

## Scilly Ferry update

**01.03.2011**

Andrew George, as MP for the West Cornwall and Isles of Scilly constituency of St Ives, has responded to enquiries about the delay in the anticipated Government announcement about the funding of the Isles of Scilly Ferry project. He has confirmed that the Department for Transport is still determined to find significant cost savings in the Ferry project, which currently has conditional approval with the Department. Whilst other schemes delayed by the Department as part of the Comprehensive Spending Review last autumn have proceeded – with an average saving to the taxpayer of 41% – the Isles of Scilly Ferry Link project requires further negotiation. It had been hoped that an announcement could be made at the end of last month.

Mr George who has championed the case for public funding for an improved year round ferry service led delegations to see the Minister before Christmas.

Mr George said, "This is vitally important to the Islands and to Penzance. However, it has become clear that the Department is determined to find savings. Without savings the risk of losing the project altogether is very high. The Councils had chosen to give the Department an 'all or nothing' ultimatum. Pointing out that it had already shaved £26 million off the project prior to the autumn review. The project asks for £40 million from the Department in a £62 million scheme.

"The Department would have responded to the 'all or nothing' negotiating position by opting for the 'nothing'. The only alternative advanced by the Councils has been the ludicrous proposal to run a ferry from Falmouth! Whilst that has dented the credibility of the project and the Councils' negotiating position, I have been keen to reassure the Department that the Councils would respond calmly and rationally to the challenge.

"I have made clear to Ministers that I support the Route Partnership's Project. But I do not want to put this investment at risk because reasonable savings cannot be identified. Cornwall Council is itself going through its own process of massive budget and service cuts, so I'm sure it fully understands the pressures the Department is currently under.

"I am confident that cost saving adjustments can be identified. Without them, I fear the Department could reject the project. Having fought so hard to get support in the first place, I hope the Councils will be up to the challenge.

"The Department has told me that, if an agreement can be reached, then an announcement can be made by the end of this month."