
NOTE

**Shetland External Transport Forum
Council Chamber, Town Hall, Lerwick
Thursday, 21 March 2019 at 2.15 p.m.**

Present:

R McGregor
R Thomson

In attendance (Officers):

M Craigie, Lead Officer
R Barton, Transport Policy and Projects Officer, SIC
B Kerr, Communications Officer
L Malcolmson, Committee Officer, SIC

Also In attendance:

P Linhart-MacAskill, Transport Scotland
M Garvie, Transport Scotland
S Garrett, NorthLink Ferries
K Bevan, NorthLink Ferries
J Burgess, Serco
J Hinkles, Loganair Limited
I Scott, Councillor
J Fraser, Councillor
A Cooper, Councillor
G Maitland, Harbour Master, Ports and Harbours, SIC
S Mathieson, VisitScotland
N Leslie, Northwards Ltd
C Eunson, Northern Farmers Union
L Scott, Northern Farmers Union
D Neil, JBT
D Ristori, Lerwick Community Council
A Farquhar, HIAL
S Myles, HIAL

Apologies:

D Sandison, ZetTrans
T Smith, Councillor
R Henderson, Seafood Shetland
C Grains, Lerwick Port Authority
V Sandison, Lerwick Port Authority

Chairperson

Mr Thomson, Chairperson presided.

Circular

The circular calling the meeting was held as read.

Minutes

The minutes of the meeting held on 29 November 2018 were confirmed.

01/19 **Matters Arising**
None.

02/19 **Transport Scotland Updates**
The Forum were provided with a slide presentation.

NIFS Contract 2018 (Now 2019) – progress update:

Mr Linhart-McAskill advised that the tenders had been issued on 17 January 2019 with submissions by April 2019 in order that the contract can commence on 31 October 2019. Three operators had been accepted as approved tenderers. There was also notification of a legal challenge to the procurement process and a Judicial Review from Pentland Ferries would proceed to a hearing on 21 March 2019 at the Court of Session. Mr Linhart-McAskill also advised that Pentland Ferries had complained to the EU Commission and Ministers will continue to defend the position.

RET full rollout update:

In terms of reduced fares Mr Linhart-McAskill explained that until the outcome of the state aid complaint is clear there would be no further reductions beyond those implemented, for Shetland residents only, back in June 2018.

Comment was made on the cost of fares for cars and cabins and also the need for adults to rest properly on a flat bed and that empty berths could be made better use of. It was suggested that although the ferry experience is much better than previous vessels the cost was still an issue for many travellers. Mr Linhart-McAskill advised that there was an appreciation by Scottish Ministers when considering reducing fares and the issue of cabin prices but demand was being looked at in the longer term. It was acknowledged however that there was no immediate solution. Mr Linhart-McAskill added that the accommodation upgrades, providing 66 new pods on the Aberdeen services, may be price sensitive and would potentially free up cabins. When it was suggested that the accommodation upgrade was a missed opportunity Mr Linhart-McAskill explained that it had not been possible to increase the number of cabins but it was hoped that the introduction of pods would improve travel for the islanders during busy periods.

In terms of the cost structure, Mr Linhart-McAskill was asked why the cheapest exclusive use option would be a four berth cabin, as this takes away three bunks that would be available had a two berth with exclusive use not been more expensive. Mr Linhart-McAskill was also pushed on a timescale for consideration of ferry fares and a request was made that he engage with Ministers for definitive timescale. Mr Linhart-McAskill said that he would take that request under advisement.

Further comment was made on whether cabin fares had been looked at from an equalities perspective and as this is a lifeline service it should provide for all residents but some residents cannot afford a cabin due to their earnings. Mr Linhart-McAskill said that he would report back to the Forum in June 2019.

North Isles Ferry Services:

The Forum were advised that the £2m vessel upgrades previously advised, were underway and that the Hamnavoe and Hjaltland works had been completed during drydock in January 2019 and February 2019 and the Hrossey would be completed by 25 March 2019.

North Isles Freight Services:

Flexibility has been built into the freight service and the MV Arrow had been deployed during peaks of demand in 2018. Mr Linhart-McAskill was asked if the flexibility of the MV Arrow would be available again this year for the transfer of livestock, and he advised that Transport Scotland was engaging with the operator and they would take on board any evidence available. He said however that there were financial aspects and associated costs to consider but he assured the Forum that this was a matter that Ministers were mindful of. In responding to a further question, Mr Linhart-McAskill advised that decisions relating to timetables and changes required rested with Transport Scotland but additional costs required a decision of Ministers but Transport Scotland would provide Ministers with information from stakeholders and operators. Mr Linhart-McAskill was advised that there are certain activities that occur at the same time each year and can be planned for and it was important for producers to know in advance that the boat and facilities are available to meet demand. Mr Linhart-McAskill acknowledged that was a valid point, that would be considered, and that all parties involved would want to ensure that demand is met. In response to a further question, Mr Linhart-McAskill advised that he would respond on the matter of flexible freight provision to the Chair as soon after raising this with Ministers.

