



OFFICIAL REPORT
AITHISG OIFIGEIL

Rural Economy and Connectivity Committee

Wednesday 18 March 2020

Session 5



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RURAL ECONOMY AND CONNECTIVITY COMMITTEE
10th Meeting 2020, Session 5

CONVENER

*Edward Mountain (Highlands and Islands) (Con)

DEPUTY CONVENER

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

COMMITTEE MEMBERS

Peter Chapman (North East Scotland) (Con)

*John Finnie (Highlands and Islands) (Green)

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con)

*Emma Harper (South Scotland) (SNP)

*Richard Lyle (Uddingston and Bellshill) (SNP)

*Angus MacDonald (Falkirk East) (SNP)

Mike Rumbles (North East Scotland) (LD)

*Colin Smyth (South Scotland) (Lab)

Stewart Stevenson (Banffshire and Buchan Coast) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Tom Davy (Scottish Government)

John Finlay (Scottish Government)

Michael Matheson (Cabinet Secretary for Transport, Infrastructure and Connectivity)

CLERK TO THE COMMITTEE

Steve Farrell

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Rural Economy and Connectivity Committee

Wednesday 18 March 2020

[The Convener opened the meeting at 10:02]

Subordinate Legislation

National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2020 [Draft]

The Convener (Edward Mountain): Good morning, and welcome to the committee's 10th meeting in 2020. I ask everyone to ensure that their mobile phones are on silent. Peter Chapman, Mike Rumbles, Stewart Stevenson and Rachael Hamilton have submitted apologies. I should also say that our agenda has changed from what was originally published. The planned evidence session with the Cabinet Secretary for Transport, Infrastructure and Connectivity on the national transport strategy and the transport update have been deferred and will be rescheduled at a later date. However, the cabinet secretary has agreed to provide a short statement on the resilience of transport services and networks in Scotland during the current Covid-19 outbreak, and we will come to that later.

Agenda item 1 is subordinate legislation. We will consider one affirmative instrument: the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2020. The committee will take evidence from Michael Matheson, the Cabinet Secretary for Transport, Infrastructure and Connectivity. The motion seeking the approval of the affirmative instrument will be considered under agenda item 2.

Members should note that there have been no representations to the committee on the instrument. Before I welcome the cabinet secretary and officials from the Scottish Government, do any members wish to declare an interest?

John Finnie (Highlands and Islands) (Green): I declare an interest as the holder of a concessionary bus pass.

Richard Lyle (Uddingston and Bellshill) (SNP): Like John Finnie, I also declare that I am the holder of a national concessionary bus pass.

The Convener: Thank you very much. I do not know why I looked around the room to see if

anyone else should be owning up—I apologise to people for that.

I welcome Michael Matheson, the Cabinet Secretary for Transport, Infrastructure and Connectivity. He is accompanied by Scottish Government officials Tom Davy, head of bus strategy and concessions policy; and John Finlay, scheme business manager. I invite the cabinet secretary to make a brief opening statement.

The Cabinet Secretary for Transport, Infrastructure and Connectivity (Michael Matheson): As you will be aware, setting the overall budget for the concessionary travel scheme is an annual process. Since last year, we have undertaken a considerable degree of engagement with the bus industry to identify ways in which we can strengthen the process for modelling the future financial demands that might come from the national concessionary travel scheme.

As members will see, the draft Scottish statutory instrument provides a reimbursement rate of £226.1 million for 2020-21. The figure was arrived at through considerable analytical work in which we looked at the economic model to identify potential demand in the year ahead. We arrived at the figure in agreement with the Confederation of Passenger Transport UK, which represents the bus industry and, therefore, 80 per cent of those who participate in the national concessionary travel scheme.

John Finnie: I seek your views on the section on impact assessments. I note that there has been some helpful feedback from users of the scheme about its social and health benefits. Are your colleagues in other portfolios aware of those benefits? For example, the issue of social isolation might be very much in focus right now, but the Scottish Government was already aware of it.

Michael Matheson: It might not have been the original purpose for which the scheme was designed, but it has been a by-product that has been a major benefit for those who can make use of it. From discussions with colleagues in other parts of Government, I have no doubt that there is a wider recognition of the benefits that come from the national concessionary travel scheme. Other than tackling social isolation, there are wider social benefits that come from being able to move around more freely because travel is free of charge, and health benefits are accrued from that. There is a growing wider recognition of the additional benefits that come from the scheme.

Maureen Watt (Aberdeen South and North Kincardine) (SNP): I am sure that I am not the only MSP who regularly gets correspondence from older constituents who complain that it says on their bus tickets that they are going to the terminus

or into the next fare stage. They are of the view that the bus companies are, if not defrauding the Government, trying it on. What evidence do you have that most bus companies are playing by the rules? If they are not, what sanctions are available?

Michael Matheson: If any user of the scheme is concerned that an operator might be misusing it in some way, there is a process for them to report that through Transport Scotland. John Finlay can say a bit more about the process, which I encourage people to use.

We have an auditing process. We have people who make use of the services to check that companies are using the scheme appropriately and that they are not issuing tickets to destinations to which people are not going. If we identify any issues that are a matter of concern to us, there is a process for those to be escalated with the service provider and, ultimately, for action to be taken against them.

If there is a fraud issue, that is potentially a criminal matter and, should there be evidence that the scheme was being defrauded by an operator, I would not hesitate to ensure that that was reported to the appropriate authorities to be investigated as a criminal matter.

John Finlay can explain a bit more about the process for anyone who has concerns.

John Finlay (Scottish Government): At Transport Scotland, we have a dedicated 24-hour freephone number for anyone to use if they wish to report any aspect of misuse of the concessionary travel scheme. Our staff look into every case that is reported to us.

