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**Draft Ferries Plan – Consultation Response**

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**1. Introduction**

- 1.1 Argyll and Bute Council welcomes the opportunity to respond to the consultation for the Draft Plan for Scottish Ferry Services.
- 1.2 Ferry Services provide lifeline connections to Argyll and Bute's 25 inhabited islands and peninsular communities and they are essential to support a sustainable, well connected economy. In addition, unlike other forms of public transport there are no effective alternatives to the links currently provided by ferry services in Argyll and Bute. The ferry network must be reliable, high quality, affordable and flexible and services future proofed in order to meet the needs of our communities and realise predicted growth in key sectors such as tourism, food and drink (including agriculture, aquaculture and fishing), forestry and renewable energy in Argyll and Bute.
- 1.3 Ferry services are an essential part of the transport network and economy of the West Coast of Scotland and, as such, must be seen as a national transport priority, in much the same way as the new Forth crossing. There will be a requirement for increased government investment/subsidy to deliver the proposals set out within the Draft Ferries Plan and achieve a ferry network which meets the needs of Argyll and Bute's island and peninsular communities.
- 1.4 We thank officers from Transport Scotland's Ferry Unit for their presentation to the Council on the 28th February and the workshop with representatives from the Ferry's Unit, CMAL, HITRANS and the Council on 14<sup>th</sup> March.
- 1.5 This response sets out Argyll and Bute Council's position with regard the following key issues arising from the Scottish Draft Ferries Plan:
  - Funding
  - Fares
  - Responsibility for providing ferry services
  - Accessibility
  - Environmental issues
  - Route proposals
- 1.6 Our response to the specific route proposal questions set out in the Draft Ferries Plan is included as Appendix A. As part of this response the Council has undertaken community engagement to determine feedback with relation to the specific proposals set out within the Draft Ferries Plan for individual ferry services. This feedback obtained through consultation with local ferry users is included within Appendix B.

## 2. High Level Strategic Principles

2.1 The Council advocates a number of high level strategic principles in regard to the progressing of the Ferries Plan:

- Local authorities should not be financially disadvantaged from the resulting plan and its implementation;
- In line with the Government Economic Strategy's aim of improving "cohesion" "solidarity" and "sustainability" the final plan and its implementation should provide services that deliver these goals in terms of the economic and social well-being of our island and peninsula communities
- The plan needs to be able to respond to changing demand and opportunities;
- No community should be disadvantaged or worse off, in comparison with existing provision, from the resulting plan and its implementation;
- There should be consistency in approach across all communities e.g. the proposed zero rated fare for Jura for onward travel to the mainland should also be applied to Iona;
- Where the implementation of the plan has negative implications for local authority owned infrastructure (significant loss of revenue, obsolescence), the Scottish Government should provide compensation to assist transition of function;
- Forthcoming proposals need to be set in the context of delivering integrated transport provision and joined-up journeys for our communities, therefore there is the need to consider the implications of subsequent ferry changes for road, rail and bus provision and associated investments;
- There needs to be local accountability for service quality, delivery, demand management and time tabling to ensure that future ferry services support the requirements of local communities and businesses;
- As the plan is finalised and implemented, key partners, such as Argyll and Bute, need to be fully engaged in a timely and transparent manner.

## 3. Funding

### 3.1 Key Issues

The draft plan states that the Scottish Government "are keen to explore what would be involved if through CMAL the government were to take responsibility for all ports used for the provision of subsidised ferry services currently owned by Local Authorities".

### Response

Argyll and Bute Council is open to considering the potential transfer of its ports and harbour infrastructure currently used by subsidised ferry services. However, this would be subject to a detailed Options Appraisal and Business Case assessment to ensure that the outcome will not financially disadvantage the local authority with regard to the totality of its ports, piers and harbour assets, that no party would seek to take advantage from the process and that communities are not disadvantaged.

It would be an expectation that the process would broadly follow "Green Book"

guidance, and would ensure that the following issues were incorporated:

- Local island / mainland socio-economic needs;
- Local accountability for service quality, time tabling and delivery;
- Financial sustainability of island/mainland piers and harbour assets which do not provide subsidised ferry services, but which are key to the local economy and quality of life of communities within Argyll & Bute.

Argyll and Bute Council is willing to take forward this approach in partnership with the Ferry's Unit and CMAL (with input from HITRANS) in order to establish the options and implications for future transfer of marine assets and retention of the status quo. However, this will be dependent on agreeing a ToR, methodology and respective responsibilities for this exercise.

In addition, there needs to be recognition that infrastructure and services should be future proofed, as much as is reasonably possible, in order to realise predicted growth in key sectors such as tourism, food and drink (including agriculture and aquaculture), forestry and renewable energy in Argyll and Bute. Increased partnership working will be vital to ensure that our collective marine infrastructure allows optimal economic benefit to be realised in Argyll and Bute.

### 3.2 Key Issues

Significant capital investments are associated with a number of proposals in the Draft Ferries Plan. For example, if a vehicle ferry is introduced for Lismore, new harbour and shore-side infrastructure will be introduced and local road infrastructure between Port Appin and the A85 trunk road will require to be upgraded to accommodate the uplift in vehicular traffic. Improved bus services will also be required to provide integrated transport connections for foot-passengers travelling to Oban. The Draft Ferries Plan gives no indication as to the requirement for/responsibility for funding these associated infrastructure improvements

In addition, it is stated that "CMAL should over the next 3 years be in a position to start to take forward the construction of the next generation of 2 small hybrid vessels costing over £20M to serve 2 routes Sconser to Raasay and either Tayinloan to Gigha or Tarbert to Portavadie". Introducing new vessels onto the network will require alterations to existing pier and harbour infrastructure. The Draft Ferries Plan does not identify who will be responsible for undertaking any necessary infrastructure alterations.

#### Response

Port and harbour investments required to deliver the plan will be the responsibility of the Scottish Government/ CMAL and that there will only be a departure from this principle where an asset is in the ownership of the Council. In addition, related infrastructure required to allow a new service to operate (such as an improved road) will be the responsibility of the Scottish Government.

As regards the infrastructure works required to operate a vehicular service to Lismore between Port Appin and the Point (and also noting the probable associated transfer of responsibility for the consolidated service to the Scottish Government), Argyll and Bute Council would expect Scottish Government/CMAL to be responsible for the funding of these works. In addition, the additional costs relating to the road and bus service should be borne by the Scottish

Government.

At this stage it is considered that the Council could fund any upgrade works required for the new Hybrid Ferries through Prudential Borrowing, the cost of which would be funded directly from an associated increase in berthing charges to be made to the ferry operator.

### 3.3 Key Issue

The impact of the EC State Aid Regulations on subsidised ferry services.

#### Response

Whilst acknowledging ferry services must adhere to EC Regulations and Guidelines on State Aid, there needs to be recognition of the limitations this can impose and need for greater flexibility pursued. Current EC State Aid Regulations threaten the viability of existing subsidised ferry services where private sector operators introduce competing routes and services. Furthermore, the Scottish Government should ensure that the EC recognises Scottish ferry provision as first and foremost a public transport and regional development issue rather than a single market issue.

## 4. **Fares**

### 4.1 Key Issues

The Scottish Government has confirmed that they will roll-out RET across the network as the basis for single fares for passengers and cars. Whilst RET will form the basis for the fares structure across all sailings, the operator will have the opportunity to bring forward proposals on how they intend to manage excess demand on services and local ferry committees/user groups/stakeholders must be consulted on demand management proposals.

In relation to RET for commercial vehicles the Scottish Government will continue to support existing discount schemes such as the Traders Rebate Scheme and replace RET with an enhanced Traders discount scheme on routes to Coll, Tiree and the Western Isles that are currently subject to RET. RET will also be retained for coaches.

#### Response

The main rationale for fares policy should be supporting economic growth and sustaining rural island and peninsular communities who are dependent on ferry services. In addition, Argyll and Bute Council believe that the delivery of future ferry services across Scotland should be based around the ambition of sustainable economic development and reflect the government's objectives of promoting solidarity, cohesion and sustainability as promoted within the Scottish Government's own Economic strategy.

Whilst Argyll and Bute Council welcome the Scottish Government's commitment to base fares policy around the principals of RET it is considered that the proposals to stagger the roll-out of RET could disadvantage certain communities. The result of this will be cheaper fares to certain islands whilst fares on routes to other islands e.g. the Clyde islands could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will make these islands less attractive to tourists who may choose to visit islands where RET has been introduced. The

Council therefore request that the Scottish Government review their proposals to stagger the roll-out of RET to avoid the disadvantaging local communities. It should be recognised that different communities have very different requirements from their ferry services. RET must take cognisance of this in order to facilitate economic growth and support individual communities needs.

Many remote island and peninsular communities have fragile economies based on seasonal industries and, as such, they are particularly susceptible to fluctuations in the cost of ferry services. Rising fuel prices and the cost of travel put rural businesses at an economic disadvantage over those nearer key markets and population centres on the mainland. Reducing the high cost of transport to and from Scottish islands will act as a catalyst to business, enterprise and long-term viability of island life and land use. Those businesses engaged in farming, fishing, construction, retail and haulage on the Western Isles, Coll and Tiree who have previously benefited from RET will be hardest hit by the proposals to replace RET for commercial vehicles and this will have a damaging effect on fragile island economies resulting in increased costs for businesses and island residents. It will be necessary to undertake social/economic impact assessments of individual islands to ensure that RET does not result in any negative social or economic impacts when this is rolled out across the network.

Local hauliers have indicated that they will be unable to absorb the additional costs when RET is replaced and these will subsequently be passed onto the customer increasing the price of construction materials, agricultural supplies, fuel and food. During the course of the RET pilot fuel prices and other costs associated with haulage have continued to rise and RET has allowed some of these increases to be absorbed. The conclusion by the Scottish Government that savings from hauliers through RET have not been passed onto consumers could therefore appear to be distorted.

Whilst it would be beneficial to have RET for all users it is considered essential that priority should be given to residents and frequent commercial users engaged in local economic activity. As such, Argyll and Bute Council would favour the introduction of a negotiated discount scheme for residents and frequent commercial users in line with the current Air Discount Scheme for the Highlands and Islands. Failing this, it is considered that RET should be extended to include frequent commercial users such as local hauliers/businesses to ensure maximum economic benefit to local communities.

Furthermore, local residents and commercial users engaged in local economic activity should not be disadvantaged by the introduction of any demand management regime.

On shorter ferry crossings such as those to the Clyde Islands and Gigha RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on multi-journey discount tickets and these passengers could therefore be disadvantaged if these tickets are replaced by RET.

Argyll and Bute Council welcome the longer term proposals to develop an overarching freight fares policy as this should ensure a consistent approach across the network.

## **5. Responsibility for Providing Ferry Services**

### **5.1 Key Issue**

The Scottish Government has set out a commitment to discuss the future responsibility for providing ferry services currently operated by Local Authorities providing that the relevant Council's wish them to do so. The Draft Ferries Plan states that "if the Scottish Government were to take on responsibility for particular routes it would be on the understanding that the appropriate amount of funding came back to the Scottish Government".

### **Response**

Argyll and Bute Council has previously stated to the Scottish Government that given the importance of lifeline services to our communities and the associated costs of providing this non-core service, it is inappropriate for the Council to have the responsibility for the provision of any ferry services which operate to island/peninsular communities located within the Argyll and Bute. It is therefore the preferred position of Argyll and Bute Council not to operate any ferry services.

The historical evolution of ferries has resulted in some ferries being subsidised and provided by local authorities. Argyll and Bute Council have subsidised ferry services to Jura, Luig, Lismore and Easdale and the costs associated with operating these services ultimately affects the other services the Council can deliver across Argyll and Bute within budget. This is especially significant during the current climate of economic difficulties where services are subject to reduction.

The Scottish Government is best placed to provide a consistent delivery to ferry provision. This approach would allow an over arching service standard and offer economies of scale.

