



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE

Wednesday 26 September 2012

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**Wednesday 26 September 2012**

**CONTENTS**

<b>INTERESTS .....</b>	<b>Col.</b>
<b>DRAFT BUDGET SCRUTINY 2013-14 .....</b>	<b>879</b>
<b>WATER RESOURCES (SCOTLAND) BILL: STAGE 1 .....</b>	<b>880</b>
	<b>908</b>

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**INFRASTRUCTURE AND CAPITAL INVESTMENT COMMITTEE**

**15<sup>th</sup> Meeting 2012, Session 4**

**CONVENER**

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

**DEPUTY CONVENER**

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

**COMMITTEE MEMBERS**

\*Malcolm Chisholm (Edinburgh Northern and Leith) (Lab)

\*Jim Eadie (Edinburgh Southern) (SNP)

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

\*Gordon MacDonald (Edinburgh Pentlands) (SNP)

\*Margaret McCulloch (Central Scotland) (Lab)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Ian Aitken (Cycling Scotland)

Dr David Brennan (Pedal on Parliament)

Bob Doris (Glasgow) (SNP) (Committee Substitute)

Keith Irving (Living Streets Scotland)

John Lauder (Sustrans)

Trisha McAuley (Consumer Focus Scotland)

Ryan McRobert (Consumer Focus Scotland)

Phil Noble (Society of Chief Officers of Transportation in Scotland)

**CLERK TO THE COMMITTEE**

Steve Farrell

**LOCATION**

Committee Room 5



## Scottish Parliament

### Infrastructure and Capital Investment Committee

Wednesday 26 September 2012

[The Convener opened the meeting at 10:00]

#### Interests

**The Convener (Maureen Watt):** Good morning, everyone. Welcome to the 15th meeting this year of the Infrastructure and Capital Investment Committee. I remind everyone to turn off their mobile phones and BlackBerrys, as they affect the broadcasting system.

Apologies have been received from Adam Ingram. Bob Doris is in attendance as a substitute, and I ask him to declare any interests that are relevant to the remit of the committee.

**Bob Doris (Glasgow) (SNP):** I am delighted to be here, even though it is likely to be only a fleeting visit. I have no interests to declare, other than those that are in my entry in the register of members' interests, which is publicly available.

## Draft Budget Scrutiny 2013-14

10:01

**The Convener:** Agenda item 1 is our first evidence-taking session on the Scottish Government's draft budget for 2013-14. The focus of this session will be the allocation of spending in the budget for active travel.

With us this morning, we have Keith Irving, the manager of Living Streets Scotland; John Lauder, the national director of Sustrans Scotland; Ian Aitken, the chief executive of Cycling Scotland; Phil Noble, a representative of the Society of Chief Officers of Transportation in Scotland; and Dr David Brennan, the co-organiser of the pedal on Parliament campaign.

**Margaret McCulloch (Central Scotland) (Lab):** In May, the Scottish Government announced that it would develop a national walking strategy, with a particular focus on tackling obesity and ill health. What should such a strategy include and what could the budgetary implications of that be?

**Keith Irving (Living Streets Scotland):** As the speaker representing pedestrians, I will take that question first. We very much welcomed the announcement. We are glad that the policy has got away from the idea of Mr Teabag and the Ministry of Silly Walks, and that there is recognition that walking will have a great benefit for the health of the nation.

Even to this committee, we have to talk about the health benefits in particular, because the evidence is strong and stark on the costs of physical inactivity. Nine per cent of preventable deaths are from physical inactivity, which is as high as the figure for obesity. That means that, for example, when we go into a school, such as one of the five schools in Airdrie and Coatbridge that take part in the Living Streets walk to school campaign, and talk to an assembly of, say, 60 children, we know that five of those children could die because of physical inactivity.

We have to consider all the ways of getting children more active. We have to avoid headlines such as the one in today's *Daily Mail*, which reads, "What are we doing to our children?" That is relevant to your question.

Walking is the most important form of physical activity, regardless of age, gender or income. It is also the most common form of transport for the under-20s and the over-80s.

We would like the walking strategy to include a commitment to enabling more people to walk in their everyday lives—to walk to school and to walk to work. Resources must be attached specifically

to the area of walking. We could argue for millions and billions, of course, but we would particularly argue for money to go into the cycling, walking and safer streets area, which the draft budget cuts by another £1.5 million—we welcome the spending that is there, but we regret the severe cuts.

We would also call for more money to go into town centres. A town centre review is coming up and, if you improve the public realm in town centres, you will get more people walking.

We need to bring in as many different budgets as possible and we need a firm commitment. At present, nearly one in four trips—23 per cent—is by walking. The Government should have 25 per cent as an indicative target, which would complement the cycling action plan target for 10 per cent of trips to be made by bike. That would help to create a more active nation and to tackle the obesity issues to which you refer.

**Margaret McCulloch:** Does anybody else want to comment?

**John Lauder (Sustrans):** I will pick up where Keith Irving left off. The current cost of obesity to the NHS in Scotland is calculated as £495 million a year. That is from the Government's figures in the route map towards healthy weight, which is the national obesity strategy. Therefore, as preventative spend, it would make a huge amount of sense to put a bit more funding into re-engineering the urban realm by retrofitting existing urban realm and designing new urban realm, such as out-of-town shopping centres, to allow people to walk in a much more sensible and easy way than at present.

At present, getting anywhere by foot is quite often an effort. People have to think about where they are going, which is not always clear. There are many barriers, such as fast-moving traffic or traffic that is accelerating and decelerating, which makes things unpredictable and makes it tricky to cross the road. Therefore, a 20mph limit in all residential and shopping streets, as applies in Fife and other local authority areas, should be rolled out across Scotland. That is a simple measure. It does not involve a plethora of aluminium signs. It involves a bit of re-engineering, which I suggest would be cheaper than the signing, and minimal enforcement from the police force. Where we can engineer a situation in which traffic speed is lowered, people will observe the limit. The result of extensive work by Sustrans in Kirkcaldy is that people actually like the town and feel that it is a good place to walk. They feel that it is safe, because the street has a 20mph limit. That is one thing that could be rolled out.

Secondly, we have the excellent designing streets policy, which is the Government's

architectural policy. It currently has a fudged opt-out that allows local authorities not to always construct a retrofit according to the policy. That should be halted, because the policy is exemplary. If we observed it, we would have an urban realm that allowed people to walk and cycle much more.

Finally, in rural areas, we could do an awful lot more to connect villages simply by constructing footways. Often in remote rural areas—I am thinking particularly of the Highlands, Dumfries and Galloway and the Borders—people might find that their village is bisected by a trunk road that has a lot of heavy traffic on it but that there is no footway and nowhere to walk. That is a complete disincentive to ever even try to go for a stroll or walk the kids to school or just along to the village hall.

Those are simple engineering tasks that we could carry out in a planned way, led by central Government, with matched funding from local authorities.

**Margaret McCulloch:** Excellent—thank you. Can any lessons be learned from the cycling action plan for Scotland about the development, funding and implementation of the national walking strategy?

**Ian Aitken (Cycling Scotland):** Yes—lessons can be learned from the cycling action plan, which was published in June 2010. The plan has a target of a 10 per cent modal share for cycling by 2020, which is an ambitious target that is potentially achievable. The main issue with the cycling action plan is that there are no interim targets. The funding that has been made available for active travel has been about 1 per cent of the transportation budget. Therefore, the funding just is not suitable if we are to see change and encourage more Scots to cycle.

When Scots are asked their thoughts about cycling, they say that it is too unsafe but that they would like to cycle more if the conditions were safer. We have had a successful year for cycling with the glow around the Olympic games, with Sir Chris Hoy becoming the greatest British Olympian, and with the first-ever British winner in the tour de France. All those athletes have to use the road infrastructure that we all use to cycle. We need to change that in such a way that the majority of Scots say that they feel safe enough to choose cycling as an option.

Going back to your original point, I think that the lesson learned is that the walking strategy must be fully costed with interim targets.

**Margaret McCulloch:** You may have partly answered my question. How could the budget be improved to benefit pedestrians, particularly those with limited mobility?

**Keith Irving:** That raises the important issue of maintenance. Let us consider the local authority budgets even before the latest draft budget settlement. I know of one local authority in which the footway maintenance budget is being cut by 11 per cent for next year and of another in which the cut is nearly 30 per cent. In its report on the budget last year, the committee recognised that the cost of reducing the budgets for local road maintenance, which includes footway maintenance, is far worse than the cost of reducing trunk road maintenance budgets. The Transport Scotland report highlighted that the worst impact of cutting a maintenance budget is on pedestrians rather than on any other road user groups.

Increasingly, we have an older population, which means that an increasing number of people are less mobile and have more visual impairments—that is an inevitable fact of life—and the things that did not bother people 30 or 40 years ago have suddenly become an issue. Footways need to be maintained better. However, one of our key messages is that, at the moment, it looks as though maintenance budgets are going to continue to be cut while the trunk roads budget continues to increase despite the committee asking last year for efficiency savings to be found in it.

We must remember that everyone is a pedestrian for part of their journey and that there are particularly vulnerable groups who are deeply affected by poor footway maintenance and inconsiderate parking, although Sandra White plans to introduce a responsible parking bill to help to deal with that. The committee should also look at how utilities are regulated because if the repairs are not up to scratch, that has a major impact on conditions for pedestrians.

**The Convener:** Given that budgets are tight and local authorities must prioritise, would you rather see the money spent on maintenance and repairs than on extension?

**John Lauder:** There is tremendous merit in taking the approach that the City of Edinburgh Council and the organisation that Phil Noble works for have taken, which is to get the existing network in the city working properly. Often, networks for walking and cycling work well once people are on them but can be difficult to find, and people often arrive at a barrier on such a network. Finding a way round those barriers and connecting the networks up is a sensible area for spend. That involves new network, but it also involves maintaining and upgrading what already exists. It is an established process that has been piloted in Stockholm and many other northern European cities, where it has worked very effectively.