You mentioned overstaging. According to staff in our operational delivery unit, the number of inquiries about that from MSPs or members of the public seems to have decreased since this time last year. Something that may have prompted people to report it was that First in Glasgow, Edinburgh and Aberdeen had changed the fare structure so that, rather than various fares, there were two fares. Depending on where somebody is travelling to, the drivers normally record the final destination in that particular fare stage, although the fare does not change. For example, when someone boards at point A and is going to point D, the ticket will show point G if that is the end of the fare stage. Although it might seem to someone that a driver is recording a longer journey, the fare is exactly the same.

In the past three to five months, we have been working a lot with First Glasgow, which has produced credit card-sized cards to give to members of the public, to explain the fare structure. We also have regular, three-monthly meetings with the commercial director of

FirstGroup, to look at any complaints that we have received. We can see that the number of those complaints is decreasing slightly.

First is also doing more on driver awareness, so that, if a member of the public asks a driver a question, the driver is able to explain things a lot better than they could perhaps have done a year ago.

The raising of issues is on the decrease, but our staff look into all queries and any issues that have been identified, and we have powers to take those to the procurator fiscal if and when it is necessary. In recent years, we have reported some drivers to the procurator fiscal, and they have ended up in court. We take it seriously, and will continue to do so.

Maureen Watt: What you have said has been very helpful—not just to me but, I am sure, to other MSPs as well.

The Convener: Do you advertise that helpline and the associated process anywhere, so that people are aware of it?

John Finlay: We have published the freephone number on the Transport Scotland website. We have issued posters to local authorities for bus stops and local authority offices. It is well publicised.

The Convener: Thank you; that signposting is useful.

Richard Lyle: Because of the Covid-19 crisis, most elderly people will be staying at home and not using their entitlement card at present.

My view is that we do not promote the scheme enough. What are the benefits to users of the scheme, and are there any drawbacks? How far can they travel in Scotland, using the scheme?

Michael Matheson: The obvious benefit is the free travel which they are able to make use of, across different operators in Scotland. John Finlay can give you more specific information about the national picture overall but we are seeing a year-on-year increase in the number of people who are making use of the national concession scheme. That can be seen from the cost increases which are associated with the annual Scottish statutory instrument, most of which are associated with the increased number of people using the scheme. It is very successful.

I note that you would like people to make greater use of the scheme. Often, people ask me why we are giving free concessionary travel to people who can afford the bus fare. The reality is that it does not cost us anything if someone does not make use of it. Very often, people who can afford the fare would not make use of the scheme anyway, or even hold a card.

Richard Lyle: I have used mine about twice in five years.

Michael Matheson: There is a benefit in the social mobility that the scheme provides for people who can travel free on public transport buses. As I mentioned to John Finnie, that tackles issues to do with social isolation and brings wider health benefits from people being out and about, rather than not being able to use public transport. It also provides a benefit to the bus service industry, which keeps a significant number of people in employment. Therefore, the concessionary travel scheme has a wider benefit to our economy. John, do you want to say more on the national picture?

10:15

John Finlay: Although not all of them use the scheme, there are now approximately 1.4 million card holders. Year on year, that figure has increased; in 2018-19, more than 143 million journeys were taken under the concessionary travel scheme, which equates to approximately two fifths of the total number of bus journeys in Scotland. Anyone who has a card can travel anywhere in Scotland and down to the border.

Richard Lyle: So they can go from Carlisle to John O'Groats for nothing.

John Finlay: Yes, they can go for free on the bus. Some people who qualify for cards on the grounds of disability have a companion card, so that a companion can travel with them for free on the bus.

Richard Lyle: And that would be the case even if I used three or four bus companies. What time can people start to travel in the morning?

John Finlay: There is no time restriction.

Richard Lyle: I have a couple of questions.

The Convener: Mr Lyle, I am concerned that you are using Government time to work out your travel plans across Scotland. [*Laughter.*]

Richard Lyle: Everyone here knows that I am retiring next year, and I am planning my future journeys. However, in all honesty, I want to promote the scheme to the people of Scotland and, because I have used it only a couple of times, I would like to know the benefits. Are there any drawbacks to the scheme?

John Finlay: I would not say that there are drawbacks; the only restrictions are that you would not be able to use your card on the open-top tour buses or on services that charge a premium fare, such as some services that operate in the middle of the night. However, there are no peak-time restrictions and you can travel anywhere in Scotland.

Emma Harper (South Scotland) (SNP): Good morning, everybody. I will pick up on what Mr Lyle said about promoting the scheme. There have been lots of discussions and debates in relation to older persons' fitness to drive. We need to promote the scheme for many people but, based on demographic trends, the projected number of persons that will qualify will increase year on year. I assume that you will be constantly looking at those numbers, making projections and adjusting what the scheme would cost.

Michael Matheson: The free concessionary travel scheme is well known and recognised. On a number of occasions, individual constituents, who are due to qualify for it on reaching the age of 60, have said to me, "Is it at 60 or 65 that I get it?" They are thinking ahead about when they will get their free concessionary travel card. We should make sure that we promote it in a reasonable way, but it is an established part of people's wider understanding of the benefits that they get when they reach the age of 60.

Given our demographics, we are expecting the number of people who qualify for the scheme to increase. The economic model that we use to set the figures each year takes that into account; it looks at where the demographics are going and the number of people who are likely to qualify for it over the course of the year, and it looks at the average amount of time that they might make use of the card in the year, to give us as accurate a figure as possible for the increase in demand that we might experience in the year ahead.

