

Friends of Penzance Harbour

www.friendsofpzharbour.org

News Release

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Isles of Scilly Link Project: rational decision making or macho posturing?

In an extraordinary show of political arrogance, and in the middle of making devastating cuts to public services, Cornwall Council is now proposing to rob funds from other regeneration projects and increase Council borrowing from £10m to £15m to rescue its £62m Isles of Scilly Link "vanity project".

The Department for Transport (DfT), the majority funder of the project, is insisting on substantial cost savings from all transport projects. Cornwall Council's response appeared in documents published yesterday and prepared for this week's meeting of its Cabinet. The Council claims cost savings are impossible and instead propose to divert £0.7m from other Isles of Scilly regeneration projects and increase Council borrowing by 50% in the hope that this will win over the DfT.

This occurs on the same day that saw the publication of the detailed version of the Penzance Business Network's community-driven comprehensive and fully costed alternative proposal. This addresses environment & heritage issues in Penzance, saves £25m, eliminates the need for Council borrowing, reduces the risk to the Council and to council-taxpayers, and kick-starts regeneration in the harbour area. Importantly it advocates the use of second-hand replacement vessels, an approach favoured by the current operator, the IoS Steamship Company, and described in the Cabinet papers.

The most contentious element of the Council's scheme has been the very expensive and destructive pier extension, reclamation and sea defence works at Penzance Harbour. These are required mainly because the scheme also involves the Council commissioning and owning a larger combined passenger and freight ferry at a cost of £26.5 million. This ship will be too big to fit in the town's Dry Dock, and with the proposed increase in council borrowing the anticipated charter fee from the service operator may well be insufficient to meet the payments on the loan, putting other Council services at risk.

The plan to increase the Council's borrowing to save the scheme comes just weeks after it agreed a budget that saw massive cuts to a whole raft of important local services. The "supporting people" budget, for example, was cut by 40%. If the charter fee income won't cover the loan repayments on the ship, the difference will have to be found by taking money from other Council services or by increasing council tax.

The Council acknowledges the risk it is exposing the Council and council-taxpayers to, but evidently can't follow the logic of this and opt instead for the cheaper community-driven alternatives that are on the table. Its stubborn determination to persevere with its scheme looks more and more like irrational macho posturing on the part of the councillors and officers responsible for it. And it is quite bizarre that they want to take the ferry away from the private sector and into public ownership at this time when government policy is to do the exact opposite. Rank-and-file Cornwall councillors should act in the interests of their constituents and insist on the prudent alternative.

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Notes for Editors

- 1) The Friends of Penzance Harbour is a community group set up to oppose Route Partnership and Cornwall Council plans to build passenger and freight terminals and a lorry park on the town's historic seafront. The group is at the same time promoting less destructive alternatives, of which the Penzance Business Network's proposal is the best developed.
- 2) The full version of the Penzance Business Network alternative proposal can be downloaded at: <http://www.pzbnetwork.com/option-pz/option-pz-plus-with-unit-18.html>
- 3) Another alternative scheme is being promoted by Trythall Shipping and details can be found at: www.trythallshipping.co.uk
- 4) The Cabinet meets to discuss the issue at County Hall in Truro on Wednesday 16th March. The report to Cabinet can be downloaded at: [http://democracy.cornwall.gov.uk/Published/C00000577/M00002499/\\$\\$Supp7925dDocPackPublic.pdf](http://democracy.cornwall.gov.uk/Published/C00000577/M00002499/$$Supp7925dDocPackPublic.pdf).
- 5) The Route Partnership is made up of Cornwall Council, the Council of the Isles of Scilly and the Duchy of Cornwall. Cornwall Council is the lead partner and has been responsible for project managing the scheme.
- 6) For pictures of the development site and historic South Pier go to: www.flickr.com/photos/friendsofpzharbour/sets/72157622685150544/
- 7) Polling has consistently shown that a substantial majority of residents are against the Council's scheme. For a breakdown of evidence of public opinion go to: <http://www.friendsofpzharbour.org/pdfs/PublicOpinion.pdf>
- 8) For the latest news on the campaign and information about developments to-date go to: www.friendsofpzharbour.org