



The Scottish Government
Riaghaltas na h-Alba

The Northern Isles Ferry Services

Questionnaire

The consultation document and this questionnaire can also be downloaded from the Scottish Government website at:

<http://www.scotland.gov.uk/Consultations/Current>

You can respond to this consultation by completing this Questionnaire. The questionnaire can then be e-mailed to **nifconsultation@scotland.gsi.gov.uk**

Alternatively you can post a hardcopy to the following address:

Scottish Government
Northern Isles Ferries Consultation
Ferries Division
Victoria Quay
Edinburgh
EH6 6QQ

If you require more information or have any questions about this consultation or the questionnaire, then please telephone 0131-244-1539.

Please note that the deadline for responses is **Thursday 30 September 2010**.

Dear Sir/Madam

DOUNREAY STAKEHOLDER GROUP

Please find attached a response to the Scottish Ferries Review by the Dounreay Stakeholder Group (DSG). The DSG is an independent body comprising of over 20 community organisations and details of the group can be found at

www.dounreaystakeholdergroup.org

Consultation Question 1:

a) Should the ferry services be retained broadly as they are?

Yes ☒ No ☐

b) Would you be willing to pay more for these services in order to retain them as they are?

Yes ☒ No ☐

It is inevitable that prices will rise due to the usual annual increases generally, but should be kept in line with other transport providers. However, we would suggest for locals either living on the mainland of Caithness or from the islands a scheme, akin to the air discount scheme, could be considered for those living and working locally who may find an adverse impact on costs if regular travellers to/from Caithness or the islands. This scheme should be inclusive of all ferry services operating in the area (Scrabster, Gills and John O'Groats) to ensure one ferry is not disadvantaged over another.

c) Given the difficult financial situation, where should we be looking to save money within the delivery of our ferry services?

Comments:

At a time when Caithness & North Sutherland have to look at alternative opportunities for employment (given the decommissioning and ultimate closure of the Dounreay site) it is important that the status quo is maintained at present.

With the enormous potential for renewable energy in the future it would make more sense to review at a time when the renewable industry was fully established and then review to see whether traffic has increased significantly.

Consultation Question 2: What is your preferred option in terms of setting fares in the future? If you think that another option should apply, then please specify?

Comments:

Flexibility needs to be key. The consequence of applying Road Equivalent Tariff to ferry routes on the Outer Hebrides will be to reduce fares charged to all passengers, distorting the market away from the Northern Isles (given the access cost to and from all the islands). Applying RET to the Northlink route would reduce fares across the Pentland Firth and leave them unchanged on the Aberdeen service – thereby causing some trade diversion to the short crossing. As long as RET applies in Hebrides there is a disadvantage to Northern Isles and therefore Caithness as a major beneficiary of traffic to Orkney.

In addition, we noticed that some of the charging rates for peak times continued to remain at the same level of other times and you may wish to consider this.

Consultation Question 3: Should the invitation to tender continue to specify these ports?

Yes ☒ No ☐

Comments:

Absolutely – with Caithness & North Sutherland at a crucial time in regeneration activities the impact of not specifying these ports may be detrimental for future potential

opportunities.

Consultation Question 4: Should the invitation to tender continue to specify the routes?

Yes ☒

No ☐

Comments:

Yes for same reasons as 3 above.

Consultation Question 5: Should the invitation to tender allow bidders to nominate other ports/routes?

Yes ☐

No ☒

Comments:

It is important to keep and retain the existing routes. Notably Scrabster to Stromness. Scrabster harbour is proposing an ambitious redevelopment to cope with potential renewables and other emerging industries. If the route was taken away at this time it would have an adverse economic impact to the whole of Caithness and North Sutherland and this needs to be recognised when making decisions on cost savings in one area, because these can easily be offset by detriment in other areas.

Consultation Question 6: a) should the current policy of sharing ferry resources across the two Island groups be retained or b) is there a need for each Island Group to have its own dedicated services? Please tell us why.

a) ☐

b) ☐

Comments:

N/A – we are sure our island colleagues will address this question.

Consultation Question 7: What do you think would be an appropriate food and drink provision on board the services?

Comments:

It would have been useful to have more information on this one. It is unclear whether this service is subsidised or subcontracted. One would imagine that a service such as this was continually reviewing its' business plan to cater for the needs of the passengers. Maybe a passenger questionnaire is needed to identify these needs.

Consultation Question 8: Do the current timetables meet your needs? If not, please outline what changes you would like to see introduced in the comments box.

