



OFFICIAL REPORT
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Public Audit Committee

Wednesday 26 February 2025

Session 6



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CONTENTS

	Col.
DECISION ON TAKING BUSINESS IN PRIVATE	1
“SUSTAINABLE TRANSPORT: REDUCING CAR USE”	2

PUBLIC AUDIT COMMITTEE

7th Meeting 2025, Session 6

CONVENER

*Richard Leonard (Central Scotland) (Lab)

DEPUTY CONVENER

*Jamie Greene (West Scotland) (Con)

COMMITTEE MEMBERS

*Colin Beattie (Midlothian North and Musselburgh) (SNP)

*Stuart McMillan (Greenock and Inverclyde) (SNP)

*Graham Simpson (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Malcolm Bell (Accounts Commission)

Stephen Boyle (Auditor General for Scotland)

Cornilius Chikwama (Audit Scotland)

Ashleigh Madjitey (Audit Scotland)

CLERK TO THE COMMITTEE

Katrina Venters

LOCATION

The Sir Alexander Fleming Room (CR3)

Scottish Parliament

Public Audit Committee

Wednesday 26 February 2025

[The Convener opened the meeting at 09:30]

Decision on Taking Business in Private

The Convener (Richard Leonard): Good morning. I welcome everyone to the seventh meeting in 2025 of the Public Audit Committee.

Item 1 is a decision on whether to take items 3 and 4 in private. Do we agree to do so?

Members *indicated agreement.*

“Sustainable transport: Reducing car use”

09:30

The Convener: Item 2 is consideration of the joint report by the Auditor General and the Accounts Commission, “Sustainable transport: Reducing car use”.

I am pleased to welcome our witnesses: Stephen Boyle, the Auditor General, who is joined by Cornilius Chikwama, audit director, and Ashleigh Madjitey, audit manager, Audit Scotland. I am pleased to say that we are also joined by Malcolm Bell, who is representing the Accounts Commission. You are welcome to the committee, Mr Bell.

We have some questions to put to you on the report, Auditor General, but before we turn to them, I invite you to make an opening statement.

Stephen Boyle (Auditor General for Scotland): Good morning, convener and committee. As you have mentioned, I am bringing to the committee the joint report from the Accounts Commission and myself, “Sustainable transport: Reducing car use”, which was produced by Audit Scotland.

Domestic transport is the largest source of greenhouse gas emissions in Scotland, and emissions from that sector are reducing at a slower rate than those from any other. In 2020, the Scottish Government set the ambitious but challenging target to reduce the total car kilometres driven in Scotland by 20 per cent by 2030. More than four years later, the Government still does not have a clear plan for that and car kilometres driven in Scotland have been increasing since the Covid-19 pandemic. We are currently moving away from delivery of that target.

Our audit has identified a lack of leadership resulting in minimal progress in reducing car use. The final route map remains in draft form, and there is no costed or resourced delivery plan that provides measurable milestones. Indeed, it is unclear whether the Scottish Government remains committed to the target. The upcoming climate change plan gives the Scottish Government the opportunity to clarify its intentions.

Scotland’s councils have an important role to play in reducing transport emissions, but they face different challenges in doing so, and some are prioritising contributing to the target more than others. The audit recommends that the Scottish Government provide more guidance to them and to regional transport partnerships on their role in achieving the target.

The Scottish Government and councils are also not able to say how much has been spent on achieving the target. Spending on measures to reduce car use is complex and fragmented and lacks transparency.

Our judgment is that it is now unlikely that the Scottish Government will achieve its target of reducing car use by 20 per cent by 2030. The Scottish Government has not said how failure to reduce car use will affect its wider ambitions to achieve net zero targets by 2045, but it will find it hard to significantly reduce transport emissions unless it makes difficult and potentially unpopular decisions to discourage car use through demand management measures.

As ever, I look forward to answering the committee's questions. I am pleased to be joined by Malcolm Bell from the Accounts Commission, as you mentioned, convener.

The Convener: Thank you very much indeed.

In your opening statement, you repeated the conclusion that you reached in the report that

"It is unlikely that the Scottish Government will achieve its target ... by 2030."

Will you elaborate on why you reached that stark conclusion and whether the target was ever achievable?

Stephen Boyle: The rate of change suggests that we are moving away from delivering the target rather than moving closer to it. Context is always important.

I would highlight the fact that that target was set during the Covid-19 pandemic. At that time, for clear reasons that we will all recall such as lockdown restrictions, car use dropped significantly. Since then, car use has recovered, but active travel and public transport use are not yet back to their pre-pandemic levels.

I will bring in colleagues in a minute—Ashleigh Madjitey might want to say more about the detail—but we are talking about the effective implementation of a significant public policy. However—and this is a very significant point that the committee will be familiar with—the best chance of achieving that effective implementation is to have a clear delivery plan. As I mentioned in my opening remarks, that includes having a costed plan, evaluation methodologies, clear delivery against milestones and so forth. We did not see that when we undertook the audit.

I also mentioned in my opening remarks that there is some ambiguity over whether the Scottish Government remains committed to the delivery of the target, but Ashleigh might want to say more about the recent trends.

Ashleigh Madjitey (Audit Scotland): In exhibit 4, which shows vehicle kilometres over time, you can see a big dip in that figure during the pandemic, and then it goes straight back up again. We also found that, in order to reduce car use by 20 per cent, we would need to be back at 1994 traffic levels.

That brings me back to the fact that this was always a very ambitious target. Exhibits 6 and 7 show the trends in cycling and active travel, and in public transport, and both are going in the wrong direction.

The Convener: In the report, you say that it is

"not possible to see how the national target of 20 per cent will be achieved",

but you also say that it is

"impossible to understand which interventions will have the most impact on the target or deliver the best value for money."

That is quite a damning critique, is it not?

Stephen Boyle: Our report is based on the evidence that we found. This is an unusual example; just to be clear with the committee, I should say that we do not regularly see public policy intent that is not underpinned by planned implementation arrangements. There is no clear understanding of the role to be played by different elements of active travel, changes in demand management or individual organisations—never mind governance, which we touch on in the report. We are not seeing those aspects being as effective as they need to be, and that has contributed to the position that we are in today, namely that, as we have said in the report, we now do not expect the target to be achieved.

The Convener: You have already been quite critical of the level of evaluation that has been undertaken. On equality impact assessments, one of the report's themes is the possibility of an unequal impact, including of some of the demand management measures, which we will come to later in the meeting. Do you have a sense of whether full equality impact assessments are being done of the current transport system or of proposals for modal shift, for example? Is that part and parcel of the approach being taken by Transport Scotland and the Scottish Government?

Stephen Boyle: I will bring in colleagues to share a bit of detail on some of the arrangements, but it is clear that, to a degree, there is a varied picture of evaluation in the round, whether that be equality impact assessments or other evaluation measures. There is evidence that the availability of public transport arrangements, car use and car provision correlate with, for example, areas of deprivation, equalities and employment opportunities.

I will bring in Ashleigh Madjitey and Cornilius Chikwama to talk about this—and Malcolm Bell can come in at any point, too, if he wishes—but I want to highlight paragraph 81 of the report. We found that evaluation arrangements are in place for the various projects but not to the extent that they are collated in order to form meaningful conclusions. Again, there is work to be done by the Scottish Government to understand clearly which particular parts of its interventions are having the most significant bearing on the delivery of its target. That will be fundamental to where it goes next with its plans to deliver a route map and to clarify its intentions.

Cornilius Chikwama (Audit Scotland): I think that Ashleigh Madjitey will want to comment on this, too, but in relation to the target, there was some consideration of equalities, although we can debate how complete those considerations were. There was a focus on the idea that car use tended to benefit mostly people with higher socioeconomic status or from higher socioeconomic backgrounds, and there seemed to be an assumption that if car use were reduced, the use of public transport would increase and, therefore, reducing car use would benefit those people who could not afford to drive.

However, when we looked at what actually happened, we found no improvement in public transport use. At the same time, we have not seen any change in car use. That raises the question whether the measures are being delivered in a way that is effective in tackling the inequalities that the Scottish Government had identified in this area.

There are other dimensions to inequality that are linked to geography and disability—for example, there are people who cannot avoid car use, because of disabilities. My colleague Ashleigh Madjitey might be able to say more about how those have been looked at.

Ashleigh Madjitey: As the Auditor General has said, there have been evaluations of some of the big projects, such as the young persons bus pass and the Glasgow south city way. However, although evaluations are being carried out, they are not considering the impact of projects on car use. The process has not been pulled together in that way. That links back to the issue of the Government not having a clear delivery plan with clear, measurable milestones to measure against.

The Convener: In the report, you make the same point in relation to the evaluation of ScotRail's experiment to remove peak fares, explicitly stating that the impact on car use of reinstating peak fares was not part of the evaluation. That is quite staggering, is it not?

Stephen Boyle: I refer the committee to case study 1, in which we set out in detail the arrangements for the 12-month pilot to remove peak fares and the Government's assessment that it did not attract enough passengers to rail. Of course, the committee will remember the additional context of funding pressures, to which the reinstatement of peak fares was attributed.

