

**From:** [pippa@bankesarms.com](mailto:pippa@bankesarms.com) <[pippa@bankesarms.com](mailto:pippa@bankesarms.com)>

**Sent:** 08 December 2020 10:48

**To:** ETC <[ETC@planninginspectorate.gov.uk](mailto:ETC@planninginspectorate.gov.uk)>

**Cc:** [shappsg@parliament.uk](mailto:shappsg@parliament.uk); 'robert.courts.mp@parliament.uk'

**Subject:** FW: FAO: SARAH TUDOR Objection to BOURNEMOUTH-SWANAGE MOTOR ROAD AND FERRY COMPANY Application for Toll Increase and Comments over DPI/G1250/20/9 Bournemouth and Swanage Ferry Fees CONSULTATION Counter Proposals

Dear Sir/Madam

It has been highlighted that my email does not make it clear that the points I raise are related to the Counter Proposals put forward by 'The Consortium' and The National Trust.

- 1) I Object to the Consortiums reasoning for allowing a single trip price increase: There is no financial justification for a price rise in single trip tickets as I outline below and as suggested below in the Consortiums counter proposal (albeit at a lower rise). The ferry is a highly profitable organisation that does not need additional cash to buy a new ferry by way of a price rise. Any price increase would be devastating for our business as the bulk of our customers arrive by car for a day trip. Having canvassed our customers – the price point is already too high for a single trip and a further increase would have 1 of 2 consequences:
  - a. It will force cars that would use the ferry to make the 25 mile round trip by road – which would not in our opinion help the Consortium achieve their low carbon objectives (and this environmental impact will surely not be countered by any notional increase in foot and bicycle passengers by freezing prices?!)
  - b. They will cease to come to Studland on a regular basis at all – impacting our already struggling business further.
- 2) I feel that the work the National Trust have done on usage, the commuter pressure this is putting on the road networks as ferry use for commuters is too expensive (I would argue further that during winter months the ferry is too expensive for most people wishing to take a day trip to Purbecks as well) and the consequential environmental impact this must be having is very revealing. 50% usage overall and 22% usage in the winter – putting prices up will only decrease this usage – putting prices down in off season or increasing locals discount to allow for increase commuter usage is a clear choice to our minds.

Kind regards

Pippa

**From:** [pippa@bankesarms.com](mailto:pippa@bankesarms.com) <[pippa@bankesarms.com](mailto:pippa@bankesarms.com)>

**Sent:** 07 December 2020 15:13

**To:** 'ETC@planninginspectorate.gov.uk' <[ETC@planninginspectorate.gov.uk](mailto:ETC@planninginspectorate.gov.uk)>

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**Subject:** FAO: SARAH TUDOR Objection to BOURNEMOUTH-SWANAGE MOTOR ROAD AND FERRY COMPANY Application for Toll Increase

Dear Sir/Madam

We have owned and operated the Bankes Arms Studland (Dorset) as a family for over 30 years. We would like to object in the strongest possible terms to the application for a toll increase by the BOURNEMOUTH-SWANAGE MOTOR ROAD AND FERRY COMPANY. We object on several grounds:

- 1) Over 90% of our staff travel from Poole and Bournemouth. All of them come by car. The bus is far too unpredictable and takes too long. Our pub is too far from the ferry terminal to come by bike (for a large majority) or as a pedestrian. At £9.00 return this represents over 10% of their daily gross wages before taking into account running costs and fuel. A further increase in the toll will see them either driving round – which if this is true for the majority of low wage commuters on the ferry – will have drastic consequences for congestion, air quality and environment. Or they will simply find jobs on the Bournemouth side of the ferry.
- 2) The majority of our customers – particularly off season – are day trippers who arrive in their car to walk their dog and then come for a pint. It is not feasible to imagine that our customers could arrive by bike and certainly not on foot. They are already having to pay £9.00 return before they pay for parking and then for food and drink. We believe that as with our staff any increase in tolls from their current – hugely inflated – levels would either drive customers onto the road with all the negative consequences mentioned above or prevent them from coming altogether. It will have a seriously negative impact on our business.
- 3) I – like many other objectors – don't feel there is a justification on ANY grounds to increase fares. Points include:
  - a. Providing a return on investment – I struggle to see how a division that has turned over £14.4m in 5 years and generated £4.1m in pretax profits – and this AFTER the mechanical break downs in 2019 – and costs of 2 full ferry refits – can suggest that they are NOT generating ample return on investment.
  - b. Service Level Agreement – the SLA in ferry licence simply states that the company must operate a service 365 days a year unless the ferry breaks down. This seems to be an incredibly loose and inadequate SLA. It should surely be reviewed to provide for fines or penalties if the service is disrupted for any extended period of time and a mandated maintenance fund should be paid into and ringfenced each year as a % of turnover
  - c. Buying a new ferry for cash – this does not make financial sense. As stated in other objections – a leasing arrangement would be far more sensible as it would:
    - i. Mean that cashflow is matched to expenditure
    - ii. It would future proof the ferry as new (green) technologies come on stream
  - d. Growing the company – putting prices up is unlikely to grow the ferry company – they surely need to look at clever ways of maximising 'capacity % usage' off season – raising prices will logically lower usage rates.
  - e. Rising costs – the attached spreadsheet for the NON refit years does not indicate the ferry division is suffering from excessive upward pressure on costs. 2018 so PBT margin increase! From 40% to over 47%!

Our business depends on the ferry service being sensibly priced and well maintained/reliable – I think neither of these things occur under the ownership of Fairaces Ltd. In particular it seems from our perspective that all the profits from the ferry operation are diverted elsewhere to the detriment of the ferry as a monopoly service. I attach the letter I received from Richard Drax following my complaint over the lack of maintenance capex that resulted in the breakdown of the ferry for a second time on 12<sup>th</sup> July 2019 and did not see a return to service until October 30<sup>th</sup> October 2019. We lost virtually all our summer and autumn trade as a result of this closure (more than 3.5 months!).

Within Mr Drax's letter - I find the assertion that spending an increased amount of £79,000 to expedite the part to repair the drive shaft instead of £33000 quite frankly insulting – on the basis that over a 4 year cycle (full ferry refurb happens every 4 years) – the average Pre Tax Profit for the Sandbanks Ferry division is **nearly £1m per year**. If they had spent £100,000 on this part could they have received the part in a few weeks rather than 3 ½ months – it seems no one pressed this point? The ferry company are custodians of a monopoly route and it seems to us there is NO ROBUST scrutiny of their financial and operational running of this ferry.

There was NEVER any suggestion from us that they buy a spare ferry as Mr Drax alludes to – only that perhaps they should have a sensibly funded warchest of critical parts in case of break down. And it is still a mystery as to why over the course of the 2019 full winter refit / refurb the faulty drive shaft was not identified.

We understand the ferry company has received a substantial and full insurance for loss of income as a result of this woeful set of breakdowns (winter 2018) and summer 2019. Our business CAN NOT insure for the same however as there is still access by road! Even though we have been severely hit but this outages.

I have read through all the Fairacres report and accounts for the last 5 years and have pulled the attached breakdown of the Sandbanks Ferry financials out of the Financial statement which I hope you'll find useful. I also attach the report and accounts for each year.

Yours sincerely

Pippa Lightbown  
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