

The Highland Council

Agenda Item	6
Report No	LA/16/25

Committee: Lochaber Area

Date: 12 May 2025

Report Title: Corran Ferry Update

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

- 1.1 The purpose of this report is to provide Members with an update on Corran Ferry Operations and the Corran Ferry Infrastructure Improvement Scheme and the New Electric Vessel.

2 Recommendations

- 2.1 Members are asked to:-

- i. Note the update on Corran Ferry Operations; and
- ii. Note the update on the Corran Ferry Infrastructure Improvement Scheme and New Electric Vessel which can be found below within Appendix 2.

3 Implications

- 3.1 **Resource** – Revenue and Capital budget details are provided in the report.

- 3.2 **Legal** - Legal advice continues to be followed throughout.

- 3.3 **Risk** - Without the Corran Ferry Infrastructure and Vessel Replacement Project the future reliability, capacity and sustainability of the ferry service is at risk. The ferry service plans do not conflict with any aspirations for a fixed link (tunnel or bridge). Ferries are required until such time that any fixed link is constructed. The new ferry designs are standardised with CMAL/CalMac vessels and will be resaleable if required.

- 3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - Current crew transfer operations are under review. In future, the new ferry berth mitigates the risks associated with ship-to-ship transfer of crew.

- 3.5 **Gaelic** - There are no implications for Gaelic.

4 Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

5 Maid of Glencoul

- 5.1 The Maid of Glencoul left for refit in April 2025. Her refit would normally start in March. This year her refit will commence mid-April after delays due to congestion at the shipyard (caused mainly by emergency docking of other vessels, and in part by the MV Corran's extended refit).

All parties and resources are committed to returning the Maid of Glencoul back to service as soon as possible, and stakeholders will continue to receive regular updates on her progress.

Refit overhaul comprises a range of planned maintenance and repair work, plus any emergent repairs or additional work required by MCA survey.

- 5.2 The Maid is now 50 years old, having entered service in 1975. The resolution of her steering system issues and an extended refit last year, including various hot works, including large steel patches prepared her well for her recent period in service from November 2024 to February 2025, and it is hoped to have a relatively short refit this year as a result.

The main items this year comprise a forward main engine 5-year full overhaul, replacement the aft propeller blade, and a safety system upgrade (life raft changes).

Stakeholders continue to receive regular weekly progress updates.

6 MV Corran

- 6.1 The MV Corran is currently in service since return from annual refit at the end of February 2025.

As expected at Easter, the service is busy again after the short Winter lull, with a busy summer season anticipated ahead.

- 6.2 The MV Corran's next refit is planned to commence at the start of November 2025. As usual, plans are well underway for this. The main notable item this year will be a 10-yearly overhaul of the forward Voith Schneider propulsion unit. Arrangements are in place for this to be done by the OEM (original equipment manufacturer) Voith.

The MV Corran is over 24 years old. Inevitably the extent of repair and maintenance works required increases over time as the vessel ages, and due to the number of discrete works and specialist third parties involved, so too the length of vessel refits extends. However, this year extensive emergent works are not anticipated, and due to the volume of work done in recent years, it should be a shorter refit this year

7 Revenue Budget

7.1 Highland Council receives ring-fenced grant funding from the Scottish Government, via Transport Scotland, to deliver Internal Ferry Services. This is currently £1m for 2024/25) and supports the Corran Ferry plus five Council operated Small Ferry services at Mallaig – Inverie – Tarbet, Camusnagaul – Fort William, Cromarty – Nigg, Small Isles – Mallaig and Scoraig – Badluarach.

7.2 With increased operating costs (repairs, maintenance, etc) we are projected to operate at a loss again this year and have requested that our Internal Ferries Grant be increased to £1.5m for 2025/26. Although at time of writing this report we have not yet received our grant offer letter, we have received positive affirmation from Transport Scotland that it is their intention to do so.

A copy of the Ferry Services Budget is provided within **Appendix 1** of this report.