We say that the Scottish Government's view was that the subsidisation of the removal of peak fares did not represent value for money in the current financial climate. However, to come back to the wider aspects of evaluation, I would point out that the evaluation report does not outline what impact the reinstatement of peak fares will have on other parts of the transport system or on car use, nor does it acknowledge that it can sometimes take longer than 12 months for behavioural change to happen, and that communication and investment are necessary to support people to make alternative choices about modes of transport. In effect, we are talking about people going about their business in different ways. We wonder, therefore, whether Transport Scotland had opportunities to include a wider range of criteria in the mix in arriving at its decision.

The Convener: Many questions arise from that, but I want to move the discussion on to a related subject. I presume that, when a target such as the proposed 20 per cent reduction in car kilometres by 2030, relative to the 2019 baseline, is announced, we would expect there to be a cross-Government drive on that. What you have described does not appear to be even a cross-transport drive. Have you seen cross-Government working to meet the target that was set, which was a clear and important signal of public policy?

09:45

Stephen Boyle: I am sure that all of us will want to express a view on that. Malcolm Bell will certainly be able to offer an assessment of the vital role that Scotland's councils need to and are expected to play, together with the role that the regional transport partnerships will play.

To step back from that for a moment, we say in the report that we do not think that there was sufficient leadership to clarify intentions. Ashleigh Madjitey has rightly mentioned the lack of a necessary delivery plan to support how we move from where we were in 2019, or where we were during the Covid-19 pandemic, to delivery of that target.

As we touch on in the report, Scotland's councils are still looking for clarity and guidance from the Scottish Government about the role that they are expected to play. With some justification,

partners are asking whether guidance without a delivery plan will really help them to do what is expected of them. We must recognise that there is wide variation in the ability of different parts of Scotland to play their part in delivering on the target.

We can say more about how governance and partnership working have operated, but I am keen for the committee to hear from Malcolm Bell first.

Malcolm Bell (Accounts Commission): As the Auditor General says, councils would welcome clear guidance on roles and responsibilities. We touch on that in the report. However, part of the reason that the guidance was not clear was that councils in Scotland are so diverse. The wish was for councils to develop their own priorities, because rural councils have different issues from city and urban councils.

That was part of the issue, but we have now got to the stage where there is clear guidance on expectations, roles and responsibilities. The monitoring and evaluation of achieving that target would be very much welcomed.

The Convener: You are not here to speak on behalf of the Convention of Scottish Local Authorities, but the report mentions that a joint governance group was supposed to be established—involving, I presume, local authority leaders and agencies and central Government leaders and agencies. Has that governance group been constituted yet?

Stephen Boyle: You are correct in saying that there has been slow progress. We might have an update on some of the recent developments. I will ask Ashleigh Madjitey to share that with the committee.

I remind you that, in 2023, we produced a report on the Scottish Government's arrangements to deliver on climate change goals. In that report, we talked about some progress but we highlighted the fact that top-level governance arrangements had not moved at the pace that the Government had intended in order to deliver on its climate change ambitions. The report on sustainable transport looks back over a five-year period, so there is an alignment, but governance for delivery on challenging carbon emissions targets was not in place for much of the time that we are talking about.

I will bring Ashleigh back in, to see whether we have more up-to-date information.

Ashleigh Madjitey: Cornilius Chikwama might also want to say more.

In paragraph 30, we talk about the governance arrangements, and we say that the Scottish Government and COSLA

"have yet to establish a joint governance group".

That is largely to do with the lack of a final route map, without which it was difficult to establish the joint governance group.

We also say:

"They are in the process of establishing a joint governance group to strengthen the way national and local government work together".

That work is on climate change as a whole, rather than focusing just on transport. We know that the first meeting of that group took place in December last year.

The Convener: That is helpful. Auditor General, you have again mentioned a lack of leadership. At what level is there a lack of leadership?

Stephen Boyle: The report draws attention to the fact that the governance structures were not in place. Those are the for a in which senior leaders and political leadership can come together to support the direction and, ultimately, the prioritisation and choices. Our key concern remains that the key public bodies in Scotland, but ultimately the public, should have clarity about the choices that they are being encouraged to make. We reference that throughout the report.

We do not make a direct link to this, but we draw attention to the fact that there has been considerable turnover of ministers in the relevant roles for the duration of the ambition. There is a need for—and we recommend this in the report—clear governance that is implemented as intended, so that the public bodies that are charged with supporting implementation to deliver on the target and with helping the public to make choices have clarity about the priorities, the funding and how decisions will be made.

The Convener: It does not escape the notice of this committee that it is senior elected politicians, up to and including previous First Ministers, who have declared a climate emergency and, presumably, have pronounced on the need to meet the 20 per cent reduction target by 2030. If there is a lack of leadership, we might draw the conclusion that there is a lack of political leadership as well as a lack of some kind of agency leadership among those who are charged with delivering on this.

Stephen Boyle: A final brief thing to recognise—again, this is in the report—is that, in addition to the turnover in political leadership, the Bute house agreement brought in additional targets together with the anticipated allocation of funding for the delivery of some targets. That resulted in a change of emphasis, and we have seen a step back from some of the ambitions in the Bute house agreement since that arrangement ended. It is noticeable that the bus partnership

funding was referenced as public spending that took place in this area, but we have now stepped back from that. Scotland's councils, in particular, do not have clarity about what is expected of them now that that arrangement is over.

The Convener: The 2030 emissions reduction target has been dropped altogether, has it not?

Stephen Boyle: Indeed—the 75 per cent target.

The Convener: That is an overarching target, but below that there are examples of other things that have been discontinued, dropped and so on.

I will ask a final question before I invite Graham Simpson to put some questions to you. How a Government with a £50 billion to £60 billion budget reconciles competing priorities has been the subject of debate and discussion at this committee before. For example, the expenditure on rail is going down but the expenditure on trunk roads is going up. If we have a target for reducing car kilometres that is to be met, how does all of that get reconciled—or does it?

Stephen Boyle: Thankfully, these are choices not for me but for politicians, especially in the consideration of the budget. There are two factors that I would point to. I think that I said something similar last week when we spoke about how the economy and income tax align. We need longer-term financial planning and the alignment of that with policy. We do not have an up-to-date medium-term financial strategy in Scotland, but that is important not just for financial planning in and of itself but because it supports choices and the scrutiny of those choices.

You are right: of course, Governments do not have to do just one thing; they have to make trade-offs and prioritise in both policy and spending. In relation to a reduction in car use, we touch on the fact that several things are happening on public transport use, investment in roads and support for public transport. Those are clearly choices, but we make the point that the choices and the spending are not as transparent as they need to be to help with the implementation and scrutiny of those choices.

The Convener: You said earlier that your assessment was that we are moving away from, rather than closer to, that target.

Stephen Boyle: Very much so. It is clear in the report that we are looking at today that the current trajectory means that it is very unlikely that Scotland will deliver the intended car use reduction by 2030. I mentioned ambiguity, and, in the past couple of days, the Government has published an updated consultation that suggests that it is reviewing its commitment to that target. I also mentioned earlier that the impact that that will

have on its overarching vision of reaching net zero by 2045 remains to be clarified.

The Convener: Thank you. I invite Graham Simpson to put some questions to you.

Graham Simpson (Central Scotland) (Con): I am hearing some audio feedback, which Mr Bell got as well. I wonder whether that can be sorted.

I did not see anything in the consultation that was launched this week that said that the Government is dropping its target—did you?

Stephen Boyle: Given the timescale, we have done some limited review of it. I would point to the fact that one of the figures in the report that relates to mainstreaming car decarbonisation describes the timescale as medium term. Although it is perhaps not clear that that says that the Government is stepping away from the target, that language brings further ambiguity to its intentions.

We are clear in the report that there has been ambiguity, based on the fact that we do not have a route map. Governance arrangements have not been clear as to whether this is still part of the Government's longer-term intention towards reaching net zero in 2045. That is why we are using the phrase "ambiguity" in relation to the 2030 target.

Graham Simpson: Where do you think that the target came from? Where do you think that we got the figure of 20 per cent from?

Stephen Boyle: If I can find the right paragraph, or if colleagues can direct me to it—

Ashleigh Madjitey: It is paragraph 14.

Stephen Boyle: Thank you. I draw the committee's attention to paragraph 14 in the report, which sets out some of the history of how the target was arrived at. One of the bullet points references the fact that Transport Scotland consulted on a draft route map but that that consultation did not include the target of a 20 per cent reduction. Transport Scotland also undertook modelling, but it considered only a 20 per cent reduction, based on an assessment of the transport sector.

It is a very ambitious target, no doubt, but there is a lack of clarity as to why it is 20 per cent and not, for example, 15 per cent or 25 per cent. That there was no proposed target in the consultation and that it arrived as part of the planned implementation arrangements feels like an unusual process to follow. It would have been a better set of arrangements to consult on and receive views from stakeholders on either a single target or, indeed, a range of targets. That is especially the case given that, as the committee will remember, the target was set during Covid

and it would have required car use levels to return to what they were in the mid-1990s.

Graham Simpson: My conclusion from that answer is that the 20 per cent is just a made-up figure. As the Auditor General said, it could have been anything—it could have been 10 per cent, 15 per cent or even 30 per cent. It does not seem to be based on anything, and certainly not on anything realistic.

