

SUBMISSION TO TRANSPORT COMMITTEE INQUIRY FOR PASSENGER TRANSPORT IN ISOLATED COMMUNITIES

From Friends of Isles of Scilly Transport (FRIST)

SUMMARY

1. The Isles of Scilly are unique within England of being a small island group with fragile transport links.
2. The current transport provision of a summer only ferry service and small fixed wing air service, which are very susceptible to fog, wind and rain.
3. Ferry service fares are many times higher than the equivalent ones to the Scottish Islands and air services significantly more. The fares and services are having an adverse impact on the islands' economy and the health and welfare of the community.
4. FRIST calls upon the Government to accept that the Isles of Scilly are a special case with needs, expectations and rights much more akin to those currently enjoyed by similar Scottish and other European islands, and lifeline operational deficit subsidy to ensure the long term viability of the islands.

FRIENDS OF ISLES OF SCILLY TRANSPORT (FRIST)

5. We welcome the opportunity to raise the serious transport problems experienced by residents of the Isles of Scilly for both themselves and the local economy. The south west has more than its fair share of small and remote communities, but the Isles of Scilly must surely encapsulate the acute difficulties associated with isolation, access and cost.
6. The authors of this submission are members of the FRIST Advisory Group. FRIST was set up in June 2012 to represent the islands' community and travelling public and to support the Council of the Isles of Scilly in achieving the objectives of their report 'Isles of Scilly Transport: A Comparative Study of the Isles of Scilly and the Scottish Isles' (<http://tinyurl.com/puruy92>). FRIST has over 2000 supporters, including over 45% of the islands' adult population and continues to attract support on a weekly basis. We are campaigning for **affordable, reliable, all year transport services between the islands and the mainland comparable to those provided in the Scottish Islands.**
7. The FRIST website www.frist.org.uk and newsletters provide updates on the current transport situation and the steps being taken to bring about improvements. Members of the Advisory Group include local residents and businesses and mainland members who have specific interests and expertise in transport and logistics, travel for the disabled, aviation, ports and shipping. Members of the group have attended meetings at the Department for Transport, Brussels, Scotland, etc.

CURRENT TRANSPORT PROVISION

8. At the end of October 2012, the helicopter passenger service ceased. It had operated for almost fifty years and was widely regarded as the most reliable and convenient all year link with the mainland. It operated directly to St. Mary's and Tresco from Penzance Heliport, close to Penzance Railway Station and easily accessible by road.

9. Since then both the only air and sea services have been provided by the Isles of Scilly Steamship Group. Air travel is by eight-seater Britten-Norman Islanders or nineteen-seater De Havilland Twin Otters from either Land's End or Newquay Airports plus Exeter Airport during the summer. Flights from Bristol and Southampton have ceased from this year in order to provide optimum seat capacity to and from the most used airports.
10. The frequency of flights from Land's End during the winter is 4 daily (2 on Saturdays) rising to 29 on Saturdays during the height of summer; Newquay has 2 a day during winter and up to 6 in summer; Exeter has 3 to 6 a day during the tourist season, none in the winter.
11. Fares are quoted on a single one-way basis. From Land's End an adult single is currently from £70; from Newquay £85 and from Exeter £120, with adjustments for children and infants.
12. Single fares for islanders who are members of the IOS Travel Club are £64 to Land's End, £76 Newquay and £104 Exeter. Further reductions are offered on stand-by tickets.
13. There is no passenger sea service between the end of October and the end of March each year. The weekday sea service operating from the end of March until the beginning of October by the Scillonian III has been supplemented this year by Sunday sailings in July and August. Throughout October the service is reduced to four days a week prior to ceasing the service during the winter.
14. A standard adult fare on the vessel Scillonian III is currently from £37.50 single. The local Travel Club fare is £10.50.

COMPARISONS WITH OTHER ISLANDS

15. The Isles of Scilly are the only group of small islands in England, and some of the Scottish Isles have provided a basis for comparison in terms of population size and distance from the mainland. Scilly has a resident population of approximately 2,200 and in EU terms is classified as a small island (with a population fewer than 5000).
16. In an EU analysis of island regions as part of economic and social cohesion (2003) all islands with a permanent population of at least 50 people (among other criteria) were assessed. In the analysis, the Scottish Isles were judged as disadvantaged in terms of demography, outlying nature and access to public services and neutral in terms of economic structure. Perhaps surprisingly, the analysis further stated that the islands of England and Wales are 'accessible, diversified and successful', meaning that the Isles of Scilly were judged as advantaged in terms of economic structure and access to services, while being neutral in terms of their outlying nature and disadvantaged in terms of demography. However, Cornwall and the Isles of Scilly have now recently been re-designated as requiring the highest level of EU support within the UK. Also, most importantly, in national terms, the Isles of Scilly are consistently grouped with island communities which are very different; the Isle of Wight (population ca.133,000), Anglesey (population 68,600) and Walney Island, Cumbria (population 11,388) which have two permanent bridges between them.
17. In the financial year 2010/11 the Scottish Government, through its Ferries division, subsidised ferry services to the Western Isles by £50million and to the Shetland and

Orkney Islands by £35million (IOSC Scottish Report para 5.3 p76). The ferry service to Scilly received no subsidy.