8 Capital Budget – Corran Ferry Infrastructure Improvement Scheme and New Electric Vessel

8.1 Full details of progress with the **Corran Ferry Infrastructure Improvement Scheme and the New Electric Vessel** can be found on the [Corran Ferry Project](#) webpages, and the latest Update for Members is provided within **Appendix 2** of this report.

9 Corran Ferry Fares

9.1 Corran Ferry fares increased from Tuesday 1 April 2025 following approval of the Medium-Term Financial Plan 2025/26 to 2027/28, at the Council's Budget meeting held on Thursday 6 March 2025.

9.2 Private and light goods vehicles, drive-up fare for cars rose by £1.00 from £11.00 to £12.00. Minibuses up to 16 seats and caravanettes rose by £1.50 from £15.00 to £16.50. Motorbikes rose by 50p from £5.00 to £5.50.

The new cost of a multi-journey book of 30 tickets rose by £8.20 to £88.50 (was £80.30, equating to a rise of 27p per journey from £2.68 to £2.95).

Commercial fares including artic vehicles by £5.00 to £57.00 from £52.00 and bus/coach (36 seats & over) a rise of £2.80, £32.00 from £29.20.

The full list of [Corran Ferry fares](#) is displayed on the Corran Ferry webpage.

10 Flit Boat

10.1 The crew transfer launch, or flit boat, requires to be upgraded for the following reasons:-

1. crew transfer safety;
2. reduce maintenance costs;
3. widen recruitment pool;
4. contingency passenger service*;
5. safety cover; and
6. improves Corran Ferry resilience (inclement weather) - safer crew transfer extends the operating window

(*Contingency services were described in the report to Lochaber Area Committee in January last year entitled, [Corran Ferry Update LAC 23 January 2024 Item 4 LA 2 24.](#))

10.2 Funding is currently being sought to allow the flit boat to be upgraded as soon as possible.

11 Slipway Repairs

11.1 Repairs are required to both slipways, to be initiated as soon as possible. Works will be scheduled to avoid peak periods and so as not to disrupt ferry operations. Works include:-

1. Corran slipway – concrete surface ‘pothole’ type repairs; and
2. Ardgour slipway – repair surface/steel plate at toe (seaward end).

11.2 Designs are at an advanced stage. Neighbours will be consulted and stakeholders notified in advance of any works commencing.

12 Ticketing

12.1 The project to further progress Corran Ferry ticketing is a service priority. Project resource is being sourced to take this forward asap.

12.2 Aims of the project include:-

1. replace paper ticket books with a card-based system (e.g. concession cards, smart cards, account cards, etc);
2. introduce online payments;
3. have a more advanced and agile system; and
4. allowing a fresh look at our offering for ferry users

13 Corran Ferry Marshalling

13.1 After concerns about the Ardgour marshalling area’s ability for the traffic queues to self-regulate during busy periods, it was agreed to trial using marshalling personnel to control the queues during busy periods this year.

13.2 Interviews take place mid-April, and we plan to have personnel in place as soon as possible after that.

14 Live Traffic Webcams

- 14.1 Corran Ferry Queues Live Traffic Cameras have been in operation since July 2024, accessible to the travelling public via the [Corran Ferry](#) webpages on Highland Council's website. Requested by stakeholders, they are well received as an improvement helping passengers with journey planning.

By clicking in, particularly at peak periods, passengers can see how busy the Corran Ferry is.

15 Community and Stakeholder Engagement

- 15.1 Community Councils are represented on the Corran Ferry Steering group which has been in place since 2019 when the Corran Ferry Infrastructure and Vessel Replacement Project commenced.

The steering group serves as a forum for updates and discussion about the Corran Ferry Infrastructure and Vessel Replacement Project, and Corran Ferry Operations.

- 15.2 In addition, as mentioned in Section 5.2 above, stakeholders receive regular weekly progress updates during annual vessel overhauls (Refits).