Ferry Freight Fares Review:

The Forum were informed that the freight fares were under review with more detail to be provided, and following which a decision will be made.

The Chair thanked Mr Linhart-McAskill for his presentation.

03/19

Presentation by Loganair

Mr Hinkles, Managing Director of Loganair, gave a slide presentation, and reported on a number of matters including:

- Loganair's intention to continue flights to Fair Isle in support of the community even though demand will be down following the recent fire at the Bird Observatory.
- Flight reliability and punctuality to and from Shetland
 - Improved Nov-Feb 2018 with fewer flight cancellations for weather or other reasons.
 - Flight disruptions down from 19 to 11 in the last 4 months.
- Airline performance – in top 5 operators last year.
- Customer service performance – second on league table on Trip Advisor
- Passenger volumes – statistics explained in detail – work being done to encourage winter travel.
- Summer 2019
 - Summer Schedule starts Sunday 31 March 2019.
 - Sumburgh, Kirkwall and Inverness will have twice daily flights on weekdays.

- Manchester service to operate Saturday non-stop service during May to October.
- Bergen Wednesday and Saturday flights to have the SAAB 2000 operating.
- Three new connections will be available from Aberdeen including Bristol, Esbjerg and Oslo.
- London Southend Airport from 12 May 2019, three flights per day with connections to Shetland via Aberdeen.
- HIAL Air Traffic Control industrial action:
 - Stoppage on 26 April 2019 – all flights removed – existing bookings can be changed to before or after 26 April 2019. If action is called off there will be a skeleton service but the aircraft will not fly if it is empty.
 - Ongoing action means that there will be no opportunity to operate outwith terminal hours therefore delayed flights may not be able to operate. A contingency of 15 minutes has been put in place on flights, as a buffer for the last flight before the airport closes.
- Winter Schedule 2019
 - Flights will be on sale from next week and issues experienced during the last winter will be addressed from the feedback received covering Christmas, New Year and Up Helly Aa 2020.
 - Additional service from and to Norway will be put in place to encourage Norwegian visitors travel to Up Helly Aa in a more direct way
 - Edinburgh Schedule to maintain a 7.40am southbound departure and an 8am northbound departure to allow a full working day at both ends of the route as highlighted by passengers.
 - Inverness route to be revisited to allow more time in Inverness
- Customer Services
 - Online rebooking has been well received by the public.
 - The Loganair App is in its final testing
 - Ground handling in Edinburgh and Glasgow has changed since 17 March 2019
 - Self-service bag drop is available in Edinburgh
 - Check-in at Glasgow airport will be better positioned from May 2019
 - Boarding ramps will be rolled out by Summer 2019

During questions, Mr Hinkles stated that compassionate fares are available to everyone and not limited to ADS passengers and he confirmed compassionate fares would have been available for the family mentioned, travelling from Edinburgh.

Attention was drawn to the air traffic control strikes, and Mr Hinkles was asked if it would be possible to use Scatsta Airport for Loganair flights instead of cancelling flights. Mr Hinkles explained the operational complexities and pilot training required to be maintained therefore he advised that Scatsta would have to be used regularly or not at all, but it was impossible to use that airport on an ad hoc basis.

Comment was made on the lack of seats within two weeks of booking, and it was suggested that this could be addressed as the plane is seen as a lifeline service, however Mr Hinkles said that management are not seeing that trend. He said that there is the odd flight that is full but over the winter most flights were only half full across the board. Mr Hinkles advised however that on the Aberdeen/Sumburgh route it is possible to change the 33 seater SAAB340 for the 50 seater SAAB2000 if the demand is there or a fifth daily flight could be added using the SAAB340, but he added that there was nothing to suggest that there was a lack of capacity. Mr

Hinkles advised that the increase in services in the summer may address the concerns raised.

Reference was made to the changes to the Bergen flight and the question was asked whether market research had supported that change. Mr Hinkles said however that this was a “give it a try” situation, as there was a view that this type of airline route may see growth and the only way to find out was to test that view. He also responded to a query on the Bergen route timetable for Up Helly Aa and advised that this would be a Sunday flight to Shetland and Wednesday flight, in both directions. He said that if there was demand for more capacity in future years this could be considered. Mr Hinkles added that marketing of this route was taking place in Norway.

During further questions, Mr Hinkles advised on the notice period for flight changes, and that although 14 days’ notice is the requirement Loganair aim to notify of changes much sooner. He explained that changes had been necessary during March to carry out heavy maintenance checks. However it had not been possible to control whether customers received their emailed notification, whether customers check their emails regularly or if the message is directed to an individual’s junk mail. Mr Hinkles said that it is possible to see if an email has been opened and a call to the customer will be made.

Mr Hinkles was also asked how best to get to central London and he explained that there are flights to London City Airport with excellent connectivity to the city centre via a train station just a short distance from the airport.