18. In the same year, using the Western Isles per capita rate as a comparator, the Scilly ferry service would have attracted public support of £5million per annum.
19. A Road Equivalent Tariff is being introduced in Scotland for 'lifeline' services. This links ferry fares to the cost of travelling the same distance by road. Applied to the Penzance – St Mary's route it would indicate a charge of £11.40 per return journey by the Scillonian III.
20. The Scottish island of Islay is probably the nearest UK equivalent to Scilly in terms of population size and ferry journey time but demonstrates a stark difference in levels of cost and services with fares at about one-sixth of the fare to Scilly and with a service frequency of 3-4 times a day compared with once daily and only during the tourist season to Scilly.
21. In comparing the cost of air travel, fares to St. Mary's from Land's End have been taken from the August 2013 Lowfarefinder pages on the Skybus website, and to Islay from Glasgow from the Lowfarefinder August 2013 pages on the Flybe/Loganair website. The fares are single fares and were the most expensive options. The fare from Land's End to St. Mary's, a distance of 31 miles was £80.00 (£2.58 per mile). The fare from Glasgow to Islay, 72 miles was £62.39, (£0.87 per mile).
22. The concessionary fare for local residents from Land's End through membership of the IOS Travel Club is £64 single, the cheapest and only means of travel to the mainland during the winter months.
23. Thus, we believe that Penzance to the Isles of Scilly is surely the longest stretch of unsubsidised essential travel in the country.

TRAVEL DISRUPTION AND INADEQUATE SERVICE

24. During the summer months the sea link is only rarely cancelled because of extreme weather conditions although the passage is generally regarded as rough and uncomfortable and there are occasions when advice is issued to deter day trippers. There are also occasions when the times of sailings are changed due to the tide.
25. The air services, however, are frequently prone to disruption during both summer and winter. Land's End Airport, because of its position, is more susceptible than the former Penzance heliport to fog, and the fixed wing aircraft more restricted by poor visibility and strong winds than the former helicopter service. Skybus' use of the runway at Newquay Airport is sometimes disrupted by crosswinds which affect St. Mary's and Land's End, but to a lesser extent.
26. Between October 2012 and March 2013 Lands End Airport lost 521.5hrs due to the waterlogged condition of the runway. An alternative description is to say that Land's End Airport was closed or partially closed on 67 of the 124 days (more than 54%) when it was scheduled to be operational during the same period (National Air Traffic Services data).
27. Within the last year the Isles of Scilly Steamship Company has spent over £1million improving the terminal building and air traffic control tower. Whilst welcomed by passengers, it is perhaps surprising that funding was spent on a comfortable terminal, when without a runway you don't have an airport. Funding for the surfacing of Land's End runway is likely to be approved and work was planned for completion

before next winter, concurrent with improvements at St. Mary's airport. It is understood that the passenger vessel will be kept in service for the runway construction period estimated to be around three weeks this during winter.

28. The termination of the helicopter service resulted in considerable loss of choice and convenience, particularly for island residents for whom Penzance is the preferred destination. While the plight of residents is very important, it is the visitors who make at least 90% of the journeys to and from Scilly. The helicopter service was for many visitors the preferred travel option for getting to and from the islands – train or car to Penzance, straight on to the helicopter, with a choice of destination of either St. Mary's or Tresco.
29. Newquay airport is in a public transport black hole. For people wishing to go to Truro or Penzance, the most frequent destination for islanders, there is an hourly bus service from the airport to Newquay, then six trains a day from Newquay to Par and on the main line west approximately hourly services. Bus journeys from/to the airport from the railheads of Bodmin Road, Par, or Truro all take 2 hours or more.
30. The Skybus fall back position last winter of flights to/from Newquay was of little practical value for travellers either way. It is impossible to get from Scilly to Truro / Treliske Hospital via Newquay and back in a day using public transport. Taxis from Newquay to Truro/Treliske cost £42 for a single journey. A round trip from Scilly to Truro using public transport costs approx £215 (less for local people using concessionary fares offered by the IOS Travel Club); using taxis increases that to £274.
31. Mail was unable to be flown from the islands on 6 days during the winter period, and similarly was unable to be flown from the mainland to Scilly on 8 days. Newspapers were similarly affected.
32. In the situation where the Steamship Company has a monopoly of the transport links, fewer passengers being carried will logically result in higher charges and fares, resulting in even fewer passengers and an inevitable spiral of decline.
33. The lack of a winter ferry service and so much uncertainty about the flight reliability dissuades some visitors with important business engagements from risking travelling at all.

