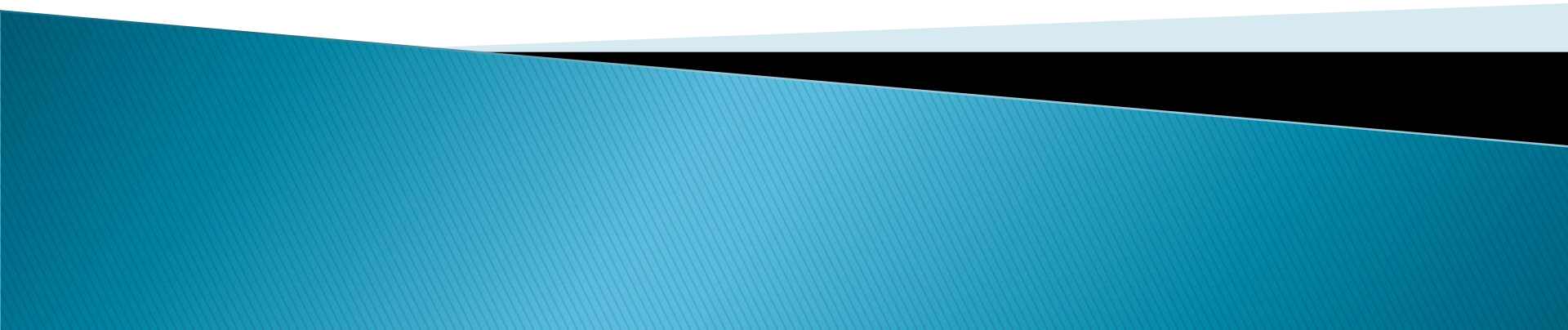
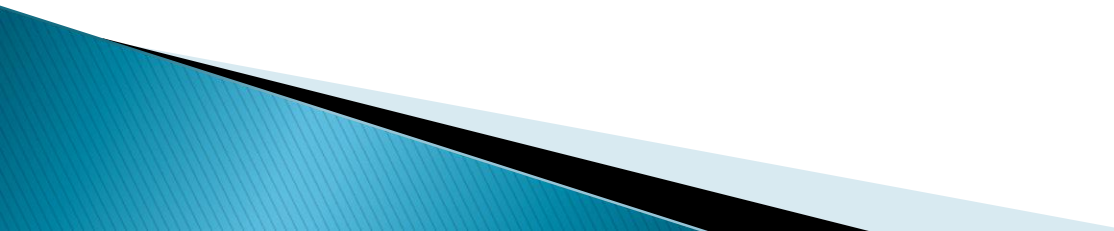