As well as the increase in the number of people who qualify for the scheme, there has been greater use of the card. Rather than just one local journey, people are taking longer journeys to visit other parts of the country. There is ever-increasing use of the card as well as increasing numbers of people who qualify for the national concessionary travel scheme. That all places a financial demand on the scheme, but it has wider benefits from people moving around, travelling and visiting and the wider health benefits that I mentioned earlier.

Colin Smyth (South Scotland) (Lab): I am curious about an issue that one of my constituents has raised. Some bus companies can opt out of the scheme; I am referring particularly to companies that run coach services that are often used by people to travel from one part of Dumfries and Galloway to another, even if that bus then goes to Belfast via the ferry. What criteria have been set to ensure that bus companies use the scheme? Surely a company that gets a bus service operators grant should have to opt in to the scheme.

Michael Matheson: There is a provision for operators that choose to remove themselves from the scheme. Additional powers of ministerial

direction mean that a company can be directed to be part of the scheme where that is deemed to be necessary. Coach operators can be different from bus operators, as they may be offering a type of coach service that would not be captured by the scheme because it is bus operators who provide public bus services.

Under that provision in the scheme, a bus operator can exercise their right to come out of the scheme, but ministers can use powers of direction if they wish an operator to remain in the scheme.

Colin Smyth: What would the criteria be for you as the minister to instruct a company to do that? For example, what would you do if a company is a coach operator but people use it as a bus service across a wide rural region?

Michael Matheson: Do you mean the criteria to prevent the operator from coming out of the scheme?

Colin Smyth: Or to insist that they go into the scheme, because they have already opted out.

Michael Matheson: Tom Davy will be able to say a bit more about coming into the scheme and compulsion once an operator is in. It would concern such matters as why they want to withdraw from the scheme, the impact that it could have on people who make use of the existing scheme and whether we consider it is a reasonable action for them to take.

More than 200 bus operators in Scotland are in the scheme. If a company is looking to close down its business in the next year or so, it could be a reasonable measure to start moving out of the scheme. However, because of the benefits for wider society, we would take a robust view if a major operator considered coming out of the scheme simply because it no longer wanted to participate in it.

I will be honest with Mr Smyth—I do not want to be in that position. I am much more inclined to engage with the sector to try to meet any of the challenges or issues that operators may have. Tom Davy can say something about how operators come into the scheme.

Tom Davy (Scottish Government): In essence, the policy of the scheme applies to bus services in Scotland. We expect those bus services to join the scheme; as far as we are aware, they have all done so.

There is confusion or a grey area around when a bus service becomes a coach service. The definition of a bus service is linked to factors such as how close together the stops are and whether it is possible for passengers to board within a certain distance from a previous stop and to board the vehicle and pay there and then for the journey. Those factors distinguish the service from a pure

coach service, when a person may be carried a longish distance with no intermediate stops and people may need to book in advance and not have the option to board there and then. They may pay for a bundle of services, not just the transport element.

I do not want to go into too much detail, because I would have to check the details if you wanted to pursue that. However, essentially, if you operate a bus service, you will be part of the scheme, and we would expect that. The scheme provides for a bus operator to apply to withdraw. If they were to do so, as the cabinet secretary said, ministers have powers to require them to remain in the scheme. There is an as yet untested appeals process, in which an independent panel would determine whether the operator would be permitted to withdraw. That is untested, and there are not a lot of criteria—if any—in the legislation.

The general policy is that, if you are running a bus service, we would like you to be in the scheme: we would resist any efforts to leave unless there were special circumstances, and I am not sure what those would look like.

The Convener: When the scheme started, there was a 73.6 per cent reimbursement rate for use. We are now down to about 56.5 per cent; it has been about 56 per cent to 60 per cent for a few years. I understand that you set the amount of money that you need to reach a reimbursement rate. If bus use went up, you would have to increase the budget in order to reach that 56 per cent reimbursement rate. If bus use went down, that would reduce the pull on that budget. Is that right?

Michael Matheson: If the number of journeys increases beyond what we have modelled for in the year ahead, that might take the cost above the cap that has been set. In the forthcoming financial year, that has been set at £226 million. If the modelling is correct, the amount should be within the capped limit. If there is a reduction, the £226 million that has been set in that budget area would not be reached. Demand determines what the final figure looks like.

The Convener: Let me check that I understand. If use comes down this year, would you still aim for a reimbursement rate of about 56 per cent, and therefore have a saving in the money that has been allocated, or would you use all the money and accept a higher reimbursement rate?

Michael Matheson: The reimbursement rate does not change. The rate is 55.9 per cent this year, and it remains the same no matter what. How far we go into the £226 million budget that has been set aside depends on the number of journeys that are made under the scheme.

The Convener: So the reimbursement rate is the driver.

Michael Matheson: Yes.

The Convener: As there are no other questions we will move to item 2, which is consideration of motion S5M-20928, in the name of the Cabinet Secretary for Transport, Infrastructure and Connectivity.

Motion moved

That the Rural Economy and Connectivity Committee recommends that the National Bus Travel Concession Scheme for Older and Disabled Persons (Scotland) Amendment Order 2020 be approved.—[*Michael Matheson*]

Richard Lyle: We have heard today how excellent the scheme is and what its advantages are. I am sure that, after the current crisis, folk will go back to using buses as they did before. I recommend that we agree to the proposal.

Motion agreed to.

10:29

Meeting suspended.

10:31

On resuming—

Marketing of Fruit Plant and Propagating Material (Scotland) Amendment Regulations 2020 (SSI 2020/34)

Scottish Road Works Register (Prescribed Fees) Regulations 2020 (SSI 2020/35)

The Convener: The next item is consideration of two instruments that are subject to the negative procedure, as detailed in the agenda. I remind members that no motions to annul have been lodged, or representations received, in relation to the instruments. Do members agree that the committee does not wish to make any recommendation in relation to the instruments?

