



Notes of evidence

Name of meeting	POLICY COMMISSION FOR BUSINESS AND INFRASTRUCTURE
Date and time	WEDNESDAY, 11 JUNE 2008 AT 6.00 PM
Venue	COMMITTEE ROOM 1, COUNTY HALL, NEWPORT, ISLE OF WIGHT
Commission	Cllrs Jonathan Fitzgerald-Bond (Commissioner), William Burt, Charles Hancock, John Hobart, Peter Humber
Cabinet	None
Other Councillors	None
Officers Present	Mr Jonathan Baker - Committee Services Mr Ashley Curzon – Acting Head of Regeneration Miss Andrea Lisseter - Overview and Scrutiny Team Mr Stuart Love – Director of Environment and Neighbourhood Services
Stakeholders	Mr Norman Arnold – Chairman of the Isle of Wight Branch of the Federation of Small Businesses (FSB)
Apologies	Cllr Henry Adams
1.	Notes of Evidence 1.1 The notes of evidence from the previous meeting on the 7 May 2008 were agreed.
2.	Declarations of Interest 2.1 There were no Declarations of Interest received.
3.	Policy Commission Inquiry Scope 3.1 It was noted that following the concerns raised by the Isle of Wight Member of Parliament regarding the costs of cross Solent travel, the Full Council Meeting of the Isle of Wight Council in March 2008 decided that, whilst not officially supporting the case for lower fares, would launch an inquiry scope to be dealt with by the Commission for Business and Infrastructure. 3.2 The purpose of the inquiry would be to examine the concerns shared by residents and businesses – particularly those in the tourism and agricultural sectors – about the cost of crossing the Solent.

3.3 It was also noted that the Officer responsible for leading the inquiry would be the Acting Head of Regeneration.

3.4 RESOLVED:

THAT the Scoping Document be agreed.

4. **Cross Solent Travel Costs**

4.1 The Chairman of the Isle of Wight Branch of the Federation of Small Businesses (FSB) addressed the members with various issues that had been raised by Members of the FSB.

4.2 It was noted that the FSB had in excess of 900 members on the Island that consisted of small companies of just one employee to large organisations that employed up to 400.

4.3 It was also noted that the FSB worked closely with central Government in representing their members.

4.4 Following consultation with a wide cross section of Membership a number of issues were identified.

4.5 Whilst the service of all operators across the Solent was considered to be of a good standard, the overall cost was seen as largely inhibitive.

4.6 The provision of a fixed link would not necessarily be of benefit to the Island as it would increase traffic volumes.

4.7 Reducing the frequency of the crossings as a result of cost cutting which was recently actioned by one of the operators was seen as damaging to the Island.

4.8 The idea of more choice was largely welcomed as it was a further move away from the danger of a monopoly.

4.9 It was stated that ferries were starting to be used more for Horticultural purposes as opposed to agricultural reasons.

4.10 The cost of importing goods to the Island was also seen as a large obstacle in the running of businesses. Whilst costs for this could be built in to a business operation plan, the recent credit crunch could make such costings difficult to take into account.

4.11 It was noted that there was a perception that Tourists felt that the cost of using the Island Ferries was expensive. Whilst most people felt that this was true, there was no actual proof that this was the case.

4.12 The Chairman of the FSB reported that the average spend of a member of a coach party to the Island was 34p per day

- 4.13 It was also noted that such tourists who use their cars to visit the Island would actually spend more money than those travelling on coaches and would factor in the cost of the ferries to their holiday budget.
- 4.14 There was also a concern raised by Island residents who work on the mainland and have to take into account the cost of travelling. Any large increases could cause such people to reevaluate their circumstances.
- 4.15 Some members of the FSB also felt that the Council considered that the ECO Island initiative would be seen as a reason to discourage people from using the car ferries, thus leading to less road traffic and helping the environment.
- 4.16 It was noted that both car ferry operators had established deals with the main supermarkets which they claimed kept the costs of car ferry prices down.
- 4.17 Several members of the FSB felt uneasy with the current ownership of the car ferry companies being overseas and with decisions that affect the Island being made by people in offices, sometimes abroad, that could be seen as being out of touch with the Island business and public community.
- 4.18 Members of the Commission were reminded of a previous Isle of Wight County Council document from 1976 entitled "An Island Apart". It was suggested that certain elements of this report be revisited in order to help with the latest inquiry.
- 4.19 The Commissioner stated that whilst all the points raised by the FSB members were very useful and interesting, it should be understood that that the Isle of Wight Council have no control over the running of the ferries and could therefore only act in an advisory capacity.
- 4.20 It was noted that despite operating on a longer route, the Red Funnel service between East Cowes and Southampton was just as popular as the Wightlink route between Fishbourne and Portsmouth due to its strategic links with the motorway.
- 4.21 It was reported that many residents on the Island are finding the cost of taking a car across the Solent more and more prohibitive. To tackle the problem, some are now crossing the Solent as a foot passenger and hiring a car to carry on the Journey from the mainland.
- 4.22 It was noted that the subsidies received by Caledonian MacBrayne who operate the Western Isles route in Scotland were due to the isolated nature of the islands in relation to the Scottish mainland. The Isle of Wight may not be seen in the same light due to the full range of vital services that are established on the Island.

4.23 The Acting Head of Regeneration however agreed to investigate the issues surrounding subsidies and report back to the Commission at a later date.

The Meeting closed at 7.15pm

Chairman.....Date.....