. It is important to emphasise a point of principle, which is that, in recommending the LCM, we are not, in my judgment or according to the advice that I have had from my legal advisers, doing anything that passes powers to the UK Government.

To put it another way, nothing would be done without our consent. Any decision to allow the UK Government to exercise decisions in relation to matters would be taken only on the basis that we consent to those functions being carried out in that way.

I can give a detailed example that really gets to the meat of the thing. If the conversion factors for weighing fish were different in one part of the UK, that would, in effect, give additional quota to that part of the UK. I am talking about when fish are gutted on a vessel before landings, and the decision has to be made about measuring the landings in terms of assessing the quota utilisation. If those rules were different in parts of the UK, it would be tantamount to passing additional quota. That is a technicality, but I thought that the committee would be interested to know what exactly this would mean in practice.

The key thing is that nothing will be done without our consent. It will be possible for things that the fishing community wish to be done without, if you like, politics intruding to be done by administrative arrangement, but only if the Scottish Government and the Scottish Parliament are broadly in favour of that.

Maureen Watt: My next question follows on from John Finnie's questions about sustainable fishing. You and I have been in this game long enough to know how important it is that all parties involved agree on the data. It has taken us a long time to get to sustainable yields, and a lot of that is based on the data that we get from ICES. Will all parties in the negotiations still have access to the same data, presumably from ICES?

Fergus Ewing: My understanding is that that is the case. Plainly, the international negotiations need to be informed by science that is acknowledged internationally. That does not mean that there are not occasions when the advice is subject to questioning. Particular issues arise when it is argued that the data on the basis of which ICES draws its conclusions may be slightly out of date, or when fishermen argue that patterns of movement of fish from one block to another may not have been taken into account in the conclusions. That is just one example.

The key thing is that the advice will be informed by internationally accepted evidence, which is the only way in which international negotiations can be conducted.

The bill is a piece of paper; by itself, it cannot guarantee sustainable fisheries management. We need to have a set of policies—as do all other nations—recognising international obligations and the need to apply those obligations in practice in sustainable fisheries management, taking into account environmental, social and economic factors.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): The fisheries objectives are not legally binding duties, so targets are not set. Following on from John Finnie's question, how can you ensure that sustainable fishing is practised to ensure a future for the livelihoods of fishermen, their communities and future generations?

Fergus Ewing: That is a wide question. Broadly speaking, legislation sets out a set of principles, and it is up to Governments, either nationally or internationally—in this case, both nationally and internationally—to apply those principles in practice. As I said a moment ago in response to Maureen Watt's question, legislation by itself cannot guarantee sustainable fisheries. There needs to be a willingness and a shared determination—this addresses John Finnie's question—to apply the principles in practice.

As I have said before, by itself, the law is just words on a page; it needs to be implemented in a way that meets our environmental aspirations but also provides fishermen and fishing communities with a reasonable return, which involves the application of those principles in practice.

I am not quite sure what Rachael Hamilton is getting at. If there is a technical aspect to the precise significance of law in this respect and Paul McCarthy has anything to add, perhaps he could do so now. If time does not permit, however, he could respond to the committee later, although time is short for consideration of the matter.

The Convener: It is, indeed. Does that answer your question, Rachael, or do you want to come back in?

Rachael Hamilton: Baroness Young of Old Scone made a comment about putting a legally binding duty on

“public authorities to achieve these objectives and be accountable”.

However, if we are short of time now, perhaps we can come on to that when we talk about the matter in the chamber.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): The Scottish Government has additional duties due to Brexit, so I want briefly to explore resources to support enforcement.

Given that Scotland accounts for about half of the UK's fishing industry, and a great deal more than that when it comes to fishing opportunities, and given that the Barnett consequential that we might derive from additional expenditure south of the border would be provided only on the basis of population size and, therefore, would cover only a small fraction of any additional costs that we might incur, has the cabinet secretary had discussions about the additional resources available to Scotland that were promised by politicians during the Brexit referendum debate?

Fergus Ewing: Yes. I have had discussions about those matters with a succession of ministers, principally with George Eustice, who is now Secretary of State for Environment, Food and Rural Affairs, but who was formerly the fisheries minister. I have had constructive discussions with him.

To answer Mr Stevenson's question directly, it is undoubtedly the case that, given the share of fish that lies off Scotland's coasts, the funding received under the European maritime and fisheries fund—the EMFF—has not provided sufficient, commensurate financial support for overall investment in ports and harbours, improved capacity, ice-making equipment and a whole load of other valuable things for the industry. That has been the case within the EU. We have had

funding, but I do not think that we have had sufficiently fair funding.

Secondly, within the UK, we have not yet had clarity about the future replacement of the EMFF post-Brexit.

My understanding is that those are not really matters that will be determined under the bill, which covers a lot of things. The issue is more one of discussion and consideration with the UK Government. I can absolutely assure Mr Stevenson that the matter is an extremely serious one, and I have raised it with successive secretaries of state. It was discussed when Mr Gove made a recent visit to Scotland and when we met in Buckie. I and colleagues raised that and other issues in the course of that meeting.

It is an extremely important issue, as are many other issues, but it is not one that will be determined in itself by the provisions of the Fisheries Bill, as I understand it.

Peter Chapman (North East Scotland) (Con):

I start by giving my thanks to Mr Ewing and his officials for the positive way in which the bill has been dealt with. It is great to see the two Governments working constructively together, and I hope that is an example of how future negotiations on the many issues that Brexit brings up will be conducted. I want to put that on record; this is a very positive outcome for our fishermen across the whole of the UK, and I thank the cabinet secretary for achieving that.

I understand that the Fisheries Bill is not about the detail, but it would be remiss of me not to ask the cabinet secretary, on behalf of our fishing fleet in the north-east, about what thought has been given to the future pressure from EU countries to continue to fish in our waters, as they have been doing previously. Our fishermen expect a bigger share of our fish in our waters. I just wonder how much consideration and thought has been given to how we are going to proceed. We will be out of the EU in a few short months, and our fishermen are expecting bigger opportunities to catch fish in our own waters. Where are we with those thoughts and discussions?

Fergus Ewing: I thank Mr Chapman for his gracious comments. It is right that we should be constructive where we can. I can be persistent—some people may even say difficult—but never gratuitously so: it is only to stand up for Scotland's interests. I have found that a good, workmanlike relationship with Mr Eustice in particular is an assistance. I have worked with him at the Brussels negotiations for the past four years, and that tends to allow a close relationship to build up. That is probably more important, if anything, between officials, as they work on a day-to-day basis in a way that perhaps does not happen in other areas.

I do not want to get carried away, however, as if this is some sort of glee club, because it ain't. Just yesterday I had a conference call with leading players in the prawn sector, and they are really worried about the future of the sector and the potential continuing loss of the Spanish market, even after some kind of solution to Covid is, hopefully, found.

At the meeting with Mr Gove in Buckie, significant concerns about loss of market were raised by processors and fishermen. Concern was also expressed about a lack of clarity on the EMFF and the continued availability of labour post-Brexit.

There are differences, but—to answer the second part of Mr Chapman's question—my job is to make sure that Scotland's interests are best represented in the negotiations. Sadly, although at the meeting in Buckie I asked Mr Gove whether we could be involved in the talks, rather than being outside the room and getting a briefing afterwards, he has not yet come back to us.

10:30

The Convener: I know that we are discussing an important subject, and I do not want to curtail anyone's questions, but short questions and short answers always make conveners happy. I like to be a happy chappie.

I invite Emma Harper to ask her questions.

Emma Harper (South Scotland) (SNP): Good morning. You said that the Fisheries Bill is better as a result of input from the Scottish Government, which is good to hear. It might be worth your expanding on that. In addition, could you clarify whether the bill applies to all fishing within the established exclusive economic zone? Will it work along with the inshore fisheries legislation? I am thinking of the 12-mile zone of our territorial waters.

John Finnie mentioned fisheries management plans. Crab, lobster and scallops are extremely important on the west coast, especially in the Solway waters in the Irish Sea. Does the bill apply to inshore fishing?

Fergus Ewing: It sets out the principles that will apply to all fishing, but it will apply to different segments of the fisheries sector in different ways. Some fish species are subject to quota regulation and some are not—for example, nephrops are, but other shellfish types might not be.

It is a largely technical question, and I would answer it by saying that fishing is devolved to Scotland, and inshore fisheries management is substantially the responsibility of the Scottish Government. We set out some proposals for reform and improvement of inshore management—in particular, to allow decisions to

be taken at a more local level, with greater local input from those involved, rather than being directed from Edinburgh. Our proposals also covered the bringing in of new entrants. The overall cost of getting in, which includes the cost of new vessels and licences, is quite high. Additional quota could be devoted to new entrants and preserved for local communities. Those are things that we can do. As I understand it, such things will not be impeded at all by the Fisheries Bill. If they were to have been, we would have had a lot to say about it.

