

# St Mary's and Penzance Harbours

## Scheme update

August 2014



## Introduction

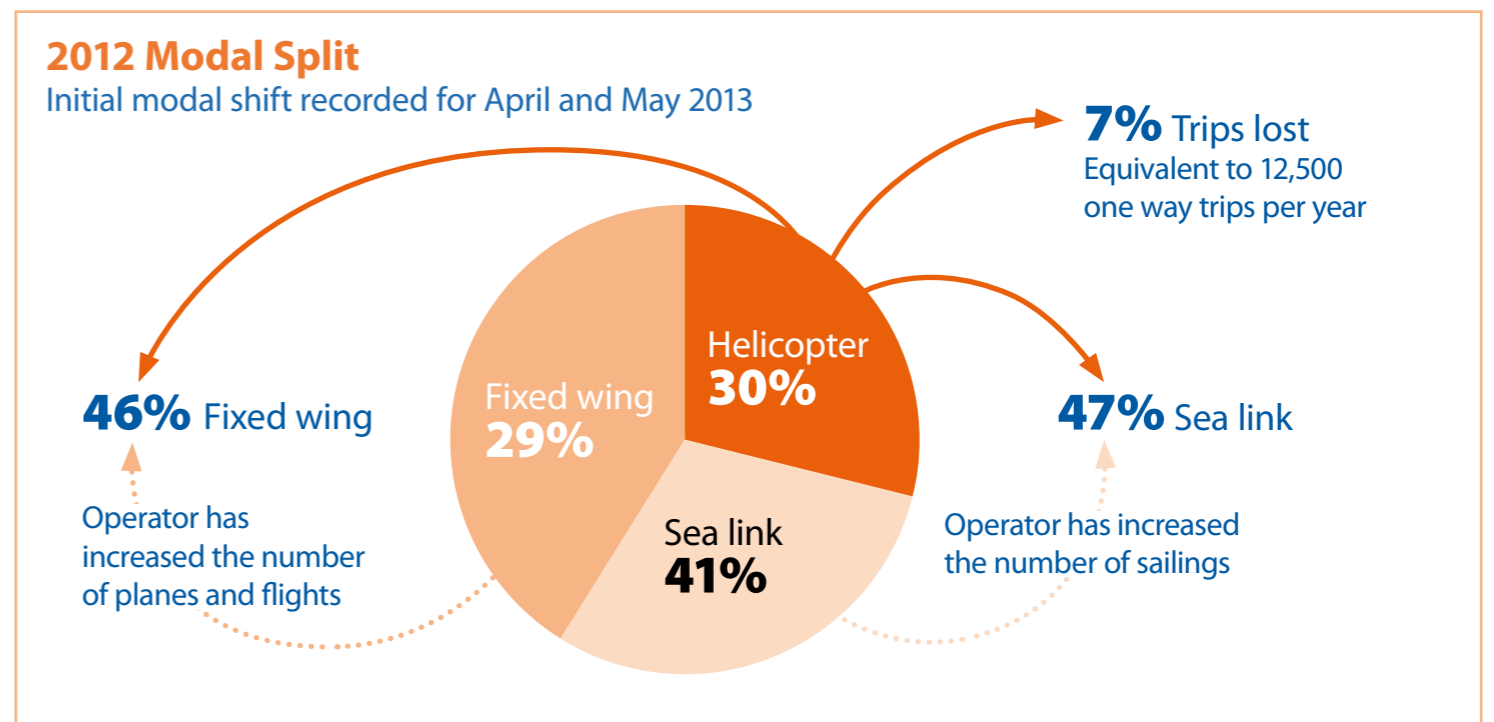
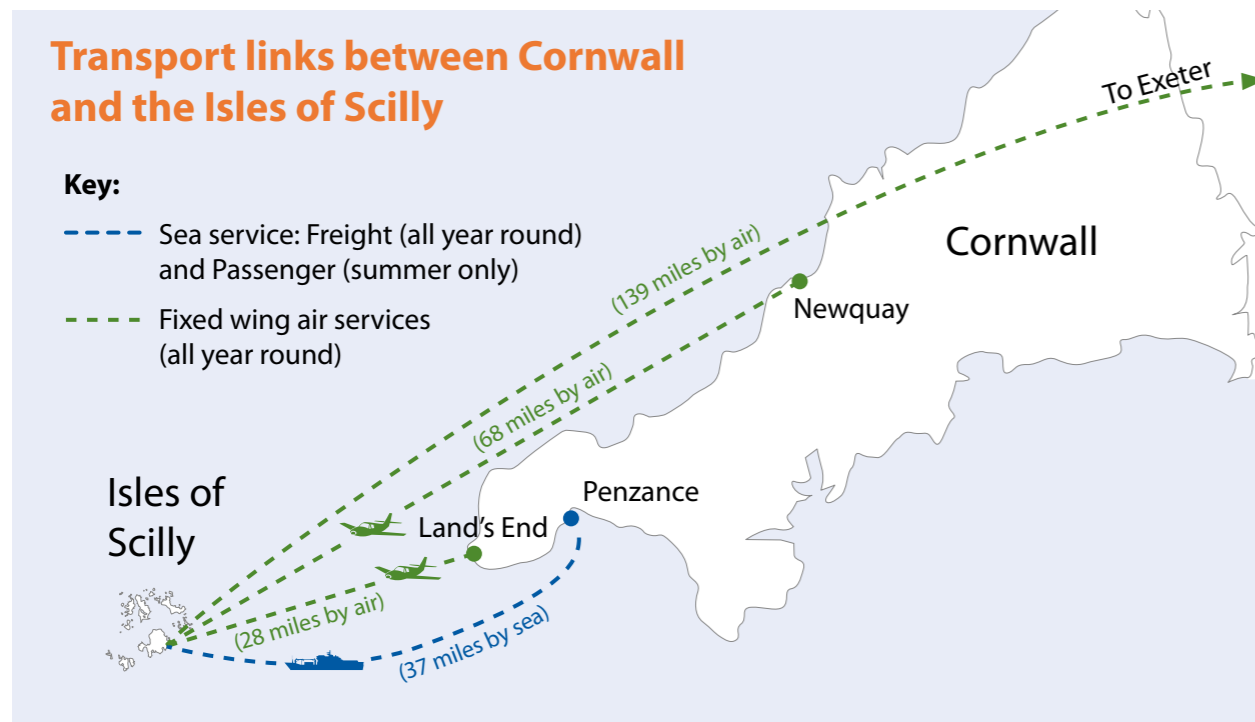
The air and sea links between the mainland and the Isles of Scilly are the 'lifeline' for the communities and businesses of Scilly. The sea link provides transport for the majority of freight and over 80,000 passengers to and from the Isles, a lower cost option for passengers and an alternative for air passengers when flights are cancelled.

