

Cross-Party Group on Islands

28 June 2023 – 13:00 – Online via Teams

Meeting Minute

Present

MSPs

Liam McArthur MSP
Jamie Halcro Johnston MSP
Graham Simpson MSP
Rachael Hamilton MSP
Beatrice Wishart MSP
Rhoda Grant MSP
Donald Cameron MSP

Non-MSP Group Members

Artemis Pana, Secretariat
James Paterson
Elizabeth Macleod
Eilidh Munro
Adele Lidderdale
Alastair Dobson
Andrew Jennings
Colin Buchanan
Christine Fairbairn
Robbie Drummond
Carolyn MacPhee
Carol Norton
Donnie Steele
Liucija Sel
Melissa Thomson
Joe Reade
Jenny Milne
Alice Mathewson
David Henderson
Naomi Bremner
Laura Hutton
Neil Simco
Neil McCrerrick
Linda Johnston
Ruth Wilson
Stuart Williams
Philip Coghill

Susan McKellar
Richie Morgan
Hilary Stubbs
Victoria McAleese
Ranald Robertson
Lauren Worrell
Alana Macinnes
Beatrice Morrice
Gareth Davies
Jack Harrison
Fiona Davies
Moray Finch
Joanna Peteranna
Sandy Brunton
Linda Johnston
Chloe Minish
Donnie Steele
Kirsty MacFarlane

Apologies

Arianne Burgess MSP
Rhoda Grant MSP
Alasdair Allan MSP
Kevin Hobbs
Sheila Keith
Theona Morrison
Pippa Milne
Sheila Gilmore
Cllr Robin Currie
Shona NicIllinnein

It was noted that a number of participants could not access the meeting due to global Microsoft Teams issues:

Sheena Borthwick-Toomey
Tom Tracey
Jean Mary Knowles
Tracy Mayo
Kirsty MacColl
Ana Vuin

Welcome & Minutes

Jamie Halcro Johnston MSP welcomed attendees to the meeting and apologised for any disruption caused by the fire drill in the Scottish Parliament building which meant

the Cross Party Group meeting had to be moved online, as well as by the global Microsoft Teams outage which was affecting some people's ability to access the meeting.

The minutes of the previous meeting were agreed.

Presentation

Robbie Drummond, CEO of Calmac Ferries, speaking from the Isle of Arran, provided an overview of Calmac's position and priorities.

Robbie contextualised his presentation by acknowledging the concern expressed by island residents and businesses regarding the impacts of disruption in the provision of ferry services. He noted that Calmac's absolute purpose is to ensure thriving communities. The company is focused on addressing the considerable challenges that have been highlighted.

He further noted that any action Calmac takes is rooted in three values – locality, bravery and people first, ensuring that decisions are taken at the closest point to the local community, and that the decision-making process is honest and transparent..

On a daily basis, Calmac operates more than 500 sailings with the previous day's (27.06.2023) performance – 518 sailings, 2 cancellations and 4 additional, unplanned sailings - clocking over 99.8% reliability, higher on average than many other forms of public transport. Over 62% of Calmac employees are residents in the area they operate in. This is a decline from 70% pre-pandemic but a priority for Calmac is to reverse this decline, acknowledging the benefits of supporting local employment both for communities and for the company itself.

Calmac runs 35 vessel and serves over 54 ports – it is a complex network that does not correspond to one vessel per route. The age of the fleet leads to resilience challenges, and this, combined with the lack of any spare vessels, directly leads to disruptions on routes where vessels have to be re-deployed to other parts of the network.

Compounding challenges is the fact that RET(Road equivalent tariff) – a positive development for island economies – has driven demand up by 30% through the same number of vessels, frequently meaning sailings are fully booked and preventing passengers from finding alternative sailings should their original booking be disrupted. Changing weather patterns are also increasingly affecting the network.

