

ISLANDS TRANSPORT FORUM

Second meeting – 29 September 2016

Note of meeting

Attendees

Humza Yousaf, Minister for Transport and the Islands
Cllr Angus Campbell, Leader, Comhairle nan Eilean Siar
Iain Mackinnon, Director Technical Services, Comhairle nan Eilean Siar
Cllr Joe Cullinane, Leader, North Ayrshire Council
Elma Murray, Chief Executive, North Ayrshire Council
Cllr Steven Heddle, Convener, Orkney Islands Council
Alistair Buchan, Chief Executive, Orkney Islands Council
Cllr James Stockan, Orkney Islands Council and HITRANS
Michael Craigie, Lead Officer ZetTrans
Cllr Michael Stout, Depute Leader, Shetland Islands Council
Cllr Allan Henderson, Community Services Chairman, The Highland Council
Richard Gerring, The Highland Council
Jim Smith, Head of Roads and Amenity Services, Argyll and Bute Council
Ranald Robertson, Partnership Director, HITRANS
John Nicholls – Transport Scotland
Gary Cox - TS
Graham Laidlaw – TS
Wendy Nicol - TS

Item 1 – Welcome and Introductions

1. Mr Yousaf welcomed everyone to the second meeting of the Islands Transport Forum. He thanked those local authorities represented for their assistance during his summer visits to the islands and said he looked forward to further tours this winter. Mr Yousaf said he hoped that the meeting of the forum would continue in the vein of openness and innovation. Mr Yousaf then asked all those present to introduce themselves.

Item 2 – Notes of first meeting

2. Mr Yousaf invited members to comment on the note of the first meeting. A point was raised regarding the comment made on page 5; *'Need to look to post 2020 - Trans European Network – Comprehensive Network – need to be ready when funding starts to come through'* and whether this matter was for consideration under Brexit issues. The Minister confirmed that he would be happy to take this issue to COHI as a Brexit wide agenda item and that if not addressed at COHI the issue would be brought back as an agenda item at the next meeting. **It was suggested that Brexit should be included as a standing agenda item on the Forum's agenda.**

Item 3 – Air Services Scoping Paper - CNES

3. Iain Mackinnon gave a background to the paper. The paper had come about as the result of the Islands Ministerial Working Group which had asked that a scoping study on air services be undertaken to help inform further thinking. The report looks at:
 - Cost to the public and to Government/local authorities
 - Reliability and punctuality
 - Scottish/LA PSO funding
4. It was noted by the Forum that there had been substantial work done by Loganair in making improvements to services but that future proofing of what is a complex mix of ageing aircraft, PSO routes and commercial routes, would be difficult to ensure services are fit for purpose.
5. It was noted that the issues of over-committed fire fighting services on some smaller islands, Brexit legislation and a possible Air Strategy plan would be crucial in ensuring success. It was agreed that there was the opportunity to use research data available to look for innovative approaches to the current challenges. The Minister noted that HIAL was already embarking on a programme of work to look at how air services would be best operated in the future. He wants islands authorities to be part of the process and would discuss further with HIAL. He thanked CNES for the paper. **It was agreed that details of HIAL's ongoing Review of Air Services would be circulated to the Forum and that air services should be looked at in the wider scope of NTS Review.**

Item 4 – Air Discount Scheme (ADS) for Business Flyers - CNES

6. Iain Mackinnon introduced the paper which came about as part of the *Our Islands Our Future campaign* which highlighted the need for a costed and legally competent business case and was commissioned on behalf of HITRANS and ZetTrans. The paper set out detail on the following:
 - Private Sector Business Travel
 - Public Sector Business Travel
 - Mechanism for ensuring an extension of ADS was competent legally.
7. It was noted by the Forum that the islands have a vibrant economy but that barriers to business in the cost of PSO fares equity is important for the economy to thrive and survive but that socio-economic and the wider economic perspective needs to be considered. However, it would be challenging to find the additional cash and a proposed Public Sector ADS scheme would merely recycle taxpayers' money around the public sector. It was noted that any further discussion on the issue would need to take place after the Autumn Statement in November and the draft Scottish budget in December. **The Minister suggested that a conference call take place midway between the next 6 monthly meeting of the Forum.**

Item 5 – Fixed Links

8. Michael Craigie introduced the paper. The paper focuses on how to explore the next generation of links and what next generation steps could be taken to breach the barriers of sea and rivers to improve accessibility, reliability and connectivity.
9. It was noted by the Forum that the NTS Review provides a good opportunity to review gaps and explore possibilities that exist in using a Scottish approach to fixed links. This approach would add to the economy and tourism in places such as Oban, Mull and Lochaber and not just Island communities. Project performance, transparency and cost benefit analyses need to take into account equality and economic regeneration.
10. The Forum agreed that further discussions would need to take place around the policy issues of accessibility, connectivity, procurement and planning. The Minister welcomed the paper and noted it was innovative and challenging in looking to tackle isolation and de-population by connecting communities. **The Minister asked that a conversation be had with officials to see what is included in the NTS Review but that the topic may be discussed in another forum.**

