



Argyll and Bute Council
Comhairle Earra-Ghàidheal Agus Bhòid

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20 March 2018

NOTICE OF MEETING

A meeting of the **ARGYLL ISLANDS STRATEGIC GROUP** will be held in the **COUNCIL CHAMBERS, KILMORY, LOCHGILPHEAD** on **TUESDAY, 27 MARCH 2018** at **11:30 AM**, which you are requested to attend.

Douglas Hendry
Executive Director of Customer Services

BUSINESS

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5. **UPDATE ON PILOT PROJECT FOR SCOTTISH GOVERNMENT ISLAND LIAISON DIRECTORS**
Verbal Update by Chief Executive
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Verbal Update by Chief Executive
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Argyll Islands Strategic Group

Councillor Robin Currie (Chair)

Councillor Anne Horn

Councillor Julie McKenzie

Councillor Jean Moffat

Councillor Elaine Robertson

Councillor Mary-Jean Devon

Councillor Sir Jamie McGrigor

Councillor Yvonne McNeilly

Councillor Aileen Morton

Councillor Len Scoullar (Vice-Chair)

Shirley MacLeod, Area Governance Manager

Contact: Lynsey Innis, Senior Committee Assistant, Tel: 01546 604338

MINUTES of MEETING of ARGYLL ISLANDS STRATEGIC GROUP held in the COUNCIL CHAMBERS, KILMORY, LOCHGILPHEAD on TUESDAY, 9 JANUARY 2018

Present: Councillor Robin Currie (Chair)

Councillor Anne Horn	Councillor Aileen Morton
Councillor Sir Jamie McGrigor	Councillor Elaine Robertson
Councillor Jean Moffat	Councillor Len Scoullar

Attending: Tricia O'Neill, Central Governance Manager
Cleland Sneddon, Chief Executive
Pippa Milne, Executive Director of Development and Infrastructure Services
Fergus Murray, Head of Economic Development and Strategic Transformation
Stewart Clark, Marine Operations Manager
Councillor Roddy McCuish

1. WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting.

Apologies for absence were intimated on behalf of Councillors Devon and McNeilly.

2. DECLARATIONS OF INTEREST

There were no declarations of interest intimated.

3. MINUTE OF PREVIOUS MEETING HELD ON 31 OCTOBER 2017

The Minute of the meeting of the Argyll Islands Strategic Group held on 31 October 2017, was approved as a true record, subject to the inclusion of Councillor Jim Findlay on the attendee list.

4. SCOTTISH GOVERNMENT ISLAND LIAISON DIRECTORS

The group gave consideration to a report providing an outline of a proposed eighteen month pilot scheme which would see the extension of the Scottish Civil Service's network of Liaison Directors to Argyll and Bute islands. The Chief Executive advised of ongoing discussions with the Scottish Government with suggestions of a cluster arrangement for a Liaison Director to be appointed to each grouping of islands within the Mid Argyll, Kintyre and the Islands; Bute and Cowal and Oban, Lorn and the Isles administrative areas. Mr Sneddon confirmed that the existing and well established local government structures such as community planning would be utilised to take this pilot forward.

The Chair requested that an invite be extended to the Liaison Directors to attend a future meeting of the group.

Decision:

The group agreed:

1. with the principles of the report for a pilot for Scottish Government Island Liaison Directors in Argyll and Bute;
2. to delegate to the Chief Executive permission to approach the Scottish Government's Permanent Secretary to take forward this pilot including the establishment of a steering group; and
3. that the pilot run for eighteen months followed by an evaluation.

(Ref: Report by Chief Executive, dated 9 January 2018, submitted.)

5. FERRY FREIGHT FARES - POLICY REVIEW BY SCOTTISH GOVERNMENT

The group gave consideration to a report providing an update on the review of ferry fares, including potential implications on freight fares for several islands/communities should the Scottish Government decide, in the future, to implement a proposed new freight fares structure.

The Argyll Islands Strategic Group expressed concerns about the proposed detrimental impact of the freight fares review on Coll and Tiree and recommended that the review should consider a wider range of options to mitigate against the significant increase for the remoter islands to ensure their future sustainability including:

- different rates for different categories of freight
- freight – only journeys.

Decision:

The group agreed:

1. to note the report; and
2. requested that the Marine Operations Manager feed the concerns outlined above to the Scottish Government in respect of the Policy Review.

(Ref: Report by Executive Director of Development and Infrastructure Services, dated 9 January 2018, submitted.)

Councillor Sir Jamie McGrigor joined the meeting at 10.25am during consideration of Agenda Item 5.

Councillor Anne Horn joined the meeting at 10.28am and left the meeting at 10.50am, during consideration of Agenda Item 5.

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6. RURAL TOURIST INFRASTRUCTURE FUND

The Head of Economic Development and Strategic Transformation provided the group with a verbal update in relation to the Rural Tourism Infrastructure Fund. Mr Murray advised that the Scottish Government is to establish a fund to provide investment in infrastructure to support sustainable growth in rural tourism across Scotland. He advised that the Rural Tourism Infrastructure Fund, which will see £6 million invested over two years, will help ensure the services and facilities tourists and communities need are provided, such as parking, camping facilities, recycling points and footpath access. Mr

Murray advised that the new fund is expected to launch early in 2018 and will be administered by public sector partners working with local authorities, with input from communities and the industry to identify projects requiring support.

Discussion took place in respect of the criteria and possible deadlines for applications. The Head of Economic Development and Strategic Transformation advised that this information was not yet available and confirmed that as soon as there was further information he would provide an update to the group.

Decision:

The group agreed to note the information provided.

7. ISLAND INFRASTRUCTURE LEVY

The Head of Economic Development and Strategic Transformation provided a verbal update in relation to the proposed Island Infrastructure Levy. Mr Murray advised that the focus of the levy applied to Calmac and was based on current passenger figures. He advised that it was estimated that 2.3 million passengers utilise Calmac services within Argyll and Bute, however not all passengers would be tourists. Using the rationale of implementing a £1.00 levy on each ticket, Mr Murray advised that the fund could have in the region of £2 million. He advised of interim analysis works completed, which he hoped would form the basis of future discussions with the Minister for Transport and the Islands. Mr Murray advised that he was unclear how this would be introduced but that it would form part of discussions in the months ahead.

Discussion took place in respect of ongoing discussions in both Glasgow and Edinburgh with the group noting that these were specific to accommodation rather than transport. The Executive Director of Development and Infrastructure Services reminded the group that Argyll and Bute Council do not have the power to implement the levy, this would be a decision for the Scottish Government. The Head of Economic Development and Strategic Transformation confirmed that he would seek information from the Scottish Government as to the stage of discussions and provide an update to Members.

Decision:

The group agreed to note the information provided.

Councillor Anne Horn re-joined the meeting at 11.23am, during consideration of Agenda Item 7.

8. PROGRESS OF THE ISLANDS BILL

The group gave consideration to a verbal update from the Head of Economic Development and Strategic Infrastructure who outlined the Parliamentary process for passing a Bill, and confirmed that stage 1 of the Islands Bill had been completed and a report was expected to be presented to the Rural Economy and Connectivity Committee with a chamber debate on 8 February 2018. Mr Murray advised that Stage 2 of the process was scheduled for March 2018, with amendments lodged the week before. He further advised that there is a meeting of the Strategic Island Group on 18 January 2018 and he suspected that possible amendments would be discussed in this forum.