Despite these issues, Robbie reiterated that Calmac runs to circa 99% reliability against contract targets. Broadly, one in 100 sailings is affected by a technical problem and one in 400 is affected by a weather event. To mitigate, investment in fleet maintenance is up from £20 million per annum five years ago, to £43 million in this financial year. New technology and processes have been introduced to ensure more efficient task management in drydock. Stocking is now managed centrally. A single warehouse, workshop and operation system has been introduced modelled on

EasyJet, and changes to communications structures between vessels and headquarters are contributing to improvements in day-to-day operations, as well as when managing disruptions.

Robbie acknowledged that improving communication between Calmac and the communities it serves has also been a big focus for the company – in particular being clear, consistent and transparent about the decision-making process that informs when sailings are cancelled. Meaningful community engagement on future company operations and priorities is also a big focus, and Calmac regularly meets with the 25 Ferry Committees across its network. In addition, the company has begun piloting public drop-in sessions; senior team members are increasingly encouraged to spend time out and about in communities; and there is ongoing commitment to maintain or establish new satellite offices, rooted in communities, including one in Stornoway delivering customer care where employees all speak Gaelic.

Robbie reiterated that recognising the value of employees, and continuing to invest in employee training, progression and wellbeing, as well as fair employment practices, remains front and foremost a priority for the company.

This priority underpins Calmac's 5/10-year plans which cover ongoing improvements in operational aspects of the network such as the ticketing system; re-framing the network development strategy so it is shaped by island economic needs rather than by infrastructure constraints; managing vessels on a whole life basis, looking at standardisation in vessels and ports and the benefits this will have on procurement and flexibility; and introducing different approaches to demand management, for example, by dynamic pricing or by introducing sailings that are more freight orientated or more car orientated.

Discussion

Alana Macinnes was invited to speak. She introduced herself as from South Uist, and runs a platform called Uist Beò which connects islanders, including those who have returned to live in Uist or are thinking of returning, and showcases their stories. She spoke of the many positive developments, including much improved broadband connectivity, young islanders setting up businesses and a gradual increase in population as people choose to make the island their home. She also spoke of the impacts of transport challenges, as a result of Calmac's, CMAL's and Transport Scotland's combined actions or lack of actions, noting, for example, that a local study found islanders missed out on £260,000 income each week over June that the ferry was not operating. The regular ferry cancellations are directly correlating to people considering leaving. Alana suggested that the word 'fragile', which is frequently used when talking about communities like hers, does not ring true to her or to other local residents. Her community is resourceful, resilient and enterprising, but it is made fragile by inadequate transport services. She asked Robbie what actions or guarantees Calmac may give to communities so that they know they are being

listened to and the problem is being fixed. She also asked where the Islands' Act had made a difference or could make a difference.

Robbie Drummond acknowledged the disruptions in South Uist and explained that in situations like at present, where Calmac does not have all vessels available to the company, difficult decisions need to be made regarding lifeline services. In terms of actions, Calmac is currently undertaking a review of how the re-deployment (Route Prioritisation) matrix works and communities will be consulted on this. The matrix policy will be subject to an Island Communities Impact Assessment but, essentially, without new vessels to add to the fleet it is not possible to guarantee that new options will emerge. Longer term, 6 new vessels are in construction funded by the Scottish Government but there needs to be an additional argument made with Transport Scotland for additional, 'spare' vessels which can be deployed to manage crisis situations or even just largescale island events.

Jamie Halcro Johnson MSP noted the intention to conduct an ICIA on the Route Prioritisation matrix, and the case to be made with Transport Scotland for additional vessels.

Lauren Worrell introduced herself as Regional Manager for NFU Scotland based just south of Oban. The NFU has been contacted by numerous members regarding issues in securing advanced bookings for livestock sales, particularly when this involves bringing livestock off island. Members have also contacted the NFU regarding problems trying to phone port offices to discuss transport needs, especially since the introduction of the new ticketing service. Similar issues affect suppliers to farmers/crofters, not just farmers/crofters themselves.