I would argue that a minimal amount of new network needs to be built to make cities and towns much better places to walk and cycle, and that there is an awful lot of merit in ensuring that the sections of the road space that cyclists use are well maintained. That means making sure that potholes are dealt with and that guttering and manhole covers are in good order. In addition, as Keith Irving has said, it is about avoiding trip hazards and other things that make life difficult for anyone who is walking but particularly for anyone who is in a wheelchair or who is pushing a pram. That is a simple area of spend, and some local authorities in Scotland are setting a good example that others could learn from in adapting their measures.

10:15

**The Convener:** Would you like to tell us which local authorities those are?

**John Lauder:** Fife Council and the City of Edinburgh Council are well worth others focusing on in the light of what they have done. I would also mention Moray Council and Argyll and Bute Council.

**The Convener:** You have asked for more money. Keith Irving said that he goes into schools and encourages people to walk to school. Many schools certainly do walking buses. Is the effort sustained a few weeks after you talk to them or does it fall off?

**Keith Irving:** People are creatures of habit so if the behaviour change is set and we create the right infrastructure and make walking or cycling to school the easy and obvious choice, people will take that option. We would say that the behaviour change through our walk once a week programme is sustained.

Frankly, often children would rather walk to school and it is parents or carers who are the barrier. A couple of weeks ago, we heard about complaints that parents and children were being asked to walk for six minutes from a park-and-stride point to a school. Six minutes is not very long and I refer back to the dangers of physical inactivity. Park and stride is a great option and it comes at a low cost. It solves the congestion problem at the school gate, so it should save everyone time and money, and it should make everyone that bit healthier. It comes at a low cost, but it requires thought and repeated commitment from the school and the local authority along with overarching support from the Scottish Government.

**The Convener:** You refer to improving the urban realm. Can you give us some concrete examples of what you are talking about? What are the barriers?

**Keith Irving:** I briefly highlight the surface of the pavement and crossing the road—particularly for more vulnerable pedestrians. We are told that, according to professional standards, those are barriers for older people.

We did a walkable communities project in Torry in the convener's constituency. The key message that people in a sheltered housing complex gave us was that they do not feel safe walking along the pavement, because the surface is too rough so they are afraid that they might fall, and that they are afraid of crossing the road because they do not have sufficient time. That means that we need more pelican crossings and more safe crossings without lights, which cost in the region of £5,000 to £30,000 each, so those are very small investments when multiplied across the population.

We would argue for pavements to continue across side streets—the same principle applies for cycle lanes—because that is where pedestrians should feel that they have priority. Such low-cost investments would lead to more people walking on the streets, which is crucial to supporting our local economies.

**The Convener:** Finally, why do we still use paving stones, which are likely to crack and become uneven, instead of having tarmac pavements?

**Keith Irving:** If pavements are well constructed there is no reason why paving slabs are not a good option. The problem with tarmac is that there is often trenching if a utility has come in and the frost therefore gets in. Local authorities try to deal with these issues as best they can with diminishing budgets.

Every local authority and the Scottish Government need to take the designing streets policy, to which John Lauder referred, seriously. It says that when they are thinking about the street and the road, they should think about pedestrians first and how people will walk along the street, and everything else will follow on from that.

**Phil Noble (Society of Chief Officers of Transportation in Scotland):** On the last question, we do not always want to use tarmac. After all, this is not all about function; it also depends on the visual context. In town centres, for example, paving slabs are often made from materials that enhance the environment and, in such cases, we might want to pay for something more expensive that requires a bit more maintenance.

Coming back to earlier questions, I endorse other speakers' comments, particularly with regard to the value of 20mph speed limits in residential areas and shopping streets as part of a walking strategy and as part of the cycling action plan, a

stronger lead from the Scottish Government on that and the removal of some of the current barriers to introducing sign-only 20mph speed limits as part of the strategy.

**Malcolm Chisholm (Edinburgh Northern and Leith) (Lab):** I will ask about cycling in a moment but, having observed this for many years, I simply note that the health benefits of physical activity are more salient than they were 10 or 15 years ago. Harry Burns tells us all the time that exercise is right up there in importance; in fact, he recently told the cross-party group on health inequalities about the great benefits of exercise, even for overweight and obese people. Apart from the environmental imperative, it is probably my main argument for more investment in walking and cycling. Do you think that walking and cycling have any benefits with regard to reducing health inequalities, which is obviously a big focus for Government policy?

**Keith Irving:** I will let others comment briefly on inequalities in a moment but, in my view, the whole issue re-emphasises the importance of physical inactivity. As we know, it is more common for people in areas of deprivation to have not just one but several long-term conditions such as asthma or heart disease and we need to enable an appropriate level of physical activity to take place in order to hit all those conditions.

As far as inequalities are concerned, areas of deprivation have the worst conditions for walking. For a start, as the front page of yesterday's *Scotsman* highlighted, they have the worst air pollution; they also have the worst road casualty records and the worst levels of vacant and derelict land. Of course, it is great that investment is going into vacant and derelict land because it not only supports jobs but reduces inequalities.

**Dr David Brennan (Pedal on Parliament):** Given that about 30 per cent of people in Scotland do not own a car, enabling active travel will help many people. Also, in the areas where cycling and walking take place, people tend to spend their money locally, which encourages the creation of local jobs. People in cars tend to pass through on their way to out-of-town shopping centres whereas those who cycle through town centres are more likely to spend their money in those areas.

Some very good reports have highlighted the economic benefits of this approach to health. Cost benefit analyses tend to suggest that a cost benefit ratio of 2:1 is very good. The cost benefit ratio of active travel is about 13:1 globally and 19:1 in the United Kingdom. It is clear that cycling and active travel provide significant economic benefits.

Another way of looking at this is to point out that, if you spend £100,000 on a cycle track, you



only need to create 11 new cyclists over the course of the project—say, 30 years—for it to break even economically. As a result, putting money into cycling is not putting money into a black hole; it is an investment that provides significant payback. The problem is that it tends to pay back over the longer term, which means that we need to look to the future instead of thinking solely about short-term change.

I thank the Scottish Government for the £6 million of extra funding that it recently announced. We are not entirely sure where that money has gone—and are obviously quite interested in finding out where it will be going—but, when you consider what has been taken from other budget areas, it becomes clear that all it does is maintain the status quo. We need a significant increase in funding if we are to achieve the economic benefits in the future. I know that the times are tough and that money is tight, but we have explained in our evidence ways that money could be found.

**Malcolm Chisholm:** I will move on to cycling, although you have pre-empted me with that answer—thank you very much. In the absence of a formal progress report on the implementation of the cycling action plan, will Cycling Scotland provide a brief update on implementation, particularly progress towards meeting the target of 10 per cent of trips being made by bike by 2020?

**Ian Aitken:** Yes, certainly. A progress report has been submitted to the Scottish ministers.

The cycling action plan has been in place since June 2010 and has an ambitious target of 10 per cent modal share by 2020. The current funding level is not appropriate for reaching that target. If we want the majority of Scottish people to feel safe cycling, the infrastructure on the ground needs to change. It is not necessarily a case of building new infrastructure; we need to reallocate road space and create segregated lanes in our towns and cities.

It is interesting that cycling is an underperforming mode of transportation throughout Scotland but it performs relatively well in parts of Scotland. For instance, in Edinburgh, 7 per cent of people now cycle to work. Cycling is becoming a major transportation mode. If that was replicated throughout the country, it would be highly significant. However, the proper infrastructure must be in place.

When we did the research for the cycling action plan, people said that they wanted speed limits to be lowered in towns and cities, that they wanted segregated infrastructure and that they really wanted to cycle but just did not feel that it was safe. It is almost ironic that we are starting to think about the legacy from 2012 and 2014 but most Scottish people feel that it is not safe enough to

cycle. The Government can change that by putting in place funding to make it safer to cycle. However, funding is not the only issue, because political leadership is also important.

It was interesting that, in the local authority elections, the Scottish National Party's local manifesto made a commitment to having a green transportation plan in all the areas in which the party was in power and also to giving all children on-road cycle training. If that was replicated across all local authorities, we would be able to teach all young people how to cycle in an on-road environment, which is much safer. Unfortunately, at the moment, many of our children are taught to cycle in the playground. They are asked to cycle into school by themselves, they cycle round in the playground and then they cycle home by themselves, rather than being taught in a live environment, which is much safer.

The lesson that has been learned from the first couple of years of the cycling action plan is that progress is being made through what Sustrans is building in partnership with local authorities but the balance of funding is not correct and will not enable us to reach the 10 per cent target.

**Malcolm Chisholm:** You have pre-empted my next questions, but perhaps some of your colleagues might like to chip in. Are the sums of money in the recently published budget for active travel enough to deliver the cycling action plan? More crucially, what kind of policies does the Government need to implement to increase the number of people who cycle in Scotland? I agree with what you say about safety, but there are other factors, some of which are related to safety and some of which are not. Do any of the others want to comment on those questions?

**John Lauder:** We do not need any more policies, please. We have plenty of really good policies. As we have pointed out, the designing streets policy is exemplary and is looked on with great envy by other Assemblies in the United Kingdom. However, we are simply not delivering it.

I am afraid that we are back in the trap that Scotland has been in before. When we meet our European neighbours, they often say, "You have the best policies in Europe and we use them a lot—we read them and then we rewrite them—but is it your policy not to deliver your policy?" I am afraid that that is beginning to hurt a little. We have great policies and all of us worked hard to feed into them, but it is wrong that they are not being delivered.

10:30

There is not enough money to deliver the cycling action plan, as Ian Aitken has already said. Sustrans is pleased to have a good funding

settlement from the Government for this spending review period, and if some of the additional £6 million that was named for cycling comes our way, that will be great and we will spend it wisely. Everything that we get is match funded by our partners, so the £24 million budget that we have for the next three years will mean a £50 million or more spend across the country, which is great. However, in my opinion we need a fixed budget that we know in advance, which we can plan ahead for, and which rises incrementally for the next few years to take us to a position in which we have at least £10 per head of population to spend on infrastructure that will benefit walking and cycling. I recommend Cycling Scotland's evidence on that. That will take us very close to delivering the cycling action plan.