The existing vessel, Scillonian III, was a bespoke build with a shallow (2.9m) draft and was designed to sit on the seabed when there is insufficient depth of water to remain afloat. In order to safeguard the future of the sea link, harbour improvements are proposed at St Mary's and Penzance to create deeper water berths which will improve the likelihood of the private sector continuing to operate the service. Without harbour improvements, it is unlikely that an affordable vessel would be identified.

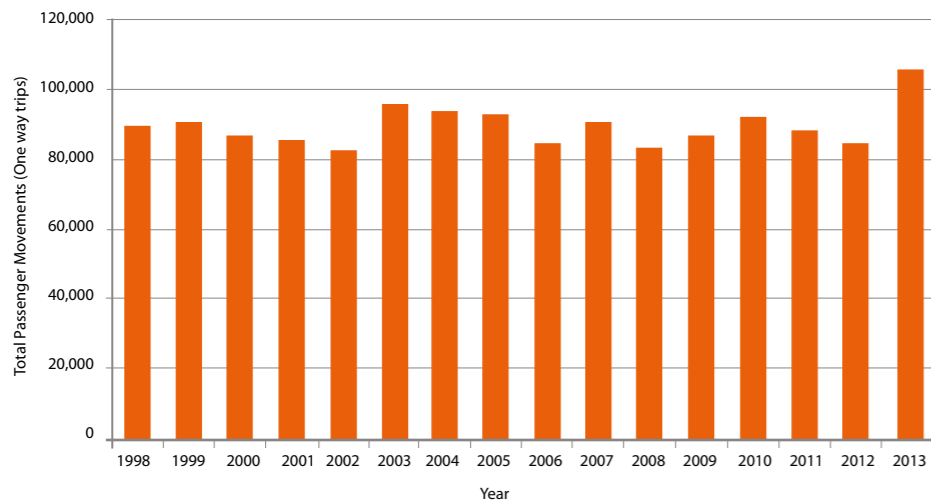
Cornwall Council is promoting the scheme as the Local Transport Authority in partnership with the Council of the Isles of Scilly, Penzance Town Council, Duchy of Cornwall, Isles of Scilly Steamship Company and supported by the Cornwall and Isles of Scilly Local Enterprise Partnership.



# Existing situation



## 1998-2013 Total Annual Sea Passengers between Penzance and St Mary's



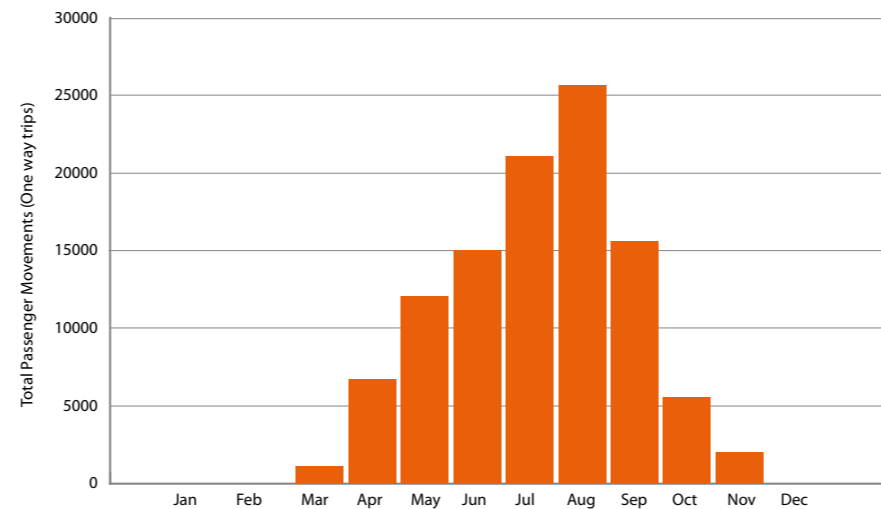
### Scillonian III (passenger)

- Bespoke vessel designed specifically to meet the specific operating requirements of the route with a shallow draft
- Operates between March and October sailing up to 6 days per week and works with the aviation sector to maintain links
- Licensed to carry 435 passengers



Scillonian III - Carried circa 105,000 passengers (2013)

## 2013 Monthly Sea Passengers between Penzance and St Mary's

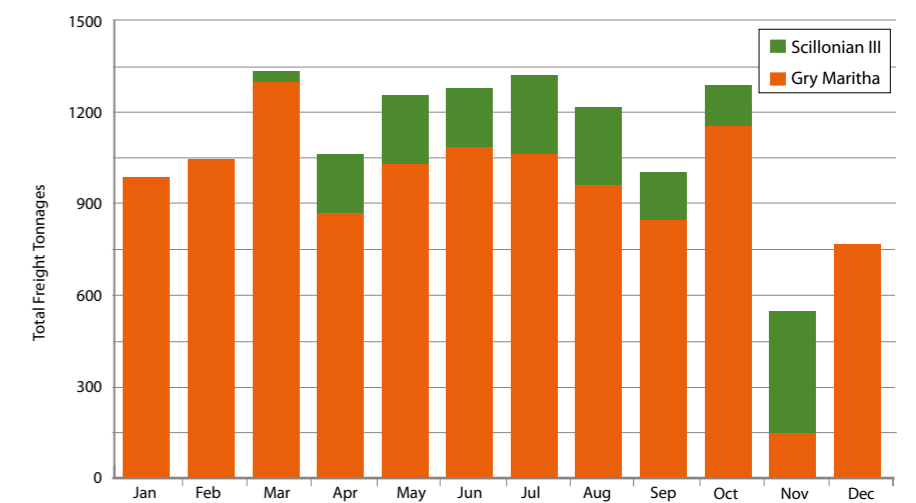


### Private Sector investment

- Following the cessation of the helicopter service in 2012, the IOSSCo have undertaken a £2m upgrade to Scillonian III to extend its operational life until 2018 (subject to annual certification by the MCA)
- The upgrade has included an overhaul of engineering and structural form together with new lifeboats, seating, bathroom and catering facilities and a passenger lift
- Passenger numbers by sea are now 50% of total journeys