Robbie Drummond noted that the ticketing system previously in use was not fit for purpose, and its wholesale replacement was necessary despite acknowledged challenges in the early stages of implementation. One of the significant issues was the migration of 200,000 bookings from the old system to the new one. Another issue is the lack of connectivity around some ports. Connectivity may be in place but with the additional pressure of working 'live', it may not be strong enough.

These challenges are being worked through by the Calmac team and indeed the majority have been resolved. Once fully bedded in, the new ticketing system will result in benefits including the ability to manage bookings in blocks, rather than as individual customers, making it more straightforward to drag and drop customers into new sailings should their own be disrupted, and managing refunds. In response to the particular question regarding livestock transport, Robbie indicated he would look into this personally and get back to Lauren.

Lauren Worrell noted that while Calmac has repeatedly said it must treat customers fairly, and cannot prioritise one group over another, there are significant welfare and economic drivers for the need to get livestock off the islands when planned. Crofters and farmers have been told to book livestock onto ferries in advance. They attempt to do this, but it does not seem possible whether because of the new system or issues at ports.

Joe Reade, from the Isle of Mull, noted that similar issues affecting livestock transport were reported on Mull, with crofters finding it difficult to book in advance and other traffic being prioritised over livestock. Joe further wished it noted that there was a huge amount of sympathy amongst islanders for the challenges faced by Calmac staff at this present time.

Joe raised two additional points. Firstly, that decision-making processes regarding weather-related cancellations appeared inconsistent when compared against the precise weather patterns on the days of such cancellations. Linked to this, the publication of annual statistics stating that a route has 95% success rate for weather related cancellations likely obscures the fact that during winter months, that success rate drops well below contract targets. He asked whether Calmac would consider publishing data for seasonal, rather than annual, cancellations in the context of actual weather conditions, noting that this would help address the question of Calmac's ability to deal with weather events.

Secondly, Joe sought reassurance that when Robbie mentioned dynamic pricing, this would not affect the RET for island residents and commercial traffic which should be 'sacrosanct'.

Robbie Drummond suggested Calmac would look into more nuanced collection and presentation of statistics. He acknowledged that in the winter there may indeed be 30% or 40% cancellation rate of sailings. He also acknowledged that this underpins the need for new, weather resilient vessels and further to this, Calmac's ongoing efforts to collaborate with and explore how, globally, the shipping and transport industry is dealing with emerging and more extreme weather patterns. Robbie noted that test cases such as the catamaran MV Alfred, used between Ardrossan and Arran, are proving valuable to designing new fleet strategies, with the communities involved seemingly to welcome her.

Robbie highlighted that the RET sits with Transport Scotland and any change to RET would be a matter for policy. He clarified that he was using this reference to make the case for dialogue and discussion, rather than putting on the table a Calmac position.

Carol Norton in a question in the chat asked whether Calmac would consider evening or virtual public engagement sessions as it was difficult to make the daytime sessions.

Robbie Drummond acknowledged this was possible and would be pleased to look into it.

Moray Finch, from Mull, highlighted that the current system for MV Alfred being an unbookable service was a breath of fresh air for islanders. He requested that Calmac consider incorporating a 'turn up and go' service into additional routes. He also wished to reinforce the fact that a catamaran is operating very successfully in the Hebrides, despite previous opposition to the use of catamarans from various transport commissioners.

Robbie Drummond noted that such a 'turn up and go' service operated throughout COVID whereby between 10-20% of vessel capacity along certain routes was left free for last minute bookings. He indicated that Calmac would be willing to consider this again, and would be seeking to consult on this with individual communities, via the Ferry Community Boards, as each community may have different needs and perspectives. Transport Scotland should also be included in dialogue as new systems may require policy changes and joined up transport options. A factor, however, constraining any 'turn up and go' service is the overwhelming demand on the network which will probably continue to affect certain routes even after the introduction of new vessels. Different strategies to improving islanders' experience of travel are necessary including turn up and go routes, and differing pricing schedules.

Jamie Halcro Johnston MSP noted that learning from this exercise may also be relevant to Northlink isle routes.

