



SUPPLEMENTARY AGENDA

CABINET & FULL COUNCIL

CABINET - MONDAY, 6 DECEMBER 2021 AT 1.00 PM

FULL COUNCIL - TUESDAY 7 DECEMBER 2021 AT 2.20PM

COUNCIL CHAMBER - THE GUILDHALL

Email: Democratic@portsmouthcc.gov.uk

SUPPLEMENTARY AGENDA

3 Tipner West - Full Council Update

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Southampton and Portsmouth City Deal

Executive Summary

The Southampton and Portsmouth City Deal will maximise the economic strengths of these two coastal cities and the wider Solent area, by supporting further growth in the area’s maritime, marine and advanced manufacturing sectors.

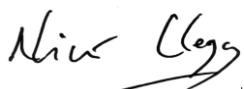
Across Southampton, Portsmouth and the Solent, the marine and maritime sector already accounts for over 20% of gross value added and provides 40,000 jobs locally. Over the next 12 years this sector is expected to grow by 5%, driven in part by key assets such as the Port of Southampton, Portsmouth Naval Base; and the Solent Marine Cluster – which includes Lloyds Register and the Southampton Marine and Maritime Institute. Advanced manufacturing is also an area of strength, growing during the recent recession and creating almost 5,000 new jobs.

The flagship proposal for this City Deal will support further growth in these sectors by unlocking two high-profile sites within Southampton and Portsmouth – one of which involves Ministry of Defence owned land. These sites, once developed, will provide: new employment space; new housing; and lever in significant amounts of new private sector investment into the economy. To compliment this City Deal will also implement programmes to: align skills provision to employer needs; tackle long term unemployment and youth unemployment; and enable small and medium enterprises to grow through the provision of effective business support. Over its lifetime the Solent Local Enterprise Partnership predict the City Deal will deliver:

- Over 4,700 permanent new jobs particularly focussed in marine, maritime and advanced manufacturing sectors.
- Over 13,000 construction jobs.
- Unlock 107,000 sq metres of new employment floor space with a focus on supporting growth in the marine, maritime and advanced manufacturing sectors.
- Support small and medium enterprises to grow through better business support over the next three years.
- Provide £115m of local and national public sector investment.
- Lever in over £838m of private sector investment into the area through site development, skills and unemployment schemes; and business support services.

All signatories to this City Deal recognise that the proposals within this document will support the local economy to grow and create new jobs. Every effort will be made to support the local area through the recent economic shock, including through the support that BIS and Jobcentre Plus provide through the Rapid Response Service and schemes such as the Talent Retention Solution.

Our signing of this document confirms our joint commitment to ensure full implementation of the Southampton and Portsmouth City Deal proposed by: the Solent Local Enterprise Partnership; Southampton City Council; Portsmouth City Council and Hampshire County Council. To ensure implementation and demonstrate success we will jointly track progress against milestones and outcomes.



.....
Rt Hon Nick Clegg MP
Deputy Prime Minister

.....
Rt Hon Greg Clark MP
Minister for Cities and the
Constitution

.....
Doug Morrison, Chairman
Solent LEP

.....
Cllr Simon Letts, Leader
Southampton City Council

.....
Cllr Gerald Vernon-Jackson,
Leader Portsmouth City Council

.....
Cllr Roy Perry, Leader
Hampshire County Council

Introduction

With a population of 1.3m and over 50,000 businesses operating in the area, the Solent Local Enterprise Partnership is one of the UK's key engines of growth. As a functional economic area its economic output equates to £48.5bn (gross value added per annum of £23.7bn) and it supports 485,000 full-time equivalent jobs. At the heart of its economy are the two cities of Southampton and Portsmouth and their associated ports. Together these two cities provide nearly 39% of high-skilled jobs in the Solent and contribute 37% of its total economic output.

The coastal location of the Solent, clustering of businesses and educational strengths (with Portsmouth and Southampton at its core) places it at the heart of the UK's marine and maritime economy. This sector accounts for 20.5% of the Solent's gross value added; provides 40,000 jobs locally; and supports over 3,000 businesses. Over the period to 2025 this sector is projected to grow by 5% in the region. The Solent sub-region also plays a significant role in advanced manufacturing with significant clusters linked to our key economic assets (see box 1). Employment rates in this sector are significantly higher when compared to the UK average, particularly in: computing; electronic and optical products; and electrical equipment. Indeed from 2009-11, despite the ongoing challenges facing the manufacturing sector locally it grew by almost 8%, creating 4,600 new jobs (to 58,800).

The growth strategy across Southampton, Portsmouth and the wider Solent (Eastleigh, East Hampshire, Fareham, Gosport, Havant, Isle of Wight, New Forest, Test Valley and Winchester) recognises these comparative economic advantages and the City Deal will help Southampton and Portsmouth achieve their shared long term vision for the local economy by:

- **Maximising the economic impact of our marine and maritime assets** in the area;
- **Unlocking critical employment** sites to enable their marine, maritime and advanced manufacturing sectors of their economy to expand;
- **Providing new housing** to support their growing workforce;
- Ensuring people have the **right skills** to access employment in these growing sectors; and
- Providing **effective support to their small and medium enterprises** to enable them to grow – including marine and maritime small and medium enterprises.

Box 1: Solent Economic Assets related to the City Deal

The **Port of Southampton** is one of the UK's largest, busiest and most diverse ports providing a wide range of passenger, freight and cargo functions. It provides, directly and indirectly, 15,000 jobs¹ in the Solent and contributes over £1.2bn of output per annum. The Port is the busiest cruise port in the UK (home to the UK fleets of P&O Cruises and Cunard Line and home to Carnival – the largest Cruise operator in the world). The number of cruise ships calling has increased by over 200% in the last 10 years. The Port of Southampton is also the largest vehicle handling port in the UK, with more than 750,000 vehicle exports. The container terminal is also the second largest in the UK, handling almost 50% of UK trade with the Far East. Finally, Southampton is one of the leading hubs for the import and export of liquid bulk cargos, primarily crude oil.

Portsmouth Naval Base is at the heart of the sub-regional defence cluster providing, directly and indirectly, 20,000 jobs across the sub region and contributing over £1.6bn gross value added of output. Currently the Naval Base supports the Royal Navy surface fleet and there is a strong maritime services function offering: integrated ship support; complex software engineering and advanced manufacturing solutions; equipment management; training; and estates and logistics service. It encompasses: the Naval Base; associated Naval establishments; the defence industrial base and other dependent firms (including Babcock, Lockheed Martin, Northrop Grumman, Qinetiq, Serco Denholm Ltd and Vector Aerospace).

The Marine cluster, including the marine and marine-recreational sector, is the province of smaller enterprises. This sector will be boosted by the decision of Lloyd's Register's to relocate to Southampton to be part of the Maritime Centre of Excellence, which includes the Southampton Marine and Maritime Institute (SMMI).

¹ Across the City of Southampton and surrounding areas including Isle of Wight and Districts in South Hampshire

Why do we need the City Deal?

Southampton and Portsmouth need to maximise the impact of their key marine and maritime assets through the provision of new housing and employment sites. The City Deal provides a unique opportunity to both: supporting a critically important stalled private sector led development in Southampton; and providing new employment and housing sites in Portsmouth, by unlocking land that is currently owned by the Ministry of Defence.

Marine and maritime businesses, which account for 20% of the Solent economy and are responsible for 17% of UK gross value added in the United Kingdom, contain many smaller firms with specific skills requirements. Working within the employer-led skills system the City Deal has agreed additional flexibilities to ensure marine and maritime small and medium enterprises can secure employees with the right skills, thereby enabling them to grow.

Despite the economic potential of Southampton and Portsmouth, the local area continues to face the challenge of supporting long term unemployed residents back into work. The City Deal helps address this challenge by creating new jobs and getting unemployed people – especially the long-term and young unemployed – into work.

The City Deal will also help improve the relatively low rates of new business start-ups in the area.

The Deal

At the heart of the Southampton and Portsmouth City Deal is an ambitious proposal to **maximise the impact of marine and maritime assets by unlocking critical employment and housing sites** in both cities. The two critical sites, within the wider Solent pipeline, are the Watermark West Quay site in Southampton and Tipner-Horsea in Portsmouth. To deliver this flagship proposal City Deal partners will:

- Agree a **funding package** for both sites utilising significant local funding sources, private sector investment (including developer contributions) and Government investment. This funding will facilitate the provision of enabling infrastructure to be undertaken – making these sites ready for private sector investment.
- Support **land assembly** on the Tipner-Horsea island site through the transfer of Ministry of Defence owned land, with an overage agreement, to local partners.
- Agree to expedite planning applications which relate to the **relocation of Ministry of Defence related facilities**.

The marine and maritime assets programme will be complimented by skills, labour market and business support packages. These proposals are designed to ensure local residents can access jobs in growing sectors and that local businesses are able to grow and thrive across the Solent. To achieve this City Deal partners will:

- Establish a **Skills Investment Strategy** and **Solent Skills for Growth fund**, using funding from local partners and the private sector. This strategy and fund will ensure local residents can take courses that meet employer needs.
- Create a **Solent Employer Ownership of Skills programme** that identifies immediate skills needs in small and medium enterprises, in the **advanced manufacturing sector**, and funds the provision of relevant courses through local skills providers.
- Launch a new **Solent Jobs programme** that will support long term unemployed people into sustained employment.
- Launch a **Young Person's Demonstration project** to trial new approaches to supporting young people into employment, in line with the forthcoming findings from the Government's review into employment, education and training support for 16-24 year olds.
- Provide support for those facing redundancy to access alternative employment through a Department for Work and Pensions **Rapid Response** programme.
- Establish a programme to **provide effective business support** including local schemes that promote small and medium enterprise business growth and enterprise.

Over its lifetime the Solent Local Enterprise Partnership predict the City Deal will deliver:

- Over 4,700 permanent new jobs particularly focussed in marine, maritime and advanced manufacturing sectors.
- Over 13,000 construction jobs.
- Unlock 107,000 sq metres of new employment floor space with a focus on supporting growth in the marine, maritime and advanced manufacturing sectors.
- Support small and medium enterprises to grow through better business support over the next three years.
- Provide £115m of local and national public sector investment.
- Lever in over £838m of private sector investment into the area through site development, skills and unemployment schemes; and business support services.

Geography

This City Deal sets out a range of programmes and initiatives which seek to support the Southampton, Portsmouth and the wider Solent Eastleigh, East Hampshire, Fareham, Gosport, Havant, Isle of Wight, New Forest, Test Valley and Winchester. In Portsmouth the Tipner-Horsea scheme will provide vital new employment and housing space and in Southampton the Watermark West Quay scheme will provide a new leisure quarter that will support the expanding maritime industry. The impact of both proposals will be felt across the Solent. Both cities will also benefit from new schemes that will support long term unemployed residents and young people that are unemployed. Further, across both cities and the wider Solent residents and businesses will benefit from the City Deal's skills and business support proposals.

Key Elements of the City Deal

Maximising the impact of marine and maritime assets by unlocking critical employment and housing sites

Providing suitable employment sites for Southampton and Portsmouth's growing marine, maritime and advanced manufacturing sectors that are in close proximity to key economic assets (Port of Southampton, Portsmouth Naval Base and the Solent Marine Cluster) as well as meeting growing housing demand are key economic challenges for the Solent. This City Deal will support wider work to address these two challenges by unlocking two sites in the Solent (Tipner-Horsea Island in Portsmouth and Watermark West Quay in Southampton).

These sites will be unlocked by assembling public/private sector land and agreeing funding packages to support the provision of enabling infrastructure. Both funding packages will lever in significant local and/or private sector investment.

Tipner-Horsea Island (Portsmouth)

The **Tipner-Horsea Island** site is within close proximity to Portsmouth City Centre, the Portsmouth International Port and Portsmouth Naval Base. It is comprised of five pieces of land: Port Solent; Tipner West; Tipner East; Horsea Island East; and the Tipner Firing Range. **Unlocking this site fully will enable the provision of 2,370 new homes and 58,000 square metres of employment space** for the growing marine and advanced manufacturing sectors of the Solent economy. **This will create over 3,700 permanent jobs.**

Portsmouth City Council has already invested £24m in infrastructure around Tipner-Horsea Island to support current and future development. This includes the building of a new motorway junction, which provides access between the motorway and Tipner East, Tipner West and the Ministry of Defence Firing Range. This work will be completed in March 2014. Housing construction will also begin at Tipner East in 2014/15.

Other areas of the site currently cannot be developed due to multiple land ownership and/or the need for land remediation and enabling infrastructure to be provided. In order to overcome these barriers and unlock this site the City Deal will: assemble the land across these five sites; support the relocation of Ministry of Defence facilities; and agree a funding package that will enable the required enabling infrastructure to be undertaken.

Land Assembly

As stated above, the Tipner-Horsea Island site is comprised of the five pieces of land: Port Solent; Tipner West (owned by Tipner Regeneration Company and Portsmouth City Council); Tipner East (owned by the HCA and Tipner Regeneration Company); Horsea Island East (owned by the Ministry of Defence); the Tipner Island Firing Range (owned by the Ministry of Defence).

The Government will transfer both Ministry of Defence sites (Horsea Island East and the Tipner Firing Range), for a nominal fee, and agree an overage deal with Portsmouth City Council which will be concluded by the end of 2013/14. This overage agreement will provide for MOD to recover a fair and equitable share of the future market value of the overall development and site (after taking into account all costs incurred within this element of the deal). Portsmouth City Council will also agree to pay £3.75m to Government, which will recover the costs of relocating of Tipner Firing Range. The inclusion of both pieces of land in this scheme will maximise development opportunities. Once land assembly is complete, Portsmouth City Council will provide enabling infrastructure, so that the site can be made ready for private sector led development.

As part of this land assembly and transfer process the Ministry of Defence will relocate the existing firing range on Tipner to an alternative military facility – potentially to Longmoor Military Camp. As part of this deal East Hampshire Council have agreed to expedite the planning application for any such relocation, subject to full compliance with planning policies and statutory requirements, should the Ministry of Defence decide to relocate the firing range to this location.

Funding Package for Tipner-Horsea Island

The redevelopment and renewal of the Tipner-Horsea Island site will lever in significant financial investment into the local economy. Providing the required enabling infrastructure for this site will lead to an investment of £184m. This funding includes £88m in developer contributions, £47m of local investment (local authority funding, existing grant, local authority capital receipts, Community Infrastructure Levy and local business rates), Government support for this scheme will be capped at a £49m Government grant and the transfer of the two MOD sites for a nominal fee, which has an associated land value. This investment will lever in £647m of private sector development investment into the local economy.

Watermark West Quay (Southampton)

A further critical industry within our maritime sector is the growing international cruise industry. With over 400 ships expected to dock in Southampton in 2013 (providing approximately £1bn to the local economy²); a 200% increase in passenger numbers in the last 10 years; projected growth of 6% in the next five years; and the Cruise Liners International Association naming Southampton one of the “best cruise destinations” – providing a compelling offer for international visitors in Southampton is crucial. A significant opportunity to improve the attractiveness to visitors can be found in the stalled 49,000 square metre Watermark West Quay development in Southampton. This site, which is in close proximity to Southampton Port and the existing retail offer, will maximise the economic impact of foreign tourists that visit Southampton.

This £97m mixed-use scheme will be delivered in two phases by Hammerson. The first phase comprises: a landmark cinema building; up to 15 restaurants; additional retail space; and newly created public space in front of the city’s historic walls – **creating 500 new permanent jobs**. The second phase has the potential to include: a residential tower; a hotel; flexible office space; restaurants; and additional public space. This City Deal will take forward phase one of this scheme. Due to this scheme’s advanced stage construction is expected to commence in 2014 and will be completed by 2016.

Financial package to unlock the Watermark West Quay site

This development is currently stalled due to the need to provide a £10m site enabling package. This includes the relocation of the public utilities and new public infrastructure that will link the site to docked ships in the Port of Southampton via a park and plaza. The location of Southampton’s historic medieval city walls to this site within the new public infrastructure also means that this enabling work needs to be undertaken sensitively. The private sector is contributing £3m to support this site enablement works. In order to fund the remaining £7m the City Deal has secured, through round four of the Regional Growth Fund (RGF), funding for the public infrastructure part of this development. In addition, given that this public realm infrastructure will not be built until the end of the construction programme, Southampton will be provided with an additional year to spend this RGF funding – enabling funding to be drawn down from Government until March 2016.

² On average, each docking is worth £2.5 million to the local economy

Developing a locally responsive skills system to drive economic growth

As Southampton and Portsmouth unlock new development schemes and grow their marine, maritime and advanced manufacturing sectors of the local economy it is essential that local businesses are able to employ individuals that have the appropriate skills and training. Therefore, building on the Government's recent skills reforms the Southampton and Portsmouth City Deal will ensure the local skills system further responds to employer needs by establishing a local **Skills for Growth Fund**. In addition the City Deal will also establish a Solent-wide **Employer Ownership of Skills programme** that identifies immediate skills needs in small and medium enterprises (in the advanced manufacturing sector) and funds the provision of relevant courses through local skills providers.

A system wide approach to meeting local employer skills demand

The skills infrastructure in the Solent has a long history of working together to meet the needs of local businesses and our learners. To extend this relationship, and in the spirit of collaboration, the City Deal will deliver a new three-year tripartite skills investment strategy which will identify local employer skills needs. This strategy will be supported by funding from the private sector, the seven major Further Education colleges across the Solent and the Local Enterprise Partnership's Employment and Skills Board. This funding will be aligned and placed into a single responsive Solent Skills for Growth Fund. This Solent Skills for Growth Fund will become operational in 2014 and will consist of £4m of funding over a two year period (academic years 2014/15 and 2015/16). Funding will be drawn from:

- £1m from Solent's 7 major colleges³ each agreeing to ring-fence /co-invest funding from their Adult Skills Budget allocation;
- £1m from the Local Enterprise Partnership's European Union Structural Investment Fund (subject to its final approval); and
- £2m matched funding from local employers.

The Solent Skills for Growth Fund will be managed by the Solent Local Enterprise Partnership through the Employment and Skills Board and will complement Solent Local Enterprise Partnership's Skills Strategy, its European Union Structural Funds Investment Strategy and the forthcoming Local Growth Deal. The City Deal will also provide additional freedoms from the Skills Innovation Code, for specific courses to ensure that Further Education Colleges can align their investment and provision with the requirements of employers, linked to agreed job outputs. These flexibilities will be subject to final agreement by the end of 2013/14.

In total, over the two year period a minimum of 1,000 individuals (of which at least 600 will be aged 16-24) will participate in this programme. A minimum of 300 will be unemployed – undertaking job related training to secure sustainable employment and a minimum of 700 will be employees undertaking professional or high level training (at levels 3 or 4).

The Government will also agree specific flexibilities via the Innovation Code to enable individuals to acquire additional units of learning to supplement a qualification. This will provide broader skills, where needed, as part of the package of support for those seeking new qualifications or skills that will lead to employment. These flexibilities will be underpinned by the following principles:

- This is a commitment to funding growth in a contract that enables all of the opportunities and flexibilities of the Adult Skills Budget to be utilised. This will be offered through a 'where needed' approach in which employers and existing adult skills budget providers come to the Local Enterprise Partnership for funding for a specific need and they draw down in line with demand.
- Payment by the Skills Funding Agency will be made on profile and the contract is managed in line with the existing local authority contract.
- Government will support more flexible use of the Innovation Code for Southampton and Portsmouth for eligible learning although will need more detail from the city/Solent Local Enterprise Partnership on what specifically they want to support before programmes are agreed. The priority will be:

³ Brockenhurst College, Eastleigh College, Fareham College, Isle of Wight, Southdowns College, Southampton City College, Sparsholt College.

- Flexibility will be for those individuals affected by the redundancies and seeking to address priority skills needs identified by the Solent Local Enterprise Partnership to remain in/find work.
- Use of the Innovation Code must support a wider package of learning in addition to a full qualification or framework, for example undertaking additional units related to skills gaps in employment opportunities locally to supplement an Apprenticeships framework.
- Programmes should deliver good value for money and deliver transferable qualifications.

A Marine and Maritime Employer Ownership of Skills Programme

The foundations of the Solent are built upon a set of existing strengths in the maritime and marine sectors, with a particular emphasis on small and medium enterprises and micro-firms. The importance of the engineering, aerospace and marine industries to the Solent Local Enterprise Partnership area remains evident in the presence of major employers with supply chains running through the sub-region. The local area has a particularly strong concentration of employment in manufacturing, accounting for 9% of all employees (58,800 jobs). The maritime and marine sector in the Solent also accounts for 20% of the functional economic area and is responsible for 17% of UK gross value added in this sector nationally.

However it should be noted that the marine and maritime sectors contain many smaller firms which are not yet able to maximise the flexibility of the newly reformed skills system. To address this issue the City Deal will create a £3m Solent wide **Employer Ownership of Skills programme** that identifies immediate skills needs in small and medium enterprises, in the **advanced manufacturing sector**. In this programme the Solent Local Enterprise Partnership, through their Employment and Skills board, will act as the broker and aggregate up small and medium enterprise skills demands on behalf of local business. These skills gaps will be addressed through the provision of courses provided by local skills providers. "A co-investment funding model will underpin the Employer Ownership of Skills programme. £1.5m of this £3m programme will be provided by local employer contributions. Government will provide the other £1.5m (£0.75m in 2014/15 and £0.75m in 2015/16) from the adult skills budget. This will be paid into the Single Adult Skills Budget held by the Local Enterprise Partnership's accountable body (Portsmouth City Council) through their SFA contract in 2014/15. This £1.5m would be in addition to the £1m of Adult Skills Budget funding already identified for the City Deal by local providers

Helping the Long Term and Young Unemployed into work

Economic analysis undertaken to support the Southampton and Portsmouth City Deal suggests that almost 10,000 jobs will be created in the two cities over the next decade. As part of the City Deal the Government and local partners are committed to opening up this potential economic opportunity to those that are furthest from the labour market, so that they can secure sustained employment.

Solent Jobs Pilot

In order to link long term unemployed people with private sector job creation this City Deal will create a new **Solent Jobs pilot targeting 1,000 of the very long-term unemployed over two years**. The cohort for this programme will be drawn from those who have left the Work Programme without finding work. The programme will include:

- **Stage 1:** A pre-employment and placement support programme aimed at identifying key barriers to work, improving basic employability and advice and guidance on how to make the transition into supported work.
- **Stage 2:** A subsidised job for up to 25 hours per week paid at the national minimum wage for up to six months, alongside caseworker support, skills and job search advice.
- **Stage 3:** Intensive post-placement support and job matching with expert senior advisors/job brokers using a payment by results mechanism.

Supported jobs will be concentrated on entry level private sector roles. Roles and sectors are to be selected on basis of client need and which offer the best opportunity for a successful placement for both the client and host. The length of placements will reflect the readiness of each client and will ensure a challenging whilst supportive environment to develop within.

The total cost of this two-year scheme is £5.8m. Local partners will provide £2.9m from local budgets and EU funding. The Government will support this scheme through the provision of £2.9m.

Supporting unemployment challenges

In addition in the light of the local redundancy situation the Department for Work and Pensions is prepared to commit up to a £1m extra funding, through its Rapid Response Service, to support those made redundant secure new jobs as quickly as possible. That is an average of £1,000 per head of extra help on top of the normal support Jobcentre Plus offers.

Young Person's Fund

Local partners will compliment national youth unemployment programmes by designing **new demonstration projects for 18-24 year olds**. A total fund of £1.4m will be used to trial innovative new approaches to tackling youth unemployment within Southampton and Portsmouth. This will build on the forthcoming findings of the Government's review into employment, education and training support for 18-24 year olds. The new demonstration projects will build on what we know already works well in helping young people back to work including: skills training; work experience; and apprenticeships. £700K of funding will be provided by local partners (including private sector companies), with the remaining £700K will be provided by a combination of Youth Contract under spend (450K) and DWP Flexible Support fund (250K). Release of Government's contribution will be made by the end of 2013 and will subject to approval of a full business case.

Enterprise and Innovation

A new business support service⁴ will boost economic growth by improving the coordination of local and national business support, making it easier for businesses to find the help they need and introducing a range of enterprise and innovation schemes tailored to the needs of local businesses. Across the Solent local partners will raise awareness and uptake of public and private sector support available at the local and national levels by effectively guiding businesses to the most appropriate support. At the same time, a suite of additional support services, including local schemes that promote small and medium enterprise business growth and enterprise will be rolled out. To support this scheme £3.1m of funding has been bid for by local partners. This will be supported by £424K of local public sector match funding and £6.5m of private sector leverage. The schemes proposed will create 310 jobs and safeguard a further 100 over a two year period (2014/15 - 2016/17).

Governance

A formal protocol of collaboration already exists between Southampton City Council and Portsmouth City Council. The formal creation of the Solent Local Enterprise Partnership, and their links with existing sub-regional bodies, Partnership for Urban South Hampshire (PUSH) and Transport for South Hampshire (TfSH) has enhanced the existing local authority governance arrangements by bringing together not only the main business organisations but also a wide range of sector based organisations that provide a strong base on which to build and drive forward an economic strategy. This will ease the transition towards a stronger governance arrangement. It has also enabled the private sector, local authorities and higher education to work together under the Solent Local Enterprise Partnership and the relevant local authorities and others to work together effectively for eight years.

As part of the Southampton and Portsmouth City Deal local partners have agreed to a "non legal entity" group comprising:

- Leader of Hampshire County Council
- Leader of Portsmouth City Council
- Leader of Southampton City Council
- Private Sector representative for the Solent Local Enterprise Partnership

⁴ This element of the Deal will be funded through a bid into the Wave 2 Business Growth programme developed by the Cities Policy Unit, BIS and Lancaster University. All commitments in this area are therefore subject to local partners being successful in their bid into this fund.

UNCLASSIFIED

The purpose will be governance relating to the City Deal. Decisions relating to statutory services will revert back to the relevant local authority or statutory body. The relevant sub regional groups are Partnership for Urban South Hampshire, TFSH/ Local Transport Board (Solent Transport). All representatives may appoint a deputy, as they see fit.

Summary of Commitments

Tipner and Horsea Island

Central Government Commitments	Southampton and Portsmouth Commitments
<p>Ministry of Defence to designate the Tipner Firing Range as surplus to requirement and transfer ownership, for a nominal fee, to Portsmouth City Council in return for an overage agreement. This overage agreement will be concluded and approved by the end of the 2013/14 financial year and will provide for MOD to recover a fair and equitable share of the future market value of the overall development and site (after taking into account all costs incurred within this element of the deal).</p> <p>Ministry of Defence to transfer Horsea Island East to Portsmouth City Council, for a nominal fee, and agree an overage agreement. This overage agreement will be concluded and approved by the end of the 2013/14 financial year and will provide for MOD to recover a fair and equitable share of the future market value of the overall development and site (after taking into account <u>all</u> costs incurred <u>within this element of the deal</u>).</p> <p>Provision of £48.75m in Government Grant to Portsmouth City Council to support the provision of enabling infrastructure to make the Tipner-Horsea Island site ready for private sector investment. This funding will be transferred through a Section 31 payment to Portsmouth City Council in 2014/15.</p>	<p>Portsmouth City Council to oversee the assembly of land on Tipner-Horsea Island.</p> <p>Portsmouth City Council to procure organisations to undertake (either or both) remediation activity and provision of enabling infrastructure at the Tipner-Horsea Island site. This activity will make the site ready for sale to one or more private sector developers.</p> <p>Portsmouth City Council to agree an overage agreement with the MOD as part of the transfer of the Tipner Firing Range and Horsea Island East.</p> <p>Portsmouth City Council will pay £3.75m to Government, which will recover the costs of re-providing the Tipner firing range.</p> <p>Portsmouth City Council to provide £47.2m in local investment (local authority funding, existing grant, local authority capital receipts, Community Infrastructure Levy and local business rates) to support the provision of enabling infrastructure and land remediation to make the Tipner-Horsea Island site ready for private sector investment.</p> <p>Secure £87.8m in developer contributions to support the provision of enabling infrastructure and land remediation to make the Tipner-Horsea Island site ready for private sector investment.</p> <p>Agreement by East Hampshire Council to expedite the planning application, subject to full compliance with planning policies and statutory requirements, for the re-provision of the Tipner firing range at the Longmoor Military Camp – should the Ministry of Defence decide to relocate the firing range at this location.</p> <p>Portsmouth City Council to upload all their land and property assets onto the ePIMS database, managed by the Government Property Unit.</p>

Watermark West Quay

Central Government Commitments	Southampton and Portsmouth Commitments
<p>Provision of up to £7m of RGF Round 4 funding in 2013/14 to support site enabling works for the Watermark West Quay site.</p> <p>Government commitment to expedite the conclusion of RGF due diligence for the Watermark West Quay site.</p>	<p>£90m private sector led investment into Southampton to create a significantly enhanced leisure and culture offer for the city.</p> <p>£3m private sector contribution to the site enabling works.</p>

Agreement to provide additional flexibility to the RGF award, allowing funding to be spent and claimed by March 2016.	Southampton City Council to upload all their land and property assets onto the ePIMS database, managed by the Government Property Unit.
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Developing a locally responsive skills system to drive economic growth

Central Government Commitments	Southampton and Portsmouth Commitments
<p>Subject to final agreement from the Skills Funding Agency, flex rules on the use of the Innovation Code for programmes funded through the Solent Skills for Growth programme in the two year period 2014/15 and 2015/16 – focusing on point 15 within the “How to use the Innovation Code in 2013/14” (Version 1.0). Each programme flexibility will be agreed on a case-by-case basis before the end of 2013/14.</p> <p>£1.5m from BIS Adult Skills over two years to support the co-investment funding model underpinning the Solent Employer Ownership of Skills programme for advanced manufacturing (marine and aerospace), of which no more than 5% of this funding will be used for administration. £750k will be provided in 2014/15 and £750k in 2015/16.</p>	<p>Creation of a tripartite skills investment strategy that will identify critical skills needs of local employers and ensure provision of appropriate courses through a Solent Skills for Growth Fund.</p> <p>Create a £4m Solent Skills for Growth fund over a two year period (2014/15 academic year and 2015/16 academic year) funded through:</p> <ul style="list-style-type: none"> • £1m Solent Local Enterprise Partnership European Union Structural Investment Fund • £1m ring fenced from within FE colleges Adult Skills budgets • £2m private sector contribution <p>This fund will be managed by the Solent Local Enterprise Partnership Employment and Skills Board.</p> <p>The Solent Local Enterprise Partnership through their Employment and Skills Board will establish and manage a Solent wide Employer Ownership of Skills Programme that will: identify immediate skills needs in small and medium enterprises within the advanced manufacturing (marine and aerospace) sector; aggregate their skills needs up; and broker the provision of these skills with local providers.</p> <p>Provision of £1.5m of funding to over two years from local employer contributions in 2014/15 and 2015/16 to fund the Solent Employer Ownership of Skills programme as part of the co-investment funding model. This will fund provision that will tackle immediate/short term skills needs in the advanced manufacturing (marine and aerospace) sector.</p>

Helping the Long Term and Young Unemployed into work

Central Government Commitments	Southampton and Portsmouth Commitments
<p>Provision of £2.9m of funding to fund the Solent Jobs pilot.</p> <p>Department for Work and Pensions will work with Southampton City Council to support the commissioning of the Solent Jobs Pilot.</p> <p>£450K from the Youth Contract under spend and £250K from DWP Flexible Support Fund to align with local funding to create a Young Persons Fund, subject to approval of a full business case.</p>	<p>Southampton City Council, on behalf of the Solent Local Enterprise Partnership, will finalise the design of the Solent Jobs Pilot with Department for Work and Pensions and local partners. The council will also act as the programme management organisation for the pilot, overseeing its delivery and ensuring performance benchmarks are met.</p> <p>Southampton City Council will lead the commissioning of the Solent Jobs Pilot and Young Persons Fund, working with local partners and the Department for Work and Pensions.</p> <p>Provision of £2.9m from local funds to fund the delivery of the Solent Jobs pilot.</p>

	Creation of a Young Persons Fund with £700,000 from local public sector and private sector funding.
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Supporting unemployment challenges

Central Government Commitments	Southampton and Portsmouth Commitments
Government to commit up to £1m of extra funding, through its Rapid Response Service, to support those made redundant into new jobs.	Southampton and Portsmouth to pro-actively work with DWP to implement the Rapid Response Service.

Enterprise and Innovation

Central Government Commitments	Southampton and Portsmouth Commitments
<p>Subject to a successful bid into the Wave 2 Business Growth programme, Southampton and Portsmouth will receive £3.1m of funding for a range of bespoke business and innovation schemes.</p> <p>Enhanced engagement with the Technology and Strategy Board, UKTI and Growth Accelerator to support better business support co-ordination across the market.</p>	<p>Creation of an enhanced business support co-ordination function for small and medium enterprises across the Solent. This co-ordination function will be led by a collaboration of the Hampshire Chamber of Commerce, Hampshire Business Alliance, Solent Local Enterprise Partnership, Southampton City Council, Portsmouth City Council, Hampshire County Council, University of Portsmouth, University of Southampton and Southampton Solent University.</p> <p>Provision of tailored business support programmes for high growth businesses in targeted sectors (including marine). These include:</p> <ul style="list-style-type: none"> • Growth and Skills Audits undertaken by University of Portsmouth Business School. • Enterprise vouchers (up to £20K per company). • Small and medium enterprise business growth grants of between £50K - £100K per company. <p>Provision of £6.5m of private sector funding and £424K of local public sector funding to support delivery of the tailored business support programmes.</p>

Proposal:	Tipner-Horsea Island	
Summary:	<p>This proposal will unlock brown field sites in prime locations for employment and housing. The sites are close to Portsmouth city centre, the Commercial Ferry Port and Portsmouth Naval Base. The sites are; Tipner Firing Range, Tipner West, Tipner East, Horsea Island East and land at Port Solent. Tipner Firing Range and Horsea Island East are MOD sites, the others are owned by private landowners and the city council. All the sites require significant remediation and infrastructure to make them attractive for development.</p> <p>Unlocking these sites will help to address the following:</p> <ul style="list-style-type: none"> • Projected growth of 5% in the marine, maritime and advanced manufacturing sectors of the economy. • The expected growth in naval base operations and the associated growth in its supply chain. • Projected growth in housing demand. The South Hampshire Strategy has projected that the sub-region will require 55,000 homes between 2011-2026, of which 9,100 will be needed in Portsmouth. 	
Outcome & outputs:	<p>The proposal will achieve the following outputs over a 16 year period up to 2030.</p> <ul style="list-style-type: none"> • 2,370 homes • 58,000 sqm of employment space • 3,742 new permanent jobs by 2025 (1,000 new permanent jobs by 2020) • 13,000 temporary construction jobs • £640m of private sector investment 	
Milestone	<ul style="list-style-type: none"> • March 2014: Final agreement of Tipner-Horsea overage agreement • May 2014: Transfer of Horsea Island East and the land on which Tipner Firing Range is based to Portsmouth City Council • October 2014: Commence construction of new housing 	
Key Govt Departments & SRO	CLG, MOD & DIO (transfer of land to City Council), DEFRA (agree City Deal Growth Team - Environment for collaborative working), HMT,	
Resources (City, Govt, private sector, other)	Total estimated spending of over £800m over the 18 years to 2031 - see Financial Summary for Option 4 - Project Proposal.	
Other information	<ul style="list-style-type: none"> • Land transfers: The usual conveyancing process will be followed. The Council; will undertake due diligence as to matters affecting the site. A transfer document will be entered into containing such overage provisions as are agreed. • Planning: There are specific provisions which deal with how the Council considers applications from itself, and we commonly deal with situations in which the Council as a landowning corporation promotes its own schemes, which are considered by the Local Planning Authority. We will have separate officers performing the role of determining authority with others working with consultants to progress the schemes to permission and post permission. 	
Action:	Owner	Timeline
Set up Tipner-Horsea Project Board	PCC	September 2013

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Set up Tipner-Horsea Project Team	PCC	September 2013
Final approval of the Tipner-Horsea Island Business Case and financial model for the Tipner-Horsea Island proposal	CLG	November 2013
PCC to commence negotiations with DIO and MOD on the Tipner-Horsea Island overage agreement	PCC/DIO/MOD	December 2013
Complete topographic surveys	PCC	December 2013
Audit of Financial Model	Independent Auditor	December 2013
Complete detailed site specific contaminated land investigations	PCC	February 2014
Procure Lead Planning consultants	PCC	February 2014
Final agreement of the Tipner-Horsea Island overage agreement with DIO and MOD	PCC/DIO/MOD	March 2014
CLG to transfer £48.75m of grant to Portsmouth City Council via a Section 31 payment, subject to approved Tipner-Horsea Business Case and financial model – due in November 2013	CLG	April 2014
Transfer of Horsea Island East from MOD to PCC, subject to final agreement of the Tipner-Horsea overage agreement	PCC/MOD/DIO	May 2014
Agree the development strategy	Planning consultants/PCC	TBC
Commence construction of new housing	Private developers	October 2014
CLG and PCC undertake a joint review of progress and update milestones where necessary.	CLG/PCC	April 2015
Transfer of Tipner Firing Range from MOD to PCC, following re-provision of the firing range at another location	PCC/DIO/MOD	March 2016
Tipner Firing Range - complete preparation/planning/procurement	PCC	March 2016
Port Solent - complete preparation/planning/procurement	Private developers	March 2016
Tipner East - privately owned site - complete remediation and infrastructure	Private developers	June 2016
Tipner East - HCA site - complete housing construction (120)	Private developers	March 2017
Tipner Firing Range - complete remediation/infrastructure	PCC	March 2018
Port Solent - complete remediation/infrastructure	Private developers	March 2018
6,615 sqm of employment space completed	Private developers	March 2019
Horsea Island East - complete preparation/planning/procurement	PCC	March 2020
Tipner West - complete preparation/planning/procurement	Private developers	March 2021
Horsea Island East - complete remediation/infrastructure	PCC	March 2022
Tipner Firing Range - complete construction employment space (30,000 sqm)	Private developers	March 2023
Tipner West - complete remediation/infrastructure	Private developers	March 2023
1,500 of the 2,370 planned new homes completed	Private developers	May 2023
Horsea Island East - complete employment space (25,000 sqm)	Private developers	March 2024
Port Solent - complete housing construction (500)	Private developers	March 2024

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Tipner Firing Range - complete housing construction (600)	Private developers	March 2025
2,190 of the 2,370 planned new homes completed	Private developers	March 2028
Tipner West - complete housing construction (650)	Private developers	March 2030
Project completion	PCC/Private developers	March 2030
Project completed with following outcomes delivered: 2,370 new homes; 58,000 sqm of employment; and 3,742 jobs created		May 2030

Proposal:	Watermark WestQuay (Southampton)	
Summary:	Southampton City Council is working with its development partner Hammerson (Watermark) Ltd a subsidiary of Hammerson plc (who together control the whole development site) to deliver Watermark WestQuay. The development scheme aims to regenerate a vacant Brownfield site in the centre of Southampton between the historic medieval town walls and the waterfront. Combined with the adjoining WestQuay Shopping Centre, which is within the control and management of Hammerson, the proposal is to create a two phased mixed use scheme comprising a cinema, leisure, restaurants, retail units, residential and a hotel. Within phase 1 there will be: a cinema; up to 15 restaurant units; additional retail space; and the creation of a new public open space. This development will be underpinned by high quality urban design and the re-integration of the medieval town walls which will create a new vibrant quarter that will enhance key pedestrian links between the city centre and the waterfront where regeneration of the Royal Pier Waterfront scheme will take place.	
Outcome Outputs:	<p>The project will deliver approximately 190,000 sqft (phase 1) of retail and leisure floor space (approximately 62,000 sqft cinema and up to 15 restaurants and additional retail floor space equating to approximately 126,000 sqft). In addition this project will provide construction jobs and end use jobs within the units let to third parties.</p> <ul style="list-style-type: none"> • The programme will deliver a short term boost of £90m private sector investment by October 2016 • Creating construction jobs from May 2014 (estimated to be 600 based on estimated floor space) • End use jobs will be created by third party operators from October 2016 (estimated to be 500 based on similar schemes) • Over the longer term the Watermark WestQuay development will provide linkages between the City Centre and the waterfront and assist in unlocking the development potential of other key planned developments including Royal Pier Waterfront. 	
Milestone	The project is scheduled for completion October 2016	
Key Govt Departments & SRO	BIS, EH, LPA, SCC & SLEP	
Resources (City, Govt, private sector, other)	<p>£65m Hammerson £7m RGF – conditional offer, subject to due diligence £1m Town Arena contribution from previous S.106 contributions held by the Local Planning Authority £25m Estimated fit out contributions from occupiers (details yet to be confirmed) Total project funding £98m (of which £90m is from the private sector)</p>	
Action:	Owner	Timeline
Obtain outline planning permission for scheme (resolution to grant already obtained)	Hammerson/LPA	Dec 2013
Completion of RGF due diligence	BIS/Mazars/Hammerson/S	Nov 2013

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	CC	
Final decision on RGF funding	BIS/CPU/SCC/Hammerson	Dec 2013
Conclude lease agreement with cinema anchor	Hammerson	Feb 2014
Commence marketing and pre-letting of catering units	Hammerson	Jan 2104
Submit reserved matters applications	Hammerson	March 2014
Enabling works commence	Hammerson	May 2014
Third party consents (e.g. Scheduled Ancient Monument consent)	Hammerson/EH	Oct 2014
Development Agreement goes unconditional	Hammerson	Oct 2014
Commence main construction contract	Hammerson	Oct 2014
Commencement of public realm works	Hammerson	March 2016
Handover cinema unit for tenant fit out	Hammerson	March 2016
Handover of restaurant units for tenant fit out	Hammerson	June 2016
Project completion	Hammerson/Tenants	Oct 2016