As with any potential transfer of port and harbour infrastructure, a detailed options assessment will be required to determine the Council's approach with regard to the transfer of ferry services and this will consider:

- Nature of service to be provided;
- Local island / mainland socio-economic needs;
- Local accountability for service quality, delivery and time tabling;
- Appropriate governance and accountability processes/structures to meet the above needs.

## **6. Accessibility**

### **6.1 Key Issues**

The Scottish Government has stated that they will seek to encourage operators to adopt as many of the 'Accessibility' report's recommendations as possible (including putting 'Accessibility Information Systems' in place). Also, the Government intends to set up an 'Accessibility Improvement Fund' and will develop this for the Final Ferries Plan and write to all Local Authorities, Independent Trust Ports and private owners of vessels and marine infrastructure to ensure they are aware of their obligations under the current legislation.

### Response

It is considered desirable that any new Vessels/infrastructure should be DDA compliant and existing facilities should be upgraded where feasible. It is also considered that adequate crew/staff training will ensure that the majority of access issues can be addressed.

An 'Accessibility Information System' would be beneficial however, the standards used to determine this will require to be clearly defined following consultation with ferry users, operators and owners of port infrastructure/vessels. An 'Accessibility Information System' will also require to be applied consistently across the entire ferry network to ensure adequate standards are achieved on all services.

Argyll and Bute Council welcome the proposals to set up an 'Accessibility Improvement Fund' however new funding will require to be identified to pay for this and it should not be resourced through diverting existing funding away from ferry services. The cost of accessibility improvements should be built into the tendering process so that companies bidding for future contracts include this within their tender bids.

Argyll and Bute Council welcome the proposals to improve dialogue between the Scottish Government, Local Authorities, Independent Trust Ports and private owners of vessels/marine infrastructure to ensure that those responsible for the provision of ferry services are fully aware of accessibility obligations under the current legislation.

## **7. Environmental Issues**

### **7.1 Key Issues**

The Scottish Government state that the mitigation of environmental effects from ferry services is likely to be progressed over the short and long term. In the short term they will implement requirements for vessel operation and information collection and reporting and in the longer term they will develop more fuel efficient vessels. It is not proposed to impose emission reductions through reducing vessel speeds or ferry operations.

### Response

In remote and peripheral areas there can be conflict between policies aimed at growing the economy and preserving the environment. For example it is noted that the rollout of RET is likely to result in increased greenhouse gas emissions however, the additional patronage generated could have significant benefits for the local economy in Argyll.

Argyll and Bute Council welcome the Scottish Governments proposals to invest in more fuel efficient technology such as hybrid ferries and also the commitment not to reduce vessel speeds and ferry operations to achieve a reduction in emissions. It should also be noted that peninsular ferry services such as the proposed service between Ayrshire and Kintyre remove traffic from the local road network therefore reducing greenhouse gas emissions.

It is considered that the measures proposed will enable sustainable economic growth whilst reducing the areas carbon footprint and protecting/enhancing Argyll's rich natural environment.

## **Appendix A: Route Proposals Response**

**Question 7:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Arran

Argyll and Bute Council welcome the proposals to add additional capacity to the Ardrossan to Brodick service however, this should not impact upon the viability of the Claonaig to Lochranza service. Both services should be viewed as complementary and the Claonaig – Lochranza ferry is vital to the local economy. This provides connections between Ayrshire and the Cal Mac ferry services operating from Kennacraig as well as connections between Kintyre and the Central Belt when there are closures on the A83 road network. In addition, this route is designated for transporting dangerous goods such as fertiliser, bottled gas etc onto Arran.

**Question 8:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Bute.

Argyll and Bute Council welcome the proposals to retain two ferry services to Bute however, it should be noted that there is limited local support for the proposals set out in the Draft Ferries Plan to extend the operating hours of the secondary service between Collintraive and Rhubodach to midnight. This is due primarily to Collintraive's remote location and the lack of local bus services past 7pm which would require passengers to have their own transport. There are also environmental concerns with a ferry service operating so late at night in such a rural location with potential issues relating to noise pollution.

The Bute Community have indicated that local preference would be for an extended Friday evening service on the principal route between Weymss Bay and Rothesay. An extended Saturday evening service would also be desirable if this could be achieved without additional crew being required. In addition, there is a desire for the operating hours of the secondary route between Collintraive and Rhubodach to be extended to 9pm year round as opposed to 8pm in winter as present.

The Bute Community have expressed concerns with the proposals to stagger the roll-out of RET. The Scottish government have expressed a commitment to roll out the RET pilot to Islay, Colonsay and Gigha from October 2012 and Arran from October 2014 however, no date is specified for the other Clyde Islands. The result of this will be cheaper fares to certain islands whilst prices on routes to Bute could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will also make Bute less attractive to tourists who are vital to the local economy. It is therefore requested that the Scottish Government avoid staggering the roll-out of RET to avoid disadvantaging communities such as Bute.

On shorter ferry crossings such as those to the Clyde Islands RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on multi-journey tickets and could therefore be disadvantaged if these are replaced by RET.

**Question 10:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to the Cowal Peninsula and Dunoon.

As regards the Dunoon–Gourock service, the Scottish Government has set out a commitment to providing a ferry service that meets the needs of users and to do so they will focus on the 3 point plan agreed at the meeting held on 9<sup>th</sup> December 2011 in Dunoon. Argyll and Bute Council takes this opportunity to welcome the commitment of the Cabinet

Secretary for Infrastructure and Capital Investment to progressing this matter and clarifying the elements of the 3 point plan which were agreed by all attending December's meeting:

- Immediate Action:- The development of an improvement plan by Argyll Ferries to significantly improve the current service. The intention would be that, through the Scottish Government, Argyll and Bute Council, Inverclyde Council and the Ferries Users Group would be given the opportunity to comment on the improvement plan. Then, a confidential options appraisal exercise should take place, led by Scottish Government officials and supported by Argyll and Bute Council and Inverclyde Council (and CMAL where appropriate) as follows;
- Short to Medium Term options:- A short to medium term options appraisal process would look at options to improve the current service and travelling experience for the public in the short to medium term. This process will examine options for improving the current service provided by the Argyll Flyer and the Alicat, the potential utilisation of the Coruisk on the Dunoon-Gourock route, improvements in embarkation / disembarkation arrangements, which will include the provision of berthing pontoons and shore side passenger accommodation infrastructure, and any other potential short to medium term proposals which parties consider appropriate for consideration. This process would require options to be developed which should be examined in terms of technical and operational feasibility, deliverability and cost. The target timescale for this would be April but will be dependent upon the Project & Resource Plan developed by the Scottish Government's Ferries Division.
- Medium to Longer Term options:- A confidential options appraisal process would look at options for the provision of a vehicular ferry service operating between Dunoon & Gourock . This process would look at all potential options which would include the existing service model, the provision of new vessels designed specifically for the Dunoon-Gourock route by the Scottish Government, the procurement or lease of suitable vehicular ferry vessels available within the shipping industry, and the scope to develop an operating model which could allow a private sector operator to provide a vehicular ferry service on this route. The timescale and resources required to undertake this options appraisal will be identified by the Scottish Government's Ferries Division, with a target date to develop a Project Inception Document which will set out the Project & Resource Plan.

The award of the passenger-only service represents a considerable and unbudgeted loss of income to the Council and we would again reiterate that the Scottish Government should assist in funding any infrastructure works required at the wooden pier in Dunoon as a result of the change of use to a passenger-only service.

In addition, the smaller vessels currently operating on the route (Ali Cat and Argyll Flyer) are more susceptible to cancellations during adverse weather conditions resulting in disruption to passengers travel arrangements. Consideration should be given to replacing the Ali Cat with a more suitable vessel which is capable of operating reliably on the Firth of Clyde. It is considered that a possible alternative would be the MV Saturn which, is known to be able to operate reliably on the route and would provide a short term solution that would be widely welcomed.

It is considered that a Ferry Regulator could settle issues of EU regulation more authoritatively for example, there is no EU impediment to a vehicle service on this route as the published accounts for the former service demonstrated it was operating profitably without cross subsidy.

Argyll and Bute Council also consider that the ferry service operating between Kilcreggan,

Gourock and Helensburgh should be included in the Final Ferries Plan as this provides an essential public transport service and currently receives in excess of £350k subsidy per annum from SPT. Up to 70,000 people use this service annually and the main source of patronage is passengers travelling between Kilcreggan and Gourock. These passengers include students attending college, patients receiving medical treatment at Inverclyde Royal Infirmary, individuals working at Gourock and Greenock on the south side of the river as well as a number of people using it for leisure / shopping trips etc. This service has recently been retendered by SPT and as from 1 April 2012 we note that the Helensburgh link will be removed from the new contract. Argyll and Bute Council understands that the new Clyde Link vessel will have an MCA Class 4 rating and 96 seats.

There is concern locally that the re-tendered ferry service will be less reliable than the service it is replacing due to a smaller vessel which could be more susceptible to cancellations in adverse weather conditions. We note however, that SPT are currently investigating funding to improve stability and reliability.

In addition, it is considered that this service has the potential to be expanded to meet local tourism demands however, SPT are not able to subsidise this element of the service. It is therefore considered that the Scottish Government might be better placed to operate the Gourock – Kilcreggan ferry service as this would provide assurances with regards to the future of this route and would allow investment to increase patronage by responding to demand generated by local tourism.

**Question 11:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Mull and Ardnamurchan/Morvern.

Argyll and Bute Council welcome the proposals to upgrade the Craignure to Oban service with two-vessels and an extended operating day. It is considered that robust demand management strategies will be required prior to rolling out RET in its current form on the Oban - Craignure route due to likely increases in patronage on peak services.

The Council restates its position that the Passenger Access System (PAS) at Craignure is not a Council asset and is not therefore the Council's responsibility to upgrade or replace. We are however, supportive of progressing discussions with CMAL and the Scottish Government to determine an approach that is agreeable to all parties. Any upgraded or amended PAS must be suitable to accommodate future vessels which may become available to increase capacity on the Oban – Craignure route.

The Council consider that both the Fishnish to Lochaline and Tobermory to Kilchoan services are important to sustain local communities/businesses and these alternative routes also provide additional capacity/resilience on the network. Both ferry services are important routes as part of the Gaelic Rings and school children also use these services to commute to school which avoids the requirement for pupils to stay in hostels through the week.

Kilchoan to Tobermory becomes a 70 mile round trip if the vehicular ferry service is removed and Lochaline to Oban is also a 70+ mile round trip via the Corran narrows. The proposals to replace the current vehicular service with a passenger only service on the Kilchoan – Tobermory route would potentially have a huge impact to the local communities/businesses who rely on the vehicular service. The price of this service has been identified as a barrier to travel and, as such, fares could be reviewed to try and increase vehicular patronage.

The Draft Ferries Plan sets out a commitment to retain the Mallaig to Armadale ferry service (although the service is identified as non essential but important to the tourist trade). It is considered that the Kilchoan to Tobermory and Fishnish to Lochaline ferry services are both vital to local communities and businesses on Mull and Ardnamurchan/Morvern as well being important for local tourism. As such, Argyll and Bute Council would urge the Scottish

Government to clearly state its commitment to retain both these ferry services in the Final Ferries Plan.

**Question 12:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Iona.

Argyll and Bute Council welcome the proposals to extend services to Iona however, further clarification is required regarding the necessity to provide a new overnight berthing facility. The Scottish Government should confirm if direct capital funding will be provided for these works or if they are agreeable to additional berthing charges at Iona and Fionnphort being levied upon Cal Mac's operation to cover prudential borrowing costs associated with providing this facility.

It is also considered that residents of Iona do not benefit from a direct ferry connection to the mainland and, as such, there will be an expectation that a similar subsidy is introduced as proposed for residents of Jura.