## 2013 Monthly Sea Freight Tonnes between Penzance and St Mary's



### Gry Maritha (freight)

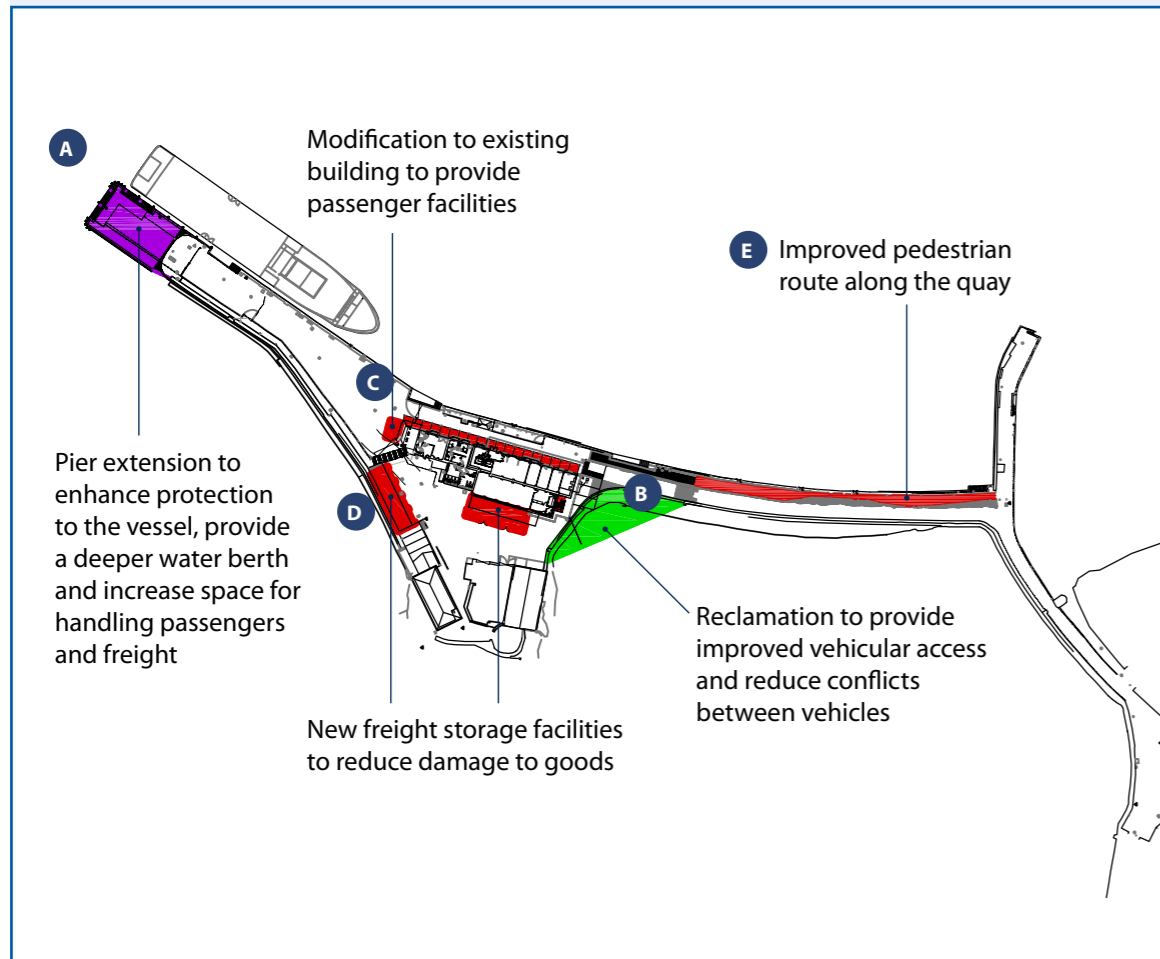
- Vessel built in 1981 originally as a Norwegian coaster and acquired for use as the freight vessel in 1989
- Operates all year round sailing 3 times per week
- Vessel licensed to operate until 2018



Gry Maritha - carried circa 13,100 Tonnes of freight (2013)

# Scheme proposals

## St Mary's harbour



## Operational deficiencies

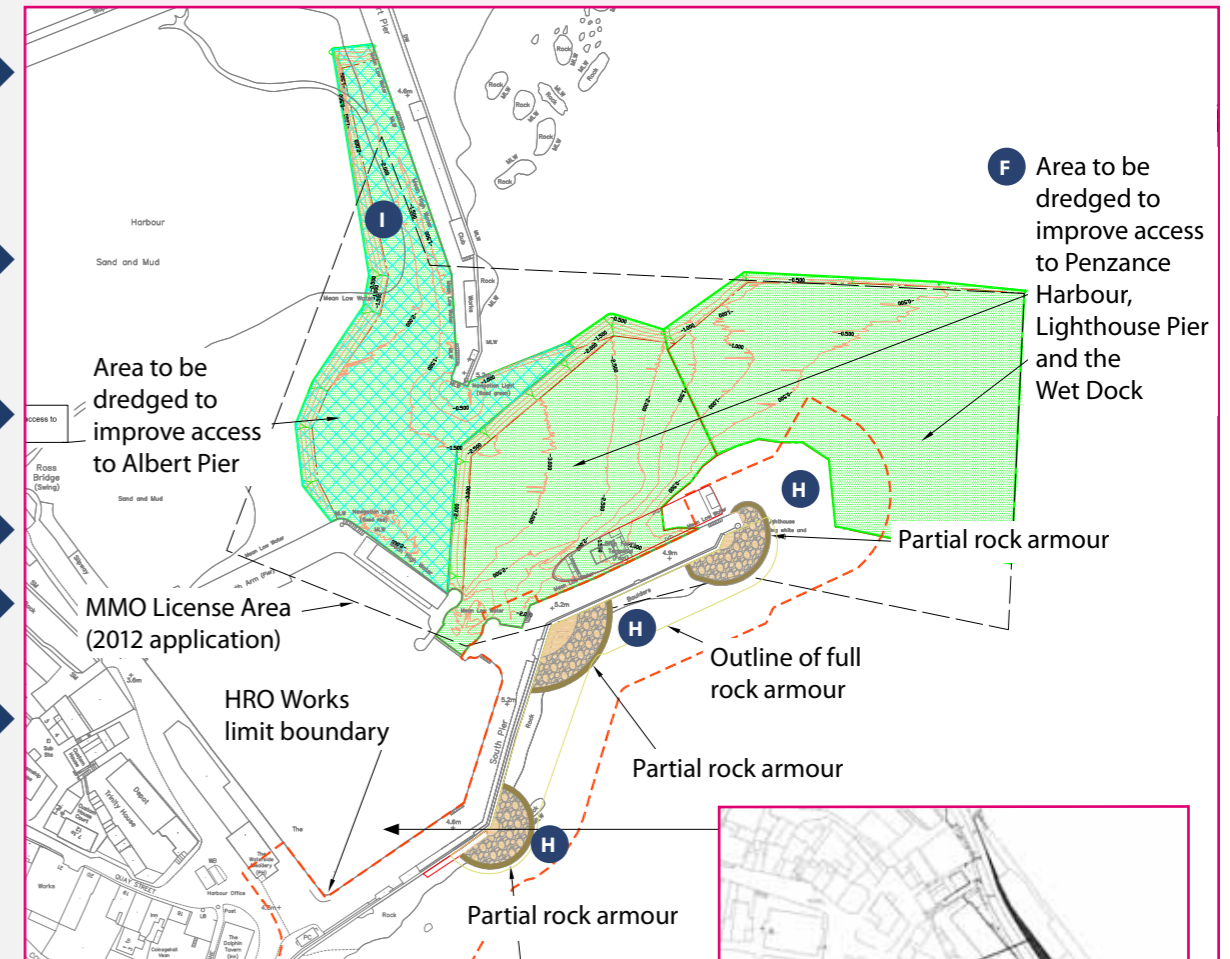
- ◀ Limited water depth restricting range of vessels that can use harbours
- ◀ Vessel exposed beyond end of quay
- ▶ Overtopping of sea wall leads to cancellations/disruptions of scheduled service
- ◀ Freight damaged through handling and exposure to the elements
- ▶ Lack of passenger facilities
- ▶ Congestion/conflict between vehicles and pedestrians
- ▶ Lack of secure check in facilities