# Transport for Scilly

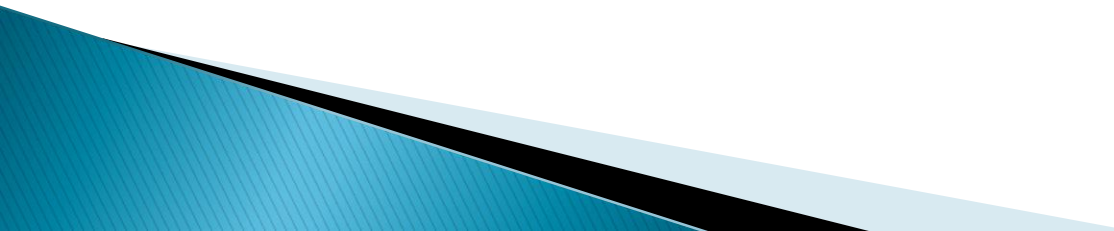
Mainland and Inter – island



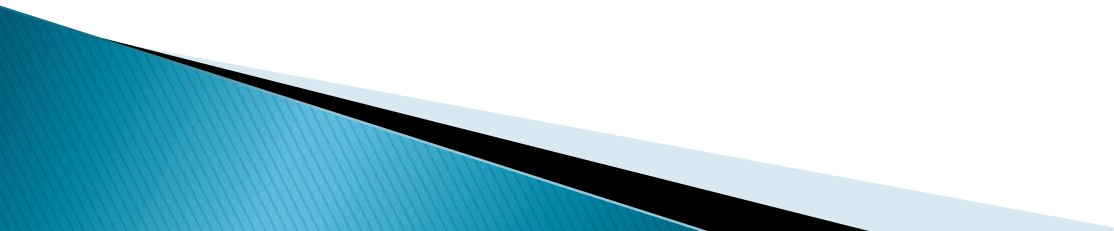
# Why are we here?

- ▶ Transport is a major issue for the Isles
  - ▶ Significant disruption over the last two years
  - ▶ Many views on what needs to be done
  - ▶ Challenge from Transport Minister to come forward with coherent and realistic strategy
  - ▶ **Inform** the community on the arrangements that the Council have put in place
  - ▶ **Listen** to the community and users of our transport system
- 

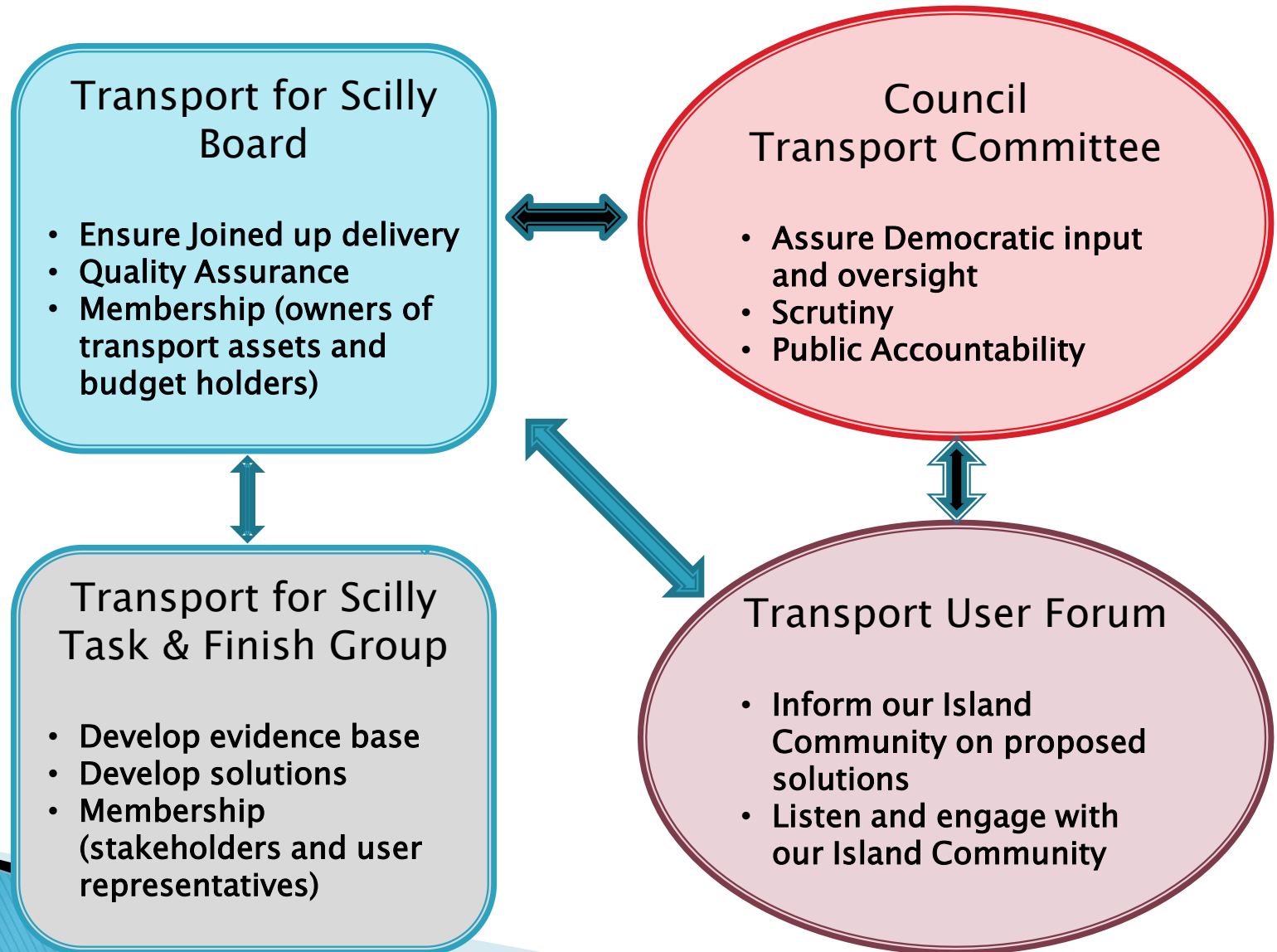
# What do we want to achieve?

