



OFFICIAL REPORT  
AITHISG OIFIGEIL

DRAFT

# Net Zero, Energy and Transport Committee

Tuesday 4 June 2024

Session 6



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Pàrlamaid na h-Alba

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**Tuesday 4 June 2024**

**CONTENTS**

	<b>Col.</b>
<b>DECISION ON TAKING BUSINESS IN PRIVATE .....</b>	<b>1</b>
<b>TRANSPORT POLICIES AND PERFORMANCE.....</b>	<b>2</b>

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**NET ZERO, ENERGY AND TRANSPORT COMMITTEE**  
**20<sup>th</sup> Meeting 2024, Session 6**

**CONVENER**

\*Edward Mountain (Highlands and Islands) (Con)

**DEPUTY CONVENER**

\*Ben Macpherson (Edinburgh Northern and Leith) (SNP)

**COMMITTEE MEMBERS**

\*Bob Doris (Glasgow Maryhill and Springburn) (SNP)

\*Jackie Dunbar (Aberdeen Donside) (SNP)

\*Monica Lennon (Central Scotland) (Lab)

\*Douglas Lumsden (North East Scotland) (Con)

Mark Ruskell (Mid Scotland and Fife) (Green)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Fiona Brown (Transport Scotland)

Fiona Hyslop (Cabinet Secretary for Transport)

Alison Irvine (Transport Scotland)

Graham Simpson (Central Scotland) (Con)

Kerry Twyman (Transport Scotland)

**CLERK TO THE COMMITTEE**

Peter McGrath

**LOCATION**

The Mary Fairfax Somerville Room (CR2)



# Scottish Parliament

## Net Zero, Energy and Transport Committee

Tuesday 4 June 2024

*[The Convener opened the meeting at 09:21]*

### Decision on Taking Business in Private

**The Convener (Edward Mountain):** Good morning, and welcome to the 20th meeting in 2024 of the Net Zero, Energy and Transport Committee. Monica Lennon is joining us remotely, and we have received apologies from Mark Ruskell. Graham Simpson has joined us for the main item in public, and I will give him time for questions at the end of that session.

Agenda item 1 is a decision on taking business in private. Are members happy to take in private item 3, which is consideration of the evidence that we will hear on Scottish Government transport policies and performance, and item 4, which is consideration of visits and engagements as part of our scrutiny of the Land Reform (Scotland) Bill?

**Members** *indicated agreement.*

## Transport Policies and Performance

09:22

**The Convener:** Agenda item 2 is an evidence-taking session to take stock of the Scottish Government's transport policies and performance at this point in the five-year parliamentary session. I welcome Fiona Hyslop, the Cabinet Secretary for Transport, and her supporting officials. Alison Irvine is the interim chief executive of Transport Scotland—is it still an interim post?

**Alison Irvine (Transport Scotland):** I am afraid so.

**The Convener:** Good—I did not want to misname your role. I also welcome from Transport Scotland Kerry Twyman, director of finance and corporate services, and Fiona Brown, interim director of transport strategy and analysis. I think that the cabinet secretary wants to make brief opening remarks.

**The Cabinet Secretary for Transport (Fiona Hyslop):** Good morning, everyone. I am pleased to have been asked to continue as Cabinet Secretary for Transport by the First Minister. It is a privilege and an honour to be asked to serve in John Swinney's Cabinet and to play a part in delivering on his Government's core priorities.

As members all know, transport is vital to every aspect of our nation's economic and social wellbeing. It plays a key role in all our lives. It helps to build and maintain relationships with people who are important to us; it helps businesses to get the goods and services that they need to thrive; and it helps communities to become and stay connected, which enables everyone who lives there to get around.

This weekend, I was delighted to join the celebrations with local communities at the reopening of the railway to Levenmouth. The railway forms part of a multimodal investment that will open up more access to leisure, economic, employment and educational opportunities, alongside improving the connectivity to and from the area for residents, visitors and businesses.

We have recently extended our ScotRail peak fares removal pilot until 27 September. The removal of that cost is helping many individuals and families to cope with the on-going cost of living crisis, and it is a financial benefit that really matters to people. However, I am also keen for cheaper fares to be available at all times of the day, and I am keen for such a move to encourage more people to use the train. We have listened to the many positive benefits that the removal of peak fares has had so far, and to continue with

that, we need more people to choose to travel by train, not least to help cut transport emissions.

In the past few days, enforcement of the low-emission zones has commenced in Dundee, Edinburgh and Aberdeen. Although air quality in our cities has improved over recent years, there is no safe level of air pollution, and those zones will help to save lives. Recent research highlights that improving air quality and measures such as LEZs remain essential to keeping children safe and protecting public health.

We are making good progress on the A9 dualling programme. We are on track to award the Tomatin to Moy contract in early summer, and we launched the procurement for the Tay crossing to Ballinluig dualling project as planned.

We have also published the recommendations of our fair fares review to help us to move further forward towards an available, affordable and accessible public transport system, and we have published our islands connectivity plan.

I am proud of the Government's track record on transport, not least because of our investment in vital infrastructure such as road improvements, the new Queensferry crossing, new railway stations, low-carbon buses and new ferries. There is more to do, but our ambition is hampered by the cuts to the Scottish capital budget that have been made by the United Kingdom Government. In addition, the 2025-26 budget settlement is one of the toughest that we have faced in recent years. I hope that members will at least acknowledge that, and I would welcome the committee's support in pressing the case for more capital funding from the incoming UK Government for transport and wider Scottish needs.

I am focused on maintaining the assets that we already have, to keep our essential transport network operating for Scotland. Rail investment priorities will focus on fleet decisions, while work will continue on expanding the electric vehicle public charging network and supporting the procurement of zero-emission and ultra-low-emission vehicles and buses.

I am committed to the reform of the Clyde and Hebrides ferry service contract, and good progress is being made on the construction of major ferries for the Little Minch. I will continue with bus sector reform, while maintaining Scotland-wide concessionary bus travel schemes, which help people who are in the greatest need.

As everyone is aware, we are in a pre-election period. In that context, issues of some sensitivity may be under discussion today, but I will attempt to answer the committee's questions as transparently as possible. I look forward to continuing to work with committee members and to hearing your questions this morning.

**The Convener:** Thank you very much, cabinet secretary. The first questions will come from Monica Lennon.

**Monica Lennon (Central Scotland) (Lab):** Good morning to the cabinet secretary and officials. What do you understand to be the main barriers to local authorities and transport partnerships in using the Transport (Scotland) Act 2019 bus powers? What is the Scottish Government doing to help authorities to overcome those barriers?

**Fiona Hyslop:** I do not necessarily agree that there are barriers. There is an issue of taking advantage of the powers that have been approved—not least by this committee—to enable the different choices that are available, whether they are bus service improvement partnerships, franchising or public ownership. I suspect that Monica Lennon might be asking where the financial investment comes from—for example, if someone wants to own their own fleet, that implies either leasing from somebody else or purchasing with capital.

On what we as a Government can do to help that process, it might be helpful for the committee to know that the powers already exist, as I said, in the regulations that have been passed. For example, on the timetable for authorities that want to pursue franchising—I understand that that is an active and live current issue for Strathclyde Partnership for Transport and that a consultation has just finished—there are steps along the way. The enabling aspects are our responsibility, and I can advise the committee, which will be actively involved in this, about the franchising arrangements transitional process.

The regulations that prescribe the process for transitioning from a deregulated system to a franchise are expected to be laid in early autumn 2024 and to come into force before the end of the year. For franchising, rules and regulations that cover the appointment and remuneration of the arrangements panel members as well as the process that the panel must follow for making decisions in relation to local transport authorities' franchising proposals are also expected in early autumn 2024, to come into force by the end of 2024.

09:30

There is a series of Scottish statutory instruments on appeals, because it is clear that, in the current deregulated market, there are impacts of decisions, particularly on private operators. The regulations on appeals against bus service improvement service standard decisions by the traffic commissioner for Scotland are expected in 2024 and are expected to come into force later in

2024. There are also remaining commencement orders on the enforcement powers in relation to bus service improvement partnerships.

I would not describe those as barriers; I would describe them as necessary next steps—they are not stopping the process as barriers to decision making and the planning that is required. I reassure Monica Lennon that many of the regulatory aspects involved in bus reform have already come through the committee, and that includes the ones that are the next steps.

**Monica Lennon:** It is helpful to get that on the record. It was a genuinely open question in the sense that, when we hear from local authorities and transport authorities, they talk about challenges and barriers. That was a helpful update on the process, but the committee will want to see progress being made on outcomes. I will leave that there.

It would be good to know whether the Government is still committed to the £500 million investment through the bus partnership fund. If it is, when can we expect the funding to be restarted?

**Fiona Hyslop:** The £500 million in support of buses is a long-term funding commitment. That was made before there were a lot of the fiscal pressures that we know all of Government faces in different areas.

In a previous appearance before the committee, I think that I said that I was frustrated that we have had to pause the bus partnership fund, because it is a helpful enabler to give confidence to the bus sector, which is really important, and to provide access improvements. When people see that they can travel more readily, we can see improvements. The experience in Aberdeen, where there has been a 25 per cent reduction in journey times by bus—that has benefited 600,000 people—shows the attractiveness of travelling by bus and switching from car, not necessarily for all journeys but for some of them. That can make a difference.

How do I transparently express that in the current circumstances in which we find ourselves? I am actively pursuing finding ways to reallocate funding or jointly fund with other projects that might help us to move forward in that area. I cannot give you a direct answer to the question, Ms Lennon, but I reassure you that I am trying to unlock that so that we can unpaue the fund, because it is a vital connection. In tight fiscal circumstances, a lot of climate change and transport improvements that are not legally or financially contracted have been difficult for us to advance in the past year.

**Monica Lennon:** It is welcome to hear that. I appreciate that there are constraints in the pre-election period.

I will stick with the bus partnership fund and my question about the implementation or use of powers under the Transport (Scotland) Act 2019. Are conversations progressing about whether some of that funding can be used to assist transport authorities with start-up costs for municipal bus services? Is that being discussed?

**Fiona Hyslop:** So far, to the end of March 2024, £20.5 million has been spent on bus priority measures through the bus partnership fund. That is in a capital space, so it is more about the physical infrastructure that is required.

On your point about additional funding to help in processing the Transport (Scotland) Act 2019 regulations, that was more focused on the community bus fund. That has been used more recently by local authorities.

I hear what the member says about enabling support. Councils themselves, and councils through their regional transport authorities, may want to use that. There is something to say about how we can have better integrated support for the regional transport partnerships to allow them to make the decisions that they need to make. We support them in particular ways, including from capital infrastructure. I hear what the member is saying but, as we go forward, the case has to be made as to why that funding is important in such a tightly constrained area. I will meet the convener with responsibility for transport for Glasgow this week, and I am sure that they will pursue that issue with me.

**Monica Lennon:** That is great. I have one more question on buses before I hand back to the convener. Cabinet secretary, you rightly mentioned that reducing bus journey times makes bus travel more attractive. Will you give an update on when you expect there to be significant reallocation of road space to buses, including on the trunk road network? It has been a while since I have written to you, but when will we see progress on priority bus lanes or motorway lanes for buses on the Glasgow motorway network? When you wrote to me last year, I got the sense that there was a lack of construction-ready bus projects and that only a small amount of the money had been allocated. I get a lot of emails about that issue. Will you give us an update?

**Fiona Hyslop:** In all those projects, not least on trunk roads, it is clear that there are issues around making sure that planning purposes and processes are robust so that you do not get challenges and so on. I heard about the experience in Aberdeen, for example, when I visited to hear about the trunk roads there.

I declare an interest in relation to using the motorway network, convener, because I represent a central Scotland constituency and have been pursuing park and ride at constituency level for precisely those reasons. I declare that I am recused in my ministerial listings.

That funding has been paused. It is a process issue as well as a funding issue, and I know how important considering bus lane access to Glasgow and Edinburgh is for constituencies in the central belt. The committee will know that there are more advanced issues around bus lanes in Edinburgh, particularly in relation to coming over from Fife, but there are more opportunities there. I want to be careful in what I say, because I have a personal interest as a constituency MSP in those areas, so I defer to Alison Irvine, or whoever might be more appropriate, as she might be able to say things more safely.