## Proposals

## Outcomes

Pier extension	A	Increased water depth at berth - able to accommodate vessels on greater draft
Pier extension	A	Improved protection to vessel
Not applicable		Overtopping reduced less sailings cancelled/delayed
New freight storage facilities	D	Freight handling and storage improved
Modification to existing 'Harbourside' building	C	Improved passenger protection
<ul style="list-style-type: none"> <li>• Covered walkway</li> <li>• Waiting room</li> <li>• Ticket office</li> <li>• Protected access</li> </ul>		
Reclamation	B	Conflict between passengers and freight/traffic reduced
Improved pedestrian route	E	Passenger experience improved
Passenger facilities	C	
New ticket office with 3 check in points for passengers and luggage	C	Ability to operate efficiently under increased port security requirements

## Penzance harbour



## Proposals

F	Dredging to harbour approach and main berth
I	Dredging to Albert Pier (storm berth)
H	Partial rock armour (excluded from current scheme)
	To be addressed in future regeneration scheme for the harbour area
G	Highway improvements
	To be addressed in future regeneration scheme for the harbour area
	To be addressed in future regeneration scheme

# Scheme benefits, costs, funding and delivery

## Benefits

The transport benefits have been calculated on the basis that the passenger sea link would cease without these harbour improvements. **The BCR is above 3.**

There are currently no second hand vessels available for sale that could operate within the current harbour parameters. By extending the St Mary's quay into deeper water and dredging at Penzance, vessels of an increased draft (up to 3.9m) could be accommodated at these harbours, so improving the chances of identifying future replacement vessels to continue the sea link.

### The impact of not changing

The cost to the private sector of building a new vessel or operating a restricted service with a second hand vessel of deeper draft than Scillonian III may not be economic.

The impact of the loss of the passenger service would be an increase in travel costs for passengers (transferring to air) and freight and a reduction in visitors with a resultant negative impact on the economies of the Isles of Scilly and West Cornwall.

The continuation of the current safe and dependable sea and air links to the mainland, and between islands, is critical to the social and economic wellbeing of the Isles of Scilly.

The main scheme aim is to sustain the long term future of the sea link between the Penzance and St Mary's which provides transport for the majority of freight and around 40% of passengers to the Isles. In doing this, the scheme looks to:

- Protect access to work, education and health services for the islanders
- Support and protect the mainland and island economies
- Sustain employment

and will secure 197 jobs in transport and tourism.

Wider economic benefit	Benefit/year (2010 prices)
Tourism on Scilly	£3.22m
Penzance Tourism	£2.10m
Total	£5.32m
	<b>Discounted 2019 - 2042</b>
Total	£64.9m

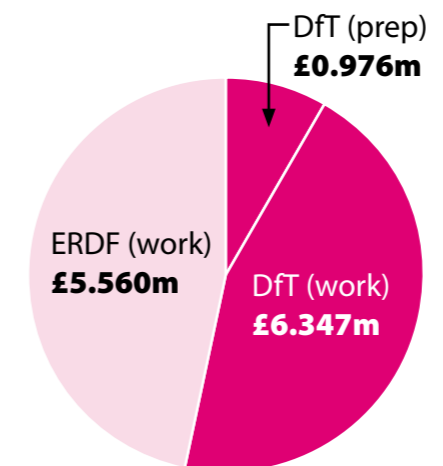
## Costs

Preparatory costs	£0.976m	
<b>St Mary's</b>		
Quay extension	} £10.911m	A B C D E
Reclamation/widening		
Passenger and freight facilities 'Harbourside'		
Risk		
<b>Penzance</b>		
Dredging	} £0.996m	I F G
Highway works (including services)		
Risk		
<b>Total works cost</b>	<b>£11.907m</b>	

Refer to Scheme proposals (page 3) for more details

## Funding

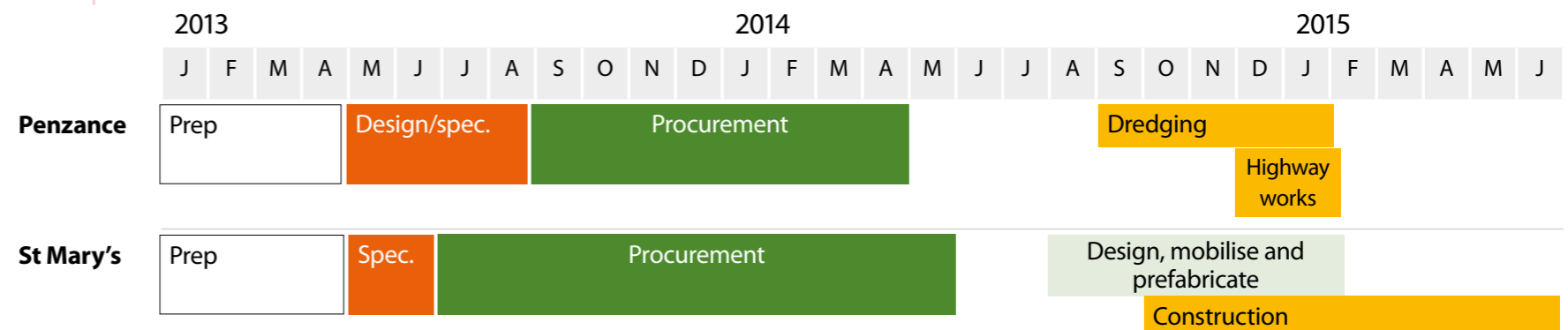
In the event that the applications for DfT and ERDF funding are successful the scheme will be financed thus:



Cornwall Council as the Local Transport Authority will take on the role of the Accountable Body for the funding and delivering the scheme within the current comprehensive spending review period and Convergence timescales.

