



OFFICIAL REPORT
AITHISG OIFIGEIL

Meeting of the Parliament (Hybrid)

Tuesday 2 February 2021

Session 5



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

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

Tuesday 2 February 2021

CONTENTS

	Col.
TIME FOR REFLECTION	1
TOPICAL QUESTION TIME	3
Covid-19 (Vaccine Roll-out)	3
Crown Office (Malicious Prosecution Compensation Payments)	7
COVID-19	9
<i>Statement—[First Minister].</i>	
The First Minister (Nicola Sturgeon)	9
CONSTRUCTION AND PROCUREMENT OF FERRY VESSELS	33
<i>Motion moved—[Edward Mountain].</i>	
Edward Mountain (Highlands and Islands) (Con)	33
The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse)	36
Graham Simpson (Central Scotland) (Con)	39
Colin Smyth (South Scotland) (Lab)	41
John Finnie (Highlands and Islands) (Green)	43
Mike Rumbles (North East Scotland) (LD)	45
Stewart Stevenson (Banffshire and Buchan Coast) (SNP)	47
Peter Chapman (North East Scotland) (Con)	48
Stuart McMillan (Greenock and Inverclyde) (SNP)	50
Rhoda Grant (Highlands and Islands) (Lab)	52
Kenneth Gibson (Cunninghame North) (SNP)	53
Finlay Carson (Galloway and West Dumfries) (Con)	55
Angus MacDonald (Falkirk East) (SNP)	57
Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP)	58
Colin Smyth	60
Jamie Halcro Johnston (Highlands and Islands) (Con)	61
Paul Wheelhouse	63
Maureen Watt (Aberdeen South and North Kincardine) (SNP)	66
SCOTTISH PARLIAMENT (ASSISTANCE FOR POLITICAL PARTIES) BILL: STAGE 3	68
<i>Motion moved—[Bill Kidd].</i>	
Bill Kidd (Glasgow Anniesland) (SNP)	68
The Minister for Parliamentary Business and Veterans (Graeme Dey)	69
John Scott (Ayr) (Con)	70
Elaine Smith (Central Scotland) (Lab)	71
Patrick Harvie (Glasgow) (Green)	72
DECISION TIME	74

Scottish Parliament

Tuesday 2 February 2021

[The Presiding Officer opened the meeting at 14:00]

Time for Reflection

The Presiding Officer (Ken Macintosh): Good afternoon, colleagues. As usual, we start this afternoon's business with time for reflection. Our time for reflection leader today is the Rev Dr Alistair May from Dalziel St Andrew's parish church in Motherwell.

The Rev Dr Alistair May (Dalziel St Andrew's Parish Church, Motherwell): Good afternoon.

I urgently needed a spare set of keys to give to a tradesman the next afternoon. I had only one key. At the last minute, I went to the local locksmith's shop. "I don't have the type", he said, "but if you leave the key with me, I'll order one and it'll be ready at 10.30 tomorrow." I agreed.

At 10.30 the next morning, I came back. The shop was closed. I phoned the number on the board outside and it rang out. I came back at 11.30 and 12.30, but it was the same—the shop was shut. I was absolutely raging. I did not even have my own key now, so I was going to have to cancel the tradesman and all my plans.

At 1 o'clock, I tried one last time. The shop was open. The key cutter said, "You're the guy from yesterday." "Yes", I said. "I called at 10.30, 11.30 and 12.30 but you were closed." "Oh", he said. "The delivery didn't come at 10.30. I knew it was important to you, so I shut my shop and went across Glasgow to get your key. Here it is." Needless to say, I felt about 2 inches tall.

Life sometimes preaches a sermon at us. Presiding Officer, thank you for letting me share this sermon with you today. The conclusion? Aside from "Trust small traders", perhaps, it is that we assume the worst in people. We assume that they do not care. We attribute the worst of motives. We cannot even seem to disagree without disparaging. Social media makes it 10 times worse.

St Paul writes of love that it is "patient", "kind" and "not easily angered", but he goes on to say this:

"Love bears all things, believes all things".

Love believes all things. I really struggle with that. Believe the best about one another? Give one another the benefit of the doubt? That can seem terribly naive, or even gullible. I am a Calvinist—we are supposed to believe that all people are

sinful and that their motives are always crooked, and yet Calvin wrote of "Love believes all things" that

"a Christian will consider it better to be taken in by his own kindness and good nature than to cause harm to his brother through ill-founded suspicion",

so maybe it is better to be naive than to be cynical.

When Paul wrote that, I am sure that he had Jesus in mind—Jesus, who saw the whole person and the whole situation; Jesus, who reflected the love of God. The Bible says of God that he is

"compassionate and gracious, slow to anger, abounding in love."

Abounding in love and slow to anger.

I leave you with the parable of my Rutherglen locksmith, but also with the thought that we might start with the assumption that the other person may be doing their best in a situation that we do not understand, and with the humility to consider that perhaps it is us who has got it wrong.

Topical Question Time

14:04

Covid-19 (Vaccine Roll-out)

1. Daniel Johnson (Edinburgh Southern)

(Lab): To ask the Scottish Government how the effectiveness of the roll-out of the Covid-19 vaccine in Scotland compares with that in the rest of the United Kingdom. (S5T-02640)

The Cabinet Secretary for Health and Sport (Jeane Freeman): By 8.30 am today, 610,778 people had received their first dose of the Covid-19 vaccine since 8 December. Yesterday, 34,881 doses were administered in Scotland, which was a 55 per cent increase on the previous Monday.

The Joint Committee on Vaccination and Immunisation was clear that for vaccination to be as effective as possible in preventing mortality from Covid-19, the initial focus must be on older care home residents. In Scotland, 98 per cent of older care home residents have had their first dose. Northern Ireland is reporting a similar proportion, and up to yesterday almost 76 per cent of older care home residents in Wales had had their first dose. England has reported that it has offered doses to all care homes, but there is no publicly available information on the proportion that has been administered.

The rationale for prioritising delivery in the way that we have is clear: age is the greatest risk factor. The Covid-19 actuaries response group has reported its estimate that 20 older care home residents have to be vaccinated in order to prevent one death from Covid-19. That figure increases significantly as we go down the ages. The purpose is to prevent death and serious illness as far as possible, so our prioritisation of the JCVI's groups is the right approach to take.

Daniel Johnson: There has never been a policy intervention as universal in its delivery and so profound in its importance as the Covid vaccination roll-out. As a consequence, people want and deserve straightforward answers with plain facts. They do not want Scottish National Party ministers in Scotland and Conservative ministers in England pointing the finger at one another and dancing on the heads of statistical definitions.

The plain fact is that Scotland has vaccinated 12.7 per cent of our population, compared with 14.8 per cent in Northern Ireland, 16.1 per cent in Wales and 17.8 per cent in England. Scotland has the lowest vaccination rate among the devolved nations and, indeed, the English regions. The Secretary of State for Scotland has claimed that half a million vaccinations remain in storage and

have not been called down by the Scottish Government.

We do not want vaccine nationalism or flag waving, but simple answers to simple questions. Why are we behind, what is being done to catch up and are we vaccinating enough people each day?

Jeane Freeman: There are at least two things in what Daniel Johnson said with which I completely agree. I, too, think that people do not want politicians pointing fingers at each other, and I believe that we need to vaccinate faster in Scotland than we have been.

The plans that are in place from this week onwards will significantly increase the number of vaccinations. I will come back to those plans in a moment. I make the additional point that I disagree with the Secretary of State for Scotland's numbers. They are wrong, but I am not going to get into a debate about that, because we deliberately and consciously, and in a spirit of co-operation, agreed not to publish such figures in order to respect commercial confidentiality and the wishes of the United Kingdom Government.

We cannot square that position with the Secretary of State for Scotland constantly appearing on broadcast media and in print quoting numbers to which we are, apparently, not allowed to respond. I make the simple point that he is wrong about the number of vaccine doses in storage.

We have done a number of things. Later this week, I will write to all members of the Scottish Parliament and all Scottish MPs explaining the changes in vaccine delivery that we are making; the number of additional sites—local sites and supercentres such as NHS Louisa Jordan and the Edinburgh International Conference Centre—that are being stood up; and progress on vaccination of the over-70s and clinically extremely vulnerable people and how we will meet our target to vaccinate them all by the middle of February. We are doing that as well as opening up vaccination slots for people aged over 65, after which we will move on to people aged over 60 and those who have underlying health conditions.

All that detail will be set out for MSPs later this week, along with a list of the centres in each health board area that are, in addition to GP surgeries, providing vaccinations. Some are small and some are large—that depends on an area's geography. We are minimising the amount of travel that individuals in the first four cohorts must undertake to be vaccinated, because we want to encourage maximum take-up and to minimise the obstacles in people's way.

Daniel Johnson: I urge the Secretary of State for Scotland and the Scottish Government to get a

grip of the situation. Numbers are out there and the disagreement is causing confusion. Given that numbers have been publicised, can we please have clarity?

It is also critical that we have clarity about the process, progress and targets. NHS Lothian claims that the data for the over-80s vaccination programme, which general practitioners are delivering, is not included in the weekly figures that Public Health Scotland publishes. That claim comes a week after the health board said that the guidance is not clear. We also have significant variation in health boards' vaccination rates.

People want simple answers to basic queries. Do the Public Health Scotland figures capture all those who have been vaccinated? Are some health boards doing better than others and, if so, why? We missed the target of 1 million vaccinations by the end of January. How many people will have been vaccinated by the end of February?

Jeane Freeman: Mr Johnson made a number of points, which I will go through one by one. On data, I could not agree more with him. At the most senior level, involving Michael Gove and our First Minister, an agreement was reached that the four health ministers of the UK's four nations would agree on what data we would and would not publish. We agreed not to publish information on future supplies, and we discussed what we agreed to publish.

No sooner had that agreement been reached than the Secretary of State for Scotland was out there talking about numbers. I have written to my counterparts—Mr Hancock, Mr Gething and Mr Swann—with a proposition on what we will publish and how, so that we get rid of confusion about numbers. I completely agree that it is important to do that.

Some GP data is subject to a time lag. When we vaccinate anywhere other than in GP practices, we use the vaccine management tool, which produces the numbers that are downloaded for us almost two hourly. Some GPs are included through the tool, and those that are not upload their data at the end of the day. That can mean that there is a lag between what we have at 8.30 in the morning and everything that we receive from general practices. We are working to resolve that and to minimise the lag as much as possible.

There has been significant variation among health boards. That variation is reducing, as we sit with each board to look at its plans and numbers so that we can identify when variation is unacceptable and we need a board to do more. For example, NHS Ayrshire and Arran had planned its clinics for vaccinating cohorts 3 and 4 for too late in the month. It has removed that

information from its website while it replans the clinics to bring the date forward. We are doing as much as we can. We are looking in great detail at what each board is doing and ensuring that boards communicate clearly with the people for whom they are responsible.

When things need to be fixed, such as distribution and supply of vaccines around Scotland, we are taking steps to improve. When there is a lag in data, we are taking steps to improve that. When we cannot make the situation better, we explain that clearly.

As I said, once we have resolved the position, a lot of detail will be sent to all MSPs and Scottish MPs later this week. I hope that we will reach agreement across the four nations this week about the data that we will publish and the data that we stick to.

Donald Cameron (Highlands and Islands) (Con): Looking to the future, can the cabinet secretary say what plans are in place for prioritisation of vaccination of people who sit outside the JCVI priority cohorts? Which, if any, public sector workers, will get priority?

Jeane Freeman: The JCVI is currently considering what advice, if any, it wants to offer the four nations after vaccination of the priority groups has been completed down to people aged 50 and over. We are waiting to hear what the JCVI wants to say to us and whether it will offer any advice. In the meantime, there is some thought being given to that in the Government. However, it is too early to reach a conclusion, especially as we consider how the new strain, which is becoming increasingly dominant, behaves.

The chief medical officer's advisory group is keeping an eye on all of that. The JCVI is giving thought to what, if any, prioritisation there will be once we have reached all those over 50, and whether it will relate to sectoral or other groups. Once we have received that advice and reached a view, we will ensure that Parliament is made aware of it and the reasoning behind it.

Neil Findlay (Lothian) (Lab): Today, the national clinical director said that the vaccination programme is "not a race", but the First Minister has said repeatedly that we are in a race against the virus. I hope that it is a race, and that we will win that race, because that way we will save lives. Are we going as fast as possible to win that race?

Jeane Freeman: The First Minister is right that it is a race against the virus—a virus that is increasingly more infectious than it was this time almost a year ago. The race is twofold. First, we have to vaccinate the JCVI groups as quickly as we can. Secondly, we have to put as many obstacles as possible in the way of the virus being transmitted from one person to another. At the

moment, we do not know that the vaccine will do that. Minimising the virus's opportunity to transmit between people will depend on the actions and behaviour of us all, through complying with restrictions.

As I said to Mr Johnson, I want us to go faster in vaccinating the adult population in the JCVI groups in particular, because we know that the more of them we vaccinate, particularly the older people, the more deaths we are likely to prevent. Every day we are looking in detail at what more we can do and how much faster we can go. Some steps are already in place to ensure that we remove obstacles that restrict pace, but there is undoubtedly more to do. I assure members that I look at that every day, and that our First Minister is very alert to all the actions that we are taking and is challenging us to do much more.

Crown Office (Malicious Prosecution Compensation Payments)

2. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Scottish Government what impact there will be on the Crown Office budget as a result of any payments of compensation to individuals involved in the administration and liquidation of Rangers Football Club, following the admission that they were victims of malicious prosecution. (S5T-02638)

The Presiding Officer: Before calling Mr Fraser, I should say that this is still a live issue. I am sure that members and the cabinet secretary will be careful not to make any comments that would impinge on that.

The Cabinet Secretary for Finance (Kate Forbes): That is why, as Cabinet Secretary for Finance, I am answering the member's question, as it specifically asks about budget. Any legal element of the case would be for the Lord Advocate.

Last week, I outlined the budget for 2021-22, including the budget for the Crown Office and Procurator Fiscal Service. It is now for the Justice Committee to scrutinise the COPFS budget. Arrangements have been made so that the settlements of the cases, including those referred to in Murdo Fraser's question, will not affect the operational effectiveness of the COPFS. They will not require to be met from the COPFS resource allocation that I announced as part of the budget last week.

Murdo Fraser: This case is a scandal. Innocent individuals were treated like terrorists. They were arrested, taken from their homes and held in police custody at the risk of imprisonment and financial ruin, when they had committed no crimes and there was no evidence against them of any significance. As a consequence of what the Lord

Advocate has now admitted, we know that the prosecutions were motivated by malice. That is what we might see in Putin's Russia, not in 21st century Scotland.

To make matters worse, if we are to believe media reports, David Whitehouse and Paul Clark have already been paid £24 million in taxpayers' money, with other claims still pending. At a time when businesses and individuals are crying out for more Covid support, that is simply outrageous. Can the cabinet secretary confirm whether those payments have been made?

Kate Forbes: I understand the emotion in Murdo Fraser's question. As I said, any questions about the legal implications of the case are for the Lord Advocate. Arrangements have been made so that the settlements will not affect the service that the Crown Office provides to victims and witnesses. I can assure Murdo Fraser that they will also not affect the other budget lines that he highlighted.

Yesterday, the Lord Advocate wrote to the Justice Committee to advise that the actions at the instance of Mr Clark and Mr Whitehouse are still pending before the Court of Session. A hearing in the action brought by Mr Whitehouse will be called later this week. The Lord Advocate will be able to provide an update on the disposal of the respective proceedings brought by Mr Clark and Mr Whitehouse.

Murdo Fraser: I thank the cabinet secretary for that answer, although she did not respond to my question. Although the matter is still before the courts, it is a very minor procedural matter that still needs to be disposed of. Taxpayers are entitled to know whether £24 million of our money has been paid to these individuals. I understand that a tax indemnity substantially increased the sums that were paid.

There are serious issues to be addressed. It is essential that there is public confidence in the justice and prosecution systems. We have seen catastrophic failures that could amount to corruption. Does the Scottish Government now accept that the only way to get the answers is to have a full, independent and judge-led public inquiry?

Kate Forbes: Subject to the agreement of the Parliamentary Bureau, the Lord Advocate intends to make a statement to the Scottish Parliament on the matter at the earliest opportunity. I am sure that Murdo Fraser will have the opportunity to ask further questions at that point.

Covid-19

The Presiding Officer (Ken Macintosh): The next item of business is a statement by the First Minister on Covid-19.

14:22

The First Minister (Nicola Sturgeon): I will update the Parliament on the Cabinet's review of the current lockdown restrictions, which took place earlier today. Let me say at the outset that—with a limited but very important exception in relation to some early years and school education, which I will come to later—the Cabinet has decided that the current lockdown, including the requirement to stay at home except for essential purposes, needs to remain in place until at least the end of February.

In the course of my statement, I will give an update on the current state of the epidemic, which provides the context for that decision, I will give an update on our vaccination programme and I will set out some of the additional measures that we intend to take to get and keep the virus under control in the months ahead. Finally, I will set out how and when we hope to begin the process of getting children back to school.

First, I will very briefly cover the latest statistics. Yesterday, 758 positive cases were reported. That represents 7.4 per cent of all tests that were carried out, and it takes the overall number of confirmed positive cases to 181,291. Currently, 1,939 people are in hospital, which is a decrease of 19 from yesterday, and 143 people are in intensive care, which is the same number as yesterday.

I regret to report that, over the past 24 hours, a further 69 deaths were registered of patients who first tested positive over the previous 28 days. The total number of deaths under that measurement now stands at 6,181. Yet again, I send my deepest condolences to everyone who has lost a loved one.