Reference was made to the variety of fares available on the same routes and Mr Hinkles was asked if there was a particular formula that was followed. Mr Hinkles explained that the first £45 of any journey fare is made up of airport taxes and charges. He said that operators are legally required to provide 10% of seats on their lead in fare and once that allocation is sold out the price goes up. He said that there was a lot of science involved to maximise people travelling and reminded the Forum that there is no direct subsidy received unlike other modes of transport.

In terms of delays and how passengers are allocated seats on following flights, Mr Hinkles explained that prioritisation is given to NHS patients if they have not missed an appointment, and this priority is given to both directions of travel. He said that where passengers have onward travel bookings they may be re-routed through another airport if it is possible still to meet their connections. Mr Hinkles said that if necessary the standby aircraft is used in Aberdeen or Glasgow to put on extra flights.

There being no further questions, and the Chair thanked Mr Hinkles for his presentation.

04/19

Presentation by Serco NorthLink

Mr Garrett, Managing Director, NorthLink Ferries, gave a slide presentation and advised that the information provided would be available on their own Northlink webpage. Mr Garrett reported on a number of matters including:

- Volumes PCP – All Routes and Lerwick specific information
- Operations Update including number of sailings, cancellations and delays
- Performance, Reliability and Punctuality

- Dry-docking
- Scheduled and additional freight services
- Stabiliser refurbishment/order
 - Purchase of a new stabiliser will allow the existing set of stabilisers to be refurbished to new and held as spares, as the normal lead in time for orders is 290 days.
- Introduction of changing places to support disabled customers preserve their dignity and assistance provided by the use of hoists and a sluice. He added that this was the first facility to be provided within the industry.
- Shop and teen zone have moved and figures on shop sales were on par with other previous years for the same period.
- Customer Services Questionnaire – the rating for poor was zero.
- Community engagement and sponsorship
- Marketing
 - 6 special Northlink films were shown last weekend looking at Shetland and Orkney.
 - Drone footage from Rory Gillies to be used by June.
 - Puffin photo by Billy Fox will be seen on busses in Glasgow, Edinburgh, Aberdeen and Inverness between April and July.
 - National apprenticeship week – 14 apprentices are currently working in the organisation
 - International Women's Day – opportunity was taken to acknowledge contributions
 - Investors in People - Gold award received, NorthLink are the only service in the Ferry Industry to achieve this award.
 - Investors in Young People
 - Investors in Health and Wellbeing
- Recruitment – Northlink are hiring new staff.

During questions and answer session, Northlink was commended for its accolades and for being an “Investors in People and Young People” and for the provision of dignified changing facilities. It was hoped that this would encouraged other organisations to do the same.

Mr Garret was asked specifically about the recent documentary that it was believed portrayed Shetland in a negative way and whether Northlink had plans to counteract any negativity. Mr Garrett explained the circumstances that led to the filming on the Hrossey and advised that it had taken place over a number of days. He explained that once permission had been granted Northlink had no involvement in its production. Mr Garrett explained that since the documentary aired Northlink had received contact from the public who want to travel and meet the staff involved.

In referring to the behaviour of passengers in more general terms, Mr Garrett provided the number of Passenger Disorder Incidents that had taken place in 2018 and it was noted these had increased during the term that the gas plant was being constructed. He said that it is necessary to have security staff on board and the documentary showed a situation where security had stepped in. Mr Garrett said that he is regularly contacted by Police following incidents on board the vessels. Mr Garret stated that Northlink will adopt a no tolerance approach. Mr Hinkles advised that when a commitment is made to filming in this way there is no editorial control given and it is taken on trust what angles will be taken but once committed there is no control. Mr Garrett said he felt that there had been a good balanced

look taken at the challenges for Northlink by the documentary but in contrast there had been a further documentary by Susan Calman who had travelled to Orkney on a blue sky trip. Mr Garrett said that in its marketing it works to sell the virtues of the Northern Isles at every opportunity.

The Chair thanked the NorthLink representatives for their attendance.

05/19 **Agenda Items for Future Meeting 2019/20**

Licensed Aircraft Scheme

06/19 **AOCB**

- Mr Hinkles advised of a three year apprenticeship scheme now available for application and Loganair are keen to encourage applicants from Shetland and Orkney.
- The Forum were advised of the UK Premier holidays inclusion of Channel Islands, Shetland and Orkney with their brochures available on travel agent shelves.
- Mr Garret was asked about the Aberdeen Harbour improvements and he confirmed that there was no RoRo or lairage facility at the Aberdeen South development. He said that the existing facility in the north had seen no change and there were no improvement to accessing Aberdeen Harbour. He advised that passenger ships have had right of access in and out of Aberdeen Harbour since 2012 and advised on the tidal constraints for dredging.

07/19 **Date of Next Meeting and Future Meetings:**

All meetings to be held at 2.15pm in the Council Chamber, Town Hall, Lerwick

- Thursday, 13 June 2019
- Wednesday, 18 September 2019
- Wednesday, 11 December 2019
- Wednesday, 25 March 2020

The meeting concluded at 4pm.

Chairperson