**Alison Irvine:** I think that the cabinet secretary covered the key point, which is that all the trunk road bus priority measures are part of the bus partnership fund. The funding for that has been paused, which has knock-on implications for all the preparation work that we are doing. As part of the pause, we are taking the opportunity to reassess where we think we will get best value and how we can make the approach more targeted and impactful, which is a point that Ms Lennon made.

Ms Hyslop's point on the process that is required to support decisions is important because, as you will all know, for every person who likes road space reallocation—whether it is for bus priority or pedestrians and cyclists—there are a number of people who do not. It is important that we are able to demonstrate the impacts and the evidence to support the case, and that is what we will do when funding is made available.

**Monica Lennon:** It is clear that a robust process is important. Can you give any indication of timescale or when a decision might be reached?

**Alison Irvine:** I cannot do that today—I am sorry.

**Monica Lennon:** Okay—thank you.

**The Convener:** Cabinet secretary, I will take you back to the uncomplicated days when you were the deputy convener of this committee. We agreed as committee members that the tripartite arrangement for ferries and procurement was broken, and we signed up to a “Ferries Scotland” principle—an amalgamation of Caledonian Maritime Assets Ltd and Transport Scotland. Other people have suggested merging CMAL and CalMac Ferries. Which do you favour, and why have we not seen any progress on that?

**Fiona Hyslop:** I think that there is a case to be made for both.

**The Convener:** Ah.

**Fiona Hyslop:** I have listened to others in the ferry sector, not least the ferries community board. I think that a strategic link, with Transport Scotland ferry officials joining CMAL, as was set out in the ferries community board project Neptune report, has merit. I reiterate that I was not involved in signing off the final report, but I responded as Minister for Transport, before I became cabinet secretary. There are a number of key steps that we have to take in all the ferry process areas. I took the decision to move on the CHFS contract, which affects CalMac in particular.

Over many years prior to this, I have been involved in other portfolios that involved reorganising and bringing together different bodies. That clearly presents a level of disruption, and it is happening here at a time when we are bringing in six new ferries and are about to go into procurement for the small vessel replacement. There is an issue with timing.

With regard to the process, sorting the CHFS contract is a priority. You know that we have had to delay that, convener; I have written to the committee—

**The Convener:** We will come to that, I am sure.

**Fiona Hyslop:** You wrote to me, and I took the opportunity, in my reply, to set out where we are with that. That contract in itself presents governance issues, in particular for CalMac.

With regard to the timing, therefore, if we want to take certain steps—such as a merger, for example, although I do not want to set hares running that that is happening overnight or anything like that—there are governance issues that would have to be addressed for legal reasons in order for us to do certain things. The order in which we do things, therefore, is important.

I am conscious of the need for preparation with regard to what things look like as we move forward. In the meantime, we need to ensure that there is far tighter communication in terms of engagement and planning. That has to happen for practical reasons, because of the deployment of the new ferries that are coming on stream between now and 2026, but it is also important from a governance, policy, culture and management point of view. That is why we are seeing far more active involvement, dialogue and engagement with the ferries community board; I know that the committee sets a lot of store by the board's views and respects the importance of its role.

I cannot give the committee a decision as to what is happening, but I reassure you that those



options are there for us to consider. I want to ensure—given that we are talking about people's jobs and careers—that I do not unnecessarily worry or perturb anybody by my remarks. I just want to ensure that the committee, in holding me to account, knows that I am very much alive to the opportunities that there will be to try to simplify and rationalise the process.

As I know from previous experience, that is not simply about bringing bodies together physically or organisationally; it is about their vision and their culture, and how that helps the delivery and impact. I am very keen that we improve the delivery, impact and service.

**The Convener:** I am not sure that I understand more than we are currently holding it all together with sticky tape. There was a Rural Economy and Connectivity Committee report in the previous session of Parliament that said that the tripartite arrangement did not work, and the Government has had a committee report in the current session saying that the system does not work. We have a situation in which ferries, when they eventually come into service, having been ordered many moons ago, will be asked to operate in ports where infrastructures are not working.

Anyone can see that the arrangements are not working. Are we not going to see reform before the end of the current session of Parliament? If you are going to hold off until the end of Clyde and Hebrides ferries contract, which has been delayed for a year, we are talking about having very little time left in the session in which to rationalise an organisation that two committees have criticised.

**Fiona Hyslop:** I understand the calls for rationalisation and the import of that. As a Government minister, I am also conscious of our responsibilities to ensure that the services are delivered. I reassure the member that I have taken an acute interest in port and harbour development, and the investment and activity in that regard is extensive.

09:45

The committee will be aware that work, particularly at Port Askaig, is about to commence in preparation for the Islay ferries. That is very important improvement work, and our harbours and ports deserve that investment and activity. CMAL is organising that preparation work, along with Argyll and Bute Council, with a view that ferries to Islay will be going into Port Ellen over that summer period. If—as I have—you have travelled to Islay, you will also have seen the work at Kennacraig. Investments are taking place in a number of ports to make sure that we have improved the port and harbour structure.

At the same time, if you have an operational focus, particularly on major activity, with the delivery of six new vessels by 2026 and the harbour developments to support them, that might not be the best time to go into mass reorganisation activity. My imperative as a minister is to make sure that there is far more regular and active engagement with Transport Scotland, CMAL and CalMac in those areas.

I know that it can be frustrating and that you want things to happen overnight when you produce a committee report. I also know that that has been a recommendation previously. However, in terms of activity, CMAL is operating very well, for example, with the northern isles ferry services—NIFS—network in relation to the procurement of the four vessels from Turkey, which is going well and to plan.

On the live action that is required, I am barely in office as transport minister; I cannot remember the exact date that I came into office, but I do not think that it has quite been a year yet. It will be a year this month. I have tried to progress a lot of the major issues, of which this was a significant one, but I cannot, unfortunately, give you the answer that you are looking for, as when that will happen, just now.

**The Convener:** I do not think that five years, which is when the committee first recommended that the tripartite agreement was revamped, is overnight. Five years is quite a long time. Any business in the world that did not respond to something that was recommended five years ago would probably find themselves without the necessary infrastructure. That is probably where we find ourselves with Glen Sannox and Glen Rosa—there is not the infrastructure in the port to allow them to use the port that they were supposed to be in or the liquid natural gas tanks to be there. I understand your comments, but I have to say that I find them disappointing.

Let us go back to 1 October 2016, when the Clyde and Hebrides ferries contract was awarded to CalMac. There was lots of noise and it was wonderful news that it was going to improve things for Scotland. We are now in the situation where the contract is due to expire at the end of September, but we are still not in a position to find out what will happen, because the correct investigations into what can and cannot be done have not been carried out.

The Government must have known eight years ago, when it awarded the contract, that a decision would have to be made last year—not this year, but last year—to allow the tender process to happen, but nothing has happened. Can you explain to me why that is an acceptable situation to be in?

**Fiona Hyslop:** Far from nothing is happening. I came in as minister and I made sure that we made a decision on our preferred route, which is a direct award. The due diligence has been live and active, and is progressing very well. The extension for a year is particularly to address issues that could not be done in parallel, in relation to the Competition and Markets Authority in particular. We could have done a pre-application, but it is understood that it is required and that it makes better sense to do that at the full completion of the due diligence. We are still on track for me to report to the Cabinet in the same timescale that I had intended.

However, the convener's point was about planning from the previous contract to this one. I know—because it is the question that I asked when I came in—what happened in 2019, 2020 and 2021. You will appreciate that all of Government, including our ferries officials, was focused on the pandemic. The priority was to ensure that our islanders had a ferry service that could get them through very difficult and challenging times. I am saying that there was a disruption hiatus in the development of that process. In normal circumstances, the process around making the decision as to whether there should be an open tender or a direct award would have started much earlier. However, that is the explanation for why it did not start much earlier.

When the committee wrote to me, I took the opportunity to update you on progress. The extension is up to a year, and I am keen to make progress on that and to get all the measures in place. To be Teckal compliant, which is the route to ensure that we can legally and financially do it—as happens with any direct award—we have to, under public procurement legislation, ensure that we have the appropriate degree of control and interest. Therefore, organisational change is the next step that needs to take place in developing the direct award process.

That is the explanation, convener. You might not like it, but that is the explanation.

**The Convener:** Well, I have struggled slightly with it, because, before you took over, we had had five transport ministers—Humza Yousaf, Paul Wheelhouse, Graeme Dey, Jenny Gilruth and Kevin Stewart—who all could have been planning for the new contract, which, if it was going to have any chance of succeeding, should have been put out to tender a year ago.

You have written to the committee saying that there will be a direct award, which is contrary to what was expressed to us. In our report to the Government, we said that we would support a direct award only if the islanders agreed, and it appears that the islanders do not agree.

You heard the evidence; I know that you were not there for the signing off of the very last few pages of the report, but the evidence had been received earlier than that. How can we justify this to the islanders? I cannot justify it. I cannot understand how they will accept that the Government has been negligent of its duties and is going against their wishes.

**Fiona Hyslop:** I hold the ferries community board in high regard. Indeed, I met it immediately after I gave my statement to the Parliament.

I note that a direct award is a preferred route and is still not a final decision. It is a preferred option, subject to due diligence, which is progressing well. There do not look to be any problems in being able to do it, but we are not at the final decision yet.

As I said, immediately after I made the parliamentary statement, I met the ferries community board in the Parliament. I owed it to the board, because of the reviews that it had undertaken, to explain why I had taken the decision that I had.

There has been a consultation on the direct award, which has just finished. Its publication will be in the coming weeks, so you will see that, as well.

I have regular meetings with the ferries community board, and its main focus is to have a resilient and reliable service. By and large, we have that, but, when it is not resilient or reliable, that has a major impact, as we all know. I am very conscious of that.

The ferries community board is actively involved in identifying its role as a body within the new award. Indeed, just on Friday, there was a working session with the ferries community board to help to establish its role.

I reassure the committee that we do not have to wait until the award is given to see improvements. The interim chief executive of CalMac is progressing the improvement and enhancement plan, which commences regardless of the direct award.

The issue that the ferries community board particularly wants to address is the culture of a management that is not responsive to where the board is. CalMac has been working hard over the past year to ensure that that relationship and engagement is not just one-way traffic, so that it is about not just communicating what problems there are, but how we might resolve and improve them.

For example, there was an issue in the committee's report about whether ferry spaces could be held for islanders in busy seasons. Tourism is very good in Scotland. We know that; we have a record year, which is looking very

positive, but it is about confidence. If the ferries are busy and locals cannot get on for immediate personal issues, such as health and others, that is a challenge. There have always been opportunities to get on for particularly immediate health issues, but there are other personal reasons why islanders might need to get on. A pilot has been running for some islands to identify how reserving places could work—and work well. Should that prove successful, it will be rolled out.

We do not necessarily need to wait for the direct award to make the improvements that we want to see. It will entrench the improvements in the contracts and reliable services that the ferries community board wants. I will be meeting the board again to ensure not only that it is informed about how we have got to now but that it will have a key role in the next contract.

**The Convener:** Okay. On 27 May, Angus Campbell of the ferries community board responded to the committee's letter saying:

"I can confirm that the majority view from our consultation was that the operator function should continue to go out to tender".

That was his view just last week. If your due diligence does not work, cabinet secretary, and you cannot do a direct award, the process will take a minimum of a year to give other people the right or the ability to tender properly. You extended the contract for a year so that the tender process could start. If the contract is to go out to tender, that is unlikely to be before September next year, which means that you will have to extend it for another year. Are we not in a bit of a guddle on this?

**Fiona Hyslop:** No. I might bring Alison Irvine in to support me on the answer to this one. We need to wait until the CMA comes back with its view on the decisions that I have taken. We had thought that parallel processes might be open to us but they were not. On issues including harbour operating agreements as well as CMA issues, we are trying to make sure that everything is as robust as possible. That will also ensure that our legal position is strong and robust—I know that the committee has always taken a keen interest in that—in relation to the preferred option for a direct award, should we say that that is a go, and particularly in relation to the extension.

