

Friends of Penzance Harbour

www.friendsofpzharbour.org

“RMV White Elephant”

Or, why two ships are better than one for Penzance

Claims by Cornwall Council that there isn't time to review the choice of vessel for the new Scilly Link operation has led objectors in Penzance to focus their efforts on finding alternatives to building new passenger and freight facilities on Battery Rocks beach, but recent statements by the Council of the Isles of Scilly that Falmouth and a faster ship might be preferable to alternatives in Penzance suggest that Penzance should look again at the choice of vessel. Falmouth is not an option¹, but if there's time to redesign the ship to operate from Falmouth then there must be time to review what vessel option would work best for Penzance.

Objectors have from the start criticised the choice of a single combined passenger and freight vessel to replace the existing separate freight and passenger ships, and for the following reasons:

1. The larger ship is too big to fit in the Penzance Dry Dock, meaning that repair and maintenance will have to be undertaken elsewhere with associated impacts on employment locally and on the length of time the vessel is out of operation each year.
2. With just one ship operating the service is vulnerable to unexpected breakdown; at present the *Scillonian III* can always carry essential freight if the *Gry Maritha* breaks down, as happened in summer 2008.
3. It removes the possibility of a faster passenger vessel that would attract new day tripper trade and increase income for the operator (it would be impractical to have a high speed combined vessel).
4. It removes (or makes very difficult) the possibility of having a passenger-only service operating from the existing Albert Pier where it could easily join up with bus and train services and where there is ample parking for customers.
5. Sailing times and practices are a compromise and not ideal for either passengers or freight, reducing the utility of the service to travellers and receivers of freight on the Islands.
6. When the passenger and freight operations are combined the resulting single ship grows in size and it is claimed becomes too big to fit on its traditional (summer) berth on the Lighthouse Pier, necessitating a pier extension².

¹ The funds allocated for the Scilly Link improvements are not available for an operation that runs from Falmouth. Even if this wasn't the case, or the Route Partnership chose to risk losing the funding by starting the application process again, there are a number of operational issues, e.g., journey time and increased fuel costs, that make operating the service from Falmouth impractical.

² Dredging of the berth to increase the workable length should be investigated as an alternative.

7. The larger ship it is claimed has to operate all year round from the Lighthouse Pier so rock armouring is required³ to protect the loading and unloading of the vessel from big seas breaking over the pier, although even this will not avoid the new ship from having to shelter on the Albert Pier in very bad weather (as it traditionally always has).
8. The running costs of a larger ship operating all year round are greater than two separate ships. This might seem counter-intuitive but a number of factors are responsible:
 - a. Fuel, crew, and insurance operating costs are all significantly higher for a passenger ship than a cargo ship, and can be avoided or substantially reduced if the passenger ship is laid-up in winter when there are few if any passengers to use it;
 - b. Wear and tear costs on a passenger ship are considerably greater than a cargo vessel and are weather-related so can be dramatically and disproportionately reduced if the vessel is laid-up in winter;
 - c. All year round operation will dramatically reduce the working life of the vessel, increasing the annualised capital cost;
 - d. Refit costs are higher for a single ship because a relief vessel has to be chartered in and the refit must be completed quickly using hired dockyard staff (at premium rates) rather than the ship's crew;
 - e. Dock labour costs for loading and unloading are higher for a single ship because the demands of the passenger service (in summer at least) mean that loading and unloading is undertaken during unsociable hours and on split-shifts (before 08:30 am and after 19:30pm).

These savings are together more than enough to compensate for the additional costs of the separate freight ship, which is in any case much cheaper to operate than a passenger vessel. Cargo vessels are cheap to build and in plentiful supply on the second hand market so the capital cost of a two ship operation would be no greater than the planned new single combined vessel. If the second vessel was the nearly new SWATH⁴ fast ferry proposed by Trythall Shipping the capital costs would be half those of the proposed new single ship.