HEALTH AND DISABILITY

34. The timing of sailings and the long journey time generally rule out sea travel (summer only) for use to attend mainland hospital appointments. Last winter's refurbishment of the interior of Scillonian III included installation of a lift for sole use by disabled passengers and fixed positions for non-motorised wheelchair users. However, FRIST is aware of three severely disabled people whose families live in Scilly and who are unable to travel by sea due to balance and other problems associated with their condition. To date, Skybus has denied them access to their aircraft except as stretcher cases on privately chartered flights for which the cost is about £700 per one-way flight. There is an indication recently of change in this situation and we await the outcome of ongoing discussion with a view to introduction of a policy in line with that of Loganair who use the same two types of aircraft and transport people with any level of disability at a standard passenger charge.
35. The loss of the helicopter service, and the winter difficulties of travel with Skybus, have been felt particularly by those with disabilities and medical travel needs. Inevitably a large number of appointments have had to be cancelled or rearranged.

Nearly half of all outpatient appointments are arranged at Treliske Hospital, Truro. Some patients may be able to arrange a lift, but most use public transport with the difficulties already described. When Land's End Airport is open and the appointment is at West Cornwall Hospital in Penzance there is a narrow appointment window in the middle of the day which allows the patient to leave Scilly in the morning and get home at night, but the transport links are fragile and the stress on the patient considerable. Many patients are forced to spend at least one night on the mainland at their own expense. The Skybus booking service is not responsive to the need for an urgent appointment, and the occasional need for clinicians to get to the islands at short notice is similarly hampered. There were several on-island clinics cancelled during the winter when the visiting consultant was unable to attend, with the consequent inter-island travel disruption for patients from the off-islands.

ECONOMIC IMPACT

36. The sharp reduction in visitor numbers to Scilly so far this year is without doubt partly due to the loss of the helicopter service, 23% decline between June 2012 and June 2013, although other factors like the poor weather 2011/2012 and recession have to be taken into account. The cost of fares is regarded by many residents and visitors as a determining factor.
37. Similarly, the unreliability of air services is a major factor in deterring some visitors because of their fear of not being able to leave for important or urgent business. The islands' economy is heavily reliant on tourism and some businesses have closed and not been re-opened. The loss of income is being reflected in lack of reinvestment into holiday accommodation and small businesses.
38. The Department for Transport's position is that as long as there is a commercial transport service in place between the mainland and the Isles of Scilly, then market failure has not occurred and they will continue to encourage other operators to enter the market. The European Commission are very clear that market failure does not mean a service ceasing to operate when there are no other alternatives. They feel a better definition would be that 'the service(s), frequencies and prices provided did not meet the expectations and prices of the users' (Notes of a meeting in Brussels on 28 May 2013 between Lord Berkeley and FRIST Coordinator Marian Bennett, and EU officials from the DG MOVE department). There is a strong case for arguing that market failure has already occurred, particularly in the case of an adequate winter transport service.

CONCLUSION

39. The Department for Transport states "Our position remains that we would like to see services continue without subsidy and that the improvements that the Steamship Company are making should be given the chance to succeed, including their intention to acquire a new passenger vessel to replace the Scillonian by 2018" (Dept of Transport letter dated 18 Feb 2013).
40. In England, buses and trains get subsidies, ferries do not. Although public sector funding is being used to make modest improvements to both St. Mary's and Penzance Harbours, and to the airport infrastructure, there is no operating deficit subsidy to the service as applied to services provided to the Scottish Isles, and without which it is difficult to envisage how a replacement vessel (required by 2018) will be funded. And without a modern purpose-built vessel, it is difficult to see how the economy and community of the Isles of Scilly will be sustained.

41. FRIST believes that the Government must recognise that the Isles of Scilly are completely different in their transport needs from the few other English islands, which have either connecting bridges or much larger populations and several ferry services.
42. The Government should accept that the situation of the Scillies is much nearer to that of Scottish and other EU islands, and that a lifeline operating deficit subsidy to provide as near equivalent services and charges to mainland areas is a reasonable objective and should commit to ensuring its provision on an urgent basis, taking into account the high fares, unreliable services as well as the need for a new ship to replace the Scillonian III to be operational by 2018.

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