Members *indicated agreement.*

Transport (Update)

10:32

The Convener: The next item is a transport update. As I mentioned earlier, the committee will take evidence from the cabinet secretary on the resilience of transport services and networks in Scotland during the current Covid-19 outbreak.

I welcome, once again, Michael Matheson, the Cabinet Secretary for Transport, Infrastructure and Connectivity. I believe that the cabinet secretary will make an opening statement. I am usually quite strict on timings, but there is, given the importance of the matter, some leeway.

Michael Matheson: The committee will be aware of the Government-wide response to Covid-19. Transport Scotland resilience officials are fully engaged in the process through SGoRR—the Scottish Government resilience room. Officials have been in regular contact with relevant stakeholders to share the latest updated health guidance, and to address concerns from stakeholders about application of the guidance.

Yesterday afternoon, I chaired a call to discuss business continuity with senior representatives from across the transport sector. The measures that we are putting in place to protect society are having an immediate and direct impact on the transport sector, and the implications for the aviation industry are already very visible. As more people take the advice to reduce social contact and to work from home where possible, those impacts will spread across other modes of transport. People in the transport sector understand that many transport links are lifeline services that are crucial to supporting society and our wider economy.

From the discussions that I have had, it is clear that, for the air, rail and bus sectors, cash-flow issues will have a significant impact on service and business viability. In addition, operators are also likely to experience a significant drop in staff availability due to increased staff absences, which will have an impact on service provision. I will mention several sectors and the challenges that they are facing.

The committee will appreciate that the aviation sector is experiencing extreme pressure. It has experienced a sharp fall in demand for services—a fall in the order of 70 per cent to 80 per cent. I have held a number of discussions with the sector in recent days to consider what action we might be able to offer to address the challenges. My officials remain in regular contact with it as we consider the issues. However, during this difficult period, it is likely that some airlines around the world will fail,

which will have a direct impact on our air connectivity in the future.

The rail sector has witnessed a very significant reduction in passenger services in a short time. ScotRail has advised that it has seen about a 30 per cent reduction in demand since Monday. Consequently, a reduced level of service from ScotRail is being planned urgently, and details will be provided in the very near future. In addition, Caledonian Sleeper has contingency plans in place and is keeping them under review. Network Rail is working to ensure that it has enough resources in place for signalling centres and electrical control rooms, and it is training additional staff to the required levels of competence in order to improve its level of resilience.

On bus travel, initial data shows that the number of concessionary travel journeys has dropped by about 20 per cent from the start of the month. We are awaiting information on commercial journeys from the Confederation of Passenger Transport, but it is likely that they will show a similar level of decline. Operators are presently considering timetable changes due to the drop in patronage, and in order to manage resilience in their service provision. I have also discussed with CPT some measures that could assist the sector. The Office of the Traffic Commissioner for Scotland is expected to issue new guidance shortly in response to operators' concerns about the need to make changes to registered services at short notice, in the light of the steep fall in demand.

In relation to ferries, plans have been designed to ensure that services can continue, albeit at reduced capacity, when necessary. Officials remain in regular contact with our ferry operators to monitor potential impacts on services. Both Caledonian MacBrayne and Serco NorthLink are taking guidance from Transport Scotland's resilience team and Health Protection Scotland. Both operators have robust protocols in place.

As is the case with the rest of the Scottish Government, Transport Scotland resources have been pivoted to respond to Covid-19 and the challenges that it presents. As, I am sure, the committee will appreciate, that has resulted in a significant reprioritisation of work within the organisation. That will, naturally, have an impact on a range of policy areas. However, for now, the focus of my officials is firmly on the challenges that are presented by Covid-19.

It is extremely important that, through this unprecedented time, we do our best to keep Scotland moving. I assure the committee that that is what we are seeking to do. I am, of course, happy to respond to questions.

The Convener: Thank you, cabinet secretary. I think that every member around the table has

questions. I will start, if I may. Many of the aeroplanes that fly passengers around the world also carry cargo below them. With passengers no longer able to travel to America, I suspect that people are also wondering how cargo that would have been shipped out there is going to get there. Have you been approached by airlines on that, and can you give us any help and guidance on it?

Michael Matheson: The convener raises an interesting point. Very often, the additional belly space on passenger services is used for cargo. Although we have not been directly contacted by any airlines, I am aware that Prestwick airport, for example, has received increased enquiries about capacity for additional freight. There is clearly a significant realignment on-going in the industry, but there appears to be an increase in demand for cargo-only services as a result of the reduction in passenger services. The increase in inquiries that Prestwick airport is receiving is a reflection of that. Whether that will materialise into direct contracts or services is still to be seen, but there is no doubt that there will be an expansion of air freight, given the reduction in passenger services and the resulting lack of belly space that is now available for air cargo.

The Convener: My second question relates to lorries and transport of goods. I believe that there has been some relaxation on drivers' hours. Obviously, it is important that drivers are not put at risk by having to work extra hours, but it is important that they can get freight—the food that we all need—to shops. Are there restrictions that are particular to areas of Scotland—for example, in relation to delivery after certain times—that the Government in Scotland needs to be looking at, or is relaxation of rules on drivers' hours as much as can be done currently?

Michael Matheson: You are correct: the Department for Transport has implemented relaxation of the rules as of today. There are five categories, if I recall correctly, that have been relaxed. The relaxation applies to point to point—between distribution centres and so on and then to supermarkets. It is not for local deliveries, for which there are still restrictions. The relaxation has been implemented for the next month, until the middle of April, and is to be welcomed. It will assist the sector to meet the increased demand from retail for foodstuffs. It will also help to support resilience in the sector as staff go off as a result of contracting coronavirus.

