07/09/2025

Dear Cabinet Secretary,

Thank you for your letter of 21st August regarding the Island Business Resilience Fund. It has been shared with community representatives from Coll, Tiree, Jura and Islay; islands that like Mull and Iona have been arbitrarily and quite unjustly excluded from the compensation scheme. This letter is sent jointly from organisations representing all six islands.

Regrettably your letter has not clarified the scheme, nor addressed any of the complaints raised in any substantive manner.



Green – eligible. Red – ineligible. Only islands reliant on ferries for connection to the mainland are included.
*Island groups joined by fixed links (eg South Uist, Benbecula, Bernaray, Grimsay Eriskay and North Uist) are for connectivity purposes counted as one.

You assert throughout that the scheme is focused on those islands 'most disproportionately affected'. To the left is a map showing in green the three islands* that are eligible, and in red the other 17 or so which are not. The islands chosen to benefit from the scheme are undoubtedly deserving of help. But the assertion that less harm has been done to others, in particular the Argyll islands, is simply not correct. No one with knowledge of the past four years of ferry disruption could agree with such an arbitrary division. It is in equal parts disheartening and shocking that such ignorance of the situation in our islands should be displayed by the Islands Department itself.

The metric you have chosen as the measure of disruption - cancellations - is just one facet of the problem. Such a narrow analysis ignores so much else:

 Sailings that have been 'soft cancelled' by the publication of revised timetables. Hurriedly-published new timetables have fewer sailings than were originally planned, but the missing sailings are not counted as 'cancelled' if CalMac delete them from the timetable before they were due to sail. This has

- been common practice particularly in the Argyll islands, due to the frequent redeployment of their ships to other routes.
- Reduction in capacity. We may have a ferry of some kind operating to a timetable of some kind, but often it is a smaller stand-in ship unable to carry all the vehicles who need to travel. A ferry with 40 car capacity cannot do the job of a ship with 60 car capacity, particularly on routes already operating to their limit. It means 33% fewer people and vehicles can travel and these kind of restrictions can last for weeks and months. How would any mainland town cope if suddenly, only 2/3 of the normal traffic was permitted to enter and exit? Under the IBRF, this kind of severe and long-term throttling of travel on our lifeline services counts for nothing.
- Reduced visitor traffic. Tourism is a major part of our economy, and the
 Hebrides are one of the jewels in Scotland's visitor crown. Yet numbers are
 down right across the board, and are reported not just in CalMac's carrying
 figures, but hoteliers' occupancy figures; visitor attractions' ticket sales;
 restaurant covers; retail spending; tourist trip carryings and a host of other
 readily available measures.
- Escalating winter 'weather' cancellations. Islanders' confidence in our ferry service has never been lower. In the winter we face a travel lottery in which the odds are increasingly stacked against us. This is nothing to do with worsening weather, and everything to do with CalMac's declining ability to deal with it. Ferries just don't sail in conditions that not so long ago easily did. This chronic and worsening reliability is leading many islanders to question island life altogether, and for businesses trying to move people and goods around the islands it is crippling.
- Collapse in visitor confidence. The Hebrides are now as well known for the
 difficulty of getting here as they are for the scenic beauty, wildlife, culture and
 community that used to be such a draw. It will take years for tourist confidence
 to recover and visitor numbers to rebound. Meantime, island businesses will
 continue to struggle and fail.
- Businesses and trades no longer even try to get here. If you need an engineer
 or a tradesperson to work on your home or business, you may not find any willing
 to gamble on a journey to the islands and if they do, a hefty premium will be
 added for the risk. It is becoming more and more difficult and expensive to run a
 business here.
- CalMac's introduction of its new ticketing system was botched. Not only
 does this mean that the data on which you have based your 'analysis' is
 unreliable, but the poorly conceived and implemented system has added
 problems, not resolved them.

- The harms created by our failing ferry system go beyond tourism. Fisheries, farming, manufacturing, food and drink, and public sector organisations have all been impacted.
- Ferry service disruption has continued deep into the 2025 summer season, and for many islands it has got worse. Despite this, the scheme has only considered the three prior years.