I am conscious of the fact that each of the questions involves a substantive policy element and a technical element. If I have misspoken in any way on the technicalities, I might ask my officials to correct me today, if that is okay. However, I do not think that I have, so instead of taking up more time by bringing them in, I might just pass back to the convener for the next question.

The Convener: Thank you for offering to provide clarification if anything that you have said is not quite spot on.

We move to questions from Colin Smyth.

Colin Smyth (South Scotland) (Lab): I have a question about the fisheries objectives. In its consideration of the bill, the Environment, Climate Change and Land Reform Committee noted that

“in reality, some objectives will be prioritised over others and ... the Bill does not include a dispute mechanism”.

That issue was also raised in the House of Lords debate.

How do you envisage that joint working will manage trade-offs between the different fisheries objectives or disputes between fisheries management authorities? Does the Government think that clarity is needed on the hierarchy of the fisheries objectives? Could the relative importance of the different objectives be made clearer in the bill?

Fergus Ewing: Again, there is a substantive aspect to that and a technical aspect. On the substantive side, it is my experience—I now have four years’ experience of this—that, in practice, the application of the principles is done through a long-established process of negotiation.

Some of those negotiations are carried out *infra* the UK, some are carried out with the EU and some are carried out with countries such as Norway, Iceland and the Faroe Islands. It is a long-established process. The negotiations are always informed by science, and that will continue to be the case. Leaving the EU does not mean that we dispose of the requirement to heed or have regard to sustainability. However, those principles are best put into practice by

Governments that are all subject to international law and that engage not only with fishing interests but with environmental non-governmental organisations. I will meet those NGOs again shortly to discuss all the important issues that are involved.

The role of the law should be to set out the principles rather than try to dictate a particular approach, which is fraught with issues. That is my substantive response. I do not think that there is a need for a technical answer but, if there is a technical argument in which I am not fully versed, we will freely come back on that. I appreciate that an LCM is substantially a technical measure, but members are rightly concerned about very important substantive policy issues.

Angus MacDonald (Falkirk East) (SNP): You might be aware that the Environment, Climate Change and Land Reform Committee, of which I am a member, has raised a number of points with this committee, including issues raised by peers in the House of Lords, which have already been referred to today. In addition, the ECCLR Committee has noted your previous reference to the Scottish Government’s intention to dynamically align with EU standards and regulations. Given that and given the keeping pace provisions in the Scottish Government’s UK Withdrawal from the European Union (Continuity) (Scotland) Bill, to what extent will Scotland have the practical ability within the UK internal market to set different policies for fisheries?

Fergus Ewing: That is largely a technical question, but I am satisfied that there is the ability for policy divergence within the four nations of the UK, where that is appropriate. The key point is that no decisions would be taken with regard to the exercise of powers without the consent of the Scottish Government and the Scottish Parliament. It is important that the Government and the Parliament work together to get a *modus operandi* for how all this works out in practice.

The issue is probably mostly technical, so I would be grateful if Caroline Cowan could have an opportunity to add anything that she thinks is germane.

Caroline Cowan: The joint fisheries statement provisions in the bill recognise that, as Mr Ewing says, different policies may be applied in each Administration, in recognition of the spatial and biological nature of fisheries.

In relation to interactions with other environmental legislation, my understanding is that the continuity bill applies to all areas within the Scottish Parliament’s competence, so anything in that would have application to fisheries, right out to the 200-mile limit. Clearly, marine environments are a little more complex, because of executive

devolution. If the committee is interested in that, it is probably best if we write to you on it, given the complexities.

I hope that that answers the question.

The Convener: I will bring Angus MacDonald back in briefly with one further question.

Angus MacDonald: Thank you, convener. I have more questions via the ECCLR Committee so, if we cannot cover some of them today, it would be helpful if we could write to the cabinet secretary with them.

To the frustration of, I think, everyone, information is not yet available on the detail of the governance arrangements for common frameworks. It is clearly unhelpful that we cannot scrutinise the common framework governance arrangements alongside the legislative proposals. I ask the cabinet secretary whether he can shed any light on where the bill fits in to the UK common framework on fisheries.

Fergus Ewing: The bill sets out the overarching legislative principles, which then need to be applied in practice. Yes, there is a lot of work to do and I hope that it can be done through adopting a constructive approach. The framework that the bill sets out that preserves the principle of the Scottish Parliament not being obliged to do things or being forced to do anything without its consent is the key issue. Where there is a will to work together, that can happen.

My concerns about fisheries issues are really more about the political decisions such as the negotiations that are being conducted in Brussels as we speak, access to markets, availability of financial support, access to labour, and the fact that we cannot resolve the ridiculous restrictions that apply to crew, particularly those from the Philippines. That last is absurd; it has been going on for years and years. I am afraid that we have argued about it with the UK Government, with support from across all parties in Scotland, and we have not got anywhere. There is a distinction to be made between legal issues and substantive issues. In my view, the legal provisions in the bill will not impact directly on many of the substantive issues that are more of political consideration than technical and legal matters.

That is a key distinction. Whatever one's views about substantive issues, most of them will not really be determined by the bill.

The Convener: Angus MacDonald wants to come back in; please be very brief.

Angus MacDonald: It will be, convener. I have one salient question that picks up on what the cabinet secretary said. What arrangements are in place for the Scottish Government to participate in

the international negotiations on fisheries that he has just referred to?

Fergus Ewing: The answer to that is that the UK Government has not agreed to the requests that we have made repeatedly, most recently at the said meeting in Buckie with Mr Gove. He was, as always, impeccably polite and undertook earnestly to revert to me on that, but I am still waiting. It is never too late, Michael!

To be serious, we have requested that we be fully involved but we have not been so. Our officials have been involved to some extent, but the risk is that, unless we are involved to the fullest extent that we enjoyed in the annual round of negotiations in Brussels, and also the vital negotiations with Norway, the Faroes, and Iceland, it is common sense to say that there is a risk that decisions will be taken without Scotland's position being fully set out, expounded, and advocated. That could lead to detriment to Scotland. That is a salient risk, setting aside the larger political questions about how realistic it is that the UK Government will implement the promises of the sea of opportunity, which was the promise that was made during the Brexit referendum campaign and subsequently.

The Convener: Thank you, cabinet secretary. I am afraid that our time was limited and the committee has been under quite a lot of pressure on this legislative consent memorandum, including getting the report back from the Delegated Powers and Law Reform Committee, which has been less than satisfactory. However, we are where we are. I have posed the question and I have not had a response from anyone on the committee, so it appears that we are, in principle, agreed with the LCM. However, there are some questions that we have not managed to ask, cabinet secretary. I do not believe that any member of the committee intends to hold up the process of the LCM, but the clerks will write to you with those questions so that we can have answers to them as a matter of record. That is probably the best way of dealing with things. When the cabinet secretary's answers come in, they will be circulated to committee members.

Are we content that the committee's report should recommend that the Parliament agrees to the draft motion as set out in the LCM? I see that we are all agreed.

I thank you, cabinet secretary, and the witnesses for participating in this remote committee meeting. I will suspend the meeting briefly before we move on to allow broadcasting to shuffle the players around on the screen.

10:45

Meeting suspended.

10:46

On resuming—

Digital Connectivity

The Convener: Item 2 is an evidence session on digital connectivity. This is our regular update on digital connectivity and broadband issues from the Scottish Government. Our last one was in January.

I welcome from the Scottish Government Paul Wheelhouse, Minister for Energy, Connectivity and the Islands; Clive Downing, reaching 100 per cent programme director; and Robbie McGhee, deputy director, digital connectivity. I invite the minister to make a brief opening statement of about three minutes.

The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse): Thank you, convener, I am grateful for this opportunity. First I will associate myself with your opening remarks on the tragic events at Stonehaven and your kind words for the emergency services.

I am pleased to be here to update the committee on our progress towards ensuring that every home and business in Scotland has access to superfast broadband, at speeds of 30 megabits per second or better.

Although the committee has been well aware of the importance of digital connectivity, the past three months has thrown it into even sharper focus, as we have all had to adapt how we work—including in this meeting this morning—as well as how we access healthcare, do business and socialise with friends and family.

The committee has requested that today's session focuses on each of the three contract areas, or lots, as I might refer to them, of the reaching 100 per cent, or R100, programme. We have also sought to answer in writing your queries on the Scottish broadband voucher scheme, which I hope was useful, but I am happy to answer any further questions about it.