On the decision, if the due diligence indicates that it is not possible to go to a direct award, we would know that way before a year from now, because I am still progressing the diligence process along the timetable that I had anticipated. The extra time is in relation to the CMA in particular—but not solely—and we will use the opportunity to make sure that the operational side of Teckal compliance can be put into effect. We will certainly keep the committee informed about

that timescale. I still have to go back to Cabinet to recommend that we can give a direct award and everything is in place. If we cannot do that, we will move to tender. That is the same position that I took last November, when I made the announcement to Parliament.

Alison Irvine can correct me if I have misrepresented anything or add anything else that she might want to add.

**Alison Irvine:** I just wanted to add a bit of context and refer back to a couple of points. You will know how disruptive Covid was for the transport system, not just for the ferry system, but for rail and buses, too. You will know that because you have heard evidence about the amount of work that had to be done to ensure that those services kept running and so on. Although there is a bit of distance between Covid and now, in terms of the timing that we have been talking about here, it is important to remember how disruptive it was.

The other thing that I would highlight is that the work that we are doing with the CHFS contract is novel and contentious. It involves hundreds of millions, if not billions, of pounds of Government money, so it is really important that we get it right. As Ms Hyslop has already said, the extension is about ensuring that we give the Competition and Markets Authority the appropriate information, which has been signed off, in order to give it the space to do the consideration that it needs to do. We had hoped that it would be possible to run that in parallel, but that is not the case, and we are now moving forward exactly as Ms Hyslop set out. I hope that that helps to put into context the complexities of what we are doing.

The other thing to remember—and, again, the committee will know this because of all the work that it has done—is that each body in the tripartite agreement in the ferries world is a different form of public body, with different rules and regulations that apply to it. It will be complicated to unpick that and make a decision about which is the best route to get the best services for the people of Scotland, and it is right that we and ministers are given the space to take that forward.

**The Convener:** I hear what you say. My only comment is that I find it odd that you had got to half way through the contract, as you did before Covid hit, and you had not worked out what you were going to do at the next stage or how the tender process was going to work.

Anyway, I have had enough on ferries, and I will get into trouble with the rest of the committee if I do not hand over. Douglas Lumsden has a question, but it might still be on ferries.

10:00

**Douglas Lumsden (North East Scotland) (Con):** Yes—it is still on ferries. I will pick up on something that was said earlier: I am looking for a bit of clarity. Cabinet secretary, you said that any mass restructuring or organisational change could not really happen until 2026, when the new ferries have arrived and are in service. Does that mean that things will stay as they are until 2026?

**Fiona Hyslop:** Planning for any reorganisation can take place. What I want CMAL and CalMac to focus on is the successful operational delivery of the six ferries into the ports and harbours that will be receiving them, ensuring that that works well and ensuring that small vessel replacement procurement is well under way. It is not that we do not want to make changes. My intention is to review what things will look like, as advised and informed by the committee, and depending on what is practical and doable.

There are lots of different things to consider in relation to organisational change. There are issues around taxation, VAT and assets, and different organisations will have different structures relating to what they have. Anything that is brought into the public sector more directly becomes a public sector asset, and that brings issues around whether that is the best value for money to ensure that we can invest how we want to invest.

Although I am saying that the situation is complicated, that does not mean that we cannot or will not look at it—we will. However, my main focus just now does not involve getting tied up in various aspects or different issues involving organisational change given the effort, energy and time involved in that. We are at a key point in the delivery of our services and the new vessels, and putting them into action, and I want the management to be focused on that, rather than on the reorganisational aspects if that is required.

**Douglas Lumsden:** But if we are saying that that cannot really happen until 2026, does that not mean—following on from what the convener said—that, instead of having a one-year extension, it will probably be two years until that new—

**Fiona Hyslop:** No. Can we separate out the issues? In the work on the direct award, we are focusing on the operation of the Clyde and Hebridean ferry service. The issues around CMAL, which I think is what you are referring to—and the idea of putting ferries officials and the ferries arm of Transport Scotland into “Ferries Scotland” by joining or merging them with CMAL—are separate issues. If you were to leave Transport Scotland alone and to merge CMAL with CalMac, that in itself gives rise to lots of different questions, and I have just gone through the implications.

I do not think that we would be doing those things in the middle of the process of due diligence. There are other factors that I have not even touched on yet, dare I say. As I know from a previous time as a minister, having brought together four different bodies to form Skills Development Scotland, way back in 2007, 2008 or 2009 or whenever that was, there are pensions issues and a whole load of different other factors, and they must also be considered in the process of a direct award.

I am trying not to confuse things, and if you need explanations later I am happy to provide them offline, but that describes the complexity of the things that are happening, and doing things in order is therefore important.

**Douglas Lumsden:** That is helpful.

You mentioned the small vessel replacement programme earlier. When would we expect to see vessels delivered and deployed under that programme?

**Fiona Hyslop:** More vessels are being delivered than was initially anticipated, because the two for the Little Minch are now four, which will have a major impact. I am delighted to say that the MV Loch Indaal launches this weekend. That is an important next step in the delivery of those vessels.

On the SVRP, I am keen that we can move ahead with procurement. Under the pre-election guidance, we are not allowed to make any announcement on that programme, and we do not anticipate such an announcement, before the end of the pre-election period. Ministerial consideration of the business case remains on-going. However, we want to move to procure as soon as we can, in order to make sure that we can deliver within the next two to three years—probably three years—depending on the timescale for the procurement and the response. We are keen to press ahead, so the period might be shortened if it is open procurement; of course, it might be a direct award.

**Douglas Lumsden:** I guess that that might tie into what happens or does not happen at Ferguson Marine—maybe you cannot say. Is there a wait, almost? Do those two things fit together or not?

**Fiona Hyslop:** From activity in the Parliament, you know that there is an interest from Ferguson Marine in the SVRP. As the committee knows, responsibility for the company lies with the Cabinet Secretary for Economy and Gaelic. However, when it comes to our assessment as an overall Government, everything has to be looked at in the round, and that has been done, particularly in the development of business cases and in relation to the accountable officer assessment and legal advice. Very strict issues surround ferry

procurement generally, as well as particularly in relation to any one company.

**Douglas Lumsden:** I will leave it there.

**Jackie Dunbar (Aberdeen Donside) (SNP):** Good morning, cabinet secretary. I welcome you and your officials. If you do not mind, I will ask you a couple of questions on the fair fares review. Are you able to set out a timetable for us for the delivery of a national or regional integrated ticketing scheme, and where are we in that timeframe?

**Fiona Hyslop:** With your agreement, convener, I will bring in Fiona Brown, who has been involved. In Scotland, we have challenges and issues with an integrated ticketing system, because, particularly on the bus side, we are in a deregulated market, so we have to make sure that we take private operators with us on that.

It is fair to say that, in Scotland, zonal ticketing is happening—for example, with the Glasgow tripper—and there are quite a lot of developments, not least on the rail side, in the flexibility of what can be used. Also when it comes to what we are trying to achieve, simplicity of fares is an important strand in encouraging more people to use the public transport system and in the operation of integrated ticketing itself.

Our biggest challenge in Scotland is the technology platform that is needed. The national smart ticketing advisory board was set up specifically to address those issues. It is chaired by an expert in smart ticketing procurement. I think that its final meeting was at the end of May, so I expect the report on how we will achieve that very soon.

Scotland also has challenges in where the customers are and where they will be. Clearly, there are far more people who use their phones and phone technology than previously, in comparison with those of us who prefer a card. I have my flexipass. When it comes to the technology, we also have the saltire card, and the technology around the flexipass is common across different areas. Interestingly, we have just rolled out support for the digital purchase of northern isles ticketing. We are not just waiting for something to happen. Lots of things are happening. It is about how we join that all up. Barcode technology is also a problem for Scotland, comparatively, so we will need to identify how we can help to improve that.

When the report that I mentioned comes, I am sure that the committee will have a keen interest in it, so we can share it with you.

I ask Fiona Brown to come in.

**Fiona Brown (Transport Scotland):** I am unable to give a timescale for when that will be

concluded, because we are working through a number of interdependencies. As the cabinet secretary said, there is the work of the national smart ticketing advisory board. It has a work plan for the next three years and its advice about the technological platform will be really important. We spoke earlier about the powers in the Transport (Scotland) Act 2019 and the progress that local and regional transport partnerships make on that will also have an impact.

The fair fares review included a recommendation on governance to support those powers. There is also a business case for integrated fares. We have spoken about technology and governance to integrate fares and develop a business case, whether on a national or regional basis. We are planning a programme for those interdependent projects, looking at what resources will be required and aligning decisions so that they can be taken at the right time.

**Jackie Dunbar:** There will be a pilot of flat-rate bus fares. Why does Scotland need that when Lothian Buses has successfully operated a flat-rate scheme for years and when one has been piloted in England since January last year? Is Scotland different?

**Fiona Hyslop:** That is a good question. Unless people are in the Lothian Buses area, they probably do not realise that that happens. Lothian is seen as the most successful municipal bus company, part of which comes from the simplicity of its fare structure. We are also learning from the experience in England.

We are working with partners in the Scottish landscape, including private bus operators in the deregulated market, to anticipate how that might encourage a modal shift. We see benefits in the Lothians because everyone uses the buses and that is not in any way differentiated, whereas, in other parts of the country, affluence can affect whether people use the bus or prefer to use a car. We also need availability. I am interested in whether having a flat-rate structure might help to support more bus use in rural or semi-rural areas. I am keen to see that, but we must work with operators to identify where that can be done.

There is a case for looking at regional discounting. There are already interesting developments in Glasgow. We do not want to displace activity that is already happening, but that might help to inform us about how to get a modal shift and whether cutting prices might help. We are looking at a £2 price but that already happens with most buses anyway: they do not necessarily cost £4.

The problem comes outside cities, where there are the complications of poorer bus availability and more expensive buses. I feel strongly that if we

want to tackle child poverty we must encourage and support parents who want to get better-paid jobs elsewhere or who want to travel to employment or education. That is more problematic in rural and semi-rural areas than it might be in our cities. We are looking at all the different aspects to identify where it would be best to pilot flat-rate fares and whether they would make a difference.

We must bear in mind that 79 per cent of all public transport journeys are by bus, so I am very keen to focus on that this year

**Jackie Dunbar:** Can you give us any feedback from the different operators? Do they feel that flat-rate fares could be introduced? Are you getting positive feedback, or does that depend on where they are in the country?

**Fiona Hyslop:** It is too early to say. My officials are engaging with operators and I am keen to engage directly with them, but I have not personally done that since the publication of the report.

**Jackie Dunbar:** You briefly mentioned the modal shift from private cars to public transport. How will the recommendations of the fair fares review support Scottish Government policy? How do you intend the measures in your policy to have an impact? That probably didn't make much sense.

10:15

**Fiona Hyslop:** We know that car use will continue in a rural country such as Scotland, particularly because of our geography. We are encouraging people to use electric vehicles, and we have ambitions in that regard. There is a lot more to do in the delivery of the public charging network, which we will be improving and increasing. That is part of our climate change policies.

However, we do not just need to encourage more people to use electric vehicles; we need to encourage and support public transport use. We are simplifying rail fare structures and are substantially reducing fares by trialling the removal of peak rail fares.

However, not everywhere is served by rail, so we have to think about other modes of transport. We support our bus system. We have £430 million of investment going into the bus network. That activity is primarily around concessionary travel. The committee has looked closely at different aspects of that. The interesting thing will be what young people's experiences are and whether they continue to use buses once they are old enough that they no longer get a free bus pass.

The real challenge for us is how we use the substantial amount of public investment that goes into our bus network in a way that makes services more sustainable and reliable not just in our cities but in our rural and semi-rural areas.

In terms of the fair fares review, some of the most interesting aspects were in the international paper about what other countries do. Some countries have entirely municipal systems, which makes them much easier to control. We must use the investment in a smart way to ensure that our bus companies are not only sustainable but can thrive and grow their patronage. How do we get more working-age fare-paying people to get on our buses? What would the subsidies look like for that approach? There would need to be a balance between support for our older people, who rely on our bus systems, and for working-age people. We would need to consider whether we would support the latter, and, if so, whether the balance between the two is right.