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<p>Proposal:</p>	<p>Solent Skills for Growth Fund</p>
<p>Summary:</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 22</p>	<p>Solent LEP is committed to working with partners to identify how the current skills system can be refined to enable employers to take greater ownership of skills and to enable provision to become ever more responsive to need. We are particularly focused on encouraging the development of collaborative approaches to meeting the skills needs of our employers. We also need to build the pipeline of skills.</p> <p>We have proposed the creation of a new co-investment vehicle, the Solent Skills for Growth Fund. This fund will be used to lever private sector investment from employers, individually and collectively, and to align skills provision across the seven major colleges in the Solent LEP area. In keeping with national strategy, employers (individually and collectively) will co-own and co-design initiatives supported by this activity, ensuring that it meets industry standards. The focus will be on delivering the skills needed by our employers and on driving the quality, relevance and value of provision.</p> <p>A consortium, of the seven major colleges in the Solent LEP area, will deliver the Solent Skills for Growth Fund. One college will act as lead partner on behalf of the consortium. Strategic Employer-led proposals will be reviewed by the colleges, the SFA, LEP and key partners through our Solent FE group and an Employment and Skills Manager is being recruited to oversee this portfolio of work. The post will be co funded by the 7 colleges and Solent LEP. In addition the Solent Employment and Skills board will have strategic oversight of the programme receiving a performance report twice a year</p> <p>It will operate from within the LEP's Employment and Skills Board and be subject to an investment plan drawing on an independent evidence base that aligns skills needs to local economic and job demand, as well as aggregating up SME demands from across the Solent. This will form part of the LEP's Skills Strategy, its EU Structural Funds Investment Strategy and the Single Local Growth Deal.</p> <p>There is also a requirement to underpin the Solent skills for growth fund with specific flexibilities in the use of Skills Funding Agency Innovation Code. The Solent LEP will work with the Skills Funding Agency to ensure that the operation of the Innovation Code in the area enables FE colleges to: align their investment and provision with the requirements of employers and learners; and support units of learning to supplement a qualification which provides broader skills where needed (as part of the package of support for those seeking new qualifications with existing or new skills that lead to employment). This will be linked to agreed outputs in 2014/15 and 2015/16 and our commitment to ensure that we create the best environment for businesses to develop and train their workforce and to strive for success by investing in skills to establish a sustainable pattern of growth, ensuring local residents are equipped to take up the new jobs that are created.</p>
<p>Outcome & Outputs:</p>	<p>This will deliver the following outcomes:</p> <p>In total over the two year period - a minimum of 1000 participants in education/training programmes (identified under our Skills strategy or by employers); of which</p> <ul style="list-style-type: none"> • A minimum of 300 will be unemployed undertaking job related training to secure sustainable employment • A minimum of 700 will be employees undertaking professional (skills based or certificated training) or higher level training (at level3/4) • At least 600 will be in the 16-24 age category
<p>Milestone</p>	<p>July 2016 when all actions and phase 1 programme delivery will be complete. Note there is provision to extend fund from 2016 – 2020 under EU SIF,</p>

	subject to successful delivery of outputs in phase 1 to 2016	
Key Govt Departments & SRO	BIS and SFA. Note currently working with Fiona Wilmott (SFA Head of relationship management in Solent area) and Rebecca Rhodes SFA national	
Resources (City, Govt, private sector, other)	£4m Solent Skills for Growth programme over 2 year period (2014/15 academic year and 2015/16 academic year) funded through: £1m from Solent LEP EU SIF £1m ring fenced from within FE colleges Adult Skills budgets - see Annex 1 £2m private sector (employer contribution) SFA requirement to flex rules on the use of the Innovation code in this period – See Annex 2	
Action:	Owner	Timeline
Establish FE working group	Solent LEP	Completed May 2013 – meeting monthly
Agree lead college arrangement ⁵ with FE group and indicative ASB contributions	Solent LEP /FE colleges	Completed September 2013
Commission Solent Skills strategy	Solent LEP	Underway – commission agreed September 2013
Draft EU SIF programme for Solent skills for growth fund	Solent LEP	Completed - Initial draft submitted 7 October 2013
Agree role specification and resourcing for Solent Employment and Skills Manager	Solent LEP/FE	Completed October 2013
Request flexible use of Innovation code for skills/training provision	SFA/CPU	November 2013
Get feedback from DCLG on proposal for EU SIF	DCLG	December 2013
Recruit Solent Employment and Skills Manager	Solent LEP/FE	By January 2014
Revise EU SIF and submit final proposal	Solent LEP	31 January 2014
Completion of Skills strategy and identification of provision under innovation code	Solent LEP/FE Colleges	January 2014
Agree Innovation code listing between Solent LEP and SFA	Solent LEP and SFA	January 2014
Agree EU SIF between LEP and DCLG (National Growth Board)	Solent LEP and DCLG	February 2014
Agree programme operational guidelines and protocol for relationship between lead college and consortia colleges	Solent LEP/Colleges	December 2013 – February 2014
Programme approved by Solent LEP and Ministers	CO	March 2014
Commence Solent Skills for growth programme	Solent LEP/FE	July 2014

⁵ Lead college – Eastleigh college

Proposal:	Solent Employer ownership programme 2014-2016 for advanced manufacturing (marine and aerospace)	
Summary:	The marine and maritime sectors contain many smaller firms which are not yet able to maximise the flexibility of the newly reformed skills system. To address this issue the City Deal will create a £3m Solent wide Employer Ownership of Skills programme that identifies immediate skills needs in small and medium enterprises, in the advanced manufacturing sector . In this programme the Solent Local Enterprise Partnership through their Employment and Skills board will act as the broker and aggregate up small and medium enterprise skills demands on behalf of local business.	
Outcome & Outputs:	<p>Creation of £3 million Solent employer ownership programme for advanced manufacturing (marine and aerospace) over two years (2014/15 and 2015/16) delivering</p> <ul style="list-style-type: none"> • 200 higher qualifications • 400 new or safeguarded jobs • 200 new apprenticeships 	
Milestone	September 2016 for programme completion	
Key Govt Departments & SRO	CPU, BIS and SFA	
Resources (City, Govt, private sector, other)	<p>Funding from SFA routed through the LEP Accountable Body's (Portsmouth City Council) existing SFA contract support the Solent Employer Ownership Programme. This entails £750k in year one (2014/15) and a further £750k in year two (2015/16). £1.5m – employer contribution over two years</p> <p>Total programme fund £3m</p>	
Action:	Owner	Timeline
Submit implementation plan for employer ownership programme element and secure of £750,000 commitment for 2014/2015 from the SFA and £750,000 in year two of the programme (2014/15)	Solent LEP/SFA/BIS/CPU	January 2014
Draft Solent Strategic Economic Plan to include employer ownership programme for 2015/16	Solent LEP	December 2013
Draft Solent LEP Employer ownership prospectus and call for applications to support business case	Solent LEP/SFA/BIS	December 2013
Evaluate applications	Solent LEP ESB /SFA/BIS Local	February 2014
Finalise business case for employer ownership programme and agree with SFA as part of growth deal	Solent LEP/SFA/BIS/CO	March 2014
SFA/BIS to provide response	SFA	Spring 2014
New Solent Employer ownership programme to go live	Solent LEP	August 2014

Proposal:	Fit to Compete: the Solent Jobs Pilot
Summary:	<p>The cities of Southampton and Portsmouth and wider Solent area have geographical advantages, particularly in the marine and maritime sectors that have substantial growth potential, yet the sub-region also experiences pockets of deprivation and unemployment which require collaborative approaches to resolve.</p> <p>Nationally, long term unemployment, particularly linked to health conditions, remains a challenge. At September 2013, only 4% ESA claimants received a job referral within six months on the Work Programme. In October 2013, DWP announced a new set of measures for JSA claimants returning from Work Programme: Community Work Placements, Mandatory Intervention Regime and Daily signing. The proposed Solent model aims to provide alternative support particularly for those claiming ESA.. A 'Whole Place Community Budget' approach is proposed to resource and meet needs, provide a more intensive and relevant support package for individuals, and increase efficiency and effectiveness of wider public sector agencies including health, housing, criminal justice and skills agencies. In addition to intensive, holistic support, individuals will receive experience and support matched to private sector growth kick started by the City Deal in order to maximise sustained employment.</p> <p>The Programme aims are to:</p> <ul style="list-style-type: none"> • Increase economic activity in Southampton and Portsmouth (with wider Solent delivery through EU and local funds) • Support private sector growth through the availability of local skilled labour and an attractive environment for inward investment. • Promote independence and self reliance. Reduce dependency on public services. • Provide additionality through a local offer which is complimentary, and adds value to DWP and other local and national provision. <p>Objectives are to:</p> <ul style="list-style-type: none"> • Provide intensive, person-centred holistic support to 1000 long term unemployed claimants with health conditions or disabilities. • Combine public and private sector resource to increase efficiency and impact. • Pilot and evaluate an approach that combines public sector strategic intervention with private sector growth opportunities • Provide paid employment in the private sector <p>The programme is being co-designed with local partners including DWP, the two local authorities, Health, Solent LEP and local support agencies. Southampton City Council will be Lead Accountable Body for the funds and administration of the programme. Programme design is being informed by extensive local experience in delivering collaborative support for long term unemployed people.</p> <p>Referrals will be received from DWP and an initial triaged assessment undertaken to identify skills and support needs, including health condition management. Participants will receive an individualised support package and 4-6 weeks cognitive behavioural therapy support, followed by paid work placements .A menu of placement opportunities will be developed and offered, including through Solent Economic Procurement model (e.g. ECO retrofitting properties, social care contracts); S106 Employment and Skills Plans for major developments (construction and end use, including Watermark West Quay and wider developments), Business Growth Hub contact with SMEs.</p>
Outcome & Outputs:	<p>The programme will commence in April 2014 and run for 24 months to March 2016. Service level agreements, profiles and outcomes payments will be agreed with delivery partners. Evaluation and overall programme management will be reported to the Solent LEP Employment and Skills Board. Evaluation will include the percentage of long-term unemployed people in the target neighbourhoods, and the number of people economically active using DWP Social Justice outcomes framework.</p>

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	A total of 1,000 long- term unemployed people will participate. On completion: At least 150 people will gain sustained employment 400 will report an improvement in health conditions.	
Milestone	March 2016, when all actions will be complete. There is provision to extend the fund from 2016-20 under EU SIF subject to successful delivery of outputs.	
Key Govt Departments & SRO	DWP, Treasury, Cabinet Office, SRO to be confirmed	
Resources (City, Govt, private sector, other)	HMG £2.9m (from £50m ring fenced City Deal pot) Cities: £2.9m:(EU SIF: £2.8m. Housing, Health, Criminal Justice £100k)	
Action:	Owner	Timeline
Draft terms of reference for steering group	SCC/Steering group	Jan 2014
Agree work plan and outcome schedule with cabinet office	SCC/CPU/DWP	Nov 2013
Allocate funds against delivery profiles	SCC/PCC/Delivery partners	Jan 2014
Agree monitoring evidence requirements	Steering Group	Jan 2014
Develop course content	Delivery partners	Feb 2014
Agree governance arrangements	SCC/PCC/LEP	Dec 2013
Agree with government review process to track progress, resolve issues and refine model through implementation	SCC/CPU/DWP	Dec 2013
Confirm menu of work placements	SCC/Deliver partners	Feb 2014 and on-going
Confirm DWP Processes – referral/tracking/outcomes	DWP/SCC/steering group	Feb 2014
Launch and deliver programme	Delivery partners/steering group	April 14 – Mar 16
Evaluate	SCC/Partners	April 16 – June 16

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Proposal:	Team Solent Employment Kick-Start	
Summary:	<p>The aims of the programme are to:</p> <ul style="list-style-type: none"> • Deliver an innovative, collaborative local approach to tackle unemployment for 18-24 year olds in the cities of Southampton and Portsmouth; • Meet private sector employment demand and expectations; and • Provide additionality to existing and proposed national and local delivery; <p>We will develop and deliver a bespoke local response to youth unemployment working with private sector partners. Our approach will align to the Government's review into provision for 16-24 year olds being led by the Cabinet Secretary and test the principle of local adaptation, innovation and impact. We will draw on a local community budget ('Strategic Investment Budget') methodology that has already been established and approved to pool and commission outcomes against multi-agency funds.</p> <p>Solent LEP has prioritised support for skills and employment of young people in its draft EU Strategic Investment Framework, emerging Skills Strategy and Single Economic Growth Strategy. Both cities have strategic priorities for youth employment in their Council and wider partnership plans.</p>	
Outcome & outputs:	From Jan 2014, partners will jointly design the new programme with delivery commencing in April 2014. A full business case will be developed and agreed in December 2013. The scheme will be subject to full evaluation.	
Milestone	March 2016, when all actions will be complete. There is provision to extend the fund from 2016-20 under EU SIF subject to successful delivery of outputs.	
Key Govt Departments & SRO	Cabinet Office, DWP, SRO to be identified	
Resources (City, Govt, private sector, other)	<p>HMG: £700k (£450k from DWP Youth Contract under spend and £250k DWP Flexible support fund)</p> <p>Cities: £700k, made up from:</p> <ul style="list-style-type: none"> • Private sector contribution: football clubs educational facilities and in-kind employer contributions £50,000 • Solent EU SIF: £550k • Cities: Health, HRA, SFA (college accredited delivery): £100k 	
Action:	Owner	Timeline
Draft terms of reference for Steering group	SCC/Partners	Dec 2013
Southampton City Council to submit Young Person's Fund business case to CPU and DWP	SCC	Dec 2013
CPU and DWP agree Young Person's fund business case	CPU/DWP	Dec 2013
Agree work plan and outcomes schedule with Cabinet Office	SCC	Dec 2013
Allocate funds against activities/payment and claims process	SCC/Partners	Jan 2014
Agree monitoring evidence requirements	SCC/CPU	Jan 2014

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Develop course content	SFC/PFC/Princes Trust/employers	Jan 2014
Agree governance arrangements	SCC/CPU	Jan 2014
Agree with Government review process to track progress, resolve issues and refine model through implementation	SCC/CPU	Jan 2014
Confirm employer pledges	Ford/SCC	Feb 2014 and on-going
Confirm Heywood Review input	CPU	Jan 2014
Confirm DWP processes	DWP/SCC	Feb 2014
Launch and deliver programme to 500 18-24 year olds	Partners	April 2014-Mar 2016
Evaluation	SCC/partners	Mar 2016-June 2016

Proposal:	Business Growth Hub
Summary:	<p>The Solent Business Growth Hub proposal is seeking to deliver new and safeguard existing jobs, and to support growth and economic prosperity in the area by helping new and existing businesses to grow quickly and sustainably. Public and private sector partners each recognise that the impetus for growth in the Solent area will come from the private sector and we propose a 3-stranded approach to support and accelerate that drive.</p> <p>All of the detail of this implementation plan is subject to approval of our bid into the Wave 2 Business Growth Fund, which will be submitted to the University of Lancaster on November 8th.</p>
Outcome & Outputs:	<p>Our primary outcome is to stimulate economic growth. Subject to our bid into the Wave 2 Business Growth Fund, our principal outputs will include:</p> <ul style="list-style-type: none"> • Creating 310 new jobs between December 2013 and March 2017. These new jobs will primarily be in our priority sectors of advanced manufacturing (including aerospace, technology and marine / maritime). These jobs will be created through all phases of the growth hub proposals. • We will look to safeguard 100 jobs in total through our packages of support to businesses. • We will promote and extend the take up of existing national schemes and have had significant conversations already with the TSB to ensure that our proposals will enhance their offer.
Page 29 Milestone	<ul style="list-style-type: none"> • 29 Nov 2013: Confirmation of a successful bid and agreed level of funding for the bid • December 2013: Steering Group established, governance structure and Terms of Reference agreed • January 2014: Project Manager appointed to direct delivery of 'best of class' business support portal as key entry point to accessing relevant business support – completely aligned with the national business support offer • January 2014: First of two-stage business support portal launched • April 2014: Bespoke support packages launched • April 2014: Second stage of business support portal launched • June 2014: Critical Review of overall progress • July 2014: Transition Planning to ensure effective delivery of long-term arrangements • March 2015: One Stop Shop Service transfers to Solent LEP procured service • June 2015: RGF Grants programme ceases with longer-term partnership arrangements in place
Key Govt Departments & SRO	CO, BIS, UKTI, TSB, MAS, Solent LEP
Resources (City, Govt, private sector, other)	<p>£3.1m RGF funding via Wave 2 Business Growth Programme</p> <p>This will provide £300k to develop a critical one stop shop funnel that opens the door for businesses to all relevant national and local sources of support and £300k to support and co-ordinate the overall programme and the bespoke business support (including undertaking growth and skill audits with businesses via the University of Portsmouth Business School).</p> <p>£5m private sector match</p> <p>£550k public sector match between Jan 2014 and March 2015</p>

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Action:	Owner	Timeline
Establish the Solent Business Growth Hub Steering Group [involving the Accountable Body, all relevant partners and in progress at time of submission]	University of Portsmouth / Portsmouth City Council	Dec 2013
Commission a project manager to develop the One Stop Shop Online Portal	University of Portsmouth/Hampshire County Council	Dec 2013
Steering group to approve set up proposals and costs for the One Stop Shop (portal and staffing) and bespoke business support (audits and grant process)	Hampshire Chamber of Commerce, Hampshire County Council and University of Portsmouth	Dec 2013
Recruit to key One Stop Shop Service Posts	Hampshire Chamber of Commerce	Dec 2013
Ensure appropriate training on local and national offers	Hampshire Chamber of Commerce and BIS	Jan 2014
Set up the bespoke business support scheme including appropriate links with Growth Accelerator, UKTI etc., monitoring processes, commissioning of services and recruitment / training of staff	University of Portsmouth	Jan 2014
Launch the One Stop Shop Service including the initial portal	Hampshire Chamber of Commerce	Jan 2014
Launch the bespoke support service	University of Portsmouth	April 2014
Launch the fully developed online portal	Hampshire Chamber of Commerce / Hampshire County Council	April 2014
Monitor outputs and outcomes from One Stop Shop Service and bespoke support service and make appropriate returns	University of Portsmouth	On-going to March 2017

UNCLASSIFIED

Proposal:	Southampton and Portsmouth Governance Structure	
Summary:	<p>Create a “non legal entity” group comprising:</p> <ul style="list-style-type: none"> • Leader of Hampshire County Council • Leader of Portsmouth City Council • Leader of Southampton City Council • Private Sector representative for the Solent Local Enterprise Partnership <p>The purpose will be governance relating to the City Deal.</p>	
Outcome & Outputs:	Non legal entity established to oversee the implementation of the	
Milestone	<ul style="list-style-type: none"> • 31 January 2014: Governance body established 	
Key Govt Departments & SRO	Cabinet Office	
Resources (City, Govt, private sector, other)	There are no costs associated with establishing the “non legal entity” that will oversee the implementation of the City Deal, but there will be a staffing cost in providing the secretariat support.	
Action:	Owner	Timeline
Non legal entity terms of reference agreed	SCC /HCC/PCC/LEP	31/1/14
Each local authority to approve the creation of the non legal entity at Cabinet and/or Full Council at the next available meeting	SCC/HCC/PCC/LEP	31/1/14
Establish a secretariat for the non legal entity	TBC	31/1/14

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**Marine Employment Alternatives
Tipner Regeneration Programme
COMMERCIAL IN CONFIDENCE**

July 2020

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TIPNER REGENERATION PROGRAMME MARINE EMPLOYMENT ALTERNATIVES

COMMERCIAL IN CONFIDENCE

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1. INTRODUCTION

Portsmouth City Council is progressing plans for the major redevelopment of the Tipner West site in Portsmouth Harbour. The proposals include significant reclamation and development that needs to be assessed under the Habitat Regulations. The purpose of this report is to inform the assessment of alternatives associated with the delivery of the marine employment component of the Tipner Regeneration Project. There is a compelling case for the delivery of the housing and the alternatives case for this element and the need to co-locate with the marine employment will be dealt with in the Shadow HRA.

The test of alternatives is one of the components of the derogation under the Habitat Regulations where a project is deemed to have an adverse effect on a relevant designated site or sites. The second component of the derogation is the need to demonstrate Imperative Reasons of Overriding Public Interest (IROPI), sometimes referred to as the needs case with the third element addressing the need to agree and deliver compensation.

This report does not consider the overall IROPI case, which will also be dealt with in the Shadow HRA.

1.1 BACKGROUND

The Portsmouth City Deal, approved by the Government in 2013 was predicated on the basis that the Tipner sites (Tipner West and Horsea East) would unlock some 58,000m² of critical employment space for the growing marine and advanced manufacturing sectors of the Solent Economy; as well as delivering significant housing.

The marine and maritime sector provides almost 1/5 of the UK's GVA with the Solent being the UK's leading marine cluster and the marine and maritime sector being the largest sector in the Solent region. A need has been identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region. This need is expressed in various national and regional strategies and policies including:

- The 'Maritime Growth Study: Keeping the UK competitive in a Global Market' Report (Department for Transport, 2015) is a national study supporting the national policies for the sector.

- The Maritime 2050 report - *Maritime 2050 Navigating the Future*, (Department for Transport, January 2019) sets out the Government's strategy for the maritime sector over the next 30 years and arose out of the 2015 Maritime Growth Study. This is a national strategy that also acknowledges the strength of the Solent maritime sector
- Maritime Sector Recovery Plan, (Maritime UK, June 2020) has a national context
- Transforming Solent: Solent Strategic Economic Plan 2014-2020 (The Solent Local Enterprise Partnership, March 2014) a report on the economic future of the Solent sub-region.
- 'Making Waves: Solent's Marine & Maritime Sector', (Solent Local Enterprise Partnership, 2015), highlighted the Solent's "*coastal location, business base, research assets and educational strengths*" as key factors that make the Solent the "*UK's leading marine cluster*" at the "*heart of the UK's marine & maritime economy*".

Project specific market research¹ and the economic case has identified the need and demand for this employment space and furthermore that it will constitute a regionally significant marine employment hub that is to be delivered at Tipner. The site is immediately adjacent, and works would include a footprint in, The Portsmouth Harbour Special Protection Area which is a 'European site' and a 'European marine site' under Regulation 8 of the Conservation of Species and Habitats Regulations 2017 ("the 2017 Regulations"). As a whole, given the scale of development the project has the potential for creating a significant effect on the European Site.

1.2 THE HRA TEST OF ALTERNATIVES

In short, the first test required to pass the derogation requires that there must be no feasible alternative solutions to the plan or project which are less damaging to affected European sites. In respect of the test of alternatives:

- The competent authority needs to be satisfied that the absence of feasible alternative solutions has been demonstrated objectively and in robust fashion. Alternatives should be considered including schemes at

¹ City Deal Marine Sector Market Summary Marina Projects Ltd October 2016

a different location, using different routes, scales, sizes, methods, means or timing.²

- A 'do-nothing' option should be included as part of the consideration of alternatives. Practically this is not an acceptable alternative solution because it would be incapable of delivering the objective however, it can help to develop a baseline against which alternatives can be tested.
- Alternatives should be financially, legally and technically feasible. Alternatives cannot be ruled out because they would cause greater inconvenience or cost unless that negatively impacts viability/deliverability.
- Alternatives must be considered objectively and broadly. This could include options that would be delivered by someone other than the applicant, or at a different location, using different routes, scale, size, methods, means or timing. Alternatives can also involve different ways of operating a development or facility.
- It is for the applicant to identify alternatives and for the competent authority to assess whether a solution could have less of an impact on a European site.
- The competent authority will establish whether the alternative solutions are reasonable and feasible. The question of whether or not there are alternatives depends on how closely defined the objective of the plan or project is.

1.3 THE MARINE EMPLOYMENT OBJECTIVE

The needs case and demand for marine employment will be set out in a separate report for the promotion of the development proposals to support a proposed local plan allocation, but in summary National Government policy set out in Maritime 2050³ recognises the significance of the maritime economy in the UK and seeks to expand the UK's maritime economy. The strategy outlines various strategic ambitions that include:

- confirming that the government and the maritime industry are clear that maritime has an integral role to play in the future of the UK.

² DEFRA's *Habitats and Wild Birds Directives: guidance on the application of article 6(4)*

³ Maritime 2050, navigating the future, Department for Transport, January 2019

- continued support to commercial investment in maritime infrastructure
- grow the maritime workforce
- enhance the UK's reputation as the world leader in the provision of maritime education and training.

Furthermore Maritime 2050 identifies the very significant part that the Solent region plays in underpinning the UK's maritime economy. Government support for the growth of the sector across the Solent, and Portsmouth in particular, is further reinforced by the City Deal funding already in place and the Solent LEP's Local Industrial Strategy.

A recent report has further emphasised the crucial importance of the sector or Solent cluster to the marine sector nationally⁴. This report by CEBR on behalf of the Solent LEP and Maritime UK in September 2019 assesses the importance and recognition of the role the Solent plays as a gateway for trade with the rest of the world. It assesses the economic impact of the Solent-based Maritime Sector and Portsmouth naval base in terms of the key macroeconomic indicators of gross value added (GVA), turnover and employment. In summary Turnover exceeds £12billion, GVA accounts for a further £5.8 billion and the sector accounts for 152,000 jobs. As significant as the sector is, there are considerable growth prospects for the maritime economy of the Solent, indeed the CEBR report forecasts Annual Growth of 3.1% and whilst this is a slowing of the annual growth rate from the preceding period it is ahead of the maritime growth rate for the UK as a whole. This reflects the significance of the sector, however, the evidence presented by the regional reports summarised in Section 1.1, also make it clear that those growth prospects are being constrained by access to waterfront employment sites. It is the need for intervention to address this issue that led to the City Deal for Portsmouth and the identification of the strategic nature of the marine employment opportunity that the Tipner site presents and the benefit that can be provided to the Solent economy.

Assessment of the marine employment market across the Solent region¹ has identified the parameters of the marine employment proposals for Tipner West and notably the nature of constraints at other sites that need to be considered for this

⁴ *'The economic contribution of the Maritime Sector in the Solent LEP'*, CEBR: 2019
https://solentlep.org.uk/media/2837/cebr_maritime_uk_solent_lep_16102019.pdf

project to address the market requirements and avoid simple displacement of other uses. The principles established are that:

- There is a shortage of waterfront marine employment sites
- There is a gap in the market for lifting facilities above 200t and under 1,000t
- Other significant marine employment sites with boat lifting capacity are either inefficient in size and/or constrained.
- Constraints include a lack of water depth resulting in tidally restricted operations and/or a limit on maximum vessel size both of which restrict the ability of the market sector to fulfil its potential
- A shortage of open yard storage area, limiting the capacity and efficiency of operations which in turn further restricts the use of the facility is a common theme on other sites.

Consequent of the above findings, and given the strength of the need and demand, including national and regional policy that is driving the expansion of the marine and maritime sector, the key components for the Tipner Regeneration Programme, that will unlock the full potential of this strategic site, in respect of the marine employment proposals can be summarised as to:

- Provide a regionally significant marine employment hub to ensure the objective of supporting the growth prospects of the Solent marine and advanced manufacturing economy is met in order to support the national sector
- Deliver full-tide access, to ensure the full potential of this strategic site is realised
- Develop a large boat lift facility in the order of 600-700 tonnes, that matches the gap in the marketplace and seeks to ensure that the site unlocks potential rather than displace other uses
- Ensure an appropriate level of open yard storage to avoid the constraint present at other sites and provide the industry with the flexibility to adapt to short-term and alternative projects
- Provision of circa 58,000m² marine employment space. An appropriate scale of employment space for the site, as defined by the City Deal and reinforced by the local market research.

Assessment of the market and principles of marine employment confirms that a minimum site area of circa 9 Ha will be required to deliver the scale of marine employment outlined above and therefore have the ability to deliver against all of the above criteria. A site that can do so must be viewed as a critical marine employment opportunity site which in turn will lead to delivering against the overarching project objective which is expressed as:

“To deliver the sustainable growth and full economic potential of the Solent marine, maritime and advanced manufacturing cluster by meeting current unmet demands through unlocking critical maritime employment sites and delivering the essential associated physical and social infrastructure. This is in order to ensure the UK’s global competitiveness in the marine and maritime economy whilst supporting and enhancing the sub-region’s economy and regeneration”

2. OVERVIEW OF ALTERNATIVES

At a high level the alternatives to be considered include:

- Do Nothing
- Deliver at an alternative location (within the Solent region)
- Position the marine employment in a different configuration within the Tipner Project.

2.1 DO NOTHING

A 'Do Nothing' scenario will not deliver the project objective established above and as set out in the project description and the needs/IROPI case, this is because no new (market-led) marine employment will occur on the site. Furthermore, and perhaps more notably it will squander one of a limited number of critical waterfront marine employment sites that have been identified by the Solent LEP as being capable of transitioning to marine employment, thereby undermining National & Regional strategies aimed at expanding the marine sector, including Maritime 2050 and the Local Industrial Strategy.

For the avoidance of doubt a do-nothing scenario, in respect of the marine sector elements will lose the ability to:

- provide 1,750 FTE jobs on-site that would be provided by the proposed development
- utilise a critical marine employment opportunity that has the attributes to deliver strategic marine sector growth through development at the site
- address local deprivation through employment and skills growth as well as meeting housing need
- enhance marine sector skills

2.2 ALTERNATIVE LOCATIONS

In respect of the consideration of alternative locations there are a number of key considerations

- A key point is that any alternative must be in the Solent Region to meet the identified project need, objective and address local/regional policy delivery. Furthermore, the national and regional policy support makes the case strongly that the Solent has an established reputation as the UK's centre of excellence for marine and maritime industries.

- The Solent LEP's (emerging) Local Industrial Strategy is predicated on the basis that the Solent is well-placed to address key challenges of the National Industrial Strategy and lead the way in developing the ambitions of the Government's Maritime 2050 Strategy³.
- The Solent LEP's Waterfront Asset Register⁵ provides the foundation for an initial filtering of alternatives. This report responded to amongst other things the Strategic Economic Plan for the Solent region, published in 2014 that sought to focus investment on those parts of the economy with the best growth prospects. The marine and maritime sector was and remains recognised as a key economic strength around which the growth strategy for the region was built.

2.2.1 Overview of Solent LEP's Waterfront Assets Register

The aim of the waterfront employment sites report, and the assets register that it produced, was to provide a comprehensive register of all existing and potential waterfront sites in the Solent region and to demonstrate an understanding of their characteristics and assets. The need for such a sites register is a result of concerns raised, over a significant period of time, by marine & maritime businesses that valuable waterfront land, suitable for the growth of marine industries, is being lost to alternative developments.

There has been an established understanding for many years that waterfront employment sites across the Solent Region are in short supply. This study has been undertaken in response to the recommendations of *Transforming Solent: Marine and Maritime Supplement*⁶ and the *Solent Waterfront Strategy*⁷. Both of these reports highlighted the importance of the marine and maritime sector and the need for a site register.

Accordingly, the site register was compiled to identify the provision of waterfront employment sites across the Solent, based upon detailed assessment and evidence. It is important to recognise that the intention was that the sites register be referred to by policy makers and planning authorities to guide & shape long term development plans.

⁵ Maritime Future: Solent Waterfront Sites Study – AECOM, September 2015.

⁶ Transforming the Solent: Marine and Maritime Supplement, Rear Admiral Rob Stevens, CB March 2014

⁷ Solent Waterfront Strategy, Adams Hendry et al, December 2007

The register details the following (amongst other things):

- Site name, address and location
- Existing site characteristics including land use and presence of relevant assets
- Strategic road/rail access
- Navigational access including details of water depth, site water frontage and whether access is available at all states of tide
- Development prospects
- Site allocation and employment policy designations
- Flood risk and environmental designations
- Indicative estimate of current employment

The report notes the importance for strategic planning and identifies a total of 97 sites with a combined area of 1,730 hectares used or available for waterfront employment in the Solent area. Importantly, these sites are located within 7 clearly defined “clusters” across the region. Of this supply only 100.7Ha (less than 6%) was undeveloped waterfront land and spread across several sites. Furthermore, only around 10Ha (0.5% of the total) is undeveloped waterfront land with permanent waterfront access (applying the reports definition), again spread across several sites.

The report provides a summary of the analysis undertaken of the employment sites, categorised under a number of key headings. Perhaps most notably, the study analyses the sites from an ‘assets’ perspective, commenting on the level of infrastructure providing access to water. Furthermore, the report assesses each site individually with respect to its relative level of importance to the marine and maritime sector.

2.2.2 Site Categorisation

In addition to establishing the relative importance of a site, the sites register also provides an assessment for each of the waterfront assets based on 3 defined criteria: (1) Marine Access, (2) Presence of Marine & Maritime Activities and (3) Development Potential. The sites are assessed on a ‘yes’ or ‘no’ basis to provide a ‘typology’ characterisation overview. The combination of different criteria gives rise to a total of 8 different site typologies which are identified within the register.

These typologies that are determined by the site's key characteristics highlight the capacity and potential to support the marine and maritime sector. The eight typologies are then grouped into three sub-sets:

- Support for ongoing marine and maritime use i.e., where there is no room for growth
- Invest and grow for marine and maritime use, if suitable; where there is potential to expand existing activity
- Consolidate and/or transition to marine and maritime use if suitable; the introduction of new marine and maritime employment uses.

The relative level of importance is assigned to the site by scoring against a range of criteria. Tier 1 sites are considered to be of prime importance and are relatively the most important sites, displaying the best characteristics that are favourable for the marine and maritime sector. Tier 2 and 3 sites are respectively less important.

This approach has identified the sites across the region that offer the “best characteristics to give continued support and growth” and the ability to transition to marine and maritime employment. Delivering good access to water is noted as being essential to the prospects of delivering sustainable marine employment prospects at a given location.

2.2.3 The Tipner Site

The sites register provides a useful overview of Tipner, indicating a number of physical characteristics that will influence proposals for the site.

Tipner West was identified in the sites register as a 250,000m² (25Ha) site that has been categorised as a first tier “Prime Site” within Portsmouth Harbour. As noted, the register defines “Tier 1” as “sites of prime importance for marine & maritime activities within the Solent region”.

There are a total of 3 tiers utilised by the register; Tiers 2 & 3 are noted as offering a level of ‘secondary’ & ‘tertiary’ importance respectively. It is self-evident that a Tier 2 or 3 site could not achieve the objective of creating a regionally significant marine employment site with the required attributes.

2.2.4 Tier 1 Sites

It is particularly pertinent that of the 97 waterfront sites identified by the register, a total of 23 are ranked as ‘Tier 1’ (23.7%), the majority are established use without potential for growth and only 4 “Tier 1” sites remained under-developed for marine

& maritime use. This equates to just 4.1% of the total number of waterfront sites across the Solent region.

The 4 “Tier 1” sites that are identified as under-developed for marine & maritime use are as follows:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Spitfire Quay, River Itchen, Southampton
- Lower William Street, Industrial Estate, River Itchen, Southampton
- Vestas Technology UK: Manufacturing Site, River Medina, Newport, Isle of Wight

The Solent LEP Waterfront Sites Register provides an objective and robust assessment of the stock of waterfront employment land across the Solent region and provides a foundation for the identification of alternative locations. Accordingly, the above Tier 1 sites will be taken forward into the assessment of alternatives.

2.2.5 Other Sites

In addition to those sites that are under-developed, which might be considered to constitute the main opportunity sites, there are two further categories of sites worthy of further consideration:

- Tier 1 sites that are currently established for marine use but with identified potential for growth
- Excluded sites – these related to sites not considered to be available e.g., MOD sites or utility sites, on the basis they were providing critical infrastructure already and could not be transitioned to marine employment. Accordingly, this report should consider any sites that might now be available.

There were 6 Tier 1 sites identified by the Waterfront Assets Register that were already established for marine use but with identified potential for growth. These were:

- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Daedalus Enterprise Zone, Lee-on-the-Solent
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton
- Marchwood Industrial Park, Southampton Water

- Venture Quays, East Cowes, Isle of Wight
- Medina Yard, Isle of Wight

The only “excluded site” that has changed status since the production of the register is at Fawley Waterside.

2.2.6 Waterfront Assets Register Summary

The summary above and review of the Solent LEP’s Waterfront Asset Register identifies a comprehensive, thorough and objective review of the availability and classification of waterfront employment sites (including opportunity sites) across the Solent Region. The report, commissioned by the Solent LEP, with the express aim of supporting the delivery of regional growth policies, provides a sound basis to commence the process of identifying alternative opportunity sites for marine and maritime employment.

Furthermore, the report makes a number of observations:

- Existing waterfront employment sites are performing well with a generally low level of vacancy
- The marine and maritime sector across the Solent is expected to grow and demand for sites is likely to increase.

2.3 PRELIMINARY FILTERING OF ALTERNATIVES

This section considers all of the Tier 1 sites with any potential for transitioning to or growth of marine and maritime employment (10No. as identified above). It does so initially by making detailed reference to the undeveloped waterfront sites in the Solent Waterfront Assets Register. That analysis found of 94.4ha of undeveloped waterfront land only 10% (9ha) has permanent water access. The assessment also identified some established sites with available land not previously classified in the “growth” category, but it also found one site, Venture Quays, was now fully occupied and no longer displaying the potential for growth.

Furthermore, many of the sites with permanent water access were below 2ha in size and would not be considered strategic sites.

In fact, the 94.4ha of Solent undeveloped waterfront land reported by the Waterfront Assets Register is significantly overstated because it includes 63.6ha of land at Horsea Island. The Tipner project includes 7.4ha of land at Horsea East which constitutes the total of available undeveloped land. The balance of that land

is either in MOD use or forms part of the Horsea island Country Park, as illustrated in Figure 2-1.



Figure 2-1 Horsea East site

An updated summary of the undeveloped waterfront land in December 2019 and taking forward the marine employment proposals for Tipner West and Horsea East is provided in the summary below. It can be seen that the 10 Tier 1 sites from the Waterfront Assets Register are complemented by a further 5 existing sites where some limited vacant land has been identified:

Table 2-1 Undeveloped waterfront sites – update 2020

Location	Remaining vacant land (ha)	Waterfrontage (m)	Water Access (m Chart Datum)
Tipner West & Horsea East	10.8	375	-3.0m
Royal Clarence Yard	2.3	210	-4.0m
Priddy's Hard	1.2	51*	-5.6m

Bakers Wharf	1.0	82	1.7m
Spitfire Quay	1.1	1,167	1.7m
Lower William Street	0.5	108	2.0m
Chapel Riverside	0.7	434	1.7m
Dibbles Wharf	1.2	120	-2.2m
Eling Wharf	2.3	470	0.4m
Daedalus	83	0	n/a
Centenary Quay	1.3	212	-2.8m
Marchwood Industrial Park	5.2	1,200	-3.1m
Venture Quays	0	50	-2m
Medina Yard	0.5	405	-2
Kingston Marine Park	6.2	412	2

* Site served by a jetty some 250m long with no direct access ashore.

There is a combination of a severe lack of available land (less than or around 2Ha) and lack of permanent water access (all sites are drying at low-water spring tides, severely limiting vessel access) at Bakers Wharf, Spitfire Quay; Lower William Street, Chapel Riverside; and Eling Wharf which means that these sites can be excluded from further consideration.

Furthermore, Land South of Medina Yard and Dibbles Wharf whilst having all-tide access are too small. Priddy's Hard is limited in size also and it is notable that the deep water is some 250m distant with only a jetty connection and no feasible method or space to bring vessels ashore and so this site can also be dismissed.

The Venture Quays site on the Isle of Wight is now fully occupied by Wight Shipyards and Vestas and there is no longer the potential for growth and this site does not warrant further review at this time.

This preliminary filter of the Waterfront Assets register identifies the following sites that might meet the previously noted criteria and be worthy of further consideration:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton

- Vestas Technology UK, manufacturing site, River Medina, Newport, Isle of Wight
- Daedalus, identified growth potential
- Marchwood Industrial Park, identified growth potential
- Kingston Marine Park, identified growth potential

As for sites excluded from the Waterfront Assets Register (MOD/utility sites) there is one candidate site now in the portfolio of sites available for development which should be included in the analysis:

- Fawley Waterside; Southampton Water – previously considered as unavailable (Excluded Site) as it was classed as a utility site.

3. ASSESSMENT OF ALTERNATIVE SOLENT LOCATIONS

Arising from the above assessment and filtering exercise there are 8 sites, including Tipner & Horsesea (together the Tipner West project) that warrant more detailed review. Their locations are identified in Figure 3-1.

The assessments consider the potential of each site to be altered/developed to provide the required nature and scale of marine employment proposals.

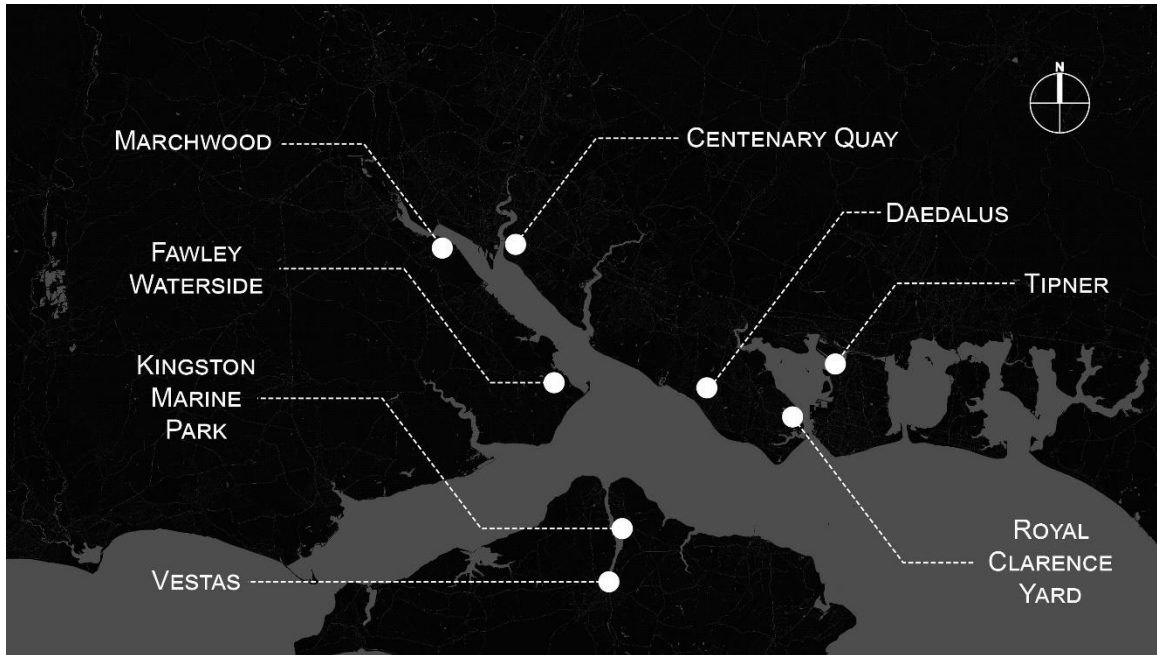


Figure 3-1 Alternative sites within the Solent region - location plan

3.1 TIPNER

3.1.1 Waterfront Assets Register Typology

The sites register categorises Tipner West with typology No.8 which is described as *“Industrial Site; Create/Improve Access; Grow and Transition to Marine and Maritime, if suitable”*. Typology No.8 is displayed in Table 3-1.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-1: Waterfront Register, Site Typology No. 8 (Relevant for Tipner West)

It is evident that water access to the Tipner West site is constrained at certain states of the tide; therefore, the assessment does not consider this site to currently offer 'good marine access'. The proposal however provides for a relatively modest dredge to extend the existing access channel to the deep water of Portsmouth Harbour at 4m Below Chart Datum, thus providing excellent access. The presence of an existing channel and deep water some 600m from the site means that the dredging can be achieved with a widening and deepening of the existing access channel. The capital dredge would be included within the project proposals and covered by the EIA and HRA.

The Waterfront Assets register considered Horsea Island separately but excluded it as an opportunity site because of the established use by the MOD. The MOD use will continue at Horsea but there is a site parcel, owned by PCC. The Tipner Regeneration Programme includes this parcel of the Horsea Island site of which approximately 4ha forms part of the marine employment zone. The detailed assessment below therefore includes that element of the site.