I know that members will be thinking that that is all very well but where will the money come from? I suggest that we look at what cost savings can be made on major infrastructure schemes and move that funding into active travel. If we can establish a position in which, when Transport Scotland has major new schemes such as the new Forth crossing or the A9, a proportion of the funding, as well as any savings that are made in contract negotiations, goes into active travel. That would be a very sensible way to move forward.

**Dr Brennan:** I want to follow on from what John Lauder said about major infrastructure builds. In relation to the A9, research shows that on the A77, road deaths and casualties were significantly reduced by average-speed cameras. Even the A9 safety group has suggested that, rather than dual the A9, we should consider using speed cameras to control and reduce speeds and therefore to reduce accidents that are caused by people who overtake because they are stuck behind somebody else.

There are many ways in which we could find money from the trunk road budget if we wanted to because it is incredibly important that we increase significantly the money that we are spending. Scotland is really starting to fall behind at the moment. I was surprised when somebody recently sent me a link about Minneapolis, which is probably the heart of car use in the US. In Minneapolis, 4 per cent of people are now cycling. Minneapolis is an incredibly cold place during the winter; it has very extreme winters, but a significant amount of people continue to cycle all the way through the winter because they really want to. Minneapolis has done that by putting in a lot of cycling infrastructure. It currently has 127 miles and is looking at building much more.

I understand that money is tight. The problem is that when small amounts of money are given at short notice, infrastructure is built but is not connected up. If it is not connected up and it does

not take people from where they are to where they want to go, it will not be used. A very good example of that is London Road in Glasgow, coming from the velodrome. I cycled along that the other day and it is completely disjointed. There is no way I would take my three young children cycling along that road. It should not be like that and it does not have to be like that—if we invest.

**John Lauder:** I just want to come back and say that we do not need any more policies, although the plans for a walking policy are very welcome. *[Interruption.]* I did not think that you could kick that far. *[Laughter.]*

**Phil Noble:** The point about the £10 per head was well made. Cycling England has researched that figure by looking at the cycling demonstration towns there. The point that has just been made about the need for a planned increase and consistent levels of funding is very important, particularly for local authorities in their planning how to go ahead.

My council is committed to spending 5 per cent of its revenue and capital transport budget on cycling next year, and to increasing that incrementally by 1 per cent per year up to 2016-17. That kind of approach gives a level of certainty that enables the planning processes to be gone through, which in turn enables us to develop the schemes that enable joined-up infrastructure.

When funding is received late in the financial year, local authorities implement schemes that tend, although they are valuable, to be simpler and not to require legal negotiations or land. In that context, it is hard to plan for schemes that would be more difficult to achieve. A level of certainty and ramping up in a planned way are crucial if we are to achieve the ambitious targets that are in the cycling action plan.

**John Lauder:** We feel that the Government is rather like an indulgent uncle who pops along every now and again to give you 20 quid, forgets your birthday and Christmas, then comes along all of a sudden to splurge more money. If we had certainty that funding would be provided regularly, we could plan.

As Phil Noble said, it is sometimes difficult to negotiate for land and it is complex to negotiate crossings of rail lines and other such things. We have to negotiate with partners and it takes a lot of time. If we do not have certainty that a budget will be available two years down the line, it is difficult to persuade local authorities to commit scarce resources to planning for difficult schemes.

Often, however, it is the difficult schemes that require to be built in order to make networks in cities work. David Brennan talked about London Road in Glasgow. Often, the reality is that a good alternative is available but we cannot go near it,

because it would take too long and we would not know whether a budget for construction will be available when required.

**The Convener:** What empirical evidence do you have to show that, when such networks are created, usage by cyclists increases significantly? The average person on the street sees that cycle lanes are not used and asks why the Government or local authorities should put more money into cycling. Do we need to spend money on educating and encouraging people to use cycle lanes, rather than putting in more cycle lanes? That is chicken-and-egg stuff.

**John Lauder:** You make a number of valid points. I agree that we cannot just build infrastructure and hope that people will use it; we must promote its existence. As we have discussed, we also need to maintain infrastructure to make it attractive for people to use.

Why are some cycle lanes not used? Often, it is because they are awful and dangerous. A lane might be formed by a strip of white paint at the side of a very busy road, which would not persuade anyone to cycle down that road. In some schemes, never has so much paint been wasted by local authorities for so little benefit.

However, I contend that we have moved on from that and that local authorities are much better at putting in infrastructure. We have much better design standards and things are moving on, but we do not necessarily get schemes right every time.

Sustrans has ample empirical evidence and I would be happy to give the committee our monitoring reports for the past five years, which show a 60 per cent increase in use of the national cycle network. Last year, 35 million trips took place on the national cycle network in Scotland, which contributed some £100 million in recreational spend to Scotland plc. Through using the World Health Organization's health economic assessment tool, we calculate that that provided a £65 million health benefit to Scotland plc.

We have good evidence that the public will use networks when they are well maintained and well planned, when people are alerted to their existence because they are, as you say, properly promoted and mapped with iPhone apps and all sorts of clever stuff and—crucially—when they are well signed. People use signs to get around, so if signs are not there or are poorly maintained, people will not use networks. However, I have absolute confidence that the public will use networks in the circumstances that I described.

**The Convener:** The cycling action plan is due to be refreshed. Would you like such aspects to be in it? Do other panellists have other suggestions?

**Phil Noble:** I will add to what John Lauder said about the evidence on whether cyclists turn up if investment is made. The City of Edinburgh Council and its predecessor local authorities have invested modestly in cycling since the mid-1980s. That investment has been followed by a doubling of the cycling rate between 1981 and 1991, another doubling between 1991 and 2001 and another doubling between 2001 and 2011. In 1981, 1 per cent of journeys to work were by bicycle; that figure—to be confirmed by the census—is now 7 or 8 per cent. In Edinburgh, the number of journeys to work by bicycle has gone up by eight times in 30 years, with a fairly modest spend. So there is evidence from Edinburgh, from elsewhere in Scotland and the UK and from around the world that investment gets results. It relates not just to physical investment but to all the other activities, such as promotion and training.

**The Convener:** As the representative from SCOTS, can Mr Noble tell me what senior transportation officers in local government are doing generally to assist, and to persuade councillors and ruling administrations to try to meet the 10 per cent target?

**Phil Noble:** This is not a direct answer to your question, but I know from talking yesterday to the head of transport in Aberdeenshire Council that it is using Peterhead as a demonstration town to pilot measures to encourage cycling. I guess that that is an answer to the question in some ways, because demonstrating the benefits of cycling not just in big cities such as Edinburgh but in villages and towns across Scotland is part of the process of making the case that cycling is worth investing in and that that achieves results. Demonstrating the benefits of doing things is one of the strongest ways of achieving results. Perhaps we can also look at the lessons learned from the programme called—

I am sorry; the name escapes me.

**John Lauder:** It is the smarter choices, smarter places programme.

**Phil Noble:** That programme can be used to examine what has worked. There are similar programmes south of the border.

**Dr Brennan:** The cycling action plan for Scotland has no road map for how we get from where we are to where we need to be by 2020. Edinburgh has produced a map or strategy for how it will get from here to there. For example, it has a layout of what roads will be included and when. Obviously, the national plan will not be as detailed as that, but it needs to be set out more clearly and it needs interim targets. At the moment, we do not have anything that indicates where we expect to be in two years or three years. There are a lot of good ideas in CAPS, but they

have not been pulled together enough so that we have a plan to take things forward.

The problem is that money is wasted when we do not have a plan and we often get the wrong things in the wrong places. We can end up with a network that has bits of infrastructure here and there that are not connected. John Lauder made a point earlier about why people do not use cycle lanes. Again, going back to the London Road example in Glasgow, we have some segregated infrastructure there. It is in place and although it is not perfect, it is not bad and it is a good start. However, it is not connected. If people who want to travel along the network find a part of it that has a barrier or an area that feels dangerous, they will not use the network. The result is that people believe that the infrastructure is a waste of money because nobody uses it. However, people do not want to use it because it is not connected. That is why we must have a rolling programme for which money will be available to build the infrastructure in a proper planned way, so that we can get people from where they are to where they want to go.

**The Convener:** Each local authority must do that for itself and decide how it will fund it.

**Dr Brennan:** Absolutely—but we need leadership from the top. We certainly need central Government funding, but councils must also provide funding, possibly to match Government funding. All the countries that have had significant changes in the amount of people cycling have had leadership from central Government.

**John Lauder:** On the convener's question about senior officers, the situation is patchy across Scotland in terms of whether active travel is even on the radar of some senior officers in local authority transport teams. It can be down to an individual's own motivations and interests. On the other hand, Marshall Poulton in Edinburgh is an example of a leader of a transport authority who has grasped the opportunities that active travel gives and has championed it. He took the authority into signing the Brussels charter, which commits Edinburgh to a modal share of 15 per cent of trips being made by bike by 2020, which is eminently achievable. As Phil Noble has indicated, the figures are rising all the time.

10:45

It comes down to leadership. In some local authorities that do very good work, that spend money, and that probably match or even outstrip the funds that we offer through the Government, it might be down to just one very motivated officer who has a real interest, has the desire and ambition and is a good public servant who works hard to assemble funds. However, the approach is

very patchy; it is not uniform across Scotland. Dr Brennan is right that more leadership is needed, and that cycling must be elevated so that it is seen as a serious mode of transport that provides good opportunities for an authority. We need to keep getting that message out.

**Ian Aitken:** Also key to the process is—we have mentioned this briefly—the cycling, walking and safer streets budget which, in the draft budget, is due to be cut to £5.6 million. The funding increases to £8.2 million the following financial year, but feedback from the cycling action plan delivery forum is that local authority officers really value that funding because in some local authorities it is potentially the only funding through which they can propose changes to cycling and walking infrastructure, and is key to matching funding Sustrans capital spend for community links.

**Keith Irving:** To continue briefly on Ian Aitken's point, last year the committee recommended that CWSS funding be maintained at the current level of £7.5 million. We are delighted that the fund continues to be ring fenced and that the committee's recommendation on that was implemented but, unfortunately, we are 10 or 20 per cent below the funding that the committee asked for.