**Question 14:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Lismore.

As noted earlier, Argyll and Bute Council would not be responsible for funding the infrastructure costs associated with the proposals to introduce a vehicular ferry service between Port Appin and Point. The Lismore STAG undertaken in 2009 identified the capital costs associated with providing a RoPax ferry service as being in the region of £6m. In addition, the draft plan does not outline the requirement for a suitable vessel to be procured for this route.

It should be noted that the current vessel (MV Lismore) is a Red Risk Council asset and is effectively "life expired", and at risk of failure, as well as at risk of high and increasing annual maintenance and repair costs.

If a vehicular ferry service is introduced between Port Appin and Point, the local road infrastructure between Port Appin and the A85 trunk road will require to be upgraded to accommodate the uplift in traffic. In addition, bus services will be required to provide integrated transport links for passengers travelling to Oban. The Draft Ferries Plan gives no indication as to the requirement for this associated infrastructure or the responsibility for funding these works. As noted, we believe this to be the responsibility of the Scottish Government.

**Question 15:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Coll and Tiree.

Argyll and Bute Council welcome the proposals to work towards an improved winter service for Coll and Tiree. The continuation of RET will require improved demand management on peak season ferry services to Coll and Tiree to ensure that vehicles carrying essential supplies and services are accommodated on their desired ferry services and island residents are not disadvantaged.

Those businesses engaged in farming, fishing, construction, retail and haulage on the Western Isles, Coll and Tiree who have previously benefited from RET will be hardest hit by the proposals to replace RET for commercial vehicles and this will have a damaging effect on fragile island economies resulting in increased costs for businesses and island residents. Local hauliers have indicated that they will be unable to absorb the additional costs when RET is replaced and these will subsequently be passed onto the customer increasing the price of construction materials, agricultural supplies, fuel and food. Argyll and Bute Council

would favour the introduction of a negotiated discount scheme for residents and frequent commercial users in line with the current Air Discount Scheme for the Highlands and Islands. Failing this, it is considered that RET should be extended to include frequent commercial users such as local hauliers/businesses to ensure maximum economic benefit to local communities.

The proposed multi-billion pound Argyll Array wind farm investment off Tiree could also have major implications for ferry service provision in the second half of this decade. This is a project that due to its scale and innovation is recognised as strategically significant at the European level. The Operations and Maintenance options are currently being considered; one of which will have significant implications for increased population, employment and service requirements on the island.

**Question 16:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Kerrera, Luing and Easdale Island.

It is considered that the conclusions set out in the draft plan with regards to ferry services to Kerrera, Luing and Easdale are under-developed and require to take account of development aspirations in the area and local concerns.

Kerrera currently has a privately operated vehicular ferry service to the south of the island and a water taxi service between Oban and the marina at the north of the island. Both privately operated services are significant for the island and, as such, should be included in the ferries plan. In addition, Argyll and Bute Council seeks confirmation that a vehicular ferry service to Kerrera is considered lifeline and would therefore be subject to the commitment by the Scottish Government to ensure the continuation of any lifeline ferry service currently provided by the private sector.

Considerable investment will be required on the Luing ferry and associated infrastructure in coming years and the draft plan fails to take account of this. Argyll and Bute Council has recently undertaken a review of its entire pier and harbour portfolio and this identified that it would be desirable to replace the existing 1:14 gradient slips on the Luing route with 1:8 gradient slips in order to maximise the potential range of vessels that can be used in the future. The existing vessel operating the Luing service (MV Belnahua) is a Red Risk Council asset which is approaching its 40th year in service. This exacerbates the risk of increasing costs associated with maintaining the vessel in a serviceable condition. It is considered that there is an urgent requirement to plan for the replacement of the MV Belnahua, due to its age, high risk of asset failure, and consequential difficulties with maintaining the lifeline service to Luing in the instance of its failure.

The draft plan takes little consideration of where alternatives to ferry services such as fixed links might provide benefits to island communities such as Luing and Easdale. Fixed links would provide increased flexibility and enhanced opportunities for residents to access employment, education and leisure facilities. It is also considered that there are potential whole life cost benefits to the Scottish Government as despite the high construction costs of fixed links the design life of such structures would typically exceed 100 years and they are less susceptible than ferry services to fluctuations in operating costs and funding arrangements. Argyll and Bute Council currently provide in excess of £420k subsidy per annum for ferry services to Luing and Easdale which is likely to continue to rise as ferry services become more expensive to operate due to rising fuel costs and the requirement to maintain/replace ageing vessels and port infrastructure. A recent public meeting on Luing confirmed the desire for a fixed link. This option needs to be actively considered and appraised in the near future in the context of the Council's required purchase of a replacement ferry for Luing in partnership with Government and the affected communities.

**Question 22:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Islay and Jura.

Argyll and Bute Council do not agree that the current service profile for Islay exceeds that for a model service. It is considered that two ferries are essential for the Islay – Kennacraig route to accommodate the demand generated by peak season tourism and the significant haulage demands of the expanding whisky industry (20million litres of whisky produced on Islay annually equating to 3000 articulated lorry movements). At the presentation to Argyll and Bute Council on the 28<sup>th</sup> February representatives from the Scottish Government confirmed verbally that two vessels will be retained on the Kennacraig - Islay route and Argyll and Bute Council seek confirmation of this in the Final Ferries Plan. It is considered that demand for ferry services to Islay will increase significantly when RET is rolled out and adequate demand management will be essential to ensure that residents can access the services they require and supplies to the island are not disrupted. If increased peak season fares are used as a method of controlling demand, arrangements should be put in place to ensure that residents and frequent users are exempt from such additional charges. It is also suggested that discounted freight rates are offered to fill spare capacity on ferries to reduce costs for local businesses.

With regards to the proposals to route the majority of service to Port Askaig, it is considered that services to Port Ellen are important and there should be at least enough sailings from Port Ellen that would enable foot passengers to leave from this port in the morning and return to Port Ellen on the last sailing to the island. The reason for this is that many foot passenger would leave their vehicles at the departing port and it is therefore necessary for the return leg to arrive at the same port. There has been considerable investment in Port Ellen Pier and there will be an expectation that ferry services are retained from this location.

The proposed significant investment in the offshore wind farm adjacent to Islay could also have implications for ferry service provision in the second half of this decade

The current ferry service linking Jura and Islay is operated by ASP Ship Management on behalf of Argyll and Bute Council. The cost of this ferry service has been identified as a major concern for Jura residents and, as such, Argyll and Bute Council welcome the proposal by the Scottish Government to offer no cost fares for residents of Jura on this route when their journey is part of an onward journey to the mainland. Whilst the no cost fares proposal is welcomed, it is considered that the Jura ferry service should also be included in the next CHFS tender and RET should also be applied to this route for return trips to Islay.

Further discussion will be required between Argyll and Bute Council and the Scottish Government regarding the potential transfer of this lifeline ferry service or appropriate grant allocation to cover the increased costs associated with the no cost fares proposal.

Argyll and Bute Council welcome the proposals by the Scottish Government to continue to fund the Jura Passenger ferry until 2013. The Council will also continue to support this service with a contribution of £11,000 in 2012-13 and 2013-14 which represents 20% of the annual running cost of the service. The Council also request that consideration is given to funding this service beyond 2013 as it is vital to the local economy.

**Question 23:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Colonsay.

Argyll and Bute Council welcome the proposals to extend summer and winter sailing days to Colonsay. The proposals for at least one day per week where there is a return sailing between the island and mainland will also greatly benefit island residents if realised. Future amendments to ferry timetables should also take account of Hebridean Airways scheduled

air services to the island to ensure the broadest possible range of travel options for residents and visitors.

**Question 24:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Gigha.

The Council welcome the proposals to extend the operating day of ferry services between Gigha and Tayinloan. Confirmation is required from the Scottish Government as to the plans and timetable for the introduction of the new Hybrid Ferries and arrangements for funding the associated infrastructure works (estimated to be circa £3m). As the asset owner, it would be consistent for the Council to lead the design and procurement of any upgrade works and we understand that there is currently no scope for the provision of grant funding to finance these works. As such, there is an expectation that the Council will fund any upgrade works through prudential borrowing funded directly from an associated increase in berthing charges to be made to the ferry operator.

Residents of Gigha have advised that the current 10 journey tickets are only valid for nominated individuals or vehicles and this disadvantages families and islanders who use more than one vehicle. Residents have requested that the 10 journey tickets are amended to allow multiple passengers and vehicles to use each ticket book. The current scheme requires families and local residents with more than one vehicle to purchase multiple tickets upfront which represents a considerable financial outlay.

Residents have advised that advance notification is required to hold the Gigha Ferry until 17:50 to connect with local air services from Glasgow for hospital patients/outpatients. It is not always feasible for patients to give advance notification of hospital appointments as these can be scheduled at short notice.

Residents are supportive of the proposals for an extended operating day and have advised that later evening sailings would be particularly desirable. Residents also advised that the current arrangements where the ferry service stops at lunch to accommodate crew breaks is disruptive and crewing arrangements should be revised to negate the requirement to suspend services at lunchtime.

The Gigha ferry timetable should be integrated with local bus services from Tayinloan which provide onward connections to Campbeltown and Glasgow. In addition, the ferry timetable should provide integration with local air services from Machrihanish Airport.

Gigha residents have also requested that the Scottish Government clarify proposed fare reductions associated with the roll out of RET. Given the short crossing distance residents are concerned that they will be disadvantaged by RET, particularly if existing discount fares are replaced. There is currently a 50% discount available for some agricultural freight travelling to/from Gigha however local farmers have advised that there are anomalies regarding the type of goods which qualify for this e.g. straw and livestock are included but fertiliser is not. Residents have advised that they would greatly benefit from cheaper commercial freight.

**Question 25:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to Kintyre.

Argyll and Bute Council welcome the commitment to retain the Tarbert to Portavadie ferry service. This route provides an alternative to the local road network and offers resilience in the event of trunk road closures such as those witnessed on the A83 in recent years due to landslides. It is also a popular route with tourists and is likely to benefit from increasing levels of patronage associated with the marina and holiday accommodation developments that have been constructed at Portavadie in recent years.

The Council would stress that the Claonaig – Lochranza ferry service is vital to the local economy and should be retained. This provides connections between Ayrshire and the Cal Mac ferry services operating from Kennacraig as well as connections between Kintyre and the Central Belt when there are closures on the A83 road network. In addition, this route is designated for transporting dangerous goods such as fertiliser, bottled gas etc onto Arran and is also popular with walkers and cyclists (using local, regional and national routes such as the Kintyre Way, National Cycle Network and Lands End to John O' Groats) who are important to the local economy.

The proposals to introduce a vehicle ferry service between Kintyre and Ayrshire are welcomed and could be significant for Kintyre given the recent significant investments in renewable energy (in relation to the Government's National Renewable Infrastructure Plan - NRIP) and local tourism infrastructure/hotels associated with golf and high value tourism. It should be noted that reports have previously been undertaken which detail the economic viability of a ferry service between Campbeltown, Ayrshire and Northern Ireland and it will be important to revisit this work as part of these proposals. Revisiting this work will also be an opportunity to consider the on-shore infrastructure and marshalling capacity requirements for this service, given that the wind turbine manufacturing facility at Machrihanish (WTL) uses the New Quay and adjacent land for export and import activities and, as noted, the town is an important centre for the Government's renewable energy ambitions e.g. the NRIP.

Feedback received from local businesses indicates that the preferred ferry service would operate 5 days per week directly to the Ayrshire coast between Campbeltown and Troon. It is considered that the increased crossing times which will result from the proposed link with Arran could prove detrimental to the viability of this service. In addition, there would be an expectation locally that fares on a new Kintyre – Ayrshire ferry service would be based on RET.

Further clarification is required from the Scottish Government regarding the proposed destination ports/frequency/crossing times etc and local businesses and residents in both Kintyre and Ayrshire should be consulted to ensure that maximum local benefit is realised from any future service.

**Question 26:** The Scottish Government request views regarding the proposals set out in the Draft Ferries Plan with regard to ferry services to the Western Isles.

