

Dear Andrew

I have written to you separately about the email I believed had been sent to you on 10 December. However, your email to me on the issue took the opportunity to make a number of offensive allegations which I feel obliged to correct.

*“ . . . Councils had seriously proposed creating a ferry link between Falmouth and the Isles of Scilly. . . ”*

One of the reasons given by the SWRDA, and accepted by the EU ERDF, for funding investment in Penzance Harbour was that without investment it could not remain the mainland terminal of the IOS ferry link. Because Penzance Harbour does not generate the revenues to cover its own necessary investments and repairs, its future as the mainland terminal of the ferry link depends on external grants. There has to be an alternative in such a situation and especially when the government is under intense pressure to reduce spending. That alternative was Falmouth (Newlyn was deemed impractical). When, unexpectedly, the long crafted proposals for Penzance Harbour were refused planning permission on 14 December 2009 in the face of ‘implacable community hostility’ to all aspects of option A (and not just heritage issues) it was hardly surprising that Falmouth had to be reconsidered. You will I am sure pardon us for not promoting the Falmouth option because whilst a service from Falmouth can support the islanders it would be damaging to the tourism industry (particularly the day tripper component) on which we rely. I note that you continue to raise the Falmouth issue at every opportunity whilst the Council of the Isles of Scilly has not discussed Falmouth since final planning approval for Penzance Harbour was granted.

*“ . . . name calling and personal vilification has clearly not aided the case. . . ”*

Of course your email was an example of the behaviour which you claim to abhor. The campaign against Option A, which has morphed into a campaign against the whole of the IOS ferry link, has been marred with attacks on individuals who supported the project be they Councillors, the Chairman of the Chamber of Commerce or anybody who has put their head above the parapet in the public debate. If you have felt exposed yourself it is because of contradictions in what you have said at different times and between what you have said and your actions.

*“If we lose this golden opportunity to secure much needed funding for this vital project it is clear that those who have become so misguided as to behave in this fashion will have to accept responsibility.”*

If we lose this ‘golden opportunity’ your contribution to this loss will be recognised as significant:

- You lobbied against approval of Option A in the run up to the Strategic Planning Committee meeting on 14 December 09 despite publicly giving

the impression that you respected that planning issues were the responsibility of the local authority and local representatives.

- Following the Parliamentary debate on 5 January 10, when the Minister Paul Clarke MP explained that pursuing alternatives at this late stage in the project was a high risk strategy because the funding package so painstakingly assembled could not be guaranteed in any future government, you embarked upon Option Pz.
- Having sponsored Option Pz, an incomplete and undeliverable proposal within the ERDF funding timescale, you used it as a wrecking measure in the run up to the second Planning Meeting on 8 March 10. You chaired the public meeting held on 3 March 10 rolling out the proposal – this meeting was heavily advertised by the ‘Friends of Penzance Harbour’ and members of the public were encouraged on arrival and departure to complete pre-prepared letters of objection to Option A.
- In response to the granting of Listed Building Consent on 19 August, you made inflammatory assertions about Option A which you have not subsequently supported with evidence. For example, you claimed that Option A was the most expensive option when it was always one of the less expensive. The 14 options in the initial Hyder Consulting Report ranged up to £57.6m in 2004 money. The Albert Pier option (full Option B in the report), a popular alternative location for many objectors, was costed at £25.2m. Despite your claim, keeping capital costs down and making the sealink economically sustainable in the long term have been the major drivers of the project.
- You lent the prestige of your position as our MP to FoPzH’s wilder assertions thereby giving them credibility they did not otherwise deserve. This has raised unrealistic expectations amongst less well informed objectors and served to widen divisions in Penzance. Examples of assertions which are not credible and which appear to have your tacit support are:
  - The current vessels can carry on indefinitely. If they did need replacing then the IOS Steamship Company have the resources to finance its own replacements anyway.
  - That Option Pz was a solution free of potential controversy (despite the Save the Meadery campaign) and could be delivered within the tight deadline for ERDF funding (2013) which is highly unlikely. Option Pz airbrushed out the necessary sea defence work for South Pier because it would have attracted strong objection from the group who have fought any development on Battery Rocks beach.
  - That any kind of remote freight storage depot can be introduced without adding substantial costs to our freight charges or the operator’s costs (and thereby impacting on Cornwall Council’s charter fee revenues)
  - That a second hand fast catamaran (Cloud X), advertised worldwide for at least six years and remaining unsold, is a credible solution for the

lifeline sealink despite the fact that it will not fit into either harbour and would require major works to do so. This 'solution' also has an enormous fuel consumption making it economically unsustainable as well as environmentally unfriendly.

*"I will continue to argue strongly for the 'all' and oppose the 'nothing'. If, however, considering the current budget pressures, the Department urges the Councils to accept a less expensive option, so that it becomes the question of having 'something' (but not the desired project) or 'nothing', then I'm afraid that I take a different view to the Route Partnership and will fight for that option to succeed and not to accept the alternative - ie. nothing!"*

Penzance Business Network has quoted a cost for Option Pz that is in the region of £1m less than the price of Option A. Yet the estimate excludes provision for sea defences on the inner part of South Pier and the cost of buying out and relocating businesses on the Penzance Harbour front. Therefore, Option Pz is not likely to be a less expensive option. I would surmise too that there would be strong objection to the proposed building design if it came to a planning decision. Because of the time required to work it up and gain approvals there is a high risk of losing the £11.5m ERDF component making the option more expensive for government to fund. If Option Pz pursues a separate freight handling area (more than fork lift distance from the vessel) substantial extra costs will fall on the operator. In the re-competition of the operator's contract – inevitable if the harbour plan is changed – a reduction in charter fee income would result and this could reduce Cornwall Council's power to borrow against it. For these reasons Option Pz risks not only losing ERDF grant but making the scheme more dependent on grant from central government.

You asked in your email of 14 December should not the IOS Steamship Company be expected to make a capital contribution from the proceeds of the sale of Scillonian III. As the Company competed for the contract against other bidders, the contract did not include a requirement for the successful bidder to pay a lump sum so the answer to your question is obvious. Whilst there will be a need to provide equipment and furnishings (it is a bare boat charter arrangement) the operator will never own the new vessel; they only have the right to operate it in exchange for the charter fee before the contract is re-competed (max duration 12 years). This arrangement is not a whim of the Route partnership but is a requirement of EU directives to ensure that large public procurements are transparent and open to competition. I have mentioned this matter from your 14 December email because it indicated a misunderstanding of a central aspect of the sealink plan, that is that Cornwall Council owns the vessel and the operator charters the vessel for a fee.

I am asking now that you give your unequivocal support to governmental funding of the Option A project – the approved scheme which when given the go-ahead will avoid not only damage from further delay but any future recourse to government grant funding when vessel replacement again becomes due.

Yours sincerely,

Marian Bennett  
Vice-Chairman  
Council of the Isles of Scilly