**Bob Doris:** I was listening carefully to those answers. The convener had asked for empirical evidence on the difference that creating networks is making and Mr Lauder said that there is a significant amount of information on that. I am keen to know whether or not completing the national cycling network and having more effective cycling action plans is getting people who are most likely to cycle and who are cycling already to take more journeys, or whether we are getting to communities—this is a nod to Malcolm Chisholm's point—in which there are health inequalities and in which cycling is not a traditional thing to do.

In terms of the budget, do you see completing the cycling networks for those who are likely to cycle so that they can do more of it as the priority? That could meet your targets, but there could be people who do not go near a bike, who do not cycle or do active walking or use other forms of active travel for whom there is no modal shift at all. What is the balance in relation to that?

**John Lauder:** That is a really good question. To be honest, I do not know that we have the empirical evidence to answer that fully. What we can say is that where we put down good infrastructure, it will be used. In particular, we have been monitoring where we have introduced infrastructure where none existed before—that might be a path from a peripheral housing estate or scheme to a nearby school, shop, or leisure centre, for example. That path's usage just goes

straight up and it is always in use, so I think that we can say that paths will be used where there are particularly significant health inequalities. Those areas are also often where path networks need to be upgraded because maintenance has been neglected.

Bob Doris is right that—inevitably—people who are already active will become that bit more so because we are giving them another option to be active. I am very happy to provide you with more information and we can provide you with some evidence that, where infrastructure is introduced, it will be used by the population immediately next to that infrastructure.

**Dr Brennan:** I was one of the co-organisers of pedal on Parliament in April. We were fortunate that 3,000 people turned out for that day. What struck me most was not necessarily the number of people who turned up, but their demographic. There were Lycra-clad cyclists—I am one of them—but families came out with their kids on tag-along bikes or sitting on seats on the back of parents' bikes. One thing that we must remember is the need to consider the next generation, so we need to get those youngsters out so that they see their parents cycling, and to get more people out and cycling.

One of the issues with the way in which cycle paths or cycle lanes are designed at the moment is that they are generally designed for cyclists. We must build properly segregated areas that are designed for people, not cyclists, to use. If you go to the Netherlands or to Copenhagen you do not see people wearing yellow high-visibility jackets or helmets, you just see people on bikes. What we need to do—and what we can do if the proper infrastructure is built—is make cycling as easy as riding a bike. That is how it should be. Yes, we need some cycle training. Even in the Netherlands, people get cycle training. However, overall, if we create the right infrastructure, all that people will need to do is buy a bike and go out on it—they will not need training. When it becomes that easy, people will do it.

**Bob Doris:** I also sit on the Health and Sport Committee, which is currently undertaking a community sports inquiry. The themes that come up repeatedly are community sport hubs and active schools networks. I would be interested to know whether people who are involved in cycling and active travel are doing cross-cutting stuff and linking with other initiatives elsewhere.

**Ian Aitken:** Yes. Cycle training is delivered by all 32 local authorities, and within each local authority it is delivered by different teams—it might be the road safety team or it might be the active schools team. In that way, we are linking closely with active schools to support them in local delivery of bikeability training. That tie-up exists.

More could be done to ensure that cycling is accessible through all the community sport hubs. One of the gaps at the moment is that, although the Government focuses quite a lot on child cycle training, there is less focus on adult cycle training and training for people coming back to cycling. It is not always as easy as just knowing how to ride a bike. People must have cycle craft and be aware of how to cycle on the road network—particularly how to manoeuvre at junctions. Increased cycle training for adults, as well as for children, is important.

We also need to look at how everybody uses that shared space. That includes cyclists' behaviour on the road network as well as the behaviour of car drivers and pedestrians. Interestingly, the most recently released casualty statistics show that the number of casualties in other modes is showing a promising downward trend, whereas the number of casualties among cyclists and pedestrians—the most vulnerable road users—is going up. That is where we need to focus, and community sport hubs can be part of that by having led programmes locally and making people more aware of how to cycle safely on the road network.

**Keith Irving:** I refer to the briefing that Paths for All sent ahead of the community sport debate last week. Recreational walking and walking for health groups are an important part of making community sport hubs as inclusive as possible and getting the entire population active.

**The Convener:** We must move on, as time is pressing. We seem to have the policies—such as "Cycling by Design"—but you are saying that it is down to whether there is an individual in a local authority who is prepared to get them up and running. What are Sustrans and SCOTS doing to ensure that provision is less patchy?

**John Lauder:** Whenever we agree with a local authority to fund a project, we have a memorandum of understanding that we sign with that local authority, which sets out a set of design standards that we expect to be met. We have been doing that for the past four years. We also have an officer who works with the local authority to monitor the progress of the project. Quality is improving all the time.

However, in Scotland we have almost a three-tier system among local authorities. Some local authorities need very little input from us to carry out a feasibility study on, to design and to construct a project to a high standard. Those authorities tend to be the ones that come to us with lots of ideas when we announce our funding. For example, this year we have a £4 million spend on community links, but we have had £6 million-worth of ideas. Generally speaking, the authorities that come to us and whose money far outstrips the

money that we have available to match are designing, constructing and maintaining well.

Then, there is a middle group of local authorities with which we work. There will be regular visits and discussions involving our engineering team, our urban design team and others to work with them and ensure that we achieve the standards that we want. I suppose that that is an education for those authorities and us. Very often, they enjoy working with Sustrans. The project might be one of the few that many of their direct labour organisations and engineers are constructing, so they enjoy the work.

I am afraid that, below that, there is another tier of authorities that tend not to approach us and do not get much cycling, walking and safer streets money, which is the foundation for officers' bids to Sustrans for projects. We have not quite worked out why that is or where that cycling, walking and safer streets money is going. We are really not touching those authorities now and we seldom work with them, which is a real shame because they are drifting and not producing very good infrastructure, if they are producing any at all.

In addition, there is our work on community links, which accounts for our biggest spend. We have officers embedded in local authorities. One is working in Kirkcaldy in Fife on the make your move Kirkcaldy programme, which co-ordinates all the efforts of Sustrans and others in that town and is match funded by Fife Council. We have an officer working with the City of Edinburgh Council to help it to deliver its active travel action plan, which is exemplary, and we are talking to other local authorities.

There is also the I bike project, which puts cycle officers into secondary schools. The cycle officer works with all the primary schools in the secondary school's catchment. It is simply about building up confidence among teachers and parents, and offering training and advice to children to establish safe routes to school. Those members of staff are embedded in active schools and eco-schools and a variety of interventions, and are match funded by the authority.

We are doing as much as the funding allows us to do to ensure that we give local authorities the best advice that we can.

**Phil Noble:** The interaction among local authorities on the issue happens more through the CAPS steering group and the annual Cycling Scotland conference than through SCOTS. As far as I am aware, SCOTS does not have a specific group that has been set up for that. The question highlights the importance of a block of ring-fenced funding alongside the national strategy or the cycling action plan to encourage local authorities to deliver the national objectives.

**The Convener:** Does Jim Eadie think that his questions have been answered?

**Jim Eadie (Edinburgh Southern) (SNP):** I would like to have a stab. My questions may well have been answered, but clarification is always helpful.

The cycling action plan for Scotland set the ambitious target of 10 per cent of all journeys being made by bicycle by 2020. Will the members of the panel briefly say whether they think that we will be able to hit that target if the current funding levels are maintained and total investment in active travel from 2010 to 2015 averages around £20 million in each year?

**Dr Brennan:** Absolutely not.

**Ian Aitken:** No. I do not think that there is currently enough funding to do that. The thing is to keep monitoring. The greatest 2014 legacy would be Scottish people saying yes when they are asked whether they think that it is safe to cycle. It is in the gift of local and central Government to fund and put in place the relevant infrastructure to make most people feel safe cycling.

David Brennan made a very good point. It is not about people who currently cycle; it is about all those who say that they would like to cycle. Sometimes such people cycle for leisure. Perhaps they will drive to a path, take their bike off the car and cycle for a bit with the family. The interest in cycling exists, but it will be very difficult to hit that target with the current funding arrangements.

However, that is not to say that there is not—

**Jim Eadie:** I am looking for brief answers from members of the panel, please.

**Ian Aitken:** I am sorry.

**John Lauder:** It will be extremely difficult to hit the target. To achieve the 10 per cent figure, we need 18 or 19 per cent of trips to be made by bike in some of the big urban areas, because we will not get such a high rate across the board. As the funding stands, it is not going to happen.

11:00

**Dr Brennan:** Pedal on Parliament has set out in our manifesto what we need—the Government must set aside a percentage for cycling. I stress that we are not asking for new money; we are just asking for a reallocation. If we are to take cycling seriously as a mode of transport, some funding must be set aside. As John Irving mentioned, the problem is that, at the moment, it is extremely difficult to see what money is set aside, because the picture is muddled. We need a specific and highly noticeable fund for active travel. It needs to be a significant amount. We are talking about a step change in funding.

**Jim Eadie:** Does anyone else wish to respond?

**Phil Noble:** I agree with the points that have been made.

**Jim Eadie:** Pedal on Parliament has asked for 5 per cent of the total transport budget to be invested in cycling. I understand entirely the point that has been made about that being investment rather than funding. Sustrans and Cycling Scotland have asked for 10 per cent. How did you arrive at those figures?

**Dr Brennan:** I will clarify that. As our submission states, we want 5 per cent of the budget to go specifically to cycling. We want 10 per cent to go to active travel.

**Ian Aitken:** That is what Cycling Scotland is saying. We are asking for 10 per cent for active travel. If that funding were split, the figure for cycling would be 5 per cent.

**John Lauder:** The thinking behind the 10 per cent figure came from the Association of Directors of Public Health. It has recommended that, on a UK-wide basis, all transport budgets should set aside 10 per cent for active travel.

**Jim Eadie:** Okay.

I want to ask about local authority funding. The cycling, walking and safer streets ring-fenced funds that have been mentioned are used by local authorities to leverage in additional funding from Sustrans. Is that the best way of leveraging in additional investment?

**John Lauder:** That is a really good question.

**Jim Eadie:** If that is not the best way of doing it, what would be?

**John Lauder:** From my point of view, that is the established way of doing things. The way it works is that if I were a local authority officer, I would know that I had £X coming in for cycling, walking and safer streets. That would allow me to say in the internal budgeting negotiation that went on in the authority, "I have this amount of money. I can get the same amount of money from Sustrans. Will you, as my line manager, make a case for me to get £X from the authority as well?" The smart officers will take the CWSS funding and match it with money from Sustrans and with funds from the authority, as well as levering in funds from other areas.