The Chief Executive advised Members that it was important to note that this is an enabling Bill which would have permissible development in the future.

Decision:

The group agreed to note the information provided.

9. UPDATE ON AGENDA FOR JANUARY MEETING OF THE NATIONAL ISLANDS GROUP

The Chief Executive advised that he had not yet received a copy of the agenda, therefore he was unable to provide an update at this stage. Mr Sneddon confirmed that he would circulate a copy of the agenda to Members as soon as it became available.

Decision:

The group agreed to note the information provided.

The group noted the suggestion that an item on the decision taken by HIAL on the Air Control System could be considered as a future Argyll Islands Strategic Group agenda item.

The Chair thanked all in attendance and advised that the next meeting of the group was scheduled to take place on Tuesday, 27 March 2018 at 11.00am, within the Council Chambers, Kilmory, Lochgilphead. He further advised that the Minister for Transport and the Islands , Humza Yusaf MSP had confirmed his attendance at this meeting.

ARGYLL AND BUTE COUNCIL**ARGYLL ISLANDS STRATEGIC
GROUP****Development and Infrastructure
Services****27 March 2018**

Islands (Scotland) Bill – Update

1.0 INTRODUCTION

1.1 This report provides members with an update in regard to the Islands (Scotland) Bill. The Scottish Government Bill was introduced by the Cabinet Secretary for Rural Economy and Connectivity on 9 June 2017. The purpose of the Bill is to:

- make provision for a national islands plan
- to impose duties in relation to island communities on certain public authorities to have regard to island communities (the principle of island proofing)
- to make provision about the electoral representation of island communities
- to establish a licensing scheme in respect of marine development adjacent to islands.

1.2 The Bill completed Stage 1 on 8 February 2018. Stage 2 is scheduled for 21 March 2018.

2.0 RECOMMENDATIONS

2.1 That members consider this update.

3.0 DETAIL

3.1 The Scotland (Island) Bill was introduced to Parliament on 9 June 2017. The Bill was assigned to the Rural Economy and Connectivity (REC) Committee for Stage 1 consideration. Following the conclusion of the consideration of evidence, both written and in person, the REC committee published its report on 22 January 2018. <https://sp-bpr-en-prod-cdnep.azureedge.net/published/REC/2018/1/22/Stage-1-Report-on-the-Islands--Scotland--Bill-1/RECS052018R2.pdf>.

3.2 The report contained 68 recommendations including the desirability or otherwise of subsidiary island plans.

- 3.3 The Stage 1 plenary debate on the Bill was held on 8th of February and the Scottish Parliament unanimously voted in favour of the general principles of the historic Islands Bill.
- 3.4 Stage 2 is scheduled for 21 March 2018 with any Government amendments to the Bill lodged week beginning 12 March 2018.
- 3.5 It is at Stage 2 that the Bill is scrutinised and amendments to the Bill can be put forward. The Scottish Government (SG) will bring forward amendments from the Committee's report (dated 22 January 2018) that it supports as detailed in its formal response published on 2 February. Separately amendments can be put forward by MSP's which means that members of the REC Committee can also still present their own amendments even if the SG has declined to accept them. Crucially only Committee members can vote and have the greatest influence on the eventual scope of the legislation.
- 3.6 Where it is agreed that an amendment is to be included at Stage 2 and that amendment then has the potential to introduce an increased cost to a local authority it is important that the council ensures that the Bill's Financial Memorandum is amended to fully reflect the cost of any requirements on it arising from the legislation.

Next Steps

- 3.7 If the Bill moves successfully through Stage 2 the next and final stage is Stage 3. Where the Bill is amended at Stage 2, Stage 3 amendments must relate to the "as amended" version of the Bill. Between Stage 2 and 3 the Financial memorandum will be re-considered to take account of any amendments and any financial implication arising. Parliament will vote on the Bill at Stage 3.

4.0 IMPLICATIONS

- 4.1 Policy – The Bill will ensure island proofing.
- 4.2 Financial – The Financial memorandum will be critical to ensure that any additional resources required as a result of the Bill are in place.
- 4.3 Legal – Bill going forward to Stage 2.
- 4.4 HR – None at this time.
- 4.5 Equalities – The new Bill will ensure.
- 4.6 Risk – See finance section above.
- 4.7 Customer Service – None at this time.

Executive Director of Development and Infrastructure, Pippa Milne
Policy Lead, Cllr Robin Currie
13/3/2018

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ARGYLL AND BUTE COUNCIL**ARGYLL ISLANDS STRATEGIC
GROUP****DEVELOPMENT AND
INFRASTRUCTURE SERVICES****27TH MARCH 2018**

FUEL POVERTY CONSULTATION – UPDATE REPORT

1.0 EXECUTIVE SUMMARY

1.1 Argyll and Bute Council have provided a response to the Scottish Government's Fuel Poverty Strategy Consultation which outlined a proposed new definition for fuel poverty. The response included contributions from the Argyll and Bute Energy Efficiency Forum (EEF) and the Council's Welfare Reform Working Group. The response outlines disappointment that the Scottish Government haven't provided a rural weighting on their proposed definition for fuel poverty; and outlines the issues which rural areas face in terms of domestic energy efficiency. The report also outlines the opportunities that island areas currently have access to relating to grant funding; and identifies proposals to ensure energy inefficient households are targeted for island areas across Argyll and Bute.

2.0 RECOMMENDATION

2.1 The Strategic Group consider the response from Argyll and Bute Council.

ARGYLL AND BUTE COUNCIL

ARGYLL ISLANDS STRATEGIC GROUP

DEVELOPMENT AND
INFRASTRUCTURE SERVICES

27TH MARCH 2018

FUEL POVERTY CONSULTATION – UPDATE REPORT

3.0 INTRODUCTION

3.1 Argyll and Bute Council have provided a response to the Scottish Government's Fuel Poverty Strategy Consultation which outlined a proposed new definition for fuel poverty. The response included contributions from the Argyll and Bute Energy Efficiency Forum (EEF) and the Council's Welfare Reform Working Group. The Energy Efficiency Forum response included representation from the Iona Renewables Group and Islay Energy Trust.

3.2 This report presents an overview the response to the Fuel Poverty Strategy consultation; as well as the specific issues and activities that relate to island communities and fuel poverty.

4.0 RECOMMENDATIONS

4.1 The Strategic Group consider the response from Argyll and Bute Council.

5.0 OVERVIEW OF FUEL POVERTY CONSULTATION

5.1 The Scottish Government have proposed the following fuel poverty definition in the consultation:

“Households in Scotland are in fuel poverty if:

- they need to spend more than 10% of their after housing cost (AHC) income on heating and electricity in order to attain a healthy indoor environment that is commensurate with their vulnerability status; and*
- if these housing and fuel costs were deducted, they would have less than 90% of Scotland's Minimum Income Standard (MIS₁)(*) as their residual income from which to pay for all the other core necessities commensurate with a decent standard of living.”*

5.2 Argyll and Bute Council responded citing their disappointment that there was no rural weighting allocated to the definition – in spite of the known rural

premium that rural areas are disadvantaged by. The Council also queried the definition itself; as it is difficult to explain to householders; with the current 10% of household income being easier to convey and calculate. Through the consultation, the Council identified issues relating to remote and island areas such as the lack of mains gas and more expensive heating options; conservation area restrictions for insulation measures; and logistical/cost issues as main drivers for having a rural weighting applied to the definition. The Council also recognised that the definition would ensure that wealthy householders with larger homes would not be in fuel poverty – which was welcomed.

