



The Scottish Parliament
Pàrlamaid na h-Alba

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Member of the Scottish Parliament for West Scotland Region

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Rt. Hon. Nicola Sturgeon MSP
First Minister
Scottish Government
St Andrew's House
Regent Road
EDINBURGH
EH1 3DG

Our Reference: PRIVFM-JR

Ferry Services (Public Ownership)

Dear First Minister,

I am writing regarding public ownership of the ferry service, which you may recall I asked about last week at First Minister's Questions. I just wanted to follow up on some of the points which were raised, in particular to repeat my call for the publication of the Ernst and Young report and to ask for a commitment that no part of the current Calmac contract will be awarded to a private company.

In response to my question of whether the Scottish Government would give a commitment to keep ferry services in public ownership, you confirmed that "we will not privatise our public service ferries and, equally, we have no plans to split up the CalMac network". I warmly welcome this commitment. I assume the press reports you mentioned in your answer refer to the [investigation](#) carried out by The Herald newspaper, published on 27 January. The documents seen by the newspaper are not speculative. As has been confirmed by the Scottish Government, consultants Ernst & Young have been tasked by ministers to review governance arrangements for Scottish Government lifeline ferry services. Transport Scotland 'consultancy requirements' documents, seen by the Herald, explicitly confirms that Ernst & Young were asked to do the following:

*"Examine and identify governance and structure options for long term consideration to include an assessment of global best practice. **This should include an analysis of the challenges and opportunities associated with options for decentralisation (unbundling of routes into smaller packages).**"*

My understanding from your answer is that you are ruling out an option that Ernst & Young are being paid to consider. If this is the case, I fully welcome this. However, I hope you appreciate the decision to commission private consultants to consider this option has caused considerable alarm among trade unions, amongst others, including the RMT which received direct assurances in 2017 that the Scottish Government would build a case for a permanent in-house operation of the CHFS contract.

I am also concerned that private consultants were commissioned to conduct this analysis,



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with no input from workers or affected communities whatsoever. Indeed, I believe the longstanding failure to include workers or island and coastal communities in key decision making processes – neither are represented on CalMac or CMAL boards, for example – is one of the reasons our ferry service faces such challenges today.

There is no doubt the resilience of CalMac has been tested due to the extraordinary situation we find ourselves in, with Covid-19 causing staffing absences. However, it is not public ownership that has caused the ferries crisis. More than 1,000 ferry sailings have been delayed over the past five years due to mechanical issues. Having spoken to professionals and experts in the sector, it is clear this is due to a long-term failure to invest in new fleet. Just two ferries operating on core service routes have been delivered to CalMac since 2007, and half of the current 31 state-owned vessels are over the typical life expectancy of 25 years old.

The delayed completion of the two commissioned vessels at Ferguson Marine – including the MV Glen Sannox – has only highlighted the urgent need for the Scottish Government to come forward with an updated procurement policy. That must not mean scouring the globe for cheap second-hand vessels or a race to the bottom on conditions by chartering ships from anti-union operators, as was the case with the failed proposal to charter the MV Pentalina from Pentland Ferries.

I am relieved to hear your public commitments on this and look forward to hearing from you on whether you will ensure the Ernst & Young report is published as soon as possible and if you would clarify whether you will guarantee that no part of the current Clyde & Hebrides ferry contract will be handed to a private company.

I look forward to hearing your response.

Yours sincerely,

Katy Clark MSP
West Scotland Region