As is evident from those figures, the level of Covid infections clearly remains too high. However, the most recent figures provide further evidence that lockdown restrictions are working to improve the situation. That is positive. Average daily case numbers have more than halved in the past three weeks. In the most recent week, up to 29 January, an average of 1,062 confirmed new cases were reported each day. Three weeks ago, the average daily number was more than 2,300. Weekly case numbers per 100,000 of the population have also fallen from 302 in the week ending 8 January to 136 in the most recent week.

Test positivity has also reduced. In the seven days up to 29 January, it averaged 6.6 per cent. That is still higher than the 5 per cent that the World Health Organization considers to be indicative of an outbreak being under control, but it is closer to that level than it has been in recent weeks.

Pressure on our national health service continues to be severe. The number of Covid patients being treated in hospital remains around 30 per cent above the high point of the first wave last April. However, hospital admissions in this wave appear to have peaked on 12 January. They have now stabilised and are starting to reduce, albeit slowly. ICU numbers are more volatile, but they did not reach the peak of the first wave and also appear to have peaked in this wave on 18 January.

All in all, the statistics show real progress. However, that progress is down to compliance with the lockdown restrictions. I thank everybody across the country for that.

The situation continues to be fragile. Case numbers remain higher now than in the week before Christmas. That means that, if we were to ease restrictions too quickly, there is a risk that infections would rise again very quickly. That risk is increased by the fact that the new variant of Covid, which is more infectious, now accounts for, we estimate, around 73 per cent of all new cases in Scotland.

I can also advise Parliament that Public Health Scotland is examining evidence suggesting that there may be an increased risk of hospitalisation for people who are infected with the new variant. However, at this stage, there is no statistically significant evidence of any increased risk of death. Public Health Scotland is continuing to analyse the evidence on both those points, and we will keep Parliament updated.

I can also advise Parliament that, to date, there have been five cases of the new South African variant identified in Scotland. However, all those cases have links to travel, which means that there is no evidence so far of community transmission of that variant.

All of what I have set out underlines the need for continued and very extreme caution in our fight against Covid, especially if we want to get some children back to school later this month. That is why the Cabinet has reached the conclusion that the lockdown restrictions must stay in place until at least the end of February.

However, if our progress continues, I am cautiously—I stress the word “cautiously”—optimistic that, as more and more people get vaccinated, and with the protection of some of the additional measures that I will cover shortly, we

may be able to begin looking towards a careful and gradual easing around the start of March. I will give an update on that in two weeks.

Let me now report on the progress of our vaccination programme. I can confirm that, as of this morning, we have given a first dose of the vaccine to 610,778 people in Scotland. That includes 98 per cent of all residents in older people's care homes, which is a truly extraordinary uptake, and 83 per cent of the number of over-80s we estimate to be living in the community. I will return to that point shortly.

In addition, I can advise that 21 per cent of over-75s have already received their first dose. We are on track to have vaccinated with the first dose all over-70s and all adults who are classed as being especially clinically vulnerable by the middle of this month. Vaccination of the 65 to 69-year-old age group is also under way from this week. Those aged 60 to 64 and unpaid carers will start to receive appointments from the third week of February.

Therefore, we are making rapid progress in protecting those who are most at risk from Covid. Nevertheless, I expect that there will be legitimate questions today about the overall number of vaccinations in Scotland compared to the numbers in other parts of the UK. That is reasonable. However, I will make two initial points.

First, we have been very deliberately trying to achieve as high an uptake as possible in the top priority groups, and we believe that we are achieving a higher uptake than elsewhere. For example, we have not just offered vaccination to all older people in care homes; we have achieved an actual uptake of 98 per cent among residents and 88 per cent among staff working in older people's care homes. That really matters in reducing the burden of illness and deaths.

The situation is similar in the over-80s group. The 83 per cent that I reported earlier is based on a cohort number that we think is overestimated. The work that we have been doing with health boards to refine those numbers suggests that the actual uptake among over-80s is already closer to 90 per cent. Those uptake figures are way beyond anything achieved in the flu vaccine programme.

Vaccinating the most vulnerable to the greatest extent possible is very important, even if it takes more time to do so, because it will help to save more lives.

All that said, though, it is clearly the case that overall volumes also matter, and that leads to my second point. As we make more use of mass vaccination centres for the younger age groups, we expect the daily rate to increase. For example, the figure reported today shows that just under 35,000 first-dose vaccinations were given

yesterday, which reflects in part the opening of new centres. That is our highest daily number so far, and it is 55 per cent higher than last Monday.

Having achieved greater depth in the programme so far, in the form of high uptake among priority groups, our challenge now is to accelerate on breadth, in the form of numbers overall, and that is what we will be doing. It is right, however, that this is all subject to close and on-going scrutiny, and we will continue to provide the daily figures that allow that to happen.

As we continue to suppress the virus within our own borders and increase the protection of the vaccine, it is also essential that we guard against the fresh importation of cases from overseas. That is particularly important as the virus mutates and new, more infectious and potentially more severe variants emerge. As we look ahead, we must learn from past experience.

For example, we now know that, by early July last year, we had almost eliminated Covid in Scotland but then allowed it to be reseeded from overseas travel. We must guard against that happening again. It is to that end that the four United Kingdom nations have already agreed that travellers who are coming into the UK from countries that have a travel ban in place will be required to quarantine in hotels. That is a necessary measure but, in the Scottish Government's view, it does not go far enough.

First, very few people should be coming here from countries that have a ban in place anyway. Secondly, that approach leaves open the possibility that people will travel into the UK from those countries via third countries. Thirdly, an approach to managed quarantine that includes only countries where new variants have already been identified is too reactive, because often by the time a new variant has been identified through genomic sequencing, it will already have spread across borders.

The firm view of the Scottish Government is that, in order to minimise the risk of new strains coming into the country, managed quarantine must be much more comprehensive. I therefore confirm today that we intend to introduce a managed quarantine requirement for anyone who arrives directly into Scotland, regardless of which country they have come from. Obviously, we cannot unilaterally implement immediate managed quarantine for people who arrive in other parts of the UK before travelling on to Scotland, so we will continue to urge the UK Government to adopt a similarly comprehensive approach. If it does not wish to do so, as is its prerogative, we will ask it to work with us to reduce the risk among people who are travelling to Scotland via ports elsewhere in the UK. We will set out more detail of how and

when the managed quarantine system will be operational as soon as possible.

I understand how tough restrictions are for our travel and aviation industry, as they are tough for individuals, so we will also work with the UK Government to ensure that the sector gets the support that it needs until such time as we are able to start to ease travel restrictions.

It is vital that we guard against the importation of new Covid cases. However, it is also crucial that we continue to identify cases and break chains of transmission here, in Scotland. We are already increasing the accessibility of testing, for example, by increasing the number of mobile test facilities that are available, creating additional local and regional test centres, and making more use of fire service stations for testing in rural areas. Today, I can set out a further expansion of regular, routine testing of those without symptoms.

From later this month, we will widen the regular testing of healthcare workers so that it covers primary care workers in patient-facing roles, such as general practitioners, dentists, optometrists and pharmacists. From mid-February, regular testing will also be available to all staff who work directly with patients in hospices. We also intend to expand the availability of regular testing in other health settings such as addiction and mental health services. We will introduce targeted testing to support some essential public service functions, including emergency service control rooms and NHS 24.

Staff and patients in certain health settings obviously face an elevated risk of transmission, which is why it is right to focus on those. However, we know that some industries, such as food production and distribution, also have higher transmission risks. We are therefore working with businesses in those sectors with a view to introducing routine testing for their workforces over the course of this month.

Alongside those proposals to test people whose work potentially puts them at risk, we will expand targeted community testing whereby testing is made available to everybody in a local area regardless of whether they have symptoms. That can play a particularly valuable role in communities where prevalence is stubbornly high or starting to rise again.

In recent weeks, local councils have submitted proposals for community testing. We have been considering those in the light of the lessons from the pilot projects that were conducted at the end of last year. Community schemes have already been agreed across seven local council areas in the health boards of Fife, Grampian and Ayrshire and Arran. By the end of this week, we will have agreed community testing plans across the

majority of mainland local authority areas. In addition, mobile testing units are already being used for targeted community testing in the Ayrshire and Arran, Dumfries and Galloway, Scottish Borders and Forth Valley health boards. Those testing units, which offer tests to people regardless of whether they have symptoms, are already finding cases on a daily basis that would otherwise not be identified. The health secretary will, in due course, set out more detail of everything that I have announced.

One of the purposes of increased testing is, of course, to help to break more chains of transmission. However, that requires good support for self-isolation. The latest available survey evidence, which is UK-wide, suggests that there is good compliance with self-isolation, but we know that we need to do more. I therefore confirm that we intend to extend eligibility for the £500 self-isolation payment to everyone on an income below the level of the real living wage. More details of that and the other steps that we intend to take to support people who are required to self-isolate will be set out shortly by the social security secretary.

I now turn to education, which I am sure is what the many parents who are watching most want to hear about today. It is a statement of the obvious that all of us want to see children and young people back in full-time, face-to-face education as soon as possible. The closure of school premises to most pupils right now is, unfortunately, necessary in the interests of protecting the country overall from the harm of the virus. Evidence of the wider health, developmental and social harms that are being experienced by children and young people concerns all of us, and—I know that this will resonate with parents, in particular—it concerns us more with every day that passes. I am also acutely aware of the pressure that school closures are putting on working parents and on family life more generally.

I have to be candid and say that our room for manoeuvre, given the current state of the pandemic, is limited. However, I want to be equally candid, as I have been before, about the Government's determination to use every inch of headroom that we have to get children back to school, even if that means adults living with restrictions for longer. In short, the judgment that the Cabinet arrived at this morning, which is based on and takes full account of the advice of our expert advisers, is that, if we all agree to abide by the lockdown restrictions for a bit longer so that our progress in suppressing the virus continues, we can begin a phased, albeit gradual, return to school from 22 February, following the mid-term February break.

The decisions that I am about to outline are intended to give young people, parents and

teachers as much notice as possible, but I must stress that they are subject to continued progress in suppressing the virus and will be subject to final confirmation in two weeks' time. However, as of now, our intention is that, from the week beginning 22 February, there will be, first, a full-time return of early learning and childcare for all children below school age; secondly, a full-time return to school for all pupils in primaries 1 to 3; and, thirdly, a part-time return, albeit on a limited basis, for senior-phase pupils, to allow in-school practical work that is necessary for the completion of national qualification courses. Initially, though, it is intended that there will be no more than around 5 to 8 per cent of a secondary school roll physically present at any one time for those purposes. We also intend to enable small increases in the existing provision for children and young people with significant additional support needs where there is a clear and demonstrable necessity.

We will, hopefully, confirm those decisions in two weeks' time. I also hope that, at that stage, we will be able to set out the next phase of the gradual return to school and even an indicative timescale for the return of in-person learning in our colleges and universities.

Before I leave the topic of education, I will make an additional point. I spoke earlier about testing, and that is relevant to education, too. I can confirm that there will be a significant expansion of testing in educational settings to support the return to nurseries and schools in the weeks ahead. It is our intention that those who work in schools and in early learning and childcare settings that are attached to schools will be offered at-home testing twice a week. All senior-phase secondary school students will be offered that as well. The testing offer will be in place for schools as soon as possible, to support their return on the basis that I have set out, and we will extend that to the wider childcare sector in the weeks that follow.

I think that I speak for everyone in the country when I say that we are determined to get our children back to normal schooling and, by extension, as much normality back in their lives just as quickly as it is safe to do so. That is our overriding priority, and I think it is right that that is the overriding priority for us all. I again thank young people and their families, as well as teachers and school and nursery staff more generally, for the patience and understanding that they are showing during these incredibly stressful times.

We are making progress in suppressing the virus and getting people vaccinated, but we need to do more on both of those fronts in the weeks to come. The path ahead remains difficult—it is important to be candid about that. The virus is still circulating not just here but across the UK, Europe

and the world. Of even greater concern is the fact that it is mutating. We must remain vigilant and disciplined. To get the virus more under control, and so that we can prioritise every bit of headroom that we create to get children back to school, unfortunately, we must all stay at home except for permitted, essential purposes for a bit longer, which will be at least until the end of this month.

When we are able to start the process of slowly easing lockdown, to give us all more normality in our day-to-day lives, we will have to accept that some mitigations, such as physical distancing and face coverings, will be necessary for a while yet. I am afraid that we will also have to accept that the price of greater domestic normality is likely to be, for a period at least, not going on holiday overseas. Those are not easy trade-offs, but they are essential as we continue our journey through and, hopefully, out of the pandemic.

I am grateful to everyone for their continued sacrifice, and I ask everyone to stick with it. Please stay at home, protect the NHS and save lives.

Ruth Davidson (Edinburgh Central) (Con): A return date for nurseries and early primary and for part-time schooling for older year groups is welcome and it will allow parents across the country to plan. However, it is clear that heavy restrictions will remain in place until enough Covid-19 vaccine is delivered to enough people.

At the moment, all the evidence shows that the Scottish Government's roll-out is slow, stuttering and lagging way behind that of the rest of the UK. Although we saw record highs elsewhere this weekend, on Sunday Scotland saw the lowest number of jags administered since the start of the mass roll-out more than a month ago.

As we said last week, the new mass vaccination centres, which are already open elsewhere, will help pick up the pace. However, throughout January, the First Minister has disputed any and all criticism. She has rubbished suggestions from GPs, patients and even the British Medical Association Scotland that Scotland's roll-out was sluggish and missing targets that it needed to hit.

The First Minister's argument today is that we are starting to catch up on vaccinating the over-80s, but the same problem is happening with the next cohorts. Today's statement indicates that 21 per cent of 75 to 79-year-olds have received the vaccine, which is good news for them, but that is still just a quarter of the proportion vaccinated south of the border.

The problem extends to all the over-70s. They are writing to us in huge numbers about another missed target. Last Friday, Jeane Freeman said that they would get invitation letters

“by the end of this week”.

Those people have been waiting, but that has not happened.

By what date will all over-70s get their letter, or be otherwise contacted? Will the First Minister now accept further offers of support from the armed forces? Will she now finally explain why the roll-out in Scotland is so far behind?

The First Minister: Every single one of those questions is a fair question—I do not dispute that—and I will address each and every one of them. Indeed, whether all of them are accurate is another matter, but they are all fair, and it is incumbent on me and the Government to make sure that we address them.

I have not rubbished the concerns of anyone. In fact, we have worked with GPs and others to make sure that any issues that are being raised are appropriately addressed and that any challenges that are being faced are overcome.

The notion that we will be living with restrictions until all of us across the UK, and further across the world, have vaccinated significant numbers of people is right—to a point. It is also important for all of us to be candid that, given what we do not yet know about the impact of the vaccine on transmission, we might be living with some degree of restriction even after we have vaccinated significant proportions of our population. It is because of what we do know about the impact of the vaccine—that it operates to reduce severe illness and death—that it is so important that all of us have focused first on vaccinating those who are clinically most vulnerable.

On Ruth Davidson’s specific question on over-70s, every adult in the clinically extremely vulnerable group will have had a letter by the end of this week at the latest. More importantly, we are on track to meet the target that we set, which was to have vaccinated everyone in those groups with their first dose by the middle of February. We have got to a higher uptake among over-80s ahead of the target that we set for that group than I thought was possible even just a week ago.

I am not denying that we want to accelerate our overall progress—I will come back to that point in a second—but neither will I apologise for having deliberately focused on maximising uptake among our clinically most vulnerable groups. I can stand here and say that of the older residents in our care homes it is not just the case—as is being said elsewhere—that they have all been offered vaccination; 98 per cent of them have had their first dose of the vaccine, as have 88 per cent of the staff who work with them. That is important, because it will help us to save lives and reduce the burden of illness. Similarly, although, as I said in my statement, we are refining the numbers that we

believe are in the over-80s cohort, we think that we are probably close to 90 per cent of over-80s having had the vaccine. We will see the number in the over-70s group grow day by day over the course of this week.

I come on to the point about the overall rate of progress, which is a legitimate one. I want to see the daily rate grow and accelerate, which is why I look at today’s number and will look even more closely at tomorrow’s number and those for the rest of this week. The number that we are reporting today, which covers the number of people who were vaccinated yesterday, is 55 per cent higher than the number reported last Monday. It is also the highest daily number that we have recorded so far.

Having achieved depth in those top clinical priority groups, our challenge is now to get breadth in the overall acceleration of progress in the programme. That is what we are absolutely focused on.

Jackie Baillie (Dumbarton) (Lab): I thank the First Minister for advance sight of her statement. I welcome the expansion of community testing, which I raised with her previously. I, too, send my condolences to families who have lost loved ones.

Almost a year into the pandemic, we are all too aware of the negative impacts that lockdown and school closures are having on children and young people. Last Thursday, the equality and fairer Scotland budget statement cited challenges for attainment and career progression. We know, too, that those from disadvantaged backgrounds will feel such challenges even more acutely. Yesterday, the Institute for Fiscal Studies set out that, by the time that the pandemic is over, most children will have missed more than half a year of normal, in-person schooling. The lifetime cost of that could be as much as £40,000. The effect of Covid on lost learning could therefore translate into lower incomes and higher inequality.

Education Scotland is now releasing weekly reports detailing all the issues that pupils and teachers still face. I say to the First Minister that significant remedial action is still required, over and above what is already being done. What more will the Scottish Government do to address that concern? Further, councils and parents have highlighted significant difficulties in ensuring provision for pupils with additional support needs, the consequences of which have been hugely detrimental to their wellbeing. What increases in such provision will be offered, and what criteria will be used to decide which pupils will benefit from them?