I do not know whether that is the best way of doing things. There would not be any harm in looking at alternatives.

**Keith Irving:** There are various European funds that a small number of local authorities, including Moray Council, have bid for successfully, but they require the local authority to provide match funding. The local authorities need, somehow, to

get the budget and they need to know two, three or four years in advance that it will be available.

**Ian Aitken:** An alternative method of funding that has been used in the past down south is to get local authorities to bid for money from the total pot for cycling. That involves working with the local authorities that are most willing to put in significant changes to cycling infrastructure, rather than spreading the money thinly across the whole country. That approach could be looked at, but I advocate continuing with the current CWSS arrangements.

**John Lauder:** I do, too.

**Dr Brennan:** Absolutely—I agree. In our evidence, we suggest that CWSS funding should be continued. In fact, we would like it to be increased to its previous level. We also mention the bidding process, which is certainly an option.

**Jim Eadie:** It has been helpful to get those responses on the record. We have had clear oral and written evidence on the fact that the greatest returns on transport investment are provided by investment in active travel, and on the health benefits of high-impact preventative spend.

I have one other small point.

**The Convener:** Okay—hurry up.

**Jim Eadie:** It is about the next generation and the target of enabling 100 per cent of schoolchildren to access on-road cycle training by 2015. The issue has already been mentioned, but I ask the witnesses to say a bit more about how we can achieve that target as part of the refresh of the cycling action plan.

**Ian Aitken:** I have already mentioned briefly the fact that it takes commitment and political leadership. In its local authority manifesto, the SNP made it clear that, in every local authority it presided over, all children would receive that training. That was a fantastic move and if all parties did the same it would make a major contribution.

However, at the same time, the proper funding must be in place to ensure that resources are available for young people and there must be proper trainers who can carry out the training. We do not know any details of the £6 million that was announced by the Scottish Government and I am particularly interested in finding out whether it contains additional funding for bikeability training, because it looks as if that budget will be reduced this financial year. That would set us back in achieving our target of giving 100 per cent of children the on-road cycle training that is so important for their safety.

**Jim Eadie:** You mentioned political leadership. As co-conveners of the cross-party group on

cycling, Alison Johnstone and I have suggested that the minister convene a regular meeting of the 32 councillors with portfolio responsibility for transport in order to monitor and encourage progress. Are you open to such suggestions?

**Ian Aitken:** That is an excellent idea. Indeed, I think that a very similar suggestion will be made in the CAPS progress report.

**Alex Johnstone (North East Scotland) (Con):** I have some additional questions about a couple of lines of questioning that have already been covered. First, on funding arrangements, John Lauder suggested earlier that overspends and surpluses be targeted at active travel. However, he also admitted that, as we all know, consistency and predictability are important in budgets. That brings us back to the prioritisation of transport budgets. Are there any budget areas that should be shaved to divert consistent resources into active travel?

**John Lauder:** An element of the extensive trunk road budget, which has grown, called the trunk road initiative allows for cycling infrastructure to be added when trunk roads are improved or upgraded, and I wonder whether money could be set aside from that budget for active travel.

I am genuinely not trying to fudge my response or duck the question, but I think that this is a question for the leadership of Transport Scotland. It needs to take a fresh look at its budgets and budget allocation.

**Alex Johnstone:** I am going to ask you almost the same question but from a completely different point of view. We all talk about the carrot-and-stick approach, but do you think that reducing certain budgets might force people to consider active travel more seriously?

**John Lauder:** No. Examples of the carrot-and-stick approach on the continent have actually been quite subtle and have happened at the local level. In Copenhagen—and in many other Danish cities that followed its example—the city council decided to make it extremely difficult for people to drive across the city. Of course, you could argue that Edinburgh has done the same successfully with the construction of the tram system.

**Alex Johnstone:** It has been very successful in that respect.

**John Lauder:** In Copenhagen, the council divided the city in such a way as to make the pointlessness of driving 2 miles blindingly obvious and to make people think, “I might as well take the bike”. Indeed, that is what has happened; people have begun to think, “This is daft—they’ve closed off roads and it’s taking forever. I could get where I’m going quicker than this”. If the council in Edinburgh took the same approach, it might

decide to divide the city by, say, not allowing traffic to cross Leith Walk or at various other points.

Of course, that would happen at a very local level and I do not think that, with its national perspective, Transport Scotland could take such an approach. However, it could make a better allocation of funds. The figures vary but at the moment we get less than 1 per cent of what Transport Scotland spends.

In terms of staffing, again, the figures vary, but there are about five members of staff in Transport Scotland with any responsibility for active travel—walking and cycling—and I think that there are 350 staff on the books plus an army of consultants. I think that Mr Middleton and others could also have a fresh look at how they budget and how they allocate their funds.

**Alex Johnstone:** The next victim, who has been asked about the same thing several times, is Ian Aitken. On three different occasions this morning you have taken the opportunity to talk about cycle training and about the importance of getting the appropriate training to future cyclists, who will want to be safe on the roads. However, costs will be associated with that, and I want to push you just a little further on that. What do you think it would cost to ensure that every child in Scotland—every potential new cyclist in Scotland—gets the basic level of training to make them safer on the roads?

**Ian Aitken:** That is a good question. In terms of funding, the answer is relatively straightforward. We are looking at a budget of between £500,000 and £1 million per year. In England, they are currently spending more than £11 million on child cycle training under the same bikeability system.

The difficulty in Scotland is really the leadership within each local authority, because the local authority has to decide whether to take that training on road—it is devolved in that sense. In terms of all the resources and everybody being trained to the right standard to be able to facilitate the training, it is easy to identify the level of funding—the issue is the buy-in from each local authority. The main influence on that buy-in will probably come from the political parties—if the parties follow the Scottish National Party’s lead and make a manifesto commitment to on-road training, the transport conveners will be given responsibility for that and the officers will follow.

**Alex Johnstone:** In your earlier answers, you also touched on the fact that some local authorities in Scotland are already moving down that road and perhaps have calculated what the cost will be for them. Is it possible to extrapolate from that what it would cost nationally and how far short we are at the moment, within the Scottish Government’s budget, of achieving that?



**Ian Aitken:** Are you asking specifically about bikeability training?

**Alex Johnstone:** Yes.

**Ian Aitken:** The difficulty with the bikeability training budget is that it changes year on year. It is similar to other spending that we have spoken about. Funding comes for it towards the year end—so at this time of year—but we have not planned for that at the start of the financial year.

In relation to local authorities, it depends very much on who is co-ordinating and delivering the training—it could be the road safety team, or it could be done through active schools. However, within the school setting, the training is done by volunteers. I use the word “volunteers” loosely, because the volunteer could be a teacher, a classroom assistant, somebody whom the headteacher has told, “You’re volunteering,” a cycling champion within the school, or a parent or another member of the community. It varies greatly—we follow a volunteering system in Scotland in comparison with a paid-for system in England, where professional trainers go in and deliver the training.

**Alex Johnstone:** Do you see it as one of those things that might cost quite a lot to set up and then cost very little to keep going?

**Ian Aitken:** We could see reductions in the budget because we are trying to use staffing that is already in place. Rather than going for the model of creating a whole new raft of paid-for trainers, it is about using officers who are already in place in the local authority, whether they work in schools, in active schools or in road safety. The idea is to make it as cost effective as possible, using people who are already in place.

**Alex Johnstone:** My final question is the how-long-is-a-piece-of-string question. A lot has been said about the exemplary provision in countries such as Holland and Denmark. We have also heard that we have some pretty good policies here, but in your view we are not implementing them in the appropriate way.

In the long term, how radical does the shift in budgets have to be in order to apply those policies and get us to the same standard as that on the other side of the North Sea?

11:15

**Ian Aitken:** We have to increase the budgets gradually so that, by 2020, when we are meant to hit the 10 per cent target, cycling has 10 per cent of the transportation budget or equivalent. It does not necessarily have to come from transport; it can come from other directorates that are getting the benefits, such as the health directorate. We must go at that pace so that the spend is spent wisely

and responsibly, the networks and training are improved and the behaviour change campaigns to ensure that everybody is safe on the roads work.

**John Lauder:** On how long is necessary for that to happen, over the past 25 years or so, Denmark has been investing up to the level that Ian Aitken indicated. That investment is now beginning to level out but, as a result of that funding, a complete change has happened.

Denmark did not have much of a cycling culture 25 years ago. Cities such as Copenhagen looked like any city in Scotland. They were pretty busy and it was difficult to park—lots of people were driving around looking for parking places. There has been a sea change in that country.

As Ian Aitken said, if we went for that approach, we could have very different town and city centres 20 years from now. I suggest that we would also be in a very different rural situation, in which it would be much more viable to make short trips to the nearest village, for example. Most walking or cycling trips in continental countries are to transport hubs—the nearest bus stop or train station—not place to place.

I would consider making that approach our focus. If it was our focus for 20 years, the transport spend could be a significant input into health improvement in Scotland, which must be a sensible move.

**Ian Aitken:** It is important to remember that we can do it if we want to. In Edinburgh, 7 per cent of people cycle to work; in Moray and Dumfries, it is 4.5 per cent. In Highland, 12.5 per cent cycle to school; in Moray and Stirling, it is 10 per cent and 10.4 per cent. There are pockets of such a cycling culture starting. That culture needs to be nurtured and to get the correct investment.

**Dr Brennan:** We are in a good position because, if the funding was to start now, there could be a significant transformation over the next five to 10 years, and we could reach the 10 per cent target by 2020.

One advantage that we have is that there is now a lot of worldwide expertise on how to achieve such a target. Many people are willing to come and give us the benefit of their experience and tell us how they managed. For example, some people from the Danish embassy will be at the Cycling Scotland conference. We might be able to shortcut the process a little bit if we were to start now.

