

Clyde Ferry Stakeholder Group Meeting

1100 hrs, 1st February 2018, SPT, St Vincent Street, Glasgow

NAME	ORGANISATION
Cllr Len Scoullar (Chair)	Argyll & Bute Council
	Argyll & Bute Council / Campbeltown FC
Cllr John Armour	Argyll & Bute Council
Cllr Alan Reid	North Ayrshire Council
Cllr Ellen McMaster	North Ayrshire Council
Cllr Timothy Billings	Transport Scotland
Douglas Ellis	Transport Scotland
Brian Gordon	Transport Scotland
Alan McCabe	Transport Scotland
Paul Flynn	Transport Scotland
Daniel Lafferty	Transport Scotland
Richard Hadfield	Transport Scotland
Ross Moran	CalMac
Demi Wyllie	CalMac
Dario Spadavecchia	CalMac
David Cannon	CalMac
Bill Calderwood	Arran Ferry Committee
Stephen Neilston	Argyll & Bute Council
Des Bradley	ScotRail
Bill Steel	Cumbrae Ferry Committee
Lucy Carter	Audit Scotland
Ranald Robertson	HITRANS

Apologies

Ker Corbett	Citylink/CPT
Rachel Armitage	Arran Haulage / RHA
Allan Comrie	SPT
Cllr Ronnie Ahlfeld	Inverclyde Council
Cllr Roddy McCuish	HITRANS / Argyll and Bute Council
Cllr Chris McEleny	Inverclyde Council
Alistair Dobson	Visit Arran

1. Minute of Ferry User Group meeting on 26 April 2017 and Matters Arising

The minute of the 26th April meeting was agreed as an accurate reflection of the meeting.

2. Finalised Ferry Stakeholder Group Terms of Reference

Ranald Robertson submitted a Report setting out the proposed terms of reference and structures for Ferry Stakeholder Engagement processes developed by HITRANS officers through discussion with Calmac Ferries Limited. The Report stated that an earlier version of the terms of reference had received broad support and endorsement at the Ferry Users Group meeting in Spring 2017. The proposed

terms of reference of the Regional Ferry Stakeholder Groups was provided at Appendix A to the Report and highlighted that the most significant changes were:

- A proposal that the Ferry Users Group would be rebranded to Ferry Stakeholder Group (FSG) to clarify their role and membership and underline the role of the Ferry Committee tier as the first point of engagement ferry users would have with their local service.
- A proposal that an independent Chair be appointed who has responsibility for chairing each of the four FSG Meetings. This was proposed to help provide consistency across the FSG Groups, and to integrate with the Communities Boards structure that Calmac Ferries Limited were separately establishing as a Contractual Commitment. Prior to this meeting it was noted that this aspect had received lukewarm support and a more appropriate mechanism might be that each FSG nominate a Chair and Vice Chair from within the elected Member representation on each Group. This process if agreeable would be included on the agenda of the June 2018 FSG meetings.
- That every community within the CHFS network would be encouraged to identify a form of Ferry Committee. This function might formally rest with an existing organisation such as a community council but there would be a need to be a formal identification of their role in the ferry consultation process for an island area.

Bill Calderwood proposed an alternative geography of a reduction in the number of FSG groups to two which would follow the North and South Area Service Delivery Structure established by CalMac Ferries Limited.

Ranald Robertson advised this would be very difficult particularly when consideration is given to the travel involved in bringing Outer Hebrides, Skye, Lochalsh, Small Isles, Lochaber and North Argyll together in a single location. It was also noted that the Argyll FUG has approved the status quo on geography therefore the scope of a geographic change beyond the Clyde area is challenging as it would be imposed against a settled will elsewhere across the network.

Action – HITRANS and CFL would meet to finalise the terms of reference. Consideration would be given to the proposal from Bill Calderwood to reflect the CFL Service Delivery Structure as an option proposed from a Clyde FSG Member.

Cllr Reid asked why the terms of reference did not extend to the Cowal ferry services.

Action – HITRANS, Transport Scotland, CFL and Argyll Ferries would meet to discuss the opportunity to extend the Clyde FSG to provide a platform for consultation on the Gourock to Dunoon town centre to town centre service and whether it might be feasible to also invite Western Ferries to also present service updates at the FSG. If all parties were agreeable it would be a simple change to the Terms of Reference to reflect this and HITRANS would complete that action.

Bill Calderwood provided an update on the Community Board (CB) in his capacity as a Member of the Board. The Board is expected to meet on a quarterly basis. The Minutes of the Community Board are published on the Calmac website at <https://www.calmac.co.uk/calmac-community-board>

The Community Board set up by CalMac Ferries to provide its main Board with information about the high level strategic issues facing our communities. Examples of the kind of things the CB are being asked to highlight would be major infrastructure projects, local business or economic matters, social and healthcare issues, or anything else which could potentially impact on ferry services now or in the future.