The more that you grow the patronage, the more we will rely on bus companies. Given that it is a deregulated sector, it is likely that every part of Scotland will do something that reflects its area, regardless of whether that is through a franchising scheme or a bus service improvement plan. However, we will continue to rely on bus companies, so we need to support them to work in a profitable way so that their services and their availability improves.

The bus issue is a big-ticket item for the Government, the Parliament and all political parties. As we did in the fair fares review debate, we need to consider how, collectively, we work together to ensure that we get more people using buses. We need people not to use their car or to use it less in order to meet our targets. The issue is getting and will continue to get a lot of my attention, and I would like to work with the committee on how we can best deliver that.

**The Convener:** I think that Monica Lennon has some questions that she would like to ask.

**Monica Lennon:** Yes. If you want to bring me in now, that is fine. Am I off mute?

**The Convener:** Yes—we can hear you loud and clear.

**Monica Lennon:** Great. I am pleased to hear the cabinet secretary say that she is keen to work with the committee. I think that we would all appreciate that.

Is the Scottish Government still committed to reducing car mileage by 20 per cent by 2030? If so, how confident is the cabinet secretary that that can be achieved?

**Fiona Hyslop:** It is important to state that that is our commitment, although there are challenges

with that. We should also be clear that the 20 per cent target relates to car kilometres. It is about encouraging people who currently use their car from Monday to Friday, to perhaps take public transport, such as the train, one day a week, to encourage that reduction.

It is likely that more progress will be made in our cities, and Glasgow and Edinburgh have a 30 per cent reduction target. The issue is how we make that shift in relation to the switch to electric vehicles. I know from talking to Councillor Gail Macgregor that she is a big champion of that policy, and we are keen to publish our joint report with the Convention of Scottish Local Authorities on how that can be done. We will do that by the autumn, as we have indicated in the climate change plan.

The issue that Councillor Macgregor reiterates is about behaviour more generally, across all car use, to encourage people to get into different habits and behaviours. As for demand management, there will be mechanisms that councils can use, at their instigation, such as those that the Labour-Liberal Democrat Executive passed way back in the early 2000s.

**Monica Lennon:** I apologise if I got the name of the policy wrong. Just for clarity, is the Government still fully committed to a 20 per cent reduction in car kilometres travelled between 2019 and 2030? Are you confident that it can be achieved?

**Fiona Hyslop:** I am not saying that I am confident that it will be achieved. It will be a challenge—I am not saying that it will be an easy thing. In the past two weeks I have had a discussion with some members of the Climate Change Committee on what could be done on such issues.

I stress that taking such an approach should go hand in hand with improving public transport. If we want people to switch from car use to public transport, even if it is for one day a week or whatever, that is an equivalent factor in the balance. It is also important to consider whether we always have to use the car. There is a big challenge for all of us in examining our car ownership. I know that if, for example, people have young kids and have to go to lots of different places, having the use of a car for small journeys is helpful. However, in general, we want to encourage more active travel through walking and cycling. As my family and I did, people need to reconsider whether they need two cars or just one and whether that will help them to use public transport or share transport. There are also car clubs and so on.

A couple of weeks ago, I was at the launch of an EV charging facility for the use of Enterprise car

club members. There are therefore different ways of reducing car kilometres. It is not just about aiming for the official international benchmark. At policy and personal levels, we must all consider how we travel and reduce our car use. In a country like Scotland, we will always have to have some car use in particular areas. However, the availability of EV charging facilities is a big challenge. That is why, as part of our focus on the climate change plan, expanding the availability of such charging, particularly in strategic areas and rural areas, will be a priority for the Scottish Government.

Alison, do you want to come in?

**Alison Irvine:** If it is okay, convener, I will say a little more. There is no doubt that reducing car use will be challenging. I refer to my previous comments about the reallocation of road space.

I also want to highlight some of the inequalities that exist in our transport system. In Scotland, 29 per cent of households do not have access to a private car. In some parts of Glasgow, that figure increases to 47 per cent. In leading you all—politicians and ministers—through our work over the next few years, it is important that we have that in the back of our minds. There will be a huge improvement to the place and the people of Scotland if we manage to achieve that.

I will stop there, because I see that you would like me to do so, convener.

**Monica Lennon:** Clearly there are risks, but there will always be risks with any policy.

Cabinet secretary, the target for the end of the decade is really ambitious. How concerned are you that, due to the financial pressure on local government, we see more councils reducing their school transport offer to simply align with the statutory requirements? We hear from families that, as a result, they will have to drive their children to school, because they will not have a school bus and no service bus is available. Therefore more people will be driving in those areas.

On the inequality point, those who do not have a car and cannot afford private transport such as taxis will have quite difficult walks to school. For example, we have heard that children in Lanarkshire will have to walk alongside canals in the winter for up to an hour each way, or through underpasses and so on.

I know that the Minister for Agriculture and Connectivity is considering those issues right now, to see what could be done to utilise the young person's bus pass. Are you aware that that could pose a risk to getting people on to public transport and out of their cars? We need to make sure that policies and behaviour changes align. Could the

cabinet secretary take that issue away to look at it in more detail? School transport is key to reinforcing good habits and people's early use of buses.

**Fiona Hyslop:** I do not think that the Minister for Agriculture and Connectivity is looking at the issue in the way that the member has set out. There is a specific issue in North Lanarkshire that is to do with decisions that have been made by the council, which I am not sure has been replicated elsewhere.

I would be concerned if a local authority decided to use the young person's bus pass as a substitute for providing school transport, which—as I recall from my time as education minister, a long time ago—is governed by education legislation that sets out the mileages for school transport, as the member has said.

I can try to find out more about that, but I think that there is a specific issue in North Lanarkshire because of decisions that were made by the council. I stand to be corrected if anyone wants to give me examples of that happening elsewhere. I have concerns about that, because it is not sustainable in operational or financial terms, nor is it sustainable if we consider the environmental aspects, in that it could lead to more people using their cars. I hear what the member has said, but the situation relates to a specific area—

**Monica Lennon:** I am sorry to interrupt, but I just want to clarify that the councils are not saying that they will use the young person's bus pass for school transport. They have been asking the Scottish Government to have a conversation about a workaround in situations in which there is no service bus and there are concerns about walking routes, for example. I will leave it there.

Could I get an update on when the next route map on the 20 per cent reduction in car mileage policy will be published and what is likely to be in it?

**Fiona Hyslop:** The route map is what I referred to when I discussed the important work that we are doing with COSLA—it is a joint initiative. I am looking forward to working on that and delivering it with Councillor Gail Macgregor, who leads on that for COSLA. COSLA is keen for it to be published and we expect to be able to do that by the autumn, which is what we set out in the climate change plan, as I indicated in my previous answer.

**Monica Lennon:** I have a couple more questions. You will be aware that the people's panel on climate change has published its report. Recommendation 17, which 90 per cent of people agreed with, is that

"The Scottish Government needs to improve the efficiency and affordability of public transport",

and the people's panel supports

"free bus travel for all".

Has the cabinet secretary looked at those recommendations? Does she support the aspiration?

**Fiona Hyslop:** We want to have an efficient system of public transport, but we have different modes of public transport. Much of our public transport is run by private companies and the market in Scotland is, by and large, deregulated apart from in the Lothians. There have been improvements in partnership working with councils, as well as with the Scottish Government, on the investments to improve the bus stock, with low-emission buses being a particular focus.

In an ideal world, we would all want to have free public transport, but there are fiscal constraints within which we are operating, as well as the fiscal position under which the parties that are likely to form a United Kingdom Government are operating. During the pre-election period, I am probably straying too far with that remark. I will try not to do that.

There are international examples of free public transport. The provision of free transport for the under-22s is a good example of where we can provide that for a whole group in society and where that can help to form regular patterns and habits among a group of people.

Given that we are investing £430 million to help with free bus travel for young and older people, my challenge back would be to ask whether there is a subsidised system that we can put in place that would encourage more people to use public transport. I think that free travel is potentially unachievable in the current financial climate, although that could be an ambition for the future, and we see that in some areas.

10:30

Aberdeen had a period of free bus travel at the weekends to encourage people who may not otherwise have gone into the city to travel in for leisure reasons. That is a good example. I emphasise that we are seeing a big increase in the use of public transport for leisure as opposed to work—that is the big growth area. The challenge there is whether the public should subsidise public transport for leisure use. Actually, should we discriminate at all between travel for work and travel for leisure?

Just to speculate, when I was in Dublin, talking to the transport minister and the rail operator there, I was interested to find that they are considering how employers can help to subsidise and support travel. Many companies already do that for employees who use public transport, with



loans and so on. We should think through what we can do to finance public transport, which could be provided either at a reduced cost or, in an ideal world, free.

Our choices are somewhat limited by the current fiscal constraints, but it was good to see that recommendation and interest from the people's panel, as well as the understanding that, if we are to tackle transport emissions, we need a shift to public transport. That was the recommendation from the people's panel.

**Monica Lennon:** I give a huge thanks to the people's panel. We should all keep in mind its point that people cannot contribute to meeting climate change targets if they do not have access to climate-friendly services.

I have a final question for now, and I will maybe declare an interest in this one. Taylor Swift is performing in Edinburgh at the weekend, and we are expecting tens of thousands of fans—I think it is about 200,000—over the weekend. The travel arrangements for that are really important. Given that many Swifties are young women, there is an issue about safety as well. Are you confident that our transport services can cope at the weekend, and that everyone will be able to get in and out of the city safely and efficiently, and enjoy the Taylor Swift concerts when they happen?

**Fiona Hyslop:** I am looking forward to Edinburgh being the epicentre of the Swiftie universe, and I am sure that those who go to the concerts will have a fantastic time. A lot of planning and pre-planning have been done on the public transport arrangements. I know that the City of Edinburgh Council is encouraging everybody to use public transport over those few days in particular. I also know that ScotRail is running additional services, and it has been advertising that for some time.

If I am allowed to plug the Traffic Scotland website, it has been sharing information, as has Transport Scotland, collectively. Based on Traffic Scotland's social media, I think that there is a Swiftie in there somewhere. That is all in order to get penetration and ask people to plan ahead for their journey. Unfortunately, I do not have a ticket to Taylor Swift, although I have a ticket to go and see "Sunset Song" at the Lyceum. At the same time as I am travelling, the city will be full of Swifties so I, too, will be planning my travel in advance. I encourage everyone to plan what they are doing in advance and to look at the ScotRail, City of Edinburgh Council and Traffic Scotland websites.

I do not know whether Monica Lennon has a ticket for Taylor Swift—I see that she is nodding. I hope that everybody has a fantastic time.

**The Convener:** I think that that brings us to the end of Monica Lennon's questions. Bob Doris is keen to come in, probably to declare an interest that he is a Swiftie as well. Is there a question, Mr Doris?

**Bob Doris (Glasgow Maryhill and Springburn) (SNP):** There is a question—it is not to declare an interest, although I will say that I had to go to Cardiff to see Bruce Springsteen, because he is not playing in Scotland on his European tour.

A few months ago, in a debate in Parliament, I raised the idea of a £1 levy on tickets that are above a certain value for events in Scotland. If 50,000 people are going to see Scotland playing Finland at Hampden or 50,000 people are going to see Taylor Swift, the money from that levy could be used to provide high-quality public transport. If someone is paying £100 for a ticket, £101 would not be much different, but just think what we could do with that pound. I raised the idea in the debate that you led, cabinet secretary. How could that idea be developed further?

**Fiona Hyslop:** I am conscious that I did not respond to you when you raised that in the debate, but that was part of what I thought was a very good, open debate on the fair fares review, asking "What is the art of the possible?" or "What can we do?"

I would caution the member that that idea has already been aired, discussed and suggested as part of how we might fund grass-roots culture. The concept of doing that is therefore out there. How that would be operationalised is another issue. You could say, for instance, that the spend needs to go into public transport, and I would say that that would be a preference, if that were to happen. However, Glasgow City Council might want to use that spend to help clean up after such events, which can obviously be disruptive. There is already a campaign—which I think is UK-wide; it is not just taking place in Scotland—to put levies on events tickets to help develop culture and music generally.