- 5.3 Argyll and Bute Council welcomed ambitious targets being set through the consultation (e.g. eradication of fuel poverty by 2040); however with rising fuel bills and living costs, eradication may be impossible without enforceable legislative powers.
- 5.4 In terms of proxies which the Scottish Government require for insulation schemes such as the Councils Home Energy Efficiency Programmes for Scotland: Area Based Scheme (HEEPS: ABS); the Council stated that a council tax band A-C proxy for fuel poverty doesn't work in rural/off gas grid areas; and further consideration/relaxation of these proxies should be allowed.

6.0 FUEL POVERTY ISSUES AND FUTURE OPPORTUNITIES FOR ISLANDS

- 6.1 The current fuel poverty rate for Argyll and Bute is estimated at 45%, compared with the Scottish average of 26.5% (Scottish Housing Condition Survey, 2017). This is predominantly due to three overlying factors:
1. Lack of access to affordable heating (e.g. mains gas)
 2. Low Incomes
 3. Energy inefficient properties
- 6.2 These issues are particularly relevant to Island areas; as there is little or no access to mains gas; meaning householders have to use more expensive alternative such as electricity; heating oil or woody biomass to heat their property. Given the known increased living costs for island areas; coupled with lower incomes, householders will have less access to disposable income to pay for their fuel (which is already inherently more expensive). Furthermore, island areas have a high level of pre 1919 solid wall housing stock; which are known to be hard to heat; hard to treat (in terms of energy efficiency improvements) – and therefore more expensive.
- 6.3 Argyll and Bute Council can assist householders to improve their incomes through maximising benefits that householders are entitled to – which can be evidenced through the work of the Welfare Rights team. Additionally, there are a variety of different insulation and heating programmes that are currently available through the Scottish Government, such as:

- Argyll and Bute Council HEEPS: ABS programme (which focusses on insulation measures to Council Tax Band A-C properties regardless of income (and D with an income of less than £20,000)
- Warmer Homes Scotland scheme (available to householders based on eligibility criteria related to receipt of benefits; and can offer a range of energy efficiency improvements)
- Help to Heat insulation and heating system programme
- Equity Loan Scheme (delivered by Argyll and Bute Care and Repair and focusses on energy efficiency improvements and repairs)
- Scottish Government interest free loan scheme (available to all householders in Argyll and Bute; and can provide interest free loan funding for energy efficiency improvements)

6.4 In addition to this, the Islay Energy Trust have grant funding available through the Community Benefit payments from their wind turbine – which can assist with funding for fuel bill payments (up to £500); and energy efficiency improvements. Despite a high level of promotion of the fuel poverty section of their grant funding, there has been an extremely limited uptake of the grant offer.

6.5 Argyll and Bute Council – through the HEEPS: ABS programme – are proposing for the 2018/19 funding year to target council tax band A-C properties across the local authority area; as well as piloting on all islands, a Council Tax Band D and above criteria based on an Energy Performance Certificate (EPC) rating of E or below (with the Scottish average rating being a D). This would mean that a fairer spread of work can be generated on island areas; and ensures that older, energy inefficient households can receive insulation improvements where they are required.

7.0 CONCLUSION

7.1. This report has provided an update on the Fuel Poverty Strategy response with an emphasis on island areas which the Council have submitted. It additionally provides an oversight on the issues relating to island areas; funding options that are currently available through the Scottish Government to assist fuel poor households; and proposes an opportunity for island areas to access further grant funding where households need it the most. Access to the consultation response can be found on the Scottish Government consultation website (www.consult.gov.scot). Argyll and Bute's response is attached in Appendix 1.

8.0 IMPLICATIONS

- 8.1 Policy
- 8.2 Financial
- 8.3 Legal
- 8.4 HR
- 8.5 Equalities

8.6 Risk

8.7 Customer Service

**Pippa Milne, Executive Director of Development and Infrastructure
Cllr Currie, Policy Lead for Housing**

For further information contact:

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Or

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Appendix 1 – Fuel Poverty Response

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QUESTION	RESPONSE
<p>1) Do you have any comments on this new definition of fuel poverty, in particular, what do you think about the proposal to use AHC and MIS as means to measure fuel poverty in Scotland?</p> <p>a) What, if any, challenges do you think this approach could present in enabling targeting of resources to those most vulnerable to fuel poverty</p>	<p>The new definition is difficult to convey to householders and it will be difficult to provide an “on the doorstep” test of fuel poverty.</p> <p>“After housing costs” (AHC) isn’t clear whether the maintenance/ repair of a property is covered – which should be factored in to ensure householders look after their property.</p> <p>Additionally the key issue with the definition is how to determine whether the spend of fuel is enough to attain a “healthy indoor environment” or whether it is heating to too high a level given the recommended heating regime. This poses a difficulty in attempting to calculate this (either on the doorstep or through a telephone call.</p> <p>In practical terms, it could be difficult to administer schemes against this definition as each householder would presumably require some form of survey - again difficult to explain why one person is getting it and another isn’t.</p> <p>The new definition does reduce cases whereby wealthy householders living in large properties would no longer be considered as fuel poor which is welcomed.</p> <p>There is no weighting for remote/rural/island areas which we would consider to be unfair given the already well documented issues these areas present. Therefore this merits further consideration in our view and should be accounted for.</p> <p>Clarity is required on what heating costs have been calculated on – and whether this takes into account local fuel data.</p> <p>The MIS (Minimum Income Standard) takes into account a family of 6 or less – and therefore there needs to be a clear indication of what constitutes being fuel poor for a larger family of over 6 and how this will be calculated.</p>

<p>b) If this definition is to be used, how would you propose these challenges are overcome?</p>	<p>There needs to be consideration given to very remote/remote/island areas and potentially a rural weighting allocated to the definition</p> <p>Provide a measurement for housing maintenance and repair to ensure that this is accounted for.</p> <p>Ensure that local fuel use data is used for accuracy.</p> <p>Provide clarity on households with over 6 members.</p>
<p>2) Do you have any views on the proposal of using 75 years of age as a threshold for identifying those who are likely to be vulnerable to the adverse health outcomes of fuel poverty?</p>	<p>Pensionable age highlights a change in living circumstances; and therefore can also be used as a proxy for identifying fuel poor households. This change potentially highlights a different heating regime, potentially spending more “day time” hours in the property and therefore using more fuel to heat their home.</p> <p>Further information/clarity on the evidence to back up the “75” age bracket for vulnerability to fuel poverty would be welcomed.</p> <p>However, in general we would be happy to defer to expert medical judgement on this point.</p>
<p>3) In relation to island communities, are there any additional a. challenges that we need to consider in developing our strategy?</p>	<p>A further rural weighting may be advantageous for island areas; given the poorer health care provision on island areas; pre 1919 properties; and higher travelling costs (difficulties in securing & retaining sufficient staff to deliver effective services at a local level for instance)</p> <p>The lack of mains gas is a major challenge in many areas, meaning that householders are either on oil (volatile), mains electricity (expensive), or have to investigate innovative heating solutions with different projects (where there are difficulties with funding).</p> <p>Conservation area constraints mean that householders may have to accept solutions/measures that they may not want – e.g. intrusive internal wall insulation to a small property – and there needs to be a recognition for traditional energy efficiency</p>