Stephen Boyle: Colleagues might want to come in on that, but I would say that there is no doubt that it was viewed as a stretching target designed to gather momentum and set intentions for Scotland's car users. However, we are clear in the report that it was not underpinned—as it needed to be, given the scale of its ambition—by how we will get there. That is the fundamental issue.

10:00

Graham Simpson: Absolutely. It is really stretching.

I will quote from paragraph 14 of your report, but I will convert the figures from kilometres to miles. I was disappointed that, in your report, you fell into the Scottish Government trap of using kilometres and not miles. If I were to ask you how far it is from Edinburgh to Glasgow, you would not give me the distance in kilometres. Just bear with me—I am going to use real money.

The report says:

"To achieve the target, car traffic levels will need to decrease by"

4.5 billion miles to 18 billion miles

"compared to a 2019 baseline. The last time car traffic levels were at this level was in 1994."

You also say:

"Transport Scotland estimates that to achieve a 20 per cent reduction in car"

miles

"by 2030, public transport capacity would need to increase by 222 per cent."

None of that is achievable and it never was. Based on that, and based on the lack of a plan, do you think that the Government should just be honest and say that it has ditched the target?

Stephen Boyle: There needs to be transparency, and the Government must be clear about its intentions regarding car usage across Scotland, so that it is clear to its partners in Scotland's councils and to road transport partnerships about what that means for the wider aspects. People still need to travel, so what does a reduction in individual car usage mean for active travel arrangements and public transport? There

are wider issues such as the provision of electric vehicles and charging points if people are not using cars with internal combustion engines. We did not consider that aspect as part of the report that we are discussing today, but it is something that we are considering as part of our future work programme.

Cornilius Chikwama: Maybe I can come in here. There is a process going on at the moment to develop the next climate change plan, and I would like to believe that the consultation that the Auditor General has referred to on the options for transport is part and parcel of the process. Maybe it is through the plan that we will see the Government restating, or otherwise, its commitment to the target. Maybe the Government is replying on that process to communicate its intentions on the target going forward.

Graham Simpson: Okay. I am not sure whether you agree with me there. I just think that the Government ought to be honest about it and say, "We're never going to achieve this," and either drop the target or change it.

Stephen Boyle: I hope that I can be clear—I think that we are clear—that there needs to be transparency about this. The recommendations in our report call for clarity around the Government's intent and how it plans to deliver on it. I draw the committee's attention to our recommendation that the Government should,

"By the end of 2025 ... publish a realistic delivery plan that sets out how it will work with partners"

to deliver a restated target. I do not think that we can be much clearer, Mr Simpson.

Graham Simpson: Okay; that is fine. That delivery plan—you could call it a route map; it is the same thing—has not appeared yet. You are saying that the Government needs to publish that. I do not think that it will. If the Government has dropped the target, it will not publish a route map to hit a target that it will not achieve. We will wait and see. If the Government were to publish such a plan, what level of detail needs to be in it?

Stephen Boyle: Effectively, it should address the points that have not been addressed thus far. It should set out clear milestones and funding arrangements, along with all the various components relating to the respective roles that active travel and public transport will play.

I highlight to the committee exhibit 8 in the report, which talks about various demand management measures. I do not think there is much debate about the fact that something of a carrot-or-stick approach will have to be deployed for car users, to help them to find alternatives.

Another relevant point that, I am sure, the committee will want to explore in a little more

detail, is that not all the levers to support demand management are within the devolved powers of the Scottish Government. However, finding a way of setting out a clear plan that takes into account all those elements remains the most important next step for the Scottish Government, to enable it to support its work and that of its partners.

Graham Simpson: I want to move on to the section about active travel funding. Transport Scotland recorded active travel funding as having been spent, but it was held in a delivery partner's accounts. Transport Scotland did not check any documentary evidence that the £82.5 million had been spent on projects before authorising payments. That is pretty extraordinary, is it not?

Stephen Boyle: Yes—that is not a good example of spending public money. The partner that we are talking about is Sustrans, which is one of the Scottish Government's active travel partners. When a public body—in this case, the Scottish Government—pays money to a partner outside Government, whether it is in the third sector or otherwise, that normally comes with clear grant conditions and grant funding arrangements: that is, the body says, "We will give you money and you will do something in particular in return." What we have in this case, regrettably, is an example of grant conditions not being followed. That led to circumstances in which Sustrans accumulated in its accounts £72.5 million of unspent funding for the places for everyone programme.

Our analysis, working closely with the auditors of Transport Scotland, suggests that the rationale for some of the behaviours that resulted in that situation came about because of workarounds to ensure the delivery of projects that spanned more than one financial year. As you know, the Scottish Government's budget is decided on a 12-month basis and that, therefore, the funding of agencies such as Transport Scotland also tends to be delivered on that basis, even though many projects span many years. Regardless of that, the approach that was taken did not comply with the grant conditions. If the grant conditions were not aligned with how the projects needed to be delivered, that should have been dealt with very clearly by the funder—in this case, Transport Scotland.

The only rider that I will add to that is that the money was not lost: it was recovered and used as intended, in line with the original requirements of the scheme. However, the situation does not represent good financial controls or governance, in that respect.

Graham Simpson: Would you say that Transport Scotland lost control, and that it should have had a greater grip on the money that it was handing out?

Stephen Boyle: Paragraph 56 contains some detail on the issue. The sum of £72.5 million had been built up in Sustrans's accounts, and then, in April last year, Sustrans claimed and received a further £10 million. However, Transport Scotland did not check that the money had been spent on the projects as intended, before authorising payments.

More rigour ought to have been deployed by Transport Scotland than it did deploy, especially when some of the arrangements were pointed out as being non-compliant. There is undoubtedly learning that Transport Scotland will want to take from this case specifically, and more widely with regard to deploying grant funding arrangements and monitoring of that, when it is providing public money outside of public bodies.

Graham Simpson: I agree with you on that. Quite a few of the projects that Sustrans has delivered have been good, in my view. The south city way in Glasgow is a good project, although its delivery was shambolic at times, and it took far too long. Overall, however, it has been a good project. We cannot just say that some of those things are not good. There is evidence that people are using the south city way, certainly locally, and there is less car use, because people now have a viable alternative to get from one part of the city into the city centre on a segregated route. For me, that has worked.

Perhaps this is a question for you, Mr Bell. We are now moving to a new system of funding, where money will go directly to councils. How do you think that will work? One of the issues that you will be very familiar with in relation to some councils is lack of capacity. That is probably the case in rural councils in particular. You mentioned rural areas earlier. How do you think it will all work?

Malcolm Bell: In terms of—

Graham Simpson: There is a new model of funding whereby money will go directly to councils, rather than through Sustrans, and I am wondering how you think some councils will cope with that.

Malcolm Bell: I think that some councils will cope with it better than others. Some will find it easier than others because they have capacity. There are big differences in the sizes and capacities of councils across the country. That is a moot point.

Ashleigh Madjitey: I can perhaps give you a little bit more detail. The active travel investment funds are the new way of doing active travel delivery, and £35 million will go direct to councils. That is building on the cycling, walking and safer routes funding that councils have already received.

The allocation has been changed: there is now a new system to allocate the money to councils, although it is a matter of going through the same kind of process. There is an additional £10 million for more complex projects that is accessed through bid funding. This is the first year of the new arrangements, and we have made recommendations for councils to review them to see whether they are actually delivering more efficient and effective spending.

In general, the stakeholders that we have spoken to—the councils and the regional transport partnerships—were fairly positive about what they think will happen, although, as we set out in paragraph 65 of our report, it has been a challenging first year.

Graham Simpson: That is fine—I am happy to leave it there.

The Convener: I invite Colin Beattie to put some questions to the Auditor General.

Colin Beattie (Midlothian North and Musselburgh) (SNP): Auditor General, before I come to ask you specific questions, there is one thing that I noticed in your report—the comment that domestic cars are by far the biggest polluter within the transport system. I seem to remember—it is only a memory—that some detailed research was done on that a couple of years ago in which commercial vehicles and public transport went beyond domestic transport as major polluters by far. In a way, that is logical, because commercial vehicles tend to use diesel and so on, which is perhaps much more polluting than petrol. Do you have any memory of that?

Stephen Boyle: I would probably need to check our source on that, Mr Beattie. Cornilius can provide a bit more detail, but I draw the committee's attention to exhibit 1—I would call it a pie chart, but I am not sure that that is the correct statistical term any more—which sets out the relative proportions of Scotland's emissions. It still cites domestic transport as being the single largest source of emissions. For that information, we have referenced the Scottish greenhouse gas statistics that the Scottish Government provided for 2020 to 2022. It sounds as if you are referring to more recent statistics than those. Maybe Cornilius can say a bit more about that.

10:15

Colin Beattie: In exhibit 1, you clearly detail how much in that particular calculation is for domestic transport. I am not sure where commercial vehicles and the like come into it—that is not quite clear. Will you comment on that?

Cornilius Chikwama: That breakdown is not in our report, but it is available within the Scottish

Government—or, rather, Transport Scotland—statistics on greenhouse gas emissions.

