

Report to Partnership Meeting 7 February 2014

RESEARCH AND STRATEGY DELIVERY

Orkney Internal Air and Ferry Services Study

PURPOSE OF REPORT

To inform the Members of the invitation to tender that has been issued through the Highlands and Islands transport consultancy framework contract for the Orkney Internal Air and Ferry Services Study and the scope this research will cover.

Background

The inter-island air and ferry routes in Orkney provide a fundamental life-line service to the mainland of Orkney for the import and export of goods and services and for residents, for access to vital services including health, education, and vet services and businesses to travel to and from the islands.

In order to promote economic growth and the long term survival of the fragile archipelago of islands, the study will aim to carry out a review of the current transport services to the Outer North Isles and recommend what changes could be made to the air/ferry mix to improve these links in the short, medium and long term.

The inter-island air Public Service Obligation (PSO) to the Outer North Isles and internal ferry services operated by Orkney Ferries Ltd are currently the responsibility of the Local Authority. It is intended that consideration be given to best value and affordability in the proposals made within the study.



The focus of this study will be on transport services to the Outer North Isles of Orkney namely; North Ronaldsay, Papa Westray, Westray, Sanday, Stronsay and Eday. At present, these islands receive a scheduled ferry and air service albeit the frequency differs significantly due to island size, distance, demand for freight and season.

The inter-island air PSO service is operated by Loganair Ltd using two Britten-Norman Islander aircraft with an 8-seat capacity. The service is provided with only one aircraft during the summer timetabled service to allow for maintenance. Two aircraft operate during the winter months to maximise the frequency during limited daylight hours. The service was placed following a competitive tender process with all applicants bidding against a pre-determined timetable as the minimum service level.

The islands of Papa Westray and North Ronaldsay receive an enhanced service by air due to their distance to the mainland of Orkney, size of population and a limited ferry service. The life-line transport service to the islands of Papa Westray and North Ronaldsay is therefore by air. For the islands of Eday, Westray, Sanday and Stronsay their life-line service is by ferry although flights are also scheduled. This is particularly to accommodate itinerant teachers who visit the islands for specialist taught subjects. The air services timetable is therefore largely formed due to the demands of Education Services. Pupils from Papa Westray, North Ronaldsay and Secondary 1/2 aged pupils from Eday also travel to the mainland of Orkney by air to attend secondary school on a weekly basis. These factors affect the availability of seats on scheduled flights during term-time. Access to health services also forms a large part of the usage and timetables to suit appointments and onward travel to Aberdeen Royal Infirmary are also a consideration.

The Outer North Isles are covered by the MV Earl Sigurd, MV Earl Thorfinn and MV Varagen which carry passengers, vehicles and freight. The vessels have an individual passenger capacity of 141 during the summer which reduces to 91 during the winter months. The Sigurd and Thorfinn can carry 80-100 tonnes and the Varagen up to 120 tonnes of cargo though this can be reduced in poor weather.

The vessels are ageing and are in need of replacement due to ages in excess of 25 years, MCA regulatory demands, DDA requirements and crew accommodation. Dispensations are currently in place with the MCA to ensure the continued operation of services whilst the Local Authority considers a ferry replacement programme. Discussions on the long-term responsibility of internal ferry services in Orkney are ongoing between the Local Authority and Transport Scotland.

Purpose of Study

The purpose of this study will be to consider transport provision to the Outer North Isles and how best to serve these islands in the short, medium and long term taking into consideration best value to the Council.

The will review the internal air and ferry services to the Outer North Isles and whether the frequency of either service could be amended to better meet the needs of these outlying communities but in the context of a ferry/air mix.

Consideration will be given to the movement of passengers, vehicles and freight to and from the Outer North Isles and whether an alternative mix between air and sea could be considered. Options should be clearly outlined in the study after considering the needs of the community, best value to the Council and the current timetable structure for both air and ferry services. Benefits for consideration are service improvements and efficiencies but ideally, both. The Routes and Services Methodology (RSM) work undertaken by Transport Scotland on the internal ferry services should be used when considering the level of provision to each of the Outer North Isles.

The study will consider how service enhancements by air or ferry can best be delivered but particularly so in considering changes to the air/ferry mix and at what point a modal shift from one to the other might occur. It is expected that this will consider the use of additional aircraft or aircrew for example.

Consultation

It is not expected that public consultation events will be required as part of this study. Instead, this work will rely on desk top review of previous work and new information gathered. Key

agencies should be approached for face to face or telephone interviews. This is expected to include the following key air/ferry service users:

- Local Authority (Education Service, Transport Service and Economic Development)
- NHS Orkney
- Highlands and Islands Enterprise (HIE)

Consultants are expected to liaise closely with Loganair Ltd , Orkney Ferries Ltd, Council Transport Staff and airfields management as part of the study.

Budget and Study Management

An estimated budget of £20,000 has been set aside for this study with the costs split between HITRANS and OIC. This work is included in the HITRANS Business Plan. HITRANS will commission the work utilising the Highlands and Islands Consultancy Framework mini bid system.

Recommendation

1. Members are asked to note this report.

Risk	Impact	Comment
RTS delivery	√	Supports RTS objectives in improving Air Access to and within the region.
Policy	√	Supports the development and understanding of HITRANS Aviation priorities.
Financial	-	The project is identified in the 2013/14 Business Plan.
Equality	-	

Report by: Ranald Robertson
Designation: Partnership Director
Date: 24th January 2014