Yes **X**

No ☐

Comments:

Given the potential opportunity for economic development with renewable energy it is imperative to ensure the schedule allows a whole-day return service. Also need to take into account the requirements of freight/haulage services because a change in service times may result in too much 'waiting' time for business needs.

Following the public meeting on 19th August, held in Thurso, it was highlighted that the option for removing the 11am sailing from Stromness and the 1315 hrs sailing from Scrabster during the low season could be removed. This would not be acceptable as the requirements for the renewable energy development is still an unknown quantity and this may have a detrimental impact.

Consultation Question 9: a) should the Northern Isles ferry services be retained as one single bundle or b) should prospective operators be able to bid for each route separately?

a) **YES**

b) **NO**

Comments:

We would be extremely concerned if the services were to be unbundled because this would allow competitors to get in to separate routes thus diluting the services available.

The Scrabster to Stromness route is a lifeline to many individuals and businesses and would have an adverse affect on the communities of both. It would be of great concern to see these unbundled.

Further, given the crucial time at Scrabster harbour, which is currently working on securing funding for redevelopment, any uncertainty in this area would be a detriment to the economic well-being of Caithness and North Sutherland. Scrabster at this time is the 2nd highest revenue generator.

Consultation Question 10: a) should the Northern Isles freight services remain integrated within the current bundle or b) should freight be tendered for separately?

a) **X**

b) ☐

Comments:

Our initial feeling was to keep it bundled – however we expect that the freight services will address this issue.

Consultation Question 11: Should additional uses for the vessels be explored?

Yes **X**

No ☐

Comments:

While we are in agreement to explore additional uses this should not be to the detriment

of the current services provided. There may be a potential to consider additional uses once the renewable sector becomes more mature and it may be worthwhile exploring if renewable companies have identified their possible needs for the future so that any positive additional uses are factored in at an early stage.

Consultation Question 12: Would you be prepared to consider changes to the current timetables to allow this to happen?

Yes ☒ No ☐

Comments:

Again, while in agreement that services need to be flexible in approach, it can only be done taking into account our response to Question 8.

Consultation Question 13: a) should the current contract duration of six years be retained or b) should the Scottish Government explore the possibility of extending the contract duration?

a) ☒ b) ☐

Comments:

Six years appears to be adequate at present and given the unknown quantities of the potential for marine renewables it may be opportune to review again in six years time to ensure flexibility to attract companies to this area.

Consultation Question 14: Are you satisfied with the current performance monitoring? If not, please outline what changes you would like to see introduced.

Yes ☐ No ☐

Comments:

No comment.

ADDITIONAL COMMENTS

The ferries review need to consider the other issues that can surround towns and islands before making any radical changes. What may be good for the ferries, in terms of cost savings, may have a completely adverse impact on the global economic impact of the area and therefore is not a cost saving in terms of overall savings.

Those undertaking the review need to consider and understand fully how their decisions may impact on other initiatives and from a Caithness/North Sutherland point of view we would urge that you consider the review in the context of a bigger picture.

That bigger picture is the regeneration of an area that has had an industry (Dounreay) that secured one in every five direct jobs, with one in every three indirect jobs being affected.

The Caithness & North Sutherland Regeneration Partnership (a partner organisation consisting Scottish Government, Highlands and Islands Enterprise, The Highland Council and the Nuclear Decommissioning Authority) has developed a high priority action plan to create new opportunities to transition the 1000 strong workforce and approximately the same number in local supply chain workforce away from Dounreay.

The high priority action plan consists of the major redevelopment of Scrabster Harbour to cater for the needs for marine renewables, oil & and gas and other such industries. In addition, the tourism sector is another key priority for the area with the county having so much to offer in terms of heritage, culture, archaeology, etc.

As example of adverse impacts any limitation or reduction on the Scrabster service would potentially:

- Reduce earnings to the harbour and consequently job losses
- Propensity to limit the capability of Scrabster to be able to carry out its full gambit of activities, including the provision of infrastructure for renewable energy development (and again loss of jobs).
- Reduction of passenger and vehicle numbers on the Scrabster service would severely impact on the west side of the county, particularly Thurso businesses but also North Sutherland which benefits from the Scrabster traffic travelling along the north coast.

Scottish Government must take all factors into account as the prosperity of Caithness will ultimately impact upon Orkney and therefore it is imperative that the Scottish Government continue to support all ports in Caithness (Scrabster, Gills and John O'Groats) that offer lifeline services to the islands whether that is subsidising ferry operations or developments of ports for existing ferry operators.