This is straying into somebody else's portfolio but, considering streaming and how musicians actually get their income, Bruce Springsteen or Taylor Swift will generate a lot of income from concerts, which can increasingly become part of their firmament in earning their income, but a budding, new musician will not be in that position and will have fewer opportunities to get income through the traditional ways of selling.

The idea may happen. I am not in charge of it or responsible for it, but it has been thought of in relation to supporting culture, rather than public transport. That might be something that Bob Doris may wish to pursue with Angus Robertson, the Cabinet Secretary for Constitution, External Affairs

and Culture, who I think has already responded to those suggestions or will certainly be discussing that with the culture sector.

**The Convener:** Before we leave the subject of levies, I point out that the Transport (Scotland) Act 2019 suggested the introduction of workplace parking levies, which were critical to the introduction or delivery of the 20 per cent reduction in car mileage. A straight yes or no answer: are you pushing that with local councils, or are you not?

**Fiona Hyslop:** I would not push things with local councils, because it is for local councils to make decisions about things in their own areas. That is the whole point of our agreement in working with local authorities. We can provide enabling legislation, and we can provide regulations. When it comes to decision making, we have to trust our local councils to make decisions about their own local areas.

**The Convener:** Would you like to see those levies in place?

**Fiona Hyslop:** If local authorities want to use them, yes—but, if they do not, that is a decision for them.

**The Convener:** Douglas Lumsden is going to ask another question. Then, I will call a five-minute comfort break before we go on to the next bit.

**Douglas Lumsden:** My question was on electric charging, so I can leave that until later, if you wish.

**The Convener:** No: I think it would be a nice place to break after that.

**Douglas Lumsden:** Cabinet secretary, local authorities have been tasked to come up with a strategy and expansion plans for EV charging, but that was when the number of charging stations was to go up by only about 2,000. When the Government abandoned its emissions target, it announced an increase in the amount of EV charging stations by 2030. How have the SEP plans been developed for the additional 2,000 charging stations? Will those plans have to be redone by local authorities as you look to have a higher number in future?

**Fiona Hyslop:** Perhaps we can take that in stages. Our 2045 carbon emissions target absolutely still stands, and it is the route map to it that will be altered—I understand that the committee recently discussed that with the Cabinet Secretary for Net Zero and Energy, Màiri McAllan.

It is absolutely essential that we expand the EV charger network. One of the reasons why we had the climate change plan was to uprate the EV roll-out. One of the first things that I did when I came

back into Government as Minister for Transport was to go to Dundee to launch our EV vision. We have 5,000 public sector charge points and we are on target to deliver on the vision of 6,000 public EV charge points by 2026. The Scottish Government's investment in EV charging is in addition to the 20,000 domestic and business charge points funded by the Scottish Government.

It is quite clear that the development of EV charging will be through a public-private partnership, which a lot of local authorities have included in their plans. In 2023, the private sector invested between £25 million and £35 million in public EV charging in Scotland. This year, the Scottish Futures Trust anticipates an investment of between £40 million and £50 million.

Later this year, we will publish the implementation plan, which will be informed by all the local authority plans. To date, we have invested more than £4 million to help local authorities develop the public EV charging strategy and plans that you were referring to. Scotland's 32 local authorities have all submitted their plans to Transport Scotland. We anticipate that another £7 million will be invested in that EV infrastructure funding as a result of what is happening in relation to the plans, so I can reassure you that we see this as a major step forward.

Reflecting again on my discussions with members of the Climate Change Committee just the other week about the anticipated target of 24,000, I can say that they are as interested in making sure that, strategically, those charge points are all in the right places as they are in the target number. For us, the extrapolation of 24,000 was on a UK basis. However, in terms of looking at Scotland's geography—we make up a third of the UK landmass—where we have the charge points is going to be as important as the number that we have. I am acutely aware of that.

That is quite a long answer, especially when the convener was wanting a break, but I hope that it gives you the up-to-date position. We will absolutely be pressing ahead and I am very pleased that all the local authorities have submitted their plans.

**Douglas Lumsden:** I am just trying to work this out: from 2022 until 2026, we are looking at an additional 2,000, but that ramps up between 2026 and 2030 to an additional 24,000. Is there any idea yet of how much that will cost? Also, is it really achievable, when there has been quite a slow start?

**Fiona Hyslop:** We anticipate that there will be £65 million to invest in this area in terms of that partnership with the private sector. Reflecting on those figures from the Scottish Futures Trust,

private sector investment in this area has almost doubled from last year to this year. On what the trajectory will look like in terms of ramping up the numbers, it will be an acceleration. You can see that, and that is what we need to do. Having reflected on the discussion that I just had with Climate Change Committee members, I am as keen as they are to make sure that, geographically, Scotland's needs are met through where the charging points are positioned; it is not just about volume.

On the technology changes that are happening, I was in Haddington just the other week, and BT has been working on the green furniture that it has, which was previously used for its transmission. The more that it is doing stuff in terms of the fibre-to-properties, the more the green boxes are becoming redundant in that respect. Haddington was the first place in the whole of the UK where BT piloted the use of that green box for power. Interestingly, it was on the edge of a council scheme with fields beside it, where people did not have their own driveway that they could charge their vehicle on. Obviously, we do not want people having to drive from the periphery of a town into the centre for charging if they do not have domestic charging.

Again, that is about innovation in technology. Also, BT chose Scotland because we are seen as good partners in that regard. If that approach can be expanded and rolled out elsewhere, that technological change will also provide more accessibility, because on-street charging can be a challenge in particular areas, so I thought that that was quite a good innovation.

You are right that the roll-out will be tough but the ramping up is happening and I know from looking at the plans from my local authority that it is keen to work with the private sector to roll out EV chargers so that the available choices for people can grow, as can their confidence in using the chargers.

**The Convener:** We will pause for five minutes and then reconvene at 10.50 for the final, somewhat shorter session of questions.

10:45

*Meeting suspended.*

10:52

*On resuming—*

**The Convener:** Welcome back after that short break. The next questions are from me and are on trunk road projects. The A83 has been a long-standing problem and it needs a quick solution, because it is as important to Argyll and Bute as the M8 is to Glasgow and Edinburgh. Is there a

quick solution? When will the A83 and the Rest and Be Thankful stop being a problem?

**Fiona Hyslop:** I agree that the A83 is a key artery, particularly to Argyll and Bute, and it is important for the local community, businesses and tourism. You may be aware that there is an A83 Rest and Be Thankful task force, and I recently chaired its meeting in Arrochar on 22 May. I also visited the A83 and the old military road to see the progress of the different stages of the solution.

There is an informative communications vehicle—a website—from Transport Scotland, whose link we can forward to you. All the stakeholders, businesses and local councillors are involved in the task force. They are making sure that everybody is kept informed on progress. We have had very good presentations from the contractors that are going to be delivering the solutions.

There are short, medium and long-term solutions. The long-term preferred route option of the Glen Croe valley was announced in June last year. That is progressing well, and there have been exhibitions in local communities to show what will be involved in the proposed debris flow shelter.

At the same time, improvements are being made to the existing old military road. When diversions are required while the longer-term solution is being developed and built, that road will be in an improved state.

I was probably the only person who was wetter than the Prime Minister on 22 May, when I was looking at the developments and improvements, particularly on the south approach. There will also be a widening of that, which is required to help. It is also important to signal to broadcasters in particular that the A83 is not closed when the old military road is being used; it is a diversion using the old military road. That was a key message from the task force. It wanted to make sure that, when there has to be a diversion, people can still use the A83, but we are diverting them via the old military road for that difficult and problematic area, where we have had some pretty horrendous landslips and so on.

**The Convener:** When will the new scheme be in place?

**Fiona Hyslop:** The new scheme has to go through its processes. It depends on whether there are objections. We are working hard to ensure that, when the made orders are published, the scheme does not have to go to public inquiry and so on. As we know from other road building programmes, it depends on whether there are legal objections that would delay the scheme. It also depends on budget issues, but we are getting the case set out on what is required and when. We

expect the cost of the development to be between £405 million and £470 million at 2023 prices.

The useful website that I referred to earlier has a good timetable that gives the relevant stages in the process and estimates of how long they would take but, as I said, some of that is variable and dependent on whether there is a public inquiry and objections.

**The Convener:** I hope that there will not be a public inquiry. If we get a fair wind, by what date do you think the road will be fixed?

**Fiona Hyslop:** I am not in a position to give that date, but I am happy to follow that up with you. There are probably not that many things that I have offered to follow up with the committee, but that might be helpful. I will set out the stages and the timing. Because work on the medium-term and long-term solutions is being done at the same time, there is an interdependency; that is all set out in the timetable on the website that I referred to.

**The Convener:** We will move on to a different road. I was sorry not to see you on Friday night, when you came up to the region that I represent. I am told that you had an interesting meeting in Nairn. Unfortunately, I arrived just as you left, so we did not get a chance to catch up.

On 6 December 2011, the Scottish Government announced in its infrastructure plan that it wanted to dual all the links between all the cities across Scotland. That was announced again, I think, on 6 June 2012, by Alex Neil, when he stood on the bridge at Luncarty and discussed the A9. We are talking about the A96 and the Nairn bypass, which went to a public inquiry in 2017 and is now subject to a hold, which was enforced as a result of a provision in the Bute house agreement to review whether it is the right thing to be doing. When will that review be published? When will the Nairn bypass be built, when it was promised to be built in 2011?

**Fiona Hyslop:** I will unpack some of the points that you made, but you have probably conflated different issues. I have made it clear that Inverness to Nairn, including the Nairn bypass, was always treated as separate from the rest of the A96 review. The A96 review is subject to pre-election guidance, but I am keen for it to be published when we can do so, to inform interests in that area.

11:00

On the Inverness to Nairn upgrade, including a Nairn bypass, work on procurement continues, so I can talk about that. As I said in the meeting on Friday night—people there were very engaged; they are quite rightly impassioned about what they

want to see—there is not a pause on that; indeed, the made orders that were published on 12 March have not been challenged. We as a Government are therefore in the position now to proceed to the purchase of land to develop that part of the route. I have also said that, in the next few weeks, we should be able to announce the made orders for the Inshes to Smithton road connection, which is complementary to that route.

I went to Nairn as it was important that I heard what locals were saying. The event was well organised by *The Inverness Courier* and was well attended. It was also extremely well chaired, and we covered a lot of ground.

In relation to suggestions about how the work can progress, it is clear that we are now in the procurement phase; we will be able to develop the purchase of the land, and then the work will move into procurement. The contract is quite large, and it is a challenge in relation to the available finances.

An important point that I took from the meeting was about giving priority to the Nairn bypass part of the Inverness to Nairn route. There was a strong feeling that work on that should start first. There are different reasons as to whether that can and should happen, but it was important to hear what people said.

I am very familiar with Nairn—I have holidayed there frequently. I was meant to be there during storm Babet and, unfortunately, I did not manage to get there then. It is interesting because it has the road going right through it. It was clear from the meeting that, because of the delays and issues there, there was a real strength of feeling that the bypass part of the route, which is a big contract, should be first. The issue is then whether to break up the contract or have one big contract. I hope that that is the next stage of thinking about procurement. It was helpful to hear what people were saying.

I am sorry that you missed the meeting, convener. I am surprised that you waited until I had left before you arrived, but I am sure that there were good reasons why you could not be there.

**The Convener:** I wish that I could have attended, but I had an energy summit in Strathpeffer to talk about the role that renewable energy will play in the Highlands. I think that we had almost equal numbers of attendees and an equal amount of passion.

**Fiona Hyslop:** There are lots of issues.

**The Convener:** My question to you remains unanswered. Will the Nairn bypass be complete by 2030?

**Fiona Hyslop:** The processes depend on which type of procurement we might use, and progress depends on the availability of funding. The intention is to look at the potential for procuring at the same time as we decide whether to go down the mutual investment model route in relation to parts of the A9 that are in that territory. I have previously announced some of the design and build contracts in relation to the next stages of the A9 work. That process would be in parallel.

