

Appendix 1

1) Is future investment sufficient?

The Clyde and Hebrides Ferry Service has proved a tremendous success in recent years with record numbers of passengers and vehicles making use of these vital lifeline services boosted through the Government's RET investment and the growing popularity of many of our islands as places to live and also visit.

This success has brought with it a number of inherent problems in terms of the capacity of the service to cope with peak demand combined with the poor reliability of an aging ferry fleet together with port infrastructure in need of substantial investment. The loss of a key vessel for repairs this summer clearly demonstrated this issue.

There is an urgent need for additional ferries to serve the network and accommodate increasing demand. Whilst it is noted that the Government has invested in procuring a number of new ferries the latest vessels have experienced significant delay in being built and deployed exacerbating the situation as previously described.

The size and length of the vessels being constructed will also require significant investment in terms of port infrastructure which has yet to be fully recognised by the Government. Without this investment the new ferries will not be able to access a significant number of existing ports reducing their potential impact on network capacity and ability to respond to challenges as they arise such as ferry breakdowns or spikes in demand.

It should also be noted that procuring fewer, larger ferries may not be able to meet future demand based on likely projections and will also have significant implications for council budgets in terms of having to improve our own Pier assets to enable larger vessels to dock and berth in a safe manner. For example Craignure on Mull owned and operated by Argyll and Bute Council.

In addition, there is also a need to invest in the skills of the future ferry workforce as the demographic of current staff are aging and will need to be replaced with new recruits, hopefully trained in Scotland, close to the ferry network as possible to allow local people to access employment opportunity.

2) Has sufficient investment been made?

No. Please see answer to the above questions. There is a need to procure additional ferries shorter in length than the latest procured vessels to meet projected demand without the need for major investment in port and Pier infrastructure. If the Government is set on larger/longer vessels there will be a need for significant further investment in C Pier and port infrastructure. This includes C Mal and Council owned and operated assets. As it stands Argyll and Bute Council has a 10 year investment plan for its marine

related works that will have to be paid for by fees and charges primarily generated by Cal Mac Vessels. The council considers it would be more cost efficient for all parties that any new major works are minimised through collaboration of all parties with the future procurement of ferries ensuring that can make use of existing facilities provided of course they are in good condition.

3) What would be the impact if services were not sufficiently funded?

These are lifeline services that provide our island communities with the very means to survive and prosper. An inadequately funded service would give rise to additional reliability and capacity issues for the ferry network given recent successes. This in turn would have a major detrimental impact on key island industries (whisky, tourism, aquaculture, service provision etc.) with significant consequences for the future of these communities.

For Argyll and Bute there would also be a negative impact on our island and remote peninsula population levels. Transport connectivity is a key priority for local residents and local businesses that require routes to market. The availability of affordable and reliable ferry services is also a key element in attracting new people to live in these communities and also importantly allowing people to return following higher education or development of their careers.

4) Concerns over accessibility?

The ferry and port infrastructure form a vital lifeline service for many island and remote rural communities. The absence of these services, even for a short period of time, causes severe disruption to people's way of life and in many cases opportunities to access vital services that are not available in their locality such as health and education services or employment opportunities. A lack of capacity during peak periods also limits the economic benefits of visitors to the islands and causes significant levels of inconvenience to residents as they go about their daily lives.

5) Priority?

For all of the reasons above, this public service must be a high priority for the Scottish Government given the increasing emphasis on inclusion and the need for island proofing established through the Island Bill that has achieved Royal Assent.

There is no alternative to the ferry service for the majority of island transportation needs and this has to be recognised at the highest level in Government. Key priorities must be the delivery of fit for purpose ferry and port infrastructure that improves reliability of the service and built in capacity to cope with peak demand to realise economic opportunity.