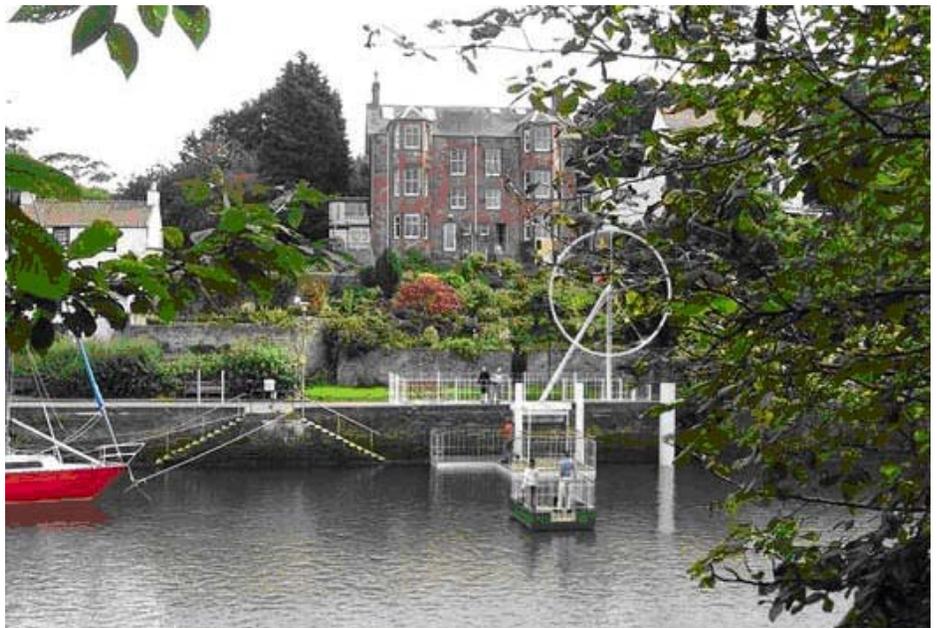




**CRAMOND AND BARNTON COMMUNITY COUNCIL
CRAMOND CHAIN FERRY
FEASIBILITY STUDY AND BUSINESS PLAN
EXECUTIVE SUMMARY**

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1. Summary of Study Conclusions

This assessment of the feasibility of the proposed Cramond Chain Ferry has found that a visitor market exists for the ferry and that it may be feasible for the Cramond Chain Ferry to be operated on a financially sustainable basis. The study concludes that the ferry is a central component of potential for tourism development in the Cramond area and is a “missing link” in the Edinburgh footpath and cycleway network. There is broad support for the ferry across a wide range of community and business groups and in the public sector. However it is unlikely that the operation of the ferry can receive any form of ongoing revenue grant support from the public sector agencies.

2. Capital Costs

The capital costs of the ferry and infrastructure is estimated to be around £243,000. In the current financial climate, at a time when future funding resources remain unclear, securing capital funding support represents a major challenge to the project. However this situation may not be indefinite and future funding sources may exist for further development of the project. In the short term it is feasible that the development costs of the project could be supported by Lottery sources such as Awards for All.

3. Operating Characteristics

The feasibility has been undertaken on the basis that the ferry is fully staffed and is available on a year round basis, operating for 277 days per year, with winter opening being restricted to weekends.

4. Market and Performance Assessment

An assessment of the potential user market for the ferry has estimated that around 48,561 single journeys could be undertaken per year on the ferry, representing around 10% of the estimated total Cramond visitor market, and generating around £72,841 in revenue with an estimated annual operating surplus of around £30,214. This represents around 2.3 times the number of journeys estimated to have been taken on the previous ferry.

It is feasible that if this level of usage was achieved, and taking into account estimated running costs, the ferry could break even around 26,180 single journeys on the basis of a one way flat rate ferry fare of £1.50.

5. Sensitivity Analysis

A number of sensitivity analyses have been undertaken which indicate that if the one way fare is £0.50, the same as that of the previous ferry, then the ferry is unlikely to be viable on the basis of the projected 48,561 single journeys.

6. Ownership and Operation

Operationally, it is proposed that ownership of the ferry could be undertaken by a charitable trust or by a Community Interest Company. Any operating surpluses generated by the ferry could be remitted back to the trust for maintenance and future replacement of the ferry and for the development of projects aimed at enhancing Cramond as an attractive destination. There are a number of operational options to be considered, each with their own benefits and weaknesses. These options include setting up an “arms length” trading company or contracting out the operation to a management company

7. Risk Assessment

There are a number of risks associated with the ferry establishment and operation, the most significant being the challenges in securing capital finding support. There are also operational risks associated with operational factors but these are generally believed to be relatively minimal.

8. Support for the Project

Broad support for the project has been indicated from a range of potential stakeholders from the local authority to groups representing walkers, cyclists and natural heritage interest, together with support from Cramond heritage groups and businesses.

9. Conclusions

Overall, it is concluded that the Cramond Chain Ferry appears to be a project which can be financially viable, has broad support from various quarters and could offer a unique and attractive new visitor attraction whilst facilitating enhanced use of the Edinburgh core paths network and encouraging walking and cycling facilities in the waterfront locality.