As for what could be done and when, just as I was honest and straight with the people at the meeting, I cannot say here definitively that the work will be done by 2030. Hypothetically, and depending on everything working to effect, it could be; that is what my official from Transport Scotland said in terms of the timescale. It could be, but it all depends, and there are too many variables to necessarily give you that absolute guarantee.

**The Convener:** I have a final question on the A96. As soon as you have built the Nairn bypass, or before you have built it, will you be looking at the Elgin bypass, which is equally as critical to the people of Elgin as the Nairn bypass is to the people of Nairn?

**Fiona Hyslop:** I will need to be careful about what I say. Let us await the publication of the A96 review. However, on priorities within that, I think that any town that has a trunk road that is a major artery going through it has to be a priority. I will leave it as vague as that, but I absolutely agree that the Elgin bypass should be a priority. I will probably leave it at that, if that is okay.

**The Convener:** It would be interesting if you could get some advice on whether the A96 review can be published, because the work is already in progress and is part of a plan and, as the permanent secretary has said, the business of government must continue. I will not press that point now; I just ask whether you could consider it and come back to the committee.

**Fiona Hyslop:** I do not need to do that—I have taken advice, and I am not allowed to discuss that particular area.

**The Convener:** Okay.

The deputy convener has some questions.

**Ben Macpherson (Edinburgh Northern and Leith) (SNP):** I thought that you were going to ask about the A9 as well.

**The Convener:** I thought that you were going to ask about it.

**Ben Macpherson:** No—my question relates to this point. That is why I said that I would come in after question 16.

**Fiona Hyslop:** I have already announced what we have done most recently.

**The Convener:** In fairness, cabinet secretary, I have spent a huge amount of time discussing the A9 with the Citizen Participation and Public Petitions Committee. I think that I understand where we are at in the process, so I do not have any questions.

**Fiona Hyslop:** Am I allowed to ask a question, convener? We have previously discussed that the committee will probably have quite a key role in oversight of delivery of the A9 project. I am quite interested in understanding how the committee wants to work on that. I think that committees had similar functions in relation to the Queensferry crossing, which was another major exercise. It would be helpful to know, perhaps after the meeting, how the committee plans to do that.

**The Convener:** The matter has been dealt with quite effectively in the petitions committee—its convener Jackson Carlaw was also on the Forth Crossing Bill Committee. I think that that committee will make some recommendations on oversight of the A9 work, which would then come back to this committee. We would then have to sit down and decide how to do it and what role we would want. I would hate to prejudge what the committee will decide—I know that I would get my knuckles rapped. I was not going to ask about the A9, but that does not stop me. Bob—do you want to come in?

**Bob Doris:** No, convener—you have just given me the assurance that I need. As convener, you had suggested that we had sorted out what was happening with the A9, because the petitions committee had sorted it out. However, we clearly have to take this committee's own view on that. You have put that on the record, convener, so that is fine.

**Ben Macpherson:** Thank you, colleagues. I am sorry for causing any confusion, but I did not want to come in with this question until colleagues had had the chance to ask about the major roads that have been mentioned so far.

I have a related question, cabinet secretary. Please excuse me if it seems to be too focused on my constituency, but it has relevance elsewhere. You might be familiar with Wardie Bay in my constituency, which sits between Granton and Newhaven, and with Lower Granton Road, which goes between those two areas. I have previously written to the Government about it and recently caught up with campaigners who are involved in the issue there. The residents on that road suffer very high levels of congestion, and there are often accidents because the road is so narrow. Campaigners have relayed to me that the road has twice the daily average number of vehicles travelling along it that the A9 has.

I wanted to raise that issue with you, because every time I have written to the Government the response has been—quite understandably—that it is a matter for the City of Edinburgh Council. However, in cities such as Edinburgh that have significantly growing populations, more might need to be considered in the positive and constructive Verity house agreement between central Government and local government on what investment needs to go into busy key roads in our city centres. Seafield Road, which leads into my constituency, is another one of those roads.

Those roads would require significantly less investment than is needed in the major roads in our country. They are very heavily used transport routes and the pressure on them is only growing. With the housing development that I hope will happen in Granton and the continuing housing development in Leith, Lower Granton Road will only get busier. Can that issue be considered further?

**Fiona Hyslop:** As you might be aware, convener—and as, I am sure, the deputy convener is aware—my responsibilities are for the trunk roads network, on which we have spent some time. I am not, however, diminishing what is a local issue for a local authority. Every local authority will have roads that are, for various reasons, priorities for investment.

As far as improvement is concerned, we have a £10 million road improvement fund—I will correct that if I have got the number wrong—on which we work with local authorities. It tends to be used to address safety issues.

However, the solution to the problem that Ben Macpherson has identified has to come from the council. Nobody would expect me to impose solutions on local authorities without their having asked for that. I have not been approached by the City of Edinburgh Council on the issue. Even if I were to be approached, I know that there are similar issues in Glasgow and other places.

The issue comes down to how we improve the availability of capital investment to help our infrastructure. I will try to word this in a gentle way. Over the piece—by that, I mean over several UK Governments—there has not been so much focus on capital investment in infrastructure. As a result, we have not had consequentials with which to move towards making the major capital investment in infrastructure that we need, not only to fulfil our national responsibilities but to help to support work at the local level.

The question—as Monica Lennon's was—is about how we increase the amount of capital investment that is available to local authorities. We cannot do that when we are facing a 9 per cent reduction over the next few years. I know that Ben

Macpherson is passionate about his constituency, but I am not sure that the committee that scrutinises national policy is the right place to get a good answer to the question. Obviously, that is what you are looking for. However, if you have written to me, I will try to respond appropriately.

That is the bottom line. I have big responsibilities for all our public sector transport network and our trunk roads. I really sympathise, because I used to live in that part of Edinburgh and I am aware of the road in question. However, every city will have areas that face the same issue. Part of the solution lies in reducing car use and providing more public transport; however, I cannot spend time today dealing with individual constituency issues, and it is perhaps a bit unfair to ask me to do so.

**Ben Macpherson:** Thank you, cabinet secretary. Nonetheless, you have provided some helpful context for my constituents, whom I spoke to at the weekend.

**The Convener:** We will move on to Bob Doris.

**Bob Doris:** I have a question about the performance of ScotRail. The most recent performance data that we have shows a public performance measure figure of 91.3 per cent, but the target is 92.5 per cent. Therefore, although performance is pretty good, it is not quite there. How can we drive improvement in ScotRail's performance? In March this year, ScotRail had to pay out £1.5 million because of delays and cancellations, but £1 million of that was not to do with anything that ScotRail had done; rather, it related to issues with Network Rail.

ScotRail has reached a performance level of 91.3 per cent. Admittedly, that is not the target, but its failure to meet the target is down to Network Rail rather than to ScotRail. How do we drive an improvement in performance? How can we report on the data in such a way that we can work out which organisation needs to up its game to do even better?

**Fiona Hyslop:** I will start by saying that ScotRail and Caledonian Sleeper are among the top-performing train operators in the UK. They rank sixth and seventh, out of 23 operators, on public performance measures. However, as you rightly identified, ScotRail is not reaching our expected levels of performance. Although it is performing well, you are correct to identify that issues that people attribute to ScotRail because its trains have been cancelled or delayed can, in the vast majority of cases, be attributed to work that has been conducted by Network Rail.

The work that Network Rail does is important: we want to make sure that we have a safe railway. We also need to recognise that we have had 11 named storms since last autumn, which has had

particular impacts on our railways. One of the major achievements that we have delivered over the past year is finalisation of the work on control period 7—on which a lot of people have done a lot of work, and which will include investment of £4.2 billion—and on the high-level output specification for Network Rail, which will include mitigation and adaptation for climate change. Obviously, sodden ground can have impacts, as we know.

11:15

You asked how we can drive up performance collectively. I will be meeting the new managing director of ScotRail and the chief executive of Network Rail. You will be aware that Alex Hynes has been seconded to the Department for Transport—ironically, to replicate what we have in Scotland, which is a far more integrated transport system of track and train together that has been established for some time. That means that we can try to plan works more collectively in order to minimise disruptions where we can.

As I said, performance is good. How do we specifically improve ScotRail performance? Replacement of the ageing fleet, for example, is a priority for us. We are looking at both the suburban and the intercity fleets in relation to procurement. Recruitment of engineers has really helped with improving some performance, particularly in areas that have seen challenges—for example, Fife.

Since ScotRail has moved into the public sector, we have added more than 200 additional services. Indeed, there are now 400 more people employed than there were prior to public sector ownership. The unions, in particular—I agree with them—are keen that we increase the number of apprentice engineers, which will help to improve the service. A more resilient fleet will also help.

There was quite a lot in there, but in respect of our oversight, when I have that meeting with ScotRail and Network Rail I will put pressure on them individually and collectively. The same level of performance is expected of both, so I expect them to continue to drive that forward in order to improve.

**Bob Doris:** That is helpful, cabinet secretary. I acknowledge that ScotRail is a well-performing and well-run railway, but clearly we still want to drive improvements where we can. The committee would welcome correspondence from you, following that meeting, to update us on what work is being done to address the matters that you have just put on the record. That would be quite helpful.

**Fiona Hyslop:** Yes, indeed.

I will also say that ScotRail's public performance measure is currently at 90.4 per cent, compared with the average of 87.1 per cent for Great Britain.

In terms of how we drive that forward, passenger satisfaction is currently sitting at 89 per cent for ScotRail, compared with a GB average of 85 per cent. I want to press ScotRail to do more. Following the meeting with ScotRail and Network Rail, perhaps I can return to the committee with their assessment of performance and how they want collectively to drive forward the performance figure.

**Bob Doris:** That is helpful, cabinet secretary.

I want to move on to the new train procurement programme and the plans to decarbonise the network by 2035. Before I do so, I declare an interest. I am delighted to say that Gibson's Engineering Ltd has bought the previously closed Caley rail works at St Rollox, in my constituency. It hopes to employ thousands of workers there in the years ahead, should it be successful in growing the business. I have every confidence that it can do so.

My questions are in relation to procurement—I do not wish to ask questions about any individual company that is part of any process—but I wanted to put that on the record for transparency purposes. My understanding is that the new train procurement programme was put on the Public Contracts Scotland website in 2022, looking for expressions of interest. The ambition is to have 675 new carriages, with 65 per cent of the fleet being replaced.

What I am not sure about is how our committee can track—no pun intended, cabinet secretary—against benchmarks along the way to see where the Scottish Government is in that process, so that we can carry out our scrutiny role.

**Fiona Hyslop:** I have already mentioned that we are looking to procure for the intercity fleet. Also, obviously, there is an issue around the suburban fleet. There is the related issue of the roll-out of decarbonisation, which I have discussed with the committee before. I am not in a position to give you any more information than I have given previously. I can say that the options for the high-speed train fleet replacement are currently being developed, and that an associated business case that will be prepared by ScotRail Trains Ltd and Network Rail will come to me for consideration.

Alison Irvine is probably better placed than I am to give you an update now. However, as I try to do regularly, I will ensure that I update the committee on key milestones, because I know that there is keen interest.

**Alison Irvine:** I will not add much more because I am not able to do so, but we are considering in detail the fleet requirements for ScotRail and Caledonian Sleeper over the long term. At the moment, the focus is on high-speed train and suburban fleet replacement. Those

contracts will commit future Governments to quite significant amounts of expenditure, and there are, as Ms Hyslop has outlined, interdependencies between the rolling stock and the available infrastructure. The issue is interesting but complex, and it is significantly important to the people of Scotland that we get it right.

We cannot talk about the matter just now, principally because ministers have not had sight of the business case, but also because we are in the pre-election period. I do not want to say more than that.

**Bob Doris:** That was very helpful. Speaking from my position as someone who is involved in the committee's scrutiny of the matter as well as being the constituency MSP, I suppose that we should start to ask some of those questions when it is appropriate. No doubt we will return to the matter, so I will not ask more about it, at present.

