

COMMERCIAL IN CONFIDENCE

**Minutes to the Route Partnership meeting held on 26th November 2008
Board Room, Penwith District Council Offices, Penzance**

Attended by:

Philip Hygate	PH	Council of the Isles of Scilly
Aisling Hicks	AH	
Colin Sturmer	CS	Duchy of Cornwall
Adrian Smith	AS	
Tim Wood	TW	Cornwall County Council
Nigel Blackler	NB	
Nicola Yeates	NY	
Matthew Barton	MB	Penwith District Council
Andrew Davies	AD	
Simon Mansell	SM	
Apologies: Richard Fish and Jim McKenna		

1	Minutes of the last meeting accepted as a true record	
2	<p>Funding update</p> <p>NB reported on the meeting of the previous day between CCC/DfT/SWRDA. Funding partners are aware of key date of requiring full approval by October 2009 to achieve new vessel in service early 2012. DfT are calling for the engagement of a business case consultant and a maritime consultant to undertake studies by end March 2009. SWRDA to finance this extra work.</p>	CCC
3	<p>Consultation update</p> <p>Andrew George MP requested a public meeting following last exhibition. Representatives of the RP have met with AG and it was agreed that a week long exhibition would be held and a mailshot issues to all residents TR17-20 to inform them about the project and the exhibition details. Full project development, alternative port options and benefits to local area to be clearly explained. Support at exhibition to be provided by all project partners. (email to be issued by CCC enlisting help)</p> <p>Some recent feedback direct to project team and via press has been positive particularly from CoC and a number of hoteliers</p> <p>Joint press release to be issued by chairman of CIOS, economy portfolio holders of Penwith and CCC. PH, TW and MB to speak to their contact and draft statement.</p> <p>TW/MB are due to attend meeting with Penzance Town Council on 8th December. Also TW to speak to CoC about attendance at their next meeting.</p> <p>Public Liason Officer to be appointed by Birse to work 'on the ground' in Penzance for 2-3 days a week leading up to the exhibition and provide support at the exhibition.</p>	<p>NY</p> <p>NY</p> <p>PH MB TW</p> <p>NY</p>

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4	<p>Harbours update</p> <p>Birse Coastal are continuing to develop the detailed design, planning applications and target cost. A meeting has been held with Paul Gage to go through the Penzance draft application and he has commented where additional information is required. The target cost forecast is currently at £25.64M but it is believed that there are still further significant cost savings that can be realised through reducing the dredging/reconfiguring the orientation of the quay extension at Penzance.</p> <p>Boreholes and trial pits are currently underway at Penzance to complete the site investigations. An application for listed building consent has been submitted to CIOS in respect of investigations of the quay at St Mary's. These are scheduled for February 2009.</p>	
5	<p>Vessel procurement update</p> <p>In excess of 20 shipyards worldwide have expressed an interest in the vessel build opportunity. The market has changed considerably since the previous tender due to the economic downturn which has resulted in many cancelled shipbuild contracts. Closing date is the 4th December 2008 after which the prequalification questionnaires will be issued.</p> <p>Further finances are likely to be required in order to cover the cost of repeating the tender exercise. NY to review with CCC accountants and report to RP.</p>	NY
6	<p>Operator procurement update</p> <p>Scope of services for operator now developed and seeking final legal opinion on use of competitive dialogue procedure. Notice to be issued by end December 2008.</p>	NY
7	<p>Audit of procurement processes</p> <p>A recent audit of the harbour and vessel procurement processes has been undertaken and the auditor stated:</p> <p><i>" Internal Audit reviewed the contract documentation, tendering and budgetary control processes in place as linked to the Scillonian Ferry Procurement Project, since January 2008. The control areas covered were:</i></p> <p><i>That contract documentation is complete and accurate;</i></p> <ul style="list-style-type: none"> <i>• That contract tendering processes are adequately controlled and documented;</i> <i>• That contract accounting and budgetary processes enable management to accurately cost project expenditure incurred.</i> <p><i>The standard of the contract documentation, tendering and budgetary control processes in place as applied to the Scillonian Ferry Project is considered 'Good' throughout and as a consequence no weaknesses in control have been identified and no recommendations made"</i></p>	

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8	<p>Financial expenditure and forecast costs</p> <p>Expenditure up to 2nd November 2008</p> <ul style="list-style-type: none">• Harbours<ul style="list-style-type: none">○ £628,959 spent out of budget of £1,500,000○ Additional expenditure will be incurred by further exhibition but this should be absorbed within budget• Vessel<ul style="list-style-type: none">○ £130,412 spent out of budget of £190,000○ Additional expenditure in relation to vessel build retender will require further finance	
9	<p>Programme</p> <p>Key dates stated as</p> <ul style="list-style-type: none">• DfT to be provided with business case consultant report end March 2009 to lead to programme entry for vessel• CCC to obtain all prices for harbour works, vessel build and vessel operator by July 2009 and seek Executive Committee approval subject to DfT and EU funding• DfT/EU funding approval required by October 2009 to enable CCC to award contracts for harbour works, vessel build and vessel operations• Harbour works to be completed by end 2011• Vessel build to enter service April 2012	
10	<p>Any other business</p> <p>None</p>	
11	<p>Date of next meeting – to be advised</p>	