- ▶ Transport that supports our economy, society and environment
  - ▶ Essential ingredients for a successful transport system
    - Reliable and dependable
    - Fully integrated with mainland transport
    - Shared understanding of the costs of transport
  - ▶ Alignment with other strategies for growth and development
- 

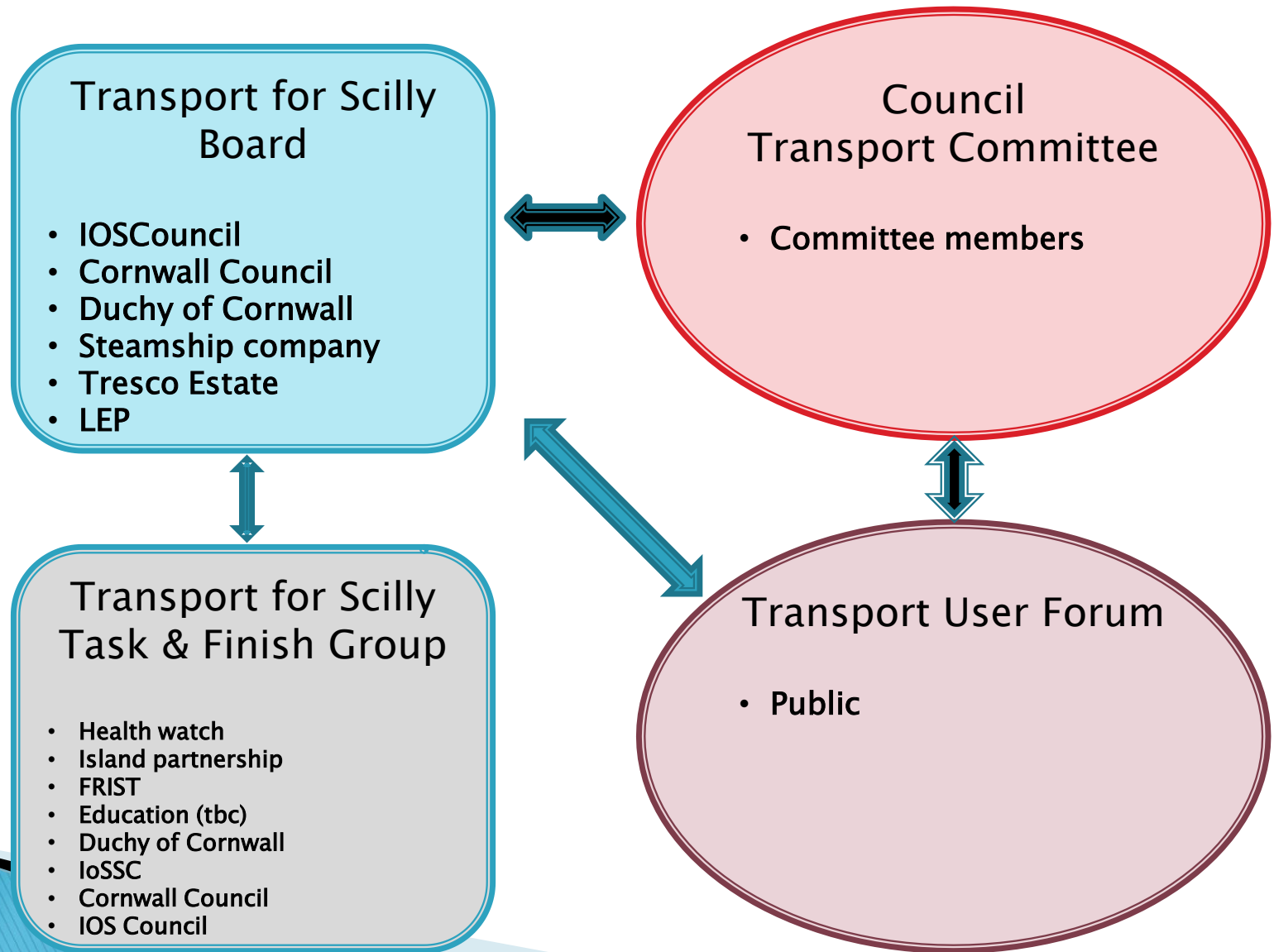
# Who is involved in transport?

