

Dear Paul

Can I start this letter by repeating our request for a meeting with you as a matter of urgency in the final days before purdah.

Attached to this email you will find the detailed and full report from Strathclyde University Department of Naval Architecture (Maritime Safety Innovations are their consultancy arm).

The report is lengthy and comprehensive. The main analytical section deals with the fundamental issues of stability and survivability, in accordance with the very latest SOLAS 2020 standards. It is worth noting that strictly speaking, since the keel was laid prior to January 1st 2020, the previous and less rigorous SOLAS regulations should apply – but Strathclyde have taken the conservative approach of assessing against the most up-to-date requirements.

In the second half of the report, they have addressed the specific points of concern raised by CMAL/MCA, and have assessed the modifications proposed to bring the vessel into compliance. I would draw your attention to the conclusions on page 44.

- Assessment of damage stability has shown the vessel to have “...unprecedented high degree of survivability” , well in excess of requirements. In fact, the attained ‘survivability index’ (see para 2.13) is 0.9788, which is “...unprecedented for Ro-Ro vessels and is well beyond the 0.722 required by the regulations.” In other words, this vessel would have a significantly resilience to damage and ability to remain stable, than any other vessel in the CalMac fleet.
- Strathclyde have demonstrated that full compliance can be achieved without the need for any exemptions.
- All the modifications (those previously proposed by STS, as well as those proposed by Strathclyde) are “practical and workable solutions... without the need for major modifications.”
- If the modifications are implemented, Strathclyde see no reason that the vessel will fail to gain all necessary approvals from the MCA.
- They conclude that “we find the vessel suitable for the intended service from any which aspect that has been raised by MCA and CMAL, in most cases with ample margin.”

In short, it has been proven that the modified catamaran will easily pass MCA requirements.

Concern about MCA approval has been given to us as the central reason for not proceeding with this vessel purchase, as made clear not just in your letters of 3rd and 6th March, but in every communication we have had with your officials, and in every private and public communication that has come from CMAL. This report addresses those concerns independently, professionally and comprehensively.

The suitability of the vessel in operational terms has also been questioned. However, every aspect that we and the designers are aware of is satisfied by their outline modification proposals. I attach the original introductory letter from STS once again, where you can see the scope of the changes proposed. The changes address:

- The need for sufficient crew cabins (whilst at the same time satisfying a significant MCA gap), together with all their associated rest rooms, deck space and so on
- Linkspan alignment is assured thanks to a twin ramp arrangement that makes the vessel compatible with every major pier in the CalMac network with no additional capex required to modify port infrastructure (there are few vessels that can boast that)

- Passenger access systems are provided with suitable attachment locations on both port and starboard
- Passenger accommodation is increased to enable sufficient and comfortable space for 300 (this is more than enough – the maximum load historically is 250 people on the services she will operate)
- Addition of a lift serving all passenger decks
- Other minor alterations that enable berthing in all orientations.

On the subject of interoperability, Strathclyde have assessed the vessel against MCA Class B requirements – these are the standards to which most of CalMac’s major vessel fleet complies, and enables them to operate the most exposed routes. Whilst this catamaran may not be suitable for routine scheduled service to Barra, she is more than capable, from a seakeeping and regulatory perspective, to operate to Mull, Colonsay, Coll, Tiree, Islay, Armadale and Arran at minimum. This would make her one of the most flexible vessels in the fleet. Thanks to her naturally shallow draft and adaptable ramp alignment there are none of the port access restrictions associated with much of the current major vessel fleet.

We have also discussed the report and its recommendations with Sealease and STS. They have confirmed that the scope of the modifications arising from the report are as they expected, and do not significantly change their estimates of the likely cost of the work. They have emphasised that the vast majority of that work is to address operational requirements, and the exact detail of that has yet to be shared with them. **However, the total estimate that this vessel can be bought and subsequently modified for a total of around £12 million, remains valid.**

We believe that STS and Sealease have demonstrated considerable flexibility and willingness to go the extra mile to secure this sale to their home country. In addition to making MCA approval a condition of sale, they have also offered to make funding approval a condition. Therefore **nothing is committed until funding is in place.** By partnering with us on the funding of the attached study, they have demonstrated their willingness to prove their case in a manner that is never normally required in international vessel sales. Whilst the formal sale offer has now been declined by CMAL, Sealease are willing to re-engage on the same terms.

We believe that by donating so willingly and quickly, the communities of Mull and Iona have also demonstrated how they feel about this catamaran. They recognise that unless this opportunity is taken, there is no prospect of improvement in our service for around 10 years, and they want change.

We believe that we have now conclusively addressed all the points of concern surrounding this catamaran. **This is the vessel purchase opportunity the Scottish Government has been seeking for several years.**

Whilst there are just a few days until purdah, you still have time to act. All that is required is for CMAL to agree the commercial terms, subject to both MCA approval and government funding. That will secure the vessel and allow both parties to begin the detailed design revision and formal MCA process. It will also enable your officials to work up the business case (with which the attachments may assist). When parliament returns in May, the outstanding issues of funding and MCA approval can be addressed and a final commitment made. Time is short, **but there is time.**

Unless you make the necessary decision to agree commercial terms before purdah **this opportunity will be lost.** Others may suggest there is some kind of gamesmanship at play here, and the seller is desperate to sell off a liability to whoever will take it. I can assure you that is absolutely not the case.

The sellers have other active and sincere interest in this vessel, a situation that I have verified by other independent channels. If the Scottish Government do not grab this opportunity now, it will certainly, and finally, be lost. **It will not be available when parliament returns in May.**

We look forward to hearing from you, and again request that we can have a meeting to discuss this at your very earliest convenience.

Yours sincerely,

Joe Reade

Attachments:

Sealease original offer letter

MIFC vessel options appraisal

Strathclyde Uni report.

Press release