At Scottish Government level, through the chief planner we have asked local authorities to relax their planning restrictions on delivery times to local stores by heavy goods vehicles, and they have agreed to take that forward. That will relax rules on the times during which HGVs can make deliveries in our towns and cities in order to address the

change in demand that they face. A combination of actions will support resilience and support the sector, going forward.

The Convener: I have a final question on that, before I bring in other members. Obviously, many supermarkets and food stores in cities are difficult for lorries to access. Reducing the time that they are there might mean that they can make more deliveries. Is any thought being given to changing parking restrictions in sensitive areas to allow lorries to get in and out quickly with food supplies that are in short supply around the country?

Michael Matheson: We have not received representations on parking restrictions. We have, through the chief planner, asked local authorities to relax periods at which lorries can access stores. The restrictions are often because they are near residential premises. Relaxing conditions will allow them to deliver outwith the times at which they would normally be able to deliver, which will help to smooth out the process and assist the range of retail outlets that are facing increasing demand to get more regular supplies.

The Convener: Maureen Watt wants to come in on a particular point regarding aeroplanes. Did I get that right?

Maureen Watt: Yes, I do. I also want to say that maybe we could divide questions up so that we are not jumping all over the place. If we maybe start with—

The Convener: I am happy to manage that, Maureen.

Maureen Watt: You mentioned there being more interest in air freight out of Prestwick. I have had representations from small fishermen about getting their products to markets, which have been reduced worldwide. How can we let people know that there might be possibilities to move air freight out of Prestwick airport, rather than them having to take their produce to London?

10:45

Michael Matheson: Air freight companies are inquiring whether there is additional capacity that they could make use of at Prestwick, as opposed to Prestwick saying that companies can bring their goods to be air freighted. Air freight operators are looking to make use of additional capacity. If a business in your constituency is looking to make use of air freight, it would have to go through an air freight operator to find out where in Scotland it could drop off its goods to be freighted to where they are meant to be going. We are seeing that change. For example, Emirates carries a lot of seafood to Dubai. There is no doubt that the seafood operators that would normally make use of the belly space on Emirates flights—which is

continuing its services at present—will have to look for another air freight option if that changes; they might have to use another operator.

Maureen Watt: Loganair has recently taken over some Flybe routes. Have you been in contact with Loganair to discuss protecting our islands, and people's ability to move on and off them when they want to?

Michael Matheson: Yes. We have had fairly extensive contact with Loganair. You might be aware of the information that it has published during the past couple of hours to say that it is reducing its present timetable by 55 per cent. Effectively, that means that, at the moment, it is not going to take on the Flybe routes that it indicated that it would take on. It is looking to reduce its schedule overall, to protect against the challenges that it faces. It has witnessed a very significant drop in bookings and is having to manage that within its existing schedule, which is why it is reducing its schedule overall.

In our discussions with Loganair, we sought to ensure that no island loses out, and that all of them continue to have air connectivity. The schedule that it has brought forward ensures that that continues to be the case. What we will see is a reduction in frequency, and flights might go from one island to the next to pick up passengers before moving on to the mainland. That is because of the big drop-off in passenger numbers. However, all islands continue to have air connectivity, and we are continuing to work with Loganair to ensure that that is maintained.

John Finnie: I have a point that follows on from Maureen Watt's question. It is about the air traffic between the islands. Maureen used the phrase "on and off" the islands. However, a significant element that differentiates air travel in the Highlands and Islands from elsewhere is the internal services, which are a lifeline, rather than a choice.

I want to move on from air travel to the interisland ferry system. Orkney, for example, has interisland ferry services. The cabinet secretary has spoken about resilience in relation to staff and availability. As with the Clyde and Hebrides fleet, the Orkney fleet is ageing. Both the northern island authorities—Shetland Islands Councils and Orkney Islands Council—are very concerned about the future of their interisland ferry systems. This might seem like shameless opportunism, but is there an opportunity to revisit ferry funding for those island authorities, given the potential for a downturn in air services and the relatively modest sums that those authorities are looking for to address the issues that their interisland ferry services face?

Michael Matheson: Although that does not specifically relate to Covid-19—

John Finnie: I suggest that it does.

Michael Matheson: The member will appreciate that we have to consider our existing financial commitments to ensure that services continue to be provided. Therefore, we are now in a space in which the normal funding that we would provide to help to generally support services or reduce their cost has to switch to only maintaining services, because of the drop-off.

As you can imagine, as we see a drop-off in passenger numbers for ferry services, that will increase financial pressures on organisations such as CalMac and Serco, which provides the northern isles service. As we see a drop-off in passengers for rail and bus services, that will have financial implications. We are having to look right across our existing financial commitments to establish what we need to do to support the sector as best we can, and to sustain services as best we can, across all modes. Services will not be sustained at their present level—there is no way that that is possible.

You mentioned the interisland ferries in the northern isles. We could find ourselves in a situation in which some of the bus operators in the northern isles end up getting into significant financial difficulty because of the drop-off in patronage levels. We need to think about other things that we can do to support the sector overall.

That is a long way of saying that, in order to sustain businesses, the normal rules on how we provide funding to the sector will have to change in the short term so that, when business starts to return to normal, there will be businesses there that can pick up and deliver those services. Therefore, I will not give a commitment to doing anything over and above what we are doing at the moment—in fact, we will probably have to change quite a number of things that we have committed to so that we can support existing lifeline services.

John Finnie: Transport is important everywhere, but it is of particular significance in remote and rural areas, not least given the role that it plays in the delivery of, for example, health services. I imagine that it is less likely that we will evacuate folk in the crisis that faces us, but what engagement are you having with health officials on the role that transport plays in the delivery of health in such areas?