The First Minister: I do not think that anyone is anything other than deeply concerned—I know that I am—about the on-going and cumulative

impact on young people of having their school lives so seriously disrupted. That is why the Scottish Government's most important objective is to get young people back to school.

I hope, based on what we have set out today, that that process will begin on 22 February. I do not know what plans other Governments will set out, but I think that we are the first Government in the UK to set out the start of that phased return. We will want to accelerate that as quickly as we can. That is the most important thing that we can do to help young people not to experience any further impact from Covid in that form.

We will also—for some time, I think—be requiring to invest more and to provide more support to schools, teachers and indeed parents to help children to catch up in terms of the impact of lost time in school over the past year. The education secretary continues to discuss with the Convention of Scottish Local Authorities and with education interests exactly what form that will require to take over the medium to long term.

In the here and now, the Deputy First Minister has already set out additional funding to give councils the flexibility to do more, for example, around digital access to learning or to provide greater support directly to parents. We will continue to do that.

Similarly—and I will ask the education secretary to make more information on this available—we are looking on an on-going basis at those with additional support needs. That is why, as well as the phased return that I set out today, we are also trying to increase the provision within the existing arrangements for those with significant additional support needs.

In a situation that has been difficult in every respect for literally every person in the country, the impact on young people is the one that certainly grieves me the most and, I think, is the one that we will be requiring to pay attention to for the longest. Let us focus on not only getting them back to school but doing everything that we can to make sure that there is not the lifelong impact that some have expressed concerns about.

Patrick Harvie (Glasgow) (Green): Expanding eligibility for the self-isolation grant is welcome, but there is clearly a need for a wider support package. The Greens will bring that debate to the chamber tomorrow.

Quarantine measures for international travel are welcome, too. Such measures could have prevented so much harm if they had been in place over the past months, but it is good that they will finally be there.

Parents, pupils and teachers all want schools to get back to normal, but that cannot be at the cost

of safety and the Educational Institute of Scotland is continuing to urge caution. The Greens have called for the expansion of regular testing for school staff for months now, and the Parliament backed that position in November. Therefore, having announced a system of twice-weekly home testing today, can the First Minister tell us whether that will be fully in place by the 22 February return date?

Given that social distancing will be needed in classrooms, because we still do not know enough about transmission of the new variants and, in any case, many pupils will continue to need to self-isolate, is it not clear that even a phased return must also be based on blended learning, with resources in place to ensure that teachers' workload is manageable?

The First Minister: The arrangements that I have set out for twice-weekly home testing will be in place for schools as they return on a phased basis from 22 February. In the weeks thereafter, it will be further extended across other educational settings such as early years.

There is also an existing provision that has been in place since schools returned last August. Any member of school staff who believes that they have been exposed to the virus, even if they do not have symptoms, can access polymerase chain reaction testing. I take this opportunity to remind people who are working in our schools that that is available.

On the general questions about the safety of schools, if I was not so concerned about making sure that everything that we did was consistent with that paramount requirement to keep schools and everybody in and around schools safe, we would be making sure that every young person got back into school as quickly as possible, because the impact on young people of being out of school is significant. However, it is because we need to do that safely that we are taking a careful, gradual and phased approach to the return to school.

The new variant definitely makes it essential that we continue to be cautious. I am happy to ask the chief medical officer for Scotland to arrange a further briefing for MSPs as soon as possible on what we are learning about the new variant. I have certainly not seen any evidence that suggests that the new variant is disproportionately affecting young people more than other groups but, because it is more infectious, it is liable to infect all age groups more than previous strains of the virus did.

As I said, Public Health Scotland is doing further analysis of some initial evidence that suggests that there might be a statistically significant increased risk of hospitalisation—not particularly for young people but for the population generally—

associated with the new variant. For all those reasons, we need to continue to be cautious.

On Patrick Harvie's question about blended learning, although we want young people back in school full time with as much face-to-face provision as possible, we will need to have blended learning available as a contingency as we go through the next phase of the pandemic. The senior phase return that I spoke about earlier will be on the basis of blended learning. It will involve limited in-school face-to-face provision for essential practical work that is necessary for exam courses. We need to have those contingencies to ensure that, as we get young people back to school, we do so in a way that is consistent with overall safety.

Willie Rennie (North East Fife) (LD): I have been raising the issue of routine testing for weeks—in fact, months—so I am pleased that it will be rolled out more widely, including in schools. However, it is not clear whether the First Minister will ensure that the routine testing is available before pupils go back or when they go back, so I would like clarification on that.

The First Minister has been very controlled today, but previously she has been irritated by comparisons with England on the roll-out of the vaccine. However, it is a fair benchmark to use. We need to be ambitious and think about what could be done. We are way behind where England is, and we need to work harder to catch up. The First Minister clings on to the care homes explanation for the slow roll-out, but there was no reason to hold back the rest of the programme while we did the care homes, so she should ditch that explanation from now on.

I praise the teams for vaccinating 35,000 people yesterday. At last, we are moving in the right direction, but it has taken seven weeks to get there, and we are still behind England by a margin of 200,000—that is what could be done if we were keeping pace with England. Therefore, what new steps will the First Minister put in place to close that gap?

The First Minister: I am not clinging on to anything. People can make their own judgments on the issue, which is perfectly legitimate, but I am trying to explain rationally the trade-offs in the early part of the programme. I described it in shorthand in my statement as a trade-off between depth and breadth. As we go further into the programme, we do not have the same trade-off, as we are now trying to do both. However, in the early stage of the programme, it is about making sure that we absolutely maximise uptake in the most clinically vulnerable groups, which means not just those in care homes but the over-80s.

The information that we are publishing daily on the breakdown of vaccinations is, I think, much more detailed than the information from other parts of the UK, so I do not have comparable figures. However, saying that 98 per cent of people in care homes have actually been vaccinated is different from saying that 100 per cent have been offered vaccination. I do not know what the actual vaccination rate in care homes is elsewhere in the UK. Similarly, on the over-80s, I suspect that we are now getting to uptake among the over-80s that will be at least the same as and possibly even higher than it is in other nations in the UK. Work is still going on to refine some of the overall numbers in the cohort, but we estimate that we are getting close to 90 per cent of over-80s having actually had the vaccination. Those are extraordinary uptake figures, and it is a great credit to the people who are coming forward so enthusiastically for vaccination.

That matters, because those are the groups who are most likely to become ill and die, and we know that the vaccine has an impact on that, whereas we do not yet know whether it has an impact on transmission of the virus, although we hope that it does. That is why, in the early part of the programme, we have concentrated on that depth. Now, in the numbers that I have reported today, we see that that is starting to be replicated in the breadth of the programme, although obviously we have to monitor the situation this week and into future weeks.

The member raises legitimate questions, and a legitimate argument can be made that we should just have gone for breadth rather than depth. I accept that, but my judgment is that we have approached the issue in the right way. However, it is right that we are under serious scrutiny to make sure that the pace of the programme is what people expect. I do not complain about that for a single second. For every one of the questions and every ounce of the scrutiny that has been rightly applied to me, the health secretary and I are making sure that that is applied in the system as well, so that we get it moving at the speed that we need it to.

As regards the question about what additional work we are doing, that is all in the planning and the deployment plans that the health secretary has set out. As we move into the younger age groups, we will bring more of the mass centres on stream, as has happened this week. Such mass centres are not necessarily as appropriate for members of the older age groups, who prefer to be vaccinated in their GP surgeries. However, as we move down the age groups, the mass approach to vaccination will become much more important.

I not only expect but encourage Parliament to keep intense scrutiny on the issue, because it is in

all our interests that we get the vaccination programme going at the speed that we all want it to go.

The Presiding Officer: I am conscious of the fact that about 16 other members want to ask questions.

Annabelle Ewing (Cowdenbeath) (SNP): The extension of lockdown to at least the end of February will come as little surprise to my Cowdenbeath constituents. However, I believe that people want to know where we are headed, so that they can have some hope. Can the First Minister confirm that, when lockdown is lifted in due course, we will revert to the strategic framework tiers approach, with the consequent possibility of moving down from tier 4 to lower levels, and therefore having greater normality in our lives?

The First Minister: Yes. We hope that, as we come out of the lockdown restrictions that we are under at the moment, we will move back to a levels system, in which the restrictions that we apply in different parts of the country will be dependent on the prevalence of the virus in different parts of the country.

We are conducting a review of the levels system that we applied previously to ensure not just that we have learned from the experience of that, but that the content of and the indicators for that levels system remain appropriate in light of where we are now and, in particular, in light of the new faster-circulating variant of the virus. Over the next couple of weeks, we will provide an update on that review and start to look ahead to when we might be able to come out of a national—or virtually national—lockdown into a more varied approach, depending on how the virus is behaving in different parts of the country.

As I said in my statement, we hope to be in a position in which, around the start of March, we can start to look ahead to what may be a gradual but nevertheless a definite easing of the restrictions that we are under, but that will depend on our progress on vaccination and on suppressing the virus now. It will also depend on our having sufficient headroom to do that beyond the headroom that we need to get children back to school. At the moment, we want to use any headroom that we think that we have to get children back to school. Once we think that we have got enough, we can move on to easing restrictions for the rest of the population.

In summary, right now, all of us, as adults, have to be prepared to live with some restrictions for longer in order to get children back to greater normality first.

Maurice Golden (West Scotland) (Con): Last week, in an answer to my written question, it was

revealed that 14,000 pupils did not have access to devices for online learning. Many of those pupils are in our most deprived communities; they include 1,800 in Renfrewshire, 1,700 in West Dunbartonshire and 1,300 in Dundee. Why is that the case?

The First Minister: We have already made additional money available to local authorities to help them to fill those gaps. We have always recognised that a number of young people were not being reached through the existing digital provision. We made money available earlier on to get devices and connections to a number of households across the country. The additional money is intended to help local authorities to go further and to continue to close those gaps. We will continue to try to do that on an on-going basis while doing the even more important task of getting children back into face-to-face learning.

Stuart McMillan (Greenock and Inverclyde) (SNP): Will the First Minister clarify the focused role of GPs in delivering the vaccine roll-out? Does she expect that to change over the next three-week reporting period?

The First Minister: GPs have a very important role to play in the delivery of the vaccine, and that will continue to be the case throughout the progress of the vaccine programme.

In the initial stages, GPs have been focused on vaccinating the most vulnerable. In the past couple of weeks, that has been the over-80s, because we judge that, for the older, frailer members of our communities, access through GP surgeries is the best way of getting them vaccinated quickly. As I said earlier, we think that close to 90 per cent of the over-80s have already been vaccinated.

As we get down into the younger age groups, we will make—and are already making—more use of mass-vaccination centres, where people's appointment letters will tell them to go. It might not be the Edinburgh International Conference Centre or the NHS Louisa Jordan, for instance; it might be a local village hall or community centre where they will get vaccinated, while GPs focus on people who are more vulnerable or older, for whom it is considered that general practices are the best places for vaccination to happen.

A mixed approach will be taken throughout. If GPs were asked to do the whole of the programme, they would not be able to do anything else. Likewise, if we did not have GPs as an integral part of it, we would miss a lot of people who would otherwise be vaccinated that way. We will continue to pursue a sensible approach, and GPs will always be integral to that. I take this opportunity to thank them for the incredible work that they have been doing so far.

Iain Gray (East Lothian) (Lab): Today's report from the Poverty Alliance is only the latest one telling us that remote learning, while necessary, has widened the attainment gap. East Lothian Council has partnered with Queen Margaret University and the STV children's appeal to launch a tutoring initiative to support 300 senior pupils, mitigating the effects of lockdown on learning. With lockdown continuing for most pupils, why are the Scottish Government and Education Scotland not ensuring that such support is available everywhere?

The First Minister: A tutoring arrangement is available through the e-Sgoil platform. We will be interested to look at the approaches that local authorities are taking to see whether we can do more to extend them across the country.

Everybody recognises the impact that the situation is having on young people, and I, the Deputy First Minister and everybody in Government want to do everything possible to help young people to minimise that impact and to catch up with learning that they have lost. The tutoring arrangements are available, but we will be open minded about anything that we can do to extend such opportunities further.

Bruce Crawford (Stirling) (SNP): Does the First Minister agree that the most complex and challenging stages of the vaccine programme lie ahead, as we seek both to increase the pace of the roll-out and to ensure that second doses are timeously administered to the most vulnerable? Now that more than 610,000 of the first vaccine doses are in people's arms, we need to ensure that adequate supply is available to administer the second dose. What assurances can the First Minister provide in that regard and on the future roll-out programme?

The First Minister: Every stage of the vaccination programme will bring its own challenges—Bruce Crawford is right. As I have tried to reflect, we have an obligation and a challenge to go deep into every cohort, maximising uptake, while going through the bulk of every cohort as quickly as possible. Breadth and depth cannot be trade-offs as we go through the rest of the programme; we have to achieve both, and that is what we are focused on.

As regards the need to start the second doses, I note that some second doses are now being administered on a daily basis but, as we get to the 12-week point for the bulk of people who have been being vaccinated so far, we must ensure that the modelling of our supply versus uptake is sufficient. I can give the assurance that that is fully factored into all the assessments and assumptions that we make in our modelling of the rate at which vaccination will happen over the weeks to come.

Jamie Greene (West Scotland) (Con): It is undoubtedly true that the attainment gap is now at serious risk of widening, especially in our most deprived communities. What is being done to help pupils to catch up with their lost education? Why are so many supply teachers—newly and recently qualified teachers—still contacting us to say that they are looking for work? Why are they not out there, helping those who have been hardest hit by absences? Should there not be a national call for anyone who is able to help to come forth and do so?

The First Minister: Yes. There should be no reason why supply teachers are not able to get work right now. We have already made £45 million available to local authorities to employ additional staff. Local authorities should be making full use of any offers of supply teachers that come their way, because the funding is there for that—let that message go out loudly and clearly.

A range of things is being done to support children while they are out of school and to try to minimise the on-going impact on their education—I spoke about digital provision, including the resources that are available on the e-Sgoil platform. There is a range of ways in which we will support local authorities to make sure that they have in place the staffing and resources to support children as they start to return to school.

All that is vitally important, but I come back to the central point that, what matters most right now in this phase of dealing with the pandemic, is that we act in a way that opens up the space to get children back to school as quickly as possible.

Ruth Maguire (Cunninghame South) (SNP): As the vaccination programme progresses and the country begins to move out of lockdown, will consideration be given to prioritising the opening of sports and leisure activities? It was a cause of great consternation to many of my constituents that pubs were open before folk could go to the gym or take part in sport that could be operated safely and positively contribute to physical and mental health.

The First Minister: That is a reasonable question. Obviously, all of us want to get everything back to normal as quickly as possible, but we learned last year that we cannot do everything at once, and therefore we have to prioritise. Perhaps we did not always make the right choices when it came to prioritising things last year.

That is not to say that it is not perfectly legitimate for pubs and restaurants and other parts of the economy to want to open, because it absolutely is, and I want to see them back to normal as quickly as possible. However, as we continue down this difficult path and as headroom

opens up, we have to be very clear what our priorities are.

I have been very clear again today that the first priority for the Government is getting children back to education; I think that that has widespread support across the country. Ruth Maguire raises a valid point: after we have done that, what is the order of priority? If we have limited headroom, then other facilities that help with the health and wellbeing of the population absolutely have to be there in our thinking. It will not be an easy balancing act this time round, any more than it was last time round. However, we have the experience of last time and we know what we think that we perhaps did right and what we wish that we had perhaps done differently and we will be seeking to apply that.

Jenny Marra (North East Scotland) (Lab): Today's announcement about getting children back to school on 22 February is most important and is very welcome news.

We know that online learning is very patchy across the country. Some pupils have the opportunity to speak to their teacher daily, but others have not spoken to their teacher for weeks. What are the Cabinet Secretary for Education and Skills and the Scottish Government doing to improve the situation and to make it more sustainable for children who do not have that contact?

The First Minister: That is another important question. That will be a challenge for us for as long as children remain out of school. The first overview report on remote learning has been published; it indicates that there have been some important improvements on the experience last year. Anecdotal feedback that I have received from many people across the country is that the experience of online learning is much better in this second period out of school than it was in the first.

I recognise that there will be variation among the different parts of the country, so the education secretary continues to work with local authorities to make sure that provision is of a uniformly high standard. One of the reasons why additional resources were committed to local authorities was to allow them to invest in areas that they think are important.

For as long as children are out of school, we will continue to make sure that provision is as good as it can be, but we must acknowledge candidly that it will never be as good as having children in school, learning face to face. That is why I come back to the central point, which is that getting back to that as quickly as possible is our driving priority.

Kenneth Gibson (Cunninghame North) (SNP): I welcome the extension of the £500 self-isolation grant to people who earn less than the

living wage. What additional resources would be required to extend that, as many of us would like, to people on average earnings or less, many of whom have families to support?

The First Minister: I do not have to hand exactly how much that would cost, but I am happy to have the suggestion costed and to make that information available. We will continue to consider extensions to eligibility when we think we have resources to support that.

We are still looking at the overall quantum of support and at other practical ways in which people who have been asked to self-isolate can be helped to do that. As I said, the Cabinet Secretary for Social Security and Older People will set out more detail on that shortly.