Alana Macinnes asked whether there was any mechanism that Calmac can put in place to enable those who have to travel last minute, e.g. for a doctor's appointment or funeral, get priority booking on sailings.

Robbie Drummond said that was not possible as the current contract requires that Calmac treats everyone equally and that bookings are available on a first come, first served basis. The only way of currently managing this kind of demand is through advanced standby which is available for those with critical needs. As mentioned earlier, potentially a system could be introduced which would allocate 10-20% spaces to local communities as a turn up and go, but that would require a policy change as well as community consultation.

Eilidh Munro asked about the timescales for the Prioritisation Matrix review.

Robbie Drummond responded that Calmac is completing this exercise 'within months rather than years' involving the Ferry Community Boards as well as carrying out community consultations, and placing it in the context of an Island Community Impact Assessment, so it gets proper consideration. He cautioned that the review is not going to come up with magic solutions. It will just push existing issues in new directions.

Fiona Davies, NHS Highland, commended Calmac for 'moving heaven and earth' to provide emergency services. She noted that while Calmac is reviewing how best to meet island needs, the NHS is doing similar, in particular exploring how to strengthen preventative care and care at home. She requested an opportunity to initiate the conversation around Calmac also supporting a shift towards preventative care, a move which would perhaps add to the conversations around 10-20% turn up and go capacity.

Robbie Drummond welcomed the opportunity for this conversation and noted the need for it to be wider than just Calmac and the NHS as delivery agents, but to include policymakers. Currently Calmac tries very hard to meet the needs of those who have care needs, or need to access assistance or go to a funeral, but it is on a 'best endeavours' basis rather than rooted in policy. Policy also needs to change.

Alistair Dobson, speaking from Arran, noted he has been personally involved in Ferry Community Boards for a number of years now and would advocate for an island by island approach to Calmac's future strategy, including in relation to route planning and reporting against performance criteria that really matter to local communities, to ferry users, and to local economies. Alistair cautioned against a centralised approach to performance and development management practices that may seem to create efficiency gains for the company and for Scottish Government, for CMAL and for Transport Scotland, yet 'pitch one island against the other' and damage the system.

Robbie Drummond agreed that this was the intention of Calmac and key partners, to look at island specific solutions to assets and infrastructure, reiterating recognition of Calmac's crucial role in ensuring thriving communities.

Joe Reade reinforced Alistair Dobson's point around the limits of standardisation. While standardisation of certain components and of H&S protocols, for example, is desirable, network development needs to have a more nuanced, place specific approach. He noted that, starting October 2023, the islands of Coll, Mull and Tiree will be piloting an islander-prioritisation service where 10% of deck space is held back till 72 hours before the sailing. He encouraged other islands to try this approach.

He also noted that the need for complexity in the booking system is only necessary because of the lack of capacity. If there was capacity, such as in Norway, where passengers and freight can assume they will get to where they need to go, a complex booking system to manage prioritisation etc. is not required. Joe continued with regards to Norway, and other countries with ferry networks, that they seem to be getting a lot more in terms of vessels from their budgets. He asked Robbie whether he felt Calmac itself or another company could get more from the £580 million allocated to CMAL than CMAL appears to be getting.

Robbie Drummond outlined Calmac's commitment to island specific solutions, clarifying that 'one vessel for one route' is not desired, but what would help is coalescence around two or three different classes of vessels. He also highlighted that port infrastructure forms a big part of the conversation around future network solutions. He declined to answer the question regarding CMALs budget.

Hilary Stubbs from the Mobility & Access Committee for Scotland (MACS) requested reassurance that while Calmac would subject future plans, where appropriate, to an ICIA, the same commitment must be given to subjecting them to an Equality Impact Assessment.

Robbie Drummond confirmed this would indeed be the case.

Jamie Halcro Johnston MSP closed the meeting by thanking Robbie Drummond and all those who participated. He noted that a third meeting of the CPG on Islands, focused on ferries, would take place after the summer recess.

AOCB

None.

Date of next meeting

TBC

Meeting Concludes 2.00pm

DRAFT