

**Objection to Bournemouth-Swanage Motor Road and Ferry Company's
Application to the Secretary of State for Transport for an Order to revise the charges for
the use of the ferry between sandbanks and South Haven Point.**

Langton Matravers Parish Council objects to the above application for the following reasons.

Excessive profit

While it is not unreasonable for a company to seek to make a profit, it is important, in the case of a monopoly, that the service provider should not exploit its position and should limit itself to a return which is reasonable. That is, an amount which is sufficient to pay a reasonable return to its investors and to ensure its future viability by making adequate provision for replacement of assets. The ferry company is seeking to justify its price increases based on a return on asset value. This valuation is a spurious one as it does not reflect its liquidation value, re-sale value nor the monies actually invested. In the case of a monopoly supplier a return based on turnover is more appropriate. This will enable bench marking against similar suppliers to establish a reasonable and justifiable return. The ferry company's 2018 application was rejected in part because the increase was deemed to be excessive. There is nothing of a substantive nature in the latest application which addresses this issue.

No guarantee as to the use of the ferry replacement reserve.

While the ferry company have expressed an intention to build up a reserve for the purpose of purchasing a replacement ferry, they are not offering any legally binding undertaking to guarantee that this reserve will be used exclusively for the stated purpose. The ferry company's 2018 application was rejected in part because no such guarantee was offered. There is nothing of a substantive nature in the latest application which addresses this issue.

Proposed increase in fares particularly for foot passengers and cyclists are excessive.

Fare increases for motorised vehicles are deemed to be excessive; these concerns are broadly addressed under our first objection. However, we have additional concerns with respect to cyclists and foot passengers. Such an increase could have a significant negative impact on the health and well being of those who have historically used the ferry for recreational and exercising activities, as well as deterring commuters and students from choosing the healthier option for their trip to work or college.

Discounts for local users

Many local users are dependent on the ferry for getting to and from work, essential shopping and hospital visits. The application does not provide sufficient and appropriate detail as to how discounts will be provided in future for locals involved in essential travel.