I absolutely recognise—as, I think, we all do—that being asked to self-isolate is, especially for people with children, a really difficult thing to do, so we have to support people as much as possible.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): At the end of the week ending Sunday 24 January, 7,932 new cases of Covid were identified, with 20,555 contacts having been traced. What proportion of that figure does the First Minister's Government expect have self-isolated, and how many contacts is it estimated have not been traced? Does the First Minister believe that it is important that those data are tracked in order to increase the numbers who are self-isolating and to break the cycle of transmission?

The First Minister: On the survey data that we have on self-isolation, some UK-wide work was published quite recently. I am trying to see whether I can find it in my papers; I cannot immediately do so. I will make it available to members. That University College London data suggests that self-isolation compliance is relatively high—higher than I had thought it might be.

The data also suggests that some people are still expressing that they have difficulty self-isolating. Our focus is on ensuring that we understand the reasons why people are finding it difficult to self-isolate, that we understand what groups of people are finding it difficult, and that we try to target more support at that. Extending eligibility for financial support is a very important step forward. It is not the first step that we have taken, however; we previously widened eligibility to include parents whose children had been asked to self-isolate.

We continue to consider how we can support more people. Often, support is not just financial. The outreach service that councils operate, for example, is dependent on people giving their permission to be contacted. All members could

help by encouraging their constituents to do that. That means that councils will telephone people and offer more practical support—with delivery of shopping and medicines, and up to and including provision of alternative accommodation, if that is needed.

We need to focus on the reasons why people are struggling and we need to help to solve those problems, which is what we continue to do.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): I welcome the extension of the quarantine requirements to anyone who arrives directly in Scotland, no matter where they travel from, and I understand why the Scottish Government cannot unilaterally extend that to people who travel here via other parts of the UK—for example, England. However, given that importation of the virus is crucial and that we nearly had it eliminated in the summer last year, will the First Minister, using the current travel restrictions, tighten checks on people who cross the border?

The First Minister: We talk to Police Scotland on an on-going basis about its approach to enforcement, and it continues to take what it considers to be a sensible and proportionate approach. However, I will ensure that we relay the sentiment behind Christine Grahame's question to the chief constable, and will ask him to consider whether more steps can be taken.

I know that nobody likes the idea of travel restrictions. I hate travel restrictions as much as all the other restrictions, but if there is one overriding lesson that we need to learn from last summer—there is probably more than one lesson that we need to learn from it—it is about the danger of suppressing the virus here in Scotland, as we did successfully, then allowing it to come back in. That is why it is so important that we have in place much tighter restrictions this time.

There will always be difficulty with the border between Scotland and England if Scotland and England do not take the same steps. We will continue to support the four-nations approach as much as possible, but where it is not possible, we have a duty to do as much as we can at our own hand, which is what we intend to do.

Alexander Burnett (Aberdeenshire West) (Con): I am sure that the First Minister will join me in urging everyone to accept vaccination once it has been offered. I appreciate that she might not have the number immediately to hand, but does she have an indication of how many people so far have refused a vaccine after they have been offered it? What is being done to convey to the public the importance of being vaccinated?

The First Minister: I do not have that number to hand. Obviously, the number who have not been

vaccinated in any group, once we have got through the whole group, will not include just people who refuse to be vaccinated; it will also include people who are not vaccinated because of health conditions. In care homes specifically, I think that the 2 per cent who have not taken up vaccination will include people who are very close to the end of their life. We need to be cautious and not assume that the people in any group who do not get vaccinated are all refuseniks or people who are sceptical about vaccination. However, the general point, which is important, is that it is incumbent on us all to encourage people to come forward for vaccination.

The figures speak for themselves. Uptake is very high in the cohorts that we have almost completed. If I had been told a few weeks ago that we would get 98 per cent of older care home residents vaccinated, I do not think that I would have believed it, and if I had been told that we would get to 90 per cent of over-80s, I would have been equally sceptical. The figures suggest that there is enthusiasm and willingness to come forward for vaccination. The number of people who are refusing to do so is very small; we must all work hard collectively to ensure that the number is as small as possible.

Bob Doris (Glasgow Maryhill and Springburn) (SNP): Local authorities and teaching unions are key partners in making a success of roll-out of routine asymptomatic testing for school staff and senior-phase students, and in getting schools back safely, even if that is initially on a phased basis. Has the First Minister had any discussions on those matters with councils and teaching unions that could reassure not only people who are currently working in schools but—which is just as important—staff who might return to schools shortly?

The First Minister: The education secretary in particular has on-going discussions with the education unions and representatives of education staff and councils, through the education recovery group.

I apologise because I think that I omitted to answer a question that I was asked earlier—it might have been by Iain Gray—about the timing of testing starting, in relation to schools going back on 22 February. We intend that the beginning of testing will align with schools going back. The Deputy First Minister will write to members with details of when and how that will be introduced. However, Bob Doris is right that the people who work in our schools are key partners, so it is important that we continue to work closely with them.

Neil Findlay (Lothian) (Lab): It has taken a full year to provide schools with home testing, and we keep being told that the Government is “looking at”

vaccinating those who work in schools. What does “looking at” mean, and will school staff—who are on the front line—have to wait a similarly long time to be vaccinated?

The First Minister: On vaccination, I would have assumed that Neil Findlay, having shadowed the health portfolio for a lot of time—I am not sure whether he still does—would know what “looking at” means. It means considering and taking account of advice from, for example, the Joint Committee on Vaccination and Immunisation. The JCVI has given us advice on the first groups, based on clinical priority—to be blunt, those who, in descending order, are most likely to become ill and die. As the health secretary said earlier, as we go into the wider population, the JCVI will consider whether it wants to advise on priority. We will consider that advice and, in all likelihood, we will—as we always have in the past—adopt that advice.

It is important to stress that there will be teachers who have been, are being and will be vaccinated as part of those priority groups—people who are part of the clinically extremely vulnerable groups, for example. That is the way in which any vaccination programme should proceed: it should be based on clinical advice, which is based on clinical priority. We want to reach, as quickly as possible, the point when the whole adult population has been vaccinated.

Joan McAlpine (South Scotland) (SNP): The First Minister will be aware that the JCVI’s clinically extremely vulnerable list includes everyone who is in receipt of carers allowance, and all unpaid carers of elderly and disabled people who would suffer should that care be withdrawn if the carer tested positive or was required to isolate. Can the First Minister offer that group reassurance that they will be vaccinated with the rest of the clinically extremely vulnerable group this month? Is she confident that the system has been able to identify them all?

The First Minister: I will ask the health secretary to write with more detail on the answer that I am about to give, but yes—we are confident that everybody in the clinically extremely vulnerable group will be vaccinated within the timescale that I set out earlier.

With all such cohorts, there are definitional challenges in ensuring that we are properly capturing people who need to be in them, and identifying everyone who is in them. I have talked a bit today about the over-80s group, which we think we slightly overestimated; we might also have slightly underestimated the numbers of front-line health and care staff. If Joan McAlpine looks at the figures, she will see that we have vaccinated more front-line health and care staff than we said was in that cohort. There will be

challenges that we need to make sure we address.

Unpaid carers will be getting their vaccination appointments starting from the third week in February, but anybody who is in the clinically extremely vulnerable group will be vaccinated in the timescale that I set out earlier.

The Presiding Officer: I apologise to Graham Simpson and Alex Cole-Hamilton, but I am afraid that there is no time for any more questions.

Before we move on to the next item of business, I encourage members to observe social distancing, to wear their masks when they leave the chamber and to follow the one-way systems around the Parliament building. Thank you.

Construction and Procurement of Ferry Vessels

The Deputy Presiding Officer (Christine Grahame): I remind members that social distancing measures are in place in the chamber and that you should take care in observing them. The next item of business is a Rural Economy and Connectivity Committee debate on motion S5M-24025, in the name of Edward Mountain, on an inquiry into the construction and procurement of ferry vessels in Scotland. Those members who wish to speak in the debate should press their request-to-speak buttons.

15:26

Edward Mountain (Highlands and Islands) (Con): I am pleased to contribute to the debate in my capacity as the convener of the Rural Economy and Connectivity Committee. We published our inquiry report into the construction and procurement of ferry vessels in Scotland in December 2020, which was more than a year after we started it. I thank the many people who gave evidence to the committee in person or via written submission, and I thank the clerking team for assisting us.

We note the minister's response to the committee's unanimously agreed report, which is very dismissive of our findings. On the public procurement side, our inquiry has revealed a "catastrophic failure" in Caledonian Maritime Assets Ltd's and Transport Scotland's management of the procurement of vessels 801 and 802, and we have concluded that the current procurement processes and structures are not fit for purpose. The Scottish Government's disdainful response to the committee's critical conclusion is, frankly, surprising.

Contrary to the minister's assertion in his written response that the committee did not highlight in detail the poor performance of the shipyard's former management as a contributory factor to problems with the project, we did. It is clear, however, that the procurement process that the minister is attempting to defend was not fit for purpose. There can be no bigger failure in the process than the inability to identify at the outset that the bidder lacks the management and financial capabilities to fulfil the contract. That is precisely why the committee has called for an independent external review of procurement processes. The minister clearly needs to reflect further on that recommendation and take the necessary steps to ensure that lessons are learned and failures are not repeated.

Turning to delays and cost overruns, I note that the cost of delivering the vessels has ballooned

from an original budget of £97 million to an eye-watering £200 million, and we are still counting. The ferries will also be delivered four to five years late, with islanders and other users paying a huge price for those delays. The committee has called on Audit Scotland to undertake a detailed audit of the financial management of the contract, and we welcome the Scottish Government's willingness to co-operate fully with such an inquiry—as, I am sure, do taxpayers.

On the commercial loans, there has been complete amazement at the minister's response in relation to the £45 million of Scottish Government loans that were made to Ferguson Marine shipyard. The committee highlighted a total

"lack of transparency surrounding the purpose, agreement and payment of these loans."

It is disappointing that the minister appears to want to ignore those findings. The loans have, in effect, been written off following nationalisation of the shipyard, so it is essential that the Scottish Government honours its commitment to co-operate fully in any investigation by Audit Scotland of the process that it followed. The committee made specific recommendations to improve transparency and accountability for future loans, and those recommendations must be fully considered and implemented where that is appropriate.

On the relationship between CMAL and FMEL, the committee heard evidence that problems with the contract were not helped by the relationship between the former management of Ferguson Marine and CMAL, which became more than toxic. The Scottish Government's response records

"disappointment that the report does not ... reflect the extensive and proactive steps taken ... to facilitate and negotiate a better outcome with the contractor".

Whatever those steps were, it is clear that they failed. The inquiry concluded that the Scottish Government should and could have acted more quickly and decisively to address those matters.

It is notable that, although CMAL first expressed concern to the Government in March 2016 that the contract was running behind schedule, the doomed attempts at mediation were not initiated until a year later. It should be remembered that, by that point, the contractor had received £74 million of the total amount of £97 million in contractual payments. Given this disaster, the committee believes that there must be

"stronger provisions on the application and enforcement of dispute resolution mechanisms"

in future contracts—especially contracts of such a nature—to prevent any repetition of the situation.

On engagement with local communities, one of the most concerning aspects of the delay in, and

spiralling costs of, delivering the vessels has been the impact on island communities. The committee heard of widespread dissatisfaction about the limited opportunity for communities to have meaningful input into the ferries policy. I therefore welcome the minister's commitment to produce a revised communications and stakeholders strategy, which must include much better and genuinely meaningful engagement on the design and delivery of new ferries.

On the future decision-making structure, the inquiry has exposed a cluttered decision-making landscape that lacks transparency. It is clear that all the decision makers that were involved, including the Scottish Government, failed to some degree to discharge their responsibilities effectively. However, we accept that plans are under way to review the legal structures and governance arrangements for the provision of ferry services. Despite the minister's belief that the current tripartite arrangement works well, the review must reflect the root-and-branch overhaul that the committee calls for. The minister should be mindful of the committee's suggestion that that could go so far as to result in some bodies being merged or even abolished.

On the future procurement and construction strategy, the committee concluded that the approach to procuring and delivering new ferries

"has been short-term, piecemeal and lacking in strategic direction."

Given that, the forthcoming islands connectivity plan cannot be a business-as-usual, updated version of previous plans. We cannot afford to have an increasingly ageing and unreliable fleet that regularly causes major service disruptions. The committee is calling for nothing short of an overarching, strategic, long-term vision for all vessels that serve Scotland's ferry network, underpinned by an appropriately funded plan to replace the entire ferry fleet over the next 25 years.

In the short time that I have been given, I have focused my remarks on the key issues that were raised by the committee. The committee believes that the Scottish Government has a responsibility to face up to the catastrophic failures that have contributed to the myriad problems with the contract. It is simply not good enough to dismiss the conclusions that were reached unanimously by the committee, on a cross-party basis. One simply cannot blame the contractor for all the failings. Good leaders and good systems prevent failures—poor ones do not.

We must ensure that lessons are learned and that the costly and damaging mistakes that are evident in this case are never repeated. We believe that reforms are needed to ensure that our

remote island communities remain connected, and that is what the committee has highlighted in its report.

I move,

That the Parliament notes the conclusions and recommendations contained in the Rural Economy and Connectivity Committee's 12th Report, 2020 (Session 5), *Construction and Procurement of Ferry Vessels in Scotland* (SP Paper 879).

16:36

The Minister for Energy, Connectivity and the Islands (Paul Wheelhouse): I welcome the opportunity to respond to the committee report on behalf of the Scottish Government. I thank the committee members and the clerks for their detailed consideration of what the report clearly acknowledges are broad-ranging, complex and important issues. I also thank the many stakeholders who fed into that work, not least the communities themselves.

We should not forget that at the heart of these issues lie communities that rely on the vessels in the fleet, the crews who operate them and the skilled workforce at the yard at Ferguson's. Those groups have been at the forefront of our minds throughout all this and are why we stepped in to save the jobs and the yard and to ensure that the vessels will be delivered.

At the outset, I also want to reiterate that, notwithstanding lessons learned, we remain fully supportive of the efforts of CalMac Ferries Ltd, CMAL and Transport Scotland in delivering ferry services on the Clyde and Hebrides network and the work undertaken by CMAL to support services to the northern isles. However, as I set out in my written response to the committee, we also recognise the challenges in doing that work and the need for continuous improvement and investment to optimise delivery of infrastructure to support our lifeline services.

Along with my colleagues, particularly the Cabinet Secretary for Economy, Fair Work and Culture, I have taken time to reflect on the content of the report. As I set out in my response, there are some conclusions in the report with which we do not agree, and some instances where it is not clear to us how the conclusion or recommendation that has been made fully reflects the breadth of evidence that was presented to the inquiry.

However—and I stress this point for the benefit of the convener and other committee members—we recognise the committee's focus on the outcome of the delay in the delivery of the two ferries, which has had a particular impact on communities that are awaiting the delivery of ferries that are yet to be completed. Clearly, the cost outturn and delay are far from what was

anticipated or desired at the point of contract award to FMEL. We accept that lessons have to be learned and I want to reassure members that they are being learned.

However, I reiterate our view that contractor failure played the primary role in the difficulties. I appreciate the convener's points, but we are disappointed that that was not more fully reflected in the final report. I accept that it is the committee's right to take its own view on the issues, but the Government is also entitled to take a view. I also take the opportunity to refute comments made by others following the publication of our reply to the committee. It is clear from the commitments that I am about to repeat that we have reflected on the feedback and are already implementing improvements that colleagues may welcome.

We have already committed to commissioning a study on the legal structures and governance arrangements that exist between the tripartite group of Transport Scotland, CMAL and CFL. That relationship was considered at length throughout the inquiry and I can assure members that the organisations involved have committed to engage constructively in that review process and to reflect on any recommendations produced. However, we must also recognise and safeguard those areas in which the tripartite arrangements are judged to perform well.

Preparation for the project is well advanced and we are currently evaluating submissions from advisers with a view to commencing the work shortly. I will update the committee on the initiation of the work and later in the year, ministers will update the committee or its successor on the progress and outcomes of that work.

We are absolutely committed to the principle that those who are directly affected by decisions on ferry services are able to engage in the decision-making process in a meaningful way. I note the convener's remarks on that being an important part of the committee's report. As was evident during the inquiry, there are often competing views from different groups and it is important to balance those in our decision making. That includes consideration of value for money and the lifetime costs of any investment.

We have already begun the process of developing a revised communications and stakeholder strategy. I welcome the positive feedback following the most recent engagement by Transport Scotland and CMAL on the new Islay vessel. That feedback was provided to the committee by the CalMac community board. We will continue to build on improvements with stakeholders by developing greater transparency in how community views are received and included in our decision making. In particular, we

will provide a clearer explanation of why specific design decisions have been reached, and why community or individual preferences have not been reflected in the final outcome.

I note, as an example of on-going engagement, the fact that CMAL, CalMac and Transport Scotland held a webinar on 14 January to outline the analysis of the new Islay vessel options and how stakeholder views had helped to shape the consideration and investigations that are under way. The webinar was attended by 140 individuals. Later in the year, we will publish a ferries stakeholder engagement strategy to improve engagement with communities.

On due diligence, although audits have demonstrated compliance with public procurement procedures, we are committed to enhanced arrangements, where possible. To that end, CMAL is committed to an enhanced due diligence process for all contracts of a value greater than £500,000. CMAL also intends to engage the services of a shipbroker to enhance the analysis of shipyards, including in relation to established track record, skills and competencies and first-class products. An additional level of assurance for tender assessment will be introduced by engaging naval architecture companies in support of that process.

I note the committee's request to provide updates on costs and the programme. We are committed to being transparent in reporting progress on hulls 801 and 802. On 19 January, Tim Hair from Ferguson Marine (Port Glasgow) Ltd provided an update to the REC Committee regarding the impact of Covid-19 on production at the yard. It is my understanding that a further case of Covid has been detected. The individual was sent home from work and has been self-isolating, along with 11 suspected close contacts, in line with the test and trace procedures. I wish a speedy recovery to the individuals involved.

