

Part 1 Appraisal Summary Tables

Proposal Details			
Name and address of authority or organisation promoting the proposal: (Also provide name of any subsidiary organisations also involved in promoting the proposal)		Mr Michael Craigie, 01595 744 160, michael.craigie@shetland.gov.uk Shetland Islands Council, Development Service, Transport Planning Service, 6 North Ness, Lerwick, Shetland, ZE1 0LZ	
Proposal Name:	Option CO3: Replace the MV <i>Bigga</i> and MV <i>Geira</i> with three new vessels.	Name of Planner:	Stephen Canning, Peter Brett Associates
Proposal Description:	The current Bluemull Sound vessels, the MV <i>Bigga</i> and MV <i>Geira</i> , would be replaced by three larger vessels.	Estimated Total Public Sector Funding Requirement:	<i>Capital costs/grant</i> £23.40 million.
	The berthing structures at Gutcher and Belmont would be replaced and the linkspans upgraded to large linkspans. A decision would also need to be taken on the overnight arrangements and on berthing arrangements during breaks for the third vessel, and this could add to the cost of this option. A low cost option could involve the use of the facility at Cullivoe although this would lead to operational inefficiencies.		<i>Current revenue support</i> £2.19 million (rounded) per annum.
	<i>Note - The working assumption with this option is that the MV Bigga and MV Geira would be replaced by three like-for-like vessels (TYPE 1). However, there are various vessel combinations available and analysis of demand in the Outline and Final Business Cases would be used to determine this.</i>		<i>Annual revenue support</i> £3.56 million (rounded) per annum.
Funding Sought From: (if applicable)	Transport Scotland	Amount of Application:	<i>Present Value of Cost to Govt.</i> Costs in this study are all reported in 2016 prices only. The costs would reflect those set out above.

Background Information	
Geographic Context:	<p>The islands of Fetlar and Unst are the most northerly inhabited islands within the archipelago. The island of Unst is separated from Yell by the Bluemull Sound, and Fetlar lies to the south of Unst and east of Yell.</p> <p>Unst is by far the larger of the two islands in terms of population, but both islands have close connections with neighbouring Yell and Shetland mainland.</p> <p>Transport connectivity is wholly delivered by a two-vessel triangular ferry service, which links Fetlar and Unst to each other and to neighbouring Yell. The ferry from Unst – Yell takes 10 minutes; from Fetlar – Yell takes 25 minutes; and from Unst – Fetlar 25 minutes.</p> <p>The ferry terminal on Unst is located at Belmont in the south-west of the island, some way south of the main settlement of Baltasound. Fetlar ferry terminal, Hamars Ness, which has recently benefitted significant investment in a breakwater, is in the north-west of the island. The Yell landfall is at Gutcher, which is in the north-east of the island and around 25 minutes' drive to Ulsta, where the ferry can be caught to Shetland mainland.</p> <p>The MV <i>Bigga</i> currently lies overnight at Gutcher, with her first service of the day being to Belmont. The MV <i>Geira</i> lies overnight at Hamars Ness, with her first service of the day being to Gutcher.</p>
Social Context:	<p>Population in Unst declined following the closure of RAF Saxa Vord in 2006 but is now relatively stable at the 600-650 mark. The availability of housing on Unst is reasonably good (although there are some local issues) but there are concerns that housing is of the 'wrong type' for retaining and attracting families. Healthcare in Unst is seen to be of a high standard, although there is a community concern about the lack of some resident specialist services. The school roll in Unst declined sharply with the closure of RAF Saxa Vord, but has recovered slightly since 2006.</p> <p>Fetlar has experienced a significant recent decline in population (81 residents in 2013, down to 59 in August 2015) and the community is now very fragile. Limited on-island economic opportunities, a lack of appropriate housing and the closure of the island shop are amongst a number of factors cited as an issue. The lack of appropriate housing is deemed to be a problem on Fetlar. The island continues to have an on-island primary school and nursery, which is critical, but the roll in each is very low.</p>
Economic Context:	<p>The economic activity rate in Unst also declined with the closure of RAF Saxa Vord and the out-migration of a number of young and economically active families from the island. Whilst the standard of living remains good, the community highlighted the significant economic challenges faced by the island in the longer term.</p> <p>Unst has had its economic challenges in recent years but has now stabilised to some extent, albeit with a much smaller population. It was noted by HIE that there are some promising signs of growth in the local economy, with tourism and food & drink being key growth industries, although the community note that this is small scale in nature.</p> <p>Fetlar currently has a shortage of viable economic development opportunities, an issue the Fetlar Development Plan is</p>