Before we move on to R100, I would like to put on record my huge appreciation for the difference that the digital Scotland superfast broadband—DSSB—programme has made. The Highlands and Islands contract will continue building until the latter part of this year, reaching further locations in the Western Isles, Highland and Moray. Despite challenges due to Covid-19, the rest of Scotland contract has kept up momentum and is now in the close-down phase. Together, those contracts have laid over 16,000km of fibre cable, installed more than 5,000 roadside cabinets and connected more than 950,000 premises, which is 110,000 more than was initially expected.

I want to take the opportunity to thank everyone who has been involved in the DSSB programme, on behalf of our partners. Their efforts have helped extend fibre broadband to around 98 per cent of premises across Scotland. According to data from thinkbroadband, around 94 per cent of those have superfast broadband access. It is a remarkable achievement, reached in combination with commercial development, of course. I hope that the committee will join me in expressing our gratitude and appreciation.

As the committee is aware, the provision of broadband infrastructure is primarily a commercial matter. On that front, telecoms infrastructure providers are rolling out further and faster, which had led to announcements of new fibre investment across Scotland from, for example, Openreach, Virgin Media and CityFibre. However, we also know that commercial providers, when let alone, will not ensure 100 per cent access to the connectivity that we all need and have come to expect.

At the end of last year, we announced that we had signed contracts with BT for the £83 million central lot and the £133 million south lot of the R100 procurement. I am pleased to tell you that work is under way on both the lots. Detailed survey work has been completed in Biggar, with further detailed survey work under way in areas including Dumfries, Maybole, South Queensferry, Burntisland and Perth. We expect the first premises to benefit directly from the new services by the end of the year.

In addition, as of this week, residents and business owners can use our updated online address checker to find out whether they are covered by one of the two contracts, when to expect access and whether they are eligible for a voucher from the Scottish broadband voucher scheme. That will prove a useful tool for individuals and businesses as we move through delivery of R100.

The SBVS, which is our main voucher, will be available to connect the relatively small number of premises that will not be reached by the contracts that we have in place. In addition, an interim voucher will ensure that each and every premises can obtain access by the end of 2021, irrespective of whether it is in later contract plans, for example if it is due to receive full-fibre investment but only after 31 December next year.

We have also been working closely with the UK Government to join up our respective voucher funding and processes, to maximise the impact across Scotland. I can confirm that an agreement is in place, and I will be able to say more on that in the near future, alongside my counterpart, Matt Warman.

Given the on-going legal challenge, I am sure that members appreciate that I cannot comment on the detail of the R100 north lot, but I can confirm that the customers in the north can benefit from the SVBS funding to make progress while the court case is under way. I am happy to answer any questions relating to other aspects of R100, convener, and thank you for your forbearance this morning.

The Convener: Thank you very much, minister. I say to everyone that we have a lot of issues to get through, so short questions and short answers will work well.

Emma Harper: I welcome the work that the minister and his team are doing to connect Scotland. It is of demonstrable necessity because the coronavirus has meant that there has been home schooling and home working, with businesses having to be run from home.

I am interested in the changing completion dates. Are there likely to be breach of contract penalties if the completion dates are missed for lot 2, which is the central region, and lot 3, which is the south region?

Paul Wheelhouse: I thank Emma Harper for her kind remarks. Clearly, we are affected by the impact of Covid-19 but, thankfully, not as significantly as I would have feared. Up until now, work on the R100 programme has been mainly desk based, but outdoor works have now resumed in the central and south lot areas. To date, there has been no known impact as a result of Covid-19 although, obviously, we have put in place physical distancing and lockdown measures.

You ask a fair question about the constraints on the contractors in relation to delivery. We are working closely with Openreach and BT to maximise the rate at which we can build the programme and ensure that we do everything we can to avoid delays.

The contracts are state-funded interventions, which enable the contractor to deploy its own infrastructure in areas that are not commercially viable, and the asset network is owned by the contractor on completion.

Obviously, the programme is being delivered in a series of phased milestones. Payment for each phase is based on the cost of deployments to the premises and will not be made if premises are not connected without reason. Once a milestone has been achieved, action is taken to ensure that the network is performing correctly before payment is made.

However, it is relevant to point out the performance of DSSB. The supplier, as is the case with DSSB—has a big incentive to deliver early, because it does not start receiving income from

premises until the customers are signed up to the services. Frankly, we have had a higher take-up than we initially modelled under the programme.

There is a commercial incentive for BT to deliver quickly, but I hope that it is of some comfort to know that we will continually monitor the delivery of R100 and that payments are linked to the connection of infrastructure and the testing of the infrastructure to make sure that it is working.

Everyone is working together to get as fast a result as possible. We continue to examine how we can work with BT and Openreach to accelerate the build and catch up.

Emma Harper: Thank you.

Paul Wheelhouse: Convener, I neglected to answer the point that Ms Harper raised regarding dates. To help the committee, it would be fair to say that we still expect the vast majority of the contract build in the south and centre to be completed by the end of 2023. I appreciate that that is beyond 2021, which is why we have put in place the voucher option for people who need the service before that time. By the end of 2023, we expect 96 per cent of the contract build in the central lot to be complete, and in excess of 80 per cent for the south lot. The south lot has full delivery of fibre to the premises, which is a slower build, but those customers who need an earlier service can benefit from the interim voucher that we announced this week.

Emma Harper: I welcome the announcement about the vouchers.

There are three elements to the R100 programme: procurement, commercial build and aligned interventions. Can you confirm that the £600 million allocation is just for the procurement element? Is the £600 million figure still accurate, given the time delays?

Paul Wheelhouse: Yes, I can confirm that. Ms Harper raises another fair question. The £600 million just covers the three procurement lots that I have referred to: the north, south and central lots. It does not cover the cost of the Scottish broadband voucher scheme, which is additional to that. I can therefore confirm that we will be committing additional funds, on top of the £600 million, through the voucher scheme. I hope that that is helpful to Ms Harper.

Emma Harper: You have mentioned that 96 per cent of premises in the central lot and 80 per cent in the south will have been connected. Is that percentage coverage directly and solely attributable to Government intervention, rather than commercial roll-out? I note that 47,000 premises have been reached in the central lot, for example. What proportion of that will be by R100

intervention and what proportion will be by commercial coverage?

Paul Wheelhouse: I am keen to answer that point. I should make it clear that, when I was referencing the 96 per cent and 80 per cent—in fact, it is 81 per cent—for the south, that refers to the remaining properties that R100 is delivering. In much of the central and south Scotland lot areas, coverage is already in excess of 80 per cent. In the Borders, for example, we already have well over 80 per cent. In fact, I have some more figures for Ms Harper, who I know is interested in Dumfries and Galloway. The figure there is already 85.8 per cent for superfast coverage; in the Borders, it is 87.8 per cent. The figures that I quoted earlier referred to the properties that are covered by our lots—that is, the remaining premises that have yet to be connected.

On the figures that Emma Harper was quoting, in the south lot there are now approximately 22,000 premises in the updated intervention area, which is a reduction from 27,000 since I last addressed the committee. That is because of additional commercial build. BT has indicated that it will build to around 21,000 of those 22,000 premises in the south through the R100 contract and will deliver to around 800 commercially. That leaves 194 premises that would have to benefit from the main £5,000 voucher that we have announced this week.

I believe that 32,000 of the 41,000 premises in the central area would be delivered through R100. BT indicates that it will build to around 4,700 of the remaining 9,000 premises, leaving just over 4,000 that are eligible for the voucher scheme. That gives the total of 41,000 between those three groups.

I hope that that is helpful to the committee.

Emma Harper: It would be useful if the minister could give us an update on the number of houses, which is coming down and down. I think that everybody will welcome the R100 programme as it is rolled out and everybody gets connected.

11:00

Paul Wheelhouse: We can certainly provide updated totals for the contracts in writing, convener, if that would be helpful. Regrettably, I cannot comment on the composition in the north lot area. We could perhaps give the overall number, but not the split, because that will be determined by the outcome of the legal challenge. We can provide more detailed figures for central and south just to confirm those numbers for committee members.

Stewart Stevenson: I thank the minister for the parliamentary answer that he gave me on the

voucher scheme. However, before moving on, I would like to follow up on something that he may wish to reply to in writing.