3.1.2 Detailed Assessment

Within this section this report considers the key components set out in Section 1.3. The delivery of these elements would be required to unlock the full potential of the marine sector, namely:

- Deliver full tide access – by dredging the access channel to a minimum of 3m below Chart Datum, connecting to the deeper water in Portsmouth Harbour.
- Develop a large boat lift facility in the order of 600-700 tonnes, to include a hoist dock, washdown, holding berths and work berths
- Ensure an appropriate level of open yard storage
- Provision of circa 58,000m² marine employment space
- The overall marine employment hub totals in excess of 9Ha



Figure 3-2 Tipner West Potential Marine Employment Proposals

The detailed assessment demonstrates that for the marine employment requirements, Tipner and Horsea can accommodate these in order to deliver a regionally significant marine employment hub, covering a minimum of 9Ha, spread across the Tipner and Horsea Island locations.

3.2 ROYAL CLARENCE YARD

3.2.1 Waterfront Assets Register Typology

Royal Clarence Yard (RCY) is categorised by the Waterfront Assets register with typology No.7 which is described as being an “*Industrial Site; Grow and Transition to Marine and Maritime, if suitable*”. This typology indicates a similar set of characteristics to that of Tipner West, the notable difference being that these sites are deemed to currently offer good access to the water, hence there is no requirement to either ‘create’ or ‘improve’ access. Typology No.7 is displayed in Table 3-2.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-2: Waterfront Register, Site Typology No. 7 (Relevant for Royal Clarence Yard)



Figure 3-3 Royal Clarence Yard

3.2.2 Detailed Assessment

Royal Clarence Yard is located between the Gosport Marina and Royal Clarence Marina. It is a historic site which includes a number of listed buildings such as the remains of the railway station used by Queen Victoria. It also includes a former steam fire engine house and boat house. The site has recently been disposed of by the MOD with the site being acquired by UK Docks a ship repair company with bases in Tyneside, Teesside, Plymouth and Gosport.

A summary of key issues/opportunities is provided below:

- The site totals only 2.3Ha
- The main jetty is approximately 150m long with a secondary berth of 60m
- The adjacent Royal Clarence Marina to the north limits the potential for any extended berthing
- The site enjoys deep water access with 4m depth below Chart Datum at the outer end of the main jetty. Capital dredging would be required if

boatlifting and all-tide berthing were to be provided – essential if the opportunity is to be maximised

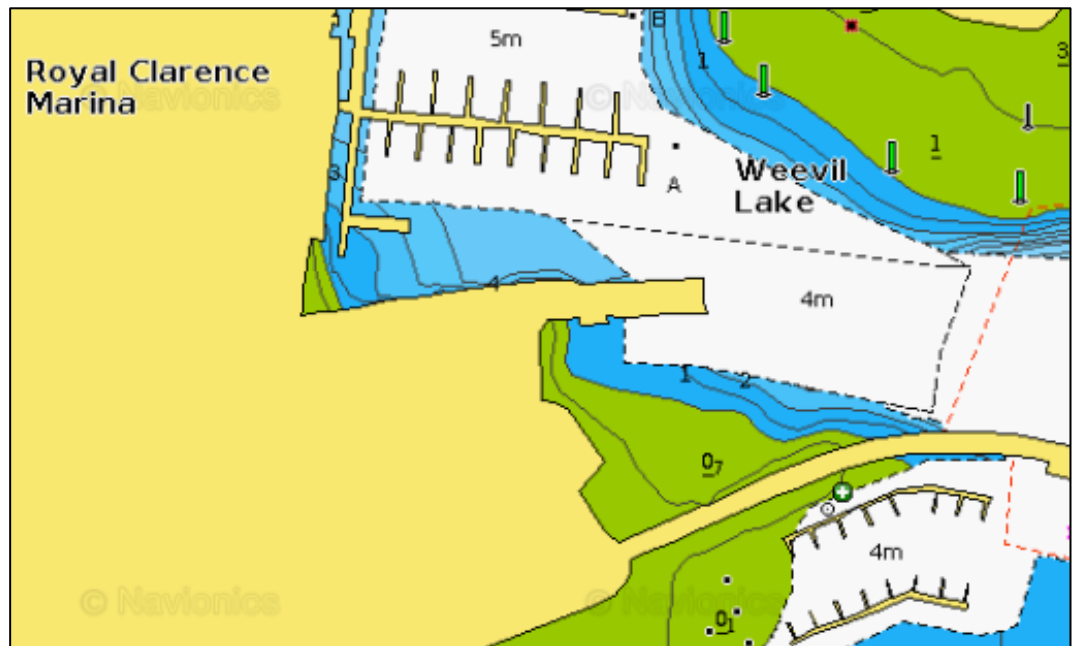


Figure 3-4 Royal Clarence Water Depths

- The existing quay wall/jetty would need upgrading if lifting facilities are to be introduced (impact of dredge depths?)
- There is a slipway on site, but the depth is restricted, and it is unlikely to be able to accommodate even if upgraded, the recovery and launching of vessels of any significant size – certainly not of 30m or greater.
- A significant proportion of the buildings on site are listed restricting their use and redevelopment
- The site is adjacent to the developing Royal Clarence Marina residential properties.

3.2.3 RCY Summary

The classification arising from the Waterfront Assets register is endorsed by the above assessment and there is certainly potential for enhanced marine employment uses to be delivered at Royal Clarence Yard. However, the limited size of site severely restricts the opportunities and does not allow it to meet the project objective. Any reclamation to deliver an increased site area would impact on the area required to provide access and support berthing having a consequential negative impact to offset the increase in site area.

Furthermore, the combination of the extensive footprint of listed buildings and other constraints restrict the potential of the site's redevelopment, such that it would not be possible to deliver the regionally significant marine employment objectives of the Tipner Project.

3.3 CENTENARY QUAY

3.3.1 Waterfront Assets Register Typology

Centenary Quay like Royal Clarence Yard is categorised as typology No.7, described as "*Industrial Site; Grow and Transition to Marine and Maritime, if suitable*" – refer also to Table 3-3

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-3: Waterfront Sites Register, Typology No.7 (relevant to Centenary Quay)

3.3.2 Detailed Assessment

Centenary Quay in Southampton is understood to be under offer to a developer at present with this project being promoted by the Homes and Community Agency. Oceanic Estates have announced plans for a wind blade facility at the site with the manufacturing and testing facility to be used by General Electric Company Renewables division. A total floor space of 11,633m² has been approved by Southampton City Council.

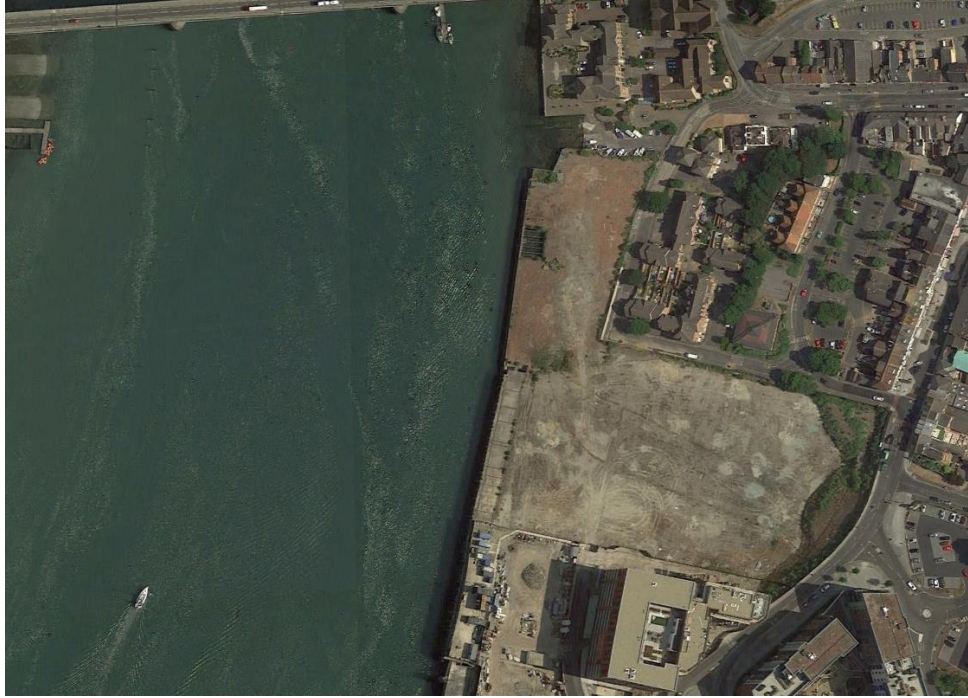


Figure 3-5 Centenary Quay

The deep-water berth will be used for loading and unloading of blades. A summary of key aspects of the site is provided below:

- The site is only 3.18 Hectares in size bounded by residential developments without potential for expansion on land.
- Extension into the river to increase the size of site would have navigational conflicts and adversely affect the existing water borne access.
- The berth at some 580m long enjoys water depth approximately 2m below Chart Datum, capital dredging would be required for full tidal access.
- The extent of berthing extending out from the quay wall is limited to approximately 60m due to the proximity of the main navigation channel and the path of larger commercial vessels passing under the Itchen Bridge.
- The existing quay wall is in the form of a suspended deck. The deck itself is of very limited load bearing capacity and significant intervention is required to increase the capacity of this dock

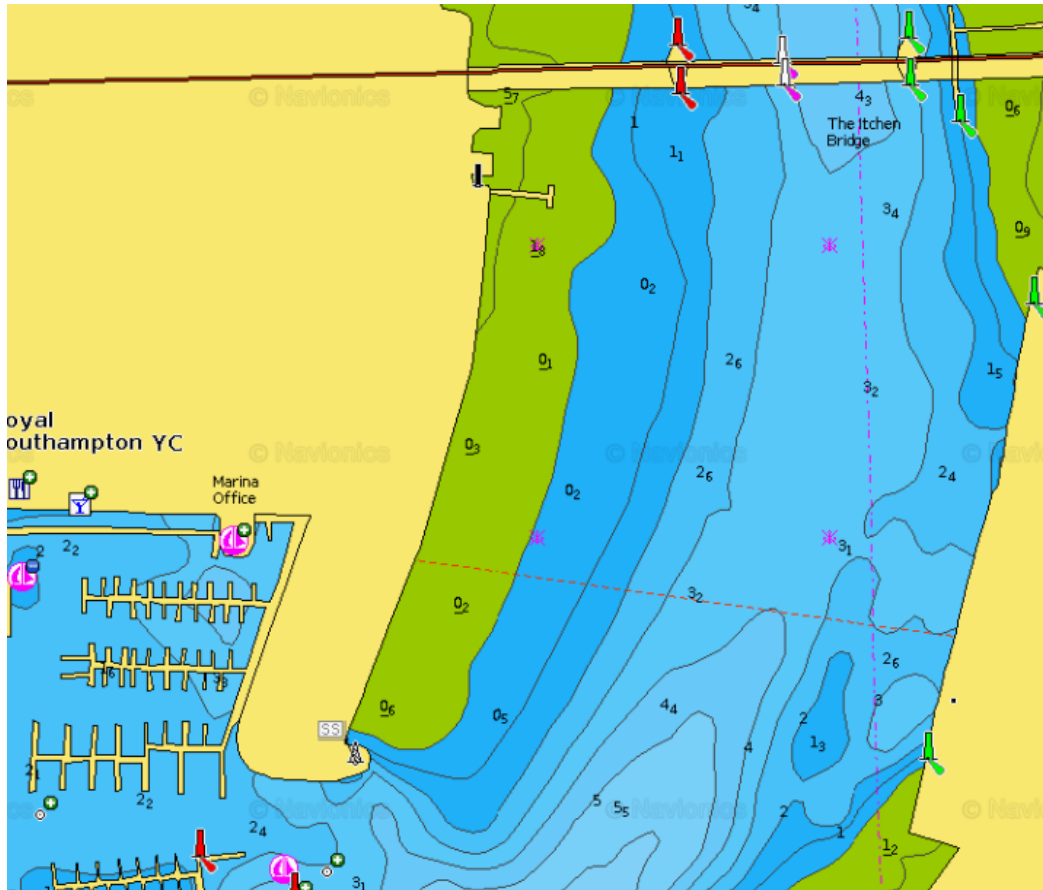


Figure 3-6 Centenary Quay Water Depths

3.3.3 Centenary Quay Summary

The site's classification for transition to marine employment holds good, however the site is of insufficient scale to warrant the investment in major boatlifting facilities, furthermore the site could not sustain the required level of development, boat hoist capacity or open storage necessary to achieve the project objective. Note that the recently approved planning for a major wind turbine shed provides less than 20% of the target employment space.

3.4 VESTAS, NEWPORT

3.4.1 Waterfront Assets Register Typology

Vestas Technology UK (manufacturing site) based at Newport on the Isle of Wight is categorised with typology No.4 which is described as *"Industrial Site; Create/Improve Access; Transition to Marine and Maritime, if suitable"*. Typology No.4 is displayed in Table 3-4.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-4: Waterfront Register, Site Typology No. 4

Due to the challenging characteristics present at the site, the Vestas site is the most unfavourable site for waterfront development of all the under-developed “Tier 1” sites. This assessment arises because of the significant challenge and extent of dredging in the Medina River that would be required to provide the necessary waterborne access.

3.4.2 Detailed Assessment

The Vestas site is located on the western bank of the River Medina and is in a narrow drying section of the river. Average water depths are 3m above Chart Datum and the site is serviced by shallow barges that have less than half-tide access. Deeper water (2m below Chart Datum) is around 1.25 miles to the north. A capital dredge to provide full-tide access would be a major undertaking and is unlikely to be cost effective, acceptable or sustainable, with significant environmental impacts arising.

Furthermore, the site is a little over 3 Hectares in size and could not support the major vessel lifting equipment required to satisfy the needs of a major marine employment site. There is no scope for expansion on land due to neighbouring activities and the site orientation means that reclamation to increase land area would necessarily be in a long thin strip along the edge of the river creating an impractical landform

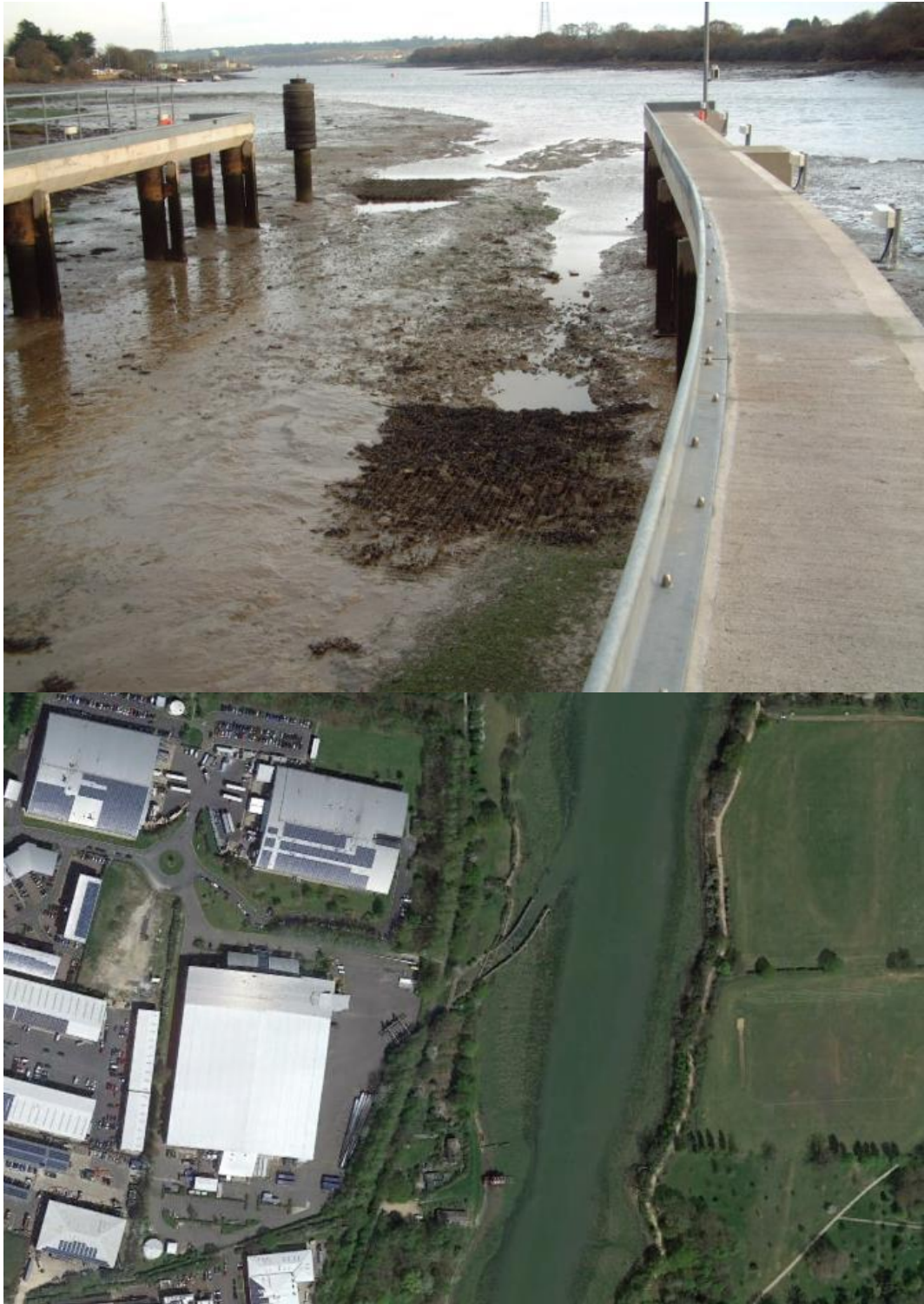


Figure 3-7 Vestas Hoist Dock

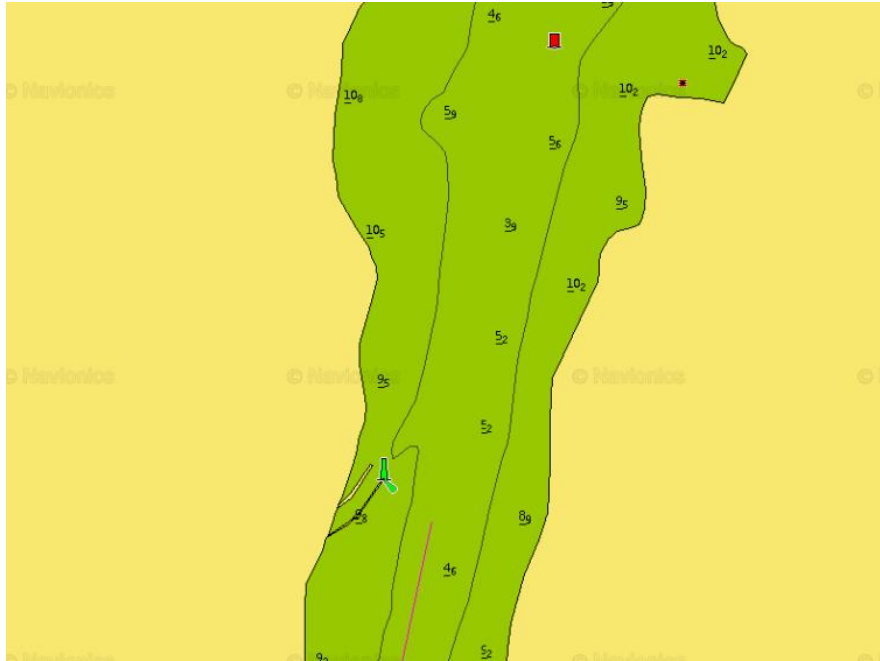


Figure 3-8 Vestas Newport

3.4.3 Vestas Summary

The site's classification as a Tier 1 site, for transition to marine employment must be questionable because of the lack of water depth and challenge in delivering meaningful full tide access. The site is of insufficient scale to warrant the investment in the capital dredge, and it is unlikely to be deliverable on environmental grounds, furthermore the site could not sustain the maintenance dredging obligation and required level of development, boat hoist capacity or open storage necessary to achieve the Tipner objective.

3.5 FAWLEY WATERSIDE

3.5.1 Waterfront Assets Register Typology

At the time of the Solent LEP's Waterfront Asset Register work, this site was still earmarked as a key utility site – being the former Fawley Power Station. Subsequently the site has been acquired by the Cadland Estate and proposals for a major redevelopment have been recently approved by New Forest District Council and New Forest National Park Authority. The proposals include for a marine employment quarter the detail of which are summarised below.

It is worth noting that whilst we have included this site in the assessment of alternatives, now that the site proposals have been approved and the use is confirmed, the site is arguably no longer available



Figure 3-9 The Former Fawley Powerstation

3.5.2 Detailed Assessment

- Fawley Waterside is connected to Southampton Water by a 1km access channel that has an established dredging regime that maintains the channel at 1.5m below Chart Datum (CD).
- The entrance channel structure is 15m wide with an invert at 2.44m below CD and this creates a constraint on maximum vessel size and vessel movement.
- The intention is to utilise the existing basin structures and create a canal within the basement structure of the former power station building, this will provide access to the employment site in the northern quarter.
- The employment site is 6.5Ha in size but the overhead power cables that crosses the site sterilises 50% of the site that would need to be reserved for secondary employment/supply chain uses
- A tidal flap will impound water within the canal that restricts vessel movements to periods of high water only
- Basin depths in the dock vary from 2.44m below CD to 4.58m below CD.
- The marine employment site is some 6Ha.
- The application confirms that Northern Quarter could include a maximum of 46,000sqm of employment space

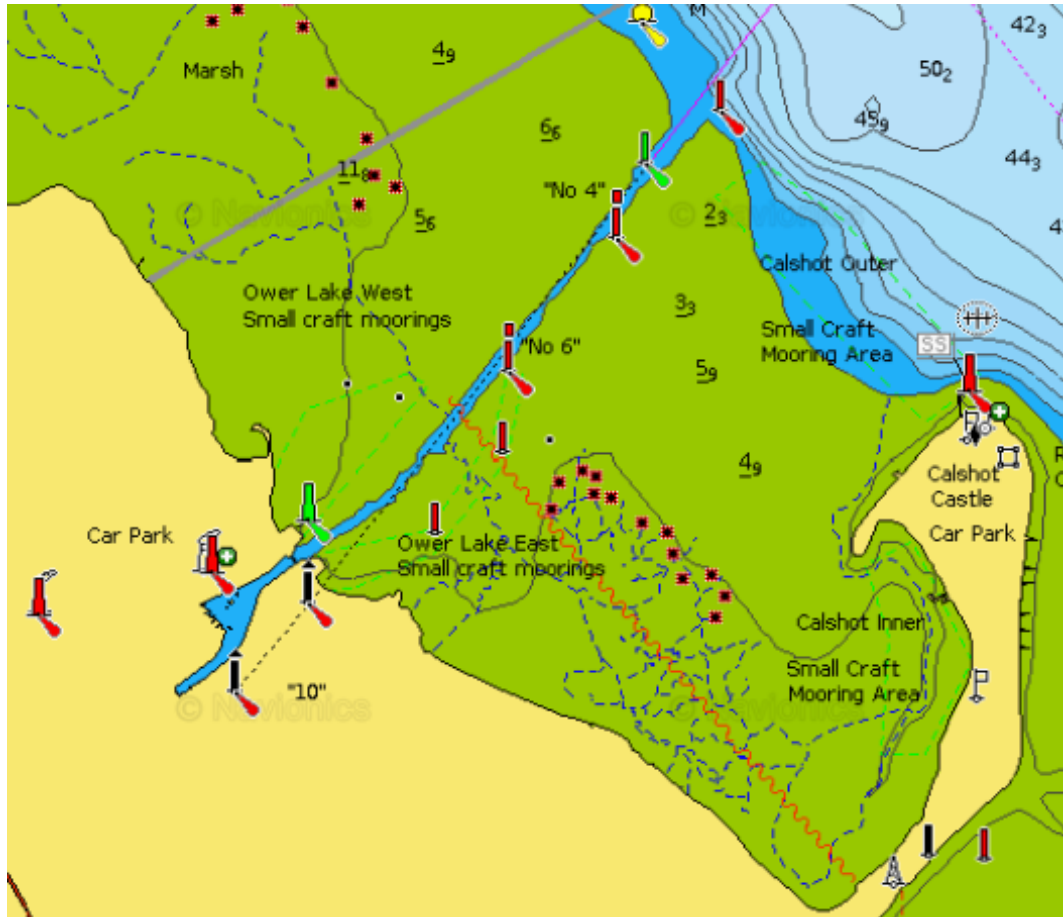


Figure 3-10 Fawley access channel bathymetry

Although the site has a dredged access channel. The planning application for the development makes it clear that access to the employment site will be restricted to high tide by the introduction of a tidal flap that will operate over the high tide period only and therefore the site cannot be viewed as providing unrestricted access.

3.5.3 Fawley Waterside Summary

Fawley Waterside is a notable site in terms of scale and the characteristics of the site will suit certain uses and compliment the wider Solent maritime economy and the thrust of development in the sector. The proposals for the site can be seen as secondary but may complement the more significant proposals for Tipner.

3.6 MARCHWOOD INDUSTRIAL PARK

3.6.1 Waterfront Assets Register Typology

Marchwood is categorised within Typology 7; *Established industrial site, Grow and Transition to Marine and Maritime, if suitable.*

Typology No. 7 is displayed in Table 3-5.

Table 3-5 Typology 7

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

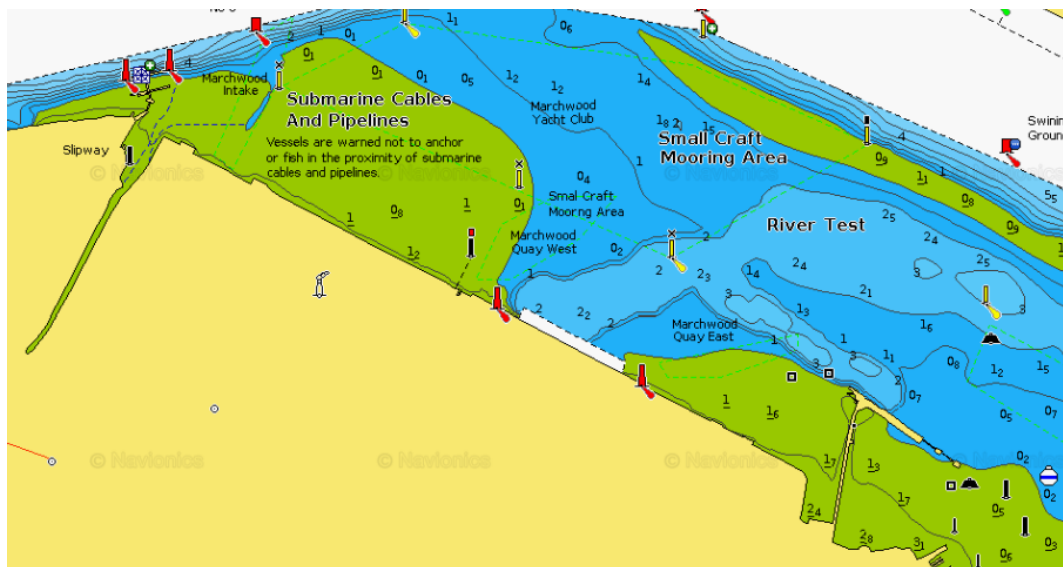


Figure 3-11 Marchwood Bathymetry Chart

The Marchwood site is approaching 60ha in total size and this, in addition to potentially good access to water, means the site requires more detailed consideration.

3.6.2 Detailed assessment

- Marchwood has immediate access to the River Test and Southampton Water
- A dredged pocket of approximately 265m is maintained in roughly the centre of the waterfront to 3.1m below C.D., adjacent to the quay wall and aggregate site.
- Beyond the dredged pocket the water depth immediately next to the quay wall along the remaining length is 2m above Chart Datum and so dries at periods of low water.

- Water depth between the River Test and the dredged pocket is at least 2.0m below C.D.
- A total waterfrontage of approximately 1,200m, however its established existing uses currently defines and limits the remaining potential. The available land for development is less than 10% of the total and it is away from the waterfront, thus reducing the benefit of the existing good access to water.
- Review of the adjacent residential development (to the northeast) and Marchwood military port (to the southwest) immediately confirms there is no obvious potential to expand the available land area to take advantage of the existing access.

3.6.3 Marchwood Summary

The site's classification for expanded marine employment use is justified, due to the physical characteristics of the site, however there is a lack of available space to deliver the project objective. The potential is limited by available land that is away from the water. Even if the balance of developable land were transitioned to marine employment it would not be the focal point of the development/site, being around 15% total of marine employment.

3.7 DAEDALUS

3.7.1 Waterfront Assets Register Typology

Daedalus is categorised as typology No. 6, which is described as Established MM Site; Create/improve access and grow for marine and maritime, if suitable. Typology No. 6 is summarised in Table 3-6.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-6 Typology 6

The Daedalus site is classified as Tier 1 and therefore requires inclusion in this assessment, but there are significant challenges around the access to water which limits the site's potential.

3.7.2 Detailed Assessment

The Daedalus site is an established ex MOD Airfield that has transitioned to civilian activities with an expanded “Enterprise Zone” that offers industry, service providers and educational facilities around the perimeter. The nature of the Enterprise Zone split into three opportunities (Hangers East, Hangers West & Daedalus Waterfront), has predominantly led to mechanical or innovation type providers with some heritage and maritime activity.



Figure 3-12 Daedalus Site Area

Whilst the site is of extremely large footprint, offering some 83 hectares, the availability of accessible land space is currently limited by the active airfield activities on site.

The clear limitation to the site’s potential as a Tier 1 asset is the separation from any water by Marine Parade Road, which would require all marine based activity to cross this main road when being launched or recovered. The existing slipway that borders the site is unmaintained and is only currently suitable for low key leisure vessel use. The lack of holding pontoons or support berthing is a significant drawback.

An example of the logistics required to launch an unfinished hull for Oyster Yachts, that was built at the Daedalus site and transported to a finishing facility by sea is

shown in Figures XYZ below. Discussions with Oyster representatives in 2016 outlined in more detail the logistics:

“The Oyster hull has been constructed in Daedalus due to the lack of available space at Saxon Wharf. This satellite location does create significant logistical and financial risks. For example, in order to transport the 4 No. construction moulds for the lay-up process of the hull to Daedalus, a jack up barge, dumb barge and mobile crane were all deployed. A road closure was arranged, and all operations were at the mercy of the weather. Wind strength abated to within 1m/s of the tolerance of the mobile crane, or the whole exercise would have been aborted and the sequence re-arranged. This sequence costs approximately £45k.”



Figure 3-13 Oyster launch off slipway

This level of activity and 3rd party provision requirement is clearly unsustainable within the context of a large and active site with frequent vessel movements. The lack of essential direct access to water will frustrate any potential to develop the site for marine industry.



Figure 3-14 Daedalus Slipway

3.7.3 Daedalus Summary

The site’s classification for transition to marine employment is limited by the lack of access to water and supporting infrastructure. The separation of the site created by the road fronting the site further complicates matters when delivering meaningful access to water.

3.8 KINGSTON MARINE PARK

3.8.1 Waterfront Assets Register Typology

Kingston Marine Park is categorised as Typology 8, described as Established Industrial Site: Create/Improve Access, Grow and Transition to Marine and Maritime if suitable.

Table 3-7 Typology 8

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

At 6ha its inclusion at this time is required to determine if the poor access to water is fundamental to the opportunity for marine employment and whether the site can be expanded to achieve the objective.

3.8.2 Detailed Assessment

The Kingston site cannot meet the project objective for a number of reasons:

- The site slopes heavily and the land area accessible from the lower platform is much smaller than the site area suggests, indeed it is less than 2Ha. This platform is long and slim in nature (typically 50m by 350m) which will make for an inefficient use of the site with large areas taken up for movement along the site.



Figure 3-15 Kingston Marine Park

- The lower platform and sloping site ensure the necessary open yard storage areas cannot be delivered
- The engineering required to address the slope will ensure a proportion of the site needs to accommodate landscaping/engineered structures, further reducing the effective area of the site.

- Large overhead power cables cross the site confirming the limited nature of the lower platform and inability to provide open storage areas
- Engineering and environmental challenges have left this site incomplete and vacant for over 5 years
- The inter-tidal area fronting the site is at a level of least +4m Chart Datum and previous proposals for the site included a dredge to +2.5m CD – this would have provided a limited tidal lifting window over the high-tide only. It was not considered sustainable to undertake a capital dredge to provide full tidal access.

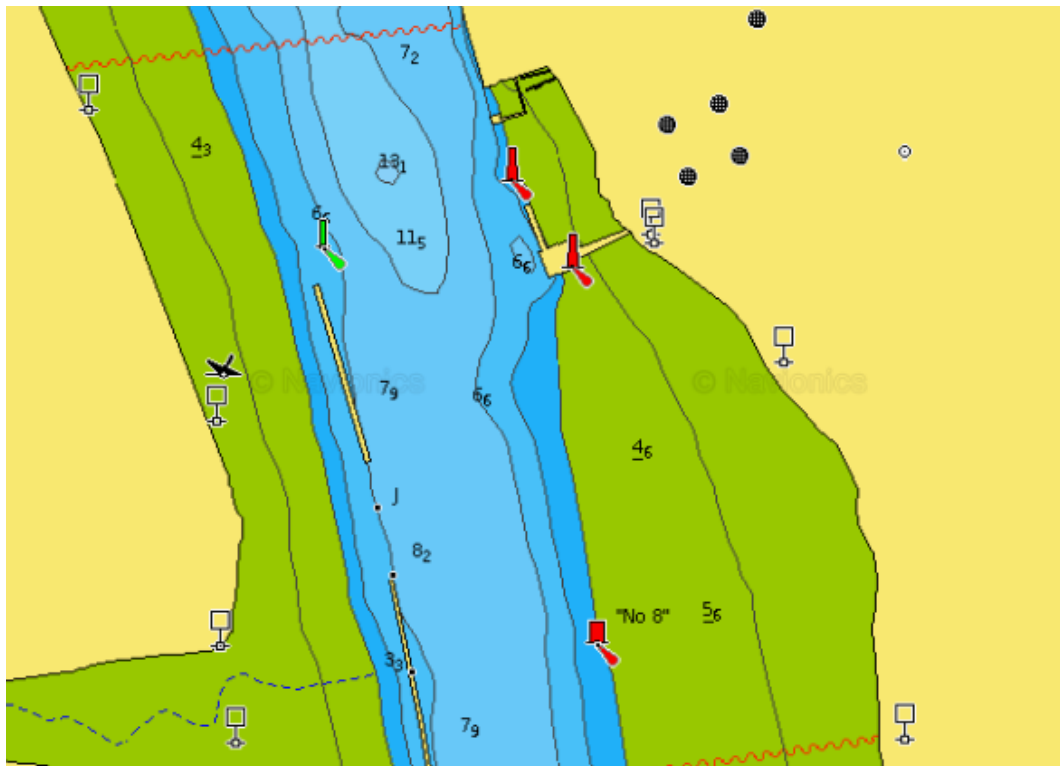


Figure 3-16 Kingston - local bathymetry

3.8.3 Kingston Marine Park Summary

The challenges presented by this site determine that the site could not deliver the project objective. Furthermore, the site is too small with limited tidal access and there is no obvious scope to address these shortcomings.

3.9 ALTERNATIVE SITES SUMMARY

The strengths of the Tipner site as compared to the various alternative sites is further reinforced by Figure 3-17.

Attribute	Do Nothing	Tipner	Royal Clarence Yard	Centenary Quay	Vestas Newport	Fawley Waterside	Marchwood Industrial Park	Daedalus	Kingston Marine Park
Existing depth (Chart Datum)	n/a	-3m	-4m	-2m	+1.5m	-1.5m	-3m	N/A	+4m
Available site area (ha)	n/a	9	2.31	3.18	3.75	6	6.2	83	6
Deliver full tide access	x	✓	✓	✓	x	x	✓	x	x
Develop a large boat lift facility in the order of 600-700 tonnes	x	✓	x	x	x	✓	✓	x	x
Ensure an appropriate level of open yard storage	x	✓	x	x	x	✓	x	✓	x
Provision of circa 58,000m ² marine employment space	x	✓	x	x	x	x	x	✓	x
Site area 9-10Ha	x	✓	x	x	x	x	x	x	x
Provide a regionally significant marine employment hub	x	✓	x	x	x	x	x	x	x

Figure 3-17 Alternatives Assessment Matrix

Review of Figure 3-17 highlights the following:

- Several sites (Vestas, Daedalus and Kingston Marine Park) are very shallow and fail the test of providing full tide access.
- Do Nothing, Vestas and Kingston Marine Park meet none of the stated criteria
- The marine employment site at Fawley Waterside will not enjoy full tide access despite having an access channel serving the general site at 1.5m below Chart Datum.
- Royal Clarence Yard, Centenary Quay, Vestas and Kingston Marine Park have insufficient space to develop the large boat lift facility that is missing in the marketplace.
- Daedalus is by some margin the largest available site, albeit much of the site is now allocated to aviation related employment. The most significant constraint of this site is the separation from the water and with no realistic prospect of proving access it can never be a prime waterfront employment site. This lack of access also stops it from being able to deliver the large boatlifting facility. Meaning only Tipner West is of sufficient size to deliver the essential large boatlifting facility.
- Other than Tipner West, only one site delivers three of the key criteria, and only two meet two of the criteria, each of these have significant restrictions that limit their potential

- Tipner West meets every one of the criteria and the absence of a fundamental constraint in turn ensures that it can meet the objective of delivering a regionally significant marine employment site.

As a result, the assessment of alternatives demonstrates clearly that the Tipner West and Horsea Island site is the only alternative site that can deliver the stated project objective.

Furthermore, the assessment outlined herein has:

- been founded on an independent and comprehensive piece of work by the Solent LEP that provides a baseline for assessment of alternative waterfront sites across the Solent Region.
- objectively and in robust fashion demonstrated there are no feasible alternatives, either at a different location, using different routes, scales, sizes, methods, means or timing.
- included a 'do-nothing' option, but this is not practically an acceptable alternative solution because it would be incapable of delivering the objective.
- dismissed alternatives because they are not financially, legally and/or technically feasible.

4. ALTERNATIVE SOLUTIONS AT TIPNER

4.1 CONFIGURATION AT TIPNER

Research was undertaken by Marina Projects regarding the proposed development of the marine and maritime hub at Tipner and Horsea Island in respect of the potential for Tipner as a possible future development site and the most appropriate configuration of the marine hub, and any other alternative solutions. The main purpose of the exercise was to explore the issues surrounding the extension of access to the water and connection to the Tipner and Horsea sites, with an identification of where and how this might be best accomplished to serve the interests of marine employment.

The investigation included both the existing landmass and harbour frontages, as well as potential extended waterfront zones that could be created by reclamation. To achieve the study objective, an appraisal of the marine aspects of the site(s) and their integration with the land was provided.

4.1.1 Marine Sector Requirements

The assessment of the market and principles of marine employment had confirmed that a site area of circa 9Ha would be required to deliver the scale of marine employment envisaged.

To achieve the joint goals of creating a maritime employment hub and exploiting the opportunity presented by the Portsmouth Harbour location, it was considered critical to maximise the access to the water at the study site. Furthermore, it was contended that it is the extent and nature of marine access to the site that would have the greatest influence on the range, type and extent of marine and maritime employment activities. In short, tidally restricted and inefficient access would severely limit the marine employment opportunities when compared to deep water access with extensive and efficient access to water infrastructure.

4.1.2 Approach to the Assessment

The investigation covered in detail the site assessment of the marine areas of the project, with the site and assessment being broken down into separate zones as shown in Figure 4-1. This work built on assessments undertaken during earlier (2016) study work and included an overview of the following criteria:

- Ownership of the seabed
- Prevailing site conditions
- Detailed review of each specific zone – existing occupiers and uses
- Nature and level of usage
- Areas and extent of disturbance that results from existing activity

Key elements of the site were reviewed focusing on the shoreline zones, including a discussion of key constraints that influence the masterplan development and project delivery. The constraints were divided into those of primary and secondary importance. The primary constraints were summarised as:

- Site Exposure/Protection
- Water Depths
- Designations
- Marine Infrastructure
- Road Access

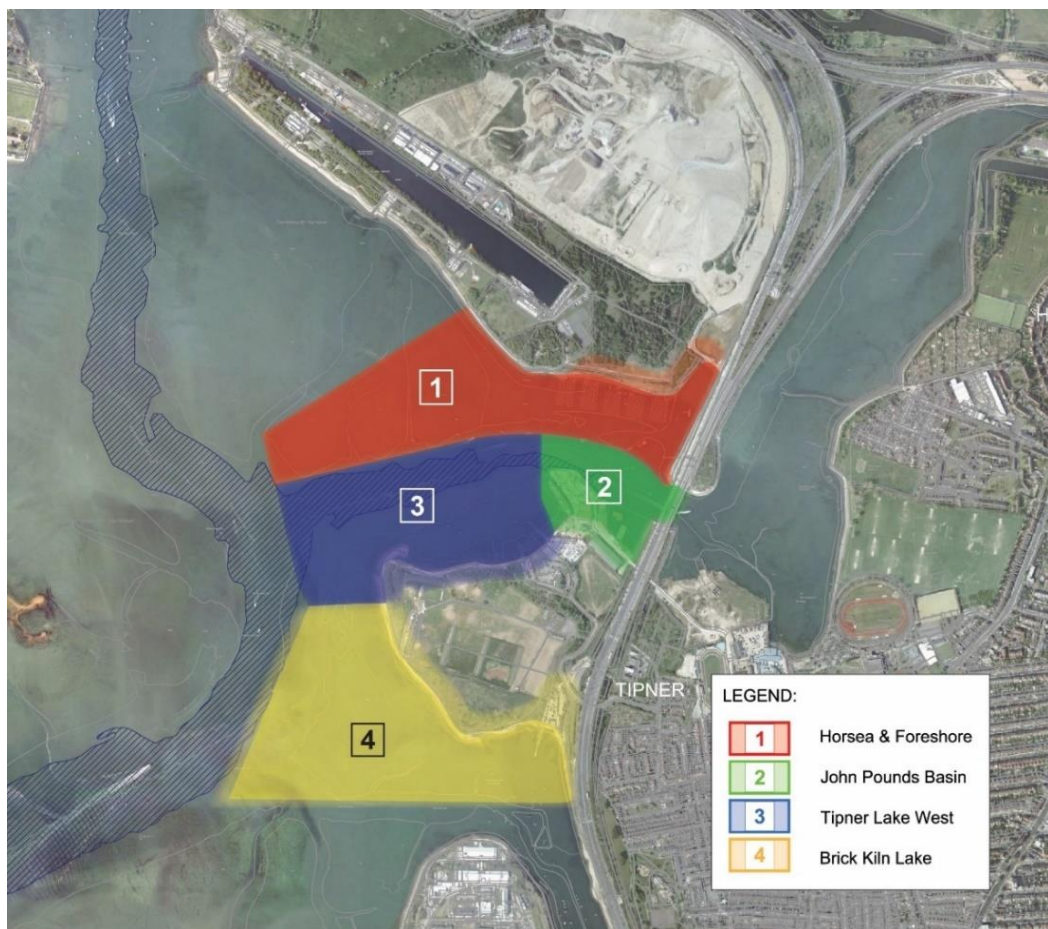


Figure 4-1 Access To Water Study Zones

A review was provided on a zone-by-zone basis with separate assessments made of the existing shoreline areas and new shoreline zones that could be created by reclamation, if necessary, in order to enhance access to water.