I note the committee's concerns regarding the purpose of the commercial loans that were provided to FMEL by the Scottish Government, and the sharing of information about them with CMAL, which the convener mentioned. The purpose of the two loans is recorded in the contract documentation that was published on the Scottish Government's website for the September 2017 and June 2018 loan agreements, alongside the conditions and monitoring that were associated with the loans.

We took great care to ensure proper separation between the two contractual spheres, and we could not share confidential commercial information with any of FMEL's clients, including CMAL, without breaching our duty of confidentiality to FMEL. However, when taking decisions, the Scottish ministers had a full

understanding of the complex commercial and contractual issues that were at play.

We remain committed to the actions that I have outlined, to Scotland's lifeline ferry services and to the communities that they serve. The Government's actions have saved hundreds of jobs in Inverclyde and in the local supply chain. I hope that we can all agree that that is a positive outcome.

15:43

Graham Simpson (Central Scotland) (Con): I thank the Rural Economy and Connectivity Committee for its work on the inquiry and for managing to unanimously agree on a report and a set of challenging and robust recommendations.

I was looking through my dictionary for the definition of "humility", and I found that it is to show that one is conscious of one's failings. Normally, when a Government is lambasted in the way this Government has been in the committee's report on the construction of ferries, the minister would have done just that. He or she would have taken the criticism on the chin, thanked the committee for its diligent work, promised to take the action that it called for and vowed never to let anything similar happen again.

When I found the word "humility" in the dictionary, I found two others nearby. One was "humble pie", which is what the minister should have been eating. Instead, we got the final word from my lexicon labours: "humbug". The minister's response was nothing short of a disgrace—appalling, in denial, shameful and even arrogant. It was unbelievable from start to finish. In essence, the minister, or whoever it was from Transport Scotland who wrote his response, was saying to the committee, "We gave you the evidence, but you didn't listen to us, so you are wrong."

At the heart of the matter is the complete failure to deliver two ferries on time and on budget. They are neither.

Paul Wheelhouse: I will keep this brief. Will the member acknowledge that, in the speech that I just gave, I acknowledged significant areas in which the report made recommendations that we have adopted? Are we not also entitled to state where we believe that the balance of the evidence said something different? We certainly accept the committee's report, and we will support it, but we have identified the areas—

The Deputy Presiding Officer: That was not brief enough, minister.

Graham Simpson: I do not think that the minister has accepted anything in the report, based on what he has said. *[Interruption.]* You

see? He is saying, "I am not listening"—just like he told the committee. He did not listen.

The ferries will be up to five years late, if they are ever finished, and their cost has more than doubled. If the ferry owner, CMAL, which is a Government body, were privately run, it would be out of business by now. The upshot is that the taxpayer is out of pocket, which is nothing new with this Government, and the communities that the ferries are meant to serve have to put up with old vessels, much like the rest of our island communities.

The committee said that it

"believes that there has been a catastrophic failure in the management of the procurement of vessels 801 and 802, leading it to conclude that these processes and structures are no longer fit for purpose."

Anyone taking a rational analysis of what has happened would conclude the same.

However, the minister, in his breathtaking response, said:

"We do not accept the committee's description of a 'catastrophic failure.'"

It is not his fault, and it is not the fault of Transport Scotland or CMAL, which are both arms of the Government. The Government and its bodies are, in his view, entirely blameless for what has gone wrong. It is a case of, "There's nothing to see here now, so move along please, everyone." If minister Paul Wheelhouse really believes that, he should change his name to Paul Asleep-at-the-Wheelhouse.

Paul Wheelhouse: Will the member take an intervention?

The Deputy Presiding Officer: Members, I have no spare time in hand—I have made that plain. Minister, you can deal with that issue in summing up.

Graham Simpson, I will give you a little bit of extra time but I cannot do so after this.

Graham Simpson: I am grateful.

Nobody but the minister's chums in Transport Scotland and CMAL agree with his response. The minister should have taken the committee's report and used it to knock some heads together at both those organisations, but he has not. Frankly, he looks afraid to rock the boat with CMAL or Transport Scotland, the former of which, instead of showing some corporate humility, is expanding its empire. It is extraordinary.

The committee said:

"a root and branch overhaul of current decision-making structures is urgently needed and that this should consider the relative roles and responsibilities of all bodies involved in decision-making around the procurement of new vessels and should ... streamline"

the

“decision-making structures by merging or abolishing certain of them.”

It means CMAL; what the committee is saying—and I agree with it—is that we do not need CMAL.

The committee also says that the next Clyde and Hebrides network franchise should be for a much longer period of time than is currently the case. That would give the operator the chance to take responsibility for the ferries, to procure its own and to get on with modernising an ageing fleet that is not fit for purpose. That model is followed successfully elsewhere in the world, for example in British Columbia in Canada.

One of the most concerning aspects of this debacle has been the loss of tens of millions of pounds in loans from the taxpayer. There is a pattern emerging here, in which the Scottish National Party Government ploughs money into private firms, which is then lost for ever. We have also seen that with Burntisland Fabrications recently, but there is never a hint at contrition. It is almost as though it does not matter.

At the end of the day the taxpayer has lost out through this fiasco but, perhaps more importantly, so have the disgruntled island communities that deserve better. That is why we need Audit Scotland to urgently investigate.

The way forward is for the Government not to bury its head in the sand but to listen to the MSPs of all parties who have said unanimously that wholesale change is needed.

15:49

Colin Smyth (South Scotland) (Lab): Much can be said about the ferries fiasco, but it can be summed up in three words from the Rural Economy and Connectivity Committee’s report: “a catastrophic failure.”

The two ferries are £100 million over budget, double the planned cost and rising, and at least four years late, which is depriving our island communities of these lifeline ferries. Astonishingly, however, and arrogantly, the Scottish Government’s response in the minister’s dismal letter to the committee is that

“the outcome has not been that for which we had hoped”.

That is the very definition of an understatement. That shocking response is from a Government that is in denial, out of touch, and thinks that it is beyond criticism. It shows no humility at all and there has been no apology from the minister again today. It is just not good enough for Scotland’s taxpayers, for ferry passengers, or for the workforce at Ferguson’s. They all deserve better.

Week after week during the inquiry, the committee received damning evidence exposing weaknesses at every part of the process and mistakes from every organisation that was involved. The clear conclusion was that the procurement processes and structures are, and I quote from the cross-party report,

“no longer fit for purpose”.

That is a conclusion that few could credibly argue with and is why the committee was unanimous in calling for

“a root and branch overhaul of current decision-making structures”.

The committee hoped that the report would act as a stimulus to improve how things are done, to ensure that we never find ourselves in this position again, and to create a ferry procurement system that is fit for purpose. Instead the Government’s response is to tinker at the edges of a process whose failings were not just graphically exposed by this fiasco but were already flawed. The process is too disconnected from the communities that our ferries are supposed to serve; too slow to replace ageing vessels; and too short-sighted to provide certainty to the shipbuilding industry in Scotland. There has clearly been a case for a fundamental overhaul of the processes for some time and this fiasco has just made that an urgent necessity.

The committee’s aim throughout was not to point fingers or lay blame needlessly, but to identify what went wrong and learn lessons for the future. However, the minister’s response makes me fear for the future. To be fair, I sympathise with Paul Wheelhouse. He has been left to clean up the mess made by the inaction of previous ministers, who did not meaningfully intervene when the Government knew that the contracts were going badly wrong. The failure of the First Minister and Derek Mackay to give evidence to the committee leaves us unable to answer questions about why ministers made the particular decisions that they did, and why they failed take more robust action to intervene earlier.

The refusal of the Government to acknowledge the significant structural failures of the process begs the question of what did go wrong, according to the Government. Its answer appears to be that it is all down to failures on the part of Ferguson Marine. In his letter, the minister says that

“contractor failure has been a very significant factor in the difficulties we have seen”,

highlighting

“the contractor’s non-performance, contract management and financial management, described in independent evidence to the inquiry”.

The committee certainly highlights questions about those issues, the management and financial capabilities at Ferguson's, and we heard from the workforce, whose concerns were clearly ignored by Ferguson's management at the time. There is clearly a need for Audit Scotland to undertake a more forensic inquiry into CMAL's management of the contract, and into the role of ministers during the process, including the awarding of loans to Ferguson's.

I find it astonishing that the Scottish Government thinks that blaming contractor failure alone is a good defence of the procurement processes that gave them the contract in the first place. If, as the minister said, the entire fiasco is almost exclusively a result of mismanagement, incompetence, and lack of capability on the part of Ferguson Marine, why were they awarded the contract in the first place? It exposes the fact that, in awarding the contract, there was a clear

"lack of robust due diligence"

on the part of CMAL in assessing the financial stability of Ferguson's and its capabilities in areas such as project management and design.

That raises serious questions about the Scottish Government's willingness and political desire to proceed, despite what we now know were significant risks. That deserves further investigation—criminal investigation, if necessary—of the awarding of the contract in the first place. That is not to seek to undermine Ferguson's at all; indeed, quite the contrary. The yard was more than capable of delivering ships, but we know now that it was not capable of delivering this contract. It is clear to me that CMAL failed in its duties and the time has come to consider whether an organisation, for which there appears to be no legal requirement, should exist and whether it should be scrapped.

The one group of people who were not to blame for the fiasco is the Ferguson's workforce and I want to highlight the committee's recommendation paying tribute to the "skills and dedication" of the workers throughout. The workforce has been a credit to the yard in the most challenging of circumstances. I will say more in my closing comments about the future process, but we should pay tribute to the workers and the importance of maintaining their skills and that yard when it comes to the future procurement of ferries in Scotland.

The Deputy Presiding Officer: John Finnie will open for the Greens.

15:54

John Finnie (Highlands and Islands) (Green): Colleagues on the Rural Economy and

Connectivity Committee will know that I was not an enthusiast for the inquiry. I wondered what we could achieve, other than a cursory examination of what are detailed issues. The committee gave it its best shot, but I still believe that it will not bring one single ferry one day earlier to the constituents I am obliged to serve. The inquiry was a distraction, not least from a catastrophic Brexit.

The Scottish Government has the lead role in all this. It has overall responsibility and should have taken charge. It is entirely reasonable that it is being held to account. I will not labour the point about the minister's letter, which has already been alluded to. However, to say in it that

"Scottish Ministers remain fully supportive of our transport agency, Transport Scotland, of Caledonian Maritime Assets Limited"

is simply disappointing. The minister rightly pointed out in his letter that the structures concerned were in place before 2007, but he went on to say that the Government will reflect

"on whether the governance arrangements between the tripartite bodies remain fit for purpose having regard to the overarching objective of effective, efficient and economic delivery of lifeline ferry services."

Really? Ministers do not know the answer to that already?

Hearing the word CMAL, most folks would say, "Who?" Who, indeed? We get a flavour of what CMAL is from a series of tweets that it put out at the end of December 2020. I bear no ill will to any of the people whose roles I refer to. CMAL announced that it was appointing a new finance director who would be

"responsible for CMAL's financial strategy to provide efficient, cost-effective & safe ferries, harbours & infrastructure."

It would have been good to have had that. Cost effective is not building vessels that do not fit harbours; it is listening to customers. We saw the shambles with the Isle of Lewis and Ullapool. Notwithstanding the webinar that was referred to, I fear that we might be about to repeat the same problems with Islay.

CMAL said that it wanted a new head of business support

"overseeing the successful implementation of strategies, plans & policies."

That was clearly absent for the 801 and 802 vessels.

I was interested in the tweet that said that CMAL was

"leaving our Port Glasgow HQ temporarily to make way for an office expansion project."

I would make that a permanent but different sort of removal. CMAL needs removed from the equation

and the so-called cluttered landscape where no one takes responsibility for anything. CMAL is a protective shield for the ineffective Transport Scotland—they have both frequently been missing in action—and a further buffer for ministers.

Turning to Ferguson Marine, I echo others' comments on its outstanding skilled workforce. However, as regards the management, Mr McColl initially did not play ball with the committee, then jetted in from his tax haven with his film crews in tow, dumped a large dossier on the table, pontificated and jetted out. That suggested to me that not a penny of his personal money went into the project. He wanted a profile and he had his chance, but he failed and has limited scope for criticism of others. He lacks credibility on the issue, other than as a failed shipbuilder.

Self-evidently, things went wrong, but there is still an opportunity. We are a maritime nation, we need a fleet of new vessels, we have a workforce with proven skills and the Ferguson Marine yard was saved. The Scottish Government should embrace the term "nationalisation"; it is to its credit that it saved the yard and the community, but it does need to get a grip.

CalMac, the operator, is an innocent party in all that has happened. A six-year contract is inadequate and it should be much longer. The sleeper contract is 15 years and I would award it directly. It would assist with forward planning and ensure that the fleet and infrastructure were aligned. There is much to be learned here about an integrated transport system and there is a role for Audit Scotland.

The Deputy Presiding Officer: I call Mike Rumbles to open for the Liberal Democrats.

15:58

Mike Rumbles (North East Scotland) (LD): I want to re-emphasise to colleagues that, as we have heard, the committee report was unanimous. Committee members constructively engaged with one another and our witnesses throughout the process. What was our report's aim? It was simply to influence the Scottish Government on how best to improve the system of ferry procurement. To do that, we had to examine in detail what had led up to the situation where the current system had simply failed to produce the goods.

By and large, we successfully resisted taking a partisan approach to the report. I was particularly concerned that committee members should not divide on the report, because it has been my experience, since our Scottish Parliament was established back in 1999, that we are far more likely to get the Government to act on our conclusions and recommendations if we work constructively to reach a unanimous report. I thank

my colleagues for working to do just that, and that is what we achieved. That is why I am so astonished and disappointed by the Government's written response to our report.

To solve a problem, one must first accept that a problem exists. If that is not done, no matter how many constructive recommendations are made, they will be ignored. That is what the Government has so far done with our report.

Our report says:

"the Committee believes that there has been a catastrophic failure in the management of the procurement of vessels 801 and 802, leading it to conclude that these processes and structures are no longer fit for purpose."

It also says:

"The Committee believes that the experience of the ferries contract has exposed a cluttered decision-making landscape that lacks transparency and where there have been varying degrees of failure by all of those with decision-making responsibilities, including the Scottish Government."

What is the Government's written response to our unanimous report? The minister said:

"Scottish Ministers remain fully supportive of our transport agency, Transport Scotland, of Caledonian Maritime Assets Limited (CMAL) and of CalMac Ferries Limited (CFL)."

So much for our unanimous view that the system is not fit for purpose. The minister also said:

"I trust that the evidence provided by Scottish Ministers has assisted the Committee with its understanding of what is a well-established process, with the parties' roles and responsibilities clearly set out".

He added:

"I am satisfied that procurements in relation to 801 and 802 were undertaken fastidiously, in good faith and following ... due diligence."

Contrast that with the view of one of our witnesses. On being asked why a bid that was the highest quality but also the highest price was successful, he responded:

"I do not know the answer, but three things spring to mind. One is incompetence; another is vested interest; and the final one is corruption."—[*Official Report, Rural Economy and Connectivity Committee*, 29 January 2020; c 23.]

Personally, I feel that the answer to that question is simply incompetence rather than anything else.

However, for the Government to turn a blind eye to the evidence from so many witnesses that there were real problems and many deficiencies in the whole procurement management system is quite mind-boggling. In its response to our report, I expected from the Government an acceptance that things had gone badly wrong, with everyone making mistakes along the way. What did we get? The minister criticising the committee:

"I would however, respectfully, record some disappointment"—

and there follows a paragraph criticising the committee for not blaming Ferguson's management even more.

I said earlier that, to solve a problem, one must first acknowledge that there is one to solve. The Government is simply blaming the contractor, and does not see its failings and that of its agencies. I am sure that our report will simply end up gathering dust on the Government's shelf. There are none so blind as those who will not see. What a waste—

The Deputy Presiding Officer: Thank you, Mr Rumbles. You must end.

Mike Rumbles: —of everyone's time and taxpayers' money. The minister really should have done so much better.

The Deputy Presiding Officer: Thank you. I am sorry—time is tight.

16:04

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): We would not be here today if the project manager and their office had conducted their activities in relation to the construction of vessels 801 and 802 at Ferguson Marine to anything approaching normal professional standards. That was not a mere contributory factor. I make that observation as someone who has run projects of similar financial scale and collections of projects multiple times the scale of this project.

The contract and processes around procurement were industry standard, had worked previously and are used not just in Scotland but widely. However, the response of those in charge of procurement to the project manager's failure was inadequate and substantially contributed to our being where we are today.

Did CMAL know about the project manager's failures early enough to have intervened to minimise the damage? My conclusion is that it almost certainly did. Did the complexity of the procurement structure, which involved CMAL, Transport Scotland and the Government, contribute to the problem? I am pretty clear that it was more complicated than it needed to be. However, the legal requirement to have such a structure ceased only at 23:00 on 31 December 2020. I have never said that leaving the European Union would not have some advantages, and that might just be one of them. I see that Graham Simpson is nodding his head in response to that.

Another question is whether, in providing financial assistance to Ferguson Marine, the enterprise agency should have informed CMAL

and others that it was doing so. Here, I differ from the quite strongly held views of Edward Mountain—I hope that I am not misrepresenting him—in saying that it should not have told them. However, although it was not told by the funder, through proper oversight of the project, CMAL should have known by other means. Why? In providing support to a commercial company, the enterprise agencies must not discriminate by favouring state companies over private sector ones. I heard Graham Simpson say that we should not be ploughing vast sums of money into private companies. That is unusual for a member who sits on the Tory benches, but there we are.