Argyll and Bute Council are supportive of the proposals to retain the Lochboisdale – Oban route for the Uists and priority being given to services between Barra – Oban for future funding.

It is considered that a new vessel will be required to provide additional capacity on services to Barra, Colonsay, Coll and Tiree. A new vessel could be utilised across multiple routes where current service provision has been identified as being below the model service requirements. This would also provide additional resilience in the fleet in the event of technical issues such as those recently observed with the Clansman.

Argyll and Bute Council understand that HIE intend to undertake a study in conjunction with key stakeholders to identify the potential economic impacts of introducing a new vessel to serve routes to the Western Isles, Colonsay, Coll and Tiree and the Council are fully supportive of this proposed approach.

## **Appendix B: Local Consultation Responses**

In order to inform our response, Argyll and Bute Council undertook consultation with a number of local Community Councils and businesses regarding the potential impact of the proposals set out in the draft plan. The following feedback has been provided:-

**Mid Argyll Chamber of Commerce:** “The Mid Argyll Chamber of Commerce is extremely concerned at the Scottish Government’s proposal to replace RET for commercial vehicles on routes to Coll, Tiree and the Western Isles with an enhanced Traders Discount Scheme. It might be thought that Mid Argyll would not be affected by such proposals but as Mid Argyll is centrally situated in Argyll enjoying passing trade from visitors to all the Argyll islands any increase in fares can have an impact on the economy of Mid Argyll”.

“In particular, very many Mid Argyll businesses work on not only the islands of Coll and Tiree but also Mull, Islay, Jura, Colonsay and Gigha. Increased overheads are damaging to mainland businesses and when it comes to our fragile islands the Chamber agrees with the Tiree community who recently described the decision to increase fares for commercial vehicles as catastrophic. Construction, haulage, agriculture, crofting, fishing, retail and tourist businesses alike will be affected”.

“The introduction of RET to Coll and Tiree was welcome but its effect on the economy of Argyll and Bute has been limited. To really benefit from RET there would require to be an increase in the number of ferry sailings to and from Argyll’s islands and all ferry fares, not simply Coll and Tiree, should benefit from RET. In the summer months all ferries to our island communities are very busy and it takes only very little increased business to render the ferry “fully booked”. The priority has to be increased provision of ferries”.

“The lack of ferries has been highlighted this week with CalMac’s major ferries, The Isle of Lewis and The Clansman, being out of commission at the same time. Government spending has to be prioritised on providing better, faster and more frequent ferries”.

“No doubt the Council is monitoring press coverage of the debate about ferry fares and will, indeed, have seen the quote by Professor Neil Kay, Economist at Strathclyde University who said “what is the point of offering a shop assistant cheap fares to the mainland if she cannot afford those fares because the business she worked for has just gone bust”. The point is well made and, for your information, I attach a copy of an article from a recent edition of An Tirisdeach which summarises the feelings of the community on Tiree. Mid Argyll Chamber of Commerce shares the views of the Tiree community”.

**Local Business (Foodservices):** “We currently deliver to 7 of the west coast islands via Calmac & A&B Ferries. The only island that RET is applied to currently is Tiree. We started delivering to Tiree in May 2010 and like the rest of our island deliveries, we do not impose an extra delivery cost to our customers, ie they pay the same price as our mainland customers. The RET benefit, therefore, has certainly been passed on to the consumers”.

“We had previously been using a Tiree haulier and passing the cost on to our customers. Although the haulier has refrigerated vehicles, he could not always guarantee correct EHO demanded deliveries, ie air temperature print outs, to a suitable standard. As the cost of the carrier was passed on to our customers, for no profit to the business, the consumers have actually enjoyed a reduction in their costs”!

“In the past two years, we have had significant increases in our business costs, rates, electricity and road fuel, which makes it increasingly difficult to trade in the west highlands. The removal of the RET from this route would make supplying Tiree less cost effective and would then perhaps have negative effect upon Tiree consumers! Our fare would increase from £220 to £395”.

“The trader discount scheme, if it is anything like Calmac's previous one, will not benefit us in any shape or form, as they only look at route by route usage, not how much of a service is being provided by the haulier. We asked Calmac in 2010 if we qualified for any discount as we, at that time, were delivering to 7 islands, 6 of which were Calmac routes, a total of 397 return crossings per annum, and were told at that time we did not come close to qualifying. As a business, we invest a large sum of money in highly specialised vehicles, currently running a fleet of 5x 7.5t, 4x 10t & 1x 3.5t refrigerated vehicles. The "shortest" vehicle is 6.5m. The reason for this is that we have looked at shorter wheelbases but for various reasons, (initial build cost, restriction to certain marques, stability), we have decided that a 5m 7.5t truck is not suitable for our mainland work”.

“RET main benefit is to the tourism industry. This is a very lame statement from the government. If the residents/business' cannot be serviced at a reasonable cost, there will be no tourism as residents will be forced to leave the island. Specifically, Tiree can only take so many tourists overnight at a time so where are the "coaches" going to deposit their cargoes”?

“RET is funded by the Scottish government, all island residents pay their taxes, as do the business' that service them, so why can't the RET be extended to all islands to level the playing fields for all? Surely resident lifeline services are more important than purely tourism”?

“Having personally attended the meeting in Tiree 30/1/11 with Mr Laidlaw from the Scottish government, I heard first hand how much removing the RET from this route would affect agricultural, commercial and personal living on the island”.

**Local Business (Forestry Sector)** – “With regard to the proposed ‘traders discount’ scheme, we welcome any measure to reduce the high cost of ferry costs to and from Scottish islands. Whilst RET remains the preferred option, any other measure contributing to reducing transport costs is welcome as a catalyst to business, enterprise and long-term sustainable viability of island life and land use”.

“We believe one of the cornerstones of EU policy, which should be a real target of Scottish Government policy, is “the determination to provide an equal opportunity to the sustainable harvest of resources on the periphery as to those nearer the centre.” Current fuel prices and high ferry fares do not assist in realising this policy”.

**Luing Community Council Meeting** - The Chair of the Community Council, led the questions asking for a view on the four key tenets of the ferries review, namely:

- Community
- Personal
- Freight
- Tourism

The general view of the meeting of which there were about 40 to 50 people present, was that the existing ferry service was not fit for any of the strands above. It did not fit those in the community trying to start work at 0800 in Oban or for those wishing to access the early Glasgow train. Similar views on a personal level having to meet medical appointments. Freight concerns were principally centred on the lack of capacity on the ferry and inability to take standard Construction and Use (C&U) loads up to 40t. Tourists cannot trust the ferry to operate at all times such they select Luing as a destination, especially on Sunday's. There followed a discussion on the merits of a fixed link and the STAG appraisal that highlighted the preferred option is to construct a bridge. There was also consideration of the survey undertaken through the Marine Services Review that indicated 49% of responders in

favour of a fixed link and 33% against with the remaining unsure. The show of hands in the hall in favour of a fixed link implied very strong support for this option.

**Colonsay Community Council** – “We are aware of the document having discussed the references to Colonsay and made a direct response. We are happy with the proposals for Colonsay and can only hope that they are all implemented. If Argyll and Bute Council is also making a response on behalf of all the islands we are happy for our views to be noted but do not feel that we need to be involved in a VC.”

**Coll Community Council** – “RET has only really benefitted island residents through cheaper bulk freight, as the old book of 6 tickets worked out about the same price as the current RET singles for both cars and passengers. (The exception being infrequent travellers that did not need to buy 6 journeys in the past, only a return, do get cheaper tickets under RET). That aside, the main benefit to island residents has been cheaper bulk freight. So we object strongly to the Scottish Government’s proposed measure that will remove this element of RET. The result will be an RET that benefits visitors, but has little positive impact on the main target group, being island residents”.

**Bute Community Council** – Argyll and Bute Council attended a meeting with Bute Community Council on the 29<sup>th</sup> February 2012. At this meeting the Community Council advised that there is limited local support for the proposals set out in the Draft Ferries Plan to extend the operating hours of the secondary service between Collintraive and Rhubodach to midnight. This is due primarily to Collintraive’s remote location and the lack of local bus services past 7pm which would require passengers to have their own transport. It was also noted that there would be environmental concerns with a ferry service operating so late at night in such a rural location with potential issues relating to noise pollution.

The preference of the Bute Community Council would be for an extended Friday evening service on the principal route between Weymss Bay and Rothesay. An extended Saturday evening service would also be desirable if this could be achieved without additional crew being required. In addition, the Bute Community Council expressed a desire for the operating hours of the secondary route between Collintraive and Rhubodach to be extended to 9pm year round as opposed to 8pm in winter as present.

The Bute Community Council are concerned that the proposals with regards to RET will potentially disadvantage local residents and the islands economy. The Scottish government have expressed a commitment to roll out the RET pilot to Islay, Colonsay and Gigha from October 2012 and Arran from October 2014 however, no date is specified for the Clyde Islands. The result of this will be cheaper fares to certain islands whilst prices on routes to the Clyde islands could continue to rise in the region of 6% per annum until RET is introduced. This will disadvantage local residents and businesses and will also make Bute less attractive to tourists who are vital to the local economy. It is therefore requested that the Scottish Government avoid staggering the roll-out of RET to avoid disadvantaging communities such as Bute.

On shorter ferry crossings such as those to the Clyde Islands RET could have a negligible impact on fares. Many low income families and frequent ferry users currently rely on block discount tickets and could therefore be disadvantaged if these are replaced by RET.

**East Kintyre Community Council** – The East Kintyre Community Council would note the following:-

- We do not see much benefit in linking a ferry between Brodick and Campbeltown;
- A better option would be a direct connection between Campbeltown and a port on the Ayrshire coast. The suggestion is 2 days per week but this might not be enough to make the route viable;

- It is hoped that the Tarbert – Portavadie ferry will also be unaffected as this serves a very useful purpose particularly when the A83 is closed at the Rest and be Thankful.
- The Community Council are supportive of the efforts to protect the valuable ferry service between Claonaig and Lochranza;
- The economy of Kintyre is fragile and any diminution of tourism would be most unhelpful.

**Network Carradale Limited** – “We are greatly concerned by the terms of the draft Consultation Paper on the review of ferry services in Scotland with particular reference to the proposed review of the Claonaig –Lochranza ferry when the proposed new ferry services (the existing Ardrossan – Brodick ferry to be replaced by 2 smaller ferries) come into operation. As you will be aware the Claonaig – Lochranza ferry is declared to be a secondary route and that service will clearly be under threat when the new ferries to and from Brodick start operating. Our concern is further increased by the fact that the Tarbert – Portavadie ferry does not appear to be under threat at all although the passenger numbers for that all year round service last year were only 10,000 more than the numbers for the seasonal ferry at Claonaig.

We propose to make a formal response to the draft paper by the end of this month but as we understand there is to be a Council Meeting this Wednesday to discuss the matter I am writing to seek your assurance that the Council will put their weight behind our objection and, indeed, behind the objections of all organisations and individuals in Kintyre who do not wish this link with Arran to be severed”.

**Carradale Golf Club** - “If the service (Claonaig – Lochranza) was to be withdrawn this would have a serious effect on Carradale Golf Club, as both ladies and gents sections rely greatly on the support of several golf clubs on Arran to a number of open competitions throughout the year and, indeed, 2 clubs organise their own outings to Carradale each year. For our part, a good number of our own members use the service to play golf on Arran”.

**Local business, Carradale** - We are a small manufacturing company in Carradale - 6 of us in total - and have been established for some 35 years. The majority of our business is supplying shops all over Scotland with silver and gold jewellery, but we also have a small but very busy jewellery shop in the village.

We also have three 4-star self-catering cottages.

We are very worried at the prospect of the Claonaig Ferry being retired. While retail customers from Arran are not a major part of our turnover, we would sorely miss them. And many of our self-catering customers travel over Arran to reach Carradale. We also use the ferry regularly ourselves to visit relations, and for recreational purposes.

