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ZetTrans
SHETLAND'S TRANSPORT PARTNERSHIP



If calling please ask for
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Our Ref: STP/B3/MJC
Your Ref:

Date: 30 September 2010

Dear Sirs,

ZetTrans Response to the Consultation on Northern Isles Ferry Services – 30 September 2010

ZetTrans welcomes the opportunity to contribute to the Consultation on Northern Isles Ferry Services.

Detailed responses to each of the 14 consultation questions have been provided in the questionnaire which accompanies this covering document. This document summarises the principal issues and points ZetTrans wishes the Scottish Government to pay particular attention to in the development of the draft Scottish Ferries Plan.

As recognised by the Minister for Transport Infrastructure and Climate Change in the Introduction to the Scottish Ferries Review Consultation Document, the Scottish ferries network needs to be treated as an integral part of Scotland's transport network.

This is a welcome statement and ZetTrans would ask the Government to consider this statement not just in the context of the Scottish Ferries Review but also on the context of the next Northern Isles Ferry Services contract(s).

For economic and social sustainability the ability of Shetland's people and businesses to access services and opportunities outside Shetland has become an increasingly essential requirement. This is a consequence of how the economy and the administrative/ operational structures of our services in Scotland have evolved. The services and economic/ social opportunities that are essential to quality of life and economic sustainability/ growth are provided or exist more and more outwith Shetland and therefore the need to travel to and from Shetland, be it for commercial, economic, social or personal reasons, has greatly increased.

In effect the ferry links have become akin to the road network in terms of the purpose they serve yet the cost of using this essential part of the transport network is disproportionately high and the capacity and reliability disproportionately low relative to the road network for many island communities. It is not expected that the ferry links could ever provide the level of connectivity and cost to the user that the road network can but the Government is asked to acknowledge how significant the need to travel has become for Shetland.

It is recognised that the financial constraints in the public sector are reaching unprecedented levels and these constraints will have a bearing on how services and infrastructure can be provided. However, at this stage of the consultation process it is important that we remain focussed on what is essential to support economic growth and the role ferry services need to play in that. After all, if we cannot support economic growth or if we undermine the current ability to be economically sustainable then we risk extending the period of recovery from the current economic challenges.

The following are the key issues ZetTrans wishes to make clear in this part of the consultation.

1. The significance of the constraints of cost and frequency/ reliability.
 - a. Shetland faces the highest costs in absolute terms for any Scottish Island group sometimes paying up to 4 times higher cost per journey for the user relative to other services to mainland Scotland
 - b. Lowest number of ferry links and lowest frequency of sailings for any Scottish Island group (only one daily vehicle/ passenger RoRo service, one (almost) daily freight service and one additional LoLo freight service twice each week)

Some of these services are coming under increasing pressure and the constraints are getting more significant over time and will be more significant in future.

2. The Future

It is felt that the consultation takes a short term view and does not take sufficient account of the objective in Shetland to grow the population, build on existing industries such as fishing, aquaculture, oil and gas, events promotion and develop new industries in the fields of renewables and decommissioning. For these opportunities to be realized the capacity and reliability of the transport link must be in place before the investment and development can take place.

There will be increasing demands on ferry/ freight links – some examples

- a. Total Gas Plant – 5 year project – 1000 worker plus all supporting contractors/ services
- b. Renewables – Viking 200+ workers plus all supporting contractors/ services
- c. Decommissioning – numbers not known yet but will be significant as Shetland will be a strategic base for this industry.

- d. Shetland Seafood Industry – value £250m, 25% of all UK fish landings in Shetland.
- e. Increasing Tourism Industry – 2010 best season ever and intending to build on that.
- f. Development of Shetland as an events centre (e.g. conferences) in the low season.
- g. Maintaining economically active proportion of population – requires around 3000 increase in population

The combination of these factors means there will be significant additional demands on the Northern Isles ferry service. For future services this means: -

- a. Finding ways to address capacity constraints (cabin capacity being the predominant issue);
- b. Finding ways to ensure affordability for the user does not decrease
- c. Ensuring frequency and reliability do not decrease
- d. Ensuring future services can be responsive to changing circumstances


A way to address these challenges could be by procuring a replacement freight vessel that has dual passenger carrying capability when required. This would also give the opportunity for a sustainable ferry connection between Shetland and Scandinavia (bringing benefits to the wider Scottish economy) and perhaps enable one of the ropax vessels to be redeployed in the winter months (although more work would be required to establish whether needs could still be met).

Other general points:

- The successful operator must be required to continue to participate in the existing consultation structure.
- Public information and reservation facilities must be maintained at least at existing levels.
- The Scottish Ferries Review reports suggest that RTPs and local authorities should have a greater involvement in the tendering process. This would be welcomed. Consideration should be given to a similar arrangement to the current cost saving Working Group.
- Protect existing arrangements for shipment of livestock.
- Operators must be asked in the tender documents to propose how they will increase the availability of sleeping accommodation on the routes.

ZetTrans looks forward to being involved in the remainder of the process.

Yours faithfully



Michael Craigie
Lead Officer