Michael Matheson: Air connectivity is particularly important for our island communities. One of the measures that we have taken is with the air ambulance service. There is a need for personal protective equipment for the crew of fixed-wing aircraft. There were some practical issues there, which have now been resolved. We

have also had discussions with Loganair, which is to remove a number of aircraft from its fleet because of the drop in demand that it faces, about whether there is scope for those aircraft to be used to provide additional resilience if that is necessary. Those factors are being considered in the event that such provision is necessary.

Some of the challenges that I was dealing with at the end of last week changed dramatically over the course of the weekend, and some of the challenges that I was dealing with on Monday had changed dramatically by the end of yesterday. It is an extremely dynamic situation, which officials are dealing with on an hourly basis.

I can assure Mr Finnie that we are trying to deal with issues as and when they emerge. Where we can, we are trying to anticipate them and to put in place arrangements to deal with any consequences that might arise.

John Finnie: Thank you—that is reassuring.

Richard Lyle: I am sure that many people have lots of questions. As you have stated, it is a very worrying time for everyone. No one knows how long we will be in this situation. Will you be in daily contact with the operators of transport services to ensure that those services continue and that needs are met? I know that members who represent island communities are concerned about ensuring that the lifeline ferry services to those communities continue so that food supplies and services such as health services continue to be provided. Will you be in daily contact with the operators of transport services to ensure that that happens?

Michael Matheson: The Transport Scotland resilience unit is up and running; it is operating around the clock. Within that, we have what are referred to as cells in each of the areas—for example, in the ferry unit and the rail unit—which are collating and bringing together all of the issues and challenges that are arising into the central Transport Scotland resilience unit. We will then identify what measures can be put in place to help to deal with issues as they arise. That in turn feeds into the SGoR process, on a national level in the Scottish Government. We have a very robust process in place for monitoring and assessing issues as and when they arise, and for trying to plan for the challenges that we face.

I am in constant contact with officials in different parts of the sector. I chaired a meeting yesterday that included a range of transport providers, from aviation to bus to road maintenance. We looked at how we can ensure that our critical transport road corridors remain open and are being properly maintained. That sector, too, faces resilience issues, with staff going off sick, and we need to ensure that arrangements are in place to deal with

that. That is the extent to which I and my officials are constantly engaging with the transport sector.

You mentioned our island communities and the fact that they are dependent on lifeline services provided by air and sea. We discussed with Loganair the challenges that it faces—the change in its schedule is a reflection of that. Our discussions with Loganair were about ensuring that we maintain air connectivity to our islands to the best extent that we can. The schedule reflects the fact that while no island community will lose the air connectivity that it previously had, it will be at a reduced level compared to what it was previously.

Serco and CalMac have put in place plans to maintain ferry services as they stand. However, that may change, for example if they lose staff due to the coronavirus, and they may need to revisit their existing timetable arrangements. If they are unable to retain the existing frequency of service, they will have to consider reducing services. They may also, potentially, have to consider what those services could be used for. For example, they could be used to maintain access to essential goods, medical supplies and so on. We are looking at those issues in detail. It may be that the ferry companies will have to implement such changes earlier than they had intended, but we need to keep that under constant review.

We want to continue to provide vital lifeline services to the islands, but there will need to be changes in the next week to two weeks to ensure that those services are resilient.

Richard Lyle: This is a question that you may not be able to answer, but as we are the Rural Economy and Connectivity Committee, and as we face an unprecedented situation, I want to ask you what discussions, if any, the Government has had with the United Kingdom Government about the involvement of air force, army or navy personnel in, for example, providing connectivity to the islands.

Michael Matheson: As it stands, with the resilience plans that we have in place, we are confident that we can continue to maintain ferry connectivity to our island communities. However, crews might go off sick. Some of our smaller interisland ferries have a very small crew, given the new restrictions that have been put in place, and there is a risk that services for which there is not an alternative crew could be adversely impacted. There are specific challenges that we need to consider, if and when they occur. That is part of the work that we are taking forward at present.

Larger vessels are different. Some of the larger vessels are often double crewed, so they have greater resilience in meeting any staff shortages.

However, we might have to scale back the frequency of services to allow vessels to be freed up to serve another route for a period of time during the day, which we would not normally do.

We might have to move vessels around at given times should that be necessary, but we are not at that stage yet. We have to take into account all such things in trying to ensure that we maintain the level of connectivity as best we can in the very difficult circumstances that we face.

11:00

Emma Harper: We have talked about ferries and island communities. I know that Kenneth Gibson asked a question in the chamber the other day about the island of Cumbrae getting freight and food delivered. As you know, we have remote and rural areas that are not islands, such as Wigtownshire and Stranraer. How will we support the continuation of freight delivery to those areas?

I understand that haulier drivers will be educated about whether they should self-isolate if they meet certain criteria. However, there are private ferry companies, such as Stena Line and P&O Ferries, that go from Cairnryan, which is among the busiest ports in Scotland and which supports the whole throughput of freight from the central belt to Northern Ireland. I think that the number of passengers is being reduced, but is work being done to look at freight support and whether the private ferry companies are reducing their sailing journeys? Are they still continuing at the moment, as they provide freight from the central belt to Ireland?

Michael Matheson: As things stand, they have arrangements in place as part of their business continuity plans to look at whether they should reduce the number of sailings that they are able to offer if they have a reduced crew complement. There will potentially be disruptions in sailings from those areas to Northern Ireland. It is clear that that link is critical to Northern Ireland, and the operators will use their continuity plans to help to maintain it as best they can.