Colin Beattie: So, the breakdown of emissions excludes commercial vehicles and public transport. Is that correct?

Cornilius Chikwama: No, it includes all domestic transport.

Colin Beattie: So, those emissions are included under domestic transport.

Cornilius Chikwama: That is right.

Colin Beattie: Is that appropriate?

Cornilius Chikwama: It is appropriate. What we are showing in exhibit 1 is how transport compares with other sources of greenhouse gas emissions, such as agriculture and electricity generation.

Colin Beattie: It says “domestic transport”. To me, domestic transport is a car, not an articulated truck.

Cornilius Chikwama: I think that that is a definitional point, and definitions change. When we talk about domestic transport, we are referring to all transport activities in Scotland, excluding international aviation and international maritime transport.

Colin Beattie: It includes trains and buses.

Cornilius Chikwama: That is right. It is a very specific statistical definition, and the “domestic” element just highlights that we are excluding international aviation and international maritime transport. We then break down that domestic transport into—

Colin Beattie: I will say, though, that the word “domestic” implies “domestic”. It does not imply public transport, trucks or commercial vehicles.

Cornilius Chikwama: Yes, that is a challenge that we have. There are standard statistical definitions that are agreed by statistical authorities, and Audit Scotland is not in a position to change them. In order to be consistent with standard reporting, we use the same phrases in our reporting, but I completely agree with you that that definition is subject to various interpretations. One of the interpretations of “domestic” might be that it means what households are doing, such as using cars. However, in this case, “domestic” has a very specific meaning for statistical reporting.

Colin Beattie: On the basis of just reading the term, I would have said that we have to be really focusing on cars, whereas the emissions from commercial vehicles, industrial vehicles and so on are probably much higher, and maybe we should be focusing on them. The phrase distorts your view.

Cornilius Chikwama: I was going to come to that point. When you look at the official statistics by the Scottish Government, which break down transport emissions by various sources, you find that car use accounts for 41 per cent of total emissions associated with transport—it is the largest contributor to transport emissions. Light-duty trucks account for only 15 per cent, and heavy-duty trucks account for 19 per cent. We have that detailed breakdown, and we would be happy to provide you with it, but we are confident, based on the official data, that car use is the largest contributor to greenhouse gas emissions associated with transport.

Colin Beattie: That is only the case if you break down the commercial side into different-sized vehicles and so on to make the percentages smaller.

Cornilius Chikwama: That is right. I mean—

Colin Beattie: I need to see the statistics. If you can provide them to us, that would be helpful.

Cornilius Chikwama: Yes, we will make sure that we provide the table to you.

Colin Beattie: In that case, I will move on to bus services.

Bus services are often cited as being a problem. People who talk about giving up their cars say that the public bus service is very poor—which is true in some areas. To what extent is it true that the lack of buses affects the travel decisions that people make, and what is contributing to that?

Stephen Boyle: I am happy to start, and will bring in colleagues again in a moment.

That conclusion is certainly one that we draw in today's report. I signpost you to paragraph 66. We are clear that a lack of bus services affects travel decisions. Since the Covid-19 pandemic, fewer bus journeys have been taken, and there are fewer buses. Between 2012 and 2022, there was a 22 per cent reduction in bus travel levels, and the number of buses on the roads fell by 30 per cent. The availability—the supply—of bus services is a key factor in the choices that people have to make in order to go about their work, travel and leisure. It has a significant bearing in rural areas, in which people do not have the choice of alternatives that some of Scotland's urban settings have. The bus can be a lifeline service for people to go about their business.

The Government recognises the issue, of course. One case study in today's report is about the extent of the roll-out of subsidised bus travel for young people. Bus services are also supported through concessionary travel arrangements. However, as I mentioned in response to a question from the convener, bus partnership funding has brought in some policy ambiguity

about the extent to which that is part of the sustained funding arrangements for bus providers.

A range of factors are at play in respect of why bus travel has not returned to pre-pandemic levels. Clearly, it is important, if people are to use their cars less, that they have a viable alternative.

Colin Beattie: From my experience, I am aware that councils have been withdrawing subsidies for bus services, particularly in the slightly more rural or quasi-rural areas. Does that have a significant impact?

Stephen Boyle: Malcolm Bell might want to comment on that.

Malcolm Bell: Clearly, that will have an impact. In speaking to communities and stakeholders, we found a lack of reliable and affordable alternatives to car use, in particular and more acutely in rural areas, where journeys will be much longer. That is a major barrier to giving up the car and using an alternative. Often, in rural areas, because of the size of the journeys, people cannot use active travel opportunities. Very often there is no train, so the bus is the only option.

Colin Beattie: Again, to draw on my local experience, there seems to be a tendency to have a hub-and-spokes approach to bus services, which makes it extremely difficult to move around a county, because you always have to go back to the centre to get another bus out. That is a huge disincentive to using the bus, because it takes so long.

Ashleigh Madjitey: I can say a bit about that, especially from an equalities angle. For example, bus services do not work for people who work shifts, because they do not work standard hours, or for people who work in industrial parks on the outskirts of towns. They have to go into the city in order to go back out again, which takes a long time, and there are not buses at the times when they need them. We found that people—especially those on lower incomes—are running cars that they cannot afford. It is their only option, because public transport is not sufficient for them. In its route map and in setting that target, Transport Scotland recognises that the current landscape does not work for a lot of people.

Stephen Boyle: I refer to paragraph 69 of our report. Transport Scotland administers network support grants for bus operators. That is a form of public subsidy to support the provision of bus routes in parts of Scotland, which equates to operators being paid 14.4p per kilometre of the bus journey. However, the aims are to keep fares reasonable and to support what is an interpretation of the bus provider's commercial routes.

Clearly, that provision will not suit everybody. As you alluded to with regard to your area, Mr Beattie, that does not necessarily equate to there being a bus route where everybody wants or needs one. People might need to make two, or sometimes three, journeys in order to get to where they need to go. Very clearly, there are equality considerations in that regard.

Again, that goes back to some of our main conclusions in our report in relation to how all the moving parts come together to support the Government's ambitions for reduction in car use. Alongside that, is there a viable alternative for people to do just that?

Colin Beattie: It seems that there are alternatives to subsidies for bus routes that operators consider to be less lucrative—I refer to routes that bus operators expect the Government or the local council to top up in order for them to provide the service. Therefore, the scope to expand bus services is somewhat limited, because the cost of subsidising those routes is met by the public purse. How are we going to achieve that expansion?

Stephen Boyle: Ultimately, those are policy decisions for the Government. For example, it might plan to move away from its model of the network support grant for bus providers. With regard to alternatives, of course the Government could do something different, as we can see in relation to railway infrastructure or railway services and the nationalisation of Scottish Rail Holdings Ltd, Caledonian Sleeper Ltd and so forth. Those are choices that the Government could make, if it wished to make additional provision. That goes back to the core message of our report, which is: how do all the parts come together? If the Government's plan is to reduce car usage, what is the alternative that encourages people to do that? It is not just about the demand management alternatives. Alongside that, the provision of active travel arrangements and public transport—all those choices—must be set out clearly.

Colin Beattie: Has the Government done any evaluation work to assess the impact of existing funding of bus and rail services on reducing car use?

Stephen Boyle: That is a very important point. I will bring in colleagues to set out the range of ways that public money is spent to support alternatives to car use. As I mentioned, in case study 1, we looked at the removal and then the reintroduction of peak rail fares. Transport Scotland's—or, rather, the Scottish Government's—evaluation was that the removal of peak fares did not represent value for money. Rail usage levels did not return to the level that the Government had anticipated.

I apologise for repeating myself, but the evaluation did not outline the impact that reinstating peak fares would have on car usage. Of course, Government and policy makers have to evaluate competing priorities. That is why today's report and the 2023 report on how decisions are made and how governance of climate change operates say that that senior level of decision making needed to be in place. We are seeing that important policy decisions have been taken, but perhaps without all the wider considerations that were on the table at the same time as the multiple different policy choices.

10:30

Cornilius Chikwama: I would also add the fair fares review of concessionary travel that the Government undertakes regularly. The review was commissioned in 2023, but after it was done, a decision was made that we would retain the concessionary schemes as they are. What we notice in the review's conclusions is that there is not much consideration of what that means for the car kilometres target. I am just adding to what the Auditor General has said. Reviews are undertaken and conclusions are reached, but there is not much consideration of what that actually means for the target that we have set.

Colin Beattie: Is this perhaps an aspect of a fundamental change? We all talk about the pre-Covid footfall in shops, museums, public places and so on, and we always say that it has not gone back to pre-Covid levels. We are talking about how the use of public transport has not gone back to the pre-Covid level. Has there been a fundamental change within society that we need to understand to make some of these initiatives effective?

Stephen Boyle: It is a very likely reality that people's habits and patterns have changed. In the report, we refer to the extent of working from home arrangements and what that means for car usage and for footfall in Scotland's towns and cities. There is a really good example in the report that we are discussing today about the implementation of bus gates in Aberdeen. I hope that we have showed sufficiently what an emotive issue that was. Retailers in the city said that it was one of the reasons why footfall reduced. The council disagreed, saying that wider factors were at play, such as people's changing habits in how they consume retail, leisure and entertainment in the city as a result of the disruptive effect of the pandemic, the provision of technology and other choices that people make.

