

**MINUTES of the FERRIES COMMUNITY BOARD MEETING**  
**Session 2 - held on Friday 2 September 2022 at 0900 hrs**  
**in Lewis Meeting Room, Ferry Terminal Gourock and by video/audio conference**

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs) Section 33 (Commercial interests) and Section 36 (Confidentiality)]

- Present:** Angus Campbell (AC) - (Chairman)  
Bill Calderwood (BC)  
David Herriot (DH)  
Gail Robertson (GR)  
Angus Campbell (AC2)  
Rhoda Campbell (RC)  
Kirsty MacFarlane (KMacF)  
Joanna Peteranna (JoP) (part meeting)  
Kevin Peach (KP)  
Jim Porteous (JP)
- In attendance:** Robbie Drummond (RD) – Managing Director, CalMac  
Morag McNeill (MMcN) – Interim Chair, CMAL  
Kevin Hobbs (KH) – CEO, CMAL  
Brian Fulton (BF) – Head of Business Support, CMAL  
Laurence Kenney (LK) – Ferries Unit, TS  
Brian Gordon (BG) – Head of Operational Ferries team – TS  
Blair Moglia (BM) – Customer Experience Manager, CalMac  
Andrina McCrae (AMcC) – Executive Assistant, CalMac
- Apologies:** Donnie Macinnes (DM)  
Ian Macfarlane (IM)  
Eoin MacNeill (EMacN)  
Camille Dressler (CD)  
Ida Holmstrom (IH)  
Murdo MacLean (MMacL)  
Chris Wilcock (CW) – Head of Ferries, TS

**2 CMAL UPDATE**

**Vessels**

There has been some very good progress with the Islay vessels. The majority of the major machinery has been purchased and steel has arrived. Design is going well and drawings are with Lloyd's and MCA. Steel cutting scheduled for 30 September and on 13 January 2023 for the second vessel. On track to achieving this.

SVRP is progressing quite well. Concept design should be complete by Christmas. A stakeholder engagement event was held and generally went well with a good Q&A session. Responses to questions raised will be published on the CMAL website.

Concept design for Gourock/Dunoon/Kilcreggan is ongoing. Efforts being made to finesse power on the ships. The design phase of this project will be concluded by the end of 2022/early 2023.

HYSEAS is concluded.

A quarterly update on 801/802 is due towards the end of September.

**Ports**

Details were provided in the Ports section of the update previously circulated. BF highlighted the following:

**Port Ellen**

Tenders have been issued for traffic management and works are due to commence in September 2022. A round of engagement has just started with regard to port enabling works to allow the new vessels to interface with the 4 ports and this needs to happen before the vessels come into service. Two options are being developed further with regard to terminal development and there will be public engagement on this.

Lochboisdale/Castlebay

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Work required to linkspans due to wear of the wire ropes will result in closure at these ports. Dates for Lochboisdale are 24 September-8 October.

### Tiree Shelter

This will be complete before the winter period. It has to be completely fit for purpose due to its exposed location, so getting the right materials is important.

### Lochboisdale

Pier repairs going ahead and should be in progress.

### Gasay

A presentation of the options available is on the CMAL website. This will go to CPO and STAG appraisals to decide which option is taken forward.

### Brodick

Old pier demolition is on track despite a couple of issues.

### Kennacraig

Fuel tank is not being used and will be removed.

### Tarbert

Work completed apart from the main terminal building which should be completed 2022/2023 after which the temporary office will be removed.

### Lochmaddy

Caisson complete.

In response to a query from AC, KH gave details of broad discussions which had taken place with the Scottish Government with regard to the Turkish order.

RC asked for an update on hull 802 and KH advised the current date projection.

With regard to the SVRP, AC asked about funding for phase 1 and phase 2. KH advised phase 2 is not being looked at currently. The IIP looks at phase 1 only. Concept design for phase 2 has not started.