9. It massively complicates quay side handling of passengers and freight with both having to be dealt with in close physical and temporal proximity.
10. The larger vessel will still have to be berthed on the Albert Pier in bad weather and its extra beam (width) will require the removal of valued pleasure craft moorings.

From the above you can see that there are negative consequences that impact the historic harbour, the customers of the service, and local jobs.

In respect of the harbour the decision to go for one ship over two results according to Cornwall Council is the need for an expensive (c. £6m) and ugly pier extension and brutal rock armouring. The recently published Penzance Harbour South Pier "Historic Building Analysis" has established the historic importance of the pier and the rock armour and pier

³ Accepting additional operations from the Albert Pier in winter is probably a way to avoid this.

⁴ Consultants employed by Cornwall Council have wrongly claimed that this type of vessel could not operate on the Scillies route due to the average wave heights. This assessment was based on a misunderstanding regarding safety procedures on the ship, which was specifically designed to operate in the wave heights and conditions experienced between the mainland and the Scillies in summer (as with the current passenger vessel, this ship would be laid-up in winter). For more information go to: www.trythallshipping.co.uk

extension will seriously impact this heritage asset. This is unfortunate in itself and will detract from the natural and heritage values that draw visitors to the area.

The operational consequences have so far been viewed as something that has an effect on Islanders alone. This is so except in respect of what works from the point of view of day trippers. Day tripper numbers have been declining for a number of years and Islanders appear not to be bothered about this, but being able to day-trip to the Scillies is an important attraction for visitors staying in Penzance and anything that reduces this holiday option or fails to take the opportunity of enhancing the day-trip service is working against the best interests of the town and is therefore a legitimate area of interest to Penzance.

There is also a danger if the Council-subsidised operation does not involve a fast ferry that a competing operator with a fast ferry will set up, cream off the summer day-tripper trade and leave the Council with a loss-making operation. If this happened the operator would want to increase freight charges or perhaps hand back the lease. The buck stops with Cornwall Council, which – under present plans – would be the owner of the single ship. Having laid out around £20 million, mostly of council tax-payers' money, on buying it, the Council would have to subsidise an operator to run it. This subsidy would be yet another drain on council tax.

The principal other effect is that a single larger vessel removes the possibility of the ship being repaired in Penzance Dry Dock and thus the income and jobs associated with its maintenance and repair remaining in the local economy. The importance of this should not be underestimated. The Dry Dock normally employs 40 permanent staff and engages contractors as needed who stay in local B&Bs; At times there may be up to 100 people working at the Dry Dock. The business of the Scilly Isles operator could easily be the difference between a viable Penzance Dry Dock and one that is forced to close entirely. The loss of Scilly Link business may in this case mean the loss of all Dry Dock jobs and associated income for the town with negative knock-on effects for other marine-sector businesses in the area. The recent acquisition of the Dry Dock by the current operators of the Scilly Link illustrates this point: if they had been operating a larger vessel they would not have been interested in the Dry Dock and it would now be closed.

Of course the numerous advantages of running two ships compared with one are well known to those who actually operate the service. The Isles of Scilly Steamship Company changed from a one ship operation to a two ship operation some twenty years ago specifically to reduce costs and have run their business on that basis ever since. The two ship approach has been profitable through that time and the company now has a healthy balance sheet.

With this as background it is hard to see how the Route Partnership came to specify the new service with a single combined passenger and freight vessel. Apart from the impacts described above the realities of operating a single vessel all year round are clearly at odds with their stated aim of keeping costs as low as possible so that Islanders are not hit with unsustainably high freight costs.

Without a proper explanation as to why the Route Partnership took the decision to go for a single ship approach it is perfectly reasonable for the residents of Penzance, those who are clearly affected by the decision, to ask for this aspect of the Scilly Link scheme to be revisited and for the choice of vessel to be assessed from the perspective of what works best not just for the Scillies, but for Penzance too.