## Jim Eadie MSP

Convener: Infrastructure and Capital Investment Committee Scottish Parliament


LEGACY 2014
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10 June 2015

Dear Jim,
CLYDE AND HEBRIDES FERRY SERVICES 2016-2024
I wrote to you on 17 February 2015 to inform the Infrastructure and Capital Investment Committee of the start of the Clyde and Hebrides Ferry Services tender process. I am today announcing that two operators are being invited to tender after successfully completing the pre-qualification stage.

I have attached my News Release that will issue shortly.
Kind regards


## CHFS tender process reaches ITT stage

## Two operators invited to submit bids

Two operators have been invited to take part in the next stage of the tender for the Clyde and Hebrides Ferry Services (CHFS) contract, Minister for Transport and Islands Derek Mackay has announced.

CalMac Ferries Limited and Serco Caledonian Ferries Limited have both passed the prequalification stage of the process and will be invited to submit tenders for the next CHFS contract, which will run from 1st October 2016 for a duration of up to eight years.

Both operators will, today, be given access to copies of the draft Invitation To Tender (ITT) documentation, which will then formally be issued to them on the 10th July 2015.

The invitation for both operators to submit a final tender is scheduled for December 2015, with a view to awarding the contract in May 2016.

Mr Mackay said:
"This is another significant step forward for the tender process and moves us closer to awarding the next Clyde and Hebrides Ferry Services contract.
"The award of this contract will be an incredibly important moment for the island communities served by these lifeline ferry services. The Scottish Government will provide up to £1bn of funding to support the enhancement and development of these services, in addition to fares revenue. It will also ensure that Road Equivalent Tariff (RET) continues to be applied on CHFS routes, bringing significantly reduced fares for passengers, cars, small commercial vehicles and coaches and helping to support local communities and the tourist industry.
"These ferry services play a crucial role in enabling continued and sustainable economic growth for the islands. We are committed to delivering the very best deal for all of the communities of the Clyde and Hebrides."

## Notes for Editors:

- Calmac Ferries Limited and Serco Caledonian Ferries Limited have prequalified and will be invited to submit tenders for ferry services and harbour operating services for harbours owned by CMAL for the provision of the Clyde and Hebrides Ferry Services from 1 October 2016.
- The two bidders will have access to the data room and draft ITT from 10 June to allow them to plan their approach to the competition before they receive the Initial ITT on 10 July 2015.
- There will be no unbundling of ferry services in the next CHFS contract. The tender is being taken forward as a single contract.

INVESTOR IN PEOPLE

- Timeline:

| Announcement of selection of and engagement with Participants, including making draft copy of initial ITT available for reference | 10.06.2015 |
| :---: | :---: |
| Formal issue of the initial ITT documents | 10.07.2015 |
| Procedure for the Ferry services (the Contract) |  |
| Submission of initial Tender | August 2015 |
| consideration, discussion and negotiation, and call for further tenders | To October 2015 |
| Period allowed for further round | Variable, according to requirements, and which may affect (bring forward) subsequent indicated dates |
| Issue of Invitation to Submit Final Tender | December 2015 |
| Submission of final tenders | January 2016 |
| Procedure for the Harbour operating services (the Agreement) |  |
| Submission of Tender | As date of submission of final tender for Ferry services subject to the provision of 6 weeks' notice if that date is brought forward |
| Anticipated award of the Contract and Agreement | May 2016 |
| Proposed start of Public Service Operations | 01.10.2016 |

Ends.