	<p>measures for these areas (such as shutters and thick curtains).</p> <p>The logistics for island areas are one of the biggest challenges – with ferries; road closures and accommodation posing the main issues – meaning that there a lack of willing contractors for island communities.</p> <p>In terms of trades on the island, good trades are too busy as they have a good reputation; and unreliable ones are known on island and don't want to be used. Some are also not accredited for the insulation works.</p>
<p>3) In relation to island communities, are there any additional b. opportunities that we need to consider in developing our strategy?</p>	<p>Opportunities for having a “whole island approach” which would require a large scale community buy in In terms of Area Based Schemes, again a whole island approach should be sought for producing economies of scale which would address potential work commitments for contractors.</p> <p>Community involvement/lead for innovative energy efficiency schemes.</p>
<p>4) In relation to rural and remote rural communities, are there any additional a. challenges that we need to consider in developing our strategy?</p>	<p>Please see above.</p> <p>It is often the case that rural areas are potentially more hidden away and the challenges of very remote rural areas aren't as visible. Often these remoter communities exhibit similar characteristics to actual islands albeit technically they may be part of the mainland. Additionally, there is a challenge of defining the boundaries of the “community” in rural areas as there is a huge level of sparsity.</p>
<p>4) In relation to rural and remote rural communities, are there any additional b. opportunities that we need to consider in developing our strategy?</p>	<p>Off gas grid provides opportunities for innovative solutions to reducing energy consumption and alleviating fuel poverty</p> <p>Community led/involved emphasis towards generating interest and agreement for energy solutions. These areas may also be better placed in terms of coming together to support community led innovative projects.</p>
<p>5) Please give us your views on how national partners and local delivery organisations can work better together to identify and support those at risk of, or experiencing fuel poverty? What would best support, or enable such partnerships?</p>	<p>Argyll and Bute Council run an energy efficiency forum which invites energy agencies; charities; housing associations/registered social landlords and national agencies to discuss and share best practice regarding energy efficiency. The group meets quarterly and (as part of the</p>

	<p>Forum) are required to report on their energy efficiency activities every quarter. This provides a platform for agencies such as Home Energy Scotland and Argyll Lomonds and the Islands Energy Agency (ALenergy); local RSL groups and energy charities such as Islay Energy Trust and Iona Renewables Group to discuss what assistance they can offer and how best to interact with members of the public.</p> <p>In the past, the council has used bespoke house condition surveys to collate robust evidence base to inform needs assessments, development of local policy & strategy, and to bid for or generate investment opportunities.</p>
<p>6) What can local partners do to contribute to meeting national aims of effectively and sustainably tackling fuel poverty? This might include sharing best practice or developing strategic approaches.</p>	<p>Sharing best practice and resources (in terms of availability of grants; successful funding applications and opportunities for joint working) will assist with reducing fuel poverty.</p> <p>Given the unique housing stock, Argyll and Bute faces a difficult challenge of not being able to have a one size fits all approach. This would therefore need to be reflected in any funding opportunities or strategic approaches that are developed.</p>
<p>7) How can SG support local delivery partners (e.g. third sector organisations and social enterprises) to measure their success?</p>	<p>Provide a tailored energy efficiency/fuel poverty monitoring form for reporting purposes. This will allow for a uniform approach and will allow for something that's able to be replicated over Scotland.</p>
<p>8) How can the Scottish Government best support local or community level organisations to accurately a. measure provision of advice and support services and their outcomes?</p>	<p>Provide a tailored monitoring form and training on how to fill this out quickly on initial visit</p> <p>Have SG (or funder) write out to householder with a 6 month/year break to find out if advice is followed through.</p>
<p>8) How can the Scottish Government best support local or community level organisations to accurately b. report on provision of advice and support services and their outcomes?</p>	<p>A national system for reporting fuel poverty would be advantageous – it would allow a systematic approach for logging details and would ultimately ensure that there is a consistency for reporting.</p>
<p>8) How can the Scottish Government best support local or community level organisations to accurately c. ensure quality of provision of advice and support services and their outcomes?</p>	<p>An accredited quality training scheme would be advantageous for the delivery of energy advice and support. Again, this would provide a consistent approach to the delivery, reporting and measurement of fuel poverty advice and support; and would mean that householders are receiving a</p>

	broadly consistent fuel poverty approach.
<p>9) How can the one-stop-shop approach be enhanced for the benefit of HES clients; and in particular,</p> <p>a. Are there any improvements that you think can be made to the HES service to further enable it to best reach the most vulnerable to fuel poverty client groups?</p>	<p>A quicker identification of Able To Pay vs Fuel Poor.</p> <p>Have a streamlined conversation with client through HES and similarly better linkages with Warmer Homes Scotland /HEEPS: ABS contractors for accurate household information.</p> <p>Potentially better use of the Home Analytics dataset.</p>
<p>10) What are your views on our proposal to set a new statutory target to eradicate fuel poverty in the Warm Homes Bill?</p>	<p>Ambitious targets should be set, however with rising fuel prices and living costs, eradication of fuel poverty may be overly ambitious.</p> <p>The eradication of fuel poverty would have to include legislative powers that can be enforced.</p>
<p>11) What are your views on the proposed sub-targets?</p>	<p>The consultation paper identifies a statutory target of eradicating fuel poverty by 2040; and a non-statutory sub-target of reducing fuel poverty to below 10% by 2040. It needs to be clear as to what the statutory target for fuel poverty is – and whether the Government identifies “eradication” as being less than 10%. If this is the case, the statutory target should not be eradicating fuel poverty; it should be reducing it to below 10%.</p> <p>Consideration should be given to householders that don’t want insulation measures – which may have an impact on the 3rd target of insulating all properties. In areas where external wall insulation is a difficult and expensive measure (e.g. rural/islands) internal wall insulation is the preferred option. However, the intrusive nature puts householders off IWI; and therefore means that they will be missing out on insulation measures. Especially in conservation areas.</p> <p>There needs to be a further emphasis on reducing fuel costs (as this is one of the main drivers of fuel poverty and has a large influence on the issue). Although this is a UK Government issue and not devolved, consideration and lobbying for fairer energy prices must be considered.</p>

