

Fiona Hyslop MSP Cabinet Secretary for Transport

By email only

Net Zero, Energy and Transport Committee c/o Clerk to the Committee Room T3.40 The Scottish Parliament Edinburgh EH99 1SP

netzero.committee@parliament.scot

08 May 2024

Dear Fiona,

Third Clyde and Hebrides Ferry Services Contract

The Committee's 2023 report on a Modern and Sustainable Ferry Service for Scotland, explored the award of the next contract for the Clyde and Hebrides Ferry Service (CHFS). The current contract (CHFS2) is due to conclude at the end of September this year. In our report, we noted the view of the management consultants EY in the "Strategic framework of options for the CHFS network Part 2 - Project Neptune" report that—

- Contracts of this nature take at least 18 months to procure; and
- The commercial principles should have been in place by summer 2022.

We recommended—

"The Committee believes that, if island communities appear to support making a direct award, and there is no legal barrier to it, then this should go ahead for the CHFS3 contract only."

It has since been shown through the publication of the <u>report by the Chair of</u> <u>the Ferries Community Board</u> that island communities do not appear to support an uncontested direct award to Calmac. The report says that the "operator function...should continue to go out to tender to test the market for best value and encourage innovation and best practice".

The Committee asked you in <u>September 2023</u> when a decision, and subsequent announcement, would be made on how the next contract will be awarded, and if an extension to the current contract would be required in the meantime. You said this issue was connected to wider considerations of governance of ferry services and the islands connectivity plan. You indicated the Committee would be informed when decisions on these factors would be taken.

However, given the proximity now to the conclusion of the current contract, I am writing to you to seek confirmation of—

- Whether the current contract, awarded to CalMac, will be extended?
- How the Scottish Government intends to award the next contract for delivery of Clyde and Hebrides Ferry Services.

On behalf of the Committee, I seek a response by **30 May 2024**.

Yours sincerely,

Edward Mantain,

Edward Mountain MSP Convener **Net Zero, Energy and Transport Committee**