I cannot give members guarantees on freight operators continuing to maintain services to ferry operators at the ports, as each individual freight operator will have to ensure that it has its own business continuity plan in place and look at what alternative arrangements it can put in place should it lose members of staff. It is likely that there will be disruption at some point, because some freight operators will have only so many drivers and, if a couple of them go off work, those operators will have to reprioritise their freight work. That is inevitable, so there will be disruption in the process. Each company, in the light of who it is carrying freight for, will have to come to an

agreement on what it is going to prioritise in continuing to carry.

Emma Harper: When I visited Cairnryan recently with the Culture, Tourism, Europe and External Affairs Committee, we looked at lorries that were unescorted by humans. Basically, things were dropped off and shunted on to the ferries. Do you expect that we will see more of that type of behaviour?

Michael Matheson: It is possible; it simply depends on the freight and logistic operators that deliver the services. Some of them might just drop off things that will be shunted on to vessels. I expect that people will want to prioritise key elements if they are limiting availability and what they can carry. However, we are nowhere near that point.

Obviously, the crossing to Northern Ireland is absolutely critical for the services that Northern Ireland requires. At this stage, the plan is to continue to help to provide the service in the way that it is currently provided. There might be some disruption to that, but the ferry operators have put business continuity plans in place to try to ensure that they minimise that as much as possible.

Colin Smyth: I turn to the issue of bus services. Those of us who are still using public transport see that passenger numbers are already plummeting, so we know that services are going to be reduced.

In the city centre, reducing a frequent service from every 10 minutes to every half an hour will be inconvenient, but it will not be devastating for passengers. However, in some rural communities, the vast majority of services are not as frequent. They are subsidised through either the local authority or the transport agency, and are probably already precarious and likely to become more precarious. Taking one of those services away could make the difference between someone in a village getting to work and not getting to work.

In your discussions with bus companies, are you stressing the importance of maintaining those lifeline services? They are subsidised because they do not have hundreds of passengers. We need to keep them going.

Looking at the slightly longer term—and I appreciate that we will come back to it—those services are already very precarious, and any reduction in revenue could mean that a service is pulled altogether. How can we best maintain those services through these times?

Michael Matheson: The reality is that we are going to see a reduction in the availability of services across the network, largely because of the drop in patronage and the financial implications of that for bus operators. Alongside that is the need for resilience in terms of staffing

levels so that, as staff go off sick or self-isolate, operators maintain as best they can the services that they drop down to. We are going to see a drop.

If it is a registered route, it would have to go to the Traffic Commissioner for Scotland for consideration.

From my discussions with the representatives of the bus industry to date, it would be fair to say that they are acutely aware of the fact that they provide lifeline services in many rural communities. That factors into their thinking about any timetable changes; it is part of the discussions that we are having with them. They fully understand and recognise it; we have highlighted it to them as well. However, for some of them, it is a challenge just to sustain services, as staff start to go off and absence levels increase—as we are already seeing. Reducing their timetable helps them to maintain services, at a lower level.

I fully recognise the point that you are making. The industry fully recognises it, and we have been impressing the point upon it as well.

Colin Smyth: I turn to the issue of rail services. I have noticed that the number of carriages on some services has been reduced. That may simply be a response to passenger numbers, or it may be because of other issues.

Can you give me an update about the type of cleaning regime that is being put in place? Lots of people are voting with their feet, if you like—they are using their car instead of public transport, because they are worried. However, a lot of people do not have that choice, and will continue to use our trains in order to get to work, and to visit people—although that will be minimised. What discussions are being had with rail companies around deep cleaning of carriages, for example, to give people as much confidence as possible in using those services for as long as they continue?

Michael Matheson: ScotRail has published some very helpful information on changes to its cleaning regime, which details the areas in which it has enhanced cleaning. An example is contact areas: entrances to the train station, the stair rails, the ticket consoles, the door buttons—in all those areas it has been undertaking enhanced cleaning over the course of the past week or so, in response to advice that was provided by Health Protection Scotland. ScotRail has made available very detailed information about that.

Bus operators are doing that as well. They have enhanced their cleaning regimes in key areas where there is a lot of personal contact, in order to try to reduce the risk of transmission of the virus. They have communicated that at national level, and have continued to try to reinforce the actions

that they are taking. That will continue to be in place.

Colin Smyth: Has there been any change involving, for example, taking carriages off to deep clean them?

Michael Matheson: It is enhanced cleaning within the existing regime. Operators are targeting specific areas based on the advice that they have received, which is that enhanced cleaning should be undertaken on those areas. That is the type of work that they are undertaking at present.

The Convener: The next question will come from Angus MacDonald.

Angus MacDonald (Falkirk East) (SNP): All the points that I was going to raise regarding CalMac, Loganair and bus services have been covered, and I welcome the assurances from the cabinet secretary.

Maureen Watt: The Caledonian sleeper, clearly, has not been without its challenges in recent times, in relation to getting back up again. Will there be a reduction in service so that it runs every second day or night, or whatever?

Michael Matheson: It is presently reviewing that. As it runs a single service per day, it does not have the same challenges that ScotRail does in relation to the range of services that it provides. As I said, it is presently reviewing its existing arrangements, and it may be that there will be a reduced service that is reflective of a reduction in demand. It may also be that part of the service in Scotland becomes a reduced service. We may be in a situation where the northern element of it is reduced and there is a service only from Glasgow or Edinburgh—again, due to lack of demand for the service. Although no decision has been made on that, that is the type of thing that may have to be considered. Depending where demand goes, it may also have to consider the frequency of the service. All those issues are being kept under consideration.