**The Convener:** Bob, the clerks have asked me to clarify that your declaration of interests relates to the fact that what you have asked about is in your constituency, and not that you are getting any financial benefit in any shape or form. Is that right?

**Bob Doris:** There is certainly no such benefit, convener, although I hope that there will be for my constituents, if they get jobs in the years ahead.

**The Convener:** I am sorry to ask the question. It was just for the record.

**Bob Doris:** Absolutely.

I do not know whether the next question is related, but in preparation for today's meeting, I was looking at the papers and saw that, some six years ago, the UK Government started talking about radical reform of the rail system across the UK. In 2021, the Williams-Shapps report was published, and eventually, in February 2024, the UK Government introduced a Rail Reform Bill that, from what I can see, would protect many of the devolved aspects of the rail industry.

However, there has been a lot of delay in relation to that bill, and now that the UK election has been called, we will have to wait to see what an incoming Government does. Has there been any impact on the Scottish Government and its planning arrangements in relation to Scotland's railway, now that we are six years down the line from what was marketed as radical reform of the rail network?

**Fiona Hyslop:** I will try to answer the question, but I remind everyone that we are in the pre-election period and that whatever happens will depend on the UK Government election. I expect that whoever will form the next UK Government will introduce rail reform legislation.

On the proposed establishment of Great British railways, I would just note that on the day that the election was called, just before I went over to Arrochar for the meeting about the Rest and Be Thankful, I was giving evidence to the select Transport Committee at Westminster on what was the Rail Reform Bill. I think that all political parties at UK level are interested in having an integrated rail body. Alex Hynes, who previously headed up Network Rail and ScotRail, was seconded to take that forward. Obviously, we will have to wait to see what happens after the election.

I am sure that the committee clerks can liaise with the Transport Committee on this, but I and Huw Merriman, who was a UK transport minister at the time, were the last to give evidence on the matter, and my understanding is that the committee was going to produce a curtailed report. The evidence that I gave will be on the record, as will Mr Merriman's. I understand that the Labour Party, too, has made statements on the matter. I do not want to go any further than that.

What I will say—I have written this in previous correspondence—is that I do not think that the devolved areas were being protected as much as they could and should have been protected. I will remind the clerks about this, but I think that I have already given the committee copies of my correspondence to the UK Government on my concerns about the bill. That said, I am probably skating into territory that I should not skate further into.

**Bob Doris:** That would be helpful, cabinet secretary. What I did not ask about, because I did not want to go down that road either, was that a lot of the talk with regard to the bill was about specifying pan-UK routes, pricing and fare regimes, but with caveats for Scotland and Wales. The question is this: how strong were those caveats? I will leave that sitting there, though, until we see what an incoming Government does.

**Fiona Hyslop:** The Scottish Government's preference has always been for greater devolution of rail powers to Scotland.

It would probably be wise, convener, to return to that question when we know the formation of the new UK Government and what will happen to the bill. However, I suspect that, whatever party forms the UK Government, the principle of that bill will advance in some shape or form.

**Monica Lennon:** I remind the committee that I am a member of the National Union of Rail, Maritime and Transport Workers parliamentary group and of Unite the union.

I wanted to ask about the peak fares pilot. I know that you wrote to the committee either this morning or last night, so I thank you for that. We know that the peak fares pilot has been extended,



so I am keen to find out a bit more about the evaluation that has been carried out so far. Can you summarise what you see as being its main findings?

**Fiona Hyslop:** I wrote to the committee because I was conscious that I was appearing today and I wanted to give some indication of where things are with the interim evaluation. I confirm that the interim evaluation has been published today on Transport Scotland's website—I wrote today, or last night, to ensure that the committee is aware of that. I understand that there is a members' business debate on the topic this week, too. For that debate and for my appearance today, it was important that the committee be informed.

I assure Monica Lennon that, if she looks on the Transport Scotland website—is it live, Alison?

**Alison Irvine:** Yes.

**Fiona Hyslop:** "ScotRail Peak Fares Pilot—Interim Evaluation" is live now.

We need to continue with the evaluation. It has been affected by the pre-election period: we wanted to do a public survey in June: it will now happen in July and will inform decision making. In the meantime, the information in the interim evaluation and my letter to the committee will give you a bit of advance notice on what is likely to be in that report.

**Monica Lennon:** Thank you. I appreciate that there is a lot happening today and this week.

Is the summer the best time to do that public survey, given that one of the groups that the policy is trying to benefit is people who go to work? Peak fares have been seen as a tax on workers. Is there a danger that we might miss the opportunity to get feedback from people who are on holiday? How will that be managed?

**Fiona Hyslop:** I have reflected on that point previously. There are changes in public transport use for both bus and rail: weekends are becoming more popular for leisure reasons, and we have had a period with lots of storms, which can affect people's use. We anticipated that spring might have been a better time to assess where things were, which is why we extended the pilot to March.

As you read the report, you will see that the figures are slightly down for the spring period. We are not quite sure whether that is weather related—we do not know and I do not want to assume that—but you will see that in the full report. In the meantime, I ask Fiona Brown to answer the question about when to survey people and why.

**Fiona Brown:** The fieldwork is a complementary part of the research. It is not all the evidence that is gathered, but it is about asking people their views and opinions to help us to understand what people did previously if they are travelling by train now. We took advice and were unable to do the fieldwork research during the pre-election period.

You are correct, Ms Lennon, that July is not the ideal time—it is not the typical time when we would do surveys—but, as the cabinet secretary has correctly said, we have seen such an increase in leisure travel that surveying in July will still be useful for us. With the other evidence that we have and the things that we know about travel patterns, we can still undertake that survey in July and the results will still be useful to us. The other option was not to do it at all, but we think that it will still be beneficial. However, we will take into account the fact that it is a July survey.

11:30

**Monica Lennon:** Okay—that is helpful to know.

Cabinet secretary, you mentioned that there will be a members' business debate, which Mark Ruskell has secured. I do not want to get into a political discussion in any great detail, but I have been conscious that, this morning Ross Greer, on behalf of the Greens, has said that it was the Scottish Greens that removed the peak rail fares. There is a perception that that policy was really championed by the Greens and the Greens alone, and there is now a bit of concern that, with the end of the Bute house agreement, the policy might no longer be so popular with the Scottish Government. Can you give some reassurance on that, cabinet secretary?

As you will be well aware, the four rail unions—the National Union of Rail, Maritime and Transport Workers, the Associated Society of Locomotive Engineers and Firemen, Unite the union and the Transport Salaried Staffs Association—have really championed that policy, based on their knowledge of the railways. I know that you cannot say too much in a pre-election period but, given that that policy came from a recommendation in the Scottish Trades Union Congress's "A Vision for Scotland's Railways", which was produced in 2021, what discussions are you having with trade unions? Can you give any kind of guarantee that the policy is still a priority for the Scottish Government, despite the Greens exiting said Government?

**The Convener:** Cabinet secretary, before you get tempted to set off on an electioneering route, I am sure that you will answer that question in line with the fact that the scheme is set to end by 29

September. You will have to do some work, but I caution you slightly on that.

**Fiona Hyslop:** I do not know how long we have been in this evidence session, but I have tried to marshal myself carefully in relation to the period that we are in.

It is £40 million of investment, which is a lot of funding, so we have to prove that it is doing what we want it to do. We know that it has helped to save people money in the cost of living crisis, but we want to see a modal shift. Reading the report that was published today—I gave the committee early sight of some of the findings—the evidence that there has been a massive increase in rail use is perhaps not as absolute as everybody assumes. There has not been that increase, so we need to make a robust analysis of that policy.

The Government announced the extension of the scheme after the ending of the Bute house agreement, not before it. That might give you the reassurance that you seek, Ms Lennon.

I know that the unions have championed the policy from the start, but it was a Scottish Government decision to implement and extend it. On the day of the announcement of the extension, I spoke to ASLEF in particular, to try to get its support and that of all the unions. As a Scottish Government, we have also done that with RMT.

In order to prove that the policy is a success, we need more people to choose rail. I encourage everybody who is benefiting from those reduced fares to encourage more of their work colleagues, neighbours and friends to use rail. We are supportive of the policy and we would like to see it extended but, taking an objective view of the figures that we have to date, they are not as convincing as I would have liked them to be. We have to face the reality of where we are and bear in mind that 79 per cent of public transport journeys are made by bus. We have spent quite a lot of time on bus challenges and we need to make good decisions. I want the policy to be successful, but I need the unions and all MSPs who are supportive of the policy to encourage more people to actively use rail.

As I said, patterns are changing, and it is interesting that we are seeing an increase in rail use for leisure. We still have hybrid working, and it might be that, because people are working from home, they are choosing to use rail more at weekends. With that influence and change, it is hard to compare what was already an increasing return to rail after the pandemic, but we are particularly interested in modal shift.

Convener, I hope that that answer stays within the tramlines that you wanted me to keep to.

**The Convener:** Thank you.

**Douglas Lumsden:** I could not let this opportunity pass without asking about the £200 million commitment to reduce rail journey times between Aberdeen and the central belt by 20 minutes by 2026. In meetings, ScotRail has told me that that will not happen within that timescale. Have you been given that information too, cabinet secretary? If it will not be done by 2026, will the funding be extended to future years so that you can still make that 20-minute reduction in the journey time a couple of years after that?

**Fiona Hyslop:** I will ask Alison Irvine to keep me right, and also whether she wants to come in. We want to make the improvements, but interrelated decisions will need to be taken. It might look slightly different from what it was originally but, as we have heard, the support and rolling-stock investment are on-going and very live. There have been some investments already.

For brevity, I say that I have answered a number of parliamentary questions from Douglas Lumsden and given as much information as possible on what has already been invested, but we are committed to making the improvements in the north-east in particular. He is right. It may take a different shape than was perhaps originally intended, but there will be further clarity when we have the rail decarbonisation plan refresh, in which the north-east will be a particular area of focus—as he knows, because he has taken a keen interest.

Some issues relate to side deals that are associated with the city region. Recently—in the past few weeks—my colleagues at Transport Scotland attended meetings on that with the relevant authorities. We will try to keep everyone, including the committee, as well informed as we can, when we can, but I might not be able to give you as much information as you want at this committee meeting.

**Douglas Lumsden:** I am just trying to work out why the decarbonisation and the journey time reduction would go hand in hand. I thought that the £200 million to reduce the journey times would probably involve things such as loops and the straightening of the line at certain points. I am not quite sure why that is linked to the decarbonisation project.

**Fiona Hyslop:** It is about maximising value for money through making all the improvements at the same time. We heard questions about route disruptions. It is more sensible to co-ordinate investment in a line—in particular, the route track investment by Network Rail—with other changes that are taking place. It is about sensible decision making—integrating the train fleet with the track improvements. Some things can be done in isolation; maybe the member is trying to pursue whether we can continue to do such things. Some

of that has happened to date, and we are keen to do that where we can, but we are trying to take a sensible approach, particularly given the challenging finances, to make the most of co-ordinating investment where that is possible.

I ask Alison Irvine whether she has anything to add.

**Alison Irvine:** I would not add much to what the cabinet secretary has said. A number of options are in front of us as we consider the rolling-stock decisions that have implications for the decarbonisation decisions that ministers will have to make and, equally, the choices that they have to make on what to invest in. The cabinet secretary has not had the benefit of seeing all of that, and we are in a pre-election period, so I do not want to talk about that in any more detail at this time.

**Douglas Lumsden:** Will it be a choice between decarbonisation and reducing the rail journey time?

**Fiona Hyslop:** No; it is the reverse.

**Douglas Lumsden:** If it is tied to decarbonisation, does that mean that the 20-minute journey improvement times may not happen until 2035?

**Fiona Hyslop:** No, that is certainly not the case. Convener, you have asked me not to stray into the territory of announcements that I cannot make. That is why I said that I cannot give you that information. I have not seen it, so I am not in a position to tell you; even if I had seen it, I would probably be restricted in what I can say in this meeting.

**Douglas Lumsden:** I am just trying to find out when the 20-minute reduction in the journey time will happen, given that ScotRail has told me that it will not happen by 2026.