We would therefore like to add our voice to those who wish this service to be retained.

**Gigha Community Council** - Officers from Argyll and Bute Council attended a meeting with Gigha Community Council on the 6<sup>th</sup> March 2012 to discuss the proposals set out in the Scottish Ferries Draft Plan. The following points were raised by the residents present:-

The current 10 journey tickets are only valid for nominated individuals or vehicles and this disadvantages families and islanders who use more than one vehicle. Residents have requested that the 10 journey tickets are amended to allow multiple passengers and vehicles to use each ticket book. The current scheme requires families, the local school and local businesses using more than one vehicle to purchase multiple tickets upfront which represents a considerable financial outlay.

Residents advised that advance notification is required to hold the Gigha Ferry until 17:50 to connect with local air services from Glasgow for hospital patients/outpatients. It is not always feasible for patients to give advance notification of hospital appointments as these can be scheduled at short notice.

Residents are generally supportive of the proposals for an extended operating day and have advised that later evening sailings would be particularly desirable. Residents also advised that the current arrangements where the ferry service stops at lunch to accommodate crew breaks is disruptive and crewing arrangements should be revised to negate the requirement to suspend services at lunchtime.

Residents requested that local bus services from Tayinloan wait on the ferry (if required and sufficient notification given) to avoid passengers requiring to use earlier ferry services and waiting in Tayinloan.

The Gigha ferry timetable should be integrated with local bus services from Tayinloan which provide onward connections to Campbeltown and Glasgow. In addition, the ferry timetable should provide integration with local air services from Machrihanish Airport.

Gigha residents have also requested that the Scottish Government clarify proposed fare reductions associated with the roll out of RET. Given the short crossing distance residents are concerned that they will be disadvantaged by RET, particularly if existing discount fares are removed. Residents require clarification of the advantages of RET without the existing discounts.

RET should be rolled out to all islands at the same time so as not to miss the tourist season.

There is currently a 50% discount available for some agricultural freight travelling to/from Gigha however local farmers have advised that there are anomalies regarding the type of goods which qualify for this e.g. straw and livestock are included but fertiliser is not.

Residents have advised that they would greatly benefit from cheaper commercial freight and RET should apply.

**Jura Resident** – “I have recently read through the Scottish Ferries Review and I have a number of points I wish to make. I live on Jura and very very rarely do I access services on mainland Scotland. I work on Islay, I shop on Islay, I visit friends on Islay, I send my child to nursery on Islay, I will in time send my child to school on Islay, I go to hospital appointments on Islay, I go to dental appointments on Islay and I partake in sports and hobbies on Islay. The RET would be of very little benefit to me as I only travel to mainland Scotland two or three times a year. Perhaps the RET could be expanded to include all trips between Islay and Jura and we would have equal access to amenities as those who reside on Islay. I welcome the proposal to run more ferries from Post Askaig than Port Ellen as this of course cuts down considerably our travel times and costs for travel to the Scottish mainland. I also believe you are looking for views on the present service between Islay and Jura. Currently I do not believe the service is as reliant and efficient as it could be and a number of improvements could be made to the service. This includes:-

- Better communication between the crew and its management and the island community.
- A customer charter so if certain events occur we as customers know our rights and ways of dealing with any grievances.
- Early morning and late evening sailings so we can access amenities on Islay such as school parent’s evenings, mainland hospital appointments and important community meetings without the need of overnight stays on Islay.

- A more reliable and suitable boat which does not break down every couple of months or so and is capable of withstanding the wind and sea conditions between Islay and Jura and is capable of carrying 'normal' loads of passengers and vehicles.
- And if not RET a fare pricing system which reflects the small distance the ferry travels.

Lastly I would like to stress that we live in a very fragile environment where the cost of transport is directly proportional to our cost of living and continued price rises will make it eventually impossible to live on the islands."

**Islay Resident** - The Draft Ferry Plan proposes to reduce the number of ferry services going to Port Ellen and increase the number of ferry services going to Port Askaig. The Draft Plan states "in shifting the balance of services to Port Askaig we are recognising Port Askaig's ideal geographical location for both the communities of Islay and Jura."

When considering the needs of the overall population of Islay and Jura it is clear that Port Askaig is not the ideal geographical location for both the communities. Port Ellen is a far larger population centre and any reduction in services to Port Ellen will have significant negative social and economic impacts for Port Ellen and for the rest of Islay.

The press release for the Draft Ferry Review states: "More sailings to Islay to call in at Port Askaig to improve onward travel connections to Jura."

Whilst improved connections to Jura are a good thing, the negative impacts caused by re-directing ferries away from the larger population area (Port Ellen) do not justify the small incremental improvement to onward connections to Jura. The result of such a change would be far more traffic (including distillery tankers) between Port Ellen and Port Askaig. There would also be a decline in visitors to Port Ellen (an area with high proportion of B&Bs, distilleries and tourism related businesses.) The effects of a potential change have already been seen since the closure of Port Ellen for refurbishment.

The success of the pontoons, the new Islay Hotel and the establishment of the South Islay Development organisation have revitalised Port Ellen. Reducing the ferry services would stifle growth and reverse these improvements.

### **Kerrera Ferry Users**

**In completing this response the community on the Island of Kerrera have held three consultation meetings, two within the community and one in Oban with representatives of Argyll and Bute Council. In addition to the community response, individual responses have been submitted by the residents. Prior to the draft review being published, representatives from the ferries review visited the island to consult with the community and to gather information pertaining to the ferry provision.**

**The community of Kerrera reject the assertion contained within the Scottish Ferries Review P.29 para.82 that "In the meantime, our initial findings suggest that these services are fit for purpose and meet most of the communities' needs." Ferry access to the Island of Kerrera is not fit for purpose and does not meet most of the communities needs.**

#### **The Current Situation**

**The Ferry provision to the Island of Kerrera constitutes a 'lifeline' ferry service, the residents of Kerrera rely on ferries for employment, education, health and social needs. There are little or no services on the island, no shops, no petrol stations, no banks, no post offices, no health services, no social venues and very little employment. Islanders rely on access to the mainland for all their needs, whether they be economic, social, domestic or educational. Without a ferry service, the community**

**will cease to exist. It is imperative that Scottish Government intervene and provide support to enable a fair, reliable, guaranteed level of service to the island residents.**

**The Island of Kerrera relies on access to the mainland for all of the 4 dependencies outlined in the Scottish Ferries Review**

- **Commuting (and frequent business use)**
- **Personal**
- **Freight**
- **Tourism**

**Of the 25 properties on the island, 18 rely on ferry access for commuting or frequent business use, 21 rely on ferry access for personal needs, 14 rely on ferry access for freight and 9 rely on ferry access for tourism.**

**The current ferry access to the island of Kerrera is insufficient to meet the level of need required by the residents of and the visitors to the island. The service is insufficient for current needs without taking into account future needs.**

### **1. Health and Safety**

- The public ferry is not safely accessible at all states of tide. Passengers have had to jump onto the ferry or access the ferry via the beach after climbing over rocks at low tides.
- As the slipways are tidal, vehicles can only access the island when there is sufficient water to enable the ferry to ground her hull on the slipway.
- Slipways are unlit, making winter travel in mornings and evenings dangerous.
- No shelters are provided for passengers waiting on the ferry.
- Emergency and utility vehicles cannot access the island at all states of the tide, putting residents and their properties at risk. In addition, when the level of tide prevents vehicles accessing the island, it is also too low for the lifeboat to access the slipway.

### **2. Service Level**

- The majority of households on the island rely on at least one member working on the mainland. The ferry timetable restricts access to employment, education, health services and social provision.
- Ferry fares are excessive in comparison to other similar crossings.
- Individual residents are charged differing rates for services.
- The ferry is operated by an individual, there is no guaranteed service provision in case of illness or holiday. In addition, as a single handed operation there is no guaranteed emergency provision outside of normal operating times.

### **3. Animal Welfare**

- Livestock cannot be loaded at all states of tide, meaning they have to be held in trailers/pens for excessive periods of time, meaning that the produce is unable to reach its market in prime condition.
- The lack of freight provision to the North end of the island has the potential to negatively impact on animal welfare as the delivery of feed and movement of animals cannot be guaranteed.

### **What Kerrera Needs**

- 1. Recognition that the ferry service is a lifeline service and that intervention and support from Scottish Government is essential for the community to survive.**
- 2. Fair, affordable, guaranteed access to the Island of Kerrera at all states of the tide in order that residents and businesses can access employment, education, health services, customers and social venues.**
- 3. A published list of affordable tariffs for passengers, vehicles and freight.**
- 4. Investment in the infrastructure on and off the island, i.e. piers, roads, car parks.**
- 5. A ferry service that allows emergency and utility vehicles access to the island at all states of tide.**

**Ferries to Kerrera are a lifeline service. Why should Kerrera be treated differently to other island communities (i.e. RET, investments in infrastructure, a guaranteed lifeline service and support from central/local government)? Kerrera is too small a community to raise funds and develop infrastructure on its own. It needs assistance both financial and administrative.**

**P.41 para 3 of the review states'**

**"Our view is that the 'responsible' authority is there to ensure that regardless of who currently operates a ferry service, no community should feel vulnerable about the longer term future of their service."**

**The community on the Island of Kerrera do feel vulnerable, not only about the longer term future of the ferry service but the longer term future of the community.**

**Response prepared by the Island of Kerrera Development Trust directors (Karen Keys (Chairperson), David Keys (Vice-chair), Heather Craig (Secretary), Elaine Pearson (Treasurer)) on behalf of the residents of Kerrera.**

**21 March 2012**

### **Islay Ferry Users Group**

This submission is by the Ferry Users Group on Islay. The contributors to this group are as follows: representatives of Islay Community Council, South Islay Development, NFU, Mundells Ltd, GTi Transport, Islay Marketing Group, Argyll and Bute Councillor and Islay residents. The Ferry Users Group has gathered views on Q22 which has direct reference to the Island but will also present their views on the other parts of the Review document which has implications for the running of ferry services to and from Islay.

The Scottish Ferries Review states clearly that it believes Islay to be overserved at the present time. The Users Group are concerned that this would allow one of the two present vessels to be removed. The community would strongly resist this.

A two vessel service is essential for Islay in both Summer and Winter:

- It maintains the frequency and flexibility of service required by haulage companies and distilleries to operate efficiently.
- It supports the key freight dependency as identified by the Review Document.
- Creates availability for the anticipated increase in freight traffic from the expansion of distilleries on Islay.
- Permits Islay residents to make day trips to the mainland allowing them to access key services such as health, educational visits and shopping. It allows residents to undertake training and attend meetings on the mainland.
- It allows Farmers to make deliveries to marts on the mainland.
- Fuel tankers can only be accommodated on certain sailings and this has been a lifeline service when deliveries via Bruichladdich pier have been impossible.
- Small hauliers can only book at short notice and therefore often restricted to the sailings at the beginning and end of the day.
- Day trips to Islay are also possible especially as part of a tour or island hopping.
- Creates availability which will be required if RET produces traffic increases in line with the pilot project.
- A single vessel could not service the Colonsay and Islay runs at the same time.
- A single vessel service would be a retrograde step in developing an economically and socially sustainable island.
- The present situation with two vessels has been a confirmed undertaking by Calmac till 2013 and so far there is a proven and, indeed, increased demand for these more frequent services.

## **RET**

The Users Group welcome the cheaper fares which should be available for residents and visitors. However, the exact savings are unclear as the Ferry Users Group, even with the help of the MSP Mike Russell have been unable to find out the formula which will be used. In addition, the Ferry Users Group have other reservations about the effects of the introduction of RET on this route.

- The fact that there is no RET for freight greatly increases costs for haulage firms. This has huge knock on effects on local businesses and residents. It has already been noted that freight is one of the key dependencies for Islay, identified by the government.
- It is essential that the Government look at some form of subsidy for freight which is fair to all sizes of company and that it is in place for the introduction of RET in October. Consultation with industry representatives should be undertaken with urgency.
- Subsidised fares for agricultural livestock lorries must be retained to allow local farmers to compete with others on the mainland. Agricultural traffic make up 5,270 m of freight on this route so any removal of subsidy would have a huge impact.