I wish that I could tell the committee exactly what it is going to do based on the here and now; however, because it is such a dynamic situation, it is—in effect—having to re-evaluate the situation each day based on ticket sales, usage, cancellation levels, staff and crewing levels, and so on. The question of what services can be sustained and maintained is having to be constantly reviewed.

At present, it is continuing with the service at it stands. However, the Caledonian sleeper is, clearly, having to consider alternative plans that may have to be employed should it be in a situation of a continued drop in demand, given issues around staff resilience levels.

Maureen Watt: I will follow on from Colin Smyth's questioning. I am not sure whether the cabinet secretary has answered this. However, when we get over this and there is reinstatement of services, does the traffic commissioner have any authority, where they find that a full service has not been reinstated, to urge bus companies to reinstate it? In other words, does the commissioner have any authority to urge bus companies not to use the current downturn in services and cutting of timetables as a reason to continue that going forward?

Michael Matheson: Given where we are, and given the extent and nature of the drop-off in passenger numbers that some businesses are facing and experiencing, it is difficult to focus on recovery at this stage. After we have come through the coronavirus challenge, we would—of course—like to be in a situation where things can return to normal. However, it may be that some businesses get into such levels of financial distress during the course of the coronavirus challenge that they will not be able to return to normal on an on-going basis for some time.

It is difficult to say that things will simply return to normal once we go into the recovery phase, because it may be that some businesses will have had to completely reshape their organisation to survive the challenges that they face, and may not be in a position where they can offer the same range of services in the future.

We will—of course—consider that issue as we go forward. However, given the scale and nature of some of the challenges that businesses face at the moment, many of them are focusing simply on trying to survive and to get through this, rather than thinking about what they can provide at the other end of it.

The Convener: Thank you for that, cabinet secretary. I am reliably informed by my committee members that three people want to ask very short questions. Let us see whether they can live up to that. I will go straight down the line to Emma Harper for the first—and her only—question.

Emma Harper: I will be quick. Whether related to Covid-19 or not, it has been suggested that rural bus routes could be used for delivering essential items, such as prescriptions. Has there been any discussion about using the bus service to help to support isolated people who need medicine?

Michael Matheson: Operators have flagged up the possibility of using their vehicles for the purpose of delivering goods in that way. Aileen Campbell has been looking at that in relation to some of the community resilience measures that could be put in place.

John Finnie: Nautilus International, the seafarers union, had some particular asks about the challenges around crew changes that you alluded to. Have you had any engagement with it? Perhaps you could look at its asks, which also involve health. More generally, could you comment on the involvement of, for instance, the National Union of Rail, Maritime and Transport Workers or others? It would seem that trade unions are pivotal in this situation and substantial changes have been suggested to a lot of work practices.

Michael Matheson: I am happy to take away your first point and to check that. I do not know off the top of my head what actions were taken on the back of that. In fairness, the unions have been very understanding, given the unique set of circumstances that we face and the challenges that those circumstances are creating. They are working with operators as best they can to accommodate those things. Of course, the unions play an important part in helping to meet some of the challenges with staff that we may face going forward. Part of the timetable changes that may be necessary are to offer greater resilience to services. That will reduce demand on staff and potentially help to improve their health and wellbeing.

The Convener: Mr Finnie, you said that you would not take advantage of me, so ask your question briefly.

John Finnie: Is the Scottish Government actively engaging with the trade union movement on those issues?

Michael Matheson: It is. You may be aware that my colleague Fiona Hyslop hosted an event last week on the fair work agenda that involved the Scottish Trades Union Congress, and the trade union side has been part of the wider strategy that we are trying to take forward on the challenges that the workforce faces.

The Convener: Mr Lyle, Mr Finnie has already used up your life on that one, so please keep your question short.

Richard Lyle: Many of us around the table have food warehouses and oil refineries in our constituencies. Are you, as transport secretary, in constant contact with those companies to ensure supplies?

Michael Matheson: Sorry. To who?

Richard Lyle: To ensure supplies from food warehouses and oil refineries.

Michael Matheson: I am not personally directly in contact with them. We are engaging with stakeholders through the transport resilience hub. For example, I have had contact with the Road Haulage Association and the Freight Transport

Association, which represent those organisations, to look at what measures can be put in place. The point that the convener raised was that one of the issues that they had was on time restrictions for drivers and so on—

Richard Lyle: Such as tachograph rules.

Michael Matheson: Yes, the relaxation of some of those restrictions is to assist them to continue to move goods. That will also have a bearing on other parts of the sector that depend on road haulage. We have also taken measures through the chief planner to relax the restrictions on when vehicles can deliver goods to supermarkets in urban areas. That is part of trying to smooth the process of regular supplies being provided to retail outlets.

The Convener: I think that is all the committee's questions. I will ask a question and see if we agree, and I am sure that we will. You have outlined some of the problems regarding the movement of transport and freight around Scotland. I hope that you agree that people need to go out and buy what they need, not what they want, and if they did that it would be easier for everyone to get what they need, not just for some people to overstock their homes. I am sure that you would agree with that.

Michael Matheson: Absolutely. As the sector has told us, there are enough supplies in the chain; the issue is people overbuying. The selfish nature of that is having an impact on some of the most vulnerable members of our community. I very much welcome the action that some of the supermarkets and retailers have taken by having protected time for elderly and disabled people to have access to their shops in the mornings for a restricted period. If people would buy only the goods that they require at that point, it would ensure that everyone has access to the foodstuffs and household goods that they require.

I very much agree with what the convener said and I hope that all members will continue to impress that message on people in their communities and encourage people to act responsibly.

The Convener: It is important that everyone understands that it is about thinking about everyone not just about oneself. That concludes today's meeting.

Meeting closed at 11:20.

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