**Fiona Hyslop:** I would like to be able to answer your question, but I think that it would be inappropriate for me to do so at this committee meeting.

**The Convener:** Mr Lumsden, with the situation as it is, you have probably made your point that that is not going to happen within a certain timeframe. The cabinet secretary has not said whether she accepts that point, but she has said that, once the restrictions are lifted, she will get back to us about the issue. I think that you will have to do that, cabinet secretary, because there is an issue there. I am happy to leave it at that, if you are happy to leave it at that, Mr Lumsden.

**Douglas Lumsden:** I have one further question, convener.

**The Convener:** It will have to be really quick. We will have to go to short quick-fire questions and answers.

**Douglas Lumsden:** It is very brief. The issue of alcohol on trains was going to be looked at. What is the timescale for that and for a decision to be made?

**Fiona Hyslop:** I am actively looking at the issue. Just two weeks ago, I pulled together a variety of stakeholders, including ScotRail, Network Rail, the unions and those who have an interest in issues in relation to women and girls. The core issue is antisocial behaviour and people who are already drunk coming on to trains—I get that. However, the main focus of solutions has to be tackling antisocial behaviour. Just last week, I met the justice minister about that broader issue. I have been discussing it with a number of people, not least Mr Simpson. As we progress, I will keep the member and the committee informed as to what decisions are finally taken. Obviously, I will have to consult my colleagues, because that is a Government policy decision.

**The Convener:** I have a quick-fire question on what is perhaps the Cinderella transport method. It is on Scottish Canals, which I think falls under your portfolio, although you are looking nervous, cabinet secretary.

**Fiona Hyslop:** No, I am not nervous. I am shocked that you think that canals are a Cinderella. Actually, Mr Fairlie is the lead on Scottish Canals. I certainly do not think that canals are a Cinderella, because the Union canal goes through my constituency, which is why I have recused myself from making ministerial decisions on that.

**The Convener:** It was clear from Audit Scotland reports that Scottish Canals had drifted—it had a poor understanding of its asset values, incomplete and inaccurate records and documentation, and it was investing in things such as business properties and holiday lets along the canals, which was not its key domain. Are you happy that Scottish Canals is back on track?

**Fiona Hyslop:** I refer you to the latest audit report on that, which found Scottish Canals to be in a better and more positive state. There were issues to do with VAT and other areas that were particularly problematic, which the Scottish Government assisted it with. Kerry Twyman might be in a better place to say more about that, particularly from the accounts perspective. However, my understanding is that Scottish Canals is on track and in a better position than it was previously.

**The Convener:** I am sorry, Kerry, but we are very short of time—

**Kerry Twyman (Transport Scotland):** I would agree with the cabinet secretary.

**The Convener:** I am happy to take that answer.

A huge amount of development is proposed in Loch Ness for pumped storage and other things, and the canals could be the most important method of transporting stuff up and down, whether that is spoil from development or machinery. The canals might need investment. If a case is made for the commercial use of the canals to help that development, which will get us to net zero, is the Scottish Government up for that?

**Fiona Hyslop:** I am more than happy to look at any proposals or suggestions. As I said, Mr Fairlie leads on that area. However, I point out that there have already been major investments by Scottish Canals, supported by the Scottish Government, at the southern end of the canal network.

In more general terms, we should think about how we use our canal network more creatively. In Glasgow, in the area around Bob Doris's constituency, there are major issues about how to tackle flooding and regeneration and redevelopment. Canals were our economic drivers in the past, and I think that they might have a new future, although that is all within the financial constraints and fiscal challenges—as you know, we have a 9 per cent capital reduction in our budget over the next few years.

**The Convener:** The point that I am trying to make is that getting people to use the canals commercially, certainly from Inverness harbour up to Loch Ness, might require some work on the lock gates to make them easier to work. If that takes vehicles off the road, especially the road around Loch Ness, that has to be good news.

11:45

**Bob Doris:** Cabinet secretary, if Mr Fairlie is leading on canals, I hope that you can suggest to him that we look at the wider regeneration impact on communities. In my constituency, there is regeneration at the Hamiltonhill Claypits, impressive investment is being made in Maryhill, Gilshochill and the Stockingfield bridge, and a new nature reserve has been developed towards Cadder, beside the banks of the canal. Does the cabinet secretary agree that using canals as drivers of community regeneration, particularly in deprived areas, is important and that, when we audit Scottish canals, we should audit their social benefit as well as the pounds and pence elsewhere?

**Fiona Hyslop:** Yes.

**The Convener:** I love a short answer.

The deputy convener has some questions on other matters.

**Ben Macpherson:** I have a few questions about the national performance framework and active travel through walking and cycling. The Scottish Government has been doing a lot to support walking and cycling outcomes in the national performance framework, particularly during the pandemic and in the following years. Will you update the committee on that work? Have there been significant increases in walking and cycling? How is progress being made to achieve the modal shift that is required in order to meet various targets and commitments in the years ahead?

**Fiona Hyslop:** Colleagues might be able to update some of my figures, but 46.2 per cent of journeys under 2 miles were made by walking or cycling in 2022, and the figure for journeys under 5 miles was 2.1 per cent. However, statistically, those figures were not much different from the figures in 2019. I acknowledge that performance might not be as strong as we might expect or want, given the level of investment that we have made, but if we do not have investment to encourage people and make those options available, that is obviously an issue in itself.

I am sure that we will have the figures for 2023 at some point, but I do not know when that will be—perhaps one of my colleagues can tell me.

I do not know the details—I am sure that the committee's researchers can look into this—but the hands-up survey is conducted annually in schools to get an understanding of who travels to school by walking or cycling. That information is available. I do not have it at my fingertips, but we can follow up with the committee if you are interested in that.

There are still challenges in how we get the best use of our walking and cycling infrastructure. However, the more people use public transport, the more they will walk. When I commute by rail, which I do frequently, I spend more of my journey time walking than I spend on the train, and I know that people who use buses will walk more in order to use them, so we need to look at these things in totality.

One of the big benefits of the Levenmouth rail link, which opened just last week, is the active travel part, which will help to connect communities across the Levenmouth area, not just from end to end.

**The Convener:** Graham Simpson has been name checked a couple of times, so he can ask a couple of questions at the end.

**Graham Simpson (Central Scotland) (Con):** Thanks very much. I was name checked in relation to drinking on trains—not that I drink on trains, of

course—because I have had discussions with the cabinet secretary about the issue.

Cabinet secretary, you know my view on train fares. They need to be simple, which is what you think, too. I would love to have smart ticketing, and things are going a bit too slowly in that regard. On fares and tickets, ScotRail has a price promise that guarantees that, if you can find a cheaper ticket, it will reimburse you, but I have become aware of an issue. If a journey involves changing trains and you buy a ticket from a ticket machine, as I think you did the other day—well, you were pictured next to one—

**Fiona Hyslop:** Yes, I bought a ticket.

**Graham Simpson:** If more than one journey is involved, it can be cheaper to buy tickets for individual journeys or to use a different app, such as Trainline, rather than buying a ticket from a ticket machine or through the ScotRail website. When I looked into that, I found that there were some quite big differences. For instance, if I were to go from East Kilbride, where I live, to Aberdeen, by booking separate journeys or by using Trainline, I could make a saving of around £30. Similarly, I could save £28 on the journey from Stewarton to Montrose, and £13 on the journey from Kyle of Lochalsh to Invergordon. The issue is the same no matter where you look.

I am trying to be helpful here. That needs to be looked at, because when you book a train through the ScotRail website, which many people do, you should get the cheapest deal.

**Fiona Hyslop:** I agree with you. However, a lot of the issue is to do with the technology of the ticketing system, which ScotRail inherited from Abellio. ScotRail knows that it must make changes to it. You are not the only MSP who has raised the issue with me. A number of MSPs have, and they have given good examples.

When I meet Joanne Maguire, the MD of ScotRail, I will ask about progress on the issue. I think that ScotRail is trying to address the issue, but I cannot give you the detail of how it is planning to do that. Once I have spoken to ScotRail, I would be happy to provide more information or to ask ScotRail to contact the committee directly to explain how it plans to change things. We might not be talking about an overnight change, because it is a systems issue. I will ask ScotRail to brief you at the same time, Mr Simpson.

I am alert to the issue. I share your concern, because the current situation does not make sense. We need to make sure that we have a fare structure that is simple and that, when people buy tickets, they can have confidence that they are getting the best value, because that will help to

drive people on to public transport and to make them switch from the car to rail.

**Graham Simpson:** Absolutely. That is good. I like that answer.

I will ask just one more question about trains, because I know that we are up against the clock. Where are we with the pay talks with the RMT?

**Fiona Hyslop:** They are continuing. That is a matter for the employer and the trade union, as is appropriate. The public pay matrix was issued at the end of last week. With regard to the discussions with the rail unions, I cannot comment specifically on those with the RMT, but I understand that there will be engagement. I am not sure of the timescale for when the talks with the RMT will commence, but I reiterate that it is the responsibility of the employer to engage in those discussions with the relevant trade unions.

**The Convener:** Although ScotRail is the employer, does a pay deal have to be signed off by the Government, or can ScotRail sign off any figure that it wants to?

**Fiona Hyslop:** As a Government, our position is quite clear. Because of the constraints that we are under, there is a public pay matrix that—

**The Convener:** So you have to sign it off.

**Fiona Hyslop:** Let us see where we get to in terms of the process.

**The Convener:** If ScotRail comes to you with a figure, you have to sign it off. You have to say yea or nay.

**Fiona Hyslop:** My understanding is that that will be the case, because that is what happened last year when I had just come into post. I am assuming that the process will be the same this year.

**The Convener:** I am sorry, Graham.

**Graham Simpson:** No—that was very useful, convener.

I am going to be cheeky and ask one more question. You will tell me that you cannot answer it, because it relates to your constituency, so maybe one of your officials can. It is about Winchburgh. You were at the opening of the new station at Leven, which is very much to be welcomed. As you know, there has been a campaign to get a station at Winchburgh, and it seems to me that what is required is for people to sit round the table and actually make that happen, so my question to you, or to your officials, is: has there been any move for such meetings to take place?

**Fiona Hyslop:** As a Government minister, I am recused on the issue, and, at this stage, I do not

think that my colleagues are in a position to answer. Mr Fairlie is leading for the Scottish Government on the issue.

Historically, there have been such groups. When I was a back bencher, as a local constituency MSP, it was me who pulled together all the relevant bodies to progress the issue, which we did at the time with Ms Gilruth, who was the then transport minister. I think that that is probably as much as I can say.

**The Convener:** Just so that I understand, did you say that Mr Fairlie would be standing in on that particular issue?

**Fiona Hyslop:** Yes. What happens if you are—

**The Convener:** It would be good if Mr Fairlie could drop the committee a line so that we understand what the position is and we can pass that on to Mr Simpson.

**Fiona Hyslop:** I think that that would be a better way to pursue the matter.

**Graham Simpson:** That is fine. Thank you.

**The Convener:** I think that Bob Doris wants to come in briefly on the back of something that was said earlier.

**Bob Doris:** There is no question for you to answer, cabinet secretary; I am simply asking you to do something. Mr Simpson mentioned ticketing and the fact that people do not always get the split fare pricing that allows them to get the best deal for tickets. Trainline takes less than a minute to use, and it allows you to add on discount cards. For example, I have a Club 50 railcard, because I am now over 50, which enables me to get a significant discount on rail travel.

When you have those discussions with ScotRail, will you make sure that the technology that it uses—the machines in the stations and so on—allows travellers to access, and promotes, the various discount cards that are available for ScotRail? We are trying to increase revenue, and that is a good way of getting more people to travel.

**Fiona Hyslop:** I am sure that the people at ScotRail are avid watchers of the committee's meetings. We will make sure that we draw to their attention your concerns and those of Mr Simpson about ticketing.

**The Convener:** I am pretty sure that Alison Irvine will have told them to watch this last segment anyway.

We have come to the end of a fairly long session. I thank the cabinet secretary for sticking with us and responding to all the answers as best she could. That concludes the public part of today's meeting.

11:57

*Meeting continued in private until 12:25.*

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