Increased tourism is welcome and Islay has more than 1400 commercially available bed spaces so accommodation providers can cope with increased visitor numbers. Indeed, this may allow the development of other tourism related business ventures.

However, the Ferry Users Group can also foresee disadvantages mainly that residents and visitors may be unable to get on suitable sailings. This is already a problem in the summer months as well as other peak periods. At the present time there are periods when standby is in operation but the Calmac do not keep records of failed bookings i.e. those passengers who fail to get on a sailing.

The Users Group suggest that this problem could easily be alleviated by the addition of a 13:00 sailing from Islay during the peak tourist season and other oversubscribed sailings.

## **Ticket Pricing**

The Ferry Users Group welcomes a more simplified system of ticket prices however we have serious concerns regarding possible pricing structures outlined in this document.

- Removal of multi journey tickets without any detail of how much replacement RET tickets will cost. The multi journey ticket provides a substantial saving for Islay residents.
- We are against the introduction of demand management pricing i.e. peak and off peak fares. This makes the pricing more complicated not less.
- The above allows Cal Mac a 'carte blanche' to designate peak sailings and therefore higher fares.
- Islay has a longer tourist season than most other islands creating more peak sailings.
- Festival times, September Weekend, Christmas and New Year as well the start and finish of school holidays could also be designated as peak.
- Higher peak fares may cancel out the anticipated traffic increase from RET as residents and visitor decide not to travel.
- Students travelling to and from college or University cannot avoid peak times and therefore adds to the financial burden of studying on the mainland.
- Most public transport connects with the potential peak sailings and therefore higher prices will affect those who may be less well off.
- The Users Group would suggest that the Ferry Company offer discounts or other incentives to use the less popular sailing instead of discriminating against those who have no choice but to travel at peak times.
- It would also be advisable to incentivise haulage companies to use less popular sailings

## **Port Ellen/Port Askaig**

The group is concerned that the document gives no assurances as to the frequency or number of sailings to remain at Port Ellen. Haulage Companies and Distilleries in the south of the Island require at least one daily sailing from Port Ellen. Port Ellen and the surrounding area has a population of over 1000 (one third of Islay's total) so an effective ferry service for the whole community must have a full service to Port Ellen.

The Kildalton and Oa area is recognised as a fragile community in need of development and receives support from Highlands and Islands Enterprise. Any cuts to transport links to the area puts the future development of this area in jeopardy.

Trade in shops, services and accommodation providers in Port Ellen has already been reduced by the temporary closure of the pier and this serious negative trend will continue unless a full service to Port Ellen is assured.

Port Ellen is the only ferry port on Islay which has a range of accommodation within walking distance. In addition, local residents may visit the mainland as foot passengers by using the morning and evening sailings.

For the majority of the Island's population Port Ellen is the nearest Ferry port. This can reduce the traffic on the roads which are already some of the worst in Scotland.

## **Mull Community Council Meeting 13<sup>th</sup> March**

- It was noted that any new passenger access ramp at Craignure must be suitable to accommodate multiple vessels, particularly given the proposals by the Scottish Government to upgrade the existing Craignure – Oban route to a 2 vessel shuttle service.

- The Fishnish – Lochaline and Tobermory – Kilchoan services are vital to the local economy of Mull and the Morvern/Ardnamurchan peninsulas and should be retained in their current form. These services are used to carry fuel and mail and local business such as the abattoir rely on them. Lower fares on these services could attract additional patronage.
- The Fishnish – Lochaline and Tobermory – Kilchoan services are also important routes as part of the Gaelic Rings.
- The Draft Ferries Plan makes a commitment to retain the Mallaig – Armadale service for tourism and the local economy. This service is no different to the secondary routes to Mull and these routes should therefore be subject to a similar guarantee.
- The Scottish Government require to provide more clarity about the proposals for the Craignure – Oban route. E.g. would 2 vessels be required in winter when patronage is lower, what specification would new vessels be constructed to?
- Residents of Mull are concerned that there are proposals to remove the Oban – Craignure service from the current CHFS contract. Residents would like clarification regarding the potential for future unbundling of ferry services.
- Residents are very concerned about the proposals to stagger the roll out of RET as Mull will be one of the last communities to benefit from this. This will result in increasing ferry fares on Mull whilst other communities will benefit from cheaper fares and this will also have an impact on tourism. Mull has a very fragile economy and can not afford to be disadvantaged further. Residents therefore request that the proposals to stagger the roll out of RET are revised and this is implemented uniformly across the entire network.
- Better integration with public transport services from Oban are required.
- Residents require to travel to Oban for onward connections to the islands. Consideration should be given to some of the ferry services to Coll/Tiree/Colonsay and the Outer Hebrides stopping at Tobermory. This could also benefit other island economies.

### **Letter from Mull Community Council Regarding RET**

#### **Isles of Mull and Iona**

#### **The financial impact due to the inequitable introduction of RET**

In follow up to the recent correspondence and report from our Islands you will be aware that there is major concern on the Isles of Mull and Iona that the current ferry fare structure is severely decreasing visitor numbers to our islands when compared to other Islands which are experiencing the benefits of RET on their routes.

We understand from the Ferry Review that RET for the Oban to Craignure route to Mull is planned to be implemented “in the lifetime of this parliament”. Our pressing concern is the damage being done to our economy by this inequitable treatment. This delay will drive many of our tourism based enterprises out of business.

Mull and Iona have a population of 3000 with a visitor dependency of about 650,000 (prior to the recession). The Mull and Iona “visitor to local business” dependency ratio is very large when compared to other islands. Our villages and towns support far more amenities than would be expected and are accordingly very vulnerable to any significant decline in visitor numbers. On such a large island the loss of post offices, shops, hotels and pubs will introduce significant hardship to the local population. Visitor numbers have already fallen by 15%. Something must be done with urgency to avert this pending crisis.

We have just had a very positive meeting with Mr Gary Robertson, Managing Director of Calmac. As an indicator of the seriousness of the situation Mr Robertson brought the latest data on the Mull “carrying” for the meeting to openly discuss. The 2011 figures showed no reduction in the decline in visitor numbers.

The meeting wanted to be positive and forward looking and all effort was focused on remedial actions.

It was apparent from the average figures that while some sailings are approaching capacity the majority are running between 20% and 60% summer and between 10% and 40% winter. This fluctuation in volume numbers is perfect for the introduction of off-peak fares. The meeting with representatives from: The Mull and Iona Ferry Committee, Argyll and Bute Council, Mull Community Council, Iona Community Council, Holiday Mull, Mull and Iona Community Trust, the Mull Business and Farming Community were in unanimous agreement that the introduction of a revised Fare Structure to allow discounted fares is required.

CalMac have advised that, if requested by Scottish Government, they would prepare an economic impact study.

We understand that a change to the fare structure will need political approval and would ask that consideration be given to our request with utmost haste to avoid further erosion of these islands economic activity.

We do appreciate that this decision will require an increased initial subsidy for our route but argue in the strongest terms that this short term expenditure will be offset by a medium to long term income benefit brought by the larger volume of traffic.

This is not a radical course of action but a tried and tested business model used by commercial passenger companies.

In summary the purpose of this letter is to ask you to support this change in the fare structure through the political process.

Further to this it was also the opinion of the meeting that although an initial increase in subsidy will be required this should be more than offset by increased revenue from increased visitor numbers. However one thing is certain - if the downward trend of visitor numbers cannot be halted the social impact for the Islands of Mull and Iona will be much more significant.

## **Cove & Kilcreggan Community Council**

### **Introduction**

The Scottish Ferries Draft Plan mentions the existence of the **Kilcreggan – Gourock – Helensburgh** passenger ferry service, and correctly identifies it as funded by ‘Strathclyde Partnership for Transport (SPT) which is a ‘Regional Transport Partnership’. Disappointingly, the document lacks any further details about this important ferry link.

The purpose of this submission is to correct this omission and to summarise the input of the local community and other users. At the time of writing, the contract to run the service has just been re-let by SPT to a new ferry operator, leading to considerable concerns amongst the community and users as to the future of our ferry service.

### **Current Kilcreggan – Gourock – Helensburgh Service**

The ferry service connects the Rosneath Peninsula with Gourock on the South side of the Clyde estuary, an open water crossing of 1.4nm (distance by road 59miles), and with Helensburgh, a sea passage of 4nm (distance by road 16 miles). There is a rail terminus at both Helensburgh and Gourock providing train services into Glasgow. Ferry timings at Gourock link in loosely with Glasgow trains.

The service runs from 0700 until 1900 (last run from Gourock to Kilcreggan is 1810, last run back to Gourock 1845). There is a restricted “summer only” Sunday service.

Clearly the Rosneath Peninsula is not an island, but given its tenuous road access, its ferry link has the characteristics of a “lifeline” service, used by 60 – 70,000 passenger crossings every year.

The “core users” of the ferry are workers commuting through Gourock to Kilcreggan and on to HM Naval Base Clyde, both to the Coulpport and Faslane sites. The early morning and evening weekday sailings typically carry around 50 passengers.

Local (Rosneath Peninsula) users include commuters travelling to Glasgow, students travelling to college, and crossings made by local residents for social or recreational reasons. It is worth noting that the nearest large hospitals are a ferry/train/bus ride away from the Peninsula. There is also a tourism element.

### **Concerns: Kilcreggan – Gourock – Helensburgh ferry**

This is 1 of 2 ferries administered by SPT (the other is the Renfrew ferry, a much shorter and sheltered crossing). SPT lacks the necessary maritime experience to manage an open water ferry service.

In accordance with EU law, the contract for this service has been re-let and a new contractor is supposed to run the service from 1 April 2012. There is considerable concern in the local community about the future reliability of this important ferry link. In particular:

- Criteria applied by SPT for selection of the new contractor appear to have been based solely on choosing the cheapest bid, with little effort to carry out proper checks on the ability to deliver the quality of service.
- SPT specified a 60 passenger capacity vessel, reduced from 96 in the previous contract. This has resulted in the likelihood of the replacement vessel being significantly smaller than the previous boat, with real concern as to whether she will be more weather limited than the previous vessel.
- Kilcreggan Pier staff are to be dispensed with as a savings measure as the new contractor intends to use own resources to secure the vessel at Kilcreggan Pier. This may restrict the service in the often extreme weather at the exposed Kilcreggan Pier.
- The service connects with Helensburgh 4 times a day, but SPT have deleted this link from 1<sup>st</sup> April 2012
- The current restricted Sunday summer service between Kilcreggan and Gourock is to be retained for 1 year only. There will be tourism implications if it is finally axed, but SPT are not funded to consider tourism.
- There are uncertainties over the state of repair of the (CMAL administered) berth at Gourock which give rise to concerns about what alternative berth is to be offered.

The following more general issues have been raised:

- Disabled access to this ferry has always been poor. The vessels are not even “pram friendly”. There is considerable local interest in improving accessibility.

- The last sailing from Gourock – Kilcreggan is 1810, which means the latest connecting train departs Glasgow at 1725. There is a significant local interest in the feasibility of later sailings.

### **Conclusions & Summary**

The **Kilcreggan – Gourock – Helensburgh** ferry is a “lifeline” link that merits greater mention in the Scottish Ferries Draft Plan. There are considerable concerns as to the future of this ferry service. This is an open estuary crossing requiring oversight by a body with maritime expertise, and should therefore be treated the same as other ferry links and administered by the Scottish Government.

### **Seil and Easdale Community Council**

**The Draft Plan makes the following observations with regard to the Easdale Island Ferry.**

1. The Scottish Government will discuss, with Argyll and Bute Council, the possibility of transferring this service to the Scottish Government.
2. In the meantime, initial findings suggest that the service is fit for purpose, and meets the community’s needs.