## Delivery

The works are permitted under the current harbour revision orders. An amended listed building consent has been granted for the St Mary's proposals. Marine licences have been obtained for the works at each harbour.



# Scheme alignment with DfT requirements

## DfT funding

Scheme now only seeking £10m from DfT for minimal harbour works

## Value for money

Current BCR exceeds 3

## Scheme proposals

Scope reduced to maintain current level of service:

### St Mary's Harbour

- quay extension
- localised reclamation
- basic passenger and freight handling facilities

### Penzance Harbour

- capital dredge
- localised highway improvements

## Passenger services


Future vessel(s) to be provided and operated by the private sector

## Freight services

Isles of Scilly Steamship Company have confirmed the Gry Maritha can continue until 2018

## Operator requirements

Provides flexibility for greater vessel choice

  
From the Parliamentary Under Secretary of State

**Department for Transport**  
Great Minster House  
76 Marsham Street  
London SW1P 4DR  
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Fax: 020 7944 4309  
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Web site: [www.dft.gov.uk](http://www.dft.gov.uk)

Councillor Graeme Hicks  
Cabinet Member for Transportation and Highways  
Cornwall Council  
County Hall  
Treyew Road  
Truro  
TR1 3AY

31 March 2011

Dear Cllr Hicks

I am writing to inform you that, after careful and detailed consideration, we have decided that we cannot support the allocation of departmental funds for the scheme you have proposed for a new combined passenger and freight boat to ply between Penzance and St Mary's, and associated harbour infrastructure.

The Department for Transport recognises the importance of a sea connection, both for passengers and freight between Penzance and St Mary's, and is totally committed to working to ensure this remains secure into the future. We cannot however justify the allocation of over £35m from this Department for the package you have advanced. This is particularly true at this time of fiscal stringency.


In making our decision, we have taken into account the very poor appraised value for money of the scheme. The scheme proposed by Cornwall goes far beyond what is necessary to maintain services. We are concerned that the cost of both the boat and the harbour works have risen by 50 per cent since 2007. We are also bound to observe that, while other local schemes the department has been considering in recent months have been able to be amended by their local authority promoters so as to reduce the call upon departmental funds, here the opposite is the case. Under these circumstances the level of spending requested on this project, including the construction of a brand new purpose built ship, cannot be justified.

We hope Cornwall Council will take this opportunity to work with the operators, the Isles of Scilly Steamship Company, the Department, and other key stakeholders to develop a simpler, lower cost solution for the passenger traffic between Penzance and St Mary's, and I confirm that we will give priority to considering funding such a solution. This should be a relatively speedy consideration, as we recognise it is important to provide some certainty for all relevant parties. The extent to which harbour works may or may not be required, either in Penzance or St Mary's, will continue to be considered. We expect the existing freight boat to continue in operation for the foreseeable future.

I look forward to working productively with you and with the Steamship Company to help secure an affordable and viable arrangement to safeguard the future of this important crossing.

A copy of this letter has been sent to the Leader of Isles of Scilly Council.

Yours sincerely

  
**NORMAN BAKER**

RECEIVED ON  
4 NOV 2012  
CABINET OFFICE

From the Parliamentary Under Secretary of State  
Norman Baker MP  
Great Minster House  
33 Horseferry Road  
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E-Mail: [norman.baker@dtf.gsi.gov.uk](mailto:norman.baker@dtf.gsi.gov.uk)  
Web site: [www.dft.gov.uk](http://www.dft.gov.uk)  
Our Ref: MC/59266  
Your Ref: JC/BB

Department for Transport

Councillor James Currie  
Leader of the Council  
Cornwall Council  
County Hall  
Truro  
Cornwall  
TR1 3AY

26 November 2012

Dear Councillor Currie

Thank you for your letter of 2 November about St Mary's and Penzance Harbour Proposals.

I am very pleased that Cornwall Council is prepared to take the lead in developing and, if approved, delivering the scheme to improve St Mary's and Penzance Harbours, building on the work already done by the Council of the Isles of Scilly and Penzance Town Council.

Clearly there are elements of the Town Council's preferred scheme that are undeliverable within the timescale for EU Convergence Funding. However, as I made clear, in my letter to them of 28 September, I am keen that the elements of the project that can be delivered are now progressed with urgency.

I would therefore welcome a business case from you that comprises the proposed works at St Mary's, along with dredging and rock armour at Penzance. I am aware that the latter element – rock armour – is controversial locally and therefore I would like to see the costs and benefits of that element separately identified in the business case. I will then be able to take an appropriate judgement about the case for its inclusion in full possession of all the relevant evidence. I have also asked the Town Council for their views.

I am also content to consider any modest and deliverable improvements to Penzance Harbour within the business case, provided there is a strong case for doing so and their inclusion does not slow down the overall timetable.

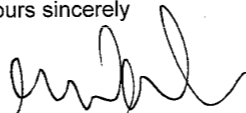
I am pleased to say that I have approved funding for the further development of this scheme and I therefore look forward to receiving your business case by the end of December if possible. We will aim to make a decision by the end of March, as your letter suggests.

You also asked about future projects at Penzance. The funding that I have set aside is specifically for a scheme that can be delivered quickly and subject to additional funding contributions being sought from the current round of the EU Convergence programme. Beyond that, the Department's budget for local transport major schemes is fully committed to 2015 and will be devolved for future spending review periods. Therefore funding for any future Penzance scheme, or indeed any other local major transport scheme, will need to be sought from the devolved major schemes budget or other funding streams such as the Growing Places Fund.

I am copying this letter to Andrew George MP.