	<p>seeking to address. The island has limited economic opportunities, with the bulk of employment concentrated in agriculture, small scale tourism and the public sector – travel to neighbouring islands and mainland is therefore essential. Overall, the Fetlar community explained that the reinstatement of fares on the Bluemull Sound coupled with the reduction in service provision as part of the 2013 budget cuts is seriously undermining the sustainability of the island.</p>
<p>Planning Objectives</p>	
<p>Objective:</p>	<p>Performance against planning objective:</p>
<p><i>TPO1: The capacity of the services should not act as a constraint to regular and essential personal, vehicular and freight travel between the island(s) and Shetland Mainland</i></p>	<p>Performance against Transport Planning Objective: Moderate Positive A three vessel solution would offer an almost turn-up-and-go frequency on the Bluemull Sound route (particularly for Unst which currently has the more frequent connections, a situation which would be assumed to continue given the population differential between Unst and Fetlar), significantly reducing the scheduled time between connections. This would generate major positive benefits for both islands (particularly Unst) in that the increased frequency would mitigate the capacity issues currently experienced and would likely future proof the route against growth. A third vessel would also make a contribution to minimising timetable variation, providing flexibility and standing in during e.g. meal breaks (if a sufficient layby berth were available), scheduled maintenance, drydock periods etc. The issue of timetable irregularity, low frequency and service gaps was raised as a specific concern by the Fetlar community, and one which they see as having a highly negative impact on the ongoing sustainability of the community.</p>
<p><i>TPO2a: Where an island has a 'commutable' combined ferry or drive / public transport / walk time to a main employment centre (e.g. 80 minutes), the connections provided should reliably facilitate commuting</i></p>	<p>Performance against Transport Planning Objective: Neutral This objective is not considered relevant for the Bluemull Sound.</p>
<p><i>TPO2b: Where an island does not have a 'commutable' combined ferry or air / drive / public transport / walk time to a main employment centre (e.g. 80 minutes), the connections provided should reliably permit at least a half day (e.g. 4 hours) in Lerwick 7 days a week, all year round.</i></p>	<p>Performance against Transport Planning Objective: Neutral This objective is delivered by the current service.</p>
<p><i>TPO3: The scheduled time between</i></p>	<p>Performance against Transport Planning Objective: Moderate Positive</p>

<p>connections should be minimised to increase flexibility for passengers and freight by maximising the number of island connections across the operating day.</p>	<p>The provision of a three vessel solution on the Bluemull Sound route would offer an almost ‘turn-up-and-go’ timetable, particularly for Unst. On a typical weekday (Tuesday – Friday), the two vessel service offers 26 (+1 request) direct sailings between Belmont and Gutcher and 6 (+2) direct sailings between Hamars Ness. These are supplemented by a number of indirect sailings between the islands. Given the current service frequency, an additional vessel could add a significant number of additional sailings (in excess of 20 single sailings) if operated on a ‘day boat’ basis.</p>	
<p>TPO4: The level of connectivity provided should minimise the variation within and between weekdays, evenings, Saturdays and Sundays.</p>	<p>Performance against Transport Planning Objective: Major Positive A three vessel solution would provide sufficient flexibility to allow for the maintenance of a two vessel service during scheduled maintenance meal breaks (if a suitable standby berth were available), ensuring consistency across the working week.</p>	
<p>TPO5: Where practicable, islanders should be provided with links to strategic onward transport connections without the need for an overnight stay on Shetland mainland.</p>	<p>Performance against Transport Planning Objective: Neutral This option would have no impact on strategic connectivity, although the service frequency would be higher for residents travelling to / from Sumburgh and Lerwick.</p>	
<p>Rationale for Selection or Rejection of Proposal:</p>	<p>This option is retained for further consideration. A 3-vessel solution would alleviate capacity issues on the route and provide a step change in the service. The costs and benefits of this compared to Option C1 (the Do Minimum) and C2 (2* larger vessels) need to be established and quantified. An overnight berthing solution for the third vessel would need to be confirmed.</p>	
<p>Implementability Appraisal</p>		
<p>Technical:</p>	<ul style="list-style-type: none"> • The berthing structures at Gutcher and Belmont would be replaced and the linkspans upgraded to large linkspans. • An additional overnight berth for the third vessel may be required 	
<p>Operational:</p>	<ul style="list-style-type: none"> • Requirement for additional crew & crew induction training. • Issue around where third vessel overnights. 	
<p>Financial:</p>	<p>The capital cost would be £23.40 million, with annual revenue support estimated at £3.56m, an increase of approximately £1.37m per annum on the current day figure.</p>	
<p>Public:</p>	<p>There was very little engagement from the Unst public with respect to replacement ferry options. The majority of comments on the options were concerned with fixed links. Some support for this option from Fetlar residents.</p>	
<p>STAG Criteria</p>		
<p>Criterion</p>	<p>Assessment</p>	<p>Supporting Information</p>