- ▶ CIOS – Operate Airport, Access to Government, Access funding for projects
  - ▶ Duchy of Cornwall – own and operate the Quay, own and lease the airport to the IOS Council
  - ▶ CC – own and operate Penzance Harbour and NQY airport through operating companies, responsible for Transport in Cornwall
  - ▶ IOSSCo– operate the means of getting here (planes and vessels) and Land's End Airport
  - ▶ Tresco – own the heliport on Tresco and inter island boat service
- 

# Leadership and Governance



# Leadership and Governance

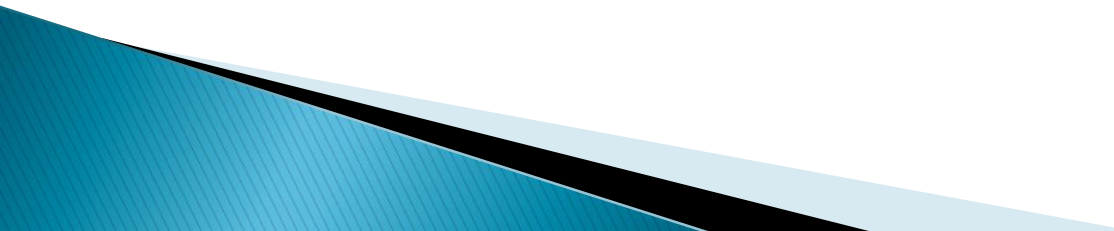


# Transport Task and finish group looked at issues with transport and their causes

## Issues

- ▶ Delay
- ▶ Disruption
- ▶ Poor communication
- ▶ Poor customer services
- ▶ Cost

We then looked at causes of the issues

- ▶ Waterlogging
  - ▶ Poor visibility
  - ▶ Cross winds
  - ▶ Low volumes high unit costs
- 

# Solutions to causes of disruption

## ▶ AIRLINK

- Water Logging → Hardening of runways at Lands End Airport
- Cross winds at Newquay → Lands End hardening allows more use of islanders which operate at greater wind speeds
- Fog and low cloud → Introduction of EGNOS system which may enable lower cloud ceiling minima
- Better facilities at airport keep people more comfortable if there is disruption

## ▶ SEALINK

- Sea state → No clear solution yet
- Water depth at berths → Dredging quay lengthening at St Mary's
- Passenger and vessel safety → Quay improvements
- Damaged Goods – better freight storage, chiller and freezer capacity on the quay at St Mary's