The whole point is that we have to be blind as to whether such a transaction involves a state company or a private sector one. There is nothing new about such a situation, which involves what are termed Chinese walls. I will tell members a little story from my own experience. In the 1980s, my spouse was part of a team of advisers to The Distillers Company Ltd when it was bidding to purchase the company that produced Bell's whisky. One of the teams working for me was part of the Bell's team on the other side of that takeover battle. Therefore, in our household, there was clearly a conflict between our respective professional interests. We applied the old saw,

"He that would keep a secret must keep it secret that he hath a secret to keep."

My spouse and I discussed nothing about the matter and we knew nothing of each other's involvement in it until, six months after the event, we were having lunch with someone who had been involved in the transaction and who raised the subject. That was the first time that either of us knew that we had been on opposite sides of a takeover battle on the stock exchange. That is how Chinese walls have to work, and so it must be for our enterprise companies when they work in that context.

Of course, examination of the accounts receivables and knowledge of what the business was getting its contracts for would have been important for CMAL.

I will conclude by saying that the primary failure definitely lay with the then management of the yard, but I think that CMAL could have done more. I say to the minister that I hope we will look at that aspect very carefully.

16:07

Peter Chapman (North East Scotland) (Con): The Rural Economy and Connectivity Committee's report into the building of ferry vessels 801 and 802 is damning. We decided that it had, indeed, been a catastrophic failure. That was our view

after a detailed and comprehensive study of the facts, which led to our unanimous conclusion.

Therefore, Paul Wheelhouse's subsequent dismissal of much of our report was really shocking. The minister has demonstrated an unbelievable degree of arrogance and a worrying degree of ignorance. His response amply shows what we already know about the SNP Administration—that it displays a shocking level of incompetence, little understanding of business and a cavalier attitude to wasting millions of pounds of taxpayers' money.

Normally, individuals in Governments learn from their mistakes, but with such attitudes it is no surprise that industry has no confidence in the SNP Scottish Government, whose economic growth rate continues to lag behind that of the rest of the United Kingdom. Those ships will eventually be delivered, but they will be five years late and at least two and a half times over budget. I noted from last week's budget statement that Ferguson Marine is to receive another £47 million of taxpayers' money this year. Yet, incredibly, Paul Wheelhouse told the committee:

"I am satisfied that procurements in relation to 801 and 802 were undertaken fastidiously, in good faith and following appropriate due diligence."

Really? I say to the minister that that is not what the committee found. Our experience was that Transport Scotland and CMAL applied inadequate due diligence in scrutinising and signing off the procurement process.

There was a lack of scrutiny of the financial stability of the winning bidder, and the Scottish Government was willing to proceed

"despite ... significant risks associated with awarding the contract to"

Ferguson Marine. There has been a catalogue of errors and failings by ministers and CMAL, but I was particularly concerned to learn that

"four years after the contract was ... awarded, 95% of sign-offs on the basic design of the vessels were still not completed".

It is of grave concern that CMAL

"did not intervene to halt the process as soon as it became aware that FMEL was proceeding to build at risk without having secured sign-off on the basic design".

These are the wrong ships, given to the wrong yard, and the outcome is that island communities across the west coast are suffering a poor and unreliable service. The promised new ships are nowhere to be seen, and the whole CalMac service is stretched to breaking point. There is no spare ferry anywhere in the system, and, if there is a breakdown or a ship needs maintenance, sailings must be cut and islanders' essential journeys abandoned. That makes running a

business on our islands, which is already expensive and difficult, almost impossible.

This is a debacle of the worst kind. It has cost taxpayers hundreds of millions of pounds; it has made life for our island communities more difficult; and, far from securing a reliable future for the Ferguson Marine yard, I believe that the yard will find it difficult to secure new work under the dead hand of this incompetent Government and with the abysmal legacy of these ferries. The failure of the yard could well be the final disaster of the whole sorry saga—a sad end for a committed, skilled and reliable workforce who deserve so much better.

16:11

Stuart McMillan (Greenock and Inverclyde) (SNP): First, I will touch on some comments that I have heard from colleagues. Peter Chapman complained about the £47 million from the budget that is going to the yard next year, and his final comments were really quite astounding. He said that the order was given to the "wrong yard", but, without the order, the yard would have shut—the yard would not have been there and we would not have over 400 people employed at that yard—so his comments were actually quite ridiculous.

We had the Greens saying that we should remove CMAL from Port Glasgow, taking jobs away from Port Glasgow and taking more jobs away from Inverclyde. Then, from the Labour Party, we had Colin Smyth calling for a criminal investigation into the awarding of the contract. So, Labour does not want the order—it does not want the work at Ferguson's in Port Glasgow. I am looking forward to putting that on my election leaflet for May.

Earlier, we had Graham Simpson saying that we should scrap CMAL. That would mean that jobs would be lost. He also complained about the loans of £15 million and £30 million. That financing, as well as other things, helped to secure the yard and kept the yard—

Graham Simpson: Will the member give way?

Stuart McMillan: I have only four minutes, Mr Simpson. I normally take interventions, but I will not today.

I note the report and its recommendations. I agree with some parts of it, but I respectfully disagree with others.

Not one person can say that what has happened at the yard over many years has been positive—not one person. I am the constituency MSP for Greenock and Inverclyde, and as I grew up in Port Glasgow, the son of a coppersmith whose last job was working at the yard, my loyalty has always been to the yard. [*Interruption.*] I am

sorry, but I cannot take any interventions. I want the yard to succeed; I want the yard to build more ships; and I want the yard to employ more people and have a future for many decades to come.

I have never been particularly vexed about the ownership or the management of the yard. I am not really fussed as to whether it is a nationalised or a privatised yard. It is about the success of the yard. It is about the jobs, the apprenticeships and, as things currently stand, the completion of these ships to ensure that the yard can build more ships in the future.

The report covers many aspects, but what is clear to the independent reader of the report is that the Scottish Government has consistently supported the yard and its workforce. I am glad that the committee inadvertently recognised that in the final bullet point in section 71, on page 29. My constituency and my community welcome the fact that the Scottish Government has proceeded to save the yard.

From the awarding of the contract, which was won fairly, to the two loans of £15 million and £30 million and the rescue of the yard, it is clear that the SNP Government has more than stepped up to the plate to support shipbuilding on the lower Clyde, in my constituency. I believe that the workforce knows that, that the local community knows it and that every single politician knows it, even though they will not say it publicly.

The committee's report touches on a number of matters. Paragraph 120 refers to Robbie Drummond's evidence on the future approach of standardising vessels, which I agree with.

Paragraph 129 refers to the evidence from CMAL that FMEL changed strategy after winning the contract. That goes some way towards explaining the damaging evidence from Tim Hair, the turnaround director, which is referred to in paragraph 96. In relation to the sign-offs of the basic design, he said:

"5 per cent of them were completed and 95 per cent were not completed when we took control of the yard in August 2019."—[*Official Report, Rural Economy and Connectivity Committee*, 22 January 2020; c 11.]

One thing that is certain is that I want as much work as possible to go to Port Glasgow in the future. I do not want the hulls to be built in Vietnam or other lower-cost countries and then to be brought to Port Glasgow, as Dr Alf Baird described in evidence to the committee on 29 January, and I do not want the scrapping of the two vessels, as was advocated by Roy Pedersen in the same evidence session. That would have resulted in mass job losses and the possible closure of the yard. My constituency and my community know that the SNP Government saved the yard and the jobs, so they now have a future.

16:16

Rhoda Grant (Highlands and Islands) (Lab):

We are debating the Scottish Government's abject failure in building new ferries. Meanwhile, the communities that the Government serves struggle as they are badly served by old vessels that are subject to breakdown. We need a fundamental review of how we provide lifeline services to the islands and how we procure new ferries.

We no longer need to tender services. While we were in the EU, there were regulations, although even then there were exemptions such as the Teckal exemption. However, now that we have left the EU, there is no argument for the complex web of many companies that have a hand in owning and running our ferries. We need to abolish CMAL, and there is a strong argument that CalMac should own, buy and procure the ferries that it runs.

The previous few vessel procurement processes have proven to be vanity projects in which CMAL has been looking for kudos rather than the fit-for-purpose ferries that our island communities desperately need. The ferries have been eye-wateringly expensive, as have the alterations to harbours that were needed to allow the ferries to berth. One would hope that boats would be built to fit harbours, and not the other way round.

Not one bit of the process has provided better services for islanders. We are now looking at a cost of close to £200 million for two ferries that could have been procured at a fraction of the price. I am told that a reasonable price to pay would be around £10 million. Even if we added to that the cost of ensuring fair work practices for the workforce that built them, with the money that has been spent, we would still have almost enough money to renew the whole fleet. Meanwhile, our communities suffer due to old ferries breaking down and they are having to make do with replacement boats that are not fit for purpose.

Those vanity projects do not take into account the fact that, as we have heard, ferries have to move around the routes when maintenance is needed or when breakdown occurs. Because the new ferries need bespoke harbours, they will not be able to provide cover for other routes. We also require additional capacity. A relief vessel for winter maintenance periods would also add capacity in the summer, when people struggle to get a place on a boat. While a relief vessel is being procured, the Scottish Government needs to lease one. Pentland Ferries has a spare vessel, so why cannot an agreement be reached to lease it from time to time when the need arises?

The sheer folly of allowing building to start on the ferries before the design was signed off is breathtaking. The fuel that is used is supposed to

make them more environmentally friendly, but I understand that any benefit would be gained only on journeys that are a lot longer than the ones that they will take. Therefore, the vessels will not be more environmentally friendly, especially when the fuel is being shipped from the other side of the world. The design also adds to their complexity and, no doubt, will leave them more subject to breakdown.

You really could not make it up. The Government's response to the committee clearly shows that no lessons have been learned. There has been no apology. The Government has not apologised for squandering taxpayers' money or for its incompetence and, sadly, it has not apologised to the workers and island communities that it has so badly let down.

16:20

Kenneth Gibson (Cunninghame North) (SNP): Although they make for uncomfortable reading, I welcome the conclusions and recommendations of the Rural Economy and Connectivity Committee's "Construction and procurement of ferry vessels in Scotland" report and thank the committee for its sterling work over many moons.

I speak as the constituency MSP for Cunninghame North, which includes Arran, the community that has been directly impacted by the lengthy delay in delivering into service ferry 801, or the Glen Sannox, as it is now named.

Alongside Ferguson Marine's obvious project management failures, others with decision-making responsibilities—CMAL, in particular, and Transport Scotland—are accused of failing to discharge those responsibilities competently and effectively. There was a lack of clarity regarding remit and responsibilities, and there were no clear processes to escalate matters quickly when those went unfulfilled, which has resulted in mounting costs, delays and little progress. The vessels in question, which were originally due to be completed in 2018, are now five years overdue, and Covid restrictions could delay them further.

However, let us go back to the beginning. Why was the Glen Sannox needed? It was needed because the many positive developments that the Scottish Government introduced, such as the road equivalent tariff, which I relentlessly and successfully lobbied for over many years, huge increases in the number of summer sailings, the addition of the MV Catriona on the Lochranza route, and so on, all increased service demand. That, taken together with the beauty of Arran as a destination and the fact that we had a rapidly ageing fleet that faced increasingly adverse

weather conditions with diminishing vessel resilience, made at least one new ship essential.

In scores of Arran ferry committee meetings that I participated in, islanders argued for a couple of Finlaggan-style vessels that would be more able to utilise Ardrossan and deliver a better all-year, all-weather service. However, Transport Scotland and CMAL were intent on reinventing the wheel by opting for a new "world-beating" design that would use liquefied natural gas.

Of course, when the contract was awarded, all seemed well. I recall that there was no opposition; that has obviously been sharpened by hindsight. The price differential in accepting a foreign tender was not enough to outweigh the benefits of construction at a yard an eight-minute drive from CMAL headquarters, where an historic shipyard could also be revitalised, creating and sustaining hundreds of skilled jobs in an economic black spot. However, as progress faltered and stopped entirely, island communities had to endure the very real impact that the delays imposed on their economies and populations.

I was struck by the evidence that the committee heard on stakeholder engagement, which emphasised the need for decision makers to engage with island communities on ferry procurement and construction in a far more meaningful way. If communities do not feel that their views have a material impact on the design and delivery of new vessels, that dissatisfaction is likely to continue into how they regard day-to-day ferry services. I therefore welcome the Government's commitment to improve community engagement, which must be meaningful and have tangible outcomes. That will give communities evidence that they are being listened to and that their views are genuinely being considered, which is vital to rebuilding the trust of islanders.

Even when design choices are not clearly influenced by consultation, increased transparency should lead to a greater understanding of the considerations involved. It is clear that there needs to be a comprehensive overhaul of the key decision-making processes around ferry vessel procurement. Islanders cannot understand how the current state of affairs was allowed to drag on, even after alarm bells began to ring back in 2017.

An independent review that is based on the committee's findings and recommendations is needed urgently. For too long, decision making on new ferry construction and procurement has been delayed, despite the fact that concerns have repeatedly been raised by CalMac, the National Union of Rail, Maritime and Transport Workers, islanders and other ferry users, as well as MSPs of all political persuasions, including me. Many ferries are now significantly beyond their originally planned operational lifespan, and more vessels

must be ordered. Where Transport Scotland already knows the views of island communities, that should happen now.

We must absorb and learn from the committee's report and take on board its findings to ensure that the same thing does not happen again. The commitments that the Scottish Government has made so far are hugely encouraging, but they must be fulfilled, and ordering new vessels while ensuring a start date on site for the associated but seemingly never-ending Ardrossan harbour redevelopment, which will be essential to dock and service the Glen Sannox, would be a very good start.

16:24

Finlay Carson (Galloway and West Dumfries) (Con): Those of a certain age will remember a television show called "Blankety Blank", which attracted millions of viewers every week. Well, it would appear that the Scottish Government is attempting to resurrect that show, but its version is certainly no laughing matter. Its version should be called "Blank Cheque", given that we are talking about a scatter-cash SNP Government that is apparently happy to dish out money as if it was going out of fashion. How else can we explain its catastrophic failure in the disastrous procurement from Ferguson Marine of two new ferries destined for CalMac?

The undoubtedly skilled workforce in the Port Glasgow yard was due to deliver the ferries to serve on the Clyde and Hebrides network three years ago. Today, the vessels are still tied up and will now not be completed until next year. If we are lucky, the second one might be complete in five years.

More importantly, because of the incompetence of the Scottish Government, the vessels will cost more than two and a half times their original contract price—nearly £250 million. Can you imagine coming home and telling your wife, partner or husband, "I've just bought a new car. The garage was selling it for £10,000, but I told them I'd happily pay £20,000. I'll pick it up this year—or maybe next year or the year after that"?

Even in this debate, Mr Wheelhouse's response to the ferries fiasco appears to be in line with other SNP debacles: "Oops. We'll try again. We'll maybe learn some lessons." It is just like the minister's failure on reaching 100 per cent—the R100 broadband programme. He should not be alone in shouldering the blame, however, as the former finance secretary, Derek Mackay, is also responsible for handing out loans to Ferguson Marine whenever it came calling. That is the gentleman who promised to nationalise the yard

without even knowing how much it was going to cost.

Then we had Fiona Hyslop, Cabinet Secretary for Economy, Fair Work and Culture, saying how proud she was of the progress that had been made since the Scottish Government took control of the business last August. Does she not realise that the ferries have not been delivered yet and that they are costing more than double the price in the original contract?

The Rural Economy and Connectivity Committee has already said that the procurement process was not fit for purpose, but the Scottish Government pressed ahead regardless, despite the risks involved. The committee found that the due diligence of Caledonian Maritime Assets Ltd, the Scottish Government's procurement body, and of Transport Scotland was "inadequate".

Why should we be surprised at all that? It is not exactly the first time that the SNP Government has been woefully shown up. Take the sick kids hospital in Edinburgh, which cost £150 million, yet will still open late—and only after an extra £16 million was ploughed in to rectify faults with the ventilation.

What makes it worse is that the Government does not appear to listen. Ask the islanders who patiently waited, and are still waiting, for the new ferries. Government ministers ignored their advice that the proposed ferries were not fit for purpose, with islanders arguing that they were too big. Indeed, it was only after the contract was signed that the Scottish Government realised that it would have to spend another £50 million on the quayside infrastructure in order that the ferries could dock.

As the shadow minister for rural affairs and the natural environment, I know how important the ferries are for the local economies, which rely on them heavily. They provide remote communities with a lifeline to the rest of the country.

Concerns have already been voiced about the overall age profile of Scotland's ferry fleet, with many vessels now operating beyond their expected lifespan. Indeed, about 50 per cent of the vessels in the CalMac fleet are now beyond their 25-year expectancy, and there are inevitable breakdowns and cancelled sailings. It should not be forgotten how critical the new, state-of-the-art ferries are; it is just a pity that the sheer incompetence of the SNP Government has left our island communities up the stream without a paddle.

Rather than burying your heads in the sand and learning nothing from the committee report, you in particular, Mr Wheelhouse, and your arrogant Government should hang your heads in shame.

16:27

Angus MacDonald (Falkirk East) (SNP): I am pleased to take part in this afternoon's debate—not just as a member of the REC Committee, but as a regular user of CalMac Ferries, not least the MV Hebrides, which is patiently waiting to be replaced by vessel 802.