- 15.3 Live media announcements are issued as required for any service disruption, updates or key announcements, and [Corran Ferry](#) webpages are improved and updated regularly as required.

Designation: Assistant Chief Executive - Place

Date: 11 April 2025

Author: Richard Porteous, Operations Manager – Corran Ferry
Murray Bain, Project Manager

Background Papers: Corran Ferry Update Report January [2024](#)
Corran Ferry Update Report January [2025](#)

Appendices: Appendix 1 – Ferry Services Budget
Appendix 2 – Corran Ferry Infrastructure Improvement Scheme
and New Electric Vessel

Appendix 1 - Ferry Services Budget

THE HIGHLAND COUNCIL - FERRY SERVICES													
2014/15 to 2023/24 Actual Income & Expenditure And Projections for 2024/25 to 2026/27													
										Estimated Annual CPI Inflation from 2024/25:		3%	3%
Corran Ferry	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27
	£	£	£	£	£	£	£	£	£	£	£	£	£
Expenditure													
Employee Costs	658,120	686,884	698,915	730,395	750,185	880,092	927,671	1,013,322	1,053,061	1,063,251	1,179,428	1,214,811	1,251,256
Property Costs	26,037	26,654	26,382	34,143	39,607	35,499	34,337	41,111	34,865	55,260	55,260	56,918	58,625
Fuel Costs	169,843	119,230	135,909	143,406	171,359	165,190	119,453	177,324	249,016	121,996	249,016	256,486	264,181
Transport Costs	4,904	4,363	3,667	5,580	3,787	9,754	6,752	8,252	9,781	8,201	10,955	11,283	11,622
Insurance	48,576	60,361	53,823	57,133	21,327	15,169	20,429	20,430	16,781	24,724	56,245	57,932	59,670
Engine Repairs & Maintenance & Refit Costs	326,158	213,444	314,345	485,214	373,566	383,940	357,837	423,051	765,416	1,316,392	857,266	600,000	618,000
Other Costs	50,437	43,570	61,371	109,237	126,221	64,063	120,982	166,825	118,277	146,653	132,470	136,444	140,538
Contingency Costs										1,407,217			
	1,284,075	1,154,506	1,294,412	1,565,108	1,486,052	1,553,707	1,587,461	1,850,315	2,247,197	4,143,694	2,540,640	2,333,876	2,403,892
Income													
Ferry Dues	(1,260,048)	(1,312,793)	(1,333,480)	(1,386,642)	(1,374,130)	(1,471,327)	(866,873)	(1,632,205)	(1,524,375)	(750,699)	(1,623,459)	(1,672,163)	(1,722,328)
Other	(34,442)	(33,455)	(33,081)	(34,472)	(33,296)	(33,577)	(33,236)	(32,897)	(27,079)	(16,522)	(30,328)	(31,238)	(32,175)
	(1,294,490)	(1,346,248)	(1,366,561)	(1,421,114)	(1,407,426)	(1,504,904)	(900,109)	(1,665,102)	(1,551,454)	(767,221)	(1,653,788)	(1,703,401)	(1,754,504)
(Surplus)/Deficit	(10,415)	(191,742)	(72,149)	143,994	78,626	48,803	687,352	185,213	695,743	3,376,473	886,852	630,474	649,388
Capital Charges	75,922	75,922	75,922	75,922	75,922	91,126	91,126	105,376	126,046	126,116	126,116	126,116	126,116
Loss after Charges	65,507	(115,820)	3,773	219,916	154,548	139,929	778,478	290,589	821,789	3,502,589	1,012,968	756,590	775,504
Small Ferries Contracts									436,490	480,000	502,000	517,060	532,572
RET Knoydart									70,254	220,000	240,000	247,200	254,616
TOTAL GRANT CLAIM, EST intimated to Transport Scotland									1,328,533	4,202,589	1,754,968	1,520,850	1,562,692
Grant Award, for Highland Council run 'Internal Ferry Services'									(897,000)	(1,000,000)	(1,000,000)	(1,500,000)	(1,550,000)
(Surplus)/Deficit									431,533	3,202,589	754,968	20,850	12,692