Item 5 – Clyde and Hebrides Ferry Services (CHFS) contract – CNES

11. Cllr Angus Campbell was invited to introduce the topic. It was noted that detail on the final contract such as training, labour, routes, vessel utilisation, and the mechanism to evaluate contract performance were unknown. Graham Laidlaw provided an update on the CHFS procurement; which are moving towards contract monitoring and performance measuring. The mechanisms to engage and consult are also being investigated. The Minister added that CalMac had bid competitively and that pay discussions are ongoing with unions and agreement should be reached by 30 September.
12. Some work on the Western Isles community consultation on operational issues has been done and a reference panel is now in place. The Forum was keen to see how flexible the contract is going forward and its ability to influence outcomes. The Forum discussed the importance of maximising lessons learned for the ongoing NIFS contract and engagement on procurement issues.
13. Issues around the lack of fleet capacity, challenges with piers and harbours, as well as the ageing fleet and summer capacity issues were discussed. The Minister suggested that views on the summer timetables were fed to CalMac. Although two new vessels will be ready in the second half of 2018, CalMac and CMAL had been asked if second hand vessels could be purchased or leased in the interim, however, over-riding factors such as suitable vessels and infrastructure were ongoing issues. It was also suggested that a larger number of smaller vessels with smaller capacity, but used to provide a more frequent service could be used. That approach might also would allow staff to live in the local communities served by the ferry service.

14. Road Equivalent Tariff (RET) roll-out was acknowledged as a very welcome development but that it has put a strain on capacity for some services because of increased demand.
15. The Forum discussed the ongoing freight fares review and commented that it would be helpful if any changes as a result of the review could be brought in before the commencement of the new NIFS contract in April 2018. It was confirmed that Transport Scotland is working with local hauliers and communities through consultation to resolve issues and a meeting to discuss has been scheduled for November 2016.
16. Graham Laidlaw was asked to provide an update on unmet demand. He explained that unmet demand was being tackled through a vessel deployment and replacement programme. While there are still challenges, one solution being looked at is the use of second hand tonnage. A copy of *Meaningful Days Out survey* was passed to the Minister who requested an electronic version be sent to the Forum by Cllr Allan Henderson.
17. The Minister agreed that it had been a good CHFS conversation but that ferry service capacity issues would require a collaborative effort. He was impressed by the TS Ferries team's engagement with island communities and noted that CHFS had been put forward for a procurement award. He highlighted the commitment to reduce ferry fares and said the fare structure for internal ferry services in Orkney and Shetland had been discussed with Transport Scotland.

Item 6 – AOB

18. It was suggested that coastal shipping and its benefits to communities be added to the NTS Review. **The Minister asked that this be added to the record for consideration under NTS Review.**
19. North Ayrshire Council requested that Strathclyde Partnership for Transport (SPT) be included in the Forum given their interest in Arran.
20. The Young Scot National Entitlement card was discussed by Forum members. It was agreed that there were issues with the card and in particular the ability to use the card on trains but not most of the ferries in Scotland as a whole, with the exception of Argyll and Bute. The Forum agreed that there needed to be thinking on the issue. The Minister said that Louise McDonald, Chief Executive - Young Scot, had been in touch to discuss the issues and a possible concessionary scheme for young people is being looked at. **It was agreed that a wider conversation was needed and a discussion with Louise McDonald would be arranged.**
21. Smart Ticketing was also discussed and it was agreed that this is a live issue and that TS was leading further work across all transport modes. It was noted that Shetland Islands Council (SIC) are currently investigating options and

that a paper on Smart Ticketing could be produced. **The Minister asked that Smart Ticketing be added to next meeting agenda.**

Item 7 – Date of next meeting

22. The date of the next meeting is to be agreed.

Summary of actions

- **Brexit to be added to Forum’s agenda as a standing item.**
- **HIAL’s Review of Air Services to be circulated to the Forum.**
- **NTS Review – Air services to be included.**
- **Officials to investigate what is included in the NTS Review and consider if fixed links should be added or discussed in another forum.**
- **Cllr Allan Henderson to send electronic copy of Meaningful days out survey to the forum.**
- **The Minister asked that coastal shipping be added to the record for consideration under NTS Review.**
- **A meeting to be arranged between Mr Yousaf and Louise McDonald to discuss a young peoples’ concessionary scheme.**
- **The Minister asked that Smart Ticketing be added to next meeting agenda.**
- **Agenda and minutes to be published on the Transport Scotland website.**
- **Date for next meeting to be agreed.**