Colin Beattie: Did the council have any data to back that up?

Stephen Boyle: I will bring in my colleague. That was one of our case studies.

Ashleigh Madjitey: The full council was provided with a paper that set out those reasons. I do not have the reasons on me right now, but I can provide further detail.

What was quite interesting to note from the case study were the improvements that the bus operators noticed from the bus gates. They saw increased numbers of passengers and improved journey times, which led them to put those savings back into providing free bus travel on Saturdays in January and free night buses over the Christmas period. Some surveys were done as part of the paper, which also looked at footfall. As I said, I do not have the details; I would have to provide those.

Stephen Boyle: We can certainly do that, but I go back to your first point, Mr Beattie, about people's habits having changed to the extent that we have to ask what a reliable baseline is. That has to be part of the Scottish Government's route map for setting a realistic, achievable target and how to get there.

Although Covid had a disruptive effect, one thing that is most stark in the report that we are discussing today is the rebound effect of individual car usage, which is higher now than it was before the pandemic, with public transport use not recovering to the same levels. I would be speculating if I were to say why one has recovered and the other has not, and what that means for people's habits. If people are travelling to towns, cities and workplaces only two or three days a week instead of five, does that influence their choices? Such data is at the heart of what the Scottish Government, Transport Scotland and its partners need to base decision making on.

Colin Beattie: Over what length of period would you expect to collect the data in order for it to be a meaningful indicator of where we are going?

Stephen Boyle: That is a decision that Transport Scotland and the Scottish Government will need to take. Inevitably, it comes down to our being in a volatile environment. Are there enough trends to allow us to say that these are reliable indicators? Unfortunately, the Scottish Government will probably have to make such decisions based on imperfect information if it is to deliver on its net zero ambitions 20 years from now.

Cornilius might want to comment, given his professional background.

Cornilius Chikwama: Currently, the data is published with a lag, which probably reflects the time that it takes to collect, process and report it.

We have data for 2023, and I believe that there is always going to be a two-year reporting lag.

On the pandemic's significance, exhibit 4 shows that 2020—the middle of the pandemic—was the only time that the car traffic target has been achieved since 1994. The pandemic was a dreadful period for all of us, but there might have been an opportunity for the Government to consider how to sustain the change in people's travel behaviours in order to stay on target. The Auditor General has highlighted that the Government has probably not been successful in banking the change that happened during the pandemic by keeping car use below its set target. That is one way of looking at the pandemic's significance: it is the only time that the target has been achieved since 1994.

Colin Beattie: I will move on to my final question, which is about infrastructure delivery. Previously, we have talked about how, in 2019, the Government committed £500 million in long-term funding through the bus partnership fund to deliver infrastructure such as bus lanes, bus gates and so on. By the end of 2023, only £25.9 million had been allocated to delivery partners.

Paragraph 73 of your report states:

"In December 2023, the then Cabinet Secretary ... confirmed ... that due to budgetary constraints, there were no plans to continue funding the BPF in 2024/25."

That has affected Aberdeen rapid transit and various projects in other cities, according to the report. In case study 3, you provide some information on one of those projects.

Can you give a wee bit more detail on the funding that was announced in 2019 for long-term infrastructure delivery to prioritise road space for buses and improve public transport journey times? What has been done, and what impact will the pause on funding have?

Stephen Boyle: You are right, Mr Beattie. You have touched on much of the circumstance that we set out in the report. I will turn to Ashleigh Madjitey, and to Malcolm Bell if he wants to add anything, on the specifics. However, effectively, it is as you described. Six years ago, the Scottish Government committed £500 million of long-term bus partnership funding to delivering infrastructure such as bus gates and bus lanes, to improve bus journey times and give buses priority over other road users. That was clearly linked to some of the demand management arrangements, to make public transport more attractive and, especially, to enable people to get around urban areas, which are at times congested, much more quickly on public transport than they would in a private car.

However, by the end of 2023, only £26.9 million had been allocated to delivery partners. As

Cornilius Chikwama mentioned, that project—that fund—was directly impacted by Covid-19. Too few projects were available to support the ambitions that were originally set out. At the end of 2023, that aligned with some of the budget emergency funding arrangements, such that the bus partnership fund would not continue from 2024-25.

Ashleigh Madjitey can set out more of the detail behind that, but the extent to which public transport, bus gates and the prioritisation of buses over cars will play a direct role in reducing car usage in Scotland involves the interconnection of all these policy choices. Having greater clarity, through a clear delivery plan, about the individual contributions that different parts of the system will make to reducing car usage is an important next step.

Ashleigh Madjitey: The bus partnership fund was announced in the 2019 programme for government. Stakeholders have said that, when it was announced, the projects were just not ready to go. Such things take time to plan and go through business cases. Initially, therefore, the projects were not there, which is why the level of spend was quite low.

Again, the pandemic impacted that work. The buses were not running to the same extent. A lot of the funding was spent on business cases and feasibility studies, and Transport Scotland has told us that there is now a suitable pipeline of work if the funding were to continue, but it was paused in 2023. That leads us back to the making of budgetary decisions, prioritisation and the lack of clarity on the target and whether it was important.

I can say what that funding was for and how it was to be used. Things such as bus lanes and bus gates make it possible for buses to travel freely through the city and not be subject to congestion in the way that cars are. That is part of the carrot-and-stick idea that we have been talking about. First, it makes the buses more reliable because they are not sitting in traffic. Secondly, it makes it slightly less easy to drive a car, because a lane is taken away from cars and given to bus use only. The two elements work together, and the hope is that car use might be reduced. However, as the funding has not gone ahead, that is still to be seen.

Colin Beattie: There seems to be an element of user pushback on some of these things—especially bus gates. There is an issue with those here in Edinburgh, and I think that there will be a partial reversal. Is there a consistent thread of consumer dissonance over the works that are being done?

Stephen Boyle: That was certainly the circumstance that was set out in our Aberdeen case study. The intention was that bus gates

would reduce bus journey times and improve their punctuality, and that there would be a better environment for pedestrians and other road users, but that absolutely butted up against the desires of car users, retailers and leisure providers in the city.

You talked about dissonance, Mr Beattie. It was absolutely that. It is very much a part of demand management, and some people would say that it is a good example of carrot and stick.

10:45

The issue comes back to the fact that it will not be straightforward to reduce car usage by 20 per cent. The choices that we will have to make are not easy. It is inevitable that many of the measures in the demand management list that we set out in exhibit 8 on page 37 of the report will be very unpopular. You need only look at the workplace parking licence as an example. Only Glasgow City Council is considering that option.

How we overcome the issue of which levers to pull at which points will be the challenge of the next few years. The history of the past 10 years suggests that we might deploy one, then step back from it in parts and bring in other incentives to get to where we want to go. Bus gates and additional bus lanes are only two of the tools that are available to policy makers to deliver the Government's challenging target.

Ashleigh Madjitey: We recommend that the Scottish Government starts a national conversation with the public.

Part of the dissonance that you talked about, Mr Beattie, is caused by the fact that, at the moment, the public seem fairly unaware of the target. They want to do well on climate change but they find the details of how climate change will affect them more difficult. Research has shown that people want clearer engagement and more information on transport's contribution to climate change and how that will affect them. That is why we recommend that the Scottish Government and Transport Scotland start a national conversation and start bringing people on board with them, so that, when they make potentially difficult decisions, people better understand the reasons why.

Colin Beattie: The problem with national conversations is that they usually pull in the same people every time, so you do not get down to where you want to get to.

The Convener: I am conscious of the time and the need to get in two more groups of questions, but the deputy convener has some questions on the theme that we have been discussing.

Jamie Greene (West Scotland) (Con): I will pick you up on something that was just said,

Auditor General. Audit Scotland is calling on the Scottish Government to have a national conversation, but your report says that there has been enough talk and that we need more action, so that call contradicts the essence of your report.

Stephen Boyle: The two can coexist. The original policy intent has not been translated into a delivery plan. Back in 2021, a very ambitious target was set. As we have seen in other spheres, in order to do something challenging in the implementation of public policy, the policy must be accompanied by a successful or planned implementation approach. We did not see that here, so there is a significant gap.

The point that Ashleigh Madjitey made, with which I agree, is that the Government cannot do it alone. We found that the public are not really aware of the Government's intention to reduce car usage by 20 per cent. That reduction will not happen by itself. There needs to be effective communication and awareness raising, and people must be given viable alternative choices. Some of that will done be through reward or incentive—carrot—and some of it will be done through stick. I am satisfied that both those things can coexist.

Jamie Greene: The problem is that all the measures seem to be sticks, not carrots. The Government is bandying about an abundance of sticks.

I will come to the issue of demand management in a moment. We talked previously about measures such as bus lanes and bus gates. The report takes an anecdotal look at those measures in the case studies, but is there any empirical evidence that demonstrates that their implementation—I am thinking, in particular, of the use of bus lanes in city centres—has led to a reduction in car usage and an increase in public transport usage, or has improved air quality, lowered emissions or in any way contributed to modal shift? I am entirely unclear as to whether those measures are working, and that is what people want to know.