Where has the database of addresses for the voucher scheme come from? My personal inquiries have shown that it simply does not match the Royal Mail's list of addresses. My Royal Mail postcode has six houses in it, but your database has five, four of which are in the Royal Mail's list and one of which does not appear there. Two of the Royal Mail's postcodes, including my own, are missing from the database that is being used for the voucher scheme. To clarify, that is also the case with the UK's universal service obligation—my address is missing from that database, too. I think that there are some issues that you may care to look at, as I do not imagine that my postcode is unique in being singled out. I would like to know where the database for the postcodes has come from. I expect that you will have to write to me on that matter, because I am feeling pretty wary about it.

I will move to a more substantive matter and one that is more generally important. One of the concerns about the north contract, which I think you will be able to speak about, is the state aid issue. You previously indicated that you were going to approach the UK Government to see whether the state aid consent could be extended, because if it expires at the end of the year without resolution of the legal process—and I am not asking you to refer to that—we may have some other difficulties. Where do we stand with that? Complementary to that, what contingency plans do you have in place if the issue is not resolved before the state aid consent expires?

Paul Wheelhouse: I will respond to the last point first and then I will come back to Mr Stevenson's legitimate worries about the address checker. I have received more detail from our engineers who have been working overnight to try to address some of those challenges for the first day's operations—some addresses do not match the databases—and I will come back to him on that. We believe that ours is the most up-to-date database, but it does have some problems.

I appreciate the keen interest of a lot of committee members in the north lot contract. Mr Stevenson is absolutely right that there is a potential risk around the 2016 broadband state aid regime, which was approved by the Commission and is governed by the European Union. That regime expires at the end of 2020. Although no European funding is being utilised in the R100 programme itself, the state aid cover that allows for public investment in commercial markets is governed by that agreement. Given the reserved nature of telecoms legislation, it is for the UK Government to ensure that a successor state aid

scheme or an extension can be applied as negotiated with the European Commission and the Competition and Markets Authority, which is the proposed successor.

I am pleased to say that we have had some positive discussions with Matt Warman and we are developing a good relationship with him. We have impressed on him the urgency for such an agreement to be reached, with that being the subject of discussion at recent meetings at both official and ministerial level between ourselves and our UK Government counterparts. I cannot speak for Mr Warman, but to date he has been constructive in his approach and recognises the issue. However, we have to respect the fact that that is a reserved matter, and I will leave it for UK ministers to pursue.

We will keep up the communication on that and I hope that we will get a favourable position. I should say for the record that we have also made clear our own willingness to assist in any way possible to progress those negotiations. I will be able to give details to the European Commission on the programme's importance and why it is essential without commenting on the legal challenge itself, for obvious reasons. I hope that that is helpful to the member.

I have got quite a detailed note from officials on the work that has been done overnight on the address checker. Mr Stevenson is right—there are issues to do with the different databases, and sometimes a house has a different name from the one that is used by the Royal Mail in its database. I had an example of that yesterday that I was looking at on behalf of someone in Lochaber.

There is a function on the website to allow individuals to contact the team. I will try to find the detail of that. If there is an unexpected error message, people can contact the team and it will investigate the issue on their behalf.

The Convener: Minister, I ask you to keep your eye on me. I do not want to cut you short, but the issue of addresses may be a technical question that would be best responded to in writing to the committee. I am worried that there are a lot of questions. Stewart Stevenson has another one, just to keep you on your toes.

Stewart Stevenson: I will wrap up my remaining points together. The first one relates to the aligned interventions programme and the voucher scheme. How many premises is the voucher likely to apply to? If the minister does not have an exact number, can he at least indicate the number of premises to which the voucher might apply?

I do not know whether the minister can provide an answer to my second question. He has said that we are looking at an overall completion date

of 2023 for the south and central lots. Whoever ends up with the contract, how long after the resolution of the legal case does he think that it will take to complete R100 for the north?

Paul Wheelhouse: I might bring in Clive Downing or Robbie McGhee to answer the question about the timescale. It depends on the court's determination, and who is successful, but mobilising the R100 contracts might take longer than anticipated. It took a number of months to reach agreement on the previous two contracts, and to start to mobilise and get survey work done. If the court concluded that we could progress with BT, it would not be immediate. That is something to bear in mind.

Mr Stevenson asked about the number of premises and the main voucher scheme cohort. We are allowing for the main voucher scheme to apply to the north of Scotland on a time-limited basis while the court case is under way. We think that the number of premises in Scotland that are eligible for the main voucher is in the region of 250,000. That will come down if we get the contract in place, and we can then move on to a more refined figure.

I can give precise figures for the south and central areas, if that would be helpful, because more is known about them. We are talking about 4,310 for the main voucher in the central area and 194 in the south. We will be able to see, via the online checker, whether a customer who is interested in getting broadband before the end of December 2021 has found out that their programme delivery will be beyond 2021. We will be able to use a voucher of a lower value to get an interim product in place to provide at least a superfast service while the customer waits for the longer term roll-out under R100.

The Convener: Before we move on, I have a question about that. You have given a figure of a quarter of a million households. The difficulty is that, as you disclosed in your inspired answer earlier this week, there are different values. How much will it cost the Scottish Government each year if everyone applies for a voucher?

Paul Wheelhouse: If you bear with me, I will just find the appropriate figures. I do not want to misquote them.

Obviously, we have had to make estimates based on modelling to understand the demand that we might face. I stress that we will keep the situation under review and monitor it regularly. If it looks as though the scheme is getting out of hand, we will probably come back to inform the committee that. However, the overall cost estimate for the Scottish broadband voucher scheme as a whole is between £26.4 million and £50.7 million over a five-year period. Obviously, we will be

invoiced in arrears and so forth, and that is taking into account properties that are at the furthest extremities and that need solutions.

That range of figures is based on take-up of between 20 and 40 per cent. In practice, some premises owners might not choose to get superfast broadband—we cannot force them to do that. Based on the knowledge of voucher schemes elsewhere in the UK, we have modelled take-up of between 20 and 40 per cent. The figures are also based on extending the main voucher eligibility in the north lot for 24 months as a modelling indicator, and interim voucher eligibility until 31 December 2021—obviously, that is just to provide services up to that date, so it does not go beyond 2021. The five-year period is the length of time for the main voucher scheme—the £5,000 per premises that we are offering for businesses and residential addresses.

The Convener: To clarify, the figure could be more than £50.7 million, and you are nervous about that, because you said that you might come back to the committee.

Paul Wheelhouse: We are pretty confident about the modelling, based on what has happened with voucher take-up elsewhere in the UK. Clearly, we have previously had situations in which take-up has exceeded initial modelling; the DSSB programme is an example of that. I am being open and honest with the committee. The figures are our best stab at it, but they could go above that. However, we will tightly monitor the roll-out of the voucher scheme and keep a close eye on the level of demand. That will be done entirely within the Scottish Government, looking at it from a finance point of view, but we will communicate to committee colleagues if we believe that there will be variance from those figures. We will rigorously monitor take-up of the scheme.

It might be appropriate to bring in Robbie McGhee to give you any more detail that you might want on that.

The Convener: Before you do so, I want to clarify something. I understand that, in Wales, because of difficulties with the terrain, the voucher scheme is worth £7,000 for businesses rather than the £5,000 that we are getting in Scotland. Why did you settle on £5,000 and not the £7,000 that has been decided is appropriate in Wales? The contribution for residential properties is also bigger in Wales.

Paul Wheelhouse: The figure for residences in Wales is £3,000, which includes £1,500 through the rural gigabit voucher scheme from the UK Government. Similarly, the business figure is £3,500 plus £3,500 from the rural gigabit voucher scheme.

As I said, we have reached an agreement with the UK Government on that, although we still have to iron out the details. However, we have been pushing UK ministers to match fund us directly. We are putting in £5,000 for both categories of premises, and we have asked Mr Warman to consider directly matching that. If he cannot do so, he will come back with a figure that he can manage. However, based on the existing rural gigabit voucher scheme, the UK contribution would be £3,500 for businesses, which would mean a voucher of £8,500, and the figure would be £6,500 for residential addresses. In both cases, that would be considerably more than the funding in Wales.

We are confident that our voucher scheme will be attractive to suppliers. It is potentially the most generously funded scheme in the UK, and we are confident that it will therefore be attractive and bring in suppliers to provide early access to customers who need it in Scotland. I hope that that is helpful. I hope to see more information on that in the very near future.

The Convener: I have a final question, on a concern that the committee had when we originally went down this line. We understand that the money invested was to cover capital costs, but capital costs are only a part of what is needed; running costs are the rest. Suppose that someone is in the Highlands and the only way they can use their voucher is to pay for satellite. It might be that satellite will cost £40 or £50 per calendar month, rather than the £30 someone could pay if they were on a fibre option in the central belt. We were given an assurance that that concern would be looked at. Has it now been dropped?