# Softer issues

- ▶ Better Marketing – IP, IOSSCO prioritising
- ▶ Better communications – IOSSCO prioritising
- ▶ Better Customer services – IOSSCO prioritising
- ▶ Better facilities if delayed – in place at Land's End – will be in place on St Mary's for the winter

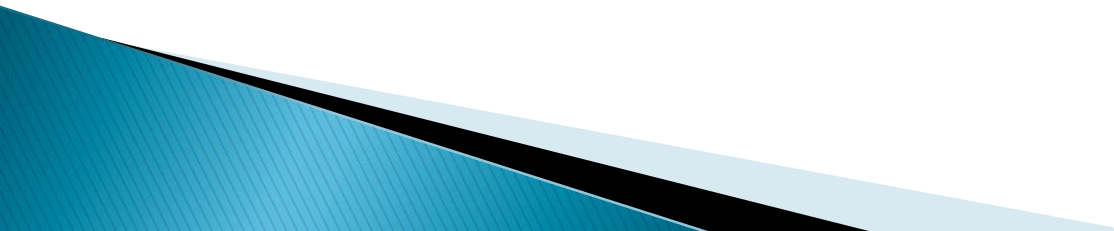
# Integration is crucial

- ▶ Onward travel options
  - Sleeper Riviera Service
  - Shuttle Park and Ride, Lands End, Quay
  - Alternative travel for medical & vulnerable adults
  - Integrated time tables
- ▶ Fare integration where possible
  - Through ticketing
  - Code share
- ▶ Alignment of strategic plans
  - Delivery partners

# Is there a case for subsidy?

- ▶ Understanding subsidies and grants
- ▶ Capital investment
  - Business case for any investment is difficult when compared to inner city areas or even rural areas on the mainland
  - Current public capital subsidy for transport approx £ 25 million → just over £ 10,000 per resident
  - Private investment
- ▶ Revenue support
  - Requires long-term commitment and political support
  - Approval needs to pass several tests

# Subsidy


- ▶ To get a subsidy we need permission to give the subsidy [a PSO or Aid of a Social Character]
  - ▶ Need a long term revenue commitment from Central Government – cannot come from the 1100 IOS council tax payers or Cornwall Council
  - ▶ Central Government has continuously said no to revenue subsidy and is unlikely in current financial climate where the emphasis is on budget cutting or efficiency savings
  - ▶ Islands in receipt of a £25m capital subsidy for the airports and quays – if our Council had to borrow this funding it is equivalent to £2.2m per year
- 

# Why is everybody talking about Public Service Obligation?

“It is not possible to impose a PSO on a route on which adequate services are already being operated (UK Government)”

- ▶ Central Government has to support the process as it goes through the European Commission
- ▶ PSO is permission to spend not money to spend
- ▶ Once achieved the public authority is **obligated** to deliver the service they applied for (time limited)
- ▶ Only public authorities can apply for a PSO
- ▶ If all EU test have been satisfied and there is no challenge by a commercial operator, the public authority who then **owns** the PSO must undertake a competitive process to identify an operator against set criteria.
- ▶ The Public Authority auctions the subsidy, thereby permitting the winning company a monopoly to operate a specified service of public transport for a specified period of time for the given subsidy
- ▶ Required for each route (departure & destination point) and each mode of transport
- ▶ Often used to encourage privatisation in Europe
- ▶ Negotiated level of service

# Should we get AID of a Social character?

- ▶ This is a state aid that allows public authorities to aid the most needy in society
  - ▶ Used by Scottish Government to subsidise residents of the Highlands and Islands on airfares up to 40%
  - ▶ Residents on the Islands get similar levels of subsidy as Scottish Islands through the Travel club funded by the IOSSCo
  - ▶ To implement this aid, we would need to find a public authority willing to underwrite a blank cheque of at least £750K per year (based on travel club figures)
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Questions?