KMcF asked for an indication of what the potential impact commitment to net zero and types of fuel usage could have on the schedules for vessel replacement. KH advised 801/802 are dual fuel. The intention was to run them on LNG which is massively expensive at the moment. The first 7 vessels in phase 1 are heading towards all electric as are those for Gourock/Dunoon/Kilcreggan. We can see a carbon neutral solution for all 7 vessels. They have been designed in such a way that, should improved technology become available, it will be able to be retrofitted. The Islay vessels will run on MGO because of the need to maximise deadweight on these vessels. The carbon footprint has been reduced due to hull formation and use of clever technology.

KMcF said that the concern was for the major vessels in the fleet projected to be in service for a number of years as we approach the date for net zero commitments to come into force. If equipment cannot be retrofitted, is there a derogation to allow the vessels to continue to be used? KH replied that the technology is not there at the moment but by the mid-2030s mid-life extensions could be done on the Islay vessels.

MMcN added that CMAL's critical focus is to get vessels built. Every effort will be made to make them as green and environmentally friendly as possible, but not if it means a delay due to trying to seek perfection. CMAL are future-proofing vessels as far as possible.

AC2 referred to the HYSEAS project and asked if there were any opportunities for that technology within the CFL portfolio. KH replied that the reason this has been a focus in Orkney and Shetland is because they have a surplus of energy during the night. There is not the same volume of wind turbines on the west coast. It is a possibility, but not realistic at the moment.

AC asked about second-hand tonnage and KH advised that the Board would be advised as soon as there was any positive news to report.

BC congratulated BF on the small vessel presentation given during the week and asked if there was a deadline for questions to be submitted. BF replied that these can be sent at any time. The Q&A will be published in about 2 weeks' time, once account had been taken of everyone who wrote to the email address.

AC2 said there had been discussion about the environmental challenges of the existing feet and asked what the thoughts were around managing this portfolio of vessels against tightening environmental measurements and the penalties CFL will face.

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BF replied that it was likely there would be grandfather clauses but there is no reason to believe CMAL would not be approached and asked what they could do to make the vessels compliant. Anything that extends the life of a vessel falls to CMAL, so the operator would have a conversation with them.

MMcN added that CMAL will be required to publish more information about how they get to net zero, as will CFL. This will require a lot of joint discussions about how we plan for that and the issues raised here will come to the fore in these discussions.

With regard to Cumbrae slip, BF said a meeting with the Cumbrae Ferry Users Group is being organised by Transport Scotland towards the end of September/beginning of October. It is not within CMAL's gift to move the slipway. It is nearing end of life and needs to be replaced. TS need to be involved in the discussion around resilience. AC2 stressed that resilience of the slipway is a priority.

AC asked BF is there was anything he could share with regard to up to date plans for Uig. BF replied that there is a significant closure planned and he was aware that alternatives were being looked at, but he was not sure what stage this was at.

AC thanked the CMAL representatives for their contribution to the meeting.

JoP joined the meeting

### 3 TS UPDATE

LK and BG joined the meeting. LK passed on apologies for absence from CW and introduced BG, Head of Operational Ferries Team, dealing with issues around fares and timetables.

LK had been unable to join the meetings held earlier in the week but understood that detailed discussions had taken place with the Minister and also with Richard Hadfield and Louise involving a sub-group. LK asked for thoughts on the long-term plan meeting held on Wednesday.

AC said the concern the Board has with the Islands Connectivity Plan is timing now seems to be a bit of a barrier. It is a 10-year strategic plan. Our fears are that we are going on tinkering around the edges and not dealing with the community needs assessment as a basis for going forward. The needs of the communities should be at the base of it - moving away from timetables and looking at delivering a lifeline service. BC agreed with AC's summary. Most of the concern is around building resilience and reliability into the service and working out how demand is met. The timescale is very concerning. We need to get a good strategy for the network in both the vessels' service and timetables & fares. We are overdue an RET review and an HGV fares review and there is only 4 months to deliver this.