11:15

Paul Wheelhouse: No, convener, we take that matter very seriously. We have reflected your concerns in what we have done, because we wanted to do what we could to meet the committee's interests.

For a service to be eligible for the Scottish broadband voucher scheme, its monthly cost must not exceed £46.10. That is same figure that is used for the universal service obligation. In our discussions with satellite and fixed wireless suppliers, they have indicated that they might be able to make some customer savings reflecting the fact that, as public investment in the infrastructure is saving them money, they might be able to bring down their own costs. I would hope that in practice customer costs would be well below £46.10, which is a ceiling. We are working with suppliers to negotiate more competitive pricing because we recognise the concerns that you and others have raised. I believe that Mike

Rumbles raised a similar point, although he is not with us today.

It might be helpful to bring in Robbie McGhee or Clive Downing for more detail on that, as they have been much more closely involved in negotiations.

The Convener: Members have more questions on that, so I will bring in Colin Smyth. It might be inappropriate to bring in your officials at this time.

Colin Smyth: I will follow up on the questions about the vouchers. Are there any restrictions or exclusions on the type of technology that the voucher scheme covers? Are you confident that all the interventions that will be covered will achieve a speed greater than 30Mbps for everyone who uses the voucher scheme?

Paul Wheelhouse: On the latter point, it is an absolute requirement for eligibility that a service has to deliver more than 30Mbps. The technology will not be accepted if it will not deliver that for the customer, because it would not be a superfast solution. There is no point in us funding something that is below the speed that we have set for the policy.

We have also agreed a number of requirements in terms of technology—I will just check to make sure that I have the right details for you, Mr Smyth. We have set some technical restrictions. When it comes to the interim vouchers, we are technology agnostic, in the sense that it is up to the customer to choose whether they want satellite or fixed wireless; there might even be a possibility, if the customer will take that kind of expense and fibre is close to the premises, to provide a fibre connection. Whatever the solution is, the voucher is used to provide an interim product that will take them up to the point at which they get their R100 investment in place.

For the main voucher scheme, I have a small number of criteria listed here. The first is a connection speed greater than 30 megabits per second. The second is a step change in service, defined as at least doubling either the current download or upload speed and mirroring in the delivery of their voucher schemes the best practices identified by building digital UK. The third criterion is a service with no prohibitive data caps, so that no one suddenly finds themselves over a certain level of data usage and getting punished financially for it. It must also be a service that costs less than £46.10 per month, in line with the affordability criteria determined by Ofcom—which might change over time, of course—for services delivered under the universal service obligation.

I hope that that is helpful, Mr Smyth.

Colin Smyth: Following up on those criteria, it sounds as if the actual cost cannot exceed the

value of the voucher. Would there ever be a circumstance in which households and communities have to meet additional costs because the voucher does not cover an intervention that is needed for them to get them those levels of speed?

Paul Wheelhouse: We are pretty confident about that, having looked at the technology that is involved. I hope that there will be positive news from Mr Warman and me about collaboration on using the UK Government voucher to top up, which will make the budget even bigger than the one that we are allocating through the SBVS. We are also collaborating on the use of the platform to administer the voucher scheme, although that might take some months to set up and we will have to do something in the interim period.

We hope and believe—and maybe Robbie McGhee or Clive Downing can confirm this—that the value that we put in place should cover the vast majority of situations. I appreciate that you have a point, Mr Smyth: there might be isolated examples where the cost exceeds that. We are trying to avoid having an absolute cap on costs; obviously we will take matters into consideration. Perhaps Robbie or Clive can talk about how we would handle a situation in which a property needed a voucher but the costs were just over the limit, and what discretion we might apply.

Robbie McGhee (Scottish Government): As the minister said, there could be a kind of sliding scale. Given the modelling that has been undertaken, we are confident that the voucher values that are on offer, which are pretty significant and go beyond what has been offered in other voucher schemes in the UK, should enable future-proofed solutions—indeed, potentially, full-fibre solutions.

Beyond that, it is very much an “up to” amount. There will be situations in which full fibre is not possible with the voucher value that we have. There are other, robust technologies that could be supported; the minister has mentioned some of them.

We will keep the matter under review as we roll out the pipeline and understand the situation. We think that, with the £5,000 subsidy, potentially supplemented by the voucher funding that is available at UK level, the opportunity exists to deliver something future proofed and transformational.

Colin Smyth: Minister, I think that you gave the estimated overall cost of the voucher scheme. Do you have the estimated cost of the interim voucher scheme? Can you confirm that that funding would not have been required if R100 had run to schedule?

Paul Wheelhouse: I accept that the timescale has moved beyond the end of 2021. However, we are trying to honour the policy commitment that we gave, which was to deliver superfast services to customers before the end of 2021, and this is our means of trying to do so, where such a service is essential for the customer, so that they need not wait for a future-proofed R100 full fibre solution for their premises—which in your region, Mr Smyth, will be entirely the outcome, with the exception of 194 premises. I should say that the southern region in this context is bigger than the South Scotland parliamentary region and includes areas of Ayrshire and Lanarkshire. Only 194 premises will need a solution under the main scheme; others in the south will take up the interim voucher scheme if roll-out goes beyond the key deadline.

I appreciate that £400 per premises is an additional cost. As I said at the outset, we recognise that digital connectivity is no longer just a nice-to-do; it is a lifeline service—if I may use the term that we use for ferry services—that enables people to access medical care and other essential services. We recognise the severity of the situation, particularly given the pandemic, in that if people do not have connectivity they are at a significant disadvantage.

We always assumed that some aligned interventions might be required for premises that are outwith the scope of R100, but I accept that the interim voucher scheme is an additional requirement. I think that the cost will be contained within the overall envelope but I can check with Mr McGhee whether there is any additional cost; the figure that I quoted certainly includes the main voucher scheme, and we can come back to the committee on costings for the interim vouchers, which will be demand led, obviously. If it would help the committee, I might be able to give some indication of what we are expecting in the 2020-21 and 2021-22 financial years. I could do that in writing, if that would be more appropriate.

The Convener: Thank you.

Rachael Hamilton: On the website, it says that commercial networks cover 94 per cent of Scotland and people will be able to order a service from one of those operators. Is it the people in the remaining 6 per cent—the group that cannot access the commercial operators—who will have an interim voucher or a voucher?

Paul Wheelhouse: That is an important question. Obviously, most of the delivery has been commercial, albeit that we have had interventions through DSSB collectively with the UK Government and other partners, and through our R100 programme. We also have parallel investments taking place—CityFibre, Openreach and Virgin are, I suppose, the main players carrying out commercial build.

Openreach recently announced a number of investments that will affect Rachael Hamilton's constituency, for example. There is build in the Borders, in Galashiels, Tweedbank and Peebles—I appreciate that those three towns are outside Ms Hamilton's constituency, but as part of its work to cover 60 towns and 250,000 homes, Openreach will be carrying out build in Selkirk and Hawick, for example.

R100 is, as I said, one of three planks: the three R100 procurement contracts; the commercial build; and the work that we have just been discussing through the voucher scheme, with services provided by a range of suppliers.

I am not sure whether I have fully answered Ms Hamilton's question. If I have not, please come back and I will try to complete the answer. A significant number of premises are getting access through commercial build, and we can provide details to the committee of the ones by CityFibre, Openreach and Virgin that we know about. We understand that Axiom, which is one of the potential contractors that dropped out, continues to progress its own plans commercially, too.

Rachael Hamilton: Can you say whether it is the case that there is no list of local suppliers for people who are looking for alternative solutions? Are you having conversations with local suppliers, particularly in rural areas such as my constituency, who know what the issues are, know the lie of the land and can deliver effectively the solutions that you, and, indeed, households want?

Paul Wheelhouse: My apologies if I slightly misunderstood your first question. We are engaging with commercial suppliers to assist us with the voucher scheme delivery. We aim to go live with the vouchers in September. Tomorrow, a workshop is being held with a range of suppliers. I hope that the suppliers in the Borders to which Ms Hamilton referred are able to be part of that.

We will eventually draw up a list of approved suppliers who meet the criteria, as set out to Colin Smyth, and who will therefore be eligible for deployment through the voucher scheme. We are encouraging suppliers to market their services, once they have access to the list of properties that are eligible for voucher funding.

Action can be taken by both sides. An individual will be able to use the online checker to see whether they are eligible for a voucher, if they are not being covered by commercial build or by R100 build by the end of 2021. Some might not get access via R100 at all, and they will be eligible for either the main or the interim voucher scheme. Equally, suppliers will then know who the individuals are and be able to market to them in, I hope, a regulated way, which brings the possibility of aggregating builds in areas to get more efficient

solutions for the suppliers and the customers. That might help to bring down costs, as we discussed with the convener.