I hope this is helpful.

Yours sincerely

  
**NORMAN BAKER**

## Support for the scheme

Proposals supported by Cornwall Council, Council of the Isles of Scilly, Penzance Town Council, Duchy of Cornwall, Isles of Scilly Steamship Company and Cornwall and Isles of Scilly Local Enterprise Partnership

## Penzance Town Council proposals

Revised proposals within existing permissions and consents. Further proposals to regenerate the harbour are expected to be delivered through the next EU Convergence programme and other opportunities for funding

## Business case

Draft final business case and addendum for these proposals submitted to DfT for consideration

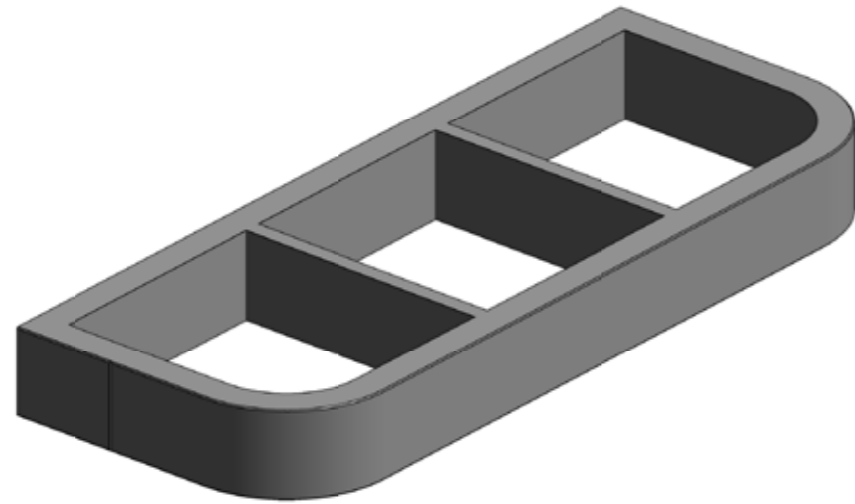
## Rock armour

Partial rock armour supported by Penzance Town Council to reduce over topping and improve operations, not part of current scheme

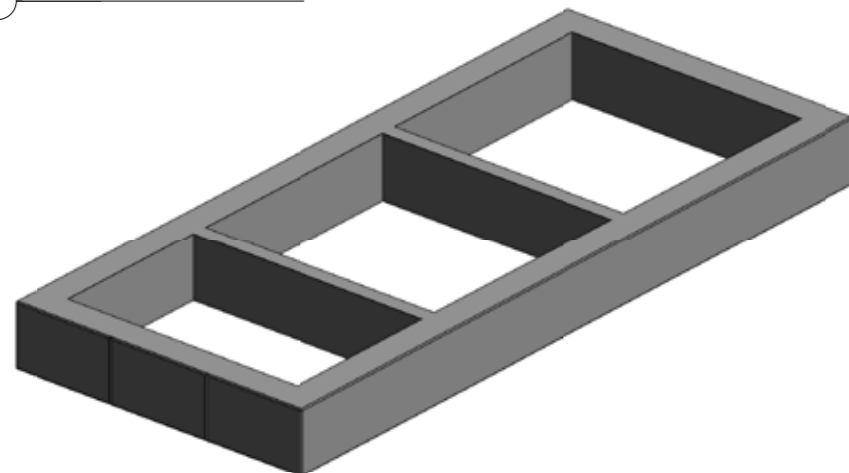
## Penzance harbour improvements

Localised highway improvements at Penzance harbour are included to improve safety of both passengers and all road users

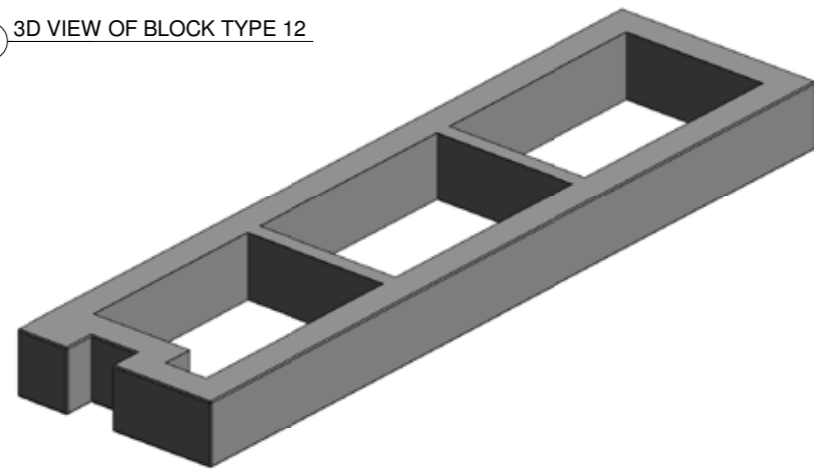
# St Mary's Harbour quay extension proposed block details and exploded view