AC2 added that the aspirations are going to just be a like for like and this is a concern. Improving connectivity and providing a lifeline service that works might meet the aspirations of the communities as each one has ways of how they see themselves developing. We are tied into a fixed contract. The community needs assessment needs to be properly reflected and there is nervousness we will not get to that stage.

JoP referred to the community needs assessment. There are questions around volumes and forecasts being built into the ICP at the moment and whether or not they should be updated before the final draft is issued. There were also questions about vessel design life. It has been anything between 20-35 years and as vessels get older design life increases as well. The key is to try to define it. CMAL touched on Norway having a definition which is quite tight.

KMacF added there is a general concern in terms of time. We have discussed with CMAL the upcoming impact of net zero commitments. We think CFL's extended contract is up to 2024. We need to see some movement on what is coming after the end of the contract.

BC said a ferries strategy is required, Many islands do not have alternative connections. All of these discussions come down to understanding what the islands' needs are.

LK said that the key point he was hearing was about time. In terms of struggling with resources in the team, TS are focusing on the long terms infrastructure plan which will be out for assessment at the end of the year.

They will be taking forward the community needs assessment over the course of 2023. This will allow the long term investment plan to be refined and finalised.

AC said it has been pointed out that this is doing things in the wrong order - you have to know what the needs are first.

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LK replied there is an urgent need to improve the infrastructure and the recommendation from Audit Scotland is that we need to have this type of plan. What we are setting out is the order in which we will be looking to replace vessels etc. Anything identified through the long-term plan will need to go through project development. What TS is trying to set out is high level investment strategy across the network but this will be refined in line with the community needs and then any project will go through the normal process.

AC reiterated the view that the process should start with the needs of the community and build up from there.

LK said he would agree with this order of doing things from a conceptual point of view. If the community needs assessment highlights things that mean the investment plan needs to be changed, this will be done.

BC queried how much value the communities could attach to phase 1 if it is not based on their needs. LK responded that TS are keen to allow communities to comment on it. TS have been told from a wide range of stakeholders that there is no long-term infrastructure plan and that why they are focusing on that. The plan will cover the build-up to 2045. It is appreciated this is not a perfect solution at this stage but this is the way we need to do it.

AC commented this was at odds with the Board's conversation with the Minister. AC will forward what was put to the Net Zero Committee to LK.

DH said there is a fatigue with consultations and if you come out with a plan and people have not had an input in the beginning, they feel there is no point in commenting.

With regard to the ICP, AC2 said the timetable should not be a barrier to providing a service. Crewing should be able to allow this. We need a lifeline service. Some places do not get a service for days because of restrictions of the contract, crewing, etc. Is the timetable fit for purpose? These are the types of things you need to consult on.

LK replied that the document being produced at the end of this year will not be set in stone. The aim is to get to a point where agreement can be reached on how much money needs to be invested in ferries every year and make this a feature of long-term budgeting. LK will work with Richard Hadfield on presentation of the document and how this fits into the bigger picture. In terms of KPIs, LK agreed these need to be developed across a number of areas.

Climate change resilience is a challenging thing. It is very difficult to forecast how to build vessels that can cope but we need to do our best.

JP highlighted the requirement to have the very latest forecast and volume information for each of the routes because if you do not have that and you don't have the community needs assessment it devalues the report to some extent. LK will investigate this.

KMacF commented that, following a previous presentation from Richard Hadfield, 5 or 6 overarching themes were discussed. As AC2 has said, every community will have a different view on this. On her route, reliability to travel, particularly for islanders is very important. The FCB has recognised there are a range of views throughout the network. The real concern is what is going to come from the top.

LK replied that the National Islands Plan is the Government's direction on where things should be going. In the wider context, reliability and resilience are the key messages we are hearing, followed by capacity.