**Phil Noble:** We always refer to Denmark and Holland, but we should remember that countries such as Germany, Sweden, Switzerland and even parts of Italy have achieved the same transformation. It is not all about two flat countries on the other side of the North Sea; countries that have topographies more similar to ours and which

do not have such a long-standing cycling culture have achieved similar transformations.

**Gordon MacDonald (Edinburgh Pentlands) (SNP):** How is the cycling infrastructure in Denmark, Holland and the other countries that were mentioned funded? Is it a combination of local and national Government funding or is there—dare I say it—another form of tax, such as a road tax on cyclists?

**John Lauder:** It is, exactly as you suggest, a combination of local and national Government funding. The national funding acts as the lead funding stream, and local authorities contribute.

There is also a slightly different set-up in that many cities on the continent have mayors who have their own budgets. That is not dissimilar to the London set-up. In some of those European examples, the mayor said, “We are going to change things, and I’m going to lead it.” We mentioned Copenhagen; Stockholm is another example, as is Graz in Austria, which is quite hilly and gets quite hot and then very snowy. That is another example of the application of local funding.

Those funding streams are not necessarily much different from funding streams here. As we said about the policies, we have the right funding set-up and the right balance between central and local government, but we just seem to lack the impetus to take the bull by the horns and go for it.

**Gordon MacDonald:** Do you know what share of the transport budget cycling has in those other countries?

**John Lauder:** Some of them have the 10 per cent model, but I would need to check that to answer your question properly.

**Keith Irving:** On the budget split in those other countries, local authorities probably have a higher percentage share, but we would need to get back to the committee with specifics on that. Also, local authorities in those countries might have other ways of raising revenue.

**Gordon MacDonald:** I move on to walking. It was mentioned earlier that we need to encourage people to walk more. We heard that we have to improve town centres, improve pavements, introduce 20mph zones in shopping and residential streets and have a network of footpaths between villages and towns. Do you have any idea of what that would cost? What level of investment is required?

**Keith Irving:** That depends on how radical a shift we want to make. We have found from the Scottish Government’s town centre regeneration fund that, to improve crossings and so on in a single town centre, the biggest change comes when we start to spend upwards of £0.5 million.

That has to be done in a planned way, because otherwise there is no time in one financial year to do anything other than repave a street, which is good but not the whole picture.

We would like more crossing points, which cost about £10,000 a time, and more raised crossings on side streets, which cost perhaps £5,000 a time. If the committee likes, we can provide an estimate of how many crossing points and raised crossings in side streets are required in Scotland, although that comes back to Alex Johnstone’s how-long-is-a-piece-of-string question. However, we are talking about relatively small sums of money. If we want the whole of Scotland to benefit, the benefits have to be spread.

**Dr Brennan:** I want to add one option that relates to 20mph speed limits, which Gordon MacDonald mentioned. We believe that, under the Scotland Act 2012, the Scottish Government could set the default urban speed limit at 20mph. That would be a fairly cheap measure. Any area that then wished to raise the speed limit to 30mph could choose to do so. That is where the cost would come in, and it would fall on the local authorities. That is a cheap and quick measure that could be taken.

**John Lauder:** I can give examples of costings. The average cost of the community link projects that Sustrans funds is £250,000, with £125,000 of Government money match funded by local authority funding. That is the average cost for about 1km or 1.5km—up to a mile—of path.

We also do some work around primary schools in Scotland, in a project that we have called designing streets. That involves engaging with the community around the primary school. Members will all know that primary schools can be a bit like Custer’s last stand in the mornings—a wee bit scary. The cost for basic re-engineering is about £100,000 per primary school. For that, we can re-engineer the streetscape around a school to make it more difficult for people to park right in front of the school to drop off their kids and easier to park and walk, or simply to walk from the neighbourhood to the school. Those are two examples of current costs.

**Phil Noble:** Last year in Edinburgh, we introduced a 20mph speed limit in quite a large area just south of the city centre. The cost of that for 40km of streets was about £200,000. If that was rolled out across the remainder of the street network in Edinburgh that does not already have a 20mph limit, the total cost would be about £2 million. As David Brennan said, the costs of a default 20mph limit would be lower, although signage would be needed for the streets that had a 30mph or 40mph limit.

**Gordon MacDonald:** There can be difficulties understanding how much the Scottish Government invests in active travel given the way in which the information is presented in the draft budget. What is the best way to rectify that problem?

**Ian Aitken:** There should be a specific line in the budget for active travel. Given that there is a specific target in the cycling action plan for Scotland and that—as I understand it—there will be a target in the walking strategy, it would be much simpler if there was a single line in the budget for active travel. We are not sure, even after the budget announcement, what the detail is.

**Keith Irving:** The best way would be not to conflate all expenditure on buses with expenditure on walking and cycling. Under the heading of sustainable travel, we have everything from electric cars to buses to walking to cycling, but those are four very different modes of transport.

**The Convener:** As we have no further questions, I thank the witnesses for their evidence, which was good.

I briefly suspend the meeting to allow the witnesses to leave.

11:25

*Meeting suspended.*

11:30

*On resuming—*

## **Water Resources (Scotland) Bill: Stage 1**

**The Convener:** The next item is further evidence on the Water Resources (Scotland) Bill at stage 1. We are taking evidence from Consumer Focus Scotland. I welcome Trisha McAuley, deputy senior director, and Ryan McRobert, policy advocate, from Consumer Focus Scotland.

**Jim Eadie:** What is your view of the adequacy of the consultation that took place prior to the introduction of the bill? Are you satisfied with the Scottish Government's response to the concerns that you raised?

**Trisha McAuley (Consumer Focus Scotland):** The only issue that we had with the prior consultation was the formal public consultation that took place earlier this year, which was the second of the two hydro nation consultations and lasted for six weeks. We submitted a response to that consultation, but we made it clear in our response that we felt that the consultation period was inadequate. We understood the reasons for the timing—it had to fit into the parliamentary timetable before the summer recess—but we made it clear that we felt that it was insufficient.

We are happy that the Scottish Government has largely considered our concerns. Some of them are clear in the policy memorandum, but I do not think that some of them have been followed through in the wording of the bill. Generally, however, we are happy with the consultation process except for the six-week period in February.

**Jim Eadie:** We will come on to the specifics during this session. Will the bill and the wider hydro nation agenda have a positive impact on water consumers in Scotland?

**Trisha McAuley:** A lot of what is in the bill is positive for the better management of our water resource, but the bill and the hydro nation agenda do not make it clear what the benefits to consumers will be. For example, there is very little emphasis on how the economic gains that are outlined in the hydro nation agenda will be passed on to consumers in the form of lower bills, and social justice through the possibility of helping people who cannot afford to pay their bills. That is not clear to us.

We think that the bill focuses too much on the economic gains at the expense of environmental and social impacts. For example, the generation of

renewable energy could bring significant benefits to our rural and remote communities, but there could be significant detriment if those developments are undertaken without proper engagement with the local communities. From that point of view, we can see risks to consumers as well as benefits.

We welcome the international response in terms of helping international development, but we are not clear that there is enough focus on getting things right at home. There has been no real look at the affordability of water bills for some time. We think that now is the time to have another look at the charging system, and we have submitted a detailed response to the recently closed consultation "Investing in and Paying for Your Water Services from 2015". We are not clear about the extent to which people in Scotland are having real difficulty.

I know that it sounds rather strange, but there are still issues about people in Scotland not having access to a clean and affordable water supply. Some of you may be aware of the recent situation in Bridge of Orchy. By some quirk of administration, the water supply was not transferred from the ownership of Argyll and Bute Council at the time of the establishment of Scottish Water, so the local council has been responsible for that private water supply, as is the case for all private water supplies. Recently, however, the local council determined that it did not own any property in Bridge of Orchy and that therefore it would not support the water supply any more. The drinking water quality regulator for Scotland has been in contact with the council and Scottish Water, so that situation may now be resolved. However, it is a serious situation. We would expect the hydro nation agenda to ensure that problems at home were fixed as well as or before looking further abroad.

Those are just some of our concerns about the bill. It is a well-intentioned bill, but from a consumer perspective there is a bit of an imbalance between some of the social and environmental parts of the agenda and the economic part, which is fine in itself.

**Jim Eadie:** Clearly, you have an opportunity through the legislative process to inform and influence the development of the bill through its different stages. You provided in your detailed written submission a number of recommendations as to how the bill might be strengthened. Can you highlight for the committee which of those recommendations you think should be given active consideration?

**Trisha McAuley:** Yes. I have already alluded to the first one, which is about the definition of the value of water, which section 1(3) of the bill states

"includes the economic and other benefit".

We made it clear to the Scottish Government in the consultation that we felt that the definition must be expanded to include reference to environmental and social benefit. The Government's response was that that was in the policy memorandum. Indeed it is, and we welcome that, but we do not think that the bill's wording is adequate. We would like to see specific recognition in the bill that economic gains should be placed alongside environmental and social gains.

**Jim Eadie:** What benefits would that bring for consumers?

**Trisha McAuley:** I can give you some examples. Obviously, there are three interlinked strains of sustainable development. If we look at renewable energy generation, for instance, for any development on Scottish Water's land, by itself or other developers, we would be concerned if there were a focus on economic drivers at the expense of the impact on the surrounding environment. We would also be concerned about the social impact if Scottish Water or other developers failed to consult or engage with communities appropriately or, indeed, if communities did not have a voice in what happened. We have been working hard with Scottish Water, which has been improving its community engagement processes. It freely admits that it still has some way to go in that regard, but it is working with us to improve that.

We have all seen the amount of publicity that is given to environmental debates and the profile that they have—for example, the polarised debates about wind farm developments. That could obviously happen in the future with developments on Scottish Water's land.

We would be concerned if the economic gains agenda bypassed the potential for local renewable energy developments to be used in innovative ways to help our rural and remote communities that are off the gas grid and whose fuel poverty is hard to tackle. We have been doing some work with the energy department in the Scottish Government on community benefit funds and we would like to ensure that Scottish Water's agenda was joined up so that communities could benefit.

There is also the issue of affordability for current and future consumers. This is the dawn of a new era in water resource management. Scottish Water is working on 25-year projections, while the English and Welsh water agenda, as well as the global water agenda, is concerned about water scarcity. That is obviously not an issue in Scotland at the moment, but our agenda is being set in that context, so we want to ensure that people in Scotland can afford their water bills.