Most of the above are empirically measurable, many of them easily so. Not only that, but when speaking to island businesses you will hear them repeated again and again.

<u>It's not just about ad-hoc cancellations.</u> In many ways in fact, cancellations are one of the least of our concerns. Much of the other damage is pernicious, chronic, and quantitatively more harmful.

This is the nub of our complaint regarding the Island Business Resilience Fund – if we been asked, islanders would have explained the problems and suggested how the money could be used to best effect. **But we weren't asked**, and now we find ourselves fighting for fairness after the event.

We have finally now seen the Island Communities Impact Assessment that government were legally obliged to undertake prior to formulating this policy. Its verbose superficiality, the writers' ignorance of the subject and ultimately the poor outcome are more proof that the Islands Act is falling desperately short. It's a tick-box irrelevance when it comes to setting policy.

What is even more shocking however, is that such a poor ICIA has been produced by the very department that is supposed to be stewarding the islands and upholding the Act.

Below are extracts from the <u>guidance notes</u> regarding how to perform an ICIA, <u>published</u> <u>by your own Directorate</u>. They could not be more emphatic about the importance of consultation when performing an ICIA.

There is this:

This guidance provides the tools to help you complete an Island Communities Impact Assessment (ICIA) as required under the Islands (Scotland) Act 2018[1] (the Act). In particular, this guidance is about the Section 7 duty of the Act according to which a Relevant Authority must have regard to island communities in carrying out its functions.

This guidance stresses the importance of consultation and robust community engagement so that islanders are given a platform to voice their opinions, concerns and suggestions. It also addresses the need to consult island communities in order for a Relevant Authority to comply with the Section 7 duty.

It's important to also note that the Act (Section 11) requires that a Relevant Authority must have regard to this guidance.

And this:

Steps One to Five will help you comply with the Section 7 duty. Again, it's really important to remember that effective and meaningful consultation throughout the process with island communities will be vital.

And this:

the process is not unduly burdensome, but it is critical that it is robust and meaningful. **Crucially, your ICIA should not be a "tick box" exercise.** It's important to remember that any decisions you make should be clearly set

And then this:

The importance of consultation cannot be emphasised enough. Effective consultation will ensure that your ICIA will be based on meaningful engagement with island communities from inception to conclusion. By providing feedback, you will also build a stronger, more meaningful and productive relationship with island communities.

Despite all of the above, the ICIA for the IBRF says "Formal consultation on the IBRF has not been required as it was developed in direct response to urgent and evidence-based need." We can't find anything in the guidance notes that suggests consultation can be skipped if you're in a hurry. And we've said what we think of the 'evidence base'.

Furthermore, the excuse of 'urgency' is not borne out. Between announcement of the fund on South Uist on April 15th and implementation at the end of June there were 11 full weeks.

The design of the scheme remains a mystery, not just because the duty to consult was ignored, but also because subsequent questions about it have gone unanswered. We have been denied sight of your department's or HIE's investigations that are asserted are the basis for the scheme. The only clue we have is the attached advice note, which blandly states that cancellation data "is the most straightforward". This suggests that cancellations were chosen because it made things **easy**.

You conclude your letter with a sentence that could not contradict our own experience more categorically: "We remain committed to supporting all of Scotland's island communities and to ensuring that islanders are able to participate in the design and delivery of relevant policies.". So far as the IBRF is concerned, your department are

purposely not supporting all island communities, and we have been given **no** opportunity to participate in its design or delivery.

We seek a meeting with you and your officials at your earliest convenience, so that we can discuss how the failings of the IBRF can be rectified. This can be in person, online, or hybrid.

Whilst we await confirmation of a meeting date, we will be doing what your officials failed to do – gathering data to demonstrate that the ferry crisis is about more than just cancellations, and the effects run far wider than the three islands you have picked.

We hope you will find the time, and look forward to hearing from you.

Yours sincerely

Mull and Iona Ferry Committee
Mull Community Council
Iona Community Council
Coll Community Council
Tiree Community Council
Islay Community Council
Explore Islay & Jura DMO