AC advised that the Board will put together a paper showing where they see this sitting. LK agreed this would be helpful. With regard to the community needs assessment work, LK confirmed it is planned to have meetings to discuss this.

AC advised that the other issue discussed yesterday was where the CHFS contract goes in the future. Also, anything that might come out of the review of organisational structures which the Board discussed with the Minister. LK had nothing further to add. He advised a team is now forming to take that work forward. The Minister has been clear that communities' views with regard to the new contract need to be heard.

With regard to Neptune, AC confirmed the Minister had discussed publication of the report. LK said the Minister wanted to do some targeted consultation around this and LK will ask her to contact AC.

AC2 asked LK about the plan for contract extension -v- new contract in terms of timescales. LK is not close to this, but options are under consideration. With the team forming to take this forward, more information should be available soon.

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LK handed over to BG who advised that TS are undertaking a Ferries Policy fares review as part of the ICP and have held a couple of sessions with the FCB sub-group. Work has been ongoing since the start of the year to try to flesh out detail with Ministers on both the fares review and future policy. Thought has been given to the key issues to look at as part of the review and the team has also been linking in to the Fair Fares review which came out of the Bute House Agreement to look at fares across all public transport modes.

The most immediate issue is the annual fares review on the network. The contract stipulates an increase of CPI each year based on the month of May. This year that was 9.1% which is clearly very high and there is the cost of living crisis to consider as well. This is very challenging and we understand what the impact of that fares increase would be. We are working with the Minister and she is taking a very keen interest.

As part of the ICP, it is planned to publish a consultation towards the end of this year setting out options for future fares policy. Some of the key issues to consider are the future of RET and looking at ways of spreading demand across the shoulder period.

AC commented that there was no investment in the capacity needs to meet RET which was introduced to allow people to travel at a favourable rate. Pricing should not be used to restrain travel on our ferries and there would be great concern around how a proposed dual system would be managed. Consideration also has to be given to the effects on the economy. BG accepted that capacity has not kept up with the demand RET has introduced. TS recognise the need for a flexible fares policy and intend to address capacity to meet demand as far as possible.

JP said BG would be aware that CFL has been reviewing its terms and conditions. Fares is one aspect, but cost of travel can be impacted by challenges in terms and conditions so this needs to be looked at as a package. So far, communities have rejected the proposals initially put forward by CFL. BG advised TS had engaged with CFL on the review they are undertaking and received a paper from them which TS will review and CFL will feed back to stakeholders in due course.

GR said her understanding was that RET was introduced to help the fragility of the islands they were serving. To remove or change it at this time when they are more fragile is wrong and would not get community support. BG said ultimately this is a decision for Ministers to make but TS will take that feedback on board and make sure Ministers are aware of it.

KMacF's concern is that we once again end up with a "one size fits all" policy. On Coll the idea was that RET fares would bring down the cost of living and it has not done that. On a limited number of routes it didn't even bring down the price of the tickets significantly. Community consultation on any changes is an essential factor. BG confirmed consultation would take place.

BC asked about the timeline to make sure that any announcements for the summer 2023 timetable have an equitable impact on the network. BG said timescales for next year's timetables are being published within weeks. They need to be published so that CFL can open their system and take bookings. Wider decisions around policy would likely be for the following year at the earliest. BC commented that the lack of a winter timetable is severely limiting island economies. BG appreciated the impact the non-publication of the timetable had had.

AC referred to the proposed fares increase and asked if talks were taking place to alleviate this. There is a very good argument to be made that the islands are being hit harder by rising costs. As a community board, we would ask for this to be taken into account.

BG confirmed that the freight review would be done as part of the ICP fares review. He added that TS are fully aware of the challenges for islands. The increase is a contractual matter, but this would be a decision for Ministers.

AC2 suggested the background of poor service and reliability being provided should also be taken into account. GR added that a lot of islanders and businesses have had to bear a lot of additional costs due to disruptions, etc.

BG commented that CFL have suggested a number of options to improve resilience and reliability and these are being looked at.