	<p>An independent review of delivery in 2030 would be welcomed to further identify the different needs that present themselves in the timeline.</p> <p>Further assessments should be required in order to identify if the sub-targets are achievable within the timescales identified.</p>
<p>11) What are your views on the proposed sub-targets? a) What are your views on the proposed levels?</p>	<p>Given that the “new” definition will reduce the number of fuel poor households to approx. 25%; a 10% target by 2040 should be achievable and realistic. However, this will still require significant investment into energy efficiency measures; as well as bespoke home visits to reduce energy consumption. An assessment should be conducted to identify the minimum investment required to meet these targets</p> <p>This still may not be reached unless energy costs become affordable across Scotland.</p>
<p>11) What are your views on the proposed sub-targets? b) What are your views on the proposed timeframe?</p>	<p>The timeframe provides a realistic opportunity to reduce levels of fuel poverty – and will be in line with Local Heat and Energy Efficiency Strategies to work alongside this target</p>
<p>12) What are your views on the proposed interim milestones?</p>	<p>The milestones are realistic if the revised fuel poverty definition reduces the overall fuel poverty levels by 5%.</p> <p>However, whilst the overall levels of fuel poverty may be reduced, hard to treat and hard to heat households (often found in rural areas) are still going to pose big issues and without a rural premium, areas that are already susceptible to fuel poverty will not change.</p> <p>Again, an assessment will be required in order to ascertain whether these milestones are realistic.</p>
<p>12) What are your views on the proposed interim milestones? a) What are your views on the proposed levels?</p>	<p>Please see above.</p>
<p>12) What are your views on the proposed interim milestones? b) What are your views on the proposed timeframe?</p>	<p>Please see above.</p>
<p>13) How should the new Fuel Poverty Advisory Panel and Fuel Poverty Partnership Forum monitor progress</p>	<p>Reporting requirement that is simple and easy to understand/use – with measures that can be applied across the country Reporting requirement for Local Authorities</p>

towards meeting the proposed sub-targets and interim milestones?	<p>to report on partnership working</p> <p>A review of the current proxies that are available for different fuel poverty schemes. Currently, households with benefits/are in Council Tax Band A-C receive grant assistance, alienating the working fuel poor in Council Tax Band D and above.</p> <p>There needs to be a greater use of modelled data as well as data from the EPC register (i.e Home Analytics) to have a greater understanding of fuel poverty instead of solely relying on SHCS (which is neither robust nor credible at the local level or for rural authorities such as Argyll & Bute.).</p>
14) What do you think the Advisory Panel's priorities should be in its first year?	<p>Create links with the NHS</p> <p>Identify what monitoring will be required for fuel poverty</p>
15) What examples do you have of using proxies to identify fuel poor households? a) Which proxies did you use?	<p>Council Tax Band A-C properties for HEEPS: ABS</p>
15) What examples do you have of using proxies to identify fuel poor households? b) Based on your experience, how well did these proxies work in accurately identifying fuel poor households?	<p>Council Tax Band A-C doesn't work for rural areas as fuel poverty is pepper potted. A better proxy would be off gas grid and island areas; and for more urban areas Council Tax Band A-C and off gas grid heating systems would identify fuel poor areas. Given fuel prices is one aspect that can't be tackled, it would make sense to target the more expensive options first.</p>
16) What are the key lessons to be learnt from any existing approaches that apply proxies in door-to-door, on-the-ground assessments in this context?	<p>An easy to use definition of fuel poverty and clear eligibility criteria to ensure that there is no grey areas for householders.</p>
17) Do you have any concerns about the use of a doorstep tool, in particular the challenges around delivery of area based schemes?	<p>Additional resources will be required in order to fully utilise a doorstep tool to identify eligibility for energy efficiency schemes.</p>
18) How can the Scottish Government most effectively work with Community Planning Partnerships in a collaborative manner to report on overall fuel poverty levels as part of the SHCS?	<p>A combination of the Home Analytics data along with data already collected in the Scottish Housing Condition Survey sample would ensure a collective approach and would utilise all available data. For example, Home Analytics data provides a fuel poverty figure of 41% for Argyll and Bute in 2016/17; as oppose to 48% from the SHCS.</p>

	<p>Identify what properties are being surveyed for the SHCS for Argyll and Bute.</p> <p>Ensure that the data collection side of SHCS is accurate and reliable at CPP/ Local Authority level.</p>
19) What are your views on, or experience of how an outcomes-focused approach would work in practice?	The approach is welcomed and needs to be accompanied by measures which directly relate to those outcomes as well as one measuring the drivers.
19) What are your views on, or experience of how an outcomes-focused approach would work in practice? a) Would it encourage national and local policy and delivery partners to work together effectively, and if not, what alternative approach(es) do you propose could be used instead?	Where it is possible to identify & quantify outcomes (as opposed to outputs), then this is the standard approach for delivering and measuring success of the general range of strategies and would normally encourage, facilitate and focus partnership working and joint delivery.
20) Do you think the principles detailed in the 3 bullet points above are adequately reflected in the outcomes framework?	Yes.
21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground? a) If so, how?	There needs to be a willing reason for partnership working (e.g. bringing funding into the area) which assists in strengthening partnerships between different agencies and local authorities. If the framework can reflect this then it will strengthen local partnership working.
21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground? b) If not, why?	Given that the proposed framework is set to be a statutory requirement that is measured and overseen by ministers, it will assist to strengthen partnerships on the ground due to it being recognised as a requirement.
22) Do you think any of the proposals set out in this consultation will have an impact, positive or negative, on equalities as set out above? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated?	An EQIA is essential given that age is a critical factor in fuel poverty issues; and that this whole issue is now gaining traction and importance for Health & Social Care Partnerships – and promoting closer cross sectoral planning. Initial views are that the proposals will have positive impacts for particular groups and will provide improved equity across the population.
23) What implications (including potential costs) will there be for business and public sector delivery organisations from	If there is going to be a statutory requirement for fuel poverty eradication, then additional resources will be required in order to further facilitate work on the ground – whether this is delivered at a local

these proposals?	authority level or not.
24) Do you think any of these proposals will have an impact, positive or negative, on children's rights? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated?	Yes, positive impact on children's health and wellbeing due to warmer, more efficient homes and generally better environments.

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ARGYLL AND BUTE COUNCIL**ARGYLL ISLANDS STRATEGIC GROUP****DEVELOPMENT AND
INFRASTRUCTURE SERVICES****27 MARCH 2018**

**TRANSPORT SCOTLAND'S VESSEL REPLACEMENT AND DEPLOYMENT
PLAN**

1.0 EXECUTIVE SUMMARY

- 1.1 Transport Scotland published their Vessel Replacement and Deployment Plan (VRDP) in February of this year.
- 1.2 Two of the main recommendations made in previous reports which impact on Argyll and Bute services, and discussed in some detail in Transport Scotland's latest report, relate to the Mull and Islay routes. The Council's marine facility at Craignure on Mull is considered to be 'physically limited', affecting the ability of large vessels to berth overnight. Whilst the Islay route is considered to be the busiest for freight in the entire CHFS (Clyde and Hebrides Ferry Services) network, with limited opportunities for expansion, the need for an assessment of options has been identified.
- 1.3 This report highlights particular points of note arising in the VRDP, which will have a bearing on the future of the Council's marine infrastructure. Some detail is provided on the following ports and/or routes:- Port Askaig, Islay; Craignure, Mull; Lismore; Fionnphort to Iona and Tayinloan to Gigha.
- 1.4 Council officers are working closely with Transport Scotland, CMAL and Calmac to ensure that the goals and priorities identified in the VRDP, in relation to the Council's marine infrastructure, remain achievable.
- 1.5 It is recommended that Members consider this report.

ARGYLL AND BUTE COUNCIL

ARGYLL ISLANDS STRATEGIC GROUP

DEVELOPMENT AND
INFRASTRUCTURE SERVICES

27 MARCH 2018

**TRANSPORT SCOTLAND'S VESSEL REPLACEMENT AND DEPLOYMENT
PLAN**

2.0 INTRODUCTION

2.1 Transport Scotland published their Vessel Replacement and Deployment Plan (VRDP) annual report in February of this year. This document reports on the progress which has been made against Transport Scotland's ferry service plans to the end of 2016.