There is not a lot in the bill about conserving or re-using our water, or about managing demand as well as supply. Clearly, there are opportunities for consumers to contribute to the debate. The fact that we spend 30 per cent of our energy bills on heating water means that clear savings are possible for consumers.

There is a host of issues that could be encompassed in the discussion. They will not all be addressed in legislation, but we feel that the hydro nation agenda needs to widen out a bit. I do not know whether you want to talk about governance, but we see the governance aspect as offering one way in which to address that.

**Jim Eadie:** Your submission says:

“The European Commission is currently considering its response to the public consultation on its range of proposals to improve water management in Europe and to safeguard water resources for all users. It would not make sense for either the Water Resources (Scotland) Bill or the wider Hydro Nation agenda to proceed without taking due account of this emerging and important policy context.”

Can you expand on that and explain what implications the consultation could have for Scotland's water resources and the proposals that are outlined in the bill?

**Trisha McAuley:** The European Commission issued a consultation in March, which closed in June. It is now considering the response to that, which previous experience suggests could take some time.

Our understanding is that it is not going to overhaul the whole policy framework for water because a revision of the water framework directive is due in 2019. However, it wants to put in place a blueprint that it can send to member states with the expectation that they will put it into practice.

I am unclear how that would work in the context of the fact that Scotland is not an independent member state—I deliberately did not comment on that—but I fully expect that the Scottish Government would have to comply with the blueprint. Basically, it is about the better management of water resources; water policy and land use in planning and agriculture; water efficiency and how that can work in relation to building standards; and leakage. It is also about economic instruments that can incentivise the better use of our water, such as charging; metering; and—I have underlined this in my notes—pricing schemes that incentivise water efficiency.

I am unclear about what will come out of the consultation, but we think that it is an issue that should be watched. It does not make sense for us not to take account of the wider policy context of water resources generally.

**Malcolm Chisholm:** We will go through the bill's parts in order, and I will start by asking about part 1.

You have already answered the question about social and environmental factors. Obviously, various organisations that we questioned last week made a similar demand, so there is a bit of a head of steam behind that issue.

The issue in your submission that is distinctively yours is the call for the bill to impose on ministers a duty to protect the interests of consumers. It is obvious why you think that that is desirable and necessary. It is not up to you to find any problems with that approach, obviously, but I wonder whether you have had any response from the Government on that point. Do you know of any other legislation that contains such a duty? I am trying to think what the objections to it will be.

**Trisha McAuley:** We have not had any response from the Scottish Government on that point. We have shared our evidence with it and had discussions on the issue with officials, who were quite positive about what we were saying. We hope that the Government will do something.

I am not aware of any other legislation that sets out that duty for ministers. We were being consistent with the fact that the bill quotes environmental legislation. In line with our approach to the wider aspects of the issue, we felt that if some aspects of previous legislation were noted in relation to the environment, there was no reason why the bill should not include a general duty to protect customers.

**Malcolm Chisholm:** I am sorry, are you saying that that is in the previous water legislation?

**Trisha McAuley:** Maybe I am reading the wrong bit. I thought that you were referring to section 1(2), which says that the Scottish ministers are to act consistently with current legislation in relation to the environment.

**Malcolm Chisholm:** I am asking about the current legislation, which I do not know chapter and verse on. Are you saying that there is a reference in that legislation to protecting the interests of the consumer?

**Trisha McAuley:** No, there is not. We are saying that, under the Water Services etc (Scotland) Act 2005, ministers are under that obligation and that, if the new bill requires ministers to comply with the current environmental legislation, it should also require them to comply with the consumer protection legislation that already exists.

11:45

**Alex Johnstone:** With previous panels on previous days I have dealt with section 2 of the bill on the abstraction of water. I am heartbroken that you have no opinions on it, but I will move on.

**Trisha McAuley:** That is fine. It is just that other organisations, for example the Scottish Environment Protection Agency, are much more expert on the matter than we are and there are obviously people in the industry who have a clear interest. We are not experts in that area.

**Alex Johnstone:** That having been said, I will move on to section 3.

The bill distinguishes between Scottish Water's core and non-core functions, with the aim of protecting customers who receive core water and sewerage services. Can you explain why, in your written evidence, you consider that the distinction between core and non-core functions does not provide sufficient protection of Scottish Water's customers?

**Trisha McAuley:** Can you repeat that question?

**Alex Johnstone:** Your submission suggests that the bill does not provide a distinction between core and non-core functions.

**Trisha McAuley:** I thought that we had said that we were happy with that provision.

We stated in our evidence on section 24 that we were happy that the proposals in the bill were sufficient to ensure that core functions were protected. I hung that answer on to your question, so please bear with me.

As I said, there must be a clear proviso that core functions are protected. I am looking for our evidence on section 24. I thought that we had said that we were quite happy with its provisions. Are you referring to a different section of the bill?

**Alex Johnstone:** I am prepared to accept your answer.

**Trisha McAuley:** That is fine. I am trying to look for what I know I have written somewhere.

We are happy that the proposals in the bill protect the core functions, but since we submitted our evidence we have seen what other people have said and it is obvious that others are not so clear about the issue. We are in the middle of the process, as we are engaged with the Scottish Government and statutory stakeholders in the water industry. As we have been part of the discussions we are probably quite clear that core functions will be protected, but we have noted that other people think that the bill should be clearer. If others think that the bill should be clearer, we would go along with that.

**Alex Johnstone:** I have a quote before me, but I will accept your answer and we can clarify the issue later if there are any further concerns.

Your submission sets out three specific recommendations for the effective development of renewable energy resources by Scottish Water. You touched on those previously. Should those be set out in the bill or can they be achieved by other means?

**Trisha McAuley:** We have not thought about that. We felt that if we could get a commitment to ensure that social and environmental benefits were maximised and if such a duty were placed on not only ministers, but Scottish Water's functions in this part of the bill, that would be a safeguard.

We have not thought about amendments to the bill but, having heard your comments, I am asking myself why we would not ask Scottish Water to ensure that it developed renewable energy resources in ways that reflected the needs of communities. We could easily transpose that into legislation. There could be a duty for Scottish Water to be accountable to communities for what it does or to work with local authorities.

I do not have a specific amendment, but having thought about your proposal that such an amendment could be made, an amendment to the bill to add a responsibility or duty to ensure that communities are involved in the process is one that you could look at. We have submitted our response to the consultation on the community empowerment bill. Such a duty could be part of that process to ensure that it is, for example, wired into community planning. We are not experts on community planning but, as you have raised one way that we might develop a specific amendment, that is another way that it could be done.

**Bob Doris:** Good morning. You state in your evidence that you would like to

"Ensure that the opening of the retail market in England brings benefits rather than risks to Scottish Water and to customers in Scotland."

Can you outline the potential negatives of the expansion of Business Stream's activity to the retail market in England, and—to balance that out—tell us whether there are any opportunities in that for the Scottish customer?

**Trisha McAuley:** There are risks and opportunities. Ryan McRobert is our expert on the business side of things, so perhaps he can answer that question.

**Ryan McRobert (Consumer Focus Scotland):** I will give it a go.

The main risk could be that, as the non-domestic market in England is not due to be opened up until 2017, licensed suppliers may in

the meantime come up from England, gain a foothold in the Scottish market, and effectively decrease Business Stream's amount of business in the Scottish market.

With regard to the risks of going into England, our only concern would be that, in order to develop and build the English non-domestic water market, Business Stream might increase prices for its Scottish customers. However, there will eventually be a joint market in 2017.

**Bob Doris:** I will come back to pricing and charging later.

Is it not the case that Scottish Water will be well placed when the markets open up? It is my understanding that Scottish Water's charging regime is significantly lower than that of many of the water companies in England. Could that give it a competitive advantage in going into England and getting a potential revenue stream, which could enable it to continue to keep charges lower in Scotland?

I am not trying to put words in your mouth; I am simply trying to analyse where we are with the bill. Does it offer the potential for Scottish Water to increase revenue that the company can reinvest in Scotland? Is that one of the potential positives?

**Ryan McRobert:** At present, Scottish Water is the wholesale supplier to the non-domestic water market in Scotland, and Business Stream is its subsidiary. Business Stream has the largest proportion of the market, and it then feeds into Scottish Water. That will not change: Scottish Water will continue to be the wholesale supplier in Scotland. However, Business Stream might lose some business in the Scottish market in the coming five years until 2017, when a joint market will form with England and parts of Wales.

**Trisha McAuley:** It was originally planned that the market would open in 2015. There are still risks if it is not done properly, although there are possible opportunities too. We know that the Water Industry Commission for Scotland and the Scottish Government are talking to their counterparts south of the border. The process took some considerable time to get right in Scotland, and it is very important that those lessons have been learned.

Business Stream may well generate additional income—Bob Doris is right that it could be well placed to do so. However, there is a bit of an issue in relation to the funding streams, which goes back to what is in the bill. We are closely engaged, and we are clear that the core funding stream—which is paid for by customer charges and borrowing from ministers—is a discrete funding stream from the money that ministers will inject into the hydro nation. None of the Business Stream money is currently reinvested or goes back into the Scottish

Water pot, as the companies have entirely separate accounts. Therefore, customers generally do not see the result of Business Stream's success.

If there is a really competitive market, and more people come north to have licences in Scotland, there will be more competition and more pressure on Business Stream to reduce prices. At present, however, it is benefiting its customers by giving them a better service rather than a cheaper price. The money does not feed through directly into customers' bills.

I read the *Official Report* of the evidence that Bob Irvine gave to the committee two weeks ago, when one of the committee members—perhaps Malcolm Chisholm—asked where the benefit to consumers is. It seems to me that the economic benefit will be quite indirect: it could be about Scottish Water being more efficient or delivering its investment in the future more cheaply. There was nothing about using any funding to tackle some of the affordability issues that have been mentioned.

Does that answer your question?

**Bob Doris:** I think it does. It also takes me outside my knowledge base, so I feel that I am not able to pry any further. I will have to go back and look at the issue in more detail.