### **Response from Seil and Easdale Community Council**

1. While the Easdale Island Ferry Service is, in general terms, fit for purpose, and meets the community’s everyday needs, there remains a serious problem. The Scottish Ambulance Service is unwilling to accept the Easdale Ferry as safe and fit for their use. This leaves deep concern over the evacuation of the sick and injured.
2. There is some evidence of a community view that the Easdale ferry service would be better left in the hands of Argyll and Bute Council.

### **Dunoon Gourock Ferry Action Group - Ferry Plan Response**

#### **Q10.**

The Cowal Peninsula and Dunoon was served by two vehicle and passenger routes. A route operated by a private company between Hunter’s Quay and McInroy’s Point and a route between Dunoon town centre pier and the rail head in Gourock operated by CalMac.

The distances between Dunoon pier and Hunter’s Quay and between McInroy’s Point and Gourock rail station mean the routes are not directly interchangeable, particularly for foot passengers commuting by train, due to the extra travel time involved.

As a result of a restricted timetable imposed upon the former CalMac route it could not be considered to have been in fair competition with the private company for vehicle traffic. Even so it was an alternative route and the last published accounts for the CalMac service showed that the vehicle portion of the service made a profit whilst the passenger portion had to be subsidised.

Amid widespread condemnation a contract was signed on 7<sup>th</sup> June 2011 downgrading the CalMac service to be passenger only. The new service to be operated by Argyll Ferries Ltd (AFL), which is owned by CalMac, was to come into effect just 16 working days later on 30<sup>th</sup> June. Immediately the service came into effect AFL began seeking variations to the contract. In December 2011 Transport Scotland announced there would be above inflation fare increases on the route of 6.5% in 2012.

Travel times for some vehicle commuters have increased within increased journey length, the need to travel through Gourrock, and also because of queuing on the remaining single vehicle service.

Inverclyde Council are actually seriously considering building a ring road to accommodate the traffic that used to use the CalMac route but now needs to travel to the single remaining vehicle crossing.

AFL employed the vessels Ali Cat and Argyll Flyer on the passenger only route. Predictably these small vessels were unable to cope adequately with the sea conditions on the route. A consequence is that the average monthly cancellations of the passenger service due to weather exceed the total annual cancellations from all causes experienced with the larger vehicle carrying vessels. Transport Scotland failed to specify the weather reliability required of the service and indeed deliberately excluded failures to sail due to weather from contractual penalties. One of the vessels, the Ali Cat, seems to be restricted to sailing in "fine, clear, settled weather" and appears to have been used outwith these conditions to achieve even the current poor level of service.

The present situation is therefore that we have;

- A 'lifeline' vehicle service operated by a private company providing the only vehicle crossing of the Firth of Clyde. This service is responsible for 600,000 vehicle crossings per annum. The route is arguably one of the most expensive in the world and highly profitable. There is no regulatory oversight of fares, profit levels and ticketing arrangements. The Scottish Ferry Services Draft Plan clearly demonstrates that the experience of RET is that traffic volumes increase significantly when prices are reduced. Excessive fares on the route therefore have a direct impact on the whole Cowal economy and indeed beyond. The route is now the only Firth of Clyde alternative to the A83 which is prone to closure and the A82 which has a height restriction at the Crianlarich railway bridge.
- A 'lifeline' passenger service, on a commuter route, operated by AFL using two small vessels unable to cope adequately with the weather. The route has no relief vessels and so operates a half service for at least four weeks of the year. It has also all but disappeared from marketing literature, and does not participate in wider ticketing arrangements. It serves as a good example of the severe consequences unplanned fragmentation can have.

We request that;

- An immediate rescue plan be put in place using vessels capable of providing a satisfactory level of reliability on the Firth of Clyde. In our opinion this will not be achieved with vessels of less than 500grt and we reference the original Deloitte Touche report on the route which acknowledged that "Large hulls are required to suit Upper Clyde Water". The MV Saturn is known to be able to operate reliably on the route and so would provide a short term solution that would be widely welcomed. The experiment with small vessels has, as predicted, failed and failed badly impacting adversely on many people's daily lives.
- The office of a Ferry Regulator should be established. Amongst other powers the regulator should be able to set the fares charged by private ferry companies. Consider if there were only one bridge across the Firth of Forth and that bridge was operated by a private company with no public control over tolls charged and profits made. That would be wholly unacceptable, despite the diversion via Kincardine being relatively short. That is however exactly the situation on the Firth of Clyde except we don't even have a bridge, only a single ferry route, and the diversion by road is much

further. A Ferry Regulator would also provide more protection than Transport Scotland contracts, be able to settle issues of EU regulation more authoritatively and manage the process of vessel provision. There is no EU impediment to a vehicle service on this route, the published accounts for the former service demonstrated it was operating profitably without cross subsidy.

- The Scottish Government should establish a frequent, reliable, safe, vehicle and passenger ferry service from Dunoon town centre to Gourock rail terminal. Thus providing resilience, diversity and competition for Cross Firth of Clyde transport to Cowal and beyond. This will involve provisioning of suitable vessels, but that is an issue affecting the entire ageing ferry fleet and one which must be openly addressed as an integral part of the Ferry Plan.
- RET should be applied to vehicle crossings of the Firth of Clyde particularly if there is no competition on both timetable and fares.

#### **Q27.**

The Scottish Ferry Services Plan will result in the fragmentation of ferry services with more communities reliant upon private companies operating their ferry route. A foreseeable, perhaps inevitable, consequence of the plan could be the breakup of Caledonian MacBrayne which has already lost a significant portion of its vehicle traffic with the demise of its Dunoon Gourock vehicle crossing.

**The plan fails to adequately consider the impact of fragmentation and only asks communities to comment on the services in their individual area. This is not an integrated approach to transport planning.**

It is essential that;

1. **The issue of the provision of ferries be dealt with prior to the ferry plan consultation being concluded.** Communities cannot respond fully to the draft plan, in an informed manner, without knowing how; prospective operators will obtain vessels, how the suitability and hence financial viability of vessels for routes will be determined, and how relief vessels will be made available for periods of planned and unplanned outages during operation. The Dunoon Gourock passenger service has no relief vessels despite the operator Argyll Ferries being owned by Cal Mac.
2. **A Ferry Regulator be put in place.** Transport Scotland contracts on their own are a wholly insufficient to protect individual communities and to ensure operators function as part of a wider transport network. For example with ticketing and advertising across multiple routes run by multiple operators and the need for relief vessels. The current passenger only service on the Dunoon Gourock route complies with the Transport Scotland contract but is acknowledged to be “not fit for purpose” – contracts of this type are inadequate protection.
3. **The term ‘lifeline’ service be defined objectively and quantifiably.** At present the plan makes wide use of this undefined term. Consequentially it means Transport Scotland is free to interpret the term as it sees fit in furtherance of its internal goals rather than to fairly apply it to communities. In fact the plan document implies it will be impossible to compare how the term is applied to different communities.
4. **Public Service Obligations should be used to compliment Public Service Contracts.** This is likely to make it easier to subsidise the ‘lifeline’ aspects of services without conflicting with EU regulations.

## **Kintyre Initiative Working Group – Minute of Meeting 24<sup>th</sup> February**

Moya Ingram spoke to the draft report and advised the group that the deadline for responses was 30 March, 2012. Discussion ensued and the group discussed and debated various issues. These included the potential threat to the Claonaig - Lochranza ferry, the need for local communities to voice their opinions on the consultation, re-visit a previous report which detailed the economic viability of a ferry service from Campbeltown to Ayrshire and the need to build-in RET to any new ferry route. Jim Martin enquired if commercial vehicles would be included in RET. Michael Russell reported on a change in regulations for commercial vehicles and that measures were being undertaken to address this. Councillor Semple advocated that value for money be the ethos for any new proposals and a review of previous work be done.

Michael Russell advised that to ensure the retention of the Claonaig - Lochranza route, local communities should lobby for this and respond to the consultation in order to make a positive contribution.

## **Oban Community Council Meeting 16 March 2012**

### **Mull Ferry Service**

It was noted that the proposal to upgrade to a two vessel shuttle service and extend the operating hours would allow for a better maintenance regime. It was also noted that an earlier operating time would allow island residents better connection with onward travel and allow commercial traffic to have access to Oban to start the day earlier.

It was felt that one ferry was sufficient for this service during the winter. Concern was raised as to how a smaller ferry would cope with commercial vehicles when there was difficulty already getting commercial vehicles (other than those already block booked) on to the service.

It was noted that the Barra ferry always has to sit and wait for the Mull ferry service to unload vehicles and passengers and that this can be difficult for passengers that have already been on the Barra ferry for a 5 hour journey. Additional vessel and sailings are welcomed.

Consideration should be given to re opening Tobermory so ferry services and offer better operational resilience.

Oban offers great opportunities for improving transport connections with better train services/frequency. Oban is currently the poorest served in the whole of Scotland. There has been an increase in bus services with now 5 connections to the central belt and the patronage is increasing.

In relation to the Fishnish and Lochaline service there is significant volume of timber that is taken via this service and if this service wasn't available then the timber would need to go to the mainland via Oban which would increase traffic congestion.

Larger vessels are not always the best solution e.g. in Orkney Andrew Banks ferry takes 40% of the traffic as it is a smaller ferry it is faster sailing time/loading time. Tobermory to Kilchoan service is vital to the local economy of Mull. This service support local business including the abattoir. Reduced fares on this service would increase demand.

### **Lismore Ferry Service**

People who can't drive rely on the ferry service to get to Oban to shop. If ferry service is to be at the north end then there needs to be a regular bus service on the island from one end to the other. There also needs for be regular bus services integrated on the mainland to Fort William and Oban.

### **Coll and Tiree**

Consideration should be given to reconnecting the link between Tobermory to Coll and Tiree. Residents on Iona have to go to the mainland via Mull and similarly those on Tiree have to go to Oban via Coll and should also benefit from similar subsidy proposed for residents on Jura.

Any island with a modern economy needs a ferry service at least once a day. If this is taken out then part of the economy is also taken out – it returns to a closed in/closed down culture.

### **Colonsay**

A return sailing between Colonsay and Oban would be very welcome. Previously trialled on a Saturday at Christmas and was very successful.

Oban needs to develop as a connectivity hub where passengers are travelling through. More people will be travelling in the future as passengers rather than use the expense of cars and this trend needs to be followed with improvements to how luggage is transferred on services and facilities for left luggage.

In the Western Isles services consideration should be given to putting into the tender where there is low capacity people of a certain age can travel at no cost. If the service is operating and the space is available then it should be utilised to best advantage – as least will be bringing spend to the economy of the islands.

### **Kerrera**

There is strong evidence to make Kerrera a Scottish Government service. It was noted the existing infrastructure is poor however but that there should be an active debate about the responsibility for the service before it faces commercial failure.

There was recognition that the marina at Kerrera operates a service for the 17 residents to the north end of the island and also it brings 40 employees from Oban to the island to work. It currently provides a free ferry service that also supports fire service and public utility services and that it cannot continue to operate in this way without introducing charges.

### **Luing**

Concerns raised that Luing feel let down by draft ferries plan. The passenger ferry that operates as part of the service is not fit for purpose and it is a cattle barge that is utilised when the Belnahua goes into dry dock. Discussion that smaller islands feel they are being pushed to the side and that there needs to be greater consideration of opportunities for fixed links and their potential over next 100 years. There was recognition that it is not a one size fits all as a fixed link may not meet the needs of Easdale.

### **Easdale**

There was discussion that around 90% of the population were happy with the current service and the main concerns of residents were in relation to evacuation from the island in the case of medical emergencies.