Bill stressed that the Board will not look at operational ferry issues per se; that will continue to be the job of the Ferry Stakeholder Groups (formerly Ferry User Groups) and local ferry committees. Bill asked Members to feel free should they think of something which CalMac should be aware, and you think the Community Board is the correct forum, please contact me or your local representative.

There followed a discussion largely focussed on the composition of the Board and the fact that no Bute resident is a Community Board Member. In the absence of a local representative Bill Calderwood was able to reassure that the Board Members are being asked to take responsibility for geographic areas.

Cllr Scoullar asked if consideration could be given to co-option of a Bute resident to the Board if a candidate could be agreed locally and suggested to CFL and Community Board Chair (Angus Campbell). Bill Calderwood advised that the Board had taken a decision not to extend Membership beyond the current 12 members in response to similar calls for those island areas without a local representative which have already been received. This stance might be reviewed in the future.

Action – Bill Calderwood will advise the Group if there is a change in Community Board membership policy that would enable co-option of a Bute representative to the Board at a future date.

3. Marketing / Commercial Update

Ross Moran reported that the Business to Business Service has been centralised and will see a stronger focus on no shows of commercial vehicles. It is hoped that this will be managed carefully and in partnership with the needs of hauliers.

4. Ports / Harbours Update

Stephen Neilston reported the Argyll and Bute Council harbour update which included:

Rothesay - Works are being tendered imminently and will see a wave screen provided at the Terminals. Works will take place overnight and it is hoped this will not impact on ferry service operations.

5. Audit Scotland Ferry Service Performance Audit

Lucy Carter from Audit Scotland attended the meeting and presented on the findings of the Performance Audit on Scotland's ferry services which looked at Transport Scotland's spending on ferry services to determine whether it is value for money. The Audit examined:

- whether there is clarity around the operation of subsidised ferry services, including the roles and responsibilities of the different bodies involved
- how much is spent on subsidised ferry services, what this achieves and how Transport Scotland demonstrates that its expenditure is value for money
- the extent to which Transport Scotland's procurement arrangements for ferry services are appropriate and helping to obtain best value
- whether Transport Scotland has an evidence-based strategy for the long-term investment in ferry services and assets (that is, vessels and harbours).

The Audit Scotland report makes a series of recommendations. These being:

Transport Scotland should:

- *as part of its Strategic Transport Projects Review, develop a Scotland-wide, long-term strategy for its network of subsidised ferries. This should:*
 - *take into account progress already made against the Ferries Plan and proposed developments to its ferry operations*
 - *set out its intended benefits of subsidised ferry services, how these contribute to National Outcomes and how these will be measured, monitored and reported. It should then consider how this information could be used to inform operational and financial decisions and to demonstrate that ferry services are value for money*
 - *include an assessment of the long-term affordability of its spending on services and assets. This should take into account the level of service required, the condition of assets and the need for capital investment*
 - *set out how its spending will be prioritised across its network*
 - *be monitored regularly to ensure it is on time and on budget*
 - *be reviewed regularly to ensure it remains relevant and affordable*
- *ensure that it has adequate resources to develop, monitor and report against its long-term ferries strategy*
- *improve the transparency of decision-making for ferry users. This may include streamlining and formalising how it consults with and involves ferry users, by giving specific user groups a formal remit to comment on operational and policy matters*
- *improve its approach to procuring ferry services. This should include:*
 - *ensuring that procurement teams include staff with procurement qualifications and experience of the ferry sector*
 - *applying lessons from previous procurement exercises*
 - *building in sufficient time to prepare important project documentation, such as business cases*
 - *ensuring that contract specifications are accurate, up to date and clear to potential bidders*

- *providing bidders with clear, good-quality and timely data to allow them to make informed bids*
- *strengthen its contract management arrangements by:*
 - *ensuring there is a sufficient number of people, with the right expertise, to effectively manage ferry contracts*
 - *involving the contract management team in ferry procurement exercises to inform its understanding of contract requirements.*

Transport Scotland, along with Caledonian Maritime Assets Limited (CMAL) and the ferry operators, should:

- *better communicate their roles, responsibilities and accountabilities to improve customers' and stakeholders' understanding.*

There followed a discussion on the Audit Scotland report and its findings with key points covering Transport Scotland's response to the Audit and the importance of capturing the socio-economic benefits achieved through the Scottish Government investment in Ferry Services. There was some discussion on how to capture economic benefit from investment in ferry services.

Action – It was agreed that HITRANS would circulate the relevant links to the Public Audit and Post Legislative Scrutiny (PAPL) Committee evidence session with the draft note of the meeting.

Members would submit comments to HITRANS that could be transmitted on to Audit Scotland.