2.2 The VRDP is founded upon:-

- a) The routes and services proposals set out in the Ferries Plan,
- b) A capacity and demand analysis for each route,
- c) The need to replace vessels as they reach the end of their life, and
- d) Upgrading and replacement of associated infrastructure.

3.0 RECOMMENDATIONS

3.1 It is recommended that Members consider this report.

4.0 BACKGROUND

4.1 This most recent report from Transport Scotland is the third annual report on the subject; it summarises the outputs of the VRDP project up to the end of 2016.

4.2 In December 2012 Transport Scotland published the *Scottish Ferry Services : Ferries Plan (2013 – 2022)* on the back of the earlier *Scottish Ferries Review*. The Ferries Plan provides a basis for the shape of all of Scotland's ferry services until 2022 and underpins the development of the VRDP.

4.3 Two of the main recommendations made in previous reports which impact on Argyll and Bute services, and discussed in some detail in Transport Scotland's latest report, relate to the Mull and Islay routes. The Council's marine facility at Craignure on Mull is considered to be 'physically limited', affecting the ability of large vessels to berth overnight. Whilst the Islay route is considered to be the busiest for freight in the entire CHFS (Clyde and Hebrides Ferry Services) network, with limited opportunities for expansion, the

need for an assessment of options has been identified.

- 4.4 Council officers meet regularly with representatives from Transport Scotland, CMAL and Calmac to review the Council's marine assets and discuss future plans. The Ferries Plan plays a large part in setting the Council's priorities in the planning of future works on the Council's marine infrastructure.

5.0 DETAIL

- 5.1 A copy of Transport Scotland's VRDP report can be found here:-

<https://www.transport.gov.scot/media/41509/vrdp-annual-report-2016-30-january-2018.pdf>

- 5.2 Particular points of note arising in the report, which will have a bearing on the future of the Council's marine infrastructure, are as follows:-

- 5.2.1 Islay – The report refers to this service becoming the 'most capacity constrained' in future. Currently CMAL has produced plans for extending their ports at both Kennacraig and Port Ellen to enable larger vessels to berth alongside; this will improve resilience to the service in the event of larger back-up vessels being required. Arch Henderson has been commissioned by the Council to consider the feasibility of extending the berth at Port Askaig – this work is ongoing. The report goes on to recommend that the next major vessel procured by Calmac be allocated to the Islay service to replace the MV Hebridean Isles.
- 5.2.2 Oban to Craginure – Calmac plans to deploy the MV Hebrides as the primary summer-season vessel on this route, with the MV Isle of Mull or MV Isle of Arran as the secondary vessel. The costs for works to accommodate these vessels overnight at Craginure will be considerable; the Council, with prior agreement from Transport Scotland, has issued a consultancy brief for a STAG report on future options for Craginure Pier.
- 5.2.3 Oban to Lismore – Initially, the Ferries Plan noted that two services operated to Lismore and there was an intention to work towards one service only. The VRDP now notes that this is a long-term aspiration and that the original appraisal will be subject to review. Currently the Council is working on improvement works at both Port Appin and Point on Lismore.
- 5.2.4 Fionnphort to Iona – The Ferries Plan sets out a long-term proposal to construct a berthing facility at Fionnphort which would allow for a longer operating day and provide a more suitable overnight berth in terms of crew access. The Council has engaged a consultant to consider the feasibility of providing a new breakwater at Iona and overnight berth at Fionnphort. A contract for carrying out ground investigation works in the area is expected to be awarded shortly.
- 5.2.5 Tayinloan to Gigha – The Ferries Plan included a long-term proposal to make improvements at Gigha which would allow the ferry to be berthed overnight at the ferry slip – this would allow for a longer operating day. A feasibility study

has been carried out by the Council and the next stage will be to progress the design of the new infrastructure – comprising of an overnight berth at Gigha and aligning structure at Tayinloan. It is likely that any new development at Gigha would include provision of a charging point to enable the deployment of a hybrid ferry as a future aspiration – as outlined in the VRDP.

6.0 CONCLUSION

6.1 Council officers are working closely with Transport Scotland, CMAL and Calmac to ensure that the goals and priorities identified in the VRDP, in relation to the Council's marine infrastructure, remain achievable.

7.0 IMPLICATIONS

7.1 Policy	Considered to be none directly arising from this report.
7.2 Financial	Fees and charges will have to increase to fund the Council's Marine Asset Management Plan.
7.3 Legal	Considered to be none directly arising from this report.
7.4 HR	Considered to be none directly arising from this report.
7.5 Equalities	Considered to be none directly arising from this report.
7.6 Risk	Asset management planning reduces the risk of having to repair and maintain existing infrastructure.
7.7 Customer Services	Continued consultation with local communities.

Executive Director of Development and Infrastructure: Pippa Milne

Head of Roads and Amenity Services: Jim Smith

Policy Lead: Councillor Rodderick McCuish

8 March 2018

For further information contact: Stewart Clark, Marine Operations Manager

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ARGYLL AND BUTE COUNCIL**ARGYLL ISLANDS STRATEGIC GROUP****DEVELOPMENT AND
INFRASTRUCTURE SERVICES****27 MARCH 2018**

AUDIT ON TRANSPORT SCOTLAND'S FERRY SERVICE

1.0 EXECUTIVE SUMMARY

- 1.1 Audit Scotland published a report in October 2017 on Transport Scotland's subsidised ferry services. This report provides Members with a review of the Audit Scotland Report, highlighting the recommendations made therein; it examines how the audit findings may have a consequential effect on services provided by the Council.
- 1.2 It is recommended that Members consider this report.
- 1.3 Audit Scotland highlight a number of issues and, ultimately, make a number of recommendations in their report. The audit report does not comment on this Council's four internally operated ferry services, nor does it comment directly on Council-operated ferry terminals. However, a number of the issues raised in the audit report do have consequences for Argyll and Bute Council.
- 1.4 Particular issues highlighted in this report, which will affect services provided by Argyll and Bute Council, are as follows:-
- Gourock to Dunoon Ferry Service
 - Harbour Dues
 - Introduction of Road Equivalent Tariff (RET)
 - Ferry Freight Fares
 - Condition of harbours
- 1.5 A number of the points highlighted in the report, and recommendations made therein, will lead to detailed discussion between Council officers and colleagues in Transport Scotland (TS), Calmac and CMAL.
- 1.6 Much work has already been carried out by Council officers, in terms of: asset management planning; financial planning; ongoing engagement with opposite numbers in TS, Calmac, CMAL; consultation with community groups and users of marine facilities; and engagement with Members through the Harbour Board.
- 1.7 The findings of the audit report will undoubtedly provide a sound foundation for ongoing and future discussions.

ARGYLL AND BUTE COUNCIL

ARGYLL ISLANDS STRATEGIC GROUP

DEVELOPMENT AND
INFRASTRUCTURE SERVICES

27 MARCH 2018

AUDIT ON TRANSPORT SCOTLAND'S FERRY SERVICE

2.0 INTRODUCTION

2.1 Audit Scotland published a report in October 2017 on Transport Scotland's subsidised ferry services. This report provides Members with a review of the Audit Scotland Report, highlighting the recommendations made therein; it examines how the audit findings may have a consequential effect on services provided by the Council.