### **Western Isles**

There was discussion in relation to services linking Barra/Lochboisdale to Oban and views expressed that Barra wants a connection with Oban and Lochboisdale want a connection to Mallaig. Concerns were raised regarding haulage and the fact that there are 3 bridges with severe restrictions on them that stops/restricts lorries travelling between Mallaig and Fort William/central belt. Concerns regarding commercial vehicles being exempt from RET and RET benefiting holiday home owners now travelling to islands in two cars with one loaded with supplies from mainland. Concerns over RET and proposals for commercial vehicles to be exempt. Also the effect demand will have on ferry capacity.

Oban seen as having significant potential to grow as a transport/connectivity hub with integration with increased rail and bus services.

### **Lismore Community Council**

Lismore Community Council is grateful for the opportunity to respond to the consultation on the Draft Ferries Plan. Our main comments refer to the ferry service to Lismore.

While we recognise and appreciate the fact that the Scottish Government has made a clear statement on its preference for a future ferry service on Lismore, we highlight the fact that views within the Lismore community remain mixed and that the main split is between the status quo and a north end car ferry. The Community Council is therefore unable to represent a consensus for the island; we seek only to highlight a number of issues that we feel must be considered before a final decision is made.

We note that while the STAG appraisal correctly stated that neither of the existing ferry services alone met the community's needs, the car ferry route from Achnacroish to Oban has been enhanced since the STAG appraisal was completed in 2008, and the increased frequency of sailings better meets the needs of the majority of islanders. The two routes actually serve different purposes and different sections of the community and the view of many islanders is that the STAG appraisal should have considered the way that the two routes - combined - serviced the island, rather than assessing them separately. The majority of islanders agree that retaining the two routes, but switching them so that the car ferry runs from Point to Port Appin and a passenger ferry runs from Achnacroish to Oban, would be the preferred option.

However, we accept that wider economic considerations, in terms of the costs of running the ferry services, may take precedence and that moving forward, there may not be a budget available to maintain two ferry services to our island. If that is the case, and the Scottish Government is absolutely decided on a single ferry service only, then we have no choice but to accept the Government's preferred option of a north end car ferry service running between Point and Port Appin.

As a community, we are concerned that the ferry services should have a positive impact on our lives and on the sustainability of our community. We are an ageing population and we need to cater for the needs of our older people, but we also want our young people to be able to stay and find employment locally, and we want to attract younger people and families to move here. Ferries and related transport services need to meet the needs of people who rely on public transport; those who need regular access to health and social care; island businesses and those who need to access employment on the mainland. Our transport system should enable the island's economy to grow, supporting farms and crofts and other island based businesses, but it should also protect the island's environment and way of life.

Bearing this in mind, we feel that a number of points require clarification before we can, as individuals and as a community, form a view on the best ferry option for our island:

1. The existing service from Achnacroish to Oban enables people to travel direct into Oban at reasonable cost. This is essential for people who don't drive or own a car. We would like the Scottish Government to confirm that:
  - a) A single car ferry service at the north end would incorporate a regular and frequent bus service running from Achnacroish, up the length of the island, across on the ferry and down to Oban
  - b) The cost of a bus ticket from Lismore to Oban would not be any higher than the existing cost of a passenger ferry ticket from Achnacroish to Oban
  - c) Lismore residents would get priority on these buses, as currently we rarely, if ever, experience situations where passengers are unable to get on the ferry

from Oban because it is full. Islanders who are unable to get on a bus because it is full would miss their ferry and could potentially be stranded on the mainland. Operating a reservations system would not resolve the situations where islanders need to make unexpected journeys at short notice.

- d) There would be provision for delivering supermarket and other shopping to the island on a daily basis, at low cost. Currently, islanders using the Achnacroish ferry as foot passengers are able to have their shopping delivered onto the ferry by supermarkets. It would be difficult for people to transport their shopping by bus, particularly if they are older or disabled
2. The situation of those younger members of the community attending secondary education in Oban also requires consideration. Currently, if they do not board on a weekly basis in the Town, the ferry times enable their attendance at school, with an early morning sailing direct to Oban from Achnacroish and two afternoon sailings to return. Some provision would need to be made for children who are unable to Board for any reason
3. A car ferry at Point-Port Appin that runs as a shuttle service would need to prioritise local people, particularly for livestock transportation. Currently, vehicles using the Achnacroish boat can book on the ferry, although it can still be difficult to get a booking, even in the winter period. If visitor vehicle access is not managed then islanders trying to get to livestock sales, to appointments on time or to catch trains or buses would struggle when the ferry is very busy. The ferry service should be designed to meet the needs of the islanders, with visitor use being secondary.
4. Fare structures – we need to be reassured that the cost of vehicle and driver fares would not be higher than the overall costs experienced currently by islanders travelling by the Point – Port Appin route. In particular, we are keen to be reassured that the costs would not prohibit people who are travelling on a daily basis to work. This is important, particularly given that wages in Argyll are significantly lower than the national average. One of the arguments for a north end car ferry is that it would reduce the need for islanders to retain two vehicles, one on each side. However, people who travel on a daily basis, for example to work, would not be able to afford to take their car across on the ferry each day unless the fares are maintained at a very low level. Otherwise, they would need to park in Port Appin, as per the current situation, and if car parking charges are introduced then it will not be economic for people to continue to work on the mainland. In many cases the island vehicle services the whole family and would still be required if there is a north end car ferry. Also, the island roads are in poor condition and many people would be concerned about using their mainland car on the island in case of damage and degradation to the vehicle.
5. Management of vehicle access to the island - a key concern is that visitor numbers are increasing on the island, particularly via the passenger ferry at Point, and this is already having some negative impacts for islanders, especially for those living at the north end. Our roads would not be able to withstand even a fraction of these visitors bringing their vehicles onto the island. Visitors who bring vehicles onto the island will contribute very little to the island economy but will cost it in terms of road damage and quality of life. Some islanders have also expressed concern that general security and safety, particularly of children, would be eroded if large numbers of vehicles were allowed to access the island.
6. We need to know how the numbers of vehicles accessing the island would be restricted. We would prefer to be able to limit the non-local vehicles on the island (as on Iona) and/or limit the types of vehicles coming onto Lismore (as on Colonsay); both of which are similarly small islands vulnerable to swamping if access is not

managed. Possibly, this could also be achieved by setting the day return fares for vehicles (other than service vehicles) at a prohibitive amount but the fare would need to be set at a level that was effective in limiting the numbers of vehicles on the island at any one time.

7. Island infrastructure –roads on Lismore are of poor quality and are not robust enough to support higher numbers of vehicles coming onto the island. More vehicles (whether cars or bicycles) also make it harder for locals to get about - it is only a matter of time before a visitor or islander is injured in an road traffic accident on these narrow and slow roads. Significant improvements would be required to roads at the north end, even if access by day visitors' vehicles was controlled. The road to Point is particularly narrow and overhung in places and would need significant attention.
8. The location of the slip/harbour at the north end
  - a) There is concern from people with properties at Point that a new slip and related infrastructure, coupled with increased traffic, would have a negative impact on the value of their properties.
  - b) There would still be a requirement for significant car parking close to the slip and recycling bins would need to be located there, so sufficient space would need to be made available, which is at a premium.
  - c) The presence of the rocky reef that lies out from the existing slip, and the tendency for gravel and seaweed to build up in the area of the slip, would need to be taken into consideration when locating a new slip.
  - d) All potential locations should be considered if a new car ferry slip is to be sited at the north end of Lismore.
9. Car parking - Parking at Port Appin is already very congested for most of the year. Parking provision would need to be enhanced and dedicated parking for islanders would be required to prevent locals being unable to park at their own ferry point. If sufficient parking is unavailable, islanders would have to take their cars across on a daily basis, which, as already suggested, many islanders who travel regularly would be unable to afford. It would also increase congestion and ferry turn-around time at Port Appin and Point; both of which have very limited space for traffic management.
10. Further issues of concern are that the relocation of the car ferry to the north end might threaten the future viability of the school and post office/shop. The community needs reassurance that the existence of a north end car ferry would not lead to closure of the island school or post office (on which the shop depends for its viability) – and that the Scottish Government would take steps to ensure the continued existence of these island facilities.
11. If the car ferry is relocated to the Point- Port Appin route then the vessel should be berthed on Lismore. As a lifeline ferry service, it should meet the needs of the island community, with a focus on enabling islanders to access the mainland.

Clearly, there are opportunities to bring significant benefits to our island, if the right choices are made in the design, planning and management of future ferry services. But we reiterate that in order to form a view, our community requires clarification on these points of detail and a clear outline of the community benefits that will ensue from a change from the status quo. Until we have a clear picture of what the service will look like, then many people are unable to decide on their preferred option and consequently, it is far more difficult for us to achieve consensus as a community. At present, we are being asked to comment on a concept that remains fairly abstract with a significant number of unknowns, and the process has not helped us to reach a community view – in fact, continued consultation in the absence of

additional information actually serves to stimulate greater contention and disagreement within the community.

With regard to wider issues, we are concerned that future tendering processes for our ferry services should not allow the more profitable routes to be cherry picked, leaving the potentially less profitable routes, such as Lismore. Also, we would be interested to hear how the Scottish Government plans to organise the provision of suitable vessels for each ferry route. If the provision and deployment of vessels is left up to private companies then potentially, they could fail to make suitable provision for cover in the event of vessel maintenance or breakdown, leading to periods when services are unavailable. Although tender processes and contracts can be designed to take these situations into account and to limit them, there is, nonetheless, significant potential for situations to arise when island communities are left without a lifeline ferry service. Our view is that all the ferry routes on the west coast of Scotland should be run as one contract, or at the very least should not be split into more than two bundles.

I would be grateful if you could record our response and take our comments into consideration when finalising the Ferries Plan.

**Appendix C: Local Community Council Consultation Matrix**

<b>Mid Argyll Kintyre and Islay</b>			
<b>Community Council</b>	<b>Officer</b>	<b>Date of Meeting</b>	<b>Meeting Venue</b>
Islay Community CC	Sandy MacTaggart	5 <sup>th</sup> March	Islay
Jura Community CC	Sandy MacTaggart	6 <sup>th</sup> March	Jura
Southend CC (Via KIWG)	Moya Ingram	24 <sup>th</sup> February 2012	Campbeltown (Town Hall)
West Kintyre CC (Via KIWG)	Moya Ingram	24 <sup>th</sup> February 2012	Campbeltown (Town Hall)
Campbeltown CC (Via KIWG)	Moya Ingram	24 <sup>th</sup> February 2012	Campbeltown (Town Hall)
Gigha CC	Moya Ingram & Jonathan Welch	6 <sup>th</sup> March, 14:30	Gigha Hotel
East Kintyre CC	N/A	Responded via letter	N/A
Network Carradale Limited	N/A	Responded via letter	N/A
Colonsay CC	N/A	Colonsay CC responded via email. No meeting required with ABC	N/A
<b>Oban Lorn and the Isles</b>			
Luing CC	Martin Gorringe	8 <sup>th</sup> February 2012	Luing
Lismore CC	Robert Pollock	10 <sup>th</sup> February 2012	Lismore

Appin CC	Robert Pollock	10 <sup>th</sup> February 2012	Appin
Coll CC	N/A	Coll CC responded via email, no meeting required with ABC.	N/A
Mull Ferry Users Group	Martin Gorringe	25 <sup>th</sup> January	Mull
Mull CC	Jonathan Welch	Tuesday 13 <sup>th</sup> March	Craignure Village Hall
Oban CC	Sandy MacTaggart & Moya Ingram	16 <sup>th</sup> March 2012	Corran Halls
Kerrera	Jonathan Welch	9 <sup>th</sup> March	Corran Halls
Iona CC	Robert Pollock	19 <sup>th</sup> March	Iona
<b>Bute and Cowal</b>			
Bute CC	Moya Ingram & Jonathan Welch	29 <sup>th</sup> February 17:30	Rothesay Pavilion
Dunoon	Martin Gorringe	13 <sup>th</sup> March, 19:30pm	Windsor Suite, Queens Hall Dunoon
<b>Helensburgh and Lomond</b>			
Cove and Kilcreggan CC	N/A	CC have advised they will respond via email	N/A