Secondary constraints were also considered e.g., Sub-sea cables; Mooring rights of third parties; Historic/Heritage structures and land values.

An assessment matrix was used to compare how individual zones of the water space would respond to the various key primary and secondary issues. The intention was to identify the optimum opportunity to expand access to the water and deliver functional all-tide access.

The assessment matrix immediately highlighted the extent to which the Pounds site basin best addressed all of the primary issues. The assessment of secondary issues further ratified this position; it was self-evidently the location best suited to providing improved marine access and would best facilitate the development of marine employment that was dependent upon access to the water.

4.2 SUMMARY AND CONCLUSIONS

- The Tipner West and Horsea Island East Site provides a positive opportunity for marine employment
- The merits and clear advantages of the John Henry Pounds site as a marine employment hub were clearly identified
- There is merit in incorporating the marine leisure interests at a single site within the Study area.
- The concept design reinforces the advantages of the JHP site as the favoured location for the marine employment hub.

4.3 TECHNICAL SITE CONFIGURATION

Building upon the above noted assessment and to support the Concept Masterplan study work this work provided a summary of the analysis of marine employment requirements, and the opportunity to split the marine employment between Tipner and Horsea Island East.

As part of the assessment a number of possible location permutations were discussed for the Tipner West site as illustrated in Figure 4-2 and Figure 4-3



Figure 4-2 Tipner Marine Employment Site Options 1 and 1a



Figure 4-3 Tipner Marine Employment Site Options 2 and 3

Options 2 and 3, would necessitate significant land take of the prime development area, including in Option 3 using an area of the proposed land reclamation to the west. These options would result in under-utilisation of the Horsea Island East site (not suitable for residential uses).

Option 1 was discounted as the majority of the proposed marine employment zone would have to be located remotely on Horsea Island East, an area that would require significantly greater capital infrastructure cost to provide access to a viable marine employment zone, again with increased environmental impact, both direct and indirect (due to requirement for increased supporting development).

Option 1a was considered to provide the optimum solution for marine employment development, because it was able to maximise the benefits of access to water and protection that the Tipner site provided and also created the best balance in terms of site size, use of assets and waterborne access.

4.4 SUMMARY OF EXISTING SITE ALTERNATIVES

The detailed assessment of the marine employment opportunities for the Tipner location identified the clear merits of the JHP basin as the main focal point for the marine employment proposals, where all-tide access to a protected basin should be focused. Whilst ideally the marine employment components would all be focused on a single site; separate assessment has concluded that the net effect would be an increase in environmental impacts arising from:

- Direct impact associated with the necessary infrastructure – quay walls dredging, protection etc.
- Indirect impact because non-optimal use of development assets would increase the scale of supporting development required and greater land-take/reclamation.

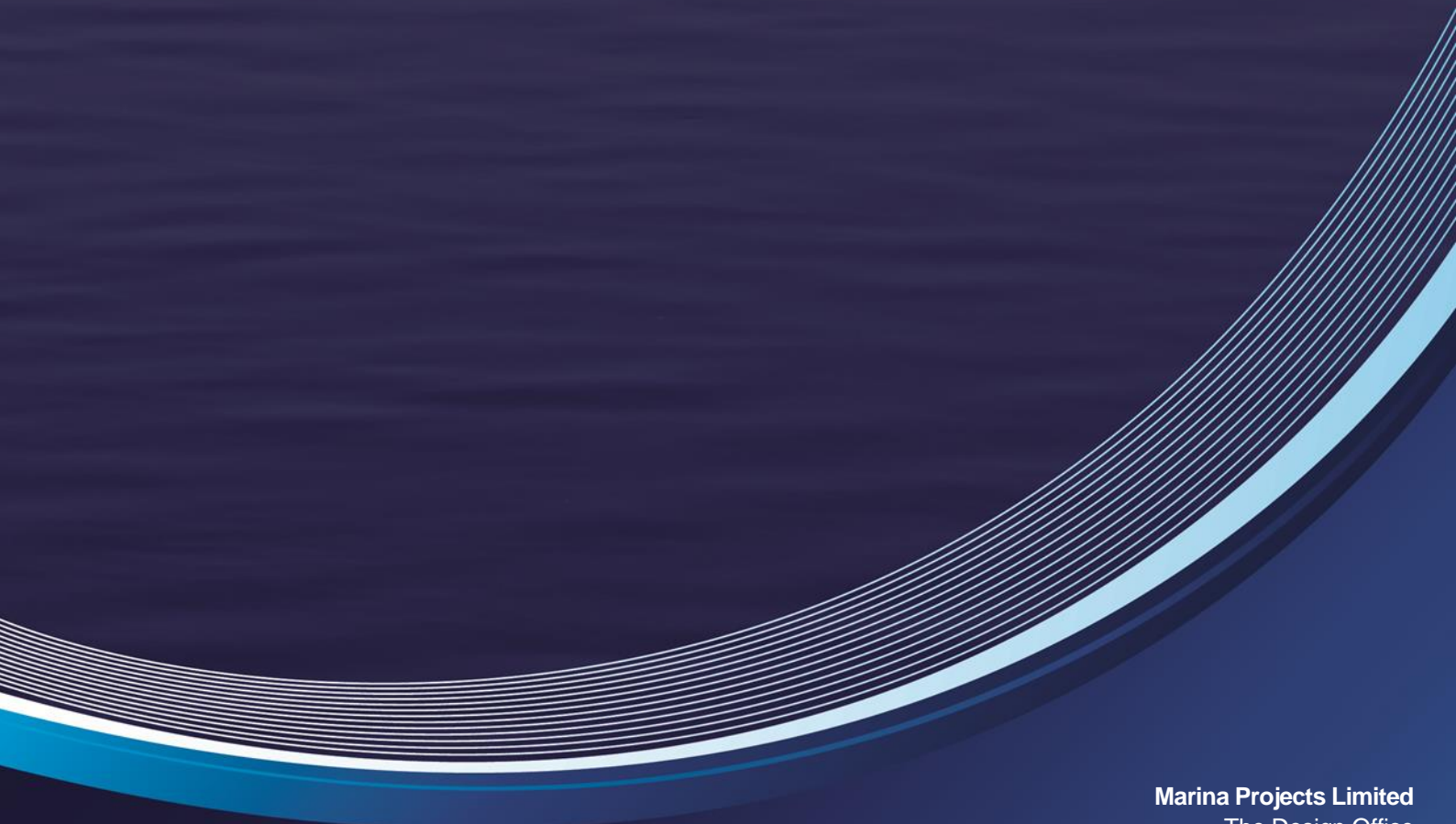
A solution with the main marine employment focused around the existing JHP basin and a secondary marine employment site immediately adjacent on Horsea Island East (connected via the new link bridge) will provide the optimum solution to achieve the regionally significant marine employment hub

5. SUMMARY & CONCLUSIONS

The marine and maritime sector provides almost 1/5 of the UK's GVA with the Solent being the UK's leading marine cluster and the marine and maritime sector being the largest sector in the Solent region. A need has been identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region. This is supported by national strategies and policies and is further reflected at a regional level.

The Portsmouth City Deal identified the opportunity to unlock a critical employment site at Tipner and the findings of this comprehensive assessment reinforce the identification of Tipner as a critical opportunity for the marine employment sector. Furthermore, the assessment of alternative marine sites across the Solent region demonstrates clearly that the Tipner West location is the only alternative site that can deliver the stated project objective.

Consideration of the site constraints and opportunities within Section 4 details the clear advantages of the JHP basin and confirmed that alternative options would increase the direct and indirect environmental impacts of an alternative arrangement within the Tipner site/study area.



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Programme and project management

Administrator
Business Development Manager
Commercial Manager
Compliance Manager
Constructor
Contracts Manager
Corporate Social Responsibility (CSR) Coordinator
Developer
Diversity Leader
Document Controller
Procurement Manager
Further Education (FE) Tutor
Health, Safety and Environment Advisor (HSE)
Supplier Change Manager
Human Resources Personnel
Land and Property Valuer
Land Surveyor
Learning and Development Manager
Marketing and Public Relations (PR) Officer
Procurement
Project Director
Project Manager
Property Sales Advisor
Purchasing Manager
Quality Assurance Manager
Quantity Surveyor
Regeneration Officer
Risk Manager

Design team

Architect
Architectural Technologist
Landscape Designers
BIM Manager
BIM Technician
Design Manager
Landscape Architect
Principal Designer
3D Modelling

Engineering

Building Services Engineer
Bridge Engineer
CAD Operative
Civil Engineer
Contracts Engineer

Ecologist

Electrical Engineer
Environmental Engineer
Geo-technical Engineer
Highways Engineer
Materials Engineer
Marine Engineer
Plant and Mechanical Engineer
Structural Engineering Technician
Surveyor
Sustainability Manager
Transport Engineer (not just highways)
Heating, ventilation and air conditioning (HVAC) Engineer

Marine Employment

Leisure marine admin
Leisure marine manager
Leisure marine staff
Marine business services admin
Marine business services manager
Marine business services staff
Small commercial marine admin
Small commercial marine manager
Small commercial marine staff
Marine business services manager

Marine Operations

Marine services estate maintenance
Marine services operatives
Marine Services hoist operator/foreman
Marine Services Supervisor
Marine Services General Manager
Marine Services Reception/Admin
Marine Services Accountancy/bookkeeper
Marine services facilities cleaner
Marine Services groundsman
Marine services security

Marine Trades

Yacht surveyor
Marine engineers
Mechanical engineers
Marine fabrications
Marine electricians
Marine electronics
Hydraulic engineers

CAD design
Yacht surveyor
Marine engineers
Mechanical engineers
Marine fabrications
Marine electricians
Marine electronics
Hydraulic engineers
Naval architects
CAD design
Shipwrights-traditional wood
Boat builders – metals, GRP's/FRP's & composites
Sail makers
Painters
Marine detailers/varnish/polish
Upholsterers
Marine canopies/covers
Boat valet/finishers
Riggers/spars/davits
Project managers
Divers

Construction

360 Excavator operator
3D Visualiser
Access floorer
Asbestos removal operative
Asbestos analyst
Asset manager
Banksman/signaller
Bricklayer
Building control surveyor
Building envelope specialist
Building surveyor
Carpenter
Carpet fitter
Ceiling fixer
Clerk of works
Cladding Specialist
Concrete finisher
Construction director
Construction manager
Crane operators
Damp proofer
Demolition operative
Depot manager
Diamond drilling operative

Dryliner
Electrician
Fire protection installer
Floor layer
Gas service installer
Glazier
Maintenance operative
MMC specialist/contractor
Painter and decorator
Partitioning system operative
Plant manager
Plasterer
Plumber
Scaffolder
Site inspector
Site manager
Solar panel installer
Steel fixer
Wall and floor tiler
Window fitter
Wood machinist

Legal

Legal advisor
Licensed conveyancer

Finance

Accountants
BID manager
Economist

Planning

Planner
Town planner (principal)

Others

Arborist
Archaeologist
Food service manager
Food service staff
Gardner
Receptionist
Retail manager
Retail staff
Refuse
Security guard
Waiter

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Site Promotion Report: Tipner West and Horsea Island East

Portsmouth Local Plan Review

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1. Introduction

Purpose of the Report

- 1.1. This report has been prepared to support the promotion of land at the Tipner West and Horsea Island East (TW&HIE) Strategic Development Area (SDA) (the site) through the forthcoming Portsmouth City Council Local Plan. The opportunity is being considered by the Council's Policy Team for inclusion as an opportunity for major development in the Portsmouth City Council Local Plan. The opportunity is to include the comprehensive development of the site (to include 27 hectares (ha) land reclaimed from Portsmouth Harbour) including enabling demolition, dredging, land remediation and land raising works to deliver a new neighbourhood. This neighbourhood is currently anticipated to consist of around 3,500 residential dwellings and circa 10ha of marine employment land alongside necessary social and physical infrastructure including community, education and health facilities, a local centre, offices and supporting amenity space, green infrastructure and sustainable drainage systems, energy, waste and utility provision. The report has been prepared on behalf of Portsmouth City Council's Strategic Developments team, which is promoting the SDA. A plan showing the location of the site is attached at **Appendix 1**.
- 1.2. Portsmouth City Council: Strategic Developments (PCC SD) is the promotional arm of the City Council that sits within the Regeneration Directorate but is separate from the Planning and Economic Growth Team (PCC PT) that also sits within that Directorate and who are responsible for regulatory services of preparing planning policy and determining planning applications.
- 1.3. PCC SD has been tasked with the masterplanning, promotion, land assembly and delivery of the SDA at Tipner West (TW) and Horsea Island East (HIE), following the identification of the site's pivotal role in the Southampton and Portsmouth City Deal of 2013.
- 1.4. It is intended that this report will help to inform the Council's Planning and Economic Growth Team as it prepares the Local Plan Review for consultation within 2021. This report has been prepared to summarise the evidence base that currently supports the site's promotion within the next consultation stage of the Local Plan in summer 2021 and to act as an evolving document that will be added to as the evidence base further expands and develops. In that context, the report may be used to inform, or as part of, the Council's evidence base. It is understood that the Local Plan Review and the related evidence base, including a scope of a policy-level Habitat Regulations Assessment (HRA) will be published for consultation by PCC PT under Regulation 18 in summer 2021.
- 1.5. The report sets out a summary level justification with a series of technical reports and evidence forming appendices that underpins the submission in order to support the inclusion and form of a proposed allocation within the Local Plan Review. It also sets out the proposed procedure to be followed in order to achieve the necessary planning permissions and consents required. This will all help to provide strong evidence and justification as to the soundness of the proposals for incorporation in the Local Plan when adopted in due course.

Background to the Project

- 1.6. At the end of 2013, announcements regarding significant job losses in Portsmouth, including a decision by

the MoD to cease ship building in the City partly resulting from decisions to build two new aircraft carriers in Scotland, led to a series of events for Portsmouth which culminated in a new government minister being created in January 2014, the Minister for Portsmouth. Just prior to that appointment, in November 2013, Portsmouth and Southampton City Councils signed a joint 'City Deal' with the UK Government, with the Deputy Prime Minister stating that the investment would "*help the local area through a time of uncertainty*".

1.7. The Gov.UK website defines a City Deal¹ in the following terms:

"A City Deal is an agreement between the UK Government and a city, which gives the city certain powers and freedom to:

- *take charge and responsibility of decisions that affect their area;*
- *do what they think is best to help businesses grow;*
- *create economic growth; and*
- *decide how public money should be spent."*

1.8. The Southampton and Portsmouth City Deal² (hereafter referred to as 'the City Deal') responded to these events noting that *"With a population of 1.3m and over 50,000 businesses operating in the area, the Solent Local Enterprise Partnership is one of the UK's key engines of growth. As a functional economic area its economic output equates to £48.5bn (gross value added per annum of £23.7bn) and it supports 485,000 full-time equivalent jobs. At the heart of its economy are the two cities of Southampton and Portsmouth and their associated ports. Together these two cities provide nearly 39% of high-skilled jobs in the Solent and contribute 37% of its total economic output.*

The coastal location of the Solent, clustering of businesses and educational strengths (with Portsmouth and Southampton at its core) places it at the heart of the UK's marine and maritime economy. This sector accounts for 20.5% of the Solent's gross value added; provides 40,000 jobs locally; and supports over 3,000 businesses. Over the period to 2025 this sector is projected to grow by 5% in the region. The Solent sub-region also plays a significant role in advanced manufacturing with significant clusters linked to our key economic assets. Employment rates in this sector are significantly higher when compared to the UK average, particularly in: computing; electronic and optical products; and electrical equipment. Indeed from 2009-11, despite the ongoing challenges facing the manufacturing sector locally it grew by almost 8%, creating 4,600 new jobs (to 58,800).

The growth strategy across Southampton, Portsmouth and the wider Solent (Eastleigh, East Hampshire, Fareham, Gosport, Havant, Isle of Wight, New Forest, Test Valley and Winchester) recognises these comparative economic advantages and the City Deal will help Southampton and Portsmouth achieve their shared long term vision for the local economy".

1.9. The overarching aim of the City Deal was therefore defined as set out below:

¹ <https://www.gov.uk/government/collections/city-deals>

² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/256460/2013111_Southampton_and_Portsmouth_City_Deal_Document_and_Implementation_Plans.pdf

“The Southampton and Portsmouth City Deal will maximise the economic strengths of these two coastal cities and the wider Solent area, by supporting further growth in the area’s maritime, marine and advanced manufacturing sectors”

- 1.10. The then Minister for Cities, Greg Clark noted that it *“brings into productive use prime maritime land that Portsmouth and Southampton have for many years wanted to be available to attract jobs and investment”*.
- 1.11. The initiative intended to remove barriers to, and accelerate and increase, investment into the two cities to achieve economic growth, create jobs and new housing.
- 1.12. Underpinning the Portsmouth and Southampton City Deal agreement was the proposal to maximise the impact of marine and maritime assets by unlocking critical employment and housing sites. In Portsmouth, the key sites identified by City Deal were located at Tipner and Horsea Island.
- 1.13. Maximising the impact of the marine and maritime assets was to be achieved by providing suitable employment sites for the growing marine, maritime, and advanced manufacturing sectors. The sites were to be unlocked by facilitating land assembly and providing funds to support enabling infrastructure, and by so doing lever in significant local and/or private sector investment. Underpinning City Deal was a grant of £48M to Portsmouth City Council to unlock the economic and social potential of the Tipner/Horsea location in accordance with the aims and objectives of City Deal alongside the Council’s overarching objectives for the area.
- 1.14. The City Deal aimed to help the region achieve its shared long term vision for the local economy by:
 - i. Maximising the economic impact of marine and maritime assets in the area.
 - ii. Unlocking critical employment sites to enable the marine, maritime and advanced manufacturing sectors of the region’s economy to expand.
 - iii. Providing new housing to support the growing workforce.
 - iv. Ensuring people have the right skills to access employment in those growing sectors.
 - v. Providing effective support to their small and medium enterprises to enable them to grow – including marine and maritime small and medium enterprises.
- 1.15. Unlocking the site fully was expected to enable the provision of 2,370 new homes and 58,000sqm of employment floorspace for the growing marine and advanced manufacturing sectors of the Solent economy, helping to create over 3,700 permanent jobs.
- 1.16. The City Deal included funding, and a land transfer at Horsea Island East (HIE) and the Firing Range at Tipner West (TW) from the MoD to PCC, to help support the proposals and attract further additional public and private sector investment to redevelop the site for the proposed aims.
- 1.17. It was understood that the implementation of the City Deal proposals would not only help sustain the Solent sub-region economy through the support to the marine, maritime and advanced manufacturing sector but also, by supporting this sector cluster in the Solent, ensure the global competitiveness of the UK marine, maritime and advanced manufacturing sector.

- 1.18. Savills was instructed by Portsmouth City Council in December 2015, as part of a consultancy team (the Project Team), to produce a masterplan including infrastructure to support the delivery of the City Deal's aspirations for TW&HIE and the creation of a new maritime neighbourhood and community and to inform the submission of a planning application reflecting the masterplan outcomes. The masterplan was to be informed by market information and specialist understanding of water frontage development to ensure that the final scheme was viable and maximised the opportunity to create a deliverable and viable marine and maritime hub. The masterplan was to make the most of the opportunities provided by the City Deal sites and their unique location within Portsmouth Harbour.

The Project Team

- 1.19. The Project Team comprises:
- Savills – Project Management, Town Planning, Property, Development, Economics, Research, EIA coordination, and Land Acquisition.
 - WSP – Engineering, Transport Planning, Environmental Surveys, Ground Investigations, Environmental Surveys and EIA.
 - Gensler – Masterplanning, Urban Design, Architecture, Place Making.
 - Marina Projects Ltd (MPL) – Marine Economy, Access to Water, Marine and Maritime Requirements, Marine Licences.
- 1.20. Since the Council instructed Savills, the Project Team has been expanded to include Faithful and Gould (BIM, Business Case, Cost Consultancy, QS and Project Management), Rosehill Advisors (Development Viability), DN&Co (Project Branding), Environment Bank (Habitat Regulation Assessment, Ecology & Ornithology), Gardiner and Theobald and Gleeds (Project Delivery).

Structure of Report

- 1.21. This report sets out a high-level evidence base and justification to support the promotion of land at the TW&HIE SDA through the forthcoming Local Plan Review as a sound allocation in order to deliver the aims and aspirations of the City Deal.
- 1.22. The Local Plan Review will provide an opportunity to revise the policies within the currently adopted Development Plan documents so as to provide a forward-looking policy framework for Portsmouth and, in particular, TW&HIE that meets current and future needs.
- 1.23. The report is divided into seven chapters. This chapter (1 – Introduction) has provided an introduction to the aims of the project and set out the structure of the report, providing the background within City Deal. Chapter 2 outlines the need case for the project and confirms the pivotal role that TW&HIE must play in delivering that and summarises the Project Objective. Chapter 3 will then describe the site and its characteristics, whilst Chapter 4 sets out relevant planning policy and site planning history that must be considered when taking forward development at the site. The proposed development and allocation proposal is outlined in Chapter 5, whilst the form of the permission and consent path is set out in Chapter 6, including the various environmental requirements contained in the Regulations governing Environmental Impact Assessment (EIA) and Habitats Regulations Assessment (HRA). Chapter 7 outlines how it is proposed that the proposed development will be phased and delivered so as to address delivery, viability

and environmental impacts. Finally, Chapter 8 of the report will conclude with the policy response suggested by the promoter, specifically intended to inform the City Council's Local Plan Review.

2. The Need for the Project at Tipner West and Horsea Island East

Introduction

- 2.1. This chapter of the report will look at the need for the proposed development that City Deal envisaged and why TW&HIE.

The Marine, Maritime and Advanced Manufacturing Need

National/Sub-National Priorities

The Maritime Growth Study

- 2.2. The Maritime Growth Study: Keeping the UK competitive in a Global Market Report (Department for Transport, 2015), noted that the UK maritime industry “*continues to be seen by the international market as a world-leading maritime centre*” that remains “*highly competitive*” in providing training, skills and manufacturing. The report notes that whilst the “*contribution to the economy is already substantial, with the right conditions, [it] can be grown further*”. Innovation, clustering and stability were identified as “*underpinning the health of the UK maritime sector*”.

Maritime 2050 Navigating the Future

- 2.3. The Maritime 2050 report (Maritime 2050 Navigating the Future, Department for Transport (DfT), January 2019) sets out the Government’s strategy for the maritime sector over the next 30 years and arose out of the 2015 Maritime Growth Study, which recommended the development of a national strategy for the maritime sector “*which could send a strong signal to international customers and competitors*”. The report identified a number of strategic ambitions for the UK, building upon the existing reputation and clusters:
- Strengthen our reputation for maritime innovation, maximising benefits to the UK from new **maritime technology** through our world leading universities, maritime small and medium enterprises (SMEs) and global companies.
 - Grow our **maritime workforce and transform their diversity** enhancing our reputation as the world leader in the provision of maritime education and training.
 - Support the continued multi-billion pound commercial investment in **maritime infrastructure** that makes the UK a globally attractive destination for all maritime business.
 - Promote our **UK wide leading maritime cluster offer** with Government, the maritime sector and academia working in partnership to make the UK the place to do maritime business.

Maritime Sector Recovery Plan

- 2.4. In the context of the 2020 coronavirus pandemic, the maritime industry responded to the strategy with a recovery plan issued in 2020 (Maritime Sector Recovery Plan, Maritime UK, June 2020). The plan set out

how the maritime sector is well-placed to drive a green, regionally balanced, export-led recovery and the actions needed for both industry and Government to achieve this. The short-term focus is on restarting and recovering the maritime business affected by the pandemic.

- 2.5. The longer term goal is to renew the maritime sector in line with existing strategies and plans so as to *“deliver action to revive and transform the sector to ensure its competitiveness...”* and *“The issues on which this sector can support transformational change are many and include driving economic growth in coastal communities and through green growth”*.
- 2.6. It is therefore clear that there was a need to ensure that existing regional marine and maritime clusters were supported to ensure a regionally balanced recovery to support the leading marine and maritime cluster nationally.

Regional Priorities

- 2.7. There are a number of regional policy documents that confirm the importance of the marine and maritime cluster that exists within the Solent economy, and the need to establish policies, initiatives and infrastructure development to ensure and support the growth of this cluster and, in turn, the sector as a whole within the UK. Research by the Solent LEP reinforces the national/regional policy direction, and specifically identifies the importance of land at Tipner to delivering critical marine infrastructure and employment.
- 2.8. Prior to 2013, a number of economic plans informed the City Deal agreement, namely the Solent LEP Strategy for Growth (2012); The PUSH Economic Strategy (2010) and Local Investment Plan (2012); the Portsmouth Plan (2012) and the Portsmouth Regeneration Strategy ‘Shaping the Future of Portsmouth – a strategy for economic growth & prosperity’ (2011). These policy documents foreshadowed and identified the importance of Tipner and Horsea Island in addressing the future marine economic needs of the Solent region and Portsmouth (as will be set out later in this chapter). These intentions were cemented by the City Deal and have been further reinforced in a number of more recent policy and research documents.
- 2.9. Marina Projects Ltd (MPL) prepared a report to inform the project at the outset in 2016 and to ensure optimisation of the opportunity that had been recognised by the City Deal. The Marine Market: Baseline and Literature Review (**Appendix 2**) provided a baseline and literature review with regard to the marine market and the constraints that it faces. The report notes that there had been a body of study work over the preceding 5-10 years with regard to the marine sector. This highlighted a number of issues, such as the importance of waterfront employment sites, the competition such sites find from alternative uses (in particular residential and employment uses that do not require access or proximity to the water) and the interface between marine businesses and residential uses. Whilst this was prepared at the outset of the project, the findings are still evident and relevant, as will be further explored and set out further in this chapter.

Solent LEP reports

- 2.10. The Solent Local Enterprise Partnership (LEP) published a report in March 2014 on the economic future of the Solent sub-region – Transforming Solent: Solent Strategic Economic Plan 2014-2020. This was commissioned following the decision in November 2013 to cease shipbuilding for the Royal Navy in Portsmouth. It aimed to put forward a long-term development strategy in order to create a climate for

sustainable growth in the marine and maritime industry specific to the Solent area.

- 2.11. This was shortly followed by the publication of a further report on the future of the marine and maritime sectors – Transforming Solent: Marine & Maritime Supplement (May 2014)³. This provided a response from the Solent LEP to the announcement by the then Minister for Business regarding the creation of an industry-led Solent Marine and Maritime Forum. This was tasked with identifying the steps that should be taken to secure the future of the marine and maritime industries in Portsmouth and across the Solent.
- 2.12. The Supplement aimed to understand how the marine and maritime industry – recognised as the largest sector in the Solent region – could position the Solent as a "*globally recognised marine and maritime centre of excellence*". It provided a Strategic Plan identifying the UK's "*marine and maritime strengths, opportunities for growth, and the steps that are needed locally and nationally, to address a range of constraints facing the sector, both immediately and in the longer term*".
- 2.13. The report noted that the "*marine and maritime sectors are well placed to drive both local and national growth, provided that the constraints and investments set out in this strategy are addressed*".
- 2.14. The report, Making Waves: Solent's Marine & Maritime Sector (Solent Local Enterprise Partnership, 2015)⁴, highlighted the Solent's "*coastal location, business base, research assets and educational strengths*" as key factors that make the Solent the "*UK's leading marine cluster*" at the "*heart of the UK's marine & maritime economy*".
- 2.15. However, should the policies, initiatives and infrastructure development required to ensure and support the growth of this cluster as mentioned above (i.e. the importance of protecting waterfront employment sites and actively ensuring such sites are not lost to competing employment uses through infrastructure provision) not be forthcoming, this could undermine the future of the marine and maritime industries in Portsmouth and across the Solent, not to mention a regionally balanced recovery. At the same time, this could be damaging to the UK-wide marine and maritime sector given that the Solent is the UK-wide leading cluster.
- 2.16. The marine and maritime sector was identified in 2013 by City Deal as growing and crucial to the UK's economy, providing 17% of the UK's gross value added (GVA) (City Deal, page 3). In addition, the sector provided 20.5% of the Solent's GVA. This is particularly important in the UK's economic case, given that "*the Solent... is one of the UK's key engines of growth*" (City Deal, page 2). The reports therefore emphasise the importance of the marine and maritime cluster within the Solent to the national and regional economy and how this must be supported and developed to ensure the sector's global profile is maintained.
- 2.17. This importance was reflected at a site-specific level in the Solent LEP report Maritime Futures: Solent Waterfront Sites⁵, which aimed to provide a register of all existing and potential waterfront employment sites in the Solent region and to provide an evidence base for use by policy makers such as Solent LEP,

³ https://solentlep.org.uk/media/1336/solent_lep_response_to_marine_and_maritime_strategy.pdf

⁴ https://solentlep.org.uk/media/1339/making_waves_-_solents_marine_and_maritime_sector_-_169_2015_.pdf

⁵ 'Maritime Futures: Solent Waterfront Sites', Solent LEP: 2015

https://solentlep.org.uk/media/1341/maritime_futures_-_solent_waterfront_sites_-_169_15_.pdf

PUSH (now PfSH – Partnership for South Hampshire) and LPAs to guide their strategic, long term plan making.

- 2.18. The report also noted that *“The Solent’s marine and maritime pedigree is globally significant, as are the innovations and successes of our marine and maritime businesses today. The sector generates 20.5% of our GVA and employs over 40,000 people in our region. Fundamental to our position as the UK’s leading marine and maritime cluster are our unique geographic advantages and our array of world-renowned assets combined with generations of success in traditional maritime skills.”* A more detailed explanation of the diversity, substance and quantum of the sector within the Solent and its significance is provided in that report.
- 2.19. The report went on to identify 97 waterfront employment sites, equating to approximately 1,730ha of employment land, across the Solent. This reduces to 69 sites once those operated by the MoD, commercial or ferry port activities and utilities, and leisure or recreation uses are excluded. The findings of the report demonstrate a diverse and growing marine and maritime economy across the Solent and demonstrate the significant scale of opportunity which could be forthcoming should further growth and investment in the sector be realised.
- 2.20. A more recent report has further emphasised the crucial importance of the sector or Solent cluster to the marine sector nationally⁶. This report by CEBR, on behalf of the Solent LEP and Maritime UK in September 2019, assesses the importance and recognition of the role the Solent plays as a gateway for trade with the rest of the world. It assesses the economic impact of the Solent-based Maritime Sector and Portsmouth naval base in terms of the key macroeconomic indicators of GVA, turnover and employment.
- 2.21. The Solent is therefore the UK’s leading marine and maritime cluster and it is crucial in ensuring that this sector’s economic potential is maximised nationally, as well as to the success of the Solent sub-regional economy itself.
- 2.22. To maximise that potential, it was identified by City Deal, and has been confirmed by further and more recent work that is explored below, that Tipner West is critically important in unlocking the full potential for that growth.

The Need for Development at Tipner West/Horsea Island East

- 2.23. The Solent LEP published the Maritime Futures: Solent Waterfront Sites report, which aimed to provide a comprehensive register of all existing and potential waterfront sites in the Solent region. The report was undertaken in response to the Solent Waterfront Strategy (2007)⁷ and subsequent recommendations in Transforming Solent: Marine and Maritime Supplement (2014). Whilst this was prepared in 2015, the findings have since been reviewed and updated by the Project Team, as will be reported below.
- 2.24. The sites register in the report was seen as being crucial to ensure that prime waterfront sites would be identified in order to shape development plans and guide planning authorities on the use/protection of such sites. The report analysed the identified sites against a methodology that is set out in that report and ranked

⁶ ‘The economic contribution of the Maritime Sector in the Solent LEP’, CEBR: 2019

https://solentlep.org.uk/media/2837/cebr_maritime_uk_solent_lep_16102019.pdf

⁷ <https://www.iow.gov.uk/azservices/documents/2782-FC10-Solent-Waterfront-Strategy.pdf>

them with respect to their relative level of importance to the marine and maritime sector (from 1 as prime, down to 3). It then assessed each based on three defined criteria of marine access, presence of marine and maritime activities and development potential. This enabled the identification of the sites across the region that offered the *"best characteristics to give continued support and growth"* to the marine and maritime sector.

- 2.25. 'Tier 1' sites, including the site identified at TW, are of prime importance for marine and maritime activities within the Solent region, with the register noting that, on balance, they display *"the best characteristics to give continued support and growth to marine and maritime business"*.
- 2.26. Of the 97 waterfront sites identified by the register, a total of 23 are ranked as 'Tier 1' (23.7%). However, of these only four 'Tier 1' sites remained under-developed for marine and maritime use. This equated to just 4.1% of the total number of waterfront sites across the Solent region.
- 2.27. It is worth noting that TW achieves this high ranking despite the fact that water access to the site is somewhat constrained at certain states of the tide; the development potential and size of the site is fundamental to its role as a 'Tier 1' site, and it was recognised that water access can be achieved and can be improved.
- 2.28. Of the other three 'Tier 1' sites that remained under-developed, Spitfire Quay and Lower William Street on the River Itchen in Southampton are too small, at 1.1ha and 0.5ha respectively, to make the substantial contribution to the regional maritime economy and cannot be considered strategic sites. Study work to identify the scale of site required to deliver the extent of marine employment space associated with the City Deal has identified a minimum site area of 8ha is required.
- 2.29. The fourth of the 'Tier 1' sites that were under-developed, Vestas Technology in the River Medina, Newport, Isle of Wight, was the most unfavourable of the four under-developed sites to enable waterfront development due to the lack of water depth and challenge in delivering meaningful tidal access. The site is of insufficient scale (3ha) to warrant the investment in the extensive capital dredge that would be required. Furthermore, the site could not sustain the resulting maintenance dredging obligation and required level of development, boat hoist capacity or open storage necessary to achieve the required scale of regional contribution to the sector.
- 2.30. Therefore, TW was the only available and viable site in the Solent on which to deliver the required level of marine employment floorspace anticipated and land to support the growth in marine and maritime sectors and its future sustenance. It is therefore a key opportunity site for the sector.
- 2.31. To confirm that TW was still the only alternative location for strategic marine employment provision in the Solent and Isle of Wight area, MPL prepared an alternative sites assessment (Marine Employment Alternatives, January 2020). This study included the four under-developed 'Tier 1' sites, as well as a further six 'Tier 1' sites currently established with marine use but with some observed potential for growth. In addition, a further five marine employment sites where some limited vacant land existed were identified. Finally, a site that was originally excluded from the Solent LEP assessment because it was classified as a utility site was identified as now being available for development (Fawley Waterside). The MPL study concluded that TW remained the only option for strategic scale marine employment in the search area

(**Appendix 3**). This assessment has confirmed and reinforced the identification of TW as a critical marine employment site by the City Deal.

- 2.32. Following the work to identify the overall need in marine employment, Savills investigated the Solent employment market to understand the strength of the marine property market, its future profile and the extent of demand and how that could be met. This sought to understand the strength of the marine sector and its subsequent demand for waterfront land compared to the wider B class (office and industrial) market (based on former B1, B2 and B8 use classes at time of reporting). The aim was therefore to test the scale and nature of the requirements and how these could and would need to be delivered. The key findings are set out below.
- 2.33. Table 2.1 illustrates that availability for both general offices and industrial (i.e. not marine specific) is below the supply equilibrium benchmark (frictional capacity) of 8% which is typically considered to represent an efficient market with enough capacity to allow churn in the marketplace. This indicates a relatively tight market. Rental growth reflects this, with Portsmouth office rent growth at 6.6% per annum, while other markets have varied between 1.7-3.1%.

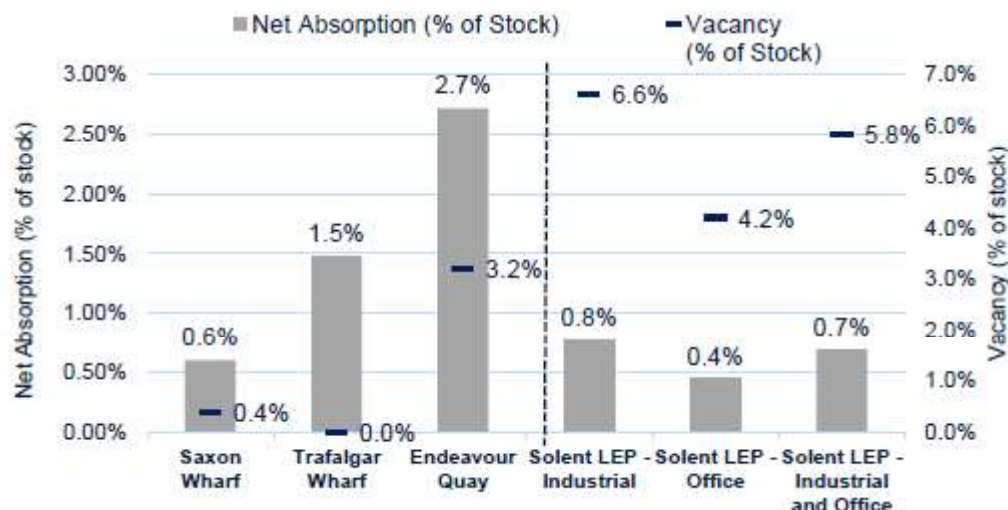
Table 2.1: The Solent and Portsmouth Industrial and Office Market (Source: Savills Analysis, CoStar 2019)

	Solent Offices	Solent Industrial	Portsmouth Offices	Portsmouth Industrial
Size SF	14,078,500	40,123,631	3,116,703	7,851,238
Market Rent Q4 2019	15.80	8.06	16.01	8.04
Rental Growth 2009 -	22%	33%	71%	18%
Vacancy Rate	4.2%	4.4%	1.5%	3.5%
Vacant SF	595,000	1,500,000	48,100	225,000
Rental Growth pa 2009 -	2.1%	3.1%	6.7%	1.7%
Availability Rate	7.6%	6.8%	4.0%	7.2%
Availability SF	1,063,866	2,741,683	123,731	562,030
12 Mo Net Absorption % of Inventory	1.3%	1.0%	4.0%	(-0.6)%
12 Mo Net Absorp SF	182,000	404,000	13,500	(-48,500)

Source: Savills Analysis, CoStar 2019

- 2.34. The marine and maritime sector is different to the wider B class market in a number of ways, however. Firstly, it is more specialist in nature and demands additional site characteristics, the main ones being sites with water frontage and adequate water access in terms of water depth, as discussed above. Secondly, the sector typically requires specific infrastructure to support their operations, which can include anything from boat ramps, dry docks, boat hoists, open storage facilities etc. This infrastructure is costly to provide which can impact the viability and deliverability of waterfront development for the marine and maritime sector.
- 2.35. Savills investigated a number of waterfront case studies in order to better understand these requirements and the demand factors governing waterfront sites. The case studies chosen all have a 'Tier 1' rating similar to Tipner West and are established marine sites at Saxon Wharf in Southampton, Trafalgar Wharf in Portsmouth and Endeavour Quay in Gosport, as well as the recently developed marine site at Centenary Quay in Southampton.
- 2.36. Chart 2.1 demonstrates that the waterfront site case studies typically experience higher net absorption and lower availability compared to the wider Solent B class market, indicating there is strong latent demand.

Chart 2.1: Average Net Absorption and Vacancy % (2011-2019) (Source: CoStar 2019, Savills 2019)



2.37. That said, whilst rental data is scarce for the case study sites, average industrial rents appear broadly aligned with the wider Solent industrial market (Table 2.2). This suggests that there is no premium associated to these marine uses.

Table 2.2: Rental Trends (Source: Savills)

	Saxon Wharf	Trafalgar Wharf	Endeavour Quay	Solent LEP - Industrial	Solent LEP - Office
Average Annual Net Absorption (Sq.ft)	7,300	8,500	6,880	310,628	62,552
Average Achieved Office Rents	N/a	£8.50 (2018)	N/a	N/a	£15.71
Headline Office Rent	£16.9 (2018)		N/a	N/a	£26
Average Achieved Industrial Rents	£7.60	£8.50	N/a	£8.35	N/a
Headline Industrial Rents			N/a	£19.63	N/a

2.38. At the same time, all of the case study sites demonstrated that significant waterfront infrastructure, enabling water access for a range of boats and marine operations, is required on marine sites, with significant upfront capital investment therefore required.

2.39. Given rents are similar at the case study sites to those in the wider Solent market, as shown in the table

above, the research indicated that many developers/investors may therefore prefer to provide standard B class floorspace for non-marine sector uses rather than incur the upfront infrastructure costs required for marine sites. This would reflect their inclination to benefit from the demand, but avoid the large upfront infrastructure costs required to attract marine occupiers without an associated uplift in value. Hence, the competition that marine use finds in the market from the wider B class market.

- 2.40. To be attractive and to ensure the marine employment need would be met, research undertaken by MPL into the Marine Sector market (**Appendix 4**) has highlighted the amount of land that would be required for the marine employment use and ancillary employment land in order to be effective in creating the necessary critical mass and a reinforcing hub.
- 2.41. MPL's work has indicated that there should be a minimum of 3-4.5ha for wharves, marinas and boatyards, with total land area of 8ha, although these figures are based on a single user.
- 2.42. MPL also identified the need for adequate open yard storage areas for any marine site. This is noted as an asset in short supply at other 'Tier 1' sites.
- 2.43. Given that it is likely that the site at TW&HIE would not be identified for a single user, it is suggested that the minimum site area including the marine infrastructure and boatyard should be at least 9ha. Providing an employment site area of this size with upfront infrastructure would attract the strong demand identified that would help meet the need and underpin the economic growth of Portsmouth, the Solent and the UK.
- 2.44. In summary, there appears to be a shortage of both available marine built area and land area and a high demand as outlined in **Appendix 4**. The capital cost may impact the viability of meeting this demand in an undersupplied market. Not only will an optimally designed marine employment environment require high upfront costs, but it may also need a long term view of occupiers and take-up to support the development of a unique cluster and local critical mass of activity. However, this process may lead to a larger viability gap and delayed cash flow, which is where public sector support is crucial. For example, at Centenary Quay in Southampton, the one 'Tier 1' site identified in the 2015 report, development has taken place for employment uses but it would seem not strictly for marine employment. It appears that without any boat hoists/lifts, the site has not attracted the desired marine and maritime sector occupiers. There are also specific engineering challenges to deliver this essential access to water at that site.
- 2.45. TW&HIE SDA has therefore been identified through City Deal to bridge this gap, with public funding being provided through City Deal and this has been confirmed by independent up to date research to demonstrate the lack of alternatives for delivering the marine and maritime employment needs. The funding from City Deal and public sector support will ensure early delivery of the required infrastructure in order to enable a site of at least 9ha to come forward for marine employment. This will also avoid market forces resulting in the site being developed for other non-marine employment uses that would not optimise its status as a 'Tier 1' site. This would meet the demand and support the much needed growth and sustenance of the Solent marine and maritime cluster to support the sub-regional economy and the UK's marine and maritime global competitiveness, with the Solent being the UK's leading marine and maritime cluster.