Stephen Boyle: I will bring colleagues in to set out a bit more detail on the evidence that we found on implementation and how that has been used by policy makers to deliver the strategy. However, the overall message is clear. There was not enough consideration of which of the multiple individual measures to reduce car usage—whether we are talking about investment in public transport, say, or investment in active travel—were having the biggest impact.

In looking at the suite of choices and considering which one to push further with, because it is providing a benefit—whether that is CO₂ emissions reduction or wider air quality

improvements, for example—we can see that there are many competing pressures. For me, peak rail fares is perhaps the best example of a choice being evaluated on a value-for-money basis rather than by making a direct connection with an objective—in this case, whether the removal of peak fares reduced car usage, which was also a very important Government objective at that point.

Cornilius Chikwama: The case studies might feel like localised evidence, but we need to think about whether there is a fear of change in relation to what we see in the case studies, given that the evidence supports that the interventions work.

It is all about increasing how quickly traffic flows, reducing journey times and reducing the time cost associated with travel for commuters, so that people will be likely to use public transport more.

In Aberdeen, we see that Stagecoach has increased its passenger numbers by 5 per cent and that First Bus has done so by 16.5 per cent, which is credible evidence from evaluation that such measures actually work.

Jamie Greene: However, is the problem not that that comes at the expense of other targets? For example, shifting two lanes of traffic into one lane of traffic increases congestion, which increases emissions from vehicles and so on. Are we looking at this holistically enough?

It is all very well to say that there has been a 5 per cent increase in the use of bus transport in one city. However, at the same time, there might be other issues that are by-products of some of these measures. You do not have to go very far from the Parliament building to see the effect that the low-emission zone has had on roads such as Abbeyhill, which it would previously have taken five minutes to get up, but it now takes 15 or 20 minutes or even more, because people are circumventing the traffic reduction measures. Glasgow is the same, and I am sure that Aberdeen has suffered in a similar manner.

We can pick and choose success measures when it suits us, but are we doing that at the expense of the bigger picture?

Cornilius Chikwama: That is right. As the Auditor General mentioned earlier, that reflects the complexity of delivering the target and the need for more detailed analysis and planning to ensure that all those second-order impacts are taken into account. I completely agree that there will be a knock-on impact elsewhere, which needs to be looked at in relation to the complexity of what we are trying to do.

Stephen Boyle: I agree that this is complex and that there will be a trade-off in choices. We have not done an audit of the low-emission zone, but it

is a live example of how ambitions to improve air quality will have a knock-on impact on economic activity. That is an understandable trade-off. I do not think that any of this will be straightforward or easy, especially given the scale of change that is required to deliver net zero.

It is perhaps too glib to talk about carrot and stick. The convener rightly mentioned the equalities impact. All those complex criteria will have to be factored into the choices that policy makers make and the scrutiny that goes alongside that, as will how the general public will react.

Jamie Greene: It is good that you mentioned that, because I am just about to come on to that issue.

I will take a step back and ask a more fundamental question about an issue that I have been grappling with throughout the session and when I read your report. What is your understanding of the point of the target? The target is to reduce the number of miles driven by domestic cars in Scotland. What is the point of that? What is the Government trying to achieve by reducing that figure?

Stephen Boyle: Cornelius Chikwama can say a bit more about that in a moment. Why has the Government adopted that target and not anything else? That goes back to exhibit 1 in the report. Notwithstanding Mr Beattie's line of questioning about the presence of commercial vehicles in the figure, for mileage that is driven, we set out that domestic transport remains the largest contributor to Scotland's emissions, alongside other significant contributors. If we look at the suite of measures that have been deployed across the industries, we see that domestic transport remains the largest contributor and, as I said in my introductory remarks, its contribution to emissions is reducing at the slowest pace.

Jamie Greene: I am sorry, but I want to push back on that. The essence of your report is that you say that the point of the target is to reduce the number of miles driven by the general public in their cars, with a view to reducing emissions. It is the emissions reduction aspect that seems to be driving the target and the so-called strategy. Is that right?

Stephen Boyle: That is correct.

Jamie Greene: Are we not looking at this in completely the wrong way? Should the target not be to reduce emissions from cars, rather than to reduce the number of miles driven by cars? I say that because I am going to make a point about the types of cars that we drive in a moment. Surely the goal is more important than the means to the end. If the point is to reduce emissions, why is the target not a 20 per cent reduction in emissions from domestic car use? That would surely be a

more sensible target. There are particular interventions that could deliver that in an easier way than simply setting a very specific target that will not necessarily meet the objective that it is trying to achieve.

Stephen Boyle: I think that, in effect, you are suggesting that vehicles that use an internal combustion engine should be the issue, as opposed to, say, electric vehicles. As I mentioned earlier, we are considering doing further work specifically on electric vehicles and arrangements for charging infrastructure. However, technology is changing really quickly. We also have ambiguity or changes in policy at UK Government level—the timescale for when petrol and diesel vehicles will no longer be able to be sold has moved by five years. The initial target was set four years ago, and the adoption of electric vehicles has varied within that period.

Our audit evaluated the progress that has been made against the target that the Scottish Government chose, which was to reduce car usage by 20 per cent. Throughout the report, as I have mentioned a number of times this morning, we have called for clarity around that target. We even went as far as to say—it is unusual for us to say this—that, having completed our audit, we were not clear whether the Government was still committed to that specific target. There is a need for clarity on that. That is hugely important, given the impact that the target will have if we move firmly towards it as a country.

We have not done that yet. As I mentioned, the number of car kilometres driven is higher now than it was before the pandemic. It would have a huge bearing on everybody if we returned to levels that were last seen in 1994. It is really important that there is clarity on the target in relation to internal combustion engine mileage or electric vehicle mileage.

Jamie Greene: Let us say that a million miles were driven by combustion engine cars and that was reduced by 20 per cent in the way that the target seems to suggest. It is assumed that that would reduce emissions. That assumption underpins the strategy. However, if we went in the other direction and 1.5 million miles were driven by electric or hybrid cars, instead of a million miles being driven by combustion engine cars, there might still be a reduction in emissions, even though the mileage that was driven by the public would have gone up.

I would have some sympathy if the Government simply dropped the target, provided that it did so for the right reason. If it was trying to reduce emissions and could demonstrate that other policies would achieve the same result, the target in itself would perhaps be irrelevant.

11:00

Stephen Boyle: I will ask Cornilius Chikwama to come in in a moment. We are not climate scientists, but it is fair to say that electric vehicles are not emission free. CO₂ is displaced when electric vehicles are manufactured and again when they are decommissioned. Therefore, moving from internal combustion engine vehicles to electric vehicles will not be a panacea that will achieve a complete reduction in CO₂. We come back to the need for clarity.

Cornilius Chikwama: You make an important point, deputy convener. We could have been more bold in our statement. In the final bullet point in paragraph 14, we say:

“Modelling commissioned by Transport Scotland to understand how to meet the emissions targets only considered a 20 per cent reduction”.

What we were trying to highlight there is that Transport Scotland considered only a 20 per cent reduction in car kilometres, and that it could have looked at other options. What you are highlighting is that focusing on reducing emissions would enable us to think of other options that might contribute to the target. In this case, Transport Scotland has focused narrowly on reducing car kilometres at the expense of other things that it might have considered.

That is also important from the point of view of getting best value for public money. If we are not considering the full spectrum of options that we have to achieve our goal, which is reducing emissions and getting to net zero by 2045, how can we assure ourselves that we are delivering value for money if we are not considering everything that might be possible?

Jamie Greene: That is interesting. I am looking forward to seeing any work that you do on electric vehicles, given what I would call the dire situation in Scotland and across the UK. We need only to look to Norway, which is not far away, where 89 per cent of all new cars sold last year were electric, compared with 24 per cent in the UK. Indeed, only 6 per cent of all vehicles in Scotland are electric or hybrid, compared with more than 40 per cent in Norway, and so on. We also need to look at charging stations and all the issues that go along with that. I am looking forward to that piece of work.

One thing that has struck me during this morning's session is that you have talked a lot about demand management measures and the carrot-and-stick approach. Some of those measures are not just unpopular—I would argue that they are perhaps punitive and discriminatory. What analysis do you think would need to be done for the Government to be able to consider some of those measures, some of which are reasonably

harsh, given that many people who drive a car already consider it to be quite an expensive and punitive thing to do, even if they do it out of necessity?

Stephen Boyle: We discussed a few of those things earlier, and I will bring in colleagues in a moment to elaborate, if they so wish.

None of those measures is easy. They will cost significant amounts of public money, and some will take us into a space in which there is competing policy intent around them. Low-emission zones are perhaps a good example of that. They are designed to improve air quality but, at the same time, they perhaps inconvenience some road users and have an impact on footfall in town centres and so forth. I am not expressing a view on that; I am just saying that those are facts that will be subject to debate.

We also note that not all of those measures are within the power of the Scottish Government. Some will be reserved to Westminster, although some of them are already within the gift of Scottish local authorities, such as some of the road charging elements.