Note – The PAPL Committee evidence on the Performance Audit of Scotland's ferry services can be accessed at

<http://www.parliament.scot/parliamentarybusiness/CurrentCommittees/106683.aspx>

Bill Calderwood highlighted a concern regarding reporting of the 350 CHFS contract bidder commitments which are touched on by Audit Scotland in the performance audit where these are noted as not having been scored as Quality items in the final analysis. Arran Ferry Committee have analysed these "blue box" commitments but the degree of redaction in the published contract documentation makes it very difficult to capture the commitments in a transparent or meaningful way. This point was reinforced by Ranald Robertson who explained that HITRANS had undertaken work on developing a spreadsheet based list of all commitments to understand these clearly with a view to monitoring and measuring implementation on behalf of island communities.

Action – After a discussion on the Item it was agreed that Transport Scotland would discuss with CalMac a way of extracting the service development items within the "blue box" commitments and produce a spreadsheet style listing which could be updated as progress was made and that this would be reported to the Ferry Stakeholder Groups at all future meetings.

6. National Transport Strategy

Daniel Lafferty of Transport Scotland's NTS Review Team presented on the development of the development of NTS 2. The presentation covered:

- Scope of NTS Review
- Role of STPR
- Timeline of NTS Review
- Area not in Scope of Review
- Approach of the Review – it is all our Transport Strategy and relies on Partnership working.
- Working Groups – Functional and Thematic Groups
- Output of Research and Evidence Working Group Call for Evidence
- Stakeholder Engagement
- Contact details for the Review – NTSReview@transport.gov.scot

7. Regional Operational Update

Ross Moran presented the performance update covering:

- Overall total operated sailings are up, cancellations are down and on time sailings are up.
- Ardrossan to Brodick – Passengers +2%; Cars + 1%; CVs – 1%
- Claonaig to Lochranza – Passengers +2%; Cars + 2%; Coaches + 18%
- Campbeltown to Ardrossan – Passengers -3%; Cars + 2%; Coach + 17%
- Colintrave to Rhudodach – Passengers -3%; Cars 0%; Coach – 9%
- Gourrock to Dunoon – Passengers -1%;
- Largs to Cumbrae – Passengers +2%; Cars + 7%; Coach – 5%
- Tarbert to Portavadie – Passengers +1%; Cars + 5%; CVs – 4%
- Wemyss Bay to Rothesay – Passengers +4%; Cars + 7%; Coaches + 1%
- Plans are being developed for Islands Specific Packs across the network with trials in place for Arran, Islay and Sleat services. These will be extended to Mull

Action – CFL will discuss opportunities to improve the berthing performance of MV Catriona on the Tarbert – Portavadie service and report back to the FSG.

8. Transport Scotland Update

Richard Hadfield presented the interim findings of the Ferry Service Procurement Policy Review referring to the Interim Report which was published on 20 December. This included confirmation that the current Argyll Ferries contract will be extended into 2019 with the tendering process being restarted. Other key points from the Interim Report are:

- Ministerial preference to award the next CHFS contract directly to an in-house operator.
- A decision on NIFS contract tendering or direct award will be announced in Spring 2018 with the current contract extended as required.

Paul Flynn reported on the Freight Fares Review. Issues recorded include:

- specific sector discounts and rebates.
- challenges of the Review being on a cost neutral basis.

- Current status is that a Ministerial decision is required but there are challenges around moving this forward including State Aid Issues.
- It is acknowledged that the most effective way of overcoming issues including State Aid would require additional budget to offset negative impacts across the network.

Richard Hadfield reported that the 2016 Vessel Replacement and Deployment Plan was published earlier in the week of the meeting.

Paul Flynn confirmed that there has been some movement on the Gourock – Kilcreggan service which has been re-tendered on a 12-month basis but the intention is still to consider a transfer of responsibility of this service from SPT to Transport Scotland.

9. Transport Integration Update

Demi Wyllie presented on her work as Transport Integration lead for CFL setting out the positive work taking place between CalMac and other operators in terms of timetable planning.

Demi reported on the issue on Wemyss Bay to Rothesay where a proposal has been submitted with a view to improving the opportunity to travel by train to Wemyss Bay and catch the ferry to Rothesay.

Des Bradley confirmed the good ongoing dialogue between CFL and ScotRail. Des also updated on engineering works on the line and the impact they are having on routes to the Clyde ports.

10. Timetables Overview

The Winter 2018/19 timetable consultation process has now moved to the stage of consideration by Transport Scotland of change requests. The postponement of the original Clyde Ferry Stakeholder Group meeting meant the Group could not directly input to the process but community feedback has been gathered.

11. Unresolved Issues from Ferry Committee for Resolution

No unresolved issues were raised.

12. Next Steps, Timescales, Actions

Ranald Robertson summarised the Action points agreed at the meeting to ensure these were accurate and approved by the Membership.

13. Date of Next meeting

Friday 8th June was agreed as the date of the next Clyde Ferry Stakeholder Group meeting and a 1045 start time is suggested.

Post meeting SPT advised that they cannot host the meeting on 8th June so HITRANS will investigate alternative options with a possible venue being the Tontine Hotel in Gourrock