	Summary	
Environment:	✓	<ul style="list-style-type: none"> • Potential for emissions reduction from new vessels compared to current vessels. This however, could be offset by the operation of a third vessel. • Construction works to berths and increased dredging has potential for short term environmental effects (noise, visual, water quality). • No other effects predicted but effects of maintenance works unknown as not specified. <p>Environmental Constraints The environmental constraints at the Bluemull Sound ports are provided below for information</p> <p>Gutcher Constraints</p> <ul style="list-style-type: none"> • Residential properties within 50m of ferry terminal • Fetlar to Haroldswick MPA located in waters just offshore from the ferry terminal (and within 50m of the outer edge of the harbour) • Southwick Cullivoe Shellfish Water Protected Area within 1km and Bastavoe Shellfish Water Protected Area within 4km • Geological SSSI to north and south of ferry terminal • listed building within 100m • Coastal flooding risk • Good air quality <p>Belmont Constraints</p> <ul style="list-style-type: none"> • Residential properties within 200m of the ferry terminal • Core paths CPPUO03 Belmont to Lund starts at the harbour • Fetlar to Haroldswick MPA located in waters just offshore from the ferry terminal (and within 50m of the outer edge of the harbour) • Southwick Cullivoe Shellfish Water Protected Area within 0.5km and Bastavoe Shellfish Water Protected Area within 6km • Coastal flooding risk • Good air quality <p>Hamars Ness Constraints</p> <ul style="list-style-type: none"> • Not applicable as no significant works proposed
Safety:	Neutral	The MV <i>Bigga</i> and MV <i>Geira</i> both have passenger accommodation below the waterline. Regulations require that any new tonnage has passenger accommodation above the waterline, and thus there would be a moderate safety benefit associated with this option.

		<p>However, it should be noted that a three vessel solution could potentially have a marginally negative impact on safety. In previous examples where the service frequency has been increased, there has been an uplift in car carryings. Whilst increased car journeys are likely to increase with this option, any impact is likely to be marginal.</p> <p>Moving to a three vessel solution would statistically increase the possibility of marine accidents (due to more ferry journeys being undertaken). There would also be an increased risk of a close quarter incident with three vessels operating a relatively short route. However these risks are deemed to be relatively minor overall.</p>
Economy:	✓✓	<p>A three vessel solution would contribute positively to the STAG economy criterion. The frequency increase would offer minor TEE benefits, particularly in Fetlar where the service frequency is more limited. Even if there was not an uplift carryings, there would be an 'option value' associated with having a service available.</p> <p>Perhaps more significantly, a three vessel service would offer moderate EALI benefits, particularly if the third vessel was used to fill existing gaps in the timetable. Benefits would accrue in terms of residents, tourism and locally traded services. Given the prominence of the aquaculture sector on Unst, a higher frequency service would support the manufacturing & processing sector, and could encourage inward investment into the island (e.g. tourism and food and drink opportunities at Saxa Vord)..</p> <p>Finally, more modern vessels would improve the perception of both Fetlar and Unst as a place to live work and do business.</p>
Integration:	✓✓	<p>This option would have a positive impact in terms of policy integration, in that it contributes positively to enhanced disabled access and meets wider and more general policy commitments to supporting inter-island transport links. Addressing the capacity issues would also make a positive contribution to the Unst and Fetlar Development Plans.</p>
Accessibility and Social Inclusion:	✓✓	<p>The provision of three larger ferries would improve community accessibility through reducing the capacity issues identified on the Bluemull Sound route, which are seen to be the key constraint to economic growth. The frequency issues could also be addressed if additional revenue funding was provided to increase the service level.</p> <p>This option would also support enhanced disabled access to the Bluemull Sound services , helping to tackle the issue of social exclusion experienced by this group.</p>