I highlight the fact that Transport Scotland has looked at that and that it commissioned research to look at aspects of some of the modelling that might go alongside it. It has taken a while for the research to be published and to be made available. Given how significant some of the behavioural changes are that it might be necessary for us to move towards—whether the target is 20 per cent or another target—we will undoubtedly have to lead our lives differently, whether we are aiming for the 2030 target or, perhaps more realistically, the 2045 target.

I go back to your first question about effective communication, whether that is a national conversation or otherwise. Transparency must be at the heart of the process to support people's understanding and to help them to make informed choices.

Ashleigh Madjitey: On demand management, some of the case study councils have done detailed analysis with regard to how they might go about achieving a 20 per cent reduction in car use. That modelling, which is detailed in paragraph 84, shows that it tends to be longer journeys that make up the bulk of the car kilometres, so stopping those through active travel measures will not work; that needs to be done through public transport.

Those councils also did a whole load of research on specific interventions and the kind of impact that they would have, which we set out in paragraph 84. For example, active travel improvements would have the potential to reduce car kilometres by 3 per cent and bus

improvements could reduce them by 1 per cent, but road pricing could reduce them by 10 per cent. Therefore, the impact will be greater if the measures are more stick than carrot. Transport Scotland has done its own research, which sets out the same kind of thing—namely that, in order to get big reductions in car use, you need to think about charging options.

Jamie Greene: Realistically, given that we are sitting here in the Parliament, I have to ask which Government in its right mind, particularly coming into an election year, would implement punitive measures such as national charging or road tolls, or start rolling out national measures—rather than doing things at a local level and blaming the councils—by introducing primary legislation that imposes expensive measures on drivers. Surely that would be political suicide for any Government in any jurisdiction. The measures might help to meet the target, but they are very unlikely to happen.

Ashleigh Madjitey: Transport Scotland recognises that we do not have the levers that would allow us to impose national charging—that would require different legislation—and it has committed to lobbying the UK Government further on that. As we say in our report, the demand management report was written two years ago and it has only just been published. Even when it was written, timescales were tight to achieve the 2030 target. Now, two years down the line, even if any of those measures were implemented, it would be very unlikely that they would have the necessary impact by 2030. Again, that links back to what we were saying about the target and how ambitious it was.

Stephen Boyle: These will be political choices, based on effective communication and the best provision of information. It is absolutely the case—there is not much disagreement about this—that some of the measures will be unpopular. It is of benefit to policy makers that there is not just one model that can deliver net zero: there can be investment in public transport, in active travel and, as you mentioned, deputy convener, in changing the type of car that people drive. However, we are looking for clarity. What is the route map to deliver the target, and where is public money being spent to best effect for the successful delivery of the target?

Jamie Greene: There is something that I really do not understand. I am not here to support the Scottish Government. However, if I was sitting here representing the Government in this session, I would be saying that it spends more than £1 billion on rail services and that it has publicly subsidised and nationalised two services. I would highlight that the Government heavily subsidises the bus industry, with around 60 per cent of private

operators' revenue coming from concessionary travel or direct grants from national or local government, and that it has numerous concessionary travel schemes that target the young and the old—although those might be people who do not own cars anyway. I would also note that it invests in subsidised ferry services and it invests hundreds of millions of pounds in active and sustainable travel.

However, despite all that Government action, we are going in the wrong direction on the target. The fundamental question is, what on earth does the Government need to do to drive the modal shift that would meet it? I cannot see how it can do that.

Stephen Boyle: The Government needs to be clear on what public spending is designed to achieve, because it is not just doing one thing. At the moment, the emphasis is on the original intent for some of that public spending, but, as set out in the report, public spending on such schemes has not contributed to a reduction in car usage.

We are not drawing any inference on the hierarchy of policy, because that is a choice for the Government. However, if the target is to deliver a reduction in car usage by 2030 target and reach net zero by 2045, the intent of all those policies has to be clear. We are certainly not making any judgment about the value of providing subsidy to bus operators or the railway, because doing so delivers on other policy intents. However, when we looked at the overarching strategies for reducing car use, we were not clear whether the public spending was making a difference. It is both those things, effectively.

The Convener: As we mentioned at the session's start, you sum it up in the report, which says that it is

"impossible to understand which interventions will have the most impact on the target or deliver the best value for money."

Until we establish that, it seems to me that it is difficult to answer the questions that the deputy convener has been putting, because you are identifying a shortage of data, an absence of meaningful evaluations and things that are not being seen through the prism of meeting the target.

I will move on now. I invite Stuart McMillan to put some questions to you.

Stuart McMillan (Greenock and Inverclyde) (SNP): I have a range of questions on things that are dotted throughout the report. Before I get into them, I want to follow on from Colin Beattie's questions about the additional information that is to be sent to the committee. Can that be put alongside the report on the Audit Scotland website to help to provide background?

Stephen Boyle: For clarity, we will share what additional information we have with the committee, and it is the committee's choice whether to publish it as correspondence. If we have not been clear on any information, we will do likewise.

Stuart McMillan: Thank you. To follow on from Jamie Greene's questions about electric vehicles—he helpfully shared a variety of information, particularly regarding Norway—in paragraph 13, you say that you are “considering” looking into a charging network. Will that work take place or are you still in consideration mode?

Stephen Boyle: I have not committed to that yet. As you will be aware, I have to make a range of choices across the areas in which public money is spent. Over the next few weeks, I will be clearer on that and, in April, will consult the Public Audit Committee on my forward work programme. At that point, I will be able to precisely set out the work that I intend to undertake for the next 12 months and my intentions for the following 12 months.

Stuart McMillan: That is a valid area, with a variety of elements, to look at. It is not just about the charging points and vehicles, which are not cheap. The higher-range electric vehicles are certainly more reliable compared with those at the lower range.

On the economic perspective, I refer to a report that was published earlier this month by the Loughborough centre for research in public policy, which highlighted that 24 million people in the UK are below socially unacceptable living standards. The economic challenge of purchasing an electric vehicle prohibits people who want to do the right thing from doing so.

11:15

Stephen Boyle: I have not read that report, but I will certainly do so. The UK Climate Change Committee published a report this morning, which also makes for interesting reading and touches on the choices that we have to make. The report says that—I think that Ashleigh Madjitey mentioned this—it is assumed that the average cost of electric vehicles will align with that of petrol and diesel cars within three years, but, of course, they are not cheap and are likely to be out of the reach of many people who might want to use them. Perhaps that makes the point more strongly for active travel and public transport arrangements, but there is no doubt that electric vehicles are a core part of the solution towards achieving net zero transport.

Stuart McMillan: You reference a cross-Government plan in paragraph 17 of your report. Is that only within Scotland, or is it UK-wide?

Stephen Boyle: I will turn to Ashleigh Madjitey to answer that.

Ashleigh Madjitey: That is just in Scotland. That relates to a Just Transition Commission comment.

Stuart McMillan: That ties into paragraph 14, which is on page 11, and exhibit 8, which is on page 37, with regard to areas that are outwith the Scottish Parliament's powers. A potential suggestion is—dare I say it—to reduce fuel duty, which would impact on bus travel overall. Paragraph 67 mentions bus operators cancelling services and the many challenges that they face. If bus travel was cheaper, more people would certainly be aided and encouraged to use that form of transport. Surely a discussion could be had about passing on a reduction in fuel duty to bus operators in order to reduce the cost of tickets.

Stephen Boyle: I am sure that Transport Scotland and the Scottish Government will want to consider those choices as they develop their plan, alongside their engagement with the UK Government where those powers are not devolved to the Scottish Parliament.

I agree with your point that the issue is complex. I do not think that there is a single route to deliver the 2030 target or a revised target or net zero by 2045. That will require effective co-operation between the different spheres of government—between the Scottish and UK Governments and, absolutely, between the Scottish Government and local government.

Stuart McMillan: Paragraph 16 covers an issue that has been under discussion for some time. I always read Audit Scotland's overarching reports through the prism of how it will affect my Greenock and Inverclyde constituency. There has been past dialogue about a Glasgow airport rail link, and now there is discussion about a metro scheme, but every option that has come forward would have a negative impact on public transport usage in Inverclyde and would reduce services from Inverclyde to Glasgow.

I have a meeting with the Strathclyde Partnership for Transport about the issue on Friday, but surely any proposals or projects that come forward, whether from SPT or anyone else in the country, should add to public transport usage; they should not be at its expense.

Stephen Boyle: Rather than drawing on the specifics of that example, I would say that the equality impact needs to be understood. Not to labour the point about the bus gates in Aberdeen, but that is a very clear example of where some parties supported and benefited from a project and others did not. I suspect that there will be many more such examples in the years to come of

competing interests in the move towards net zero. The Scottish Government and its partners should provide clarity on that. As we mention in paragraph 17, the transition should be just and planned for, so that the policy weaves in with other net zero policy intentions.

Stuart McMillan: I will ask about a different area in relation to paragraph 16: train travel. When the report was being put together, was any analysis undertaken of the true cost of train journeys and train fares?

Network Rail is still reserved to Westminster. However, the cost to ScotRail of accessing the rail will clearly add to the cost of a ticket. If Network Rail were to be devolved, that could have a positive impact in reducing the cost of tickets.