3.0 RECOMMENDATIONS

3.1 It is recommended that Members consider this report.

4.0 BACKGROUND

4.1 The Audit Scotland report on Transport Scotland's subsidised ferry services reviews the external routes operating between mainland Scotland and Shetland and Orkney, and both the external and internal routes operating within the Western Isles. The report does not review ferry services provided by Argyll and Bute Council or any other local councils, the private sector or other operators.

4.2 The report states that '*...Ferries are an essential part of Scotland's transport network. The Scottish Government considers that the quality and affordability of ferry services are vital for sustaining some of the most remote and geographically dispersed communities in Europe.We estimate that there are 66 routes connecting mainland Scotland and its islands, managed by a number of public and private operators. Every year about nine million passengers and 2.8 million cars travel on these routes. Ferries also transport essential goods to remote communities and help export large amounts of island produce, including seafood and whisky, which contribute significantly to Scotland's economy. ...*

4.3 As mentioned in 4.1 above, the audit report does not comment on this Council's four internally operated ferry services, nor does it comment directly on Council-operated ferry terminals. However, a number of the issues raised in the audit report do have consequences for Argyll and Bute Council.

5.0 DETAIL

5.1 A copy of Audit Scotland's full report can be found here:-

http://www.audit-scotland.gov.uk/uploads/docs/report/2017/nr_171019_ferry_services.pdf

5.2 Audit Scotland highlight a number of issues and, ultimately, make a number of recommendations in their report. Some of the more notable issues highlighted in the report, which could have consequential effects on services provided by Argyll and Bute Council, are listed below (the use of italics denotes statements taken directly from the Audit Scotland report – bold lettering has been used to highlight points worthy of particular note):-

5.2.1 **Gourock to Dunoon Ferry Service** - *'.....In February 2017, the Minister for Transport and the Islands announced a review into the future procurement of ferry services. In particular, the review is to consider: whether the Teckal exemption* could be applied, whether the tendering of ferry services is value for money and the governance and organisational structures of David MacBrayne Ltd and CMAL. **The review has resulted in a pause to the procurement exercises for the next Gourock-Dunoon and NIFS contracts....'***

'....The specification for the new Gourock-Dunoon contract requires the operator to use its own 40-metre vessels, to help improve reliability on the route. If the contract is awarded to David MacBrayne Ltd (DML), this will require public sector investment in new vessels. While the tender exercise is currently paused, it is important that Transport Scotland considers the value for money of providing financial support for this route, in the context of: the cost of the new vessels....., falling passenger numbers since 2007, increasing subsidies since 2011 (which are estimated to increase further to £4.2 million a year at the start of the new contract), the required £13 million investment in Gourock harbour (as estimated in the Ferries Plan), the presence of a successful commercial operator on an adjacent route....'

*Teckal exemption - The European Court of Justice has ruled that a public body may award a public services contract directly to a company that it wholly owns, provided that certain criteria are met.

A decision on the future of the Dunoon to Gourock ferry service is awaited by the Council. The future development of the Dunoon harbour area (waiting rooms / car parking and marshalling areas / public conveniences / harbormaster's office / timber pier building / link-span) and use of marine resources, depends upon Transport Scotland's plans for this ferry route.

5.2.2 **Harbour Dues** - *'...Transport Scotland spent a total of £200 million on harbour dues between contract years 2007-08 and 2015-16. Of this, £155 million (78 per cent) was on harbours not owned by CMAL. Transport Scotland does not know how much of the harbour dues paid to non-CMAL harbour owners have been used for improvement works. In addition, where Transport Scotland has funded the capital cost of upgrading non-CMAL*

harbours, it has continued to pay the same or higher levels of harbour dues (which are meant to pay for the upgrade costs). For example, Ullapool harbour dues have increased by 78 per cent since September 2014 despite Transport Scotland paying the majority of the upgrade costs....'

Argyll and Bute Council sets fees and charges at a level which ensures that income generated at each of the Council's main ferry ports covers total costs for each individual port.

- 5.2.3 **Introduction of Road Equivalent Tariff (RET)** - *'.....In 2007, the Scottish Government committed to lowering the cost of ferry travel to reduce the economic disadvantages experienced by remote island communities. It introduced the Road Equivalent Tariff (RET), which is a simple and transparent fares structure based on the equivalent cost of travelling by road. RET was introduced on a pilot basis to help the Scottish Government determine the impact of lower ferry fares on local communities and economies. After the pilot exercise, the Scottish Government did not set clear objectives for the roll-out of RET, including what benefits it expected to achieve or how these would be measured.....Transport Scotland has gradually rolled out RET since October 2008.....The full cost implications of RET are unknown and the impact has been mixed...'*

*'.....In 2016, which was the first full year of RET across the whole CHFS network, there was a nine per cent increase in passenger numbers and a 16 per cent increase in car numbers compared to 2015. **The largest increase, in absolute terms, of passenger and car numbers between 2015 and 2016 was on the Oban to Craignure route: Passenger numbers increased by 16 per cent to 644,800. Car numbers increased by 41 per cent to 162,300...***

*'.....There have also been unintended consequences of RET. For example, islanders told us that spaces were limited on some sailings, that **traffic congestion was being experienced on certain islands and road condition had declined**. The RET fares policy also means that CalMac is unable to adjust fares to help manage demand. For example, it cannot increase fares on sailings with high demand for spaces to encourage users to travel at a different time....'*

Notwithstanding the congestion and road condition issues outlined above, the increase in car numbers has given rise to car-marshalling problems at both Craignure and Oban. CMAL is addressing the Oban car-marshalling issue, whilst the Council is looking to extend the car marshalling area at Craignure.

- 5.2.4 **Ferry Freight Fares** – *'.....Transport Scotland has been reviewing and discussing freight fare options since 2014. The aim is to introduce a consistent freight fare structure across the Transport Scotland network which means that **costs will increase on some routes and decrease on others**. Depending on the route, it may mean that additional sailings or vessels are*

required to meet demand, or that Transport Scotland loses custom to commercial operators on routes where its fares are increased.'

Of the Argyll and Bute communities which would be negatively impacted, the most significantly affected island communities would be Coll and Tiree. The Council has received a letter from NFU Scotland outlining their 'significant concerns' with regard to a proposal, contained within the review, that any existing ferry-related discounts should come, in future, directly as support from the Scottish Government Department with policy responsibility for that sector i.e. not through ferry freight fares.

- 5.2.5 **Condition of harbours** – *'.....Although Transport Scotland has information on the condition of CMAL's harbours, it does not collate details on the condition of more than half (33) of the harbours that its services operate from. The condition of these harbours is fundamental to operating ferry services safely and efficiently. It also has financial implications for Transport Scotland. It is therefore important that Transport Scotland collates this information and builds it into its long-term operational and investment plans.....'*

Argyll and Bute Council has produced a 10 year Asset Management Plan which identifies works required at all of the Council's 39 piers and harbours – main ferry ports used by Calmac services included. Council officers arrange inspections, and meet with other interested parties on a regular basis, to ensure that the plan meets the future needs of the service. Regular meetings take place with officers from Transport Scotland, CMAL, Calmac and the Council to discuss future developmental issues.