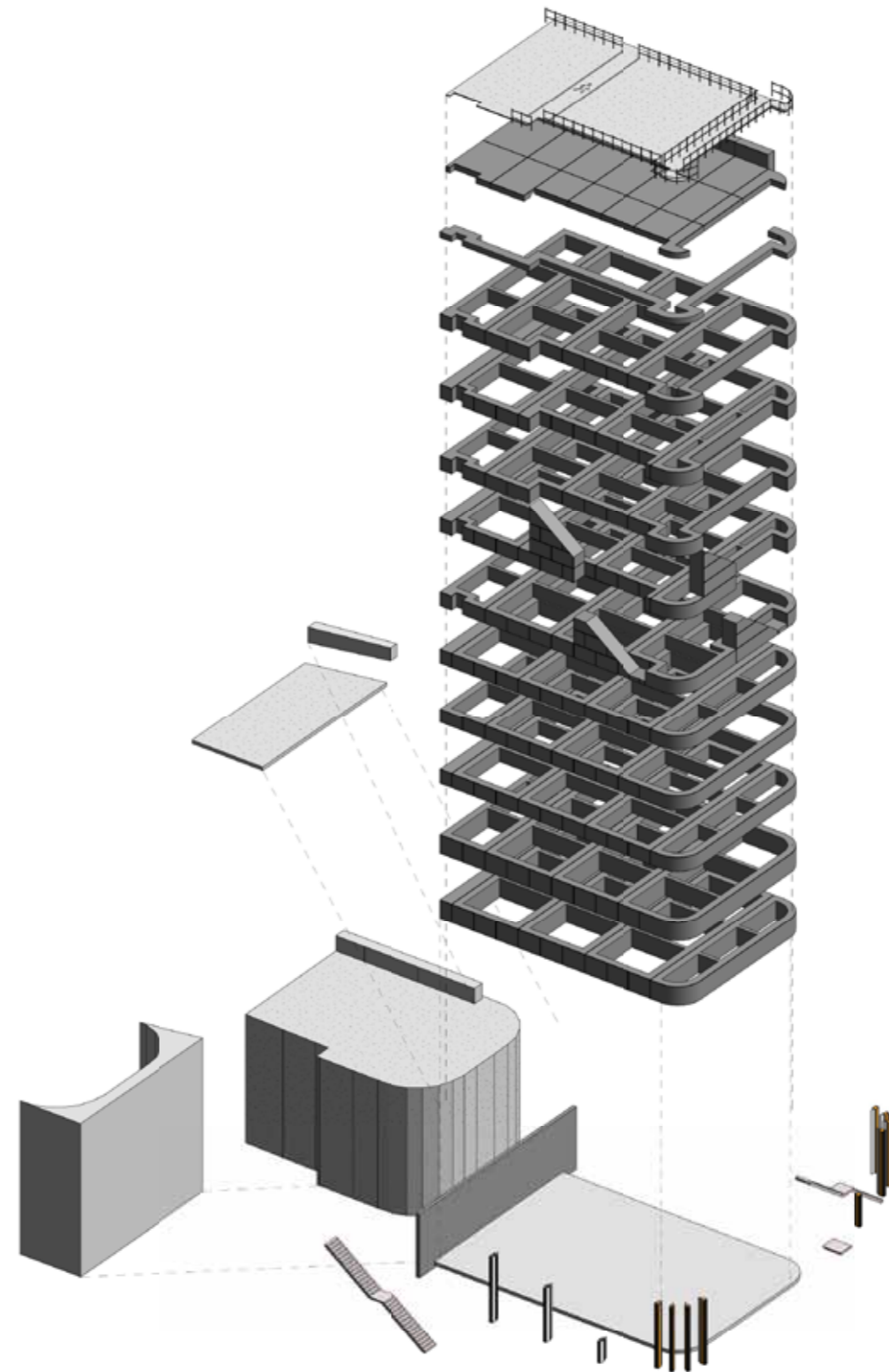
1 3D VIEW OF BLOCK TYPE 4



3 3D VIEW OF BLOCK TYPE 12



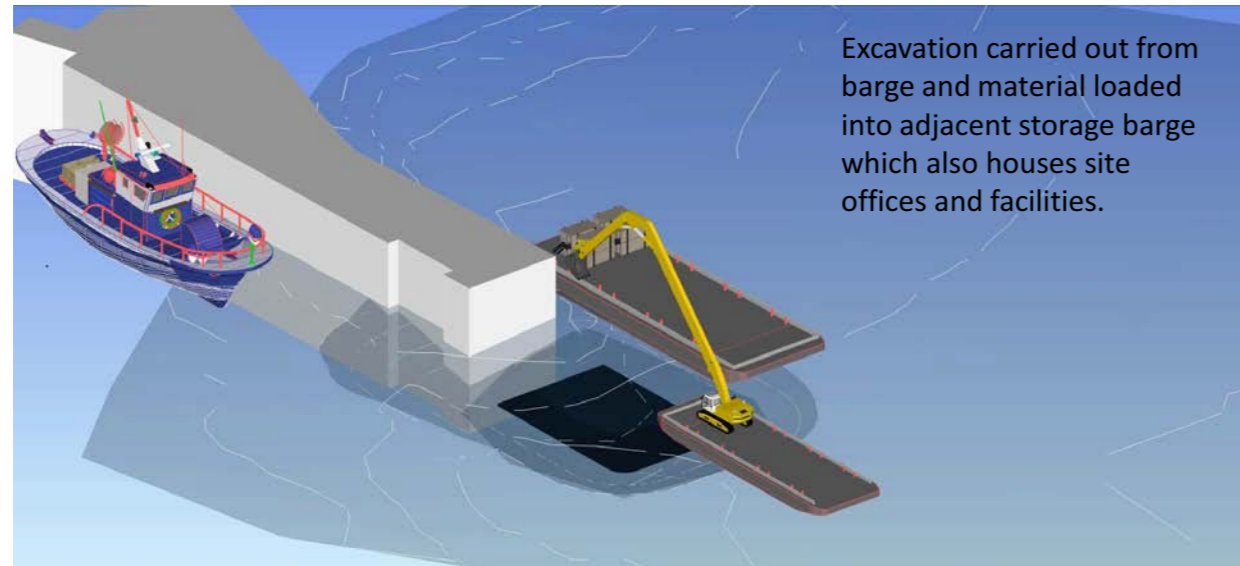
4 3D VIEW OF BLOCK TYPE 18



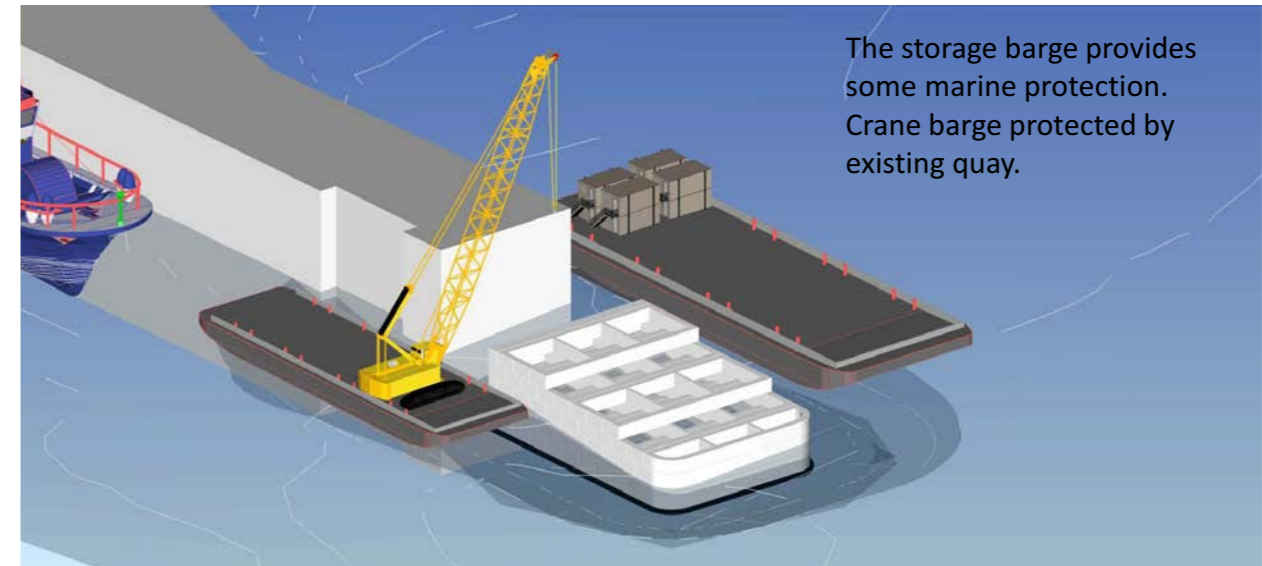
2 EXPLODED VIEW

# St Mary's Harbour quay extension proposed construction sequence

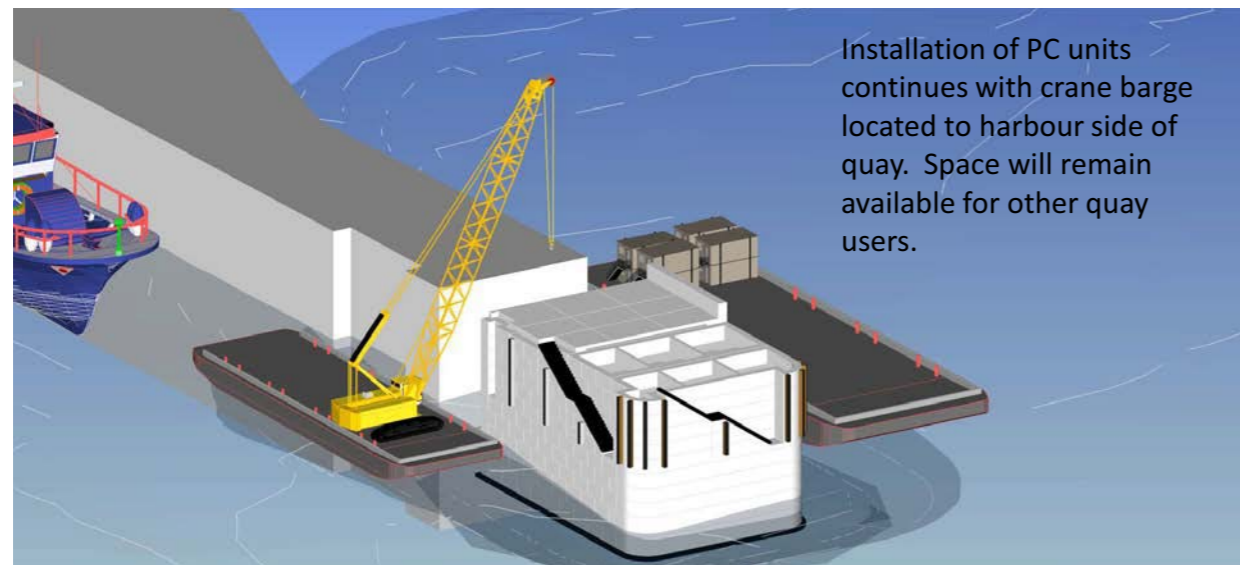
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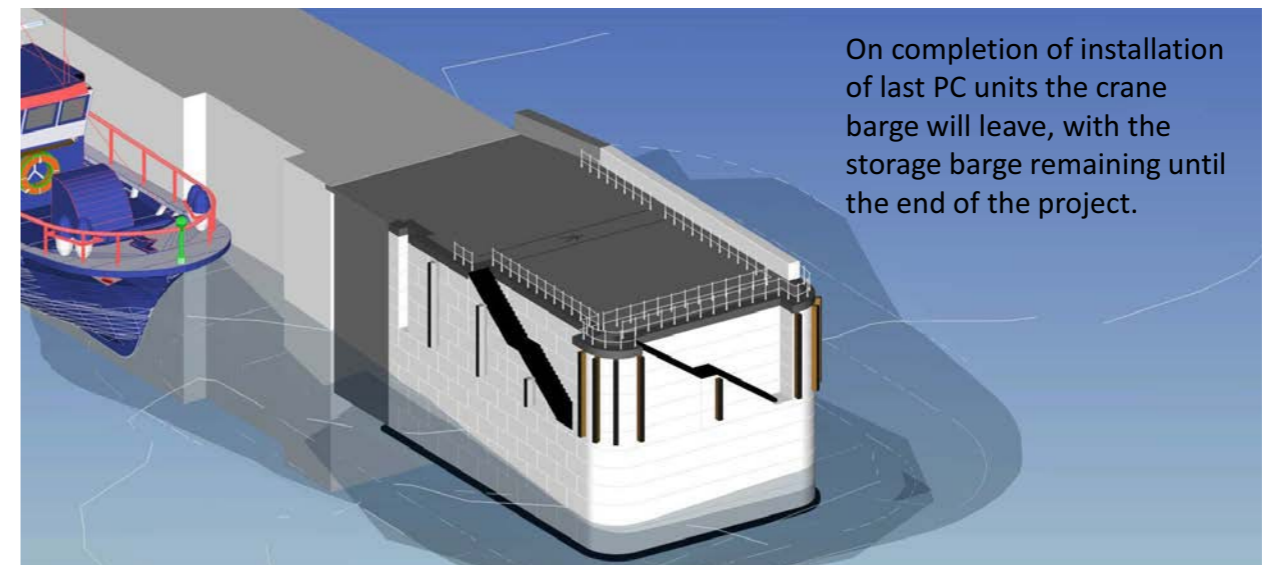
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3



4



# Key outcomes

## The scheme would...

- 1 Maintain the 'lifeline' sea link between St Mary's, Isles of Scilly and Penzance, Cornwall;
- 2 Play a vital role in the future prosperity of the Isles of Scilly and West Cornwall, maintaining the current economic status through supporting tourism and associated employment – valued at £65m over 30 years;
- 3 Maintain travel choice between the Isles of Scilly and the mainland and provide support to the air services when interrupted by weather events;
- 4 Provide a more resilient sea service with less cancellations and delays;
- 5 Provide good value for money with the benefit of maintaining an affordable sea link valued at greater than cost by a ratio of over 3 to 1;
- 6 Be the first step towards the wider regeneration of Penzance Harbour;
- 7 Be delivered locally by Cornwall Council at a fixed cost to DfT and the Convergence Programme with construction complete by end of June 2015.



For more information please contact:

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