Stephen Boyle: Before I check with colleagues on the scope of our report, could you clarify what you mean by the term “true cost”, so that I understand properly?

Stuart McMillan: If someone buys a ticket to use a train, they purchase the ticket, but part of that also covers the cost of accessing the rail, because Network Rail is a separate organisation.

Stephen Boyle: I understand—you are asking about the transparency of that. I think that the answer is no, we did not consider that as part of our scope for the report.

Stuart McMillan: Okay.

Paragraph 27 on page 16 of the report states:

“Recent policy decisions suggest that the Scottish Government has deprioritised the target in the face of growing financial pressures, for example the peak fares reversal ... and reducing funding for active travel.”

That is just an opinion from you. Do you have anything to fully back that up?

Stephen Boyle: Yes. That is a judgment that we have made in today's report, and it is supported by our consideration of the evaluation report that went alongside it, which we mention in case study 1 on page 15. There, we state that the decision to reinstate peak-time fares was made on the basis of value for money and the financial circumstances at the time, rather than in relation to what bearing reinstating peak fares would have on the reduction of car usage, which is the central plank of today's report.

Cornilius Chikwama: I add that we see that in other interventions as well. The bus partnership fund, which had a commitment of £500 million, has been suspended. We also talked about the fair fares review. There is consideration of whether we will continue with that, but not much consideration of what continuing means for the target.

A series of decisions are being made, but we do not see a direct link between those decisions and

the target, which then raises the question of whether the target is still that important. That is particularly the case when the data shows that we are moving in the opposite direction to where we should be going.

Our opinion was reached on the basis of multiple observations.

Stuart McMillan: Okay. Thank you.

Paragraphs 34 and 35 are particularly interesting. The first bullet point in paragraph 34 states:

“Other directorates in the Scottish Government or councils will also decide where to locate services such as hospitals and schools which will affect the extent to which people need to travel.”

Paragraph 35 states that

“Councils have requested further guidance and support from the Scottish Government”

and so on. What type of guidance are they asking for? I have a particular question on this issue, but I am keen to understand that first.

Stephen Boyle: Again, Ashleigh Madjitey or Malcolm Bell might want to say a bit more about that.

As we have touched on, there is no route map or delivery plan to support the implementation of the policy, which was a key part of the concerns that councils expressed in relation to clarity about their role. Also, councils are very different, including in terms of populations, and so some will be able to make much more of a contribution to the target than others, based particularly on their geography and the circumstances that they find themselves in.

Malcolm Bell: Yes—I think that councils would welcome some guidance on how they can introduce demand management measures and on how the target can be achieved in rural areas in particular. At present, because of the lack of guidance, they are not being held accountable for achieving the target. Some guidance on how it can be achieved would be welcome.

Ashleigh Madjitey: It is mainly just what Malcolm Bell said. We recommend that the guidance should be clear about

“the role that rural councils can play”

and how the guidance itself links in with the national planning framework.

To go back to the points around the delivery plan, the situation is not clear. Clear roles and responsibilities have not been set out for councils and there is no impact on them if they are not being shown to be making progress—there is nothing that holds them to account. We need to think about the whole picture.

Stuart McMillan: I genuinely think that paragraph 35 is a cop-out, to be honest. There are some urban authorities that will have rural parts to them, but I accept the point about more solely rural local authority areas. Once again, however, I think of my constituency, and an area that has been suggested for a housing development. It is equidistant between two train stations, and it is just off a trunk road. The only way to get to any of the train stations will be to drive.

Active travel routes can be put in, but in my area, it rains quite a lot, so they will not be used a great deal. The only way to get to somewhere is to get on to a trunk road that is already congested at peak times. Despite folk highlighting concerns, however, the measures are still being progressed.

That is what has been going on from a planning perspective. Councils do not need any additional guidance on planning—they know their area better than any Government of any colour or stripe would do. For me, paragraph 35 of the report really is a cop-out, when I consider what is going on in my patch.

Malcolm Bell: I think that councils have to be clear about, and they have to set out, what they are going to do to help to achieve the target—that is one part of the landscape, if you like. As Ashleigh Madjitey and I said previously, as councils are not being held accountable for that, it is difficult to highlight what is happening.

Ashleigh Madjitey: I wonder if I could say a wee bit more. We say that there is a “lack of leadership” at all levels, at council level as well as Government level. We did not look at Inverclyde as one of our case study councils, but for those councils that we did look at, we looked through minutes of committee meetings, and when they were discussing things such as planning, we did not see consideration of the car use target when they were making those decisions. That is happening across all levels of Government—the target is not being given priority.

Stuart McMillan: A few years ago, I was at a meeting of one of the local community councils, and there were local authority councillors there, too. When a question came up about this particular proposal, one of the councillors—who is now retired—said, “The trunk road’s not a problem for the council to solve; it’s a problem for the Scottish Government to solve,” rather than taking a holistic approach and thinking, “If this goes ahead, what is the impact going to be on the existing infrastructure?” I would suggest that that exemplifies what Ashleigh Madjitey just said about a lack of leadership.

The Convener: Do you want to move your questions on, Stuart?

Stuart McMillan: Sure. With regard to paragraph 45 of the report, and the “detailed analysis”, do you have any indication of the cost of the reports involved in that?

Stephen Boyle: Would Ashleigh Madjitey or Malcolm Bell like to come in on that?

Ashleigh Madjitey: No, I am afraid that we do not know that.

11:30

Stuart McMillan: No—okay.

Exhibit 4, on page 30, was helpful.

I will talk about something that is not any Government or council’s fault; it is a business decision. EE has left Greenock, shut down its plant and call centre and moved all its staff up to Glasgow. It is a seven-day operation. I know folk who work for EE who could use public transport to get to work in Greenock but now have to use a car because of the time it takes to travel to Glasgow, particularly at weekends, when less public transport is available.

In preparing the wider report, was any consideration given to business requirements and decisions that have an effect on car usage?

Stephen Boyle: Business decisions are undoubtedly a factor. The report references changes in working pattern. The places where people work and spend their leisure time have a bearing on their car usage if they consider that there is not a viable alternative. That is going to be complicated to resolve. Undoubtedly, important demand management has to be done and trade-offs have to be made.

That goes back to the setting of the target, which Mr Simpson asked about. A 20 per cent reduction was chosen, but it was not consulted on. Why was that figure chosen instead of 15 per cent or another number? Where do the Scottish Government, Transport Scotland and its partners go now to deliver a realistic target with an effective implementation plan?

Cornilius Chikwama: The Government has looked at the behaviours that are needed to support the target’s realisation. It has called one of the behaviours “choosing local destinations”, which is about ensuring that, as far as possible, people are doing whatever they need to within their local communities. What you have perhaps highlighted, Mr McMillan, is that that is what part of the focus ought to be on. Are people able to work in their local areas so that they do not have to travel?

More importantly—this highlights the deputy convener’s point—people are accessing some services, such as health and education, because

they need them. That brings in the planning element that you highlighted and how quickly those services can be changed so that they can mostly be accessed locally, which points to the long-term transformation that we need to go through. That has to be part of the Government's consideration when it decides to set its target. Is 20 per cent achievable by 2030? Perhaps it should be a longer-term target—we do not know—but we should consider how quickly we can move to achieve some of those things, given the transformations that we need to go through.

Stephen Boyle: We refer to 20-minute neighbourhoods in the report. Are you familiar with that concept, Mr McMillan?

Stuart McMillan: Yes.

Stephen Boyle: The Scottish Government's national planning framework outlines the proliferation of 20-minute neighbourhoods, where people can, within that timescale, do most of the things that they want to do, which is likely to reduce car usage. However, that probably does not address your specific point about the choices that people have to make when their place of work changes and they have to consider how to best get themselves to and from a location.

Stuart McMillan: I have a 20-minute neighbourhoods example, but I will not go into it today, because I can talk to you about it another time.

The Convener: Stick to the questions, Stuart.

Stuart McMillan: Sure. Regarding paragraph 92's first bullet point on equalities, have you had any dialogue with ScotRail about its disability access work?

Ashleigh Madjitey: We spoke to ScotRail as part of the audit, and equalities came up in the interview. It informed all our judgments around that issue, but I do not know whether we looked at specifics.

Stuart McMillan: There is an excellent story to tell. I only found out a few weeks ago about what ScotRail offers, because I was dealing with it on behalf of a constituent. I put the point to ScotRail that it needs to tell more people about its openness and its offer to help people. ScotRail told me that, as a consequence of that offer, more people with disabilities are travelling on the rail network as opposed to sitting at home and doing nothing.

The Convener: On that point of controversy—given that lots of disabled groups are very upset about the reduction in station ticket office opening hours—we will bring this morning's evidence session to a close.

I thank our guests this morning: Malcolm Bell, from the Accounts Commission; Ashleigh Madjitey from the Audit Scotland office; and Cornilius Chikwama, also from Audit Scotland. In particular, I thank you, Auditor General, for your patience with some of our questions and the fullness of your responses. You have undertaken to give us a bit more information and granular detail about what makes up so-called “internationally defined domestic transport”. We look forward to seeing that and poring over in the next few weeks. Thank you very much indeed.

11:35

Meeting continued in private until 11:54.

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