John Finnie: Given the comprehensive nature of many of your replies, my questions have been covered, so I will briefly touch on two points. I was going to ask you about discussions with the UK Government and joined-up funding, but you have already alluded to that issue. I simply request that you keep the committee apprised of any on-going discussions, please. That would be appreciated.

There has been a lot of discussion about the eligibility criteria, which has largely focused on technical matters. I am not a technical person. Does any part of the eligibility criteria apply to the individual? Is it means tested, for example?

11:30

Paul Wheelhouse: That is an important question. In effect, anyone who cannot access superfast broadband by the end of 2021 will be eligible for the voucher scheme. Regardless of whether the build is through the R100 contract or commercial deployment, superfast broadband will ultimately reach people. However, the SBVS will feature different eligibility criteria depending on the premises' status in the R100 contracts. As we discussed previously, a main voucher will offer funding of up to £5,000 for a permanent connection. For properties for which there is no roll-out of superfast broadband planned commercially or through R100 until after the end of 2021, an interim voucher will offer funding of up to £400, with a potential £250 top-up for the hardest-to-reach properties.

The aim is to ensure that those in the most difficult-to-reach premises can get additional help. They might require a relay point, if they are using fixed wireless or something like that. It might be more technically challenging to put in the satellite option for properties that have mountains around them and that kind of thing. The aim is to provide a bit of extra cover. We are also thinking about the additional costs of delivery in the Highlands and the costs of solutions to get contractors on to the islands. Of course, there will be some locally based contractors, but contractors that are eligible and that are supplying to the islands might charge a bit more because of their accommodation costs or whatever. I hope that that is helpful. There are limits.

The discussion with the UK Government has primarily been with my counterpart Mr Warman, the parliamentary under secretary of state at the Department for Digital, Culture, Media and Sport, and it has been constructive so far. We have an agreement in principle, but we still have to work out the actual figures. I imagine that we will start

from at least the standard figures that RGVS offers, as I set out to the convener. I hope that there will be a positive outcome.

We will continue to try to build a good relationship there. There is a recognition in the UK Government through DCMS that any work that we do in Scotland will contribute to the UK Government's overall aims and targets. We continue to have discussions on how the Prime Minister's £5 billion gigabit commitment will be allocated. We have had constructive discussions with Mr Warman about where that can have the most impact in Scotland.

I cannot talk about the north lot area, so I will just park that there, but similar principles might apply as apply to the central lot area. We know that there is some fibre-to-cabinet build in the central lot area. It is quite early in that process and BT will be ordering cabinets for that programme, so it would be helpful if we could get an early decision from UK ministers on whether some of that funding could be used to flip from fibre to the cabinet to fibre to the premises, although that might take longer to build. I just flag that up in advance as a choice that we have to make; FTTP is a future-proof solution and it might be a better solution. Taking our delivery of fibre to premises in that area up from north of 70 per cent to 100 per cent, as we are doing in the south, would be a very practical use of UK Government money. It could provide additional investment to flip premises from FTTC to FTTP. We have suggested that Mr Warman consider that but, ultimately, it is up to UK ministers to decide how to spend the money that they plan to invest.

Peter Chapman: Can you confirm that the online checker is now up and running and working satisfactorily?

Paul Wheelhouse: It is up and running as of yesterday. We had some issues with error messages, and the team has worked overnight to fix them. I am not proud of the fact that the team has worked overnight, but I understand that the issue has been fixed. Some difficulties arose when people were checking a second property or perhaps had put in a code incorrectly and then put in a second, correct code. There are additional protections on the online checker to avoid data being harvested or scraped by automated means. In order to protect people's privacy under the general data protection regulation and to protect the commercial sensitivity of the data for the developers, additional protection was put in, which unfortunately led to the error messages. However, the team worked on that overnight, and I hope that the system is now working effectively.

The one proviso is that we still have the address database issue to which Mr Stevenson referred. Another factor that we are looking at is that we

point to the Ofcom website that tells people what services are available in their area. There are some examples where we know that the street or the area is already enabled for superfast but Ofcom's database is still telling us that it is not, so we are flagging up that there is an issue there that we might have to address. We believe that our information is much more up to date than the information that Ofcom points to—ironically enough.

With those qualifications about there being some teething issues, I am happy to say that the online checker is up and running. It is a complex exercise, which we hope will appear simple from the point of view of the consumer. If that is the case, we are doing our job, because we are trying to keep it simple—including keeping the language simple and avoiding jargon—but a heck of a lot of work has gone into trying to pull together all the different data sets from different developers into one place to provide, in effect, seven different scenarios that someone can encounter when they put in their postcode.

Convener, if it would be helpful to the committee, we can send you details about the messages in each of those seven situations, so that all members can see what people would expect to get under the different scenarios in terms of information about R100 coverage, commercial providers and voucher eligibility. We are satisfied that the online checker is now working and we will keep an eye on it and monitor any issues that arise.

Peter Chapman: I tried it last night and all I got was an error message. I hope that things have moved on now.

I think that you have mostly covered my next question, which was about keeping the information up to date. The commercial providers will be working away and we need to be sure that their input into the online checker is correct and that data sharing is taking place, so that we can be assured that we are getting up-to-date answers.

How will you roll out communication about the programme to let folk know that it is there and can be accessed? I suggest that a wee bit of advertising needs to be done to let folk know that it is there and that they can find out what their scenario is in relation to getting a fast internet link. Will there be some communication about the programme to let the general public know that the facility is there?

Paul Wheelhouse: Absolutely. We will proactively market it, as was the case with DSSB. I am not sure, Mr Chapman, whether you have had anything through your door in recent years about the DSSB programme, advertising the availability of and potential to take up services in

the local area. A similar exercise will be done with R100.

We are also keen to work with all members of the Scottish Parliament, all members of Parliament and indeed elected members more generally to make sure that everyone has the information that they need to communicate to their own stakeholders and communities, so that they can let them know about the opportunities as they arise.

You are absolutely right about keeping the online checker live. The current system is probably at the minimum level of sophistication that is necessary. It will become more sophisticated and more nuanced over time. As we get the detail of the survey work that is happening in local areas—obviously, it has not started at all in the north but it is well under way in the south and central areas—that granular information will be fed in by BT and Openreach on the build and the timescales. That will then start to be reflected in more detailed information on the online checker for those who plug in to get a more accurate projection about when the build might happen.

At the moment, we are just telling people whether it is pre or post December 2021, so that they know whether they can use an interim voucher or not. However, it will get more sophisticated. If I may, I will bring in my colleague Clive Downing to say something about how we will engage with the developers to try to keep that information live and up to date. He could say something about the marketing as well. Is that possible, convener?

The Convener: It is of course possible, minister, provided that Clive Downing keeps his comments as brief and succinct as possible.

Clive Downing (Scottish Government): Absolutely—"succinct" is the watchword, convener.

In terms of keeping the data fresh, we have relationships with all the operators, large or small, across Scotland and we engage with them quarterly to get their latest bill plans. As the committee will be aware, we are not allowed to intervene where they have their own commercial plans. We are very keen to be clean from the state aid point of view.

We do not just take the data at face value; we cross-check it with the Ofcom database, which has been mentioned, and with AddressBase, which is an Ordnance Survey database. It is then fed into the data that supports the online checker. Plans go out as well as coming in, and where a commercial player has—for whatever reason—deemed an area to be non-commercial and has decided not to fulfil its plans, that is of great interest to us in case we need to cover more premises.

On the marketing, as has been discussed, we are dealing with a fairly small cohort of the 2.9 million or so addresses in Scotland, albeit a very important one. That almost makes premises addressable on an individual basis. We know who is in need of superfast broadband and we have channels whereby we can market to them pretty much directly.

I hope that that answers the question.

The Convener: Peter Chapman has indicated to me that it has answered his question, so we will move on to the next subject with some questions from the deputy convener, Maureen Watt.

Maureen Watt: In the central and south regions, where the R100 programme has been able to go ahead, has there been much Covid-related delay in the physical deployment of broadband infrastructure? Does Openreach believe that it can make that up?

Paul Wheelhouse: We recognise that there are bound to have been some impacts on business, given that staff will have been working from home, and various other things. However, I am pleased to say that, generally speaking, Covid-19 has not had a significant impact on the delivery.

We will have to wait and see whether on-going constraints as a result of the coronavirus and the difficulties around build and the different working practices that have to be put in place for teams on the ground will have an impact, but we think that Covid-19 has not had as damaging an impact as we perhaps feared initially as the pandemic unfolded.