Market Requirements

- 2.46. MPL undertook a detailed, targeted and specific market study through marine sector engagement (face-to-

face or by telephone/email) to explore the precise nature and extent of the marine sector requirements to be delivered on the site.

2.47. The engagement indicated that the Solent marine sector supply chain is losing out where work is currently having to often go abroad for maintenance, servicing and repairs. It also identified that the supply chain has significant growth potential and the benefits of co-location of supply chain businesses with one or more major occupiers would likely create a significant demand for marine employment space. The key findings were that:

- The existing Solent based commercial vessel fleet is extensive and is not being fully accommodated for maintenance, servicing and repairs, with many vessels often being forced to travel to the near continent and beyond. This is an existing market/customer base which could provide a significant degree of confidence to the investment case.
- The range of marine sectors for which TW might prove attractive is very significant, with identified growth potential a positive and recurring theme of the research. This includes the commercial vessel sector, the superyacht sector (new build and repair/refit) and advanced technology and race boats.
- New and emerging markets, including large composites, off-shore renewables and, but not limited to, autonomous surface vessels also have considerable growth potential that relies upon the supply of waterfront employment land.
- These elements of the wide-ranging marine and maritime sector also have major supply chain requirements and, therefore, benefits.

2.48. Strong demand is present for marine sector development, but it requires a specific set of incentives including upfront investment in significant capital infrastructure. **Appendix 4** discusses an assessment of infrastructure provision available, or indeed unavailable, across the Solent through a Solent Sites Assessment (Section 3). The key points arising from that assessment indicate that:

- A notable gap in the market exists for **facilities able to service vessels over 100 tonnes and in particular the limit in capacity between 200 tonnes to 1,000 tonnes** across the Solent region.
- There are **two sites providing lifting facilities for vessels greater than 200 tonnes, one of which is particularly inefficient**. A dry-dock provides a storage/yard facility for vessels up to approximately 500 tonnes, although the structure is inherently inefficient and heavily constrained.
- The market for lifting vessels **below 200 tonnes seems to be very well catered for**, although a **modest gap in the provision of facilities for vessels between 75 tonnes to 180 tonnes is evident**. Whilst the boat lifting facilities for vessels below 200 tonnes is well serviced, **there is a shortfall in the provision of storage ashore**. This shortfall is particularly evident during the winter season when peak demand for storage ashore is realised.

2.49. The Solent marine sector is evidently not meeting demand from within the sector and is losing out where work is having to leave the UK. The supply chain has also been identified as having significant growth

potential and the benefits of co-location of supply chain businesses with one or more major occupiers would likely create a significant demand for marine employment space.

- 2.50. The study of the existing sector noted that other key 'Tier 1' marine employment sites all suffered from a number of constraints including poor water depth, inefficient vessel launch/recovery systems, a lack of open yard storage and insufficient undercover buildings for larger vessels. Evidence of the unique nature of the opportunity at TW&HIE is provided by the fact that TW&HIE can design out all of these constraints in order to unlock the potential.
- 2.51. That demand, set out in the discussion above, and the background evidence along with the City Deal requirements represents an overall need for a site with the following in the Solent:
- 9ha of land for a marine hub.
 - 58,000sqm of floorspace (three boatsheds of 6,000sqm in total, circa 33,000sqm of workshops/commercial units, circa 15,000sqm of offices/amenity space and circa 4,000sqm of stores).
 - An external yard area.
 - 600-700 tonne boat lift.
 - Full tidal access.
- 2.52. These requirements cannot be met at any of the other alternative sites previously identified.
- 2.53. Having identified the marine, maritime and advanced manufacturing needs and how those must be met at TW&HIE, there will be a quantum of essential associated physical and social infrastructure that will be necessary: training and education; housing; sustainable transport and wider infrastructure. These needs can be accumulated into a total quantum of development, both employment and residential, which is required to be delivered.

Skills and Labour Market Need

- 2.54. In November 2020, Portsmouth City Council (PCC) published the Skills and Labour Market Strategy 2020-2025 which was developed in response to the Portsmouth Economic and Regeneration Strategy 2019-2036. It aims to provide a skills-progression strategy that will seek to align skills provision to local employment needs, and to ensure that residents are able to access the opportunities available within the City. Therefore, the vision proposed within the Strategy is to have a *“home grown, highly skilled and ambitious workforce, not only able to deliver on business and economic needs now, but sustainably and confidently into the future”* (page 2). The Strategy also notes a focus on key science, technology, engineering, arts and maths (STEAM) industry areas.
- 2.55. Within the consultation exercise undertaken prior to preparation of the strategy, one of the key comments was the need to concentrate on Portsmouth as a 'Marine Hub'. This is reflective of the existing cluster in that sector in the region and the importance of the global industries within the city, including aerospace and defence, marine and maritime and advanced manufacturing and engineering, all of which account for the majority of Portsmouth's GVA.
- 2.56. The Strategy recognises that the residents of Portsmouth have huge potential for creating the environment for economic growth, but that currently there are too many people commuting into Portsmouth, thereby

meaning jobs are unavailable for local residents, and there is a skill or educational gap which means local people do not hold the qualifications required to obtain the jobs that are available.

- 2.57. Although there are some positive attainments within Portsmouth, for example the high number of residents achieving Level 3 qualifications, there are still issues within the area, such as reduced numbers of apprenticeships and the low number of residents who progress to Level 4 qualifications or attend university.
- 2.58. Similarly, although there has been an impressive growth in the resident workforce in Portsmouth since 2010 with over 4,000 new employees, data demonstrates that, since 2018 with the additional impact of the Covid-19 crisis, this has now decreased by approximately 3,000. There is therefore a desire to increase skill development for residents of Portsmouth to reduce employment barriers for those with fewer skills and less experience, and to once again increase the resident workforce.
- 2.59. There is recognition within the Strategy and its associated Action Plans that it is ambitious for residents, businesses, and the workforce, but that this is necessary to be able to support the City within the rapidly changing industrial and post-Covid landscapes. The Objectives of the strategy are divided into four key themes:
- Inspire Portsmouth residents to achieve better skills, train and find higher skilled employment.
 - Integrate Portsmouth businesses into the heart of skills and labour market development.
 - Create and strengthen city wide partnerships to support relevant and focused workforce development.
 - Respond to the significant impact on people's health, wellbeing and livelihoods caused by the Covid-19 pandemic.
- 2.60. To support the marine employment, it is essential that the existing skills base is built on through full and complete opportunities to train and empower a greater workforce to support the sustenance of the marine, maritime and advanced manufacturing sector.

Housing Need

- 2.61. The housing needs of Portsmouth are, like many local authority areas in the UK, significant and have worsened as past unmet needs have compiled to add to the latest demand. This has been exacerbated in Portsmouth in view of geography and morphology – it is the UK's only island city where options for outward expansion are extremely limited, and it is the UK's most densely populated area outside of London, reflecting the paucity of land for development. There has been a recognition for some years of a significant level of housing need in the City (in 2017, it was 18,500 new homes over 20 years to 2034) and the Local Plan Review would need to address this through further land allocations.
- 2.62. The Standard Methodology for calculating Housing Need was introduced by the Government through a consultation process in 2017, and has since been refined a number of times, with the most up to date guidance provided in December 2020⁸. The National Planning Policy Framework (NPPF) expects strategic policy-making authorities to follow the standard method for assessing local housing need, and it uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply (Planning Practice Guidance, Paragraph 002, Ref: 2a-002-20190220). There is not only an expectation that all authorities should use the standard

⁸ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

methodology, but that this provides a minimum starting point in determining the number of homes needed in an area.

- 2.63. The main modification announced in December included an uplift in the 20 largest cities and urban areas by 35%, reflecting Government objectives to, inter alia, drive housing into existing urban areas and encourage brownfield development. The uplift applies to Southampton, but does not apply to Portsmouth.
- 2.64. In preparing for the Local Plan Review, PCC PT have undertaken a full review of the city's housing need, and we understand that, under the Government's December 2020 Standard Methodology for calculating housing need, the current indicative housing need is 872 dwellings per annum (dpa). In addition, the Council is required to apply a delivery buffer of 20% for the first five years and 10% for the remainder of the plan period in order to take into account site choice and potential market fluctuations.
- 2.65. As a result, we understand that Portsmouth has a minimum housing target of 17,701 new dwellings for the 2020-2038 plan period.

Housing Supply

- 2.66. A Background Paper to the Local Plan Review (December 2018) noted that the actual deliverable level of housing in Portsmouth was *"likely to be constrained by a number of factors, including the availability of land, impacts upon the environment, the capacity of infrastructure and the deliverability of development"*.
- 2.67. The Project Team understand that the delivery of 4,081 homes is anticipated and required at Tipner (incorporating 3,400 from TW&HIE in the life of the plan period) in order to deliver 16,953 homes in Portsmouth during the life of the plan, resulting in a shortfall which will be discussed later in this chapter in the section 'Unmet Need and Neighbouring Authorities'.
- 2.68. The Planning Practice Guidance (PPG) notes that according to the National Planning Policy Framework, local planning authorities should identify a supply of specific, developable sites or broad locations for growth for years 6-10 and, where possible, for years 11-15. Local plans and spatial development strategies may be able to satisfy the tests of soundness where they have not been able to identify specific sites or broad locations for growth in years 11-15. However, if longer-term sites are to be included, for example as part of a stepped requirement, then plan-makers will need to demonstrate that there is a reasonable prospect that they are likely to come forward within the timescale envisaged.
- 2.69. It is understood that without the delivery of TW&HIE, the housing supply shortfall would be exacerbated by 3,400 homes (or 19% of the total requirement). The Project Team understand that there are no other specific, developable sites or broad locations for growth with a reasonable prospect that they are likely to come forward within the administrative area and within the timescales envisaged that have not been incorporated in the housing supply calculations that will inform the forthcoming Local Plan Review Regulation 18 consultation.

Affordable Housing Needs

- 2.70. In 2019, Opinion Research Services (ORS) was commissioned by PCC PT to prepare a Housing Needs Study for the local authority area, with one of the main objectives being to understand the Objectively

Assessed Needs (OAN) for Portsmouth. This report concluded that, including an allowance for variances, there is an overall need to provide affordable housing for 6,419 households unable to afford to rent or buy over the Plan period 2016-2036, equating to 321 households per year.

- 2.71. This requirement of 321 affordable households per year equates to around 33% of the overall Standard Methodology requirement. This indicates that an adopted figure in line with the standard methodology calculations would be sufficient (under current affordable housing policy requirements) to provide the required number of affordable homes, however any reduction in this figure through the preparation of the Local Plan Review would need strong justification in relation to both overall market and affordable needs and could lead to a shortfall in the required level of affordable housing provision for the city.

Housing Need Uplift for Employment Growth

- 2.72. The PPG makes it clear that, in some instances, it will be appropriate for a higher housing need figure than the standard methodology to be adopted. The standard methodology provides a minimum standard point and does not attempt to predict the impact that future policies (either national or local), changing economic circumstances, or other factors might have on demographic behaviour. The PPG therefore states that circumstances where an uplift may be appropriate may include, but are not limited to:
- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
 - strategic infrastructure improvements that are likely to drive and increase in the homes needed locally; or
 - an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
- 2.73. As set out earlier within this Report, there is a significant employment need within Portsmouth, but also the wider sub-region. There are a number of strategic ambitions that have been identified at the national and regional level, particularly in relation to the marine and maritime industries within the Solent sub-region, with particular aims to grow the maritime workforce and the consequent requirement to support significant workforce growth and skills growth. There is also funding available, through the City Deal, which not only supports the development of employment growth to meet this need, but which was put in place to aid its deliverability as required by the PPG.
- 2.74. The work currently underpinning the Local Plan Review considers growth in general B1/B2/B8 employment (Approach to Employment Land Study 2019, BE Group), with some growth in the marine facilities expected. This report will have incorporated a quantum of employment growth to assist with delivering the aspirations within the Skills and Labour Market Strategy 2020-2025 report and the Portsmouth Economic and Regeneration Strategy 2019-2036 and the associated Action Plans.
- 2.75. It is understood that the employment land forecasts for the new Local Plan will use economic forecasting data as a baseline with appropriate adjustments to take account of the city's growth aspirations, sectoral strengths and past employment land take up, with the additional of a five-year margin for flexibility.
- 2.76. There is a clear need in the Solent that has been reported earlier in this chapter for a growth in the marine and maritime sector and it is noted that there is already a critical mass and strong marine and maritime

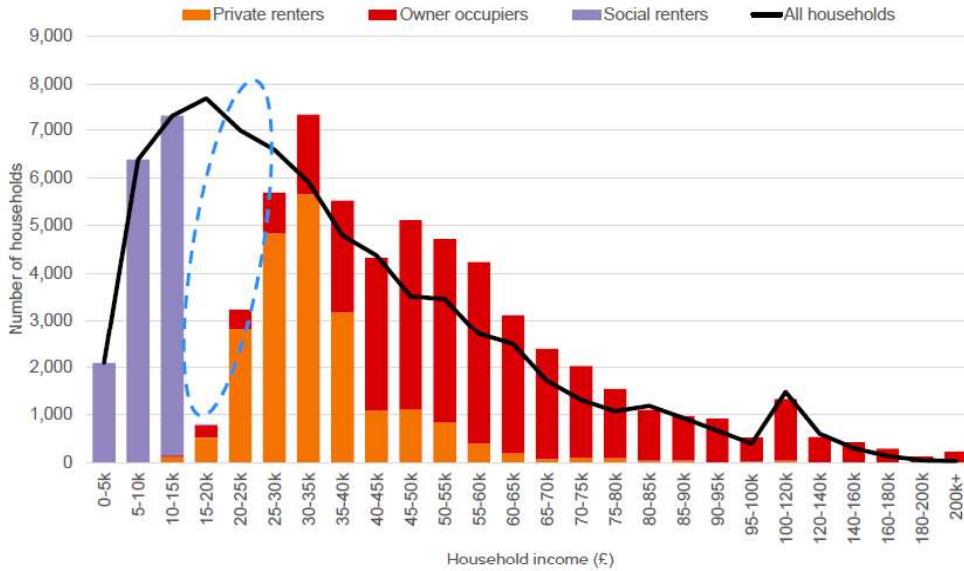
cluster in the Portsmouth area to build upon. Should the development of TW&HIE for this marine and maritime sector growth proceed, this would assist to deliver this growth and help meet the targets proposed by the Local Plan Review. This is fully in line with the aspirations and commitments of the 2013 City Deal.

- 2.77. As such, with the Local Plan Review making provision for the quantum of marine, maritime and advanced manufacturing sector growth that is anticipated to be required to be delivered at TW&HIE in order to meet the sub-regional demand, it can also be assumed that the consequent housing growth associated with that employment growth is captured in the City's Housing Need within the Local Plan Review of 17,701 new dwellings for the plan period of 2020-2038.
- 2.78. It therefore does not appear that an uplift to the city's housing need is necessary to account for and support this marine and maritime sector growth. The Local Plan anticipated need has already identified and accounted for the housing needed to "*support the growing workforce*" as was identified as a key element of the City Deal at point iii – "*Providing new housing to support the growing workforce*".
- 2.79. An initial assessment of the proposed 58,000sqm of marine employment floorspace to be provided at TW&HIE suggests a figure of 1,750 direct jobs. It is anticipated that a high self-containment provision should be applied at TW&HIE to reduce further impact on the level of in-commuting that Portsmouth witnesses, as set out in the Approach to Employment Land Study 2019 (BE Group, for PCC) and discussed below. Should a figure of 40-60% be aspired for this, it would equate to between 700 and 1,050 employees resulting from the marine employment at TW&HIE looking to live at TW&HIE. It is understood from the foregoing discussion that these homes are already within the City's identified Housing Need of 17,701 new dwellings required in the plan period of 2020-2038 whilst this employment is being delivered.

Mix and Market Demand

- 2.80. The NPPF states that the size, type and tenure of housing needed for different groups within the community should be assessed and reflected within planning policies. It is therefore important to not only look at how many homes should be delivered across the plan period, but the types of homes that should be provided.
- 2.81. In 2019, Savills undertook a study into the affordability of the existing housing stock in Portsmouth and the need for housing.
- 2.82. The number of households unable to afford housing is an indicator of where there is most need for intervention. The gap in affordability is calculated by comparing the existing housing stock at current prices (bars in Chart 2.2 below) to the existing population at current household income levels (black line in Chart 2.2 below). The chart demonstrates that there is a shortage of housing suitable for households earning between £15,000.00 and £30,000.00 in Portsmouth. This is anticipated to be affecting around 11,500 households. Households earning above £30,000.00 and below £15,000.00 are both largely well catered, although the quality of the social housing stock may not be optimal. This research therefore indicates a significant need within the market for dwellings for these households.

Chart 2.2: Affordability of Portsmouth’s Housing Stock (Source: Savills, HM Land Registry, Rightmove, EHS, CACI, MHCLG, Census 2011)



2.83. A demographic analysis of the Portsmouth housing market was also undertaken utilising Experian Mosaic, looking at those moving out of Portsmouth compared to those living in Portsmouth.

2.84. Experian’s Mosaic classifies all households in the UK into 15 groups, which breakdown into 66 household types. The classification provides a detailed understanding of the demographics, house types, lifestyles, behaviours and locations of each group and type. Table 2.3 overleaf shows the different groups in descending order of affluence.

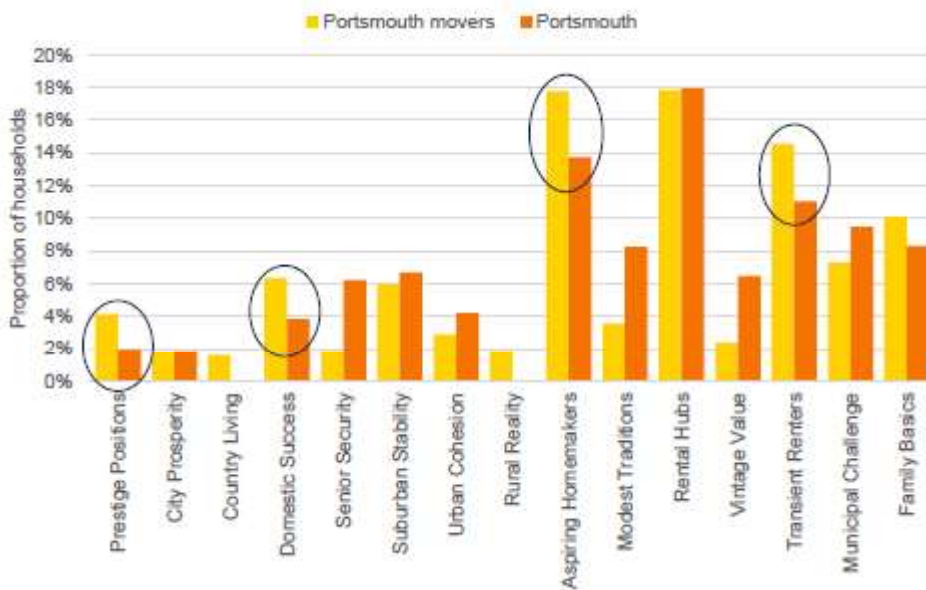


Table 2.3 Experian’s Mosaic Classification

Mosaic Group	Description
Prestige Positions	Established families in large detached homes living upmarket lifestyles
City Prosperity	High status city dwellers living in central locations and pursuing careers with high rewards
Country Living	Well-off owners in rural locations enjoying the benefits of country life
Domestic Success	Thriving families who are busy bringing up children and following careers
Senior Security	Elderly people with assets who are enjoying a comfortable retirement
Suburban Stability	Mature suburban owners living settled lives in mid-range housing
Urban Cohesion	Residents of settled urban communities with a strong sense of identity
Rural Reality	Householders living in inexpensive homes in village communities
Aspiring Homemakers	Younger households settling down in housing priced within their means
Modest Traditions	Mature homeowners of value homes enjoying stable lifestyles
Rental Hubs	Educated young people privately renting in urban neighbourhoods
Vintage Value	Elderly people reliant on support to meet financial or practical needs
Transient Renters	Single people privately renting low cost homes for the short term
Municipal Challenge	Urban renters of social housing facing an array of challenges
Family Basics	Families with limited resources who have to budget to make ends meet

2.85. Chart 2.3 compares the demographics of those moving from Portsmouth against those living in Portsmouth for each Mosaic classification.

Chart 2.3: Demographics of Portsmouth Movers (Source: Experian Mosaic)



2.86. This analysis for Portsmouth concluded that there are a higher proportion of ‘Aspiring Homemakers’ and

'Transient Renters' moving away from Portsmouth compared to those households living within the city. There are also a higher proportion of more affluent groups ('Prestige Positions' and 'Domestic Success') moving from Portsmouth. This analysis confirms that there is an element of aspirational demand that is not being provided within the City, with those on higher incomes and the more affluent moving out of Portsmouth into neighbouring areas where there is a greater availability of larger family housing. This results in additional out-migration due to a latent demand for particular housing types within Portsmouth.

- 2.87. This information confirms that it is not simply sufficient to provide a particular number of dwellings over the next Plan Period, but the type, tenure and mix of these properties will be vital to assist with meeting the current and future demands of the city, and to prevent the worsening or reverse the existing large patterns of out-migration of certain demographic groups. Furthermore, neighbouring authorities do not appear to have additional capacity to take Portsmouth's unmet need.

Unmet Need and Neighbouring Authorities

- 2.88. The NPPF and PPG set out the methods in which unmet need can be provided in neighbouring authorities through the duty to co-operate and the completion of a Statement of Common Ground. Each LPA can agree multiple Statements with neighbouring Authorities, which are also used to address other strategic and cross-border planning considerations.
- 2.89. Fareham Borough Council (FBC) is preparing a new Local Plan and within the Duty to Co-Operate Statement from September 2020 it indicated that PCC had requested for the Council to make provision for 1,000 dwellings. However FBC took the approach that the issue of unmet need was not dealt with specifically to any authority, but as a general contribution. Additionally, differences in Plan Periods and housing need methodologies across the Housing Market Area (HMA) created difficulties in aligning unmet need and delivery. Therefore, FBC concluded that PCC's request was 'out of date' and instead proposed a development strategy *"that plans for good growth, whilst making a proportionate contribution to unmet need"* (Paragraph 4.6) rather than fulfilling the specific request.
- 2.90. The publication version of FBC's emerging Local Plan, published in December 2020, included provision of 847 homes to meet the unmet needs of Portsmouth and Gosport, which at the time were anticipated to be a combined total of over 3,500 dwellings. Therefore indicating that FBC's delivery of unmet need will not be sufficient to meet the needs of the whole area.
- 2.91. Winchester City Council (WCC) is currently at the early stages of Plan Preparation, however the consultation document from February 2021 makes no reference to delivering dwellings above the standard methodology minimum figure of 700 dwellings per annum, again indicating that PCC's unmet needs are unlikely to be provided.
- 2.92. Havant Borough Council (HBC) submitted its emerging Local Plan for Examination in February 2021. This included a buffer of 340 above the minimum required by the standard methodology, however this buffer is included *"to ensure that the Plan is sufficiently flexible to accommodate needs not anticipated in the Plan and to allow a rapid response to economic changes in accordance with the NPPF"* (Paragraph 2.49). This also therefore indicates that HBC will not be providing significant additional homes to deliver PCC's unmet needs.

- 2.93. The evidence that only one neighbouring authority (Fareham) has any substantial ability to take on any unmet need from PCC (and Gosport) and that even this may not be sufficient to meet that overall unmet need from Portsmouth and Gosport, indicates that it is vital to find capacity within the city to deliver the homes needed. The Project Team understand that PCC PT is considering a maximum of 1,000 homes as a contribution from neighbouring authorities within the Portsmouth Housing Market Area towards their housing supply. Its current shortfall required to be met from neighbouring authorities, assuming all sites including Tipner, incorporating TW&HIE as 3,400 homes, is 748. This demonstrates the imperative that the supply of homes at the identified locations can be delivered.
- 2.94. It is also key that these homes are both designed to meet the demographic and tenure requirements of the city and that they are delivered within the right areas to match demand.

Achieving the Right Balance: Homes and Jobs

- 2.95. As indicated, there is a high demand for dwellings within Portsmouth, and specifically within this there is the need to provide homes for certain demographic groups, such as aspirational buyers and households earning between £15,000.00 and £30,000.00, as well as certain tenures including affordable dwellings. There will also be particular needs from the proposed employment growth within Portsmouth which is being earmarked as the marine and maritime sector. It is therefore important to achieve the right balance between the delivery of jobs and homes, and to make sure that all of this new development is located in the right place to maximise the ability to meet demands but minimise any further additional commuting pressures on the city.
- 2.96. The research conducted by BE group on behalf of PCC PT in 2019 (Approach to Employment Land Study 2019) concluded that Portsmouth is a net importer of workers, with over 13,000 more people travelling into the city each day to work (41,000) compared to those travelling out (28,000 people).
- 2.97. It is anticipated that additional housing provision could capture some of these in-commuters as residents, whilst delivery of additional employment floorspace and jobs within Portsmouth could serve to capture some of these 28,000 out-commuters. This would result in greater capture of economic benefits and reduction in unsustainable commuting patterns.
- 2.98. In developing employment provision, it is important to ensure that its needs are supported. Whilst neighbouring authorities do not have the available land to provide for the housing, equally, should the tenure mix not be right in Portsmouth, then the high levels of commuting will continue and potentially be exacerbated, with the adverse impacts that this incurs including, amongst other issues, increased carbon emissions, air pollution and traffic congestion. In order to interrupt these commuting patterns, it is necessary to aim for high levels of self-containment to be encouraged, which can be undertaken through proper planning for the right types of homes to meet the need.
- 2.99. It is beneficial to plan for a balance between workers and jobs to tackle the unsustainable commuting patterns noted above (high levels of net in-commuting) and to capture the economic benefits of jobs and homes within the area. Providing new employment opportunities within Portsmouth will contribute towards meeting the City's jobs forecast and could help assist with meeting the needs of the marine and maritime sector sub-regionally. Complementary to this is providing appropriate levels of housing and of the right type that will help to reduce unsustainable levels of net in-commuting.

2.100. The section below reviews the comparison between growth in jobs and workers in Portsmouth, even in the absence of the proposals at Tipner West, to seek to understand this commuting issue further.

Employment and Workers – The Commuting Conundrum

2.101. There is not only a limited land opportunity within Portsmouth upon which to deliver new homes, but a critical demand exists for additional housing to meet identified local housing needs as set out above and incorporated in the anticipated Local Plan Review figures. These needs are categorised, amongst others, as those who cannot currently afford to purchase a home in the city and those who are or will be migrating into the city for work.

2.102. There is therefore a critical need for the Local Plan Review to deliver new homes in Portsmouth at the right price and in the right location to reduce patterns of commuting. In addition, should the housing need required by the city not be met, then there is a danger that the housing provision for employees to support the sub-regional marine employment provision could be lacking. This would thereby undermine the sustainable growth of the sector and the viability of the marine employment provision itself.

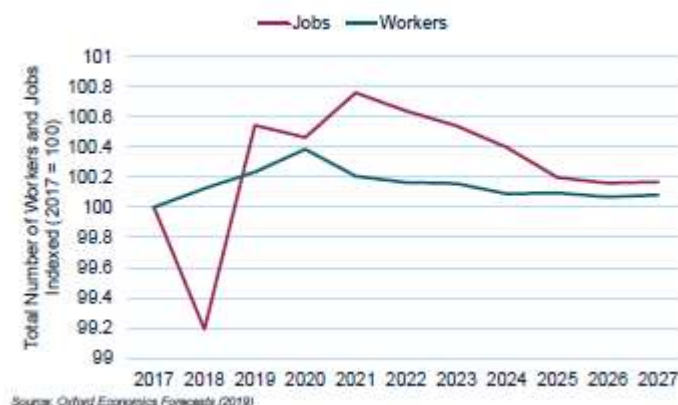
2.103. Oxford Economics has prepared population and employment forecasts for each Local Authority (LA) in the UK to inform long term planning and policy decisions. The forecasts consider the total number of jobs in a LA area as well as the working age population.

2.104. While these forecasts consider historic patterns of development, including planned development schemes, they also consider wider growth factors. We do not anticipate they have included the specific proposed growth at Tipner due to the early stage in planning for this development, so it is unlikely there is double counting, or that this is incorporated in the statistics presented below.

2.105. The forecast data from 2019 is presented in Charts 2.4 and 2.5 below.

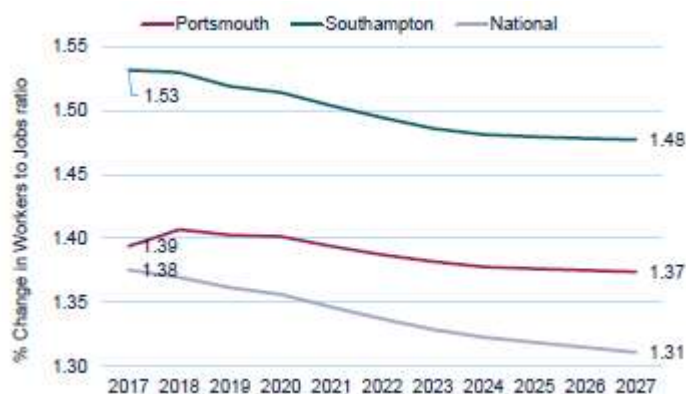
2.106. Chart 2.4 presents the indexed forecast of the number of workers and number of jobs in Portsmouth to 2027.

Chart 2.4: Indexed Change in Total Number of Workers and Jobs (Source: Oxford Economics Forecasts, 2019)



- 2.107. For Portsmouth, the forecasts suggest that the total number of jobs in Portsmouth are forecast to increase over the next 10 years by 3,210 jobs, equivalent to a 3.1% increase. This is below the average for Southampton (7.2%) and the national average (5.9%) and may suggest that the authority needs further investment in employment opportunities (such as that proposed at TW&HIE) in order to support growth in line with national averages. This demonstrates a significant need for the proposed growth in Portsmouth to address its economic needs, as well as social regeneration needs.
- 2.108. At the same time, the working age population of Portsmouth is set to grow by only 2,340 people, equivalent to 1.6%. By comparison, Southampton is set to grow by 3.3%, while the UK will see modest growth of 0.9%. This will result in a growth in the number of jobs that will not be met by growth in the working population, with potentially 870 additional jobs not accommodated for by population growth. The working population growth is disproportionately small. This may result in increased in-migration of workers from outside the LA.
- 2.109. Chart 2.4 indicates that, after an initial decrease in 2018 (thought to be an adjustment error), growth in the number of jobs is forecast to outstrip growth in the workforce in Portsmouth. This suggests that jobs are growing faster than worker population, so worsening the housing needs gap, which in turn may result in more in-commuting and higher house prices.
- 2.110. Chart 2.5 compares the forecast in the number of workers for every job in Portsmouth, Southampton, and across the country.

Chart 2.5: Change in the Number of Workers per Job (Source: Oxford Economics Forecasts, 2019)



- 2.111. The current number of workers for every job in Portsmouth is 1.39. This is substantially lower than for Southampton (1.5 workers for every job). This suggests that, compared to Southampton and the national picture, Portsmouth has a lower resident workforce compared to its employment demand. The number of workers for every job in Portsmouth is also forecast to decrease to 1.37 workers for every job – a -1.4% decrease. This is not as significant as the decrease in Southampton (-3.6%) or the UK (-4.7%) but demonstrates that the demand for adequate labour force to support the jobs market is increasing in the region and at a national level and is a key point in highlighting the strategic importance of delivering additional housing, and of the right type, in the right location and at the right price.

- 2.112. This suggests that faster job growth will create demand for more workers, and that the local population alone will not support this growth. This could lead to an increase in in-migration of workers and could have a significant impact on commuting patterns, travel times, congestion and environmental impacts of vehicle trips if the right homes are not provided.

Co-location of Homes and Jobs

- 2.113. These additional jobs could be provided by the proposals at TW&HIE and, unless they are suitably located in proximity to the housing where the new workforce can live, there will be further associated negative effects caused, including additional commuting. It has already been noted that the commuting patterns attributable to Portsmouth, both in and out commuting, cause adverse unsustainable impacts not only from an environmental perspective but also related to economic and social impacts that this leads to.
- 2.114. The aim of the proposals at TW&HIE must be to avoid worsening those unsustainable commuting patterns further by suitable provision of housing in close proximity to the jobs, but also to try to seek to reduce the existing unsustainable level of commuting that is occurring already.
- 2.115. Delivery of homes, closely linked to jobs, will provide Portsmouth with the opportunity to:
- Increase its share of the economic growth potential.
 - Address the imbalance between jobs and workers by increasing the supply of homes.
 - Capture the benefits of economic activity and improve regional competitiveness.
 - Capture current and future in-commuters to reduce high levels of in-commuting with attendant benefits in terms of reduced carbon emissions and air pollution and reduced traffic congestion.
 - Capture more employee expenditure within Portsmouth.
- 2.116. In addition to the essential and associated housing infrastructure to support the marine employment, both that employment and the residential development will result in their own additional physical and social infrastructure requirements, including facilities and services to meet the demands and needs of the employees and residents. These are vital to the viability and sustainability of the proposed development as a whole, as well as being vital to any place-making aspects of the development.
- 2.117. There is also a certain quantum of homes that need to be provided in order to deliver a critical mass that makes a new community support a certain level of services that enable it to be self-sustaining, be more resilient and more self-contained (whilst not being a gated community). Alternatively, if this number is not reached, or planned to be reached in due course at a site, the development can only ever be a housing estate that is forced to seek its support from existing facilities and services elsewhere, thereby generating further unsustainable patterns of travel if these facilities and services are not on the doorstep.
- 2.118. The NPPF sets out the three elements of sustainable development: economic – land and infrastructure to support economic growth and innovation; social – housing to meet future needs alongside accessible community facilities and services to ensure community well-being; environmental – growth whilst protecting and enhancing the environment including improving biodiversity, and mitigating and adapting to climate change. Overall, the NPPF seeks to promote sustainable growth by meeting future needs for housing and employment through mixed-use development in sustainable locations, with employment at strategic

locations to attract inward investment, co-located with a range of community facilities, whilst minimising impacts and securing biodiversity net gain.

- 2.119. In 2016, Savills published the report *Spotlight Development: The Value of Place-Making*⁹. The report notes the need to develop large sites in order to meet the UK's housing need, but that "*creating great new places with their own identities where people really want to live requires more than houses*". Successful residential developments need a mix of local amenities, shops, workplaces, schools, public spaces and different housing types, and this mix will build stronger, more resilient communities with an economic vitality of their own. These services can only be supported, however, through a critical mass of development that small-scale residential, such as a development purely catering for the residential need of the workforce at TW&HIE would not provide. The report uses a theoretical urban extension site of 3,000 dwellings to test this.
- 2.120. The report confirmed that successful large-scale residential or employment-led developments need a mix of local amenities, shops, workplaces and homes. However, whilst investing in this community and physical infrastructure upfront increases the debt and subsequent development risk during the early phases of the proposed development, this is preferable in that it achieves higher overall land values and can therefore support the higher capital costs in delivering such schemes. It recognised for example that investing in education provision has an immediate impact on the success of a scheme. It is therefore essential to provide these additional elements alongside the residential and employment spaces within the proposal to ensure its long term viability, sustainability and overall success.
- 2.121. The report concluded as one of its five key findings that there is a requirement for "*more land to come forward in areas of high housing demand or connected to strong markets where investing extra in place making is viable. A greater availability of sites would keep land value stable allowing more scope to invest in non-residential uses, public realm and infrastructure*". It is noted that schemes, such as at TW&HIE, with for instance MoD land disposals and other public land included will play a key role in ensuring such holistic schemes can come forward in a viable manner, in particular in association with the financial model that would be associated with such land and public sector interests.
- 2.122. This last point highlights a final crucial element of the co-location piece around viability, which has been touched on already but needs to be emphasised.
- 2.123. Delivery of marine and maritime employment space requires support in investment in upfront infrastructure. However, sites suited to such employment use also often require to be sited on land with high construction requirements and associated costs that need to be accounted for. This may often be done through a cross-subsidy model. The marine and maritime development at TW&HIE will need financial support in order to be delivered and therefore a clear viable model needs to be developed to ensure that the proposals can be delivered, taking into account public land disposals and the delivery and financial model associated with the proposed development.
- 2.124. The identified marine and maritime site identified at TW&HIE is well-suited to address this co-location and delivery of a viable sustainable community or neighbourhood as it is adjacent to and partly on public sector controlled land. This enables the delivery of the required marine and maritime employment hub on public

⁹ https://www.savills.co.uk/research_articles/229130/208527-0

sector land that has been transferred from one public sector body to another precisely in order to facilitate the sustainable delivery of a new neighbourhood to support that employment. That wider development not only will help to subsidise the delivery of the marine and maritime hub, but it also ensures that it enables the creation of a sustainable community or neighbourhood in line with the three strands running through the objectives of the NPPF: economic, social and environmental in seeking to promote sustainable growth by meeting future needs for housing and employment through mixed-use development in sustainable locations, with employment at strategic locations to attract inward investment, co-located with a range of community facilities, whilst minimising impacts and securing biodiversity net gain.

Summary of Position and Project Objective

- 2.125. This chapter has demonstrated that the marine and maritime sector provides almost 1/5 of the UK's GVA, with the Solent being the UK's leading marine cluster, and the marine and maritime sector being the largest sector in the Solent region. A need has been identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region.
- 2.126. Waterfront employment sites compete with other uses and have high upfront infrastructure requirements and costs, all creating difficulty in meeting growth capabilities for the sector.
- 2.127. Tipner West was identified by the City Deal as a critical marine employment site and research and analysis has confirmed this assessment. Furthermore, it is the only location that can deliver the sector's requirements, avoid the constraints present at other sites and therefore deliver truly strategic marine employment provision in the Solent area.
- 2.128. A land area of at least 9ha and the provision of 58,000sqm of marine and maritime employment floorspace has been identified as being required, and this sub-regional employment provision will lead to 1,750 new direct jobs.
- 2.129. It has been demonstrated that the local population will not support this growth. In addition, Portsmouth already suffers from a serious commuter problem leading to adverse environmental effects and therefore there is an aspiration of between 40% and 60% internalisation of workers at TW&HIE living there. This would equate to between 700 and 1,050 new homes required to support those workers at the right price and the provision of associated essential physical and social infrastructure, including education and housing provision.
- 2.130. Portsmouth would have an additional unmet housing need in the absence of Tipner West of circa 3,400 more homes (over the current unmet need figure assuming Tipner West provided 748) over the Local Plan period. Neighbouring authorities are unable to meet that need fully. It is understood that further alternative locations for the 3,400 homes cannot be found within Portsmouth's administrative boundaries.
- 2.131. The development at Tipner West therefore is not only vital to meeting Portsmouth's unmet housing need but also in meeting the sub-regional employment need to support and sustain the marine and maritime sector within the Solent and UK.
- 2.132. Land at Tipner West and Horsea Island East has been identified through City Deal to be developed by Portsmouth City Council to unlock the critical employment sites to enable the marine, maritime and

advanced manufacturing sectors of the region's economy to expand, maximising the economic impact of the area's marine and maritime assets. The City Deal also looked to ensure that new housing was provided to support the growing workforce, and opportunities for business start-ups and growth were provided, with the necessary skills training being available to ensure the regeneration of the local economy.

- 2.133. As a result of this, the objective for the TW&HIE SDA can be defined as: *"To deliver the sustainable growth and full economic potential of the Solent marine, maritime and advanced manufacturing cluster by meeting current unmet demands through unlocking critical maritime employment sites and delivering the essential associated physical and social infrastructure. This is in order to ensure the UK's global competitiveness in the marine and maritime economy whilst supporting and enhancing the sub-region's economy and regeneration"*

The Need for Reclamation

- 2.134. Set out above it has been identified that a 9ha site is required for the sub-regional marine employment provision. It has also been demonstrated that, without the TW&HIE SDA, there would be a further unmet need of circa 3,400 homes in Portsmouth, which is unlikely to be met by neighbouring authorities. Furthermore, without these homes at TW, commuting would be exacerbated and it is proposed that there would be a need to find a specific location for the development of circa 700 to 1,050 homes for those working at the marine and maritime hub at TW&HIE.
- 2.135. This quantum of development not only assists to support the new employment destination with a workforce on its doorstep but also enables a certain necessary critical mass. This ensures the development would firstly be able to support itself in terms of social and physical infrastructure, and secondly can assist fund its delivery. These two elements will help ensure that the proposed development can be self-sustaining.
- 2.136. An exercise was undertaken by Savills and Rosehill Advisors to consider the land area needed to deliver the development requirements.
- 2.137. The TW&HIE site has been earmarked in the adopted Local Plan (The Portsmouth Plan, 2012) as needing to provide a key piece of city infrastructure in the form of the Tipner to Horsea Island Bridge to connect the two sites TW and HIE. With this in place, it would be possible to provide about 4ha of the marine employment requirement at HIE and phase the delivery of the site.
- 2.138. The land area at TW would need to be able to provide the remaining employment, housing and other associated social and physical infrastructure needs identified, to ensure that this critical mass of development could be provided at TW in order to deliver a self-sustaining sustainable community. The exercise undertaken by Savills and Rosehill Advisors had regard to market demands, appropriate density and open space levels and other associated infrastructure requirements.
- 2.139. This exercise also incorporated an assessment of the viability needs of the development to align with the second point above and to ensure that the development was not only viable but that it could also support the necessary infrastructure required across the proposed development. The assessment considered the capital contribution that could be forthcoming from serviced land parcels to fund the additional costs in delivering the marine employment infrastructure, the residential development and all the supporting social

infrastructure, as well as the abnormal costs associated with the site and its development in order to ensure a viable self-sustaining development.

- 2.140. Serviced land value represents the price the house builder purchases a parcel of land for on the basis that the enabling developer has delivered all infrastructure, ground remediation, reclamation and services to the boundary of the plot, accommodating any planning obligations. The figure required to support the delivery of the key infrastructure, as well as improvements in flood defence, and homes is, in this case, £275,350.35.
- 2.141. The sensitivity tests undertaken sought to maximise the capital contribution from the serviced residential land towards the capital costs of delivering the development required taking into account the desire to minimise as far as possible the amount of land required. The tables below are an extract of the sensitivity tests within the financial model, which helped to inform the current masterplan design.
- 2.142. The cells highlighted green indicate the overall quantum and percentage of apartments required to deliver the required serviced land value identified above.