We all know that Ferguson's has a history of decades of building for the CalMac fleet good-quality ships, on time and on budget. Indeed, it is because of the quality of that workmanship that there has not been the massive outcry that we would expect on the islands of Lewis and Harris over the delay in delivering vessel 802. The current MV Hebrides is such a good ship, and has faithfully plied the Uig triangle day in and day out, weather permitting. It is worth remembering that she was built by Ferguson's 20 years ago and is still going strong; in fact, she is probably the best ship in the CalMac fleet. Proof exists that Ferguson's has, in the past, delivered excellent fit-for-purpose ships for the fleet—that was until FMEL appeared on the scene.

There is clearly some disquiet on the islands at the prospect of further delay, with the 802 not coming into service until between December 2022 and February 2023. That has not been helped, of course, by the Covid pandemic, which has delayed work on the ferries by another six months.

I turn to the committee's report. On the procurement and construction strategy, the committee was extremely concerned about the overall age profile of Scotland's ferry fleet, which includes many vessels that are now operating significantly beyond their original planned lifespans. We considered that the current situation reflects a failure by successive Administrations in Scotland to develop and implement an effective strategy for renewing the fleet. To that end, I was delighted to see in the minister's recent response to the committee that the Government will invest at least £580 million during the next five years, to build on its vessel replacement and deployment plans, which we are assured will

“improve resilience, reliability, capacity and accessibility”.

I turn to the future, and engagement with local island communities in particular. During our evidence sessions, CMAL and CalMac claimed strong levels of engagement. Robbie Drummond of CalMac said that it undertakes hundreds of meetings per year with local ferries committees and ferries stakeholder groups, and Jim Anderson of CMAL said that CMAL's engagement with local communities had been extensive, and that the design of vessels 801 and 802 was, as a result, responsive to the needs and expectations of those communities. Referring specifically to 802, Mr Anderson claimed:

“the communities are, by and large, getting the ship that they want. The ship is like the MV Hebrides and we know that they are very happy with the Hebrides. I would say that the ship will be Hebrides plus when it is finished.”—[*Official Report, Rural Economy and Connectivity Committee*, 11 March 2020; c 5.]

That was music to my ears, but sadly not to those of Comhairle nan Eilean Siar, which claimed that with a vehicle-deck capacity increase of only 25 per cent over that of the vessel that it is replacing, vessel 802 will only partially alleviate capacity issues on the Uig triangle. That suggests that the decision to provide the service with a single new vessel was contrary to the preference of the local community, which reminds me of the situation with the now six years old MV Loch Seaforth. The community originally wanted two smaller ferries operating on the Stornoway to Ullapool route, instead of the one large ferry that it got. It is fair to say that there is still room for improvement when it comes to engagement with local communities, so I am glad that the minister has acknowledged that.

It should not go unnoticed that the Scottish Government, which faced an unprecedented and most unwelcome predicament that, I am sure, none of us would envy, took action to secure delivery of the vessels to serve the island communities that rely on them, and secured hundreds of skilled jobs and wider economic activity. For the record, that includes some 350 employees at the yard, including permanent, temporary and contract workers, and 26 apprentices. Of course, the yard also supports an estimated 350 jobs in the rest of Scotland. The saving of one of Scotland's last shipyards cannot, and should not, be disregarded or undermined.

The Deputy Presiding Officer (Lewis Macdonald): Alasdair Allan will be the last member to speak in the open debate.

16:32

Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP): The committee's report is unambiguous, as others have pointed out. There were, it seems, catastrophic failures associated with the building of two vessels for CMAL. Some of those failures can be attributed to the procurement process of CMAL, but many are clearly attributable to the way in which the project was managed by the contractor that was then operating Ferguson's. The people who are not to blame are the workforce of Ferguson's.

I will neither minimise those facts nor rehearse them. Instead, I want to look at some human consequences. Much of the debate has legitimately concentrated on what the episode means for jobs in Inverclyde. Given the proud heritage of shipbuilding there, I readily understand

and sympathise with that focus. Indeed, it was, I believe, right that the Government stepped in when it did, to save the jobs.

However, as Kenneth Gibson did, I want to add a word about what the delay to the vessels' completion actually means for island communities. Vessel 802, which is now running some four years behind schedule, is intended for the route that runs from Uig in Skye to the islands of Harris and North Uist in my constituency. CalMac, of course, already has vessels running on those routes. However, because of a period in the first years of this century during which no new major vessels were built for CalMac routes, some of the current fleet is now becoming distinctly stricken in years, as we have heard.

The pressing need for new tonnage to serve island routes becomes strikingly clear in the summer—at least, in any normal summer—when CalMac can simply no longer meet hugely increased demand. Less widely highlighted, however, are the problems that CalMac and the communities that it serves now face in the winter, when the fleet is shuffled around while many vessels have their annual refits. At the end of last year, three of CalMac's largest vessels were out of action at the same time, which meant that the company could not cover all lifeline services.

Only a few combinations of ships and piers are actually interchangeable. If we add bad weather or vessel breakdown to the picture, the situation becomes extremely difficult to manage. At Easter in 2018, for instance, Lochmaddy in North Uist went without any ferry service at all for the holiday long weekend, and there was a waiting list that stretched to nearly three weeks. Such sustained ferry problems have significant consequences. It can become difficult to keep shops stocked, it can become impossible for families to attend funerals, and tourism businesses are unable to honour bookings.

It might be obvious and unhelpful to say this, but I say with the best will in the world that a CalMac ferry does not take six years to build. The nearest comparison that comes to mind is the Queen Mary liner, which took five and half years from the laying of her keel to her maiden voyage in 1936. However, she was then the largest ship in the world, and work stopped halfway through her construction because of the great depression.

It would be remiss of me not to take the opportunity to focus at least some of my speech on the need to ensure that the two vessels are completed soon, and on the need to ensure that another vessel that is intended for Islay is ordered or—which is more important—completed soon in order to ensure that the CalMac fleet can cope in the years that lie ahead.

16:36

Colin Smyth: The debate has highlighted the fact that many unanswered questions remain. That is why so many of the committee's recommendations called for further investigation—for example, by Audit Scotland—and for reviews of the procurement process, of the design, of development of vessel specifications and of the propulsion technologies. As I have already made clear, my view is that further investigation is needed into the decision-making process for awarding the contract in the first place.

Although there are unanswered questions, there are some unavoidable facts. The building of the ferries was a catastrophic failure. As the committee's report said, the experience

“exposed serious failures in the current tripartite decision-making”

processes. In calling for an urgent root-and-branch overhaul of the decision-making structures, we specifically noted that that should

“consider the relative roles and responsibilities of all bodies involved in decision-making around the procurement of new vessels and ... whether each of these bodies should continue to exist”.

It is becoming increasingly clear that there is no longer a need for CMAL, now that we are not subject to EU procurement laws. Its failure to carry out due diligence in awarding the contract should hasten that decision. Stuart McMillan says that that failure should be swept under the carpet; he says that we should simply keep CMAL—which is a failing organisation—because it creates jobs. He seems not to understand that the jobs will still need to be done. Taking ferry building fully in-house would simplify the procurement process, improve accountability and ensure better alignment with communities' needs and wider Government policy aims.

Stuart McMillan: At what point did I actually say that?

Colin Smyth: Mr McMillan made it absolutely clear that he does not support the scrapping of CMAL. He specifically talked about the jobs that were being created. I wonder how many jobs could be created with the £100 million that has been swept into the Clyde because of his Government's ferry fiasco.

Stuart McMillan rose.

Colin Smyth: Mr McMillan ignored that point in his speech.

It is absolutely vital that we do not look only at the structures for how contracts are procured. Ferry building should be properly aligned with wider policy, including our ambitious carbon reduction targets. The Scottish Government must look at what more can be done to support low-

carbon technology in our shipbuilding sector in order to reduce emissions and to create vital green jobs in Scotland.

There are some exciting projects under way in Scotland, such as the HySeas III project in Orkney. I understand that it is seeking funding through the United Kingdom Government's clean maritime demonstration programme. If we are serious about building a green economy, such work must be supported. We want to see it being supported in shipyards in Scotland.

That brings me on to the future of the Ferguson Marine shipyard. The Government has been keen to emphasise the role that it played in protecting the shipyard's future by bringing it into public ownership. I fully support that decision, but the situation should never have been allowed to escalate to that point in the first place; the decision should not have been necessary. That fiasco led to the demise of the company behind Ferguson's. We should not be celebrating that—the fact that they are celebrating it certainly came across in some members' speeches.

It is clear from the committee's inquiry that, despite the failings of the management and the financial model of the company, Ferguson's has a dedicated and skilled workforce, which makes it an invaluable asset to Scotland's shipbuilding industry and an important source of jobs in the local economy.

Now that the welcome initial intervention to save the yard has been made, the focus must be on work to protect its long-term future by investing in and developing the yard's skills and expertise. We must focus on ensuring that the yard is equipped to develop the cutting-edge green technology that we will need, and that it secures the contracts that it can deliver.

We need a joined-up strategic plan for shipbuilding and ferry services in Scotland. As well as revisiting the procurement process for shipbuilding, the Scottish Government needs to set out plans for awarding contracts for lifeline ferry services. The Government needs to learn from the mistakes of this fiasco, but for that to be possible, it cannot continue to be so dismissive of so many of the committee's recommendations. It should remember that £100 million of taxpayers' money has been wasted and, most important, that lifeline ferry services have not been delivered to communities that have had to wait far too long for delivery of the contract.

16:40

Jamie Halcro Johnston (Highlands and Islands) (Con): The debate comes at an important time, following the Rural Economy and Connectivity Committee's report. I thank the

committee's members and clerks and the convener, my colleague Edward Mountain, for a clear and comprehensive examination of the subject. As a new member of the committee, I did not participate in the work that has taken place over the past year. However, as an islander, I am all too aware of the issues that our ferry networks have faced.

At the heart of all this are two vessels and hundreds of tonnes of steel sitting on the banks of the Clyde. It is a story as tragic as it is ridiculous. It all started quite differently—the easy promises, the First Minister's launch of the Glen Sannox in 2017, with only the Potemkinesque painted windows hinting at the trouble ahead, among the sea of little flags issued to schoolchildren. However, instead of those two vessels sailing the clear waters of the Clyde and Hebrides, as they now ought to be, the Scottish Government has created a pair of grandiose monuments to its own incompetence. Our island communities—not to mention the taxpayer—have been left with the consequences.

The committee's report in December was damning, and those two words “catastrophic failure”, which have been repeated many times today, should haunt all those responsible. The report told a tale not only of enormous delays and cost overruns but of huge flaws from the start to the end of the procurement process, of missed opportunities for the Scottish Government to mitigate problems at earlier stages and of a deaf ear turned to concerns from numerous parties. Over the summer, the Glen Sannox was pulled into dry dock—its frame had been left exposed to the elements too long and remedial action was needed. Glasgow has the fish that never swam; Port Glasgow has the ship that never sailed.

Since the tide so publicly turned on the project, the Scottish Government has created a legacy of evasion. It tried to shift blame at every opportunity, suggesting that it was all the fault of Ferguson Marine, with innocent ministers the real victims. Those suggestions dissolved under the light of the committee's investigation. My colleague Graham Simpson highlighted that when he spoke about the Scottish Government's response to the report and the minister's lack of humility or acceptance of the lessons to be learned. However, Paul Wheelhouse can no longer ignore a five-year delay and a nine-figure overspend. Given his record with the ferries, broadband roll-out and the proposed publicly owned energy company, the Minister for Energy, Connectivity and the Islands is fast getting a reputation as the minister for delays.

As Finlay Carson and others rightly pointed out, Paul Wheelhouse is not the only politician with questions to answer; he is just one of the SNP ministers involved in this shameful affair. Stay-at-home politician Derek Mackay should be here, too,

or at least joining us remotely to answer questions, but he is not. Peter Chapman took up the issue of the gulf between the committee's findings and the Government's response. Significantly, the issues around Transport Scotland's and CMAL's oversight and due diligence have been a constant theme of discussion. Peter Chapman also mentioned an issue that I know is close to the hearts of islanders, and especially businesses: resilience. If ferry services cannot adapt when normal operations break down, faults inevitably lead to lost journeys.

The debate has shown the Scottish Government's lack of strategic planning for our ferries—an issue that I have raised in the chamber for years. Ferry links are vital to our island communities and should be driven by the needs of islanders. The committee notes, with some alarm, the ageing profile of our ferry fleet, a lack of built-in resilience and the short-termist approach that has been taken.

We see that, too, in the northern isles—we still have no answers from the Scottish Government on the future of the interisland ferries that will themselves need to be replaced. All the while, private operators seem to be able to commission new vessels on time and on budget. The fear is that, so long as these long-standing questions remain unanswered, it will be only be a matter of time before the SNP's next catastrophic failure comes along.

16:45

Paul Wheelhouse: After that underwhelming contribution from Jamie Halcro Johnston, I will not take any lessons from someone who got fewer than 500 votes to get into the Parliament. Julian Fellowes need not fear that he will be replaced as a Tory scriptwriter.

In more positive contributions, Rhoda Grant, who I appreciate is online and cannot respond, and Stewart Stevenson raised issues to do with state aid and its replacement. It is clear that there is a different environment post-Brexit, but we also have to take into account the fact that we need guidance from the UK Government on how the subsidy arrangements will be made before we can draw conclusions about the implications for direct award, although clearly we are interested in looking at that.

There were a number of other positive contributions. I appreciate much of what Colin Smyth said, although it may have been less positive. He called for a tripartite review, as did others. I want him and other colleagues to acknowledge that we have committed to that, and it is about to be commissioned. It will report to

Parliament and to ministers, and I reassure him and others that—

Graham Simpson: Will the member take an intervention?

Paul Wheelhouse: I am not sure that I have time, but if the Presiding Officer allows me, I can.

Graham Simpson: Are there any circumstances under which the minister would consider scrapping CMAL?

Paul Wheelhouse: We have to commission the review and see what comes forward. I praise the work that CMAL, CalMac and Transport Scotland do, and I acknowledge that there are lessons to be learned, as I said in my opening remarks and in my written submission. I promise that we will learn the lessons, but we also need to wait for the review to conclude. We will consider what the ideal arrangements are given the kind of procurement models that we need to look to get investment in the fleet. With respect to the member, I understand what he is trying to get me to say, but we have to see what is recommended as the best organisational structure to ensure that we have the appropriate steps in place.

Alasdair Allan was right to focus on the communities, and I hope that he and Kenny Gibson and others would acknowledge that I have been in contact with communities and I have given them the absolute assurance that we are doing everything that we can to get the vessels in place in time, and I have expressed my regret that they are facing delays as a consequence of what has happened at Ferguson's.

Mike Rumbles charged us with the risk that the report will sit on a shelf and gather dust—I assure him that it will not and we are already acting on a number of the recommendations. Even the convener acknowledged and welcomed some areas in his opening remarks, including our willingness to contribute to any Audit Scotland review, should that be asked for by Audit Scotland—[*Interruption.*] I do not think that I have time, but I will happily engage with the member afterwards.

In relation to wider contributions, we have signalled that we remain committed to those communities and to take on board lessons. We recognise the impact that delays have had and we have given additional investment to CalMac and CMAL of £4 million a year to help with additional maintenance costs, as we try to bridge the gap until the vessels arrive. In recent months, we have made significant progress on other key vessel replacement projects with the appointment of naval architects for the Gourock to Dunoon and Kilcreggan vessels and approval of the initial stages of the small vessel replacement programme that will see seven of the loch class

vessels replaced in a rolling programme. In addition, CMAL has commenced work on the options for replacing the freight vessels for the northern isles. Our infrastructure investment programme, which Angus MacDonald referenced, has committed to £580 million of investment in ferries over the next five years.

We are also looking at whether there are positive lessons that we can take from the impact of Covid on services—in particular, we are considering, inspired by discussions with Dr Allan and colleagues in the Western Isles, whether the retention of an appropriate percentage of tickets on a turn-up-and-go basis should continue, which is of more benefit to islanders looking to travel at short notice, given capacity constraints.

I make those points to stress that, although we will reflect and improve as I have set out, we will also progress those vital projects. Some of the work may also require port infrastructure improvements to support the introduction of new vessels with larger capacity and to accommodate standardisation of vessels, which is something that the committee and witnesses have called for. John Finnie made that point in his remarks at the beginning of the debate. Those costs will be understood through the development of the project and tested against a detailed cost benefit analysis across the lifetimes of vessels.

We are also committed to ensuring that that work is underpinned by an overall investment strategy that considers ports and vessels and supported by the development of the island connectivity plan, which the convener mentioned earlier, which will be the successor to the current ferries plan. We will look more comprehensively at connectivity to the mainland for islanders.

We continue to welcome the commitment and professionalism of the workers and the management team in the yard at Port Glasgow. We will update the committee at appropriate intervals on progress in completing both hulls, 801 and 802. We firmly stand behind our decision to step in and ensure jobs for Inverclyde, a future for the business and the delivery of vessels. Stuart McMillan was right to focus on that.

As part of the intervention that we have made, we have reluctantly accepted the additional cost that has resulted from the contractor's failure to deliver to the fixed price that it promised. That was underpinned by failures in processes by the former management, which were set out in the report that the turnaround director made when the yard was brought into public control.

That does not mean that we do not accept that things must change. I accept that members have made such points, which we have acknowledged. Even in my response to the committee, I

acknowledged that. We do not rest the situation entirely on contractor failure, although it was a significant factor in the problems that unfolded, as I said. I hope that fair-minded members will accept that.

Mike Rumbles: On a point of order, Presiding Officer. You will be aware that I made a point of order last week about the inability to intervene on members who contribute remotely. I asked you to take that issue forward and you suggested that members should bring it to our business managers' attention.