AC2 commented that the general view is that we will see services getting worse until new tonnage is available.

## CALMAC UPDATE

Uig

## CONFIDENTIAL

RD advised that arrangements for Uig will be moving towards Option 2 – closure January-March and then again in the autumn.

Additional crewing has been approved for use where possible. Resilience on Sound of Barra has still to be taken forward. The timetable will be as previously presented.

### Lochmaddy closure

The company is working through the implications of the closure and will respond in the best way it can. Berthing trials will be carried out next week to see what vessels can be used over the period to provide additional capacity and things should be clearer after that.

### Recruitment

Recruitment is proving extremely challenging. There are currently 25 open positions. Sailings have had to be reduced over the last few weeks due to lack of crew to cover them. There is a relief pool, but this is being stretched. Every effort is being made to improve this situation, but recruitment is an issue UK-wide.

Recruitment for 801 is a massive challenge. Crew have been recruited to help to get the vessel certified, but the full crew has not started yet.

Once the decision regarding Uig has been made, this will allow the company to progress with the winter timetables. Discussions still have to be had with the Mull community because of the introduction of Loch Frisa. The company hopes to have the timetables in place in the next couple of weeks. This will also indicate plans around drydocking and coverage. Block bookings have to be put into the system first.

### Ar Turas

What the company had thought was going to be User Acceptance Testing has changed into just testing. This has delayed things by a number of weeks. The October go-live date will not be met. The company is working hard to close down the defects but cannot say at the moment when we can go live. It is hoped this will become clearer within the next 4 weeks or so.

AC2 asked about the community engagement plan. RD said there is a full community engagement plan. There is a clear training plan for the staff. Everything is in place but training cannot take place until we have a suitable system. It was agreed the priority was to have the system working properly before it goes live. There is a full programme planned to speak to all of the ferry committees as well as a customer programme.

RD advised it was planned to come out to consult on Terms & Conditions, as well as commercial Terms & Conditions. Wait lists is the other thing we want to consult on with a view to looking at how we change the process around advance waitlists to strip away all the long-term waitlists and hopefully free up time for people to travel

### **Terms & Conditions – update on community consultation**

BM joined the meeting. She advised that a communication on terms & conditions would be issued next week and her presentation to the meeting was being shared on a confidential basis until then.

It was confirmed that the proposed changes to terms and conditions will not be going ahead at present, however, the company will enforce its existing terms and conditions as soon as all communities have been updated on our findings.

RD advised the company would be reviewing this in 6 months' time, which will give an opportunity to change anything that is not working.

KMacF was pleased to note this deferral and raised the question of islander prioritisation. RD's understanding is that the Minister is committed to looking at islander prioritisation so this is something that should be taken up with her. AC said that the Board had decided they were not going to take a view on this because each community has different aspirations for their route.

The Board did not want to take a blanket approach in case this had consequences for any particular area.

JP commented that, on his route, people will book 4-5 weeks before sailing. The weather can change very quickly in that period which may influence the decision to travel. Also, a port diversion might take place which would mean you could not travel to where you needed to be for an appointment. BM advised cases would be looked at on an individual basis, but the company must apply its terms and conditions.

AC commented that looking at route specific issues would be a key factor. He also raised the possibility of establishing an appeals procedure.

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AC2 questioned the proposed implementation date of 19 September and asked if it would be preferable to wait for Ar Turas. RD replied that the preference is to do it now as it is not linked to Ar Turas.

BM confirmed that, after implementation, booking amendments would be free, cancellation of a booking outwith 24 hours would incur a £10 charge and bookings cancelled within 24 hours of sailing would be charged in full.

BC asked if the company was confident that these cancellations will be reflected back into availability of space. BM replied that it is important to make people aware that, if they don't want their sailing, they should amend it or cancel it in order to free up space to allow other people to travel

JP asked for clarification for commercials and block bookings. RD replied that the company is working to improve the current process. Consultation should commence within a few weeks with regard to what terms & conditions should apply to block bookings. It is hoped to get whatever arrangements are agreed in place before next summer.