- 5.3 **Recommendations** - the main recommendations outlined in the audit report are that Transport Scotland should:-

- 5.3.4 *as part of its Strategic Transport Projects Review, develop a Scotland-wide, long-term strategy for its network of subsidised ferries. This should take into account progress already made against the Ferries Plan and proposed developments to its ferry operations,*
- 5.3.5 *set out its intended benefits of subsidised ferry services, how these contribute to National Outcomes and how these will be measured, monitored and reported. It should then consider how this information could be used to inform operational and financial decisions and to demonstrate that ferry services are value for money,*
- 5.3.6 *include an assessment of the long-term affordability of its spending on services and assets. This should take into account the level of service required, the condition of assets and the need for capital investment,*
- 5.3.7 *set out how its spending will be prioritised across its network,*
- 5.3.8 *be monitored regularly to ensure it is on time and on budget,*

- 5.3.9 *be reviewed regularly to ensure it remains relevant and affordable,*
- 5.3.10 *ensure that it has adequate resources to develop, monitor and report against its long-term ferries strategy,*
- 5.3.11 *improve the transparency of decision-making for ferry users. This may include streamlining and formalising how it consults with and involves ferry users, by giving specific user groups a formal remit to comment on operational and policy matters,*
- 5.3.12 *improve its approach to procuring ferry services. This should include: ensuring that procurement teams include staff with procurement qualifications and experience of the ferry sector,*
- 5.3.13 *apply lessons from previous procurement exercises,*
- 5.3.14 *build in sufficient time to prepare important project documentation, such as business cases,*
- 5.3.15 *ensure that contract specifications are accurate, up to date and clear to potential bidders,*
- 5.3.16 *provide bidders with clear, good-quality and timely data to allow them to make informed bids,*
- 5.3.17 *strengthen its contract management arrangements by: ensuring there is a sufficient number of people, with the right expertise, to effectively manage ferry contracts,*
- 5.3.18 *involve the contract management team in ferry procurement exercises to inform its understanding of contract requirements,*
- 5.4 Lastly, and in addition to the above, a further recommendation is that Transport Scotland, along with Caledonian Maritime Assets Limited (CMAL) and the ferry operators, should:
- *better communicate their roles, responsibilities and accountabilities to improve customers' and stakeholders' understanding.*
- 5.5 Clearly, a number of the points highlighted in the report, and recommendations made therein, will lead to detailed discussion between Council officers and colleagues in Transport Scotland (TS), Calmac and CMAL. Much work has already been carried out by Council officers, in terms of: asset management planning; financial planning; ongoing engagement with opposite numbers in TS, Calmac, CMAL; consultation with community groups and users of marine facilities; and engagement with Members through the Harbour Board. The findings of the audit report will undoubtedly provide a sound foundation for ongoing and future discussions.

6.0 CONCLUSION

6.1 The Audit Scotland report on Transport Scotland's ferry services highlights a number of issues and, ultimately, makes a number of recommendations. Many of the issues highlighted in the report could have consequential effects on services provided by Argyll and Bute Council. Council officers will continue to engage with their counterparts in Transport Scotland, CMAL and Calmac to ensure, where appropriate, that full cognizance is given to recommendations made in the report.

7.0 IMPLICATIONS

- | | | |
|-----|--------------------------|--|
| 7.1 | Policy | Considered to be none directly arising from this report. |
| 7.2 | Financial | Fees and charges will have to increase to fund the Council's Marine Asset Management Plan. |
| 7.3 | Legal | Considered to be none directly arising from this report. |
| 7.4 | HR | Considered to be none directly arising from this report. |
| 7.5 | Equalities | Considered to be none directly arising from this report. |
| 7.6 | Risk | Asset management planning reduces the risk of having to repair and maintain existing infrastructure. |
| 7.7 | Customer Services | Continued consultation with local communities. |

Executive Director of Development and Infrastructure: Pippa Milne

Head of Roads and Amenity Services: Jim Smith

Policy Lead: Councillor Roddy McCuish

19 December 2017

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ARGYLL AND BUTE COUNCIL

**ARGYLL ISLANDS STRATEGIC
GROUP**

CUSTOMER SERVICES

27 MARCH 2018

FUTURE MEETING DATES

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek agreement on the proposed future meeting dates and locations of the Argyll Islands Strategic Group for the period until June 2019 in order that the Group can consider how it wishes to develop its work programme and develop a reporting schedule.
- 1.2 Agreement is also sought to include a standard item on agendas, when meetings are taking place on islands, which would permit local groups to attend and present to the meeting on their most important local matters/issues.

ARGYLL AND BUTE COUNCIL

**ARGYLL ISLANDS STRATEGIC
GROUP**

CUSTOMER SERVICES

27 MARCH 2018

FUTURE MEETING DATES

2.0 INTRODUCTION

- 2.1 The purpose of this report is to seek agreement on the proposed future meeting dates and locations for the Argyll Islands Strategic Group for the period until June 2019 in order that the Group can consider how it wishes to develop its work programme and develop a reporting schedule.
- 2.2 Agreement is also sought to include a standard item on agendas, when meetings are taking place on islands, which would permit local groups to attend and present to the meeting on their most important local matters/issues.

3.0 RECOMMENDATIONS

- 3.1 That the Group agree the meeting schedule, for the period until the end of June 2019, as outlined at section 4.1 of this report; and
- 3.2 Agree that when meetings are taking place on islands there is a standard item included on the agenda for local groups to attend and present to the meeting on their most important local matters/issues.

4.0 DETAIL

- 4.1 In order to link in with agreed reporting to the Policy and Resources Committee it is suggested that the Argyll Islands Strategic Group agrees the following programme of meetings:
1. Tuesday, 29th May 2018 on the Isle of Gigha, enabling reporting to Policy and Resources on Thursday, 16th August 2018;
 2. Tuesday, 28th August 2018 on the Isle of Lismore, enabling reporting to Policy and Resources on Thursday 18th October 2018;
 3. Tuesday, 30th October 2018 in the Council Chambers, Kilmory enabling reporting to Policy and Resources on Thursday 13th

December 2018;

4. Tuesday, 8th January 2019 in the Council Chambers, Kilmory, enabling reporting to Policy and Resources on Thursday 14th February 2019;
5. Tuesday, 26th March 2019 in the Council Chambers, Kilmory enabling reporting to Policy and Resources on Thursday 16th May 2019; and
6. Tuesday, 28th May 2019, on the Isle of Luing enabling reporting to Policy and Resources in August 2019, date yet to be set.

- 4.2 It is further suggested that in order to facilitate participation from island communities, a standard item be included on the agenda for meetings taking place on islands that permits local groups to attend and present to the meeting in respect of their most important local matters/issues.

5.0 CONCLUSION

- 5.1 This report outlines the proposed meeting schedule for the Argyll Islands Strategic Group together with a proposal that a standard item be included on the agenda for meetings taking place on islands that permits local groups to attend and present to the meeting in respect of their most important local matters/issues.

6.0 IMPLICATIONS

- 6.1 Policy – None
- 6.2 Financial – None
- 6.3 Legal – None
- 6.4 HR – None
- 6.5 Equalities – None, the proposal looks at ensure equality of access and opportunity for those who live in remote island communities
- 6.6 Risk – None
- 6.7 Customer Service – None

Executive Director of Customer Services

Policy Lead – Councillor Robin Currie

27 March 2018

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