Corran Ferry Infrastructure Improvement Scheme and New Electric Vessel

Corran Ferry Infrastructure Improvement Scheme

1 Environmental Update

- 1.1 The planning application and marine licence application for the proposed infrastructure works which were submitted on Friday 28 February 2025 have now been validated, the notices have been advertised, and the consultation process has commenced with any representation to be submitted by 27 April 2025 for both applications.

2 Infrastructure Design

- 2.1 The infrastructure design is progressing with Wallace Stone finalising the detailed design drawings and contract documents for tender issue in May 2025.

Transport Scotland have approved the departures from standards application and are now carrying out the DMRB Review. Once accepted the Letter of Understanding and Minute of Agreement process will be carried out.

3 Procurement

- 3.1 The tender documents will be reviewed following issue from Wallace Stone in preparation for the tender issue which is now programmed for 19 May.

The five contractors selected from the infrastructure Stage 1 tender exercise will be issued with the tender documents and drawings for the Stage 2 tender for submission in accordance with the Scope for the Infrastructure works at Corran.

4 Land

- 4.1 The land plans have been finalised and have been issued to the landowners for their review and have been passed to the Estates Team to progress with negotiations.

5 Utilities

- 5.1 Communications are ongoing with SSEN for the power requirements for vessel charging, lighting, and any other power requirements for the infrastructure. The advance works are now being planned by SSEN.

The power charging infrastructure details are progressing where THC's shore power infrastructure will be compatible with CMAL vessels and allow interchangeability with CMAL's SVRP vessels.

SSEN have revised their forecast date to September 2028 for connection on completion of the Fort William circuit upgrade works.

6 Programme

- 6.1 Following recent review of the project programme, the programme dates revised as follows:-

Activity	Start	Finish
Detailed Design	28/02/24	07/03/25
EIA, Marine Licence & Planning Applications	15/03/24	28/02/25
Marine Licence Consent	28/02/25	15/08/25
Planning Consent	24/02/25	02/09/25
Land Acquisition	17/06/24	26/09/25
Contract Documentation	28/10/24	16/05/25
Tender Period – Stage 1 – Single Procurement Document	08/01/25	07/02/25
Tender Period – Stage 2 – Works	19/05/25	04/09/25
Construction	10/11/25	10/05/27

Corran Ferry - New Electric Vessel

7 Vessel Procurement

- 7.1 As Members will be aware the Council received confirmation of up to £28m in November 2024 in funding from the Scottish Government, allowing us to proceed with plans for a new electric ferry.
- 7.2 This funding, part of the Inverness and Highland City Region Deal, comes alongside additional investment in shoreside improvement which will be funded by £20m from the UK government and £10m from The Highland Council.
- 7.3 The Corran Ferry Infrastructure Improvement Scheme is scheduled for completion in May 2027, and the shore power required to charge the vessel is expected to be completed by September 2028.
- 7.4 We aim to deliver the new ferry as soon as reasonably possible to align with the readiness of the infrastructure and shore power.
- 7.5 The procurement recommendations for the new Corran Ferry - New Electric Vessel are still being finalised and these details will be subject to approval through the project's governance arrangements and will be presented to Council Members as a private paper for their approval on 29 May 2025.

8 Funding Approval

- 8.1 As part of the Inverness Highland City Region Deal (IHCRD) governance arrangements, the Deal has requested a time extension beyond the original deal end date of March 2027 to align with the estimated spend profile timeline.
- 8.2 In accordance with IHCRD governance arrangements, funding will only be released after the Final Business Case (FBC), which will include the final tender prices from the appointed shipyard. The Council continues to collaborate closely with lead consultants, Stantec, to develop the FBC for the new vessel