I am reasonably confident that we will make good progress. As I indicated earlier, although perhaps not in much detail, we are having regular discussions with BT and Openreach about what we can do to accelerate activity. I certainly welcome their commitment. They are doing what they can to adjust.

There is obviously a bit of a tension, in that if we are going to make a change around the central area and not use fibre-to-the-cabinet technology but flip to fibre to the premises, we will need to know that pretty quickly, or else we might have to hold off. If we have to hold off and wait for an agreement with UK ministers on funding, if there is an agreement to come, it will be helpful to get that decision early so that we can make that procurement decision, or BT can.

I am hopeful that we can catch up to some degree. However, with the interim voucher, we have the ability to protect consumers from being harmed if there is slower delivery because of the coronavirus. We hope that—subject to any requirements on the contractors to do with safety for themselves and their customers—the interim

vouchers will help us to catch up and enable people at least to access superfast broadband while they wait for something better in the longer term.

Maureen Watt: The Scottish Government's response to the advisory group on economic recovery includes a number of actions relating to investing in our digital capabilities for economic recovery. However, apart from the Logan review, many of the actions that are highlighted existed prior to Covid-19. Can you give us at this stage any additional detail on the role that digital infrastructure will play in stimulating Scotland's recovery?

As background, perhaps you could also say whether, as the minister for digital connectivity, you have had a lot of complaints from the public about their connectivity during the Covid pandemic. I have had nothing on connectivity over and above what existed before, apart from a farmer who complained in an NFU Scotland briefing. I have had no emails. Have you had lots of complaints?

11:45

Paul Wheelhouse: On that issue, I would not say that there has been a huge surge. I stand to be corrected if Robbie McGhee has more accurate figures, as I tend to see what comes through elected members, such as MSPs, MPs and councillors. Some constituents of colleagues around the country were keen to see digital infrastructure in place because they were conscious that they were losing out, in comparison with others. I think that most people understood the circumstances that we were in.

We work very closely with the industry to make sure that good guidance is in place to allow activity to resume, for example through work with the Communication Workers Union and employers on appropriate health and safety guidance to be issued by the Scottish Government. We already allowed maintenance and repair work but we quickly realised that with appropriate safety measures it would be possible for build to continue—particularly in rural areas isolated from other populations—and we reached that position.

The deputy convener is right that the AGER report highlighted a number of areas that were already in train to enhance our national data infrastructure: R100; the Scottish 4G infill programme; the establishment of Scotland's 5G centre; and support for SMEs to adopt digital technology through schemes such as digital boost. We all now realise just how important those are—even more than we thought before.

Through innovation during the pandemic, the range of services that are now provided online is

such that we can see that digital technology might also contribute to reducing climate emissions. It happened not through choice but because we had to change our working practices, and it has revealed that perhaps more is possible than we thought before. Perhaps people's attitudes to home working are changing—speaking personally, the novelty has worn off for me a bit, but locally we have managed to maintain productivity by working from our homes, and that might allow a reduction in commuting in future. It is very important that digital has been flagged up; we welcome the strong support for continued build and hope that we will do exactly that.

Maureen Watt: As well as the overarching use of connectivity for economic recovery, is there an opportunity at a more granular level to prioritise broadband upgrades for businesses that need to diversify into e-commerce or households with children who need to work from home? I hope that we do not have to go to blended learning, but if we do, will they be given priority?

Paul Wheelhouse: That touches on the convener's points about the cost of broadband. We are prioritising rural areas in our R100 programme, but we are conscious that some parts of urban areas have not been covered under R100 procurement because of our purposely focusing on rural and island areas. Where there are no commercial plans for particular areas, such as for an impoverished or low-income urban area that needs that investment, vouchers could be deployed. Those consumers will be eligible through the voucher scheme, which is why the 250,000 figure that I quoted for voucher scheme coverage is as large as it is. Some pockets of urban areas will not be covered by commercial build and we did not cover them through R100 procurements.

I was pleased about my colleague Aileen Campbell's announcement of the second phase of the connecting Scotland programme, because it touches on some of the things that Ms Watt referred to. An additional £15 million will support 22,000 more households—families on low incomes and young care leavers who are digitally excluded—to get them online and help them to overcome any educational or work-related disadvantage, as we discussed earlier. It may allow access to medical care as well in the course of the pandemic. That is a significant move to help the most vulnerable people in society, but we are obviously continuing to do what we can to address the digital divide that still exists.

The Convener: The next set of questions will come from Richard Lyle.

Richard Lyle (Uddingston and Bellshill) (SNP): The 4G infill programme, which commits to the delivery of new masts to boost the coverage of

4G in remote areas, was suspended in March because of the Covid-19 crisis. In a recent update, it was stated that the Scottish Government and its supplier, WHP Telecoms Ltd, started to safely resume the build in June. The 4G infill programme was intended to deliver new masts across 45 sites by 2022. Is that target still accurate?

Paul Wheelhouse: We are still working to the same deadlines. We regard that work as a very important part of our programme. Initially, we had a list of 48 masts, but a number have dropped off because we could not secure a partner. We do not provide the phone services, but a mobile network operator will do that for us.

We had to refine the list. A site in Pennan was dropped because the local planning authority did not give planning permission for the mast, which meant that, unfortunately, we could not progress that on behalf of the people of Pennan.

We have a revised list of 40 sites where we are proceeding. I am pleased to say that, on nine of those, the build is under way or has been completed. In February, the first mast went live at New Luce in Dumfries and Galloway. Ms Hamilton will be interested to learn that work is well under way in Ettrick; it is just the power connection that needs to be added. At Strathconon, the Home Office requires to give clearance for the operator to start delivering the services. It might be of interest to the convener to know that a mast is being built in Lairg, and others are being put up in Tarskavaig, Applecross, Glenbarr, Rackwick, and Whitropefoot in the Borders. Work is being progressed on a number of sites.

We have a total of 40 sites in the list for the £25 million programme, which we are continuing to progress. I am very grateful to the European Commission for its help in giving us an extension to June 2023 under the state aid scheme. We will be able to extend delivery up to that date, should we need the extra time because of the coronavirus. As Mr Lyle indicated, the work had to stop in March for safety reasons. It is now resuming.

Richard Lyle: It would be helpful if you could send us a list of the 40 sites and what stage of development they are at.

I will run my next two questions together as the convener is concerned about the time. What lessons have been learned as regards the delivery of the 4G infill programme as a result of the removal from the programme of 27 of the sites that were originally proposed? Scotland's 5G strategy is now almost a year old. What has been achieved as a result of the strategy in the first year? Where can members access monitoring and evaluation evidence on the strategy and on constituents' concerns about it?

Paul Wheelhouse: I appreciate that 5G has become a more interesting topic than we expected because of some of the dafter stuff that was on the internet on the role of 5G in the coronavirus pandemic. I would suggest that 5G has been an entirely helpful technology and that, in the future, it could be even more helpful. The health aspects, which David Icke and some others focused on, were looked at on behalf of all four nations by Public Health England, and it concluded that 5G is perfectly safe.

The Scotland 5G Centre has been progressed. A chief executive and chair have been in place since May and the first wave of projects is coming forward. Rural and district projects and the infralink project, which is led by the Scottish Futures Trust, are progressing. To save time, we can provide more detail in writing.

I ask Mr Lyle to remind me of his first question, as I have lost my train of thought.

Richard Lyle: What lessons have been learned as regards the delivery of the 4G infill programme?

Paul Wheelhouse: That touches on some of the issues that I discussed in my first answer to you regarding the critical nature of having the commercial partner in place. We have had very strong support from a particular mobile network operator, where there is a synergy between what we are doing and what it is trying to do with the emergency services network. That has led to great support. A number of masts have been supported by other MNOs, but we could perhaps do with a bit more engagement from others—if I may put it in that way—in order to help us to deliver truly improved network coverage.

Another thing is that, from the shared rural network investment that is being overseen by UK ministers and the commercial operators, which is a very welcome development, opportunities arise to collaborate between delivery of that project and our Scottish 4G infill programme to deliver the 40 masts. There may be opportunities where we are trying to deal with not-spots. The shared roll-out is largely delivering on partial not-spots, where there may be weak signals moving between different operators. In such cases, we could maybe collaborate to try to help each other out, and make sure that we get the widest possible coverage.

In general, I am thankful that only one mast has so far been rejected on planning grounds. I know that that was a disappointment to that community, but we are where we are on that, and we cannot do anything about it. However, we have tried to make sure that we engage closely with communities about the siting of masts in order to make sure that we avoid that problem where possible.

