

Good morning,

Ferryspeed have contacted Jersey Dairy to say their charges will increase by 7.7% as from 1st February.

The 7.7% is made up of a blended RPI of 3.9% as per the DFDS contract agreement with SoJ, plus Trailer Port Charges.

The blend is calculated at 50% Jersey RPI(X) and 50% UK CPI so as per below the blended RPI is 3.9% which is the 'official' increase they have notified.

UK	CPI	3.80
JERSEY RPI(X)		4.00

50% of UK	CPI	1.90
50% of JERSEY RPI(X)		2.00

TOTAL		3.90
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The Trailer Port charges are a fee from the ports to the ferry operator for trailer handling on/off the vessel. DFDS are passing on this fee which they receive from both Portsmouth and Jersey ports for each trailer movement.

The additional cost for a circular trailer movement between Portsmouth and Jersey is £137.34, equating to £1.92 per pallet on north bound traffic.

I understand that the trailer port charges were previously included in the charge from Condor to Ferryspeed and that the total cost of both Jersey and Portsmouth trailer port charges for a round-trip trailer is £137.34, made up as follows:

Portsmouth Charge (one way)	£46.38 x 2
Jersey Charge (one way)	£22.29 x 2

I understand that it is now cheaper to ship a pallet of goods to and from Guernsey than it is to Jersey.

If the mistake in not covering the trailer port charges is that of Government, because they missed this in the negotiation of the tender, then I would suggest that Government should have a responsibility of providing subsidies to cover that.

I would point out that Jersey Dairy and Jersey Royal, the two main exporters of goods from Jersey, were not consulted as part of the tender process and I understand the major importers, the food retailers, were also not consulted. We would like to understand why this did not happen.

We were all promised by Government that we would not see cost increases because of the change from Condor to DFSS, yet we are now facing an increase in costs of 7%.

Yours sincerely Eamon Fenlon

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