We have a similar issue today. The Parliamentary Bureau has programmed this very important debate for a short time, which means that members other than front benchers have been able to speak for only four minutes and have—rightly—not had time to take interventions. That is not a debate. Parliament is turning into a place for speech after speech, and I hope that the bureau will note that.

The Deputy Presiding Officer: I am not at all sure that that is a point of order. It is important to say that what the Parliamentary Bureau proposes, Parliament can agree or disagree to. The timing for the debate was agreed by Parliament.

I call Maureen Watt to close for the committee.

16:52

Maureen Watt (Aberdeen South and North Kincardine) (SNP): I hope that that intervention has not eaten into my speaking time.

This has been a rumbustious debate on the committee's report, which had to be debated in the chamber. As has been said, a minority report was not issued, but it is fair to say that there was robust discussion and disagreement in the committee. It is thanks to the clerks that we managed to get to the point of having the report to help us in our work.

The committee was right to agree to hold the inquiry, because a considerable amount of taxpayers' money is involved in ferries generally and specifically in vessels 801 and 802. As members have said, many of our island communities are being and will be affected by the slippage in the procurement of the new ferries, given the ageing fleet.

The Scottish Government and the minister must accept that changes are necessary. I am pleased that consultation with islanders, for example, will be improved and, above all, that feedback will be seen as necessary, as that is an important part of the engagement process. The wants of islanders are not a homogeneous ask. The needs of the wider economy, such as those of tourism and business, all need to be factored in.

The Scottish Government must develop standard designs for small, medium and large vessels to get economies of scale, and have better co-ordination of quay sizes and quay facilities throughout the Western Isles and the northern isles. That will mean that we can take into account islanders' various needs and have co-ordination and standardisation, especially as propulsion methods will change to take climate change into account.

It has been important to have the debate so that we could hear contributions from members who represent the islands. The tendering and procurement of ships is unique; it involves a long-standing process that is unlikely to change significantly just because of these ferries. However, there is room for better design specification and for the requirements in tenders to be more specific.

We want the shipbuilding industry in this country to survive. That has been the consensus throughout the debate. It would be unthinkable not to have vibrant shipbuilding capacity in Scotland, given that we are an island and have lots of island communities to serve.

It is clear that as long as Ferguson's shipyard is in public hands, it will be a subject for debate in future sessions of Parliament. The Government should be held to account on the subject. There is much to be done to turn the business around. It will take many years to put it on a sound financial footing. The Government is right to look forward, but it is important that we question the current decision-making structure, in particular the length of the CalMac contract, which should be longer.

Members who visited the yard cannot but have seared on their memories what we saw as the result of FMEL's tenure of the yard. Vessel parts and machinery were stored in appalling conditions, without sufficient inventory in place. There was steel of insufficient quality to hold the bow doors in place, capstans of insufficient strength to hold the ships in port, and no pipework from the liquefied natural gas tanks to the engine room—not to mention the infamous bulbous bow. All of that had to be replaced at huge cost, due to FMEL's incompetence and negligence.

All in all, Scotland must have a sustainable shipbuilding industry. In Inverclyde, we must have a yard that is in a position to be competitive. As Stuart McMillan has said, Inverclyde is one of the most deprived areas in Scotland and it is really important that the Government continues to support the yard.

The Deputy Presiding Officer: That concludes the debate on the inquiry into the construction and procurement of ferry vessels in Scotland.

Scottish Parliament (Assistance for Political Parties) Bill: Stage 3

The Presiding Officer (Ken Macintosh): The next item of business is a debate on motion S5M-23674, in the name of Bill Kidd, on stage 3 of the Scottish Parliament (Assistance for Political Parties) Bill.

I am required under standing orders to decide whether any provision of the bill refers to a protected subject matter—that is, whether it modifies the electoral system or franchise for Scottish parliamentary elections. In my view, the bill does no such thing and therefore does not require a supermajority in order for it to be passed at stage 3.

I invite Bill Kidd to speak to and move the motion on behalf of the Standards, Procedures and Public Appointments Committee.

16:57

Bill Kidd (Glasgow Anniesland) (SNP): I start by thanking the Standards, Procedures and Public Appointments Committee clerking team for all their work.

It has been almost a year since the Parliament agreed to the Standards, Procedures and Public Appointments Committee's proposal for a committee bill to amend the Scotland Act 2016 to transfer responsibility for setting the terms of the funding of non-Government political parties from the Scottish Government to the Scottish Parliamentary Corporate Body. The bill and its accompanying documents were introduced last summer and I am delighted to be here today to invite the Parliament to agree to pass it.

The bill seeks simply to transfer administrative oversight of the so-called Short money scheme to the corporate body. That makes sense, given that for more than 20 years, the SPCB has been funding the scheme as part of its budget.

In previous speeches, I have spoken of the origin of Short money payments. Named after Labour MP Edward Short, the payments were introduced by the Harold Wilson Government in 1974 to enable Opposition parties to fulfil their parliamentary functions.

The scheme followed a pilot project, funded by the Joseph Rowntree Social Service Trust, which funded parliamentary assistants for Opposition front-bench spokespeople. The idea was to assist Opposition parties in carrying out parliamentary duties and to counteract the advantage that Government ministers enjoy through briefings from civil servants. The assistance that was provided under the scheme became known as chocolate

soldiers, which was a reference to the source of Rowntree's wealth. That is just a wee bit of interesting detail.

I remind members that the bill is administrative in nature. Any alterations in the funding of non-Government parties would always be subject to agreement by the Parliament as a whole. The bill does not interfere with the existing scheme and formula, which will remain in place until such time as the Parliament agrees to a change by means of a formal resolution process. As such, the bill's passage will not, in itself, affect the amount that is paid to parties. It is envisaged that the SPCB, in drawing up a new scheme, will consult before submitting it for formal approval by the whole Parliament.

I move,

That the Parliament agrees that the Scottish Parliament (Assistance for Political Parties) Bill be passed.

17:00

The Minister for Parliamentary Business and Veterans (Graeme Dey): It might come as little surprise—and, no doubt, a great relief—to colleagues that, consistent with my previous contributions to the Parliament's scrutiny of the bill, I do not propose to speak for particularly long. I simply reiterate the key point of principle that the bill, which I anticipate will shortly successfully complete its passage, embodies the Government's long-held and often-expressed view that it is for the Parliament to take the lead on matters that are relevant to its own operation.

As has been noted often during its progress to date, the bill was promoted by the Standards, Procedures and Public Appointments Committee on the basis of the Parliament's increased competence, as delivered by the statutory framework that is provided for in the Scotland Act 2016. As such, the bill continues what I consider to be the ever more natural process of the Parliament developing and establishing its own operational procedures and, in doing so, refining, remodelling and—most important of all—reforming the framework that was inherited upon devolution.

In relation to the effect of the bill, the Government has made clear its position that it is only right and proper that the Parliament directly determines the arrangements under which financial assistance is provided to non-Government party groups. I have already put on record the reasoning behind placing that responsibility in the hands of the Executive—namely, the need to ensure that an arrangement was established in advance of the Parliament formally taking up its responsibilities. The power has not been exercised since then; it would only ever have been deemed appropriate to be used at

the behest of the Parliament. However, the framework that is proposed under the bill is a better way forward, because such matters are for the Parliament alone.

As we know, the bill transfers only responsibility for Short money, with any alterations to the current funding arrangements subject to parliamentary resolution. Current funding is, of course, drawn from the Scottish Parliamentary Corporate Body's budget. It will be for the corporate body and, ultimately, the Parliament to consider what further action, if any, should be taken in the future. That function naturally sits alongside other budgetary considerations that are overseen by the corporate body, thereby ensuring that any reform is evaluated in that context and with regard to all demands on parliamentary resources. Once again, I remind colleagues that the current order will remain in force until the first resolution is made under the new framework.

The Government very much welcomes, and is supportive of, this committee bill. I look forward to hearing the views of other members.

17:03

John Scott (Ayr) (Con): I welcome the Scottish Parliament (Assistance for Political Parties) Bill and the work of the Standards, Procedures and Public Appointments Committee in bringing this committee bill to Parliament. The bill was introduced and the stage 1 process was completed before I joined the committee, so I acknowledge the work of Jamie Halcro Johnston in helping to get the bill to stage 3. Of course, I also thank others on the committee at that time and since. I thank our clerks and the Scottish Parliament information centre, as well as the Finance and Constitution Committee and the Delegated Powers and Law Reform Committee for their scrutiny of the bill.

This is a consensual bill that makes a technical change to the Scotland Act 2016 to allow a motion of our Parliament to authorise the awarding of financial assistance, which is known as Short money, to political parties. The job of disbursing Short money to political parties will be carried out by the Scottish Parliamentary Corporate Body, which is duty bound to do so in the best interests of a functioning Parliament and which I understand now carries out its work consensually.

A fully functioning Parliament requires a fully functioning democracy, which demands that parties other than those of Government are able to hold the Government to account. That ability to hold a party or Government to account has never been needed more than it is today, and that is what Short money helps Opposition parties to do.

Access and accountability support our adversarial democracy in Scotland, in our devolved Parliament, where matters of law, financial management, budgeting, education and health spending are constantly under review. Strong Opposition parties must have the resources and the ability to challenge and scrutinise Government spending and practices. Short money facilitates accountability and scrutiny, and this technical bill allows that money to be directly allocated from within our own Parliament. The Scottish Conservatives welcome that change.

We welcome the bill, and we will support it at decision time.

17:05

Elaine Smith (Central Scotland) (Lab): When, as the convener said, we debated in the chamber early last year the SPPA Committee's proposal to lodge a committee bill on Short money, I welcomed the clarification that it would bring to the functions of the Parliament and the Scottish Government. I commend the work of the committee members in their deliberations and scrutiny to get us to this stage, and I thank the clerking support team.

The bill is a welcome move to further standardise arrangements across the parliamentary estate and to ensure that allocations of Short money deliver consistency in the support that is given to party leaders. As I said last year, I support the framework to further ensure that all Opposition parties have the means to fully scrutinise the Government. Bringing the management of, and the decisions about, Short money clearly into the remit of the SPCB is welcome, as it does not make sense that the Government determines the funding of other political parties.

I also hope that the bill will allow early discussion of some standardisation of terms and conditions across the workforce in the Parliament. I will highlight one anomaly in that regard. Staff who are employed through Short money and who work in the office of any party leader might be off sick for extended periods of time or might be on maternity leave or extended paternity leave. Currently, the costs of that must be met from within the Short money allowance, and there is no arrangement in place that is equivalent to the contingency fund for staff who are directly employed by MSPs.

When that contingency fund was introduced, in the early days of the Parliament, it was partly to ensure that there were no unintended barriers to MSPs employing women or those with long-term health conditions and to encourage positive action in recruitment practice. Although we know that any

discrimination at the point of recruitment is unlawful if proven, the fund ensured that MSPs could still be supported when staff were off work for a period. That was a real issue when working within a fixed budget. Without that provision, MSPs would be unable to staff their offices to fulfil all constituency and parliamentary responsibilities. The temporary cover fund on which all MSPs can draw was therefore seen as a very progressive policy, and it means that the work of an MSP is well supported and covered. It also helps to ease the workload on those staff who are still at work, and it ensures that staff who need to be off work do not feel additional pressure.

However, there is no such provision for Short money staff cover. If the purpose of Short money is to effectively support party leaders equally and fairly, the approach to staff absence after a two-week period that is currently in place for other MSP staff should be applied to staff employed through Short money, because we have a duty of care to all staff, regardless of their contract. We now have the chance to address that situation with the passing of this bill. I wanted to flag the issue up now so that, in the next session, Parliament can consider taking the matter forward. I think that it is a necessary and desirable change that the SPCB should make at the first opportunity.

On that note, I am happy to support the bill on behalf of Scottish Labour.

17:09

Patrick Harvie (Glasgow) (Green): I am very happy to close on behalf of a committee that I have not been a member of for the whole bill process. In thanking my fellow committee members, the convener, the officials involved and everyone who has helped to get the bill to this stage, I am aware that I am also offering thanks on behalf of my predecessor on the committee, Mark Ruskell, who took part in the committee's work during that process more than I did.

As Elaine Smith said, there are longer-term questions about how the system for allocating the resource to political parties might be changed in the future, but it is important to restate one more time that the bill is not the place for debating any overarching change to the system. The decisions have been the responsibility of the SPCB for some time, and the bill merely changes the technical placing of that responsibility with the Parliament rather than the Government. As Bill Kidd, the convener, emphasised, it does not change the actual scheme of support. That might be debated at some time in the future, and, if that happens, there should be a wide-ranging and open-minded debate.

Graeme Dey, on behalf of the Government, also made it clear that the change is supported by the Government. It does not make sense for the responsibility for setting out the scheme to rest with the Government when, in reality, we know that the decisions should be made by the SPCB on behalf of the whole Parliament. That is what the bill seeks to ensure.

In drawing up the plans, the committee consulted widely with MSPs, political parties, the business bureau, the Government and the Electoral Commission, and it is clear that there is a pretty strong consensus around the change that the bill brings about.

It is not necessary for me to use up all the time that is available to me, especially given that we are already a little bit late for decision time, so I will wind up by once again thanking colleagues—including the officials who supported the committee process—for helping to get the bill to this stage. I commend the bill to Parliament and invite members to pass the resolution at decision time.

The Presiding Officer: I am sure that other members will join me in thanking you for your brevity, Mr Harvie.

Decision Time

17:11

The Presiding Officer (Ken Macintosh): There are two questions today. The first question is, that motion S5M-24025, in the name of Edward Mountain, on the construction and procurement of ferry vessels in Scotland, be agreed to.

Motion agreed to,

That the Parliament notes the conclusions and recommendations contained in the Rural Economy and Connectivity Committee's 12th Report, 2020 (Session 5), *Construction and Procurement of Ferry Vessels in Scotland* (SP Paper 879).

The Presiding Officer: The second question is, that motion S5M-23674, in the name of Bill Kidd, on the Scottish Parliament (Assistance for Political Parties) Bill at stage 3, be agreed to.

Because the motion concerns an act of Parliament, we have to move to a vote. I therefore suspend Parliament for a few moments to allow members who are in the chamber and those who are online to access the voting app.

17:12

Meeting suspended.

17:19

On resuming—

The Presiding Officer: We will go straight to the vote. The question is, that motion S5M-23674, in the name of Bill Kidd, on the Scottish Parliament (Assistance for Political Parties) Bill at stage 3, be agreed to. Members may cast their votes now. This is a one-minute division.

The vote is closed. If any member was not able to vote, I ask them to let me know through a point of order.

Mike Rumbles (North East Scotland) (LD): On a point of order, Presiding Officer. For some reason, we cannot get my phone to work. I would have voted yes.

The Presiding Officer: Thank you, Mr Rumbles. You would have voted yes. I will make sure that your vote is added to the voting roll.

The Minister for Local Government, Housing and Planning (Kevin Stewart): On a point of order, Presiding Officer. My screen has gone completely blank—I do not know what has happened. I would have voted yes.

The Presiding Officer: Thank you, Mr Stewart. You did vote and your vote has been recorded.

I can tell John Scott that his vote was registered; it was counted.

I can tell Rona Mackay that she did vote and that her vote was recorded.

I can tell Alexander Burnett that his vote was also registered.

Clare Haughey's vote was registered, too.

Colin Beattie's vote was also registered.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Balfour, Jeremy (Lothian) (Con)
 Ballantyne, Michelle (South Scotland) (Reform)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Bowman, Bill (North East Scotland) (Con)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Campbell, Aileen (Clydesdale) (SNP)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Davidson, Ruth (Edinburgh Central) (Con)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Fee, Mary (West Scotland) (Lab)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Forbes, Kate (Skye, Lochaber and Badenoch) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Golden, Maurice (West Scotland) (Con)
 Gougeon, Mairi (Angus North and Mearns) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire) (Con)
 Harper, Emma (South Scotland) (SNP)
 Harris, Alison (Central Scotland) (Con)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 Kelly, James (Glasgow) (Lab)
 Kerr, Liam (North East Scotland) (Con)

Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lindhurst, Gordon (Lothian) (Con)
 Lochhead, Richard (Moray) (SNP)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Macdonald, Lewis (North East Scotland) (Lab)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Mason, Tom (North East Scotland) (Con)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 McNeill, Pauline (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Rennie, Willie (North East Fife) (LD)
 Robison, Shona (Dundee City East) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rumbles, Mike (North East Scotland) (LD)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Sarwar, Anas (Glasgow) (Lab)
 Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Elaine (Central Scotland) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Smyth, Colin (South Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Tomkins, Adam (Glasgow) (Con)
 Torrance, David (Kirkcaldy) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wells, Annie (Glasgow) (Con)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Whittle, Brian (South Scotland) (Con)
 Yousaf, Humza (Glasgow Pollok) (SNP)

The Presiding Officer: The result of the division on motion S5M-23674, in the name of Bill Kidd, on the on the Scottish Parliament (Assistance for Political Parties) Bill at stage 3, is: For 111, Against 0, Abstentions 0.

Motion agreed to,

That the Parliament agrees that the Scottish Parliament (Assistance for Political Parties) Bill be passed.

The Presiding Officer: The Scottish Parliament (Assistance for Political Parties) Bill is passed.
[*Applause.*]

Before members leave the chamber, I encourage them to wear their masks, observe social distancing and follow the one-way systems.

Meeting closed at 17:23.

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

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

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot



The Scottish Parliament
Pàrlamaid na h-Alba