**Trisha McAuley:** You are not prying.

**Bob Doris:** We also wanted to ask about ministers' ability to allow loans to subsidiaries of Scottish Water and how that may impact on the institution's overall borrowing. Do you still have concerns about that? On the other hand, are there opportunities for that investment to bring income back?

**Trisha McAuley:** Actually, we do not have concerns. Our understanding of the bill is that it will allow ministers to lend to Scottish Water's subsidiaries. We had a conversation with the Scottish Government about the provision, and we learned that there will be a distinct funding stream for Scottish Water's subsidiaries that is entirely separate from the core funding.

The rationale for that is to ensure that the two funding streams are not confused and that funding for core services is protected. We agree with that separation and we are very clear that there should be no cross-subsidy from the core service funding stream to the non-core funding stream.

Conversely, we would like more exploration of why the non-core funding stream should be protected, what will happen to the money when it is in that pot, and why it should not be clear to consumers in Scotland—who will ultimately pay for it—what benefit they will get from it, other than the indirect benefits that Bob Irvine talked about.

**Bob Doris:** That is interesting. You want the core funding stream to be protected and you are content with the reassurances that you have received on that, but you are saying that you would like more clarity on how Business Stream or other aspects of the business could generate more revenue in the future—the opportunity we talked about. It is not a negative thing; it is just about how the benefits to the consumer can be maximised.

**Trisha McAuley:** Definitely—and that is not in the bill at the moment.

**Bob Doris:** That is helpful to know.

In your submission, you referred to water efficiency and the possible better integration with other things such as energy efficiency. Scotland has an energy assistance package that gives a great deal of assistance and was fairly groundbreaking when it was first delivered. You said in your evidence that there may be a way of better integrating water efficiency and energy efficiency. Is the bill an opportunity to do that, or was that point just an add-on to your evidence?

**Trisha McAuley:** There is a clear opportunity that goes back to one of our first points: if there is reference to the environmental and social impact in the bill, it will be one way of making sure that the wider context is taken into account.

Anything that could strengthen the governance aspects in the bill would be useful. There will be a hydro nation forum and we spoke to the former Cabinet Secretary for Infrastructure and Capital Investment, Alex Neil, who assured us that consumer interests and demand-side interests together with supply-side interests would be represented. However, it would be very useful to have a strategic plan of governance to look at that wider aspect.

The one thing that we will keep doing is to push outwith the context of the bill. As you rightly said, there are a host of Scottish Government policies in which we think water and energy should be joined up. I have lists of them, including the sustainable housing strategy, the national retrofit programme and microgeneration building standards.

One way to get people to understand the value of water is to mainstream it into everything else that is going on. There is a national retrofit programme and people will be going out to areas across Scotland, under the new fuel poverty programme, to retrofit energy efficiency measures into our houses. Why do we not put water efficiency measures into those houses at the same time? We will push Scottish Government officials to join up that agenda.

**Bob Doris:** That was a point well made.

We discussed wholesale charging and how Scotland fares pretty well for the consumer vis-à-

vis other parts of the UK. What are your concerns about charging—of course, that is a loaded expression—and what are the opportunities? Does the bill present us with an opportunity to sustain lower charging compared with other parts of the UK, or can we get it lower still?

12:00

**Trisha McAuley:** We could well make charging lower still if we addressed the points in the conversation that we had a few minutes ago on being clear where the non-core profit or income that is generated will go and what will happen to it. That is a clear opportunity.

There is not much else that we can do in the bill. We are in a much better position with the charging system than we were 10 years ago and compared with organisations, consumers and the water companies south of the border.

Our take is that it is a good time for a review of charging in the context of the hydro nation agenda and the recession. Our charging system might be fit for purpose but we have found that our colleagues in the water industry environment have a bit of a tick-box mentality. There is a consensus, even a small degree of complacency, that we have tackled affordability—that it is done and off the agenda—but no research has been done into it. We would be surprised if prices did not rise during the next regulatory settlement because they have been frozen for four years. No work has been done on affordability and the trade-offs that are being made.

Outwith the bill, we are just asking for there to be a considered review of the charging system. If it changes nothing then it changes nothing. However, we should look back to the conversation about the EU blueprint. Pressure is going to increase on incentivising water use through metering. We have no position on whether metering is the answer because it brings with it benefits as well as risks that all have to be taken into account.

We should not dismantle the current system without looking at it very seriously and seeing the good that it is doing. However, we are saying that we should not just sit back and do nothing about charging and assume that everything is fine. We have had the system since 1993 and Scottish Water is currently planning for the next 25 years, so we should be thinking about the needs of future consumers.

**Bob Doris:** Thank you.

**The Convener:** We move on to non-domestic services.

**Gordon MacDonald:** Part 5 of the bill is intended to clarify the contractual arrangements



between licensed providers and their customers. Your written evidence highlights concerns about disputes between non-domestic customers and suppliers over the provision of services in the energy industry. Can you expand on those concerns and outline how such issues could be avoided in the provision of water services?

**Trisha McAuley:** We run what is called the extra help unit in our office. It is a Great Britain-wide service that provides help to vulnerable consumers and small businesses in the energy market who are being disconnected or are under threat of disconnection. A lack of clarity over what services are provided and whether deemed contracts are actual pieces of paper or things that are arranged during a phone call—or things with no substance to them whatsoever—means that we have found that small businesses, and indeed some large businesses, have been in protracted disputes with energy suppliers. They might maintain that they have had no service because they have not switched on the lights, but the meter and the infrastructure are being supplied to the property. We have found it difficult to get to the bottom of those problems and to achieve resolution. Such problems crop up frequently.

We do not have a lot of experience of the same happening with water suppliers and business because we do not have a mechanism for handling complaints about water. Nothing has come through to us from the ombudsman, but we know that the WIC clearly sees the situation as an issue. It has had feedback from business that it is a problem with the water industry, and we can see how it could happen because of our experience with the energy sector. It is not rocket science to put together clear standard terms and conditions that both parties sign up to, but, in our experience of the energy sector, that has not happened. Of course, the devil will be in the detail.

We are pleased to have been asked to be a statutory consultee, because we will bring in our teams of people who have dealt with the issue in the energy sector, to see whether we can add value. The issue is simple, but it has caused huge problems in the energy market. We need a piece of paper that provides clarity all round.

**The Convener:** We note that you support the proposals on the disposal of oil, fat and grease into the sewer system. You also support the proposals on septic tanks, although you say that Scottish Water should investigate low-cost means of connecting appropriate properties with septic tanks to the sewer network. Will you expand on that?

**Trisha McAuley:** Yes, but I cannot expand on the point much. In quite a lot of properties in Scotland, the costs of such connections would be prohibitive. The emphasis is on clearing up septic

tanks, and we welcome the proposals. We know that Scottish Water is developing its 25-year plan for managing itself into the future. That has a big focus on innovation, so we wanted to put up a little health warning.

A lot is going on and some fantastic things are happening. For example, people do not have to go down drains to unblock them and can use all sorts of fancy fibre-optic stuff to do that. I do not have the scientific answer to the question, but we made the point in our submission because we wanted to add something to the mix as Scottish Water has a clear focus on innovation and we are talking about the best use of our water resources in Scotland. I return to a similar point that I made about Bridge of Orchy: we should not lose sight of the need for people to have access to a clean and affordable supply and a proper network, where that is possible. However, we have no answers on how that might happen.

**The Convener:** How do you respond to Highland Council's suggestion that the bill should go further and support the replacement of poorly performing septic tanks with other private facilities?

**Trisha McAuley:** We thought long and hard about Highland Council's submission and we looked at the evidence from others. Such replacement would have an impact on or a cost for consumers. The proposal is to empower the owners of septic tanks to take action collectively and not to have that barred by one person. That proposal would be a good thing.

We understand that an application to register for a licence for a septic tank must meet the basic conditions. The problem is that not everyone is registered, that there is a lot of bad practice and that a lot of people who have septic tanks lack education and awareness.

That is our focus. We do not go as far as Highland Council because our understanding—on which we would be prepared to be challenged—is that SEPA has a backstop ability to use its enforcement powers if discharges from septic tanks go above the level in regulations. That is why we would not go down the route that Highland Council has proposed, but we are prepared to be challenged on that. The first thing to do might be to look at the cost impact on consumers in rural areas.

**Malcolm Chisholm:** In your submission, you ask for part 7 to be amended to ensure that water shortage orders apply equally to domestic and non-domestic customers. Will you explain why that is necessary?

**Trisha McAuley:** I am not sure whether you saw the earlier consultation document, to which we responded. It gave a clear gradation for how

water shortage orders would apply. If a water shortage occurred, an order would in the first instance apply to domestic consumers only. If further measures were needed, provisions would apply to commercial consumers. We had a conversation with the Scottish Government about that because, although we understand that there could be an impact on business and that a lot of water use by domestic consumers is for leisure purposes such as hosing the garden and washing the car, we did not think that the case had been made.

We were pleased when the Government said that it had done what we asked for and that the policy memorandum showed that, but the bill is still not clear enough. Schedule 2 talks about water-saving measures, but we would find it helpful if there were a clear statement that the provisions apply to domestic and non-domestic consumers.

**Malcolm Chisholm:** Thank you for that helpful explanation.

You ask in your submission for the bill to be amended to ensure that consumers are given “adequate forward notice” of the implementation of a water shortage order. Roughly speaking, what would you consider to be adequate notice?

**Trisha McAuley:** The word “adequate” was used deliberately, because a water shortage can happen at any time, so specifying a period would not be a good idea. The bill contains nothing about giving notice, although service interruptions occur—and can be planned events, too. We do not want a loophole whereby people are not informed of the day when an order will apply before it happens. It is a belt-and-braces approach.

**Malcolm Chisholm:** People might object to the word “adequate”, because there is no way of knowing what it means.

**Trisha McAuley:** I understand that.

**Malcolm Chisholm:** However, your substantive point remains.

**Trisha McAuley:** The point is more about giving notice than adequacy.

**The Convener:** Thank you very much for your helpful evidence.

That ends our business today. Our next meeting will be on 3 October, when we will continue our consideration of the bill and take evidence on housing aspects of the draft budget.

*Meeting closed at 12:11.*

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