Richard Lyle: On the subject of 5G, I do not have a concern, but a constituent has contacted me. Do you have any concerns—[*Inaudible.*]

Paul Wheelhouse: I am sorry—you went very quiet at the end, Mr Lyle. You were asking me whether I have any concerns—

Richard Lyle: The convener is not happy about it, but other members have asked a constituency question, so I will too. Do you have any concerns about 5G?

Paul Wheelhouse: Not on safety grounds, no. Public Health England has looked at the safety evidence on behalf of the Scottish Government and the other devolved Governments and it has not found any evidence of health and safety risks to the public.

The Communication Workers Union made an important point in saying that its members would refuse to build the masts if they thought that they would be dangerous for the communities in which they work. It may be a simple way of looking at things, but I trust their judgment. They do not want to harm the communities in which they live, and they say that they would not build something if they thought that it was dangerous for the communities that they serve.

The potential of 5G is enormous in regions such as the convener's for areas such as digital healthcare, and it could really help with service mobility through transport innovation. I very much welcome it.

I hope that the Scotland 5G Centre will be at the heart of trying to deal with some of the legitimate concerns that communities have. We need to give them reassuring information that will, it is to be hoped, deal with that, and to make sure that they are relaxed about the investment in their areas.

The Convener: I thank Mr Lyle for being so honest and admitting his mistake in asking a constituency question. Other members are not so quick to come forward and say that they have made the same mistake. I appreciate his honesty.

Angus MacDonald: I will be as brief as I can. Will the minister give an update on discussions between the Scottish and UK Governments about the implications of the £5 billion gigabit-capable broadband package for the funding of broadband interventions in Scotland? Specifically, how much of that £5 billion is Scotland likely to receive? Will it replace some of the existing R100 funding sources or will it be put towards a separate, complementary project?

Paul Wheelhouse: I touched on that topic earlier, but I will give a more comprehensive answer to the question. In principle, we welcome the gigabit funding. Two committees of the UK Parliament have in various ways indicated to UK

ministers that they believe that the UK Government needs to look again at the funding allocations in order to make sure that there is recognition of the particular geographical and topographical difficulties that we in Scotland face. I very much welcome that. We can supply quotes from the committees to members in correspondence, rather than my reading them out.

12:00

In fairness to Mr Warman and his colleagues, I think that they recognise that Scotland has a disproportionate share of that last 5 per cent. The issue is about the mechanics of the solution and how we come up with a way in which that funding can be allocated in a timely way, rather than having to deal with state aid issues and so forth. That is why we suggested as a positive initiative—there have been warm discussions between our officials and Mr Warman's officials—that we look at doing the work to flip from FTTC to FTTP. That is not cheap—the technology is more expensive—but it is a more future-proof solution and it meets the UK Government's objective of having gigabit delivery. Our commitment involved superfast delivery, so we are willing to move to that higher standard.

We are already providing £579 million of funding from our own coffers, plus the interim vouchers and the main voucher, so we could do with some help from UK ministers. I do not want to speak for Mr Warman, but I think that there is certainly recognition of that. I would welcome the committee giving Mr Warman its thoughts on the subject. We would certainly welcome anything positive that UK ministers can do to contribute what we believe should be more than a population share of that £5 billion towards investment in a higher standard delivery, particularly in the north and central areas, which will satisfy the targets of the Scottish Government and the UK Government and provide a good outcome for them both.

Angus MacDonald: Here's hoping.

I want to address the UK Government's universal service obligation, which went live in March this year. What impact has that had on Scotland?

Paul Wheelhouse: It is fair to say that it has had a pretty limited impact so far. The uptake of the rural gigabit voucher scheme, which is the UK Government's voucher scheme, has been limited. We hope to help it improve that, but I think that the number of properties that have benefited from it so far is only in double figures.

The universal service obligation is welcome. It will provide a guarantee of 10Mbps for a customer who contacts BT—even if BT is not the service provider—and requests that the universal service

obligation be delivered for their premises. There is a cost cap, which is a handicap that has contributed to the limited take-up not only in Scotland but in other more challenging rural areas of the UK. We discussed that issue at a previous meeting of the committee.

Obviously, our voucher scheme is much more generously funded. We are confident that the money that we are committing, especially if it is combined with the RGVS money, will make a more substantial dent in the number of those premises that need support. We believe that our interim voucher is sufficient to give people superfast speeds, wherever they are in Scotland, through a range of technologies.

The USO is making an important contribution. It is helping us to deal with some of the worst cases. However, now that the voucher scheme is in place and R100 is on the ground, we hope that we will have a longer-term, more future-proof solution for customers who come via that route.

Angus MacDonald: What impact will the Telecommunications Infrastructure (Leasehold Property) Bill have on the roll-out of broadband in Scotland?

Paul Wheelhouse: That is an important issue because it has a big bearing on the speed with which things can be achieved with regard to dealing with issues such as wayleaves. We have tried to work collaboratively with UK ministers, so we support their efforts, particularly with regard to buildings in which there are multiple tenants or owner-occupiers—that is perhaps relevant to Mr MacDonald's constituency. The approach will simplify and speed up the process.

I appreciate that some landowners have concerns around the ability of the developer to drive down the revenues that they get from the wayleaves, but we are certainly encouraging fairness in those discussions. We do not want to see any exploitation, but in theory the measures that are being put in place will be helpful in speeding up the delivery.

We are supportive of many of the measures that UK ministers are introducing through their legislation, although we are keeping a close watch on that to see what comes forward. We will of course liaise with UK ministers on any concerns we have from a Scottish perspective about what is proposed.

The Convener: We will have one more question from Stewart Stevenson, and I will ask one more at the end, if I may.

Stewart Stevenson: This is more of an observation. I was sent a letter inviting me to make a request under the USO, so I was found, yet I am absent from the Ofcom database—this is similar to

what I talked about earlier in relation to the voucher scheme. Therefore, I cannot take up the opportunity. If the Scottish Government is picking up its database from Ofcom, I now know why I am not on the Government's database. As I said, that is a comment rather than a question.

The Convener: I am sure that that is the reason and that there is no malice aforethought from the Scottish Government.

Minister, given that a lot has gone under the bridge since you started delivering R100 and broadband across Scotland, when do you think you would have needed to award the contract in order to ensure that R100 was delivered by 2021. In what year?

Paul Wheelhouse: That is a tough question, as a lot has happened—the pandemic and various things—although, as I said earlier, it has not disrupted things as badly as we feared. It is a hard question to answer. I do not know whether Robbie McGhee, who has been involved throughout the process, has a better estimate that he can provide for you, but I would hesitate to guess.

Obviously, we had some issues along the way. In response to a parliamentary question from Mr Stevenson, I outlined some of the factors that drove us off path. There were legal challenges from potential contractors—we have one now in the north; there were threats of legal action; and there were issues to do with changes. This is not a criticism of UK ministers, but they changed the scope of what DSSB could deliver, which meant that there was less opportunity to use funding that was available through gainshare to deliver more fibre to the cabinet. It is a good outcome to get fibre to the premises, but the hit rate has dropped, and that has meant that many more properties have come back into scope for R100.

So many things have blown us from side to side on the way, so it is a difficult question to answer. Unless Robbie McGhee or Clive Downing have some insight into it, I could not really say.

The Convener: I am happy to ask Robbie to come in on that. As you have told us, the pandemic has not delayed things too badly, because ordering and some preparation work can still go on.

Robbie, when would the contracts have had to be issued? Presumably, all the things that have slightly blown the Government off course would have been factored into the planning process. Do you have an idea of the year when the contracts would have needed to be delivered?

Robbie McGhee: It is really difficult to alight on a particular point in time as there are so many variables. Taking the technology that we were contracting on, I note that, if there had been

primarily a different, more straightforward, fibre-to-the-cabinet type of solution, it would have taken far less time to deploy that. In some respects, we are victims of our own success. We have managed to get a lot more full fibre, but it takes longer to deploy.

As I said, it is really difficult to alight on a date when, if we had been able to sign on the basis of Government contracts, we would have hit 2021. There are too many variables to come up with a conclusive or definitive date.

The Convener: Thank you, Robbie. On that note, we have probably reached the fact that it was an impossible promise in 2016, on the basis that we did not know when the programme could be delivered by. We will leave that hanging in the air as a final comment.

I thank the minister and all his officials for coming in and participating in this remote meeting. That concludes today's committee business. Thank you very much, everyone.

Meeting closed at 12:09.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot



The Scottish Parliament
Pàrlamaid na h-Alba