## COMMUNITIES REPORTING

### Islay

JP commented that the introduction of new vessels in 2024/5 cannot come quickly enough. Recent disruptions on Islay will cause major problems for tourism. The non-publication of winter timetables is a major problem with businesses losing visitors and revenue.

A short-life working group has been set up with CFL and TS to look at ways of improving capacity until the new vessels are in service. There has been an increase in distillery traffic, meaning less space is available for other travellers.

On Islay, the lorry block booking rate has increased by 45%.

It was noted that, during disruptions, CFL port staff have been excellent at trying to manage passengers as best they can.

Engagement with CMAL with regard to the new ships has been excellent.

### Harris

RC advised the main concern is the outage in Uig. Despite numerous meetings, progress has been slow and last week's meeting presented Option 2 which, as we have discussed, was a proposal to reduce the outage to 14 weeks, but there will be problems with any period of outage during the busiest time on the route.

Delays with the winter timetable are causing concern. Accommodation providers are seeing a down-turn in bookings.

There is real disappointment in TS' lack of urgency around the mezzanine deck issue. It is very frustrating and this issue needs immediate consideration.

### Ullapool

Lack of engagement with TS is a major problem.

It is disappointing to still not have clarity with regard to Uig.

### Bute/Cowal

Route has been fairly lucky with regard to breakdowns.

The main issue is the shore gangway which has been out of action for 6 months. The unit is owned by Argyll & Bute Council who have finally got round to doing something about it this week.

### Arran

BC advised reliability is an issue, with just under 500 sailings cancelled to date. Two major outages affected the Highland Games. There were issues with foot passengers being asked to pre-book but then being unable to get on to the ferry as there was no process to manage the bookings. This led to a lot of adverse comments.

The lack of timetables is starting to cause problems for accommodation providers. We are seeing reputational damage to the island where demand appears to be slackening off.

## **CONFIDENTIAL**

The position at Ardrossan had to be raised with the Minister in a task force meeting. The replacement fenders were ordered in January, received 10 days ago and are now being fitted. The Ferry Committee had to push for this.

801 is allegedly coming into service next year. Because of the high rate of failure at Ardrossan, the community is pushing for Troon to be an alternative berth and work is ongoing with TS and CMAL to progress this. Alternative timetables are also being looked at.

The proposed changes to terms and conditions were robustly rejected by the community. Confidence level in the service from the community is at an all-time low. Communications through every incident has been less than optimal.

KMacF asked if there was any possibility of having some kind of influence on the form of the new contract. Could there be an obligation on tenderers to replace any service that was cancelled. AC replied that the point has been made to various bodies that the Ferries Community Board should be involved in the formation of any new contract.

### **SUB-GROUP REPORTING**

#### Communications – Customer Steering Group

It was agreed there was merit in continuing to attend the Customer Steering Group meetings in order to put the views of the communities forward.

#### Fleet Deployment & Resilience

Nothing to add to previous discussions

#### Unmet Demand

The latest information from Robin Scorthorne has been circulated. There are still some actions outstanding from a meeting held in June. A response to a request for another meeting is awaited.

BC drew attendees' attention to statistics dashboard information which is circulated. He can forward this to anyone who does not currently receive it and then people can register to receive it personally.

### **ANY OTHER BUSINESS**

AC updated attendees on changes to the membership of the Board which would result in further recruitment. AC will email members before this process starts.

Discussion took place on the effectiveness of the hybrid meeting arrangements used for these sessions. Generally, it had worked well, although careful management was required to ensure everyone had an equal opportunity to contribute to the meeting regardless of whether they were taking part in person or remotely.

### **DATE OF NEXT MEETING**

The next meeting is scheduled for 1 & 2 December 2022.