Table 2.4 Number of Homes Required to Accommodate Necessary Serviced Land Value

		Percentage Apartments					
		80.0%	62.5%	60.0%	56.5%	55.0%	50.0%
Number of residential dwellings	1,500	£77,632	£107,657	£111,947	£118,092	£120,579	£129,055
	2,000	£103,717	£143,557	£149,401	£157,114	£160,799	£172,194
	3,000	£155,453	£215,365	£224,073	£236,080	£241,022	£258,126
	3,500	£181,453	£251,191	£261,517	£275,350	£281,260	£301,041
	4,000	£207,426	£287,127	£298,579	£314,827	£321,485	£344,451

- 2.143. In order to deliver a robust level of capital contribution to the programme to enable a viable delivery of the proposals including the housing and marine employment, it was identified that a figure of circa 3,500 homes should be sought to be provided for at the site. It is important to note that 3,400 of these homes would be provided in the life of the Local Plan, but the 3,500 figure is the optimum minimum number to meet the required serviced land value. It also provides a level of critical mass as identified above that ensures the neighbourhood can be self-sustaining.
- 2.144. The following table replicates the sensitivity based on the market facing housing mix, types, sizes and densities to provide the minimum required land area needed to deliver this number of units at the proposed mix ratio, along with the remaining minimum 5ha of marine employment land and the other physical and social infrastructure required, including flood defences, open space provision and associated social infrastructure.
- 2.145. In this case the area required was around 49ha. This excludes a 2ha buffer zone for edge treatment that would be required, making a total of 51ha.

Table 2.5 Required Area to Accommodate the Development (in hectares)

		Percentage Apartments					
		80.0%	62.5%	60.0%	56.5%	55.0%	50.0%
Number of residential dwellings	1,500	26.98	30.55	31.07	31.78	32.09	33.12
	2,000	29.59	34.36	35.05	36.00	36.41	37.77
	3,000	34.82	41.97	42.99	44.42	45.04	47.08
	3,500	37.43	45.77	46.97	48.63	49.35	51.74
	4,000	40.04	49.58	50.94	52.85	53.67	56.39

- 2.146. The existing land mass at TW consists of 24ha and therefore there would be a need to reclaim 27ha from Portsmouth Harbour in order to deliver the proposed development.
- 2.147. Chapter 5 will set out how that development has been proposed to be configured within the reclaimed site. It will demonstrate how the proposals have been developed to respond to the needs set out above and in a manner to achieve truly sustainable growth and development as required by national and local policies. This has been informed through a full understanding of the site location and planning context, which are set out first in Chapter 3 and Chapter 4.

3. The Site – Location and Characteristics

- 3.1. The site where it is proposed to meet the sub-regional need identified consists of the TW&HIE SDA in Portsmouth. This incorporates land at TW and HIE and part of the Portsmouth Harbour. The site location is included in **Appendix 1**.
- 3.2. The site is located at the gateway to Portsmouth, off the M275 approximately 5km to the north of Portsmouth city centre. The site has direct access to the water and consequently can be accessed from Portsmouth Harbour (during high tide).
- 3.3. In total, the site is approximately 59ha. The existing land form comprises the TW peninsular, at nearly 24ha, and HIE at approximately 7.5ha. The remaining 27ha of the site is comprised of sea bed within Portsmouth Harbour directly adjoining the north, west and southwest parts of TW, and is therefore currently underwater. This area of sea bed is proposed to be reclaimed, whilst there will also be additional areas of dredging activities to provide a deep water channel access to the site through Portsmouth Harbour and the footings of the proposed Tipner Bridge that it is proposed will link TW with HIE.
- 3.4. TW is bound by Portsmouth Harbour to the north, west and south, whilst the eastern boundary of the site is formed by the M275. TW is 700 metres at its widest.
- 3.5. The HIE portion of the site is bordered by Portsmouth Harbour to the south, a Ministry of Defence (MoD) facility to the west, a former landfill site proposed to become a country park to the north and, once again, the M275 to the east.
- 3.6. The Portsmouth Harbour part of the site currently comprises sea bed and mudflats which are periodically exposed during low tide.
- 3.7. The totality of the site is included within the administrative area of Portsmouth City Council (PCC), including the Harbour element.

Site Access

- 3.8. The primary access road to TW is via Tipner Lane, a single carriageway road of good quality, which varies between 5.5m and 7m in width and is subject to a 20mph speed limit. Tipner Lane feeds directly onto the M275 Tipner roundabout (J1 M275), which provides north and southbound access and egress from the motorway. Tipner Park and Ride is also accessible from the M275 Tipner roundabout at J1 and located to the east of the junction. Access to the residential area of Stamshaw further east beyond the Park and Ride is restricted to vehicles by barriers.
- 3.9. The M275 is one of the three vehicular corridors into and out of Portsmouth. The M275 connects the M27 and A27 in the north with Portsmouth city centre approximately 5km to the south.
- 3.10. HIE is currently inaccessible by vehicles. A sub-base for a private track through the Veolia landfill site (proposed to be a country park) to the North of HIE runs down to the boundary of the HIE portion of the

site. This is proposed as a secondary construction haul road from Port Solent to the north of HIE. HIE is accessible from the water on the southern side only.

- 3.11. The portion of the site that lies within Portsmouth Harbour is currently only accessible by foot during periods of low tide. At high tide, this part of the site is underwater and therefore only accessible by water.
- 3.12. The TW and HIE sections of the site are served by a limited network of pedestrian footways and public rights of way, including a cycleway.

Existing Uses

- 3.13. The site currently contains a variety of uses primarily located in the northern section of the TW part of the site, as described in Table 3.1. HIE is currently unmanaged scrub land and vegetation with no current active uses.

Table 3.1: Existing uses on the Site

Existing uses on the Site	Description/assumptions regarding the relocation of these uses
The Harbour School	The Harbour School is a local authority controlled Special School and Alternative Provision currently located within the northern half of the TW portion of the site. It is currently envisaged that this will be relocated prior to the commencement of the proposed development.
Nautical Seamanship Training Corps	This training centre is located in the northern half of the TW portion of the site. It is currently assumed that this land will be vacated prior to commencement of the proposed development.
Portsmouth Harbour Cruising Club	This boat club is currently located within the northern half of the TW portion of the site. It is currently assumed that this will be relocated.
Tipner Boating and Angling Club	This is located in the south eastern corner of the TW portion of the site just off the Tipner interchange on the M275. It is currently assumed that this will be relocated.
Tipner Ranges	This was a Ministry of Defence firing range which currently comprises the majority of the TW site. This firing range was decommissioned in October 2020, and has been handed over to the applicant as a vacant site.
John Pounds Yard (including TJ Waste Facility)	The northern most part of TW consists of a commercial yard with some varied businesses currently in operation. It is currently assumed that this land will be vacated prior to the commencement of the proposed development.

Public Rights of Way

- 3.14. The site is served by a limited network of pedestrian footways and public rights of way. The current pedestrian infrastructure serving the site includes:
- A footway on the western side of Tipner Lane connecting the wider area with The Harbour School and John Pounds Yard. This footway also provides access behind The Harbour School, leading to a viewpoint that overlooks Tipner Lake.
 - A shared use path around the southern side of the M275 roundabout. Signalised Toucan crossings at the northbound off-slip and southbound on-slip facilitate access across this junction and connect the site to the adjacent Park and Ride and surrounding residential areas.
 - A shared use path runs parallel to the west of the M275 and provides access into Portsmouth city centre from the site. The route begins on the western side of Tipner Roundabout and is segregated from the M275 both in terms of level and distance.
 - A footway that begins on the north side of the M275 bridge and continues around the border of the site at HIE.
- 3.15. The information in the following paragraphs summaries on environmental topic areas providing PCC SD's current understanding, and a full review will be undertaken and presented as part of the EIA that will be submitted with any application.

Ground Conditions and Agricultural Land

- 3.16. Geological mapping indicates that the site is underlain by superficial deposits of River Terrace Deposits in the central and southern half of the site, and Raised Marine Deposits around the western and southern perimeter of the firing range, beneath the former landfill and Portsmouth Harbour Cruising Club.
- 3.17. The site does not lie within a groundwater source protection zone (SPZ).
- 3.18. The site is not under agricultural use, nor does it have a history of agricultural use and is not included within the Agricultural Land Classification Provisional (England) map (1:250,000) published in 1983 by MAFF, however land immediately to the north and east of the site is classified as urban and non-agricultural. This was determined from a search of the interactive DEFRA Magic Map using the Land Classification layer. The site is not included in the MAFF post 1988 revision.¹⁰

Archaeology and Built Heritage

Archaeology

- 3.19. The site has low to moderate potential for remains of all periods, based on previous studies within the vicinity of the site.

¹⁰ <https://magic.defra.gov.uk/MagicMap.aspx>

- 3.20. The site lies partially within three archaeological alert areas (AAAs), designated by Hampshire County Council as having archaeological interest. These are an internal designation for development control purposes, but do not necessarily present a formal constraint to planning.
- 3.21. The site also encompasses an intertidal and marine environment and, as such, will have potential for alluvial deposits which could contain well-preserved (due to waterlogging) organic remains dating to the Holocene and later, including paleo environmental remains, hulked and wrecked vessels, and river infrastructure.

Built Heritage

- 3.22. There are four Grade II Listed buildings within the site associated with the former powder magazines at Tipner.
- 3.23. Several undesignated heritage assets have also been identified within the site. The slipways at HIE constitute undesignated heritage assets with some merit or interest. A former WWII searchlight battery located within the central area of the site at TW is also identified on the Historic Environment Record (HER).
- 3.24. Associated with the magazines are the building to the south, a former 'shifting' house for changing into specialist magazine clothing which was converted into a magazine in 1827 and the building to the north – a cooperage dating to 1798-1800 (now derelict). Bounding these structures to the south is a section of wall dating to 1789-1800 (Grade II Listed), which was designed to protect the inland side of the magazine buildings, with the other sides being protected by the sea.

Flood Risk and Drainage

Fluvial Flood Risk

- 3.25. Due to there being no main rivers or ordinary watercourses located within the vicinity of the site, there are no risks of flooding from fluvial sources.

Coastal Flood Risk

- 3.26. The Environment Agency online Flood Map for Planning (Rivers and Seas) indicates that the TW portion of the site is located in Flood Zones 1, 2 and 3. Land in (tidal) Flood Zone 1 is assessed as having less than 0.1% annual exceedance probability (AEP). Land in (tidal) Flood Zone 2 is assessed as having between a 0.5% and 0.1% AEP, and (tidal) Flood Zone 3 is assessed as having an AEP of greater than 0.5%. There is a high risk of flooding on much of the site, especially with climate change and sea level rise being taken into account if no mitigation is undertaken.
- 3.27. The majority of the HIE is located within (tidal) Flood Zone 3 (high risk).
- 3.28. The 27ha of Portsmouth Harbour that it is proposed to be reclaimed currently sits within the tidal zone, and is therefore underwater at high tide.

Site Drainage

- 3.29. Portsmouth uses a combined sewer system which was built during the Victorian era and is subsequently prone to surface water flooding. The western interceptor is at capacity.
- 3.30. It is believed that there is a sewage connection at The Harbour School but no connection to the Firing Range. There are no dry weather waste water discharges on site; however, there are seven surface water discharges and 29 storm alleviation points. Surface water, for impermeable surfaces on TW, is discharged to Tipner Lake through a head wall on the northern shore. It is understood that there is no sewage connection on HIE and the water drainage network is unknown.

Nature Conservation

- 3.31. The site contains a number of different habitats. Tipner Range (within the TW portion of the site) contains a variety of managed grasslands, vegetated shingle shoreline and scrub/woodland boundary. The site also includes a grassland, scrub and woodland habitat mosaic within Horsea Island.
- 3.32. The site is located in an ecologically sensitive area, with several ecological designated sites (international, national and local) present within Portsmouth Harbour and the adjacent Langstone and Chichester Harbours. The site is located wholly or partly within the following:
- Portsmouth Harbour Special Protected Area (SPA).
 - Portsmouth Harbour Site of Special Scientific Interest (SSSI).
 - Portsmouth Harbour Ramsar site.
 - Solent and Dorset Coast SPA.
- 3.33. The TW Reclamation portion of the site and the location of the bridge footings for the Tipner Bridge are currently within Portsmouth Harbour which is a tidal basin. The mudflats associated with the tidal basin support a range of flora, fauna and benthic marine animals with some species present in high numbers.

4. The Site – Current Planning Policy Framework and Planning History

Introduction

- 4.1. This chapter sets out the policy framework relevant to the site, recognising that the local plan policies date from about ten years ago in 2012 before the Ministry of Defence (MoD) Firing Range was available for development. The transfer of the Range to the Council, combined with Government funding awarded to the Council to bring forward critical infrastructure, mean that the City Deal is more contemporary than the adopted local planning policy. However, the policy background is still relevant in that it establishes the principle of the suitability of the location for major development, and provides a baseline policy framework as the starting point for the current Local Plan Review.
- 4.2. This chapter considers policy relating to all aspects of the proposals including planning and marine related policy.
- 4.3. This chapter also includes a summary of the relevant planning and development history, which indicates that significant development has already been granted planning permission. These proposals were all preceded by the construction of the new M275 intersection (M275 Junction 1).

National Policy Context

National Planning Policy

- 4.4. National planning policy is contained in the National Planning Policy Framework (NPPF, 2021). The NPPF requires that Local Planning Authorities (LPAs) ensure that development is sustainable; positively seeks opportunities to accommodate growth; balances accommodating needs within a Council's area and the needs of other Council areas; and identifies sustainable locations. There is also a recognition within the NPPF that the supply of large numbers of new homes can often be best achieved through planning for larger scale developments, such as new settlements or significant extensions to existing towns and cities, provided they are well located and designed, and supported by the necessary infrastructure and facilities.
- 4.5. The key elements of the NPPF relevant to the TW&HIE SDA are:
 - Promote sustainable development as a priority (Paragraph 7).
 - Meet the development needs of the City, align growth and infrastructure, improve the environment, mitigate climate change and adapt to its effects (Paragraph 11(a)).
 - At a minimum, meet the objectively assessed needs of the area (and those of neighbouring areas), unless (Paragraph 11(b)):
 - i. areas of importance provide a strong reason for restricting the overall scale, type or distribution of development; or
 - ii. the adverse impacts of doing so would significantly outweigh the benefits.
 - Promoting healthy and safe communities – use mixed-use development with strong neighbourhood centres with sustainable connectivity that promotes social interaction (Paragraph 92)

- Focus significant development on locations which are sustainable or can be made sustainable (Paragraph 104).
- Supplying large numbers of new homes is best achieved by planning for large scale development, where supported by necessary infrastructure and meets needs in a sustainable way (Paragraph 73).
- Take an integrated approach to the location of housing, economic uses and community facilities/services through mixed-use schemes which are encouraged (Paragraphs 93 and 120).
- Place significant weight on supporting economic growth and productivity taking account of local business needs and wider opportunities for development (Paragraphs 8(a) and 81).
- Areas with high levels of productivity should be allowed to capitalise on their potential so that Britain can be a global leader in innovation: driving productivity improvements (Paragraph 81).
- Proactively and positively encourage sustainable economic growth with regard to Local Industrial Strategies (LISs) (Paragraph 82(a)).

UK Marine Policy Statement

4.6. In 2011, the Government adopted the UK Marine Policy Statement (MPS) as the framework for preparing Marine Plans and taking decisions affecting the marine environment. The MPS aims to ensure that marine resources are used in a sustainable way, in line with high level marine objectives, and therefore it seeks to:

- Promote sustainable economic development.
- Enable the UK's move towards a low-carbon economy, in order to mitigate the causes of climate change and ocean acidification and adapt to their effects.
- Ensure a sustainable marine environment which promotes healthy, functioning marine ecosystems and protects marine habitats, species and our heritage assets.
- Contribute to the societal benefits of the marine area, including the sustainable use of marine resources to address local social and economic issues.

4.7. These objectives are key to the purposes of the MPS.

National Policy Statement for Ports

4.8. The National Policy Statement for Ports (NPSP) was adopted in January 2012, with the aim of using the reforms enabled by the Planning Act 2008 and the Marine and Coastal Access Act 2009 to strengthen the system, making it more transparent, as well as offering greater certainty both to those who proposed new developments and to people who wish to make representations on those proposals. The NPSP is part of the planning system and provides the framework for decisions on proposals for new port development that are classified as Nationally Strategic Infrastructure Projects (NSIPs).

4.9. The NPSP sets out the threshold for NSIPs in the ports sector. These annual capacity thresholds are much more significant than would be seen within a development at TW&HIE SDA. Therefore, the proposed development would not be classified as an NSIP.

4.10. The proposed development has the potential to bring forward some indirect benefits to the Portsmouth International Port, but would not comprise direct improvements to the Port. Consequently, the NPSP carries

limited weight in the context of the proposed development, but is a consideration insofar as the proposals may offer some indirect benefits to the operation of the Port through vessel servicing, refit and repair.

4.11. The Government's policy for Ports has three key elements as noted below – the proposed development will address these insofar as they are applicable to the site:

- Encourage sustainable port development to cater for long-term forecast growth in volumes of imports and exports by sea with a competitive and efficient port industry.
- New developments should be advanced on the basis of commercial factors identified by the port industry or port developers.
- All proposed developments must satisfy the relevant legal, environmental and social constraints and objectives, including those in the relevant European Directives and corresponding national regulations.

4.12. Therefore, the NPSP should be considered, but will not be a core policy for determining any of the applications for the proposed development at the site.

Sub-Regional Guidance

The South Marine Plan

4.13. The South Marine Plan was adopted in July 2018 and covers an area of around 20,000 square kilometres of inshore and offshore waters across the southern coastline from Kent to Devon. This is one of the busiest shipping channels in the world, partly due to the significant number of Royal Navy ships stationed at Portsmouth. However this intense activity takes place alongside 60 marine protected sites within the area, therefore meaning it is one of the most complex areas of the English coastline.

4.14. The Plan was adopted to help ensure that the right activities happen in the right way and in the right location within the marine environment, providing a framework for how the waters are developed, protected and improved over a 20 year period. There are a number of key policies of direct relevance to the proposals for the TW&HIE SDA:

- **Policy S-INF-1** states that appropriate **land-based infrastructure which facilitates marine activity (and vice versa) should be supported** to deliver economic and social benefits and support for marine business. The types of infrastructure includes landing, storage and processing facilities, handling, slipways, boat repair facilities, passenger transfer or utilities transmission.
- **Policy S-EMP-1** states that proposals which develop **skills related to marine activities** will be supported so as to bring supply and demand in the skills/ labour market closer together. Consequently, proposals should demonstrate where training opportunities can be identified for new and existing marine activities.
- **Policy S-EMP-2** states that proposals resulting in a **net increase to marine related employment will be supported**, particularly where they are in line with the skills available in and adjacent to the south marine plan areas. The Plan recognises the multiple benefits of employment growth, including the social advantages, as those in work benefit from improved health and well-being.
- **Policy S-ACC-2** states that **proposals demonstrating enhanced public access to and within the marine area will be supported**. For the purposes of this policy, access is defined as physical access to the marine area to participate in recreational activities, or associated facilities and infrastructure on

land to enable and support activities in the marine area (for example paths, benches, slipways and marinas). Access also includes 'interpretive' and 'virtual' access that increases awareness and understanding of the marine area, for example interpretation boards, viewpoints, signage, films, literature and web based interpretation tools.

- 4.15. Overall, the South Marine Plan places a high emphasis on improvements to the marine infrastructure, marine employment skills and increasing marine employment opportunities, alongside improving access to the marine environment.

PUSH Spatial Position Statement (2016)

- 4.16. In June 2016, the then Partnership for Urban South Hampshire (PUSH) – now Partnership for South Hampshire (PFSH) – completed a Spatial Position Statement, setting out the overall need for and distribution of development in South Hampshire, to 2034. It sets out the employment and housing development needed to promote economic growth, jobs and homes. It is focused on achieving a renaissance of Portsmouth, Southampton and the other urban areas, protecting the most important aspects of the environment, and coordinating transport and other infrastructure. There are a number of objectives of relevance to the opportunity at TW&HIE:

- Locate employment close to where people live (Objective 16).
- Protect high quality waterfront employment sites (Objective 8).
- Support balanced housing sites with required infrastructure (Objective 10).
- Minimise harm to areas designated for nature conservation interests (Objective 17).
- Provide a mix of homes, jobs, services, leisure, recreational, cultural and open spaces facilities (Objective 18).
- Reduce reliance on the private car and increase employment densities at locations with high public transport accessibility (Objective 16).
- Portsmouth should capitalise on its accessibility, maritime heritage and waterfront location to secure employment, retail, residential, leisure and tourism development (Objective 19).
- Deliver a “cities first” approach to future development (Objective 20).

Local Policies

- 4.17. The Development Plan for PCC is comprised of the following adopted documents:
- Portsmouth Plan Core Strategy (2012).
 - The saved policies of the Portsmouth City Local Plan (2006).
 - Southsea Town Centre Area Action Plan (2007) (*not applicable to the proposed development*).
 - Somerstown and North Southsea Area Action Plan (2012) (*not applicable to the proposed development*).
 - Hampshire Minerals and Waste Plan (2013).
- 4.18. The potential for development and regeneration at Tipner/Horsea Island was first acknowledged in the Portsmouth Plan (2012), with Policy PCS1 relating to Tipner East and Tipner West, Policy PCS2 relating to Port Solent, and Policy PCS3 relating to Horsea Island.

- 4.19. Tipner was identified as *"a strategic site with the potential to contribute towards the overall regeneration of the city and the ability to play a major part in delivering a significant proportion of the development identified for the future of Portsmouth"* (Paragraph 3.1).
- 4.20. The site is included within a number of different allocations within the Plan. The allocation under Policy PCS1 refers to land at Tipner East and some of TW. The overall objectives under this policy are to create a sustainable community through a mixed-use development with high quality public transport routes to the City Centre and beyond. The key requirements of Policy PCS1 relevant to Tipner can be summarised as:
- Park and Ride (now built).
 - Highway improvements and new links to the new M275 intersection (completed in 2014) and nearby communities.
 - Infrastructure to enable the integration of the bridge link to Port Solent.
 - Mitigation related to the Portsmouth Harbour Special Protection Area (SPA) and Site of Special Scientific Importance (SSSI).
 - Contribute towards education capacity.
 - Take advantage of the waterside location.
 - Create attractive and safe streets and spaces and avoid featureless and monotonous elevations.
- 4.21. Within the Policy, the Tipner location was expected to deliver approximately 1,250 new homes, including those which have been planned and consented at Tipner East (noted as 480), and 25,000sqm gross of B1 office development up to 2027, supported by wider infrastructure including a bridge link to Port Solent from Tipner West. The allocation covered most of the land at Tipner East; the then recently completed Junction 1 of the M275; the Council owned land at TW (not the Firing Range at that time); and Tipner Point (in private ownership).
- 4.22. The allocation for Port Solent and Horsea Island is identified in Policies PCS2 and PCS3, respectively. These sites were expected to deliver a sustainable mixed-use development providing housing, employment, leisure and retail. It was expected that 500 new homes and 3.4ha of marine related uses could be delivered at Port Solent, with an additional 500 homes at Horsea Island. The Port Solent element could be delivered prior to the bridge link and the road across the proposed Horsea Island Country Park: that infrastructure would be required to facilitate the development of HIE for circa 500 new homes under Policy PSC3. The bridge and road link has also been a long-term aim of the Council to improve access to Port Solent.
- 4.23. The PCS3 allocation provided for the planned Horsea Island Country Park (former Paulsgrove Landfill site) and required the provision of improved access arrangements to the Veolia Household Waste Recycling Centre (HWRC) and the planned Country Park. The key requirements of Policies PCS2 & PCS3 relevant to Tipner can be summarised as:
- Port Solent:**
- A local centre.
 - 3.4ha for marine uses.
 - Protection of the fields south of Marine Keep for Brent Geese.

- Mitigation related to the Portsmouth Harbour Special Protection Area (SPA) and Site of Special Scientific Importance (SSSI).
- Contribute towards increasing the capacity of nearby schools.
- Contribute towards the delivery of the bridge link.
- Improve facilities for cycling and walking linked to the Horsea Island Country Park.
- Provide good quality public realm and landscaping.
- Provide high quality designed buildings to complement, in design and scale, the existing residential dwellings.

Horsea Island East:

- New all vehicle bridge adjacent to the existing M275 and link road to Port Solent (including measures to restrict the use of private motor vehicles between the proposed developments at Port Solent and Horsea Island).
- Improvements to capacity at the Port Way/A27 junction.
- Improvements to the access arrangements to the retained HWRC and planned Country Park.
- Mitigation related to the Portsmouth Harbour Special Protection Area (SPA) and Site of Special Scientific Importance (SSSI).
- Provide good quality public realm and landscaping.
- Provide high quality designed buildings to complement, in design and scale, the existing residential dwellings.

Local Plan Review

- 4.24. The National Planning Policy Framework (NPPF) (2021) Paragraph 33 states: *“Policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary. Reviews should be completed no later than five years from the adopted date of a plan, and should take into account changing circumstances affecting the area, or any relevant changes to national policy”*. The Portsmouth Local Plan was adopted in 2012 and therefore, in accordance with the NPPF, an evaluation of the adopted policies needs to be undertaken.
- 4.25. The Local Plan Review will serve to update and replace the Portsmouth Plan/Core Strategy; the two Area Action Plans for Somerstown & North Southsea, and Southsea Town Centre; and any saved policies from the Portsmouth Local Plan. The Review will provide for the needs of local residents and the economy over the period to 2038. It will include policies for the development and protection of land and site allocations for new development.
- 4.26. The Local Plan Review has undergone various stages of consultation including an Issues and Options consultation in 2017, and a specific consultation in 2019 on the Future of the Tipner Strategic Development Area covering TW&HIE. The next stage in the Plan’s preparation will involve Regulation 18 and Regulation 19 consultations during 2021/22 in preparation for submission to the Secretary of State for Examination, with the Examination proposed in 2022 followed by adoption potentially later that year or within 2023.

Planning History

- 4.27. **Appendix 5** sets out a record of the key planning history for Tipner East, Tipner Point (on Tipner West)

and Horsea Island, based on the policies contained in the Portsmouth Plan. The record is not comprehensive, but represents the main past and planned land use changes in the area.

- 4.28. There have been a number of planning permissions/resolutions to grant permission (subject to Section 106 agreements) for residential development and some employment relating to land to the east of the M275 owned by the Tipner Regeneration Company (TRC) and Homes England. These planning permissions/resolutions approved around 626 new dwellings in a range of flatted blocks (of between 5.5-8.5 storeys in height) and individual houses across four sites. Land remediation has been advanced across some of this land, but the new homes have yet to be commenced. The relevant application numbers are: 10/00849/OUT; 11/00362/OUT; 13/00202/OUT; 13/00203/OUT; and 15/01854/REM. The applications at Tipner East were all approved in 2011 or 2012.
- 4.29. A new motorway interchange was granted planning permission in April 2010 (09/01568/FUL), which included a roundabout, new slipways and a dedicated busway. Utilising this junction, a Park and Ride facility was granted planning permission in October 2013 (13/00853/FUL). Both of these permissions have been implemented and the infrastructure has been in operation for a number of years.
- 4.30. The most recent application in the area was for a new multi-storey Transport Interchange incorporating a Park and Ride facility (outline planning application 20/00457/OUT). The application proposed to replace the existing surface level Park and Ride with a multi-storey transport interchange providing Park and Ride facilities for up to 2,650 cars and 50 bicycles alongside associated transport infrastructure with ancillary offices, retail and leisure uses. The proposals were consistent with policies in the Portsmouth Plan that envisaged a larger Park and Ride facility at Tipner East and were designed to help provide for future demand for sustainable transport as the level of parking in the City Centre was reduced; to help address air quality issues in the City; to reduce greenhouse gases; to increase modal shift so as to improve journey time reliability; to improve connectivity to the Port and City Centre; to reduce congestion in the City to create a healthy and safe pedestrian environment; and to complement proposals for the TW&HIE SDA. The outline planning application was submitted to PCC in April 2020 but was refused by Planning Committee in June 2021.
- 4.31. There have been no planning applications submitted in the context of the adopted policies for TW or HIE: all planning permissions relate to the existing educational, marine leisure and industrial uses at these sites.
- 4.32. The planning history for the wider Tipner area, including the Tipner Interchange and Tipner East, broadly aligns with the policy framework contained in the Portsmouth Plan, with key transport infrastructure delivered ahead of the proposed development at the TW&HIE SDA. The TW&HIE SDA proposals will have regard to these permitted and proposed developments so as to ensure a coherent and comprehensive approach to the planning of the Tipner/Horsea Island area is secured.

Engagement

- 4.33. In early 2020, a number of Roadshow events were held across Portsmouth to gain views on the proposals for TW&HIE, including key areas of opportunity that were considered to be most important by members of the public. The proposals at the time were broadly similar in quantum and aims, but changes have been made since that time to address comments raised.

- 4.34. The Roadshow visited nine locations with more than 290 people attending, and comments provided in 83 feedback forms. The venues included community centres and leisure centres across Portsmouth including in Somerstown, Cosham, Paulsgrove and Port Solent. Based on the responses received during the event the following comments were considered key:
- 42% of the feedback forms included transport related queries or comments;
 - 26% of the comments were about environmental issues and green open spaces;
 - 26% of the comments mentioned infrastructure, public resources and activities; and
 - 2% of the comments were about employment and economic growth.
- 4.35. Many of the comments have already been considered within the design development that has taken place since the Roadshow events. For example, concerns were raised that the site was too small to provide enough green and open spaces, however the proposals are demonstrating policy compliance with open space requirements. Additionally, comments from one of the events expressed concerns about emergency vehicles accessing the development, however an Access Strategy is currently being progressed for the site to ensure emergency vehicular access. Many other aspects of the comments will be considered within the further development of the planning application, including transport strategies, contamination, and infrastructure delivery and parking provision.
- 4.36. The Design Council (an independent design panel advising the project team) was invited to review the proposals at a design workshop in January 2020. In its formal written response, the Design Council expressed its support for the vision set for Tipner West, which “*represents an ambitious approach to sustainability and connectivity*”.
- 4.37. The Design Council made the following recommendations as to how the project could further be enhanced:
- *“Address concerns over connectivity of the site including the feasibility of a car-free development.*
 - *Completing further analysis of the approach to connectivity, density and phasing.*
 - *Development of new options which can respond to the results of further analysis and testing.*
 - *Setting clear, high targets for Tipner West which will ensure delivery of the overall vision of the project.*
 - *Involving a wide range of stakeholders to build consensus around the vision.*
 - *Looking at national and international precedents of best practice to inform the vision and key design decisions.”*
- 4.38. These comments and those from the roadshow have been taken on board in the further development of the proposed development since that time.

5. Masterplanning

- 5.1. In early 2016, the Project Team undertook a range of background planning, design, engineering, environmental and marine investigations so as to understand the site's opportunities and constraints, which in turn informed a design optioneering exercise led by Gensler.
- 5.2. The background work and evidence base supporting the proposals has continued to be updated since this time and through early consultation exercises undertaken with both the public and statutory consultees (including PCC). Preliminary options for development at the site were produced, looking at the overall numbers of homes and employment and training floorspace that needed to be delivered.
- 5.3. It was recognised during this work that there was likely to be a requirement to consider the need for land reclamation. This was subject to further testing in terms of its feasibility and viability, as well as the implications that this would have to the project in terms of impact on the sensitive ecological designations.
- 5.4. It was recognised that the reclamation of land from Portsmouth Harbour SPA would require the project to demonstrate adherence to significant procedural requirements. This included satisfying the statutory tests in the Habitats Directive if there was going to be a need to promote development that would harm an SPA. Therefore, through 2017 and 2018, discussions were held with Natural England and the Environment Agency, in parallel with extensive surveys and work by the consultancy team, to determine if the necessary tests could be satisfied in order to deliver the proposed development. This is discussed in more detail in later sections of this report.
- 5.5. Between January and March 2019, PCC PT undertook a consultation as part of the early stages of the Local Plan Review (Regulation 18 consultation) to consider "The Future of Tipner and Horsea". This introduced the concept of reclamation to the wider public for their comment and feedback. This followed an earlier plan-wide Regulation 18 consultation on the Issues and Options affecting the city and the sites that took place in 2017. A summary of the comments from both consultations is provided at **Appendix 6**. At the time of the 2019 consultation, the supporting evidence of the work that had been undertaken by the promoter to get to this position in order to substantiate the proposals and need for reclamation proposed in the consultation was not provided by the LPA, and therefore was not able to be taken into account in responses by parties involved in discussions about the proposals, such as Natural England and the Environment Agency.
- 5.6. Within the 2019 Tipner-specific consultation, around half of the responses supported the proposed vision for the site, with comments highlighting the potential delivery of much needed houses and the need to address the existing poor state of the area. Others also noted the importance of building or increasing landmass in a well-connected and previously developed area, and thought it preferable to building on greenfield sites. There were also comments within the consultation response which looked to see an ambitious, creative gateway development for this key location at the entrance to the city.
- 5.7. The consultation responses showed the key areas of concern for the future proposals at the site, and these largely related to environmental impacts as a result of the area's national and international nature designations. The Council's initial response to these comments stated that it was accepted that the Council

needs to demonstrate the clear justification for any land reclamation, and that delivery of the site would be subject to the most rigorous testing and requirements for justification.

- 5.8. In June 2019, a radical new vision for the masterplanning brief was proposed by PCC SD such that, as a public sector led proposal, it was considered appropriate that the masterplan should incorporate future thinking on urbanism. PCC SD wanted to ensure that the masterplan was fit for purpose, pushed the boundaries and set new ways of living appropriate for the 21st Century. This would include dealing with challenges that were being initially faced and identified in 2019, but which were only expected to come more to the fore in the period up to submission of the application. Concepts included a car-free development/environment and an urban form and design that incorporated features to foster health and well-being.

Design Principles

- 5.9. In order to ensure delivery of the 2019 Vision, Design Principles were developed which were refined down to five. These Design Principles are set out below.
1. Pedestrian First
 2. Healthy Communities
 3. Closer to Nature
 4. Climate Responsive
 5. Beacon of Innovation
- 5.10. Whilst the Project Objective sets out the overarching objective for the proposed development, the Design Principles have been used to guide the evolution of the masterplan design to ensure it met the ambitions of the promoter.
- 5.11. A series of metrics have been developed to ensure that these Principles are met and advanced by the Masterplan.
- 5.12. This work, along with a review of the comments from the early 2019 Local Plan Review Regulation 18 consultation, led to a Draft Concept Masterplan being prepared at the end of 2019, which was subject to a public roadshow around Portsmouth in early 2020.
- 5.13. Prior to and alongside this work, ongoing consultation and engagement was advanced with statutory consultees and stakeholders:
- Natural England
 - Environment Agency
 - Portsmouth City Council – planning, housing, highways, environmental health, education
 - The Marine Management Organisation
 - Queens Harbour Master
 - Hampshire and Isle of Wight Wildlife Trust
 - RSPB
 - Butterfly Consultation Trust
 - Portsmouth Harbour Cruising Club

- Tipner Boat and Angling Club
 - Nautical Seamanship Training Centre
 - The Harbour School
 - The Crown Estate
 - John Henry Pounds
 - Tipner Regeneration Company
- 5.14. Through this process, the Masterplan has been developed to address feedback whilst retaining alignment with the overarching Project Objective and Design Principles.
- 5.15. Alongside the development of the Masterplan, the Project Team have been undertaking a range of planning, technical, engineering, marine, environmental, economic and transport investigations. The results of these have fed into the development of the Masterplan and other work streams related to the various assessments needed to support the proposed development through the consenting processes.
- 5.16. The Masterplan has been designed to reflect the market requirements in terms of the scale of housing to be achieved and the guidance on the type, density, size and tenure mix that the market would look to deliver.

Masterplan Brief

- 5.17. The Brief for the Baseline Concept Masterplan was to incorporate the following use mix, determined from research by Savills and MPL:
- Transfer of land from the MoD to PCC along with further land assembly.
 - A new bridge connecting TW and HIE.
 - Provision of a marine employment hub of at least 9ha to enable marine, maritime and advanced manufacturing sector to expand incorporating 58,000sqm of marine employment space with open yard space and a 600-700 tonne boat lift facility and full tide access.
 - Delivery of around 3,500 new homes to meet housing needs of marine employment employees, Portsmouth households earning £15,000.00 to £30,000.00 and the aspirational households leaving Portsmouth.
 - The homes should be split 55% apartments and 45% houses.
 - The apartment mix should be approx. 30% one-bed, 64% two-bed and 6% three-bed.
 - The housing mix should be approx. 38% two-bed, 37% three-bed, 25% four-bed.
 - Of the apartments, 40% should be mid-rise (4-5 storeys) and 30% should be high-rise (15 storeys).
 - Provide for circa 350 senior living apartments/houses.
 - Provide for circa 350 units of PRS apartments/houses.
 - Provide for some of the 6,419 affordable homes required across Portsmouth.
 - Provide a sustainable new community for Portsmouth catering for the circa 7,000 people that will live here e.g. primary school, education and training, community and health facilities.
 - Provision of an additional 100,000-120,000 sq ft general commercial office provision.
 - Provision of 30,000 sq ft of retail/F&B provision, including a supermarket of 10-15,000 sq ft at TW.
 - Opportunity for budget level hotel and may support a family pub/restaurant close to marine employment hub and motorway.
 - Include the 2FE Primary School within the first phase.

- 1,000 – 2,000sqm of health care/community provision.
- Nursery circa 250sqm.
- Provide for 1.6-2.0ha of open space per 1,000 population.
- A transport hub of approx. 2,000sqm at TW.
- Parking provision for 0.3-0.5 parking spaces per dwelling within a centralised provision close to motorway access.
- Utilities.

The Concept Masterplan Spatial framework

5.18. **Appendix 7** contains the spatial framework for the Concept Masterplan. This contains the following key elements:

- A marine employment and advanced manufacturing hub:
 - Primary marine employment in TW with access to water.
 - Secondary marine employment in HIE.
 - Maritime education/training.
- Key transport infrastructure:
 - A bridge link between TW and HIE for all traffic, but no general vehicular access through to Port Solent.
 - A public transport link between HIE and Port Solent.
 - Water-taxi terminals.
 - Integration with the Portsmouth Park and Ride on Tipner East.
- A high density mixed-use community core characterised by:
 - A community focal point.
 - Multi-storey residential living.
 - Ground floor retail and business uses.
- A gateway transport hub:
 - Multi-storey transport facilities – adaptable vehicle transit area.
 - Bus Rapid Transit stop.
 - Modal interchange facilities.
- Residential neighbourhoods:
 - A mix of density, unit types and tenures.
 - Retirement living.
 - Interconnectivity with the core and transport hub – pedestrian/cycle links.
 - Interconnected via a network of community routes.
 - A close relationship with the Harbour – with optimised Harbour views.
 - A peripheral waterfront/park route for pedestrians/cyclists.
 - A range of open space types – pocket parks/courtyards/parks.
- Leisure uses:
 - A marine leisure hub on HIE.
 - Potential hotel.
 - Restaurants/cafés.
- Community uses:
 - A primary school.

- Healthcare centre.
 - Nursery.
 - Interconnected green infrastructure network of open spaces – recreation/biodiversity/amenity.
- 5.19. In addition to these key elements, the Masterplan will be prepared with guidance from the National Model Design Code, published by the Ministry of Housing, Communities and Local Government (MHCLG) in January 2021. The purpose of this Design Code is to provide detailed guidance on the production of design codes, guides and policies to promote successful design and incorporates public engagement. It expands on the ten characteristics of good design set out within the National Design Guide which, in turn, reflects the Government's priorities, and provides a common overarching framework for design. A Design Code will therefore be prepared for the development to sit alongside both the Masterplan and the policies for Tipner within the Local Plan, to ensure good design and consistency for any future application for development at the site.

Current Status of Promotion Timeline

- 5.20. Responses to the roadshow, and further technical work and viability testing has fed into the proposed Concept Masterplan outlined above and illustrated in **Appendix 7**. This has set the basis for the Masterplan Framework outlined in this Regulation 18 consultation promotion report.
- 5.21. Initial engagement with consenting bodies was undertaken during 2020, including technical assessments to support the Environmental Impact Assessment (EIA) Screening and Scoping exercises, which have were submitted and consulted upon at the end of 2020 and start of 2021. A Scoping Opinion was received in March 2021. Work has also been advanced on the sequential requirements of the Habitats Regulations Assessment (HRA – Appropriate Assessment) and the potential requirements arising from a derogation under the Habitats Regulations 2017, should this be required as set out later in this report
- 5.22. Following the Local Plan Review Regulation 18 consultation and a further public consultation event to be undertaken by the promoter (PCC SD) in the late summer/autumn of 2021, further evolution of the Masterplan will be undertaken in preparation for the necessary planning permission and consenting applications to be made in 2022.
- 5.23. It is not expected that the applications will be determined before mid-2024, and therefore will be considered in the context of the Local Plan Review, which is expected to have been adopted by that time.

6. Consent Path

- 6.1. Selecting the right consent path for the project is critical to ensuring that the proposals would have a robust and the correct statutory basis to allow for their construction without legal challenge.

The Consenting Mechanism

- 6.2. In achieving the necessary consents at TW&HIE SDA, the proposals can be divided into two elements:
- The bridge link, reclamation for TW and the provision of marine facilities and dredging.
 - Housing, employment, leisure and community uses.

Bridge link, marine facilities and reclamation: application under a Transport and Works Act Order (TWAO)

- 6.3. The bridge link, dredging and any reclamation for TW have the potential to interfere with navigation within Portsmouth Harbour. The construction of harbour works below high water mark which could obstruct the public right of navigation without authority by or under statute could be an actionable nuisance. In addition, the works would be within the area of jurisdiction of the Portsmouth Harbour Authority, i.e. the Queen's Harbour Master. Depositing of materials necessary for the bridge link or reclamation without lawful authority would also be an offence under the Dockyard Port of Portsmouth Order 2005.
- 6.4. In the context of the bridge, dredging and reclamation works, the Transport and Works Act 1992 (TWA) states that works which either interfere with rights of navigation in waters within or adjacent to England and Wales, up to the seaward limits of the territorial sea, and are of a description prescribed by order made by the Secretary of State, may be authorised by a Transport and Works Act Order (TWAO) under the TWA.
- 6.5. Insofar as the land remediation and land raising works for flood defence would be an integral part (ancillary) of the land reclamation works, these would be included in any application under this statute.
- 6.6. The Transport and Works (Descriptions of Works Interfering with Navigation) Order 1992 (SI 1992/3230) prescribes 'bridge', 'pier' and 'land reclamation' as works interfering with rights of navigation which are within the scope of paragraph (2)¹¹ of the Order. For these purposes 'bridge' includes the abutments of and approaches to a bridge. A 'pier' includes a jetty, quay, wharf, mole, staging, slipway and any similar structure, device or facility (whether fixed or floating), together with any building thereon, used for the mooring, landing, launching or beaching of vessels or for commercial, residential or leisure purposes. 'Land reclamation' includes works for restoring or converting to dry land or to a polder areas of land which are continuously or intermittently covered by water and also means other works in, on or over such land (article 3 of the 1992 Order, as amended).
- 6.7. Based on the legal review, a TWAO was considered to be a suitable route to authorise the bridge and also any necessary reclamation for TW, including any marine facilities (for example jetties or wharves and related buildings). It is not likely that the Secretary of State would consider it appropriate for a TWAO to

¹¹ (2) In this Order, references to "works" are to be construed as including the construction, emplacement, removal, demolition, alteration or modification of the works in question, or of any part thereof, and any works ancillary thereto.

authorise housing, employment or community uses.

- 6.8. In relation to the aspects of the project proposed, one TWAO will therefore be promoted for:
- The Tipner Bridge (including its footings, decking and surfacing).
 - The TW Reclamation (including any retaining walls and flood defence structures).
 - Marine Facilities:
 - Marine facilities within the reclamation (e.g. quay walls, hoists, lifts and cranes).
 - Retaining walls, flood defence structures and other works elsewhere to the extent necessary to give effect to the reclamation or bridge or to mitigate any effects caused by the works for the bridge or reclamation.
 - Marine Works ancillary to the aspects above – including any demolition, removal, construction, alteration or improvement, as well as dredging and deposits at sea. This will in particular include (without limitation) the reclamation and footings of the Tipner Bridge.
- 6.9. Structures ancillary to the operation of the above aspects will also be included. A TWAO can also provide for compulsory purchase powers.
- 6.10. The TWAO Application would be accompanied by an application for a planning direction under Section 90(2A) of the Town and Country Planning Act 1990 (TCPA) to give deemed planning permission for the development authorised in the TWAO. This will include planning conditions imposed on those proposals. Portsmouth City Council, as Local Planning Authority, will need to discuss and ideally agree, those proposed conditions with the Inspector during the Inquiry into the TWAO application.
- 6.11. It is likely that the TWAO would also consent any works required to deliver the proposed compensation sites required as part of the associated HRA Derogation Report. That report is prepared to support the consent application to assist the consenting body and competent authority to undertake the assessment that is required of them through the HRA. This is explored further in the text below.

Works in the marine area: deemed marine licence under the TWAO

- 6.12. There will also be the need for a Marine Licence for, amongst other things, the construction, alteration or improvement, dredging and deposits at sea, the footings of the bridge and any reclamation. PCC SD is exploring the option that the Marine Licence could be granted as a deemed marine licence under the TWAO, negating the need for a separate Marine Licence under the Marine and Coastal Access Act 2009 (MCAA).

Land uses – housing, employment, leisure and community facilities: application under the Town and Country Planning Act 1990 (TCPA)

- 6.13. A separate Planning Application under the TCPA will deliver the planning permission for the remaining elements of the proposals, namely the development of the majority of the land based development, including:
- Marine Employment Hub (MEH).
 - Other marine employment buildings and structures at the MEH.

- Residential-Led Mixed-Use Development.
- Other ancillary community facilities, education, employment space and open space.

6.14. It is anticipated that this would be a Hybrid Planning Application with an outline consent being applied for the whole development, accompanied and supported by an Illustrative Masterplan, whilst some elements would be progressed in detail, in particular initial infrastructure, land raising and remediation. Following this, it is likely that the initial marine employment facilities and a first phase of housing will come forward as an early Reserved Matters Application.

The Supporting Documents, Applicant, Decision Makers and Competent Authority

- 6.15. The applications for the TWAO, Marine Licence(s) and the Hybrid Planning Application would be supported by the Detailed Masterplan, an associated Environmental Impact Assessment and Habitats Regulations Assessment (HRA) that would consider the development in its entirety. The HRA process may result in the need to provide for compensation either within or outside of Portsmouth City Council's jurisdiction. That compensation land will either take the form of part of the development or as a committed scheme if already consented. It is therefore proposed that a single EIA/HRA is prepared to support all the varied applications.
- 6.16. The applicant needs to be made by a legal entity and so would be Portsmouth City Council, although the contact details would be with Portsmouth City Council: Strategic Developments (PCC SD).
- 6.17. The application for the TWAO would be made to the Department for Transport (DfT). It is proposed by the promoter that it would be desirable that this includes the application for deemed marine licences, which the MMO would be fully consulted on, but the Secretary of State for Transport, in determining the TWAO, would ultimately determine.
- 6.18. The application for planning permission would be made to Portsmouth City Council as LPA to be determined according to the normal process for such applications under the Town and Country Planning General Regulations 1992 (as amended).

The Tests

- 6.19. There is no specific 'test' in the Transport and Works Act 1992 as to when the Secretary of State will make or refuse to make a TWAO. Instead, general principles apply with the Secretary of State considering whether or not it is in the public interest for the TWAO to be made and the powers in the TWAO to be granted. Where the TWAO includes powers to acquire land or interests in land compulsorily, the test sets a higher bar in that there must be a *compelling* case in the public interest.
- 6.20. That the case is in the public interest is a discretionary one for the Secretary of State, and can only be challenged if irrational or wholly unreasonable, but they would certainly have regard to any stated policy of the Secretary of State, which it would be unreasonable to disregard without giving good reasons.
- 6.21. The proposed development is likely to be subject to two distinct assessments by the Competent Authority – an Appropriate Assessment followed most likely by a derogation assessment under the Habitats Regulations. More detail on this is set out later in this chapter. However, the Habitat Regulations Assessment would need to demonstrate that there are no alternatives to the proposed development and

ultimately that it can be justified by Imperative Reasons of Overriding Public Interest (IROPI). As such, that assessment would in itself evidence that there is a compelling public interest case to support the proposals. If the tests are passed, then the compelling case in the public interest will have been accepted, thereby assisting the determination of the TWAO.

- 6.22. The Secretary of State will also need to be satisfied that there is a reasonable prospect that the powers being granted in the TWAO will be implemented, which requires that there are no other material impediments to the scheme and sufficient funding.
- 6.23. With regard to the planning application, under section 38 (6) of the Planning and Compulsory Purchase Act 2004, if regard is to be given to the development plan for the purpose of any determination to be made under the planning acts, the determination must be made in accordance with the plan unless material considerations indicate otherwise.
- 6.24. As noted earlier, this document is a promotional report to promote the proposals for TW&HIE SDA through the Local Plan. Hence, it is hoped that the applications should align with the Local Plan, which it is expected will be adopted by the time a decision is being made – see section on interface with the Local Plan below.
- 6.25. On 19 February 2019, the Government published a revised version of the National Planning Policy Framework (NPPF) and this has again been updated in 2021. The NPPF sets out the Government's presumption in favour of sustainable development, which provides that Local Planning Authorities (LPAs) should approve development proposals that accord with statutory plans without delay. The presumption in favour of sustainable development is a material consideration in the determination of planning applications.

Interface with Local Plan Review

- 6.26. It is considered that, based on expected timeframes (as set out earlier in this report), the Local Plan Review should have been completed and adopted by the time any determination is made on the applications for the TW&HIE SDA proposals. Indeed, the Local Plan will be at an advanced stage of consideration by the time the proposals are submitted in the latter half of 2022. This is relevant in relation to the weight to be attached to the Local Plan review in the determination of any applications – the more advanced the Local Plan Review, the more weight that can be attached to it.
- 6.27. The Local Plan process can be subject to unforeseen delays related to additional work, availability of Inspectorate resources for an Examination in Public (EiP), changes to national legislation or policy, changes in local political sentiment or legal challenges. Such delays could result in the need to revise the timing of the various applications for the proposed development so as to ensure that a new policy framework is in place at the time the applications are determined. For these reasons, the Project Team will keep the overall programme under review so as to ensure alignment between the policy and application processes.

Requirements under the Habitats Regulations 2017

Appropriate Assessment

- 6.28. A Habitats Regulations Assessment (HRA) refers to the several distinct stages of assessment which must be undertaken in accordance with the Conservation of Habitats and Species Regulations 2017 (as

amended) and the Conservation of Offshore Marine Habitats and Species Regulations 2017 (as amended) to determine if a plan or project may affect the protected features of a habitats site before deciding whether to undertake, permit or authorise it. Sites identified as European Sites and European Offshore Marine Sites under these regulations are referred to as 'habitats sites' in the NPPF. Following the UK's departure for the European Union on 1 January 2021, these sites are now part of the UK National Site Network.

- 6.29. All plans and projects (including planning applications) which are not directly connected with, or necessary for, the conservation management of a habitat site, require consideration of whether the plan or project is likely to have significant effects on that site. This consideration – typically referred to as the Habitats Regulations Assessment screening – should take into account the potential effects both of the plan/project (excluding any mitigation/compensation) in combination with other plans or projects. Where the potential for likely significant effects¹² cannot be excluded, a Competent Authority must make an Appropriate Assessment of the implications of the plan or project for that site, in view of the site's conservation objectives. The Competent Authority may agree to the plan or project only after having ruled out adverse effects on the integrity of the habitats site. Where an adverse effect on the site's integrity cannot be ruled out, the proposals must be considered under a derogation under the EU Habitats Directive¹³.
- 6.30. The Project Team will prepare a shadow Appropriate Assessment or HRA report using the baseline environmental survey data secured for the purposes of preparing the Environmental Impact Assessment (EIA). The shadow Appropriate Assessment report will inform the Appropriate Assessment that must be undertaken by the Competent Authority, whose decision will determine if the project can proceed, and must meet the statutory tests under a derogation. Based on the Baseline Concept Masterplan, the Project Team believes that the proposals for the site would result in significant effects on the Portsmouth Harbour SPA – the proposals will therefore likely be assessed under the HRA derogation arrangements.

Derogation

- 6.31. Under a derogation it is necessary to pass three sequential tests. The three tests are:
- I. There must be **no feasible alternative solutions** to the project which are less damaging to European sites.
 - II. There must be **Imperative Reasons of Overriding Public Interest (IROPI)** for the project.
 - III. All necessary **compensatory measures** must be secured to ensure that the overall coherence of the network of European sites is protected.
- 6.32. Early engagement with a Statutory Nature Conservation Body (SNCB – Natural England) is strongly recommended since its view should be obtained on the extent of any adverse effects and the compensatory measures required. The Government expects SNCBs to assist applicants and Competent Authorities to assess and identify the efficacy of any compensatory measures.
- 6.33. The Project Team has engaged with Natural England and the Environment Agency in detail over the

¹² In this context, a 'significant effect' is any material adverse effect.

¹³ Following the UK's exit from the EU, the Habitats Directive no longer applies in the UK, but all its provision and requirements are contained in the UK's Conservation of Habitats and Species Regulations 2017 – the term 'derogation' arises from the Habitats Directive, but is continued to be used here so as to distinguish it from the Appropriate Assessment stage of the Habitats Regulations Assessment

proposals since 2017 with regard to the impacts of the proposals and how the habitat compensation to address those impacts is to be determined under the test at III above. Engagement is ongoing. Engagement has also been undertaken with the Marine Management Organisation (MMO) and The Crown Estate over the proposals.

- 6.34. The Project Team will prepare a shadow derogation report as part of the shadow HRA and for the submission. It will assess the proposed development against the tests in the Habitat Regulations. The shadow derogation report will inform the derogation assessment that must be undertaken by the Competent Authority, whose decision will determine if the project can proceed under a derogation.

I) Alternative solutions

- 6.35. The Project Objective will provide the basis for the assessment of the alternatives to the Baseline Concept Masterplan proposals (test I). The alternatives must be those that are feasible (financially, legally, technically) that would do less harm to the SPA. This test is to determine whether there are any other feasible ways to deliver the overall objectives of the project which would do less harm to the integrity of the SPA. An alternative solution is one that is limited to that which could deliver the Project Objective. Alternative solutions could include development at a different location, or using different routes, scale, size, methods, means or timing.
- 6.36. The assessment would need to include, at a minimum, not going ahead with the project (do-nothing option) as a baseline position, as well as locating the project at other sites in Portsmouth or in other Council areas. The project team will engage with relevant regulators to agree the methodology for the assessment.
- 6.37. The alternatives that will be considered in the report are likely to be:
- **Do-nothing** – this is included as a baseline/reference case.
 - **Concentration and scale** – TW: critical mass at TW&HIE with land reclamation.
 - **Existing land mass** – developing the existing land mass for housing and marine employment at Tipner/Horsea Island with no reclamation.
 - **Split development** – marine employment only at TW&HIE with no reclamation and housing at one location in a neighbouring council area under Duty to Co-operate.
 - **Dispersal** – marine employment only at TW&HIE with no reclamation and dispersing all housing development to Portsmouth/neighbouring council areas under the Duty to Co-operate.

II) Imperative Reasons of Overriding Public Interest (IROPI)

- 6.38. In terms of the IROPI test (test II), the key elements are that the proposals must be imperative – it must be essential, weighed in the context of other elements, that the project proceeds; Overriding – the interest served by the project outweighs the harm to the integrity of the site; in the Public interest – a public benefit must be delivered rather than a solely private interest. The test requires that the public interest reasons are justified as overriding the harm to the environment; justified by offering public benefits. The assessment must consider whether the reasons meet this test in terms of the following considerations:

- Human health.
- Public safety.

- Beneficial consequences for the environment (before habitat compensation).
- Socio-economic benefits (given that there are no priority species or habitats affected).

- 6.39. A Public interest can be national, regional or local. A high level of public interest will exist for projects consistent with national strategic plans or policies (i.e. National Policy Statements (NPSs), National Infrastructure Plan (NIP)). Whilst no such policies exist in relation to Tipner, City Deal is a national regeneration initiative that is an agreement between the UK Government and Portsmouth City Council, which gives the Council wide-ranging powers to deliver critical socio-economic growth and infrastructure. Accordingly, the Southampton and Portsmouth City Deal represents a national strategy that would be a significant national initiative to which considerable weight should be attached. Other projects on a sub-national scale may also demonstrate IROPI, but would need to show long term benefits. The assessment will need to consider the four factors noted above and demonstrate long term benefits.
- 6.40. The use of the words 'imperative' and 'overriding' indicate that this test also establishes a high threshold: the development, in essence, must be indispensable, and the public interest in it going ahead must clearly outweigh protecting conservation objectives of the site.

III) Compensation measures

- 6.41. If harm to a site designated as part of the National Site Network (now the UK network of sites originally designated by the EU – formerly the Natura 2000 network) is to be allowed (because there are no alternatives and IROPI can be shown), the Regulations require that all necessary compensatory measures are taken to ensure the overall coherence of the National Site Network as a whole is protected. Competent Authorities and SNCBs should help applicants identify suitable compensatory measures, decided on a case-by-case basis and aim to offset the negative effects caused by the project.
- 6.42. Whilst the first two sequential tests must be overcome before it can be accepted by any consenting body that compensation can be used, it is expected that there will be a need to demonstrate the presence of potential compensation sites as part of the applicant's HRA. As such and due to the time required to identify and secure such land, the identification of potential sites is already being undertaken.
- 6.43. In respect of Tipner, Environment Bank has been employed to apply a habitat banks approach by applying a modified Defra Metric to the areas of the SPA likely to be impacted by the proposals, being mainly the intertidal area. The metric has the advantage of providing an objective and robust means of identifying the scale of the impacts on the SPA and through the application of certain risk metrics, the amount of compensation required is determined. This is considered to be far superior to the traditional application of an unsubstantiated ratio, which typically has been two units of compensation for every one unit of impact (2:1 ratio). **Appendix 8** briefly explains the proposed adapted Defra Metric for the SPA.
- 6.44. Natural England and the Environment Agency have been involved in extensive engagement with the Project Team over the last three years and have been fully briefed on how the Defra Metric has been adapted for the designated marine and coastal environment at Tipner. Both Natural England and the Environment Agency have supported exploring the use of the adapted Defra Metric discussed at **Appendix 8**.
- 6.45. The most recent metric assessment of the TW&HIE SDA proposals was undertaken in February 2020 on the basis of the 2019 Draft Concept Masterplan and can be found at **Appendix 8**. These figures will be

updated as the proposals evolve. Portsmouth Harbour SPA is 1,247ha in size, with a considered zone of impact for Tipner (both direct and indirect) of 165.45ha; of this 143.39ha falls within the SPA. The direct impact of the development is calculated as 40.94ha, with 35.43ha located within the boundary of the SPA. This is equivalent to a direct impact on 2.84% of the SPA area. A further 124.51ha is identified under the indirect impacts of the development, with 111.36ha located within the SPA boundary (8.9% of the SPA area). In total, a total of 11.50% of the Portsmouth Harbour SPA area is considered to be impacted (direct and indirect) by the development.

6.46. The metric then provides target areas to create in order to compensate for the harm to the SPA and its supporting habitats, and are based on an objective and empirical analysis¹⁴.

Intertidal Habitat

1. 162ha created and managed with a precautionary medium function target with a low difficulty of creation and delivery.
2. 139.10ha created and managed with a desired high function target with a precautionary medium difficulty of creation and delivery.
3. 93ha created and managed with a desired function target with a low difficulty of creation and delivery.

Supporting Habitat

1. 14.34ha – 35.84ha: enhancement and protection of existing goose foraging site, where additionality can be shown.
 2. 10.24ha – 17.92ha: creation of a goose foraging site on land with existing low suitability.
- 6.47. Therefore, subject to the difficulty of habitat creation and the level of target function achievable, compensation would require between 93ha and 162ha of intertidal habitat to be delivered in respect of the direct impacts of circa 35ha. Converted to a traditional 'compensation ratio', this would represent a ratio of 1:2.65 to 1:4.63. For the supporting habitat, the requirement is for between 10ha and 36ha, which converts to a traditional 'compensation ratio' of 1:1.7 to 1:6.
- 6.48. In relation to finding sites for compensation in order to present a comprehensive HRA case, during 2020 the Project Team has undertaken a detailed and ecologically-led site search and selection process using GIS combined with available baseline survey data and objective evaluations. The stages in the progress are summarised below, along with broad timings:

Stage 1: GIS-based Compensation Site Search (WSP – April 2020)

- Area of Search: Poole to Rye Harbour.
- 46 Brent geese sites.
- 15 Intertidal sites.

¹⁴ The habitat compensation requirements will be subject to change as the project is developed

Stage 2: Priority Ranking Report (Environment Bank – June 2020)

- 40 Brent geese sites.
- 15 Intertidal sites.

Stage 3: Landowner details (Savills – June-July 2020)

Stage 4: Site Surveys (WSP – November 2020 onwards)

6.49. The site search work and subsequent priority ranking has been used as the basis for contacting landowners to establish sites to be brought forward for habitat compensation either through compensation agreements or land acquisition models. In parallel, Environment Bank is also using its search capacity and resources to provide ongoing iterative ecological assessments of the compensation options.

Consent for Habitat Compensation Sites

6.50. In the event that there are no feasible alternatives to the TW&HIE SDA proposals and IROPI are demonstrated, then habitat compensation sites would be needed – it is proposed that habitat compensation areas would be provided as compensation under the requirements of the Habitats Regulations 2017 and to be part of the Habitats Regulations derogation case for the TWAO. These areas of habitat compensation will involve engineering works and land use change, so will need consent through the TWAO.

Conclusions

- 6.51. The 'alternatives' test will require an assessment of the need for the development and the strength of that need, and alternative solutions to meet it, e.g. alternative sites within/outside of Portsmouth, do-nothing, and developing at a smaller scale on the existing land mass.
- 6.52. For the IROPI test, considerations will include benefits to human health, public safety and beneficial consequences of primary importance to the environment. As Priority Habitats or Priority Species would not be negatively affected, account can be taken of social or economic benefits.
- 6.53. Habitat compensation is likely to be required as the last part of the sequential approach.
- 6.54. As part of the TWAO and TCPA submissions, a full shadow HRA assessment will be provided to inform the decision of the Competent Authority.

Environmental Impact Assessment (EIA)

EIA for Proposed Development on the TW&HIE SDA

6.55. Under the EIA Regulations¹⁵, the proposed development at the TW&HIE SDA constitutes EIA development, for which an Environmental Assessment is required. The Project Team has therefore commenced the

¹⁵ Regulation 15 (1) of The Town and Country Planning (Environmental Impact Assessment) Regulations 2017 (The 2017 Terrestrial Regulations); Rule 8(1) of The Transport and Works (Applications and Objections Procedure) (England and Wales) Rules 2006 (as amended) (the 2006 Rules); Regulation 13 (1) of The Marine Works (Environmental Impact Assessment) Regulations 2007 (as amended) (the 2007 Marine Regulations)

preparation of the Environmental Assessment, including a range of environmental surveys. A note summarising progress in the winter bird surveys and the initial findings is attached at **Appendix 9**. The first formal submission in the EIA process was a request to the relevant authorities¹⁶ for a Scoping Opinion (Scoping Request report) – this was submitted in December 2020.

- 6.56. The EIA Scoping Report was prepared by Savills on behalf of PCC SD with input from the Project Team. The Scoping Report provided preliminary environmental information in relation to the proposed development at the TW&HIE SDA and suggested the scope of key issues that the subsequent EIA would need to examine.
- 6.57. The Scoping Report was provided in support of a request for a ‘Scoping Opinion’ for the proposed development from the Council and the Department for Transport (DfT) and relating to the above elements of the proposed development.
- 6.58. This Scoping Report contained the information to allow the Secretary of State for Transport and PCC to consult with relevant stakeholders on the proposed scope of the EIA, including the MMO, Environment Agency, Highways England and Natural England, so that their comments could be taken into consideration to inform their Scoping Opinion in response to this Scoping Request. The joint Scoping Opinion was issued on 12 March 2021 and set out their view on the scope and level of detail of the information to be provided in the EIA. In accordance with the joint Scoping Opinion, the scope of the EIA will cover the following topics:
- Air Quality and Odour.
 - Cultural Heritage and Archaeology.
 - Daylight, Sunlight and Overshadowing.
 - Greenhouse Gases and Climate Change.
 - Ground Conditions and Hydrogeology.
 - Human Health.
 - Hydrology and Flood Risk.
 - Landscape and Visual.
 - Marine Hydrodynamics and Sediments.
 - Navigation and Recreation.
 - Noise and Vibration.
 - Socio-Economics.
 - Soils and Agricultural Land.
 - Terrestrial and Marine Biodiversity.
 - Traffic and Transport.
 - Waste.
 - Water Quality (Marine and Terrestrial).
 - Wind Micro-Climate.
- 6.59. The ES will be based on a set of agreed high level parameters and design details that will be taken from the wider Masterplan proposals, and are likely to include:

¹⁶ Secretary of State for Transport and Portsmouth City Council

- Extent of reclamation and other works in the Harbour.
- Design and method of reclamation.
- Dredging.
- Method of remediation.
- Drainage arrangements.
- Extent and design of land raising.
- Bridge design, access design.
- Phasing.
- Land use layout.
- Heights.
- Numbers of units.
- Open space layout, including occupation activity with regard to access to or restriction on activity in proximity to the coastal frontage with the SPA.

6.60. The ES will be prepared over 2021 and finalised in early 2022 to be submitted alongside and covering all the applications being submitted to secure the necessary approvals/consents for the proposed development.

EIA for Compensation Sites

6.61. As set out above, it is likely that there will be a set of sites identified for compensation as part of the proposed development. Ideally, the compensation would be underway and delivering the required habitat prior to any impact taking place at the TW&HIE SDA site. As such, compensation sites may come forward in advance of the wider TW&HIE SDA proposals.

6.62. Applications to create and manage compensation sites can be made in advance of the wider project proposals, as they are not reliant on, nor do they necessitate, those proposals. The compensation site creation and management proposals may or may not need EIA separately – this is determined at the EIA Screening stage. That screening is to determine if the compensation site creation and management proposals might have a significant impact on the environment (social, environmental and economic aspects), such as to require EIA.

6.63. Once the compensation sites are confirmed, and any works required to enable them to act as effective compensation sites are finalised, the need for them to be subject to EIA (and HRA) if progressed in advance of the wider project can be determined in consultation with the consenting body for the works required. Progression in advance of the main project would be helpful, as these would represent a committed scheme and would be included in the main project EIA in that manner.

7. Funding, Viability, Phasing and Delivery

Funding

- 7.1. The City Deal Agreement provided a significant funding package to PCC in order to provide for an initial shortfall that was expected in relation to the project at the time of its signing. This is available and PCC has earmarked funds to support the delivery of infrastructure to help deliver the TW&HIE SDA.
- 7.2. In addition to this, there are other funding packages and public sector funds that are actively being considered that could assist contribution to elements of the proposals, such as the proposed school and the bridge.
- 7.3. Further, there are items within the proposals which are due to be supported by Community Infrastructure Levy (CIL) funds that Portsmouth City Council receives and has received from developers as developments within the city come forward.
- 7.4. The proposals also include significant city-wide strategic infrastructure, such as the bridge, which is not in itself required in order to deliver the proposals at TW. The bridge is required for other city-wide objectives, and once provided it would enable the more intensive development at HIE.
- 7.5. PCC has been engaging with the market over the proposals, and there is significant developer interest in the scheme. Whilst a decision has not yet been taken on how the development will be delivered, private sector partnership funding is a clear option.

Viability

- 7.6. The proposals have been and will continue to be reviewed in terms of market deliverability and viability. This could potentially lead to alterations in the proposed development form and quantum at TW&HIE SDA.
- 7.7. Not only does the housing provision potentially underpin the capital cost of initially providing development at TW&HIE SDA and, in particular, the marine employment zone, but the marine employment zone itself could, in due course, act as an income generator for the City Council. A cash flow exercise will be important to understand the approach to the delivery of the development, however generally it is understood that PCC and/or associated developers will be required to cover the costs of the land reclamation, with these costs recovered later following delivery of the housing phases of the development.
- 7.8. The TW&HIE SDA proposals are expected to be assessed through a separate viability exercise for their inclusion in the Local Plan and the Savills team will be engaging with PCC over that process in due course.

Phasing

- 7.9. There is currently an expectation that work towards the submission of applications will take place during the period up to early 2022. It is expected that, whilst planning permission would normally take a period of potentially six months to determination, this would not be able to be determined until the TWAO, and the land on which the proposals will be developed has been granted consent. The TWAO process would be

expected to take no less than 18 months to decision and therefore the earliest start on site is expected in 2024.

- 7.10. As mentioned previously, it is possible and ideal if land compensation starts being provided in advance of development at TW&HIE SDA.
- 7.11. The land reclamation and site enabling works, which will be accompanied by any access and infrastructure required to service the initial phases, will likely be commenced prior to the first phase of development that is likely to be submitted as a Reserved Matters Application. The marine employment zone would be the first development element to be advanced and followed soon after by the first housing phase, which for place making purposes would include the new primary school that would serve the development. A mix of houses and flats would be included within initial phases in order to ensure market absorption.
- 7.12. It is expected that the first element of the marine employment zone would be delivered during 2026, with residential development coming forward as completed homes by 2029.
- 7.13. The development (both reclamation and built development) would continue to be phased to ensure market absorption at appropriate rates and allow a mix of unit types to come forward at appropriate times. As phases are being sold, new phases start to be constructed. At present, it is expected that the final phase will complete by around 2040.

Delivery

- 7.14. As noted above, the form of delivery of the proposals has not yet been finalised. Various options exist, as set out below – these are being tested with the market:
- Sale with Planning Permission.
 - Sale subject to Planning Permission.
 - Revenue Model.
 - Infrastructure Delivery Joint Venture.
 - PCC Infrastructure Delivery.
 - PCC Direct Delivery.
 - Joint Venture Partnership.
- 7.15. PCC SD will be exploring these options with regard to the impact on viability and recognising the need for public sector support for the marine employment zone. Initial discussions with the development industry will also be feeding into any decisions made.
- 7.16. The land previously owned by the MoD has been transferred to PCC (Tipner Firing Range and Horsea Island East). Commercial negotiations are ongoing with regard to the land owned by JH Pounds at Tipner Point. Preliminary discussions with The Crown Estate indicate that land required for the reclamation can be part of a standard commercial arrangement with the Council.
- 7.17. It is therefore expected that there will not be any impediments to the land assembly that is still required in order to deliver the TW&HIE SDA proposals by the time the applications are submitted in 2022. In the event that there are any remaining land assembly requirements, the authority to acquire land under the

TWAO could be invoked as a last resort (Note: Crown Estate land cannot be acquired under such an authority).

Conclusion

- 7.18. Whatever form the final delivery model takes, this chapter has demonstrated that the impediments and tests needed to ensure success at the TWAO Inquiry and Local Plan Examination of Funding, Viability and Deliverability ultimately are all under consideration and it can be demonstrated that these should not act as impediments to the proposals coming forward.
- 7.19. This position will be updated as further evidence and decisions are made during the process leading up to the final Local Plan Submission, as well as the submission of any consenting applications.

8. Conclusions and Policy Response

- 8.1. This report has summarised the background to the proposals for the TW&HIE SDA. The development of the SDA is being promoted and designed in the current form in order to meet the Project Objective so as to fulfil the aims of the City Deal signed in 2013 between Portsmouth, Southampton and central Government alongside wider policy.
- 8.2. The report has been prepared to demonstrate that there is a robust evidence base that can be used to promote the development of TW&HIE in this format in order that it should be allocated within Portsmouth City Council's Local Plan Review. It sets out the proposed route to justification of the proposals in the context of the current and emerging policy framework and against the various requirements and tests contained in the relevant legislation under which the proposals will be assessed.

Summary of findings

- 8.3. The report has set out how the Project Objective originates from the 2013 City Deal and policy requirements to deliver the TW&HIE SDA.
- 8.4. Chapter 2 outlines the specific and vital needs that exist in the marine and maritime economy and the role of the Solent region in supporting with meeting these needs, as well as touching on the skills and labour market needs. The case that the marine and maritime employment need must be delivered at TW&HIE due to the lack of alternatives is outlined. It is noted that this employment need is understood to be accounted for in developing Portsmouth's overall housing need that will form the basis of the Local Plan Review. The chapter goes on, however, to outline the significant challenge that Portsmouth has in meeting its housing needs as well as particular sectors of the City's population that are struggling to find the right homes in the right place, leading to significant commuting issue for the city. A consideration is also made as to the ability of neighbouring authorities to help meet that housing need. A review of social infrastructure needs is provided in supporting the other identified needs. In order to meet all of these needs to provide a sustainable community with its own critical mass, it is identified that development at TW&HIE would necessitate reclamation of land from Portsmouth Harbour to provide the requisite land mass of 59ha.
- 8.5. The location of the proposed SDA is set out in Chapter 3, including discussion of the two land-based elements at TW and HIE as well as the underwater element of the proposed SDA within Portsmouth Harbour, which it is proposed would need to be reclaimed. The characteristics of the site as well as relevant planning history and engagement to date are noted.
- 8.6. Whilst this report is submitted in support of a new allocation within Portsmouth City Council's Local Plan review, relevant policy (both marine and spatial planning) is set out in Chapter 4. This chapter provides a summary of the policy framework at the national, regional and local level and how this points towards meeting assessed needs in each council area and seeking to do so by focusing larger areas of mixed-use development at highly sustainable locations. This approach is echoed at the regional level, where policies encourage locating employment where people want to live, protecting waterfront employment sites, capitalising on waterfront locations for housing and employment in mixed-use schemes and, where opportunities exist, to reduce reliance on the private car. Local policies acknowledge the potential at Tipner and Horsea Island with some land allocations and the role of the Horsea Island Country Park in addressing

open space shortfalls and mitigation for recreational disturbance. The role of the Local Plan Review in taking forward the opportunity at TW&HIE is noted. Overall, the wider policy framework supports the scale, form and location of the proposals for the TW&HIE SDA and a strong basis for a revised policy framework for the opportunity at the TW&HIE SDA through the Local Plan Review.

- 8.7. Chapter 5 outlines the Masterplan Framework for the SDA, including the elements that are contained within it to ensure the identified needs are met. From first optioneering in 2016, to the development of the Concept Masterplan proposals over 2017-2021, the masterplanning has been underpinned by a set of Design Principles, alongside many years of technical, environmental and planning surveys and investigations that are continuing. The masterplan also reflects the key urban land use requirements and the market signals that all support the demand that is in place to match the objectively assessed needs based on the city's forecast population and workforce growth.
- 8.8. The proposals are illustrated in the Spatial Framework Plan at **Appendix 7**.
- 8.9. Chapter 6 summaries the consent path proposed to be adopted in delivering the TW&HIE SDA involving multiple approvals under three legislative frameworks, and how these interface with each other, both procedurally and technically. The section then reviews the requirements under the EIA Regulations and the scope of the Environmental Impact Assessment currently being prepared. It also reviews the requirements under the Habitat Regulations with regard to the 'alternatives', 'IROPI' and 'compensation' tests, and outlines the basis on which the proposed development will be considered in order to demonstrate how it will meet these requirements. The section concludes with an update on the ecologically-led process for selecting and acquiring land for habitat compensation. A Shadow HRA report will be prepared as part of the consenting applications and which will also support the Council's plan level HRA for the Local Plan Review at the Regulation 19 stage in order to demonstrate that there are no alternative solutions to delivering the Project Objective other than as set out within the TW&HIE SDA.
- 8.10. Chapter 7 then outlines the current position on funding, phasing, viability and delivery, which is at a relatively high level but will be developed further over 2021/2022. This review demonstrates that the TW&HIE SDA has or will have available funding and is therefore a viable proposition that can be phased in such a way that it can be delivered to the market over a 10-20 year period.

Conclusions

- 8.11. In conclusion, the TW&HIE SDA has national and local policy support through the City Deal, national planning policy and guidance and sub-regional and local planning policy and guidance, all of which informed the Project Objective. There is a need for housing to be associated with strategically important marine employment provision in order to ensure that local needs are met and, in particular, at TW&HIE to maximise the economic impact of the marine and maritime assets in Portsmouth and the Solent and in order to comprehensively deliver the Project Objective.
- 8.12. The TW&HIE SDA will be able to demonstrate a strong and robust case to pass the requirements under the Habitat Regulations.
- 8.13. The EIA process is expected to demonstrate that there are no impediments to consent that cannot be mitigated or compensated for.

- 8.14. In order to demonstrate that the proposals should be able to achieve an allocation, consent and be delivered on the ground, the applications and future promotion evidence will consist of/demonstrate the following:
- National and Local Policy Support – supported by an allocation in the Local Plan Review.
 - A derogation under the Habitats Regulations – meeting the sequential tests.
 - An Environmental Impact Assessment (EIA) – acceptable in environmental terms.
 - Land Ownership – demonstrating ownership/control of the site.
 - Viability and available funding – demonstrating the ability to deliver.
 - Phasing – feasible and acceptable.
 - Delivery – in legislative, legal, viability and physical terms.

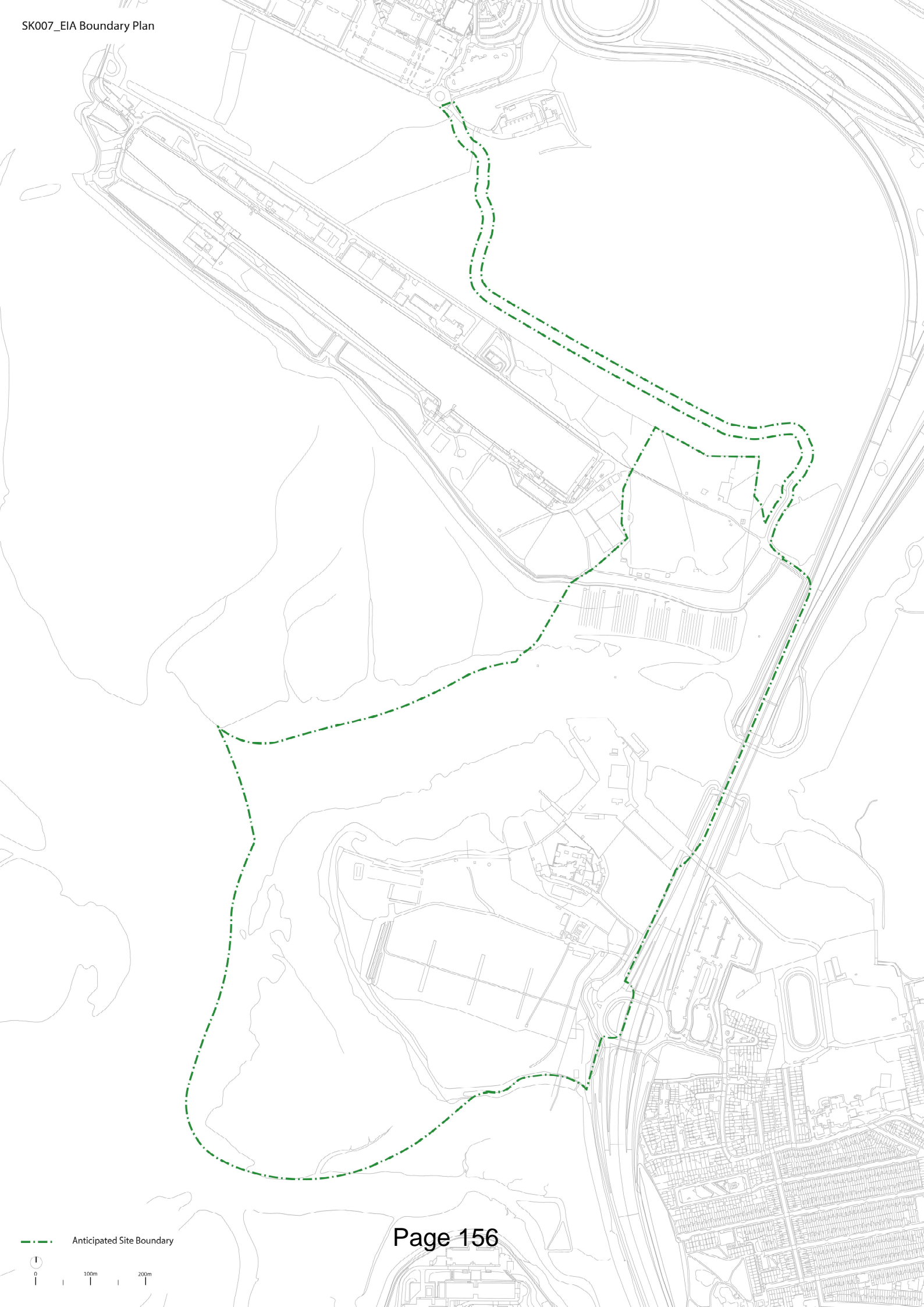
Policy response

- 8.15. It is therefore proposed that the proposals for TW&HIE SDA can be robustly promoted and should be allocated through the Local Plan Review in order that Portsmouth City Council is able to deliver on its economic growth for the benefit not just of Portsmouth, but the whole Solent region and the UK as a whole. In doing so, Portsmouth will also be able to meet its housing needs in an effective and highly sustainable manner.
- 8.16. It is therefore recommended that TW&HIE SDA be allocated for major mixed-use development for the next stage of consultation in the Local Plan, with the necessary supporting evidence as provided by this report accompanying that proposal.



Appendices

Appendix 1 Site Location Plan



Anticipated Site Boundary



Appendix 2

Marine Market: Baseline & Literature Review



MP244 CITY DEAL

Marine Market:

Baseline & Literature Review

Client: Portsmouth City Council

January 2016

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MARINE MARKET: BASELINE & LITERATURE REVIEW

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1. INTRODUCTION

The 'City Deal' initiative insofar as it relates to Portsmouth, Tipner West and Horsea is intended to accelerate and increase investment into Portsmouth to achieve economic growth, create jobs and new housing. *Underpinning the proposal is the aspiration to maximise the impact of marine and maritime assets by unlocking critical employment land at Tipner and Horsea Island for the creation of a marine/maritime hub and for advanced manufacturing.* Funding is also provided to support skills investment and business support programmes. There is also a recognised need to “improve low rates of business start-ups in the area”.

For Portsmouth, the quantum of development that Tipner and Horsea will deliver is on a scale that the City has not seen before. It is recognised as being vital for the environmental, economic and social development of the City. It is therefore considered important that the concept design and, in-turn, the masterplan is informed by market intelligence to ensure viability and optimisation of the opportunity provided by the sites, in particular the unique location within Portsmouth Harbour and wider connection to the Solent.

It is recognised that there exists a body of study work, that has been undertaken within the last 5-10 years, relevant to the marine sector and that a number of marine sector initiatives are envisaged across the UK, the Solent region and some specifically identified for Portsmouth. Some of the background work has highlighted a number of issues such as the importance of waterfront employment sites; the loss of marine employment sites to alternative uses, and the interface between marine businesses and residential uses.

This report will collate the background information by undertaking an extensive literature review to produce a summary of key findings that can be applied to or considered relevant to the study site. Further research can then be targeted to fill identified gaps in the knowledge base and be targeted to the Tipner/Horsea opportunity.

1.1 OBJECTIVE

Accordingly the purpose of this document can be summarised as:

- Firstly, to provide an overview & summary on a number of key industry reports that bear relevance to the south coast maritime and marine industry.
- Secondly, to establish the main industry viewpoints and research based conclusions regarding areas of growth and demand relative to Portsmouth Harbour and the surrounding marine industry markets.
- Finally to establish the brief for the market research to be undertaken in Stage 2 of the study.

The reports that have been reviewed as part of this study are as follows:

- Maritime Growth Study: Keeping the UK competitive in a Global Market, Department for Transport, 2015
- Transforming the Solent: Marine & Maritime Supplement, Rear Admiral Rob Stevens CB, 2014
- Making Waves: Solent's Marine & Maritime Sector, Solent Local Enterprise Partnership (LEP), 2015
- Maritime Futures: Solent Waterfront Sites, Solent Local Enterprise Partnership (LEP), 2015
- Transforming the Solent: Productivity and Growth Supplement, Solent Local Enterprise Partnership (LEP), 2016
- Solent LEP Annual Report, Solent Local Enterprise Partnership (LEP), 2016

It is intended that the key findings and areas of commonality across the reports will begin to establish the *needs case* and the potential use for Tipner West and Horsea East. It is also intended that the review process together with industry experience, will identify 'gaps' in the knowledge base and as noted help inform the further stages of more targeted research.

2. INDUSTRY REPORTS REVIEW

2.1 MARITIME GROWTH STUDY: KEEPING THE UK COMPETITIVE IN A GLOBAL MARKET

2.1.1 Overview

The report seeks to provide a comprehensive review of the UK maritime and marine industries with respect to the continuing economic importance and contribution that the sector affords. The report was the result of a “call for evidence” from marine businesses, organisations and individuals with a view to providing a number of targeted recommendations for sector growth.

2.1.2 Scope of Report

The report highlights the attributes of the UK maritime sector, encompassing a wide range of activities such as training, business services, engineering, manufacturing research and development that should be considered together as a “mutually reinforcing, world-beating cluster of maritime activities”.

The report describes the strengths of the industry, including world-class marine expertise & innovation, and prominent international business services. The report also recognises the significant ‘inward’ investment to the UK from new port facilities & international shipping and the linkages between globally recognised maritime related training, as well as substantial export income driven by advanced technologies and systems.

The report notes that the UK maritime industry “continues to be seen by the international market as a world-leading maritime centre” that remains “highly competitive” in providing training, skills and manufacturing.

The maritime industry has provided significant benefit to the UK economy, identifying that the direct contribution was at least £11 billion in 2012 (GVA). The report notes that whilst the “contribution to the economy is already substantial, with the right conditions, can be grown further”.

2.1.3 Report Conclusions

The key conclusions can be summarised as follows:

- The report presents “a vision” for the UK maritime sector, whereby industry and government work together to ensure the industry remains competitive in the face of international growth.
- To achieve the stated objectives, the report specifically identifies that the sector needs leadership (by both government & industry), skills and marketing.
- The report promotes a number of recommendations for both the maritime & marine industry and government to implement, with the purpose of ensuring that the UK’s maritime sector remains competitive in a global market.
- Innovation, clustering and stability identified as “underpinning the health of the UK maritime sector”.
- The report concludes with an advisory note on the implementation of the recommendations, suggesting that an “inclusive approach” should be adopted, ensuring that “all parties are engaged as one sector”.

Notwithstanding the government funding support for the City Deal, this report reinforces the significant support for one of the fundamental elements of the City Deal project and that will serve to reinforce the *needs case* for this component of the scheme.

2.2 TRANSFORMING SOLENT, MARINE & MARITIME SUPPLEMENT

2.2.1 Overview

This report was commissioned following the decision in November 2013 to cease shipbuilding for the Royal Navy in Portsmouth and aims to put forward a long-term development strategy in order to create a climate for sustainable growth in the marine and maritime industry specific to the Solent area. Created as a Supplement to the *Solent’s Strategic Economic Plan* (SEP), the report “proposes a route to that success and a strategy for rekindling the Solent’s world-renowned marine & maritime strengths”.

2.2.2 Scope of Report

The report identifies the marine and maritime industry as the largest sector in the Solent region and establishes the route to reinvigorate its global reputation for marine and maritime excellence. This is to be achieved through the implementation of a strategic plan that identifies the UK's "marine and maritime strengths, opportunities for growth, and the steps that are needed locally and nationally, to address a range of constraints facing the sector, both immediately and in the longer term".

The report notes that the over-arching aim of the strategy is to position the Solent as a "globally recognised marine and maritime centre of excellence".

The report identifies 6 strategic themes for the basis of the strategy, to include; Leadership, Developing Our Ports, Marine Manufacturing, Technology & Innovation, Skills and Brand Solent.

2.2.3 Report Conclusions

The main conclusions are summarised as:

- The strategic plan has been the subject of comprehensive consultation and puts forward a total of 36 recommendations and 15 proposals for government funding to unlock a range of specifically identified projects.
- A number of these recommendations relate directly to developments within the Portsmouth area, with specific reference to the Tipner West site in certain cases i.e. the introduction of a Marine & Maritime Academy linked to Portsmouth University.
- The report provides a detailed assessment of the marine and maritime industry and comments upon the performance of the industry over recent years.
- On the whole, growth within the marine and maritime sector has been positive, however the report identifies a number of constraints and barriers to growth in both the immediate and the long-term time frames.
- A programme of recommendations is proposed to address these issues.

- The report notes that the “marine and maritime sectors are well placed to drive both local and national growth, provided that the constraints and investments set out in this strategy are addressed”. In particular, “less reliance on public spending and defence, over reliance on a handful of enterprises, low levels of business start-up, limited R&D, poor transport links and routes to market.”

2.3 MAKING WAVES: SOLENT’S MARINE & MARITIME SECTOR

2.3.1 Overview

Following the release of the strategy put forward by the *Transforming Solent: Marine and Maritime Supplement* that was published alongside the *Solent’s Strategic Economic Plan*, the Solent Marine & Maritime Steering Group (SMMSG) was established to provide informed advice to the Solent Local Enterprise Partnership (LEP) on the delivery and further development of the Strategy.

The *Making Waves* report is intended to provide an update and review of the progress and achievements within the sector one year on from the establishment of the Steering Group.

2.3.2 Scope of Report

The report identifies that growth in the marine and maritime sector in the Solent region is forecast at 5% over the period to 2025. The report also highlights the Solent’s “coastal location, business base, research assets and educational strengths” as key factors that make the Solent the “UK’s leading marine cluster” at the “heart of the UK’s marine & maritime economy”.

The progress made in providing leadership for the sector, investing in skills and addressing port access and connectivity is identified within the report. A number of key successes are highlighted, including the establishment of Ben Ainslie Racing Head Quarters for the City of Portsmouth, securing significant funding for works to improve access to Southampton Docks, and the establishment of a National Centre for Maritime Intelligent Systems (CMIS).

The report notes that the investment & industry support provided by the LEP has enriched the development of skills in the region, seeing the Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) now open at the Solent Enterprise Zone (opened September 2014). Furthermore, the report identifies that additional investments will be secured to bring forward a new Advanced Technology Block at Eastleigh College, as well as a Centre of Excellence for Composites located on the Isle of Wight.

It is noteworthy that the report addresses the importance of “Marine Enterprise Hubs”, stating that the creation of these hubs will be encouraged “to act as magnets for inward investment and a focus for the incubation of high-value marine manufacturing in the Solent”. The report strengthens its support for manufacturing noting that Marine Enterprise Hubs “seek to create an eco-system for growth” that “showcase our strengths and create wealth for the region”.

2.3.3 Report Conclusions

The key conclusions are summarised as set out below:

- The report notes that the provision of suitable employment space will be critical to enabling future Marine and Maritime growth in the Solent, stating that “without access to waterfront employment sites, the marine & maritime sector will fail to reach its potential”.
- Stated intention of the SMMSG to focus upon building a compelling brand for the Solent with the aim of attracting inward investment.

The report provides a sound overview of the progress made within the Solent’s marine & maritime industry to date and discusses the need to support the growth of ‘skills’ and ‘marine manufacturing’.

There is evidently further support for the formulisation of a Waterfront Employment Sites Register across the Solent area, to help shape & safeguard planning policy and “Growth Deal investments”.

2.4 MARITIME FUTURE: SOLENT WATERFRONT SITES

2.4.1 Overview

The aim of the waterfront employment sites report is to provide a comprehensive register of all existing & potential waterfront sites in the Solent region and to demonstrate understanding of their characteristics and assets. The need for such a register is a result of concerns raised by marine & maritime businesses that valuable waterfront land, suitable for the growth of marine industries is being lost to alternative developments.

The study has been undertaken in response to the recommendations of *Transforming Solent: Marine and Maritime Supplement* and the *Solent Waterfront Strategy* (2007), of which both reports highlighted the importance of the marine and maritime sector and the need for a sites register.

2.4.2 Scope of Report

The report discusses the importance of land loss at strategic waterfront locations and the impact on the Solent's ability to provide the required sites to facilitate the levels of demand & growth within the marine and maritime sector. The report notes the trend in prime waterfront sites being given over to the demand for residential developments due to the distinct lack of compelling evidence to counter proposals for a change of use. In response to this situation, a sites register has been compiled to identify the provision of waterfront employment sites across the Solent, based upon detailed assessment and evidence.

The intention is such that the register can be referred to by policy makers and planning authorities to guide & shape long term development plans. It is planned that the study is the fore-runner to a second piece of work that will consider developing a policy framework to further protect key employment sites.

The report notes the importance for strategic planning and identifies a total of 97 sites with a combined area of 1,730 hectares used for waterfront employment in the Solent area. Importantly, these sites are located within 7 clearly defined "clusters" across the region.

The report provides a summary of the analysis undertaken of the employment sites, categorised under a number of key headings. Perhaps most notably, the study analyses the sites from an ‘assets’ perspective, commenting on the level of infrastructure providing access to water. Furthermore, the report ‘tiers’ each site individually with respect to its relative level of importance to the marine and maritime sector.

In addition to establishing the relative importance of a site, the register also provides an assessment for each of the waterfront assets based on 3 defined criteria; (1) Marine Access, (2) Presence of Marine & Maritime Activities and (3) Development Potential. The sites are assessed on a ‘yes’ or ‘no’ basis to provide a ‘typology’ characterisation overview. A total of 8 different site typologies are identified within the register. This approach has identified the sites across the region that offer the “best characteristics to give continued support and growth”.

2.4.3 The City Deal Site

The sites register provides a useful overview of Tipner West, indicating a number of physical characteristics that will influence proposals for the site. An extract of the full register for Tipner West & Horsea Island is provided in Appendix A.

Tipner West is identified as a 250,000m² site that has been categorised as a first tier “Prime Site” within Portsmouth Harbour. The register defines “Tier 1” as sites of prime importance for marine & maritime activities within the Solent region, noting that on balance, they display “the best characteristics to give continued support and growth to marine and maritime business”. There are a total of 3 tiers utilised by the register; Tiers 2 & 3 noted as offering a level of ‘secondary’ & ‘tertiary’ importance respectively.

It is particularly pertinent that of the 97 waterfront sites identified by the register, a total of 23 are ranked as ‘Tier 1’ (23.7%) and of these, only 4 “Tier 1” sites remain under developed for marine & maritime use. This equates to just 4.1% of the total number of waterfront sites across the Solent region.

The 4 “Tier 1” sites that are identified as under developed for marine & maritime use are as follows:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton
- Vestas Technology UK: Manufacturing Site, River Medina, Newport, Isle of Wight

The sites register categorises Tipner West with typology No.8 which is described as “*Industrial Site; Create/Improve Access; Grow and Transition to Marine and Maritime, if suitable*”. Typology No.8 is displayed in Table 2.1.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.1: Waterfront Register, Site Typology No. 8 (Relevant for Tipner West)

It is clearly understood that water access to the Tipner West site is constrained at certain states of the tide; therefore the assessment does not consider this site to currently offer ‘good marine access’.

By contrast both Royal Clarence Yard & Centenary Quay are categorised with typology No.7 which is described as “*Industrial Site; Grow and Transition to Marine and Maritime, if suitable*”. This typology indicates similar set of characteristics to that of Tipner West, the notable difference being that these 2 sites are deemed to currently offer good access to the water, hence no requirement to either ‘create’ or ‘improve’. Typology No.7 is displayed in Table 2.2.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.2: Waterfront Register, Site Typology No. 7 (Relevant for Royal Clarence Yard & Century Quay)

Centenary Quay in Southampton is understood to be under offer to a developer at present with this project being promoted by the HCA. The Royal Clarence Yard site is retained by the MOD and at this time there is no certainty at this time that the site will be released for redevelopment.

Vestas Technology UK (manufacturing site) based at Newport on the Isle of Wight is categorised with typology No.4 which is described as “Industrial Site; Create/Improve Access; Transition to Marine and Maritime, if suitable”. Typology No.4 is displayed in Table 2.3.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.3: Waterfront Register, Site Typology No. 4 (Relevant for Vestas Technology UK)

It is suggested that due to the challenging characteristics afforded by the site, the Vestas Technology UK site is perceived to be the most unfavourable site for waterfront development out of all the under developed “Tier 1” sites in the region. This assessment likely arises because of the significant challenge and extent of dredging in the Medina River that would be required to provide the necessary waterborne access.

It is noteworthy that there are a total of 6 “Tier 1” “Prime Sites” which fall within Portsmouth Harbour; they are: Trafalgar Wharf, Endeavour Quay, Royal Clarence Yard (retained site), Daedalus, Town Quay (Ben Ainsley Racing) and Tipner West.

2.4.4 Report Conclusions

The general conclusions (as opposed to those specific to Tipner West) can be summarised as follows:

- The report identifies a number of fundamental issues that are pertinent to the strategic allocation of waterfront development sites.
- Due to the growth of the Solent’s marine & maritime economy, demand for waterfront sites is expected to significantly increase. By contrast the supply of sites is and is likely to remain constrained.

- A range of sites across the Solent are performing “relatively well” with respect to occupancy, infrastructure and access. However, the report also comments on a number of “highly accessible” waterfront locations that are occupied by “non-marine related uses” that would in turn, present a significant opportunity should they be made available to marine related business.
- The report concludes with a number of recommendations, noting that the register should be used “to support strategic land-use planning for waterfront employment sites” and should remain a “live document” that is updated regularly.
- Recognition that the Solent LEP and partners promote opportunities to create shared assets for marine and maritime businesses, which require access to water”.

3. KEY ISSUES & COMMONALITY

The industry reports identified within this document discuss a number of ‘key issues’ that relate directly to the strategic growth of the marine & maritime industry. These are identified through wider ‘visionary’ based commentary as well as providing detailed and targeted recommendations. It is noteworthy that the reports establish a degree of parity and areas of commonality which is discussed within this following section.

It is also worth recognising at this stage that not all of the issues are directly relevant at a site level i.e. they will not inform development proposals, albeit they do provide excellent evidence of the wider sector initiatives and support that is present.

3.1 LEADERSHIP

There is significant continuity between the reports regarding the need for considered “leadership” across the industry. It is suggested by the reports that the implementation of a coherent leadership structure at both an industry and government level could enable the UK to become a “global force” and attract further international maritime business to the UK. The reports go as far as promoting the establishment of both regional and ministerial working groups to help co-ordinate planning policy and the management of investment.

It is important to note that the *Making Waves* report (one year on), identifies that measures have been taken to provide sector leadership through the establishment of the Solent Marine and Maritime Steering Group (SMMSG), with the aim of “supporting investment, innovation, and to nurture the skills and talents required to embrace new technologies”.

3.2 SKILLS

Perhaps the most prevalent and consistent ‘message’ within the reports is the need to “replenish and develop” the skills infrastructure and to strengthen the UK’s marine and maritime educational facilities. The Solent is described as becoming increasingly “skills-hungry” as a result of “technological advances and changes to occupational structure driving up skills requirements across much of the marine and maritime sector”. As a result, the reports make reference to the requirement for significant investment in to the skills sector to keep pace with demand.

The need for the introduction of maritime apprenticeships in areas such as engineering is strong within the Solent region and should be targeted as an area for investment supported by government schemes. It is recommended that the government should work with the industry to provide apprenticeship programmes that include more roles in the maritime sector. This is being promoted through various channels including the “Support for Maritime Training” (SMarT) scheme.

The requirement for STEM (Science, Technology, Engineering & Maths) courses and employer led-partnerships are well supported throughout the industry and the ‘Making Waves’ report notes that the Solent LEP have since invested in the “Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) at Daedalus. Furthermore, a Centre of Excellence for Composites will also be created on the Isle of Wight, provided for by Growth Deal funding.

The *Making Waves* report also notes that to meet the needs of the sector, the existing gaps in the skills base need to be identified and addressed. It is recognised that the sector should take advantage of European funding to provide a “world class pipeline” of skills and to work with service providers to ensure that growth is supported throughout the industry.

3.3 MANUFACTURING

Intrinsically linked to the skills & education sector is manufacturing which is also identified as a key area within the industry for further development and growth. The *Transforming the Solent* report notes the “global demand for superyachts, powerboats, sailing and other craft is once again strong”, suggesting that manufacturing within the marine leisure sector is exhibiting areas of demand and market opportunity that exists. The report continues, noting that “the need for offshore support craft is forecast to grow, alongside demand for sustainable ships and ships made of composite materials”.

The report recommends that new “Marine Enterprise Hubs” are established to act as “magnets for inward investment and high-value marine manufacturing”, thus creating new marine companies and taking advantage of growth opportunities. The *Making Waves* report notes that marine enterprise hubs “seek to create an eco-system for growth” and that the SMMSG has developed a framework for marine enterprise hubs in the Solent region.

The need for both ‘skills’ & ‘manufacturing’ must be considered within the context of access to waterfront sites to ensure that the potential for growth is fully realised.

3.4 MARKETING & BRAND

The reports address the need to highlight and promote the UK and Solent’s ‘offer’ to the international market through the implementation of a “globally recognised brand”. Recognising that the future of the marine industry will depend greatly upon the ability to compete on a global stage; the need for a clear image & brand must not be underestimated. It is suggested that with well-structured and targeted marketing, the UK’s marine & maritime industry can be positioned to attract inward investment and support export-led growth.

It is interesting to note that the *Maritime Growth* study reports that an improvement to the UK’s promotion of marine businesses to international markets should not require “significant new investment” and puts the emphasis on introducing a more “ambitious and co-ordinated” approach.

3.5 CONSOLIDATED RECOMMENDATIONS

The reports present a number of specific recommendations in order to encourage development & growth within the UK and Solent marine & maritime industry. For the purpose of this review, the recommendations that bear significant relevance to Portsmouth (and associated areas/markets) are considered pertinent to further study work and are summarised as follows:

3.5.1 Leadership

Creation of the Solent Marine & Maritime Steering Group to provide sector support and a coherent approach to planning & investment. The SMMSG has been established since this recommendation was first published and shall be identified as a key target for focused engagement in due course. There is a reasonable expectation that the SMMSG & LEP will be key supporters of the scheme at the planning stage.

3.5.2 Skills

- Secure a funding uplift for STEM facilities & to encourage young people into the sector

- National policy change to allow colleges to deliver demand-led provision
- Introduction of 'flagship' STEM skills facilities with focus on marine & maritime sectors through the introduction of an academy linked with Portsmouth University and the 'City Deal' initiative (Tipner West identified as potential site).
- Introduce a heritage skills centre, delivering the craft skills needed to build, conserve and repair older and historic vessels at the Portsmouth Historic Boatyard (Boathouse No4)
- Other proposals also include:
 - Brockenhurst College STEM Centre of Excellence
 - IoW College Centre of Excellence for Composites, Advanced Manufacturing and Marine Technology
 - Southampton STEM Centre

3.5.3 Manufacturing

- Safeguard, secure, invest in and develop waterfront employment assets
- Build new marine *Enterprise Hubs* in both Portsmouth and Southampton, within which a marine incubation centre can be established providing flexible accommodation coupled with business and innovation support. This proposal is promoted as part of the Portsmouth & Southampton 'City Deal' initiative
- Create a new Isle of Wight (Marine) Enterprise Zone stretching across five sites, three with direct water access

3.5.4 Marketing

- For the Inward Investment & Marketing Working Group divisions of the LEP to take ownership of a marine and maritime brand & campaign

3.5.5 Technology and Innovation

- Create the Solent Large Structures Composites Centre as a satellite of the National Composite Centre in conjunction with the University of Bristol

- Upgrade the shallow water monitoring platform run by the Institute of Marine Sciences at University of Portsmouth
- Establish a maritime focused Satellite Applications Centre of Excellence at University of Portsmouth
- Commercialisation of Southampton Marine and Maritime Institute (SMMI) to open up access to research and development (R&D) facilities
- Marine Autonomous Systems (MAS) cluster needs subsidised access to NOC testing facilities

3.6 UPDATED PROGRESS

Since the release of 'Maritime Growth Study' (2015) and 'Transforming the Solent' report (2014); the Solent LEP have recently released two further separate publications which are worthy of note and provide a degree of updated information in terms of sector growth & development.

3.6.1 Solent LEP Annual Report, Jan 2016

This report provides a succinct overview of the progress made since the release of the 'Maritime Growth Study' in January 2015. The following findings are of particular note:

- £7m investment has been committed for an Enterprise Zone at Daedalus West to support advanced manufacturing, marine and aviation businesses
- The Solent LEP have invested £5.3m in Fareham's Innovation Centre which opened in March 2015 and is reportedly 80% occupied
- £10.9m invested for a centre of Excellence for Composites on the Isle of Wight which is now open and operational
- The Ben Ainslie Racing (BAR) Head Quarters for the City of Portsmouth now fully built and fully functional
- Defence Growth Partnership SME Fund established to support unmanned marine systems
- A new brand initiative '*Maritime Nation*' has been launched and is intended to increase the awareness of the UK's marine & maritime sector. It is intended that the "initiative will provide a coherent brand and stronger voice for the sector"

3.6.2 Transforming the Solent: Productivity & Growth Supplement, Jan 2016

This report looks forward to the coming year and provides a “platform for a refresh on the Solent Economic Plan” (SEP) on which to address the challenges for the Solent Economy. This report reiterates some of the key items of progress as identified in the *Annual Report*. The following findings are of particular note:

- Since the formal opening of the Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) in Sept 2014, STEM enrolments have significantly accelerated beyond expectation
- In relation to the recommendation to “excite young people and to introduce the marine & maritime industry schools; the government has committed to invest over £1.bn up to 2019/20 to attract new teachers into the profession, particularly in STEM subjects
- £9m investment made for an infrastructure programme to upgrade the facilities at Eastleigh College, including a new Advanced Technology Block to support the development of STEM skills
- £4m has been secured to establish a National Maritime Systems Centre of Excellence within the City of Portsmouth and is expected to provide the city and region with a steady number of young people with specialist skills and is supported by a number of industry employers, including the Royal Navy & BAE Systems

4. OPPORTUNITY FOR TIPNER

The significance of the UK's marine sector, importance of The Solent and opportunity for growth in the marine sector is a consistent theme within the various reports. Identifying where the specific demand will come from and how that is suited to Tipner will be a focus of the next stage of market assessment.

Integrating the resulting evidence with the evolving masterplan will be an iterative process. What is clear is that the extent and nature of activity to be designed for, will be influenced by the nature of the 'Access to Water' that the site can provide.

As identified in Section 2.4, the Waterfront Sites Register has already assessed Tipner West as a "Tier 1" "Prime Site" which includes significant "development potential" with respect to transitioning the site use to marine & maritime activities. The site is one of four remaining "Tier 1" "Prime Sites" that are under developed for marine & maritime activities across the Solent region. It is also suggested that an improvement in marine access would significantly enhance this particular sites' ability to transition and service the marine & maritime industry.

As a result of Tipner West's classification as a "prime site" for marine & maritime activities with the crucial opportunity/potential of improved access to water, it is concluded that the most relevant findings from the review process in terms of growth & development relate to the need for 'skills' & 'manufacturing'. The recommendations for 'skills' and 'manufacturing' identified within Section 3 included a number of options and those considered most relevant to Tipner West are as follows:

1. Build a new Marine Enterprise Hub in Portsmouth, within which a 'Marine Incubation Centre' can be established providing flexible accommodation coupled with business and innovation support
2. Introduction of 'flagship' STEM skills facilities with focus on marine & maritime sectors through the introduction of an Academy linked with Portsmouth University.

It is suggested that the recommendations noted above would also sit comfortably with the wider needs of the industry such as the strong requirement for marine related apprenticeships and global demand for boat building & composite materials. There is a link between the suggested Academy and proposals for a University Technical

College at Hilsea that needs to be further explored to ensure consistent and complimentary delivery.

4.1 CONCEPTUAL MARINE ENTERPRISE HUB

Given the background detail above and objectives of City Deal we have considered the appropriate components of a 'Marine Enterprise Hub' on the City Deal site and Figure 4.1 illustrates at a conceptual level the components and indicates the likely inter-relationships between the employment space and proposed Marine & Maritime Academy and Incubation Centre.

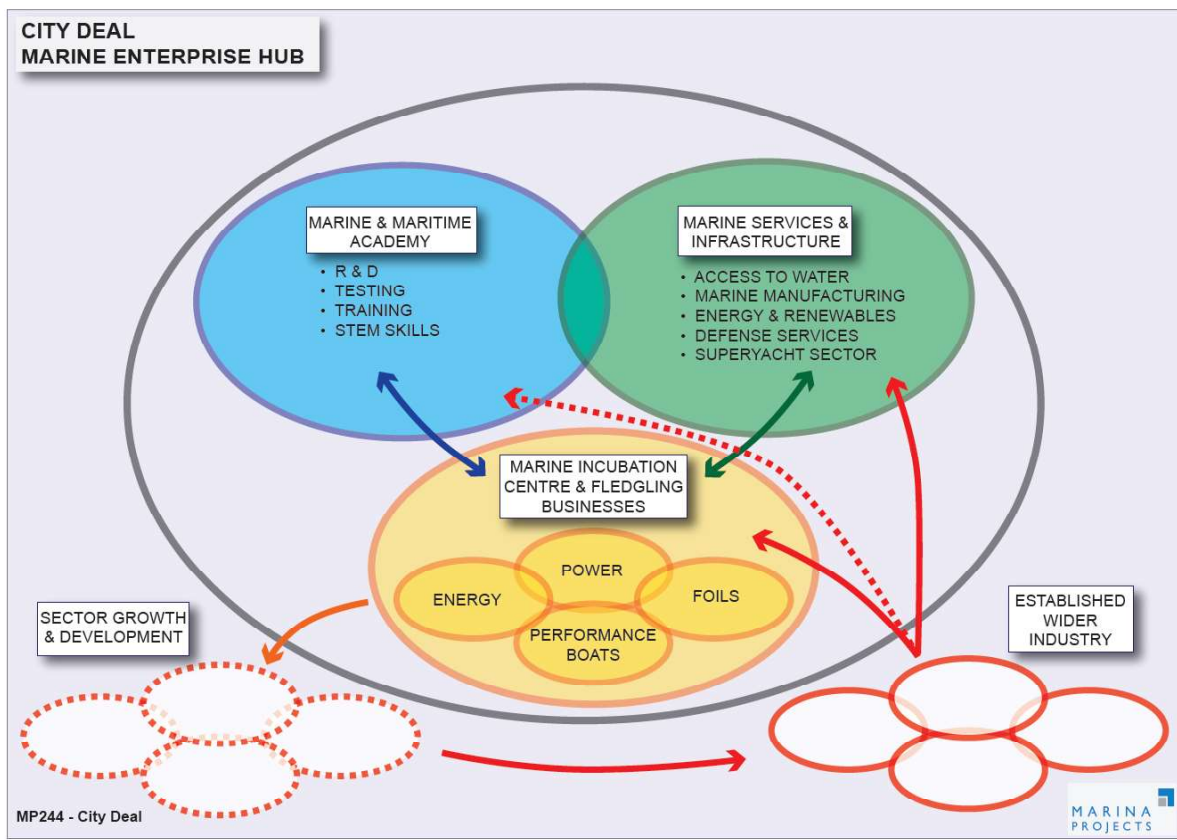


Figure 4.1: Potential Site Usage for Tipner West

As noted, the findings from the review process have identified a common set of needs and requirements.

The Tipner West site has the potential to service some of these key needs, however it is suggested that the level of demand and areas for potential growth need to be identified and quantified in a more tangible fashion which will help create a sustainable model as identified in Figure 4.1. In other words, the use of the site as for commercially viable marine employment activity operations can be

‘underpinned’ and ‘complemented’ by a Marine & Maritime Academy that, provide a plausible ‘route’ to business growth.

4.2 MARKET STUDY BRIEF

Within Stage 2 of the study we will undertake a more detailed, targeted and specific market study to explore the detail of the marine sector opportunities relevant to Tipner. The brief for that study has been informed by the baseline review provided herein. The Stage 2 study will culminate in a comprehensive evidence based report.

The market intelligence will link back to the Access to Water Study being undertaken within Stage 1 to establish the areas of demand most suited to the site opportunities. It is recognised that any employment space (e.g. marine) is a departure from the Core Strategy applicable to Horsea Island East and Firing Range sites and would need to be fully evidenced/justified and this links to the need for robust market knowledge being provided.

The market study will be designed to have two main threads that focus on the marine sector commercial opportunity and the need for skills.

Common to both elements will be a degree of marine sector engagement and we will engage with key sector representatives who will be interviewed (face to face or by telephone/email) in an effort to explore the general issues/shortfalls affecting the industry. The organisations to be targeted include the Solent LEP, its Marine and Maritime Steering Group (SMMSG), the LEP’s Employment & Skills Board, Portsmouth University (particularly in respect of the Academy Proposals), British Marine, and Marine South East. Importantly, this engagement will include relevant officers in PCC engaged in these marine sector initiatives. As opportunity presents itself we will engage with the project team that are preparing the Phase 2 SMMSG Study looking at regional policy for the protection and use of key waterfront sites.

4.2.1 Commercial Opportunity

Focusing on this element of the market research it is important to note that the findings identified within this document are the result of a detailed review of general industry reports and as such, exclude any influence from any existing demand for marine related commercial operations

within Portsmouth Harbour and wider areas. It is therefore suggested that a degree of market research is undertaken to identify any imbalance between demand and supply. The aim will be to identify and quantify the market opportunities and relevant marine sector(s) that will maximise the potential of the opportunities presented by the study site.

It is proposed to consider the market in geographic zones with appropriate consideration being given to the definition of an immediate, local and wider market. It is anticipated that to an extent the definition of the wider market will be influenced by the identification of gaps in the immediate/local market i.e. by identifying where in the wider market these gaps are filled.

It is further recommended that this study element be undertaken under two headings;

- Sites Review
- Market Sectors e.g. commercial marine, marine leisure, marine renewables, superyachts, defence services etc.

Sites Review

We will explore in detail the access to water provided by the existing marine employment sites identified within the Solent LEP Waterfront Asset Register to identify the gaps in the provision of facilities and the limitations and constraints of existing employment sites. These constraints will relate to the physical attributes of the waterborne access e.g. water depth, exposure, tidal conditions, air height limitations and also the nature/efficiency of the vessel access e.g. slipway, ship-lift, dry dock or hoist. Indirect factors affecting the efficiency and use of existing sites will also be considered e.g. road access, available land/employment space, neighbouring uses etc.

We will produce a detailed schedule/matrix and commentary that explores the immediate, local and wider market offering, identifying what access to water parameters are best suited to exploiting the market gap.

Market Sectors

Review of the various market sectors will be undertaken as a second step and be informed by the access to water review. Fundamentally we will be considering which sectors are best suited to take advantage of the market opportunity and how well and where they are currently accommodated. The identification of a market sector(s) that are not well accommodated and with growth potential will reinforce the potential viability and deliverability of the Tipner opportunity, it will also help to support the policy justification to depart from the Core Strategy policies, where this applies.

Research will extend to existing marine commercial operators in and around Portsmouth Harbour, The Solent and beyond to establish their requirements and views on future demand for employment space, market size and growth potential. Again it is the case that the review of the wider market might be influenced by the nature of specific sector opportunities. Indeed it might be the case that some sectors are not well represented within the immediate and local market of the Solent and we will consider the potential for establishment of new markets.

Engagement will consist of interviews with targeted operators/regulators e.g. the Marine and Coastguard Agency (MCA), to establish demand, vessel characteristics, current under/oversupply of services, market trends and wider market demand.

We will also consider the existing vessel fleet operating within the local/wider market to understand how well they are accommodated for servicing, survey, repair and new build. This will entail dialogue with:

- Port/Harbour Operations
 - Pilot boats
 - Tugs
- Commercial Operators & Contractors
 - Passenger vessels
 - Ferries
 - Workboats – dredgers, survey boats etc.
- Service Providers
 - MCA – inspections
 - Engineers

- Manufacturers
- Superyacht Sector

We will apply our extensive existing knowledge, intelligence database and industry contacts including those to provide invaluable market information. We also anticipate detailed input from Savills market team particularly given their relevant input and experience of the Woolston Riverside side.

4.2.2 Investigate the 'Need for Skills'

City Deal includes skills development programmes and aspirations to tackle unemployment. Furthermore the marine and maritime industry has recognised that there is a distinct 'gap' in advanced manufacturing and skills within the Solent region and this can be regarded as the primary driver. However, with consideration to Tipner West and the potential for creating a Marine Enterprise Hub and Academy, *targeted* research is required to understand the areas of demand which might complement such a facility. This further research would seek to establish the following key matters:

- 'Skills' gaps in the market – through consultation, which sector(s) within the marine industry are experiencing a shortfall and are there particular skills gaps (current and anticipated)
- Market trends - in what direction is the industry moving and therefore, what skills will be needed in the future?
- Requirements for success - through case studies, identify key attributes exhibited by similar enterprises.
- Existing Programmes – what of the City Deal initiatives are making progress and in which direction, is there an overlap?
- Mechanism for delivery - in what form and structure should the Enterprise Hub & Academy operate to ensure its long-term viability?

The proposals for the development of a University Technical College for 14 to 18 year olds at the Trafalgar School site in Hilsea needs to be fully understood. The College will provide access to training courses in electrical & mechanical engineering and advanced manufacturing. The development appears to offer a significant amount of synergy to the

marine & maritime industry and has the backing of some key marine industry heavy-weights i.e. BAE Systems, Carnival UK, Land Rover BAR, as well as Portsmouth City Council and the Solent LEP. The facility is programmed for completion in time for September 2017.

Given the UTC's relative proximity to the Tipner site, we will aim to understand the details of this scheme at an early stage. Whilst no reference to a 'marine & maritime academy' is made, it is clear that a degree of overlap could potentially exist and there is a need to understand how/if these facilities will complement one another. Irrespective of the need or requirement for an academy, providing access to water at the Tipner site should potentially offer some significant benefits to the operations at the UTC. Furthermore, the UTC will potentially provide further support for the introduction of training/STEM skills at the site in terms of providing satellite facilities, apprenticeship linkages to commercial tenants etc. The announcement of this development increases the requirement to consult with Portsmouth University (& the Solent LEP) at an early stage to understand their long-term vision and how the UTC & Academy might influence and shape the development & facilities at Tipner.

4.2.3 Work Tasks

The following section describes the various Stage 2 work tasks which will necessarily be undertaken as an iterative process.

Sites Review

This piece of work is fundamentally desk-based utilising a range of resources including web sites, almanacs, industry literature and our extensive knowledge of the Solent marine market and sites. As appropriate we will identify any gaps in the knowledge and apply appropriate resources to source the necessary information e.g. through site visits, contact with site owners/occupiers etc.

Sector Based Review

Initial desk-based research will build a picture of the marine sectors most suited to the market opportunity being determined by the sites review and access to water study. Our informed knowledge of the vessel activity suited to the opportunity will be informed by the marine sector

engagement and this initial work will enable us to finalise the engagement list and purpose/output of the proposed discussions.

Skills Review

The majority of the skills research will arise as a function of the stakeholder engagement summarised below.

In addition we will work with the Savills research team to consider further exemplars of similar sector specific academies (not limited to marine) including the Southampton City College's specialist Marine Skills Centre located at Woolston and proposals for the development of a University Technical College for 14 to 18 year olds at the Trafalgar School site in Hilsea.

Marine Sector Engagement

It is evident that the marine sector engagement will need to cover a number of strands of the more detailed second stage market research. The following 'Terms of Reference' shall form the basis for the consultation, noting that scope and extent of each engagement will need to be tailored to the specific organisation to ensure that the maximum output can be gleaned from the discussion:

1. Filling any potential gaps arising from the sites review analysis
2. Identifying the relevant market sectors best placed to take advantage of the Tipner opportunities
3. Availability of existing sector facilities: suitability and access
4. Research of the skills gap and training opportunities (as noted under 4.2.2)

A summary schedule of key organisations and the broad scope of the anticipated discussion is provided in Appendix C. It is understood that this schedule identifies the baseline list of consultees and that the list will potentially 'grow' as the engagement is undertaken.

4.2.4 WORK PROGRAMME

The following Gantt chart provides an overview of the proposed programme for the Stage 2 Market Study as described within this section. As illustrated, the overall programme duration for Stage 2 is 16 weeks, concluding mid-June.

Activity	Duration	February	March	April	May	June
1. Sites Review	4 weeks					
2. Sector Based Review	12 weeks					
3. Skills Review	12 weeks					
4. Marine Sector Engagement	10 weeks					

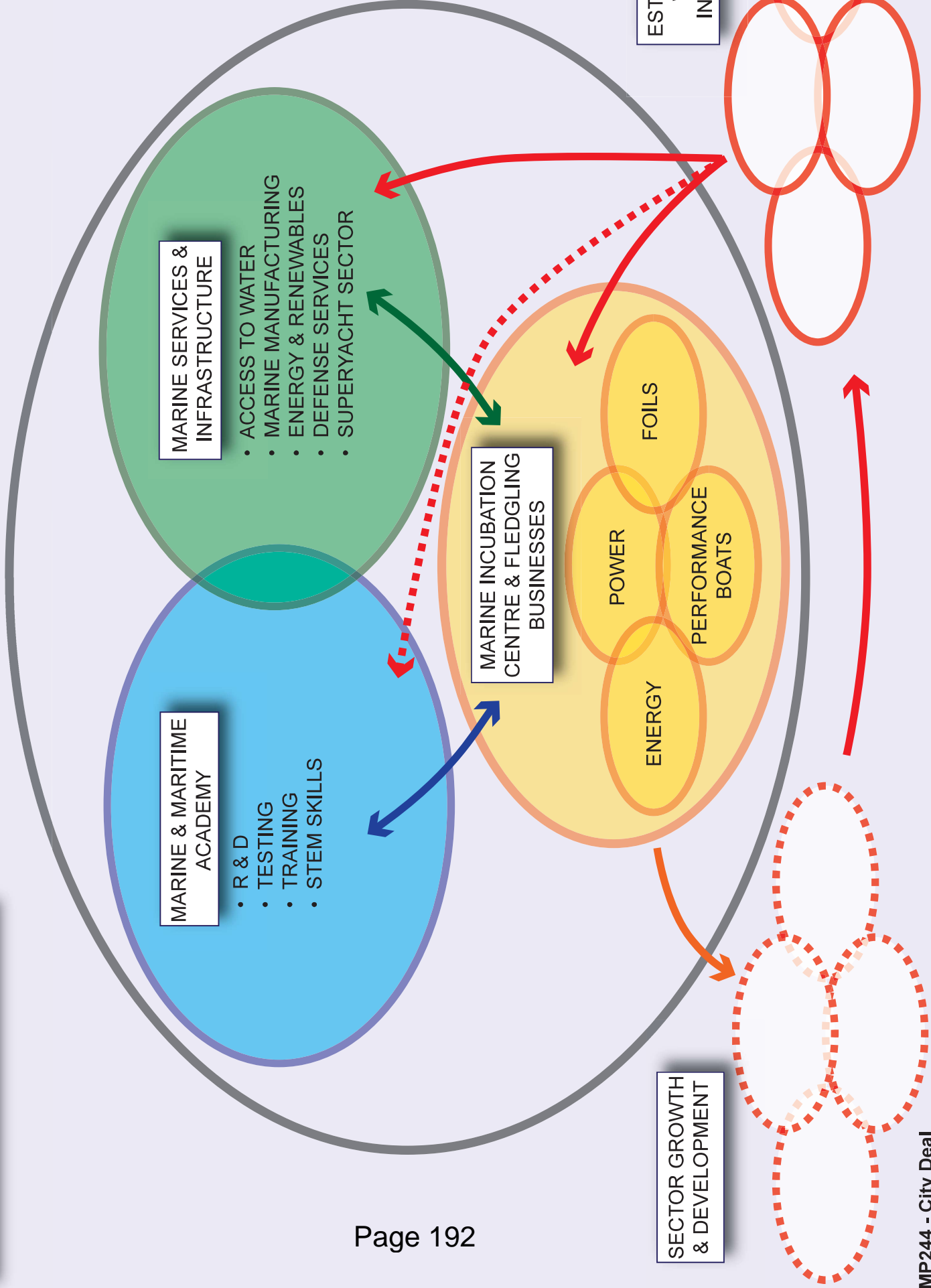
5. APPENDICIES

5.1 APPENDIX A ~ WATERFRONT SITES REGISTER EXTRACT (TIPNER WEST
& HORSEA ISLAND)

MP244 City Deal
APPENDIX A - Waterfront Sites Register Extract (Tipner West & Horsea Island)

	Item	Tipner West	Horsea Island	Additional Notes	
	Postcode	PO2 8RA	PO6 4TT		
	Local Authority	Portsmouth	Portsmouth		
	Cluster	Upper Portsmouth Harbour	Upper Portsmouth Harbour		
Land Use	Site Area (sqm)	252,982	1,063,170		
	Commercial ferry/port	-	-		
	Defence Activities	-	✓		
	Marine Leisure & Recreation	*	-	* Tipner West also used for marine leisure/recreation - cruising and angling clubs	
	Boat building and repair	-	-		
	M&M Supply chain	-	-		
	Research & Development	-	-		
	General Office	-	-		
	General Industry inc. Sui Generis	-	-		
	Open Storage	✓	-		
	Warehousing	-	-		
	Aggregates/minerals/waste	*	-	* Tipner West also used for aggregates (Harry Pounds yard) and possibly waste (TJ Waste)	
	Retail	-	-		
	Residential	-	-		
	Community/recreation/leisure	*	-	* Tipner West has The Harbour School (for kids with difficulties) and also the National Seamanship Training Centre of the Nautical Training Corps	
	Utilities	-	-		
Vacant Land & derelict buildings	✓	✓			
Additional comments	-	This site is actively used by the MoD.			
Strategic	Proportion of M&M business activities	0%	0%		
	Clustering of M&M businesses	No	No		
	Key site occupiers	Tipner Boating and Angling Club, Portsmouth Harbour Cruising Club, Hope Construction Materials, TJ Waste and Recycling Ltd and Pounds Shipping	MoD		
	Proportion of small sized units	-	-		
	Proportion of medium sized units	100%	100%		
	Proportion of large sized units	-	-		
	Building Quality	-	-		
	Site quality	-	-		
	Site Assets of Relevance to M&M	Quay	✓	-	
		Jetty/moorings/pontoons/pier	*	-	* Tipner West - PCC has moorings
Slipway		*	-	* Tipner West - PCC has slipway (plus some means of launching and recovering down slipway)	
Fixed Cranes (jib/tower)		✓	-		
Mobile boat hoist/lift		-	-		
Boat rails		-	-		
Covered dry storage		-	-		
Open dry storage		*	-	* Tipner West - PCC has dry storage area for boats	
Freight transfer facilities		-	-		
Container cargo facilities		-	-		
Ro-Ro cargo facilities		-	-		
Bulk cargo facilities		-	-		
Dry/wet dock		-	-		
Other site assets	-	✓			
Additional comments	Floating crane on site, currently disused	Deep water torpedo testing lake	* Tipner West also used to store floating crane barge "Apache" which is in use		
Strategic Access	Strategic Road Access	Direct	Direct		
	Freight Rail Access	No	No		
	Public Transport Access	Poor access - 2 bus routes within 0.5 miles	Good access - 5 bus routes within 0.5 miles		
Navigational Access	Servicing of Site	Off-road loading/unloading	Off-road loading/unloading		
	Water Depth Above CD	0.3	-2.5		
	Permanent Water Access	No	No		
	MHWS Tide	4.7	4.7		
	MHWN Tide	3.8	3.8		
	MLWN Tide	1.9	1.9		
	MLWS Tide	0.8	0.8		
	Location of Measure	Portsmouth	Portsmouth		
Development Prospects	Water Frontage (m)	1,500	1,500		
	Vacant Developable Land	75%	60%		
	Observed Derelict Buildings	-	-		
	Observed Vacant Buildings	-	-		
	Area Built On (sqm)	7,967	11,000		
Site Allocations/Designations	Proportion of land built on	3%	1%		
	Intensification Prospects	High	High		
	Investment Requirements	Site remediation (for contamination); channel deepening (dredging)	Site remediation (for contamination); channel deepening (dredging)		
	Flood Risk	Low	Low		
	LA Employment Land or Water Access Policy Designation	-	-		
Site Allocations/Designations	LA Mixed-use or Regeneration Policy Designation	-	-		
	SPA	✓	✓		
	RAMSAR	✓	✓		
	SAC	-	-		
	SSSI	✓	✓		
	All Local Environmental Designations	-	✓		
	Indicative Current Job Capacity of Site (excluding MoD)	<25	n/a		
Importance Tier	Tier 1 - Prime Site	MoD			
Typology	8. Established industrial site: create/improve access to grow and transition to M&M if suitable.	0. Marina, commercial ferry/port, Defence or Utilities (Assume current use is long term)			

5.2 APPENDIX B ~ CONCEPTUAL MARINE ENTERPRISE HUB



5.3 APPENDIX C ~ MARINE SECTOR ENGAGEMENT OVERVIEW

APPENDIX C ~ MARINE SECTOR ENGAGEMENT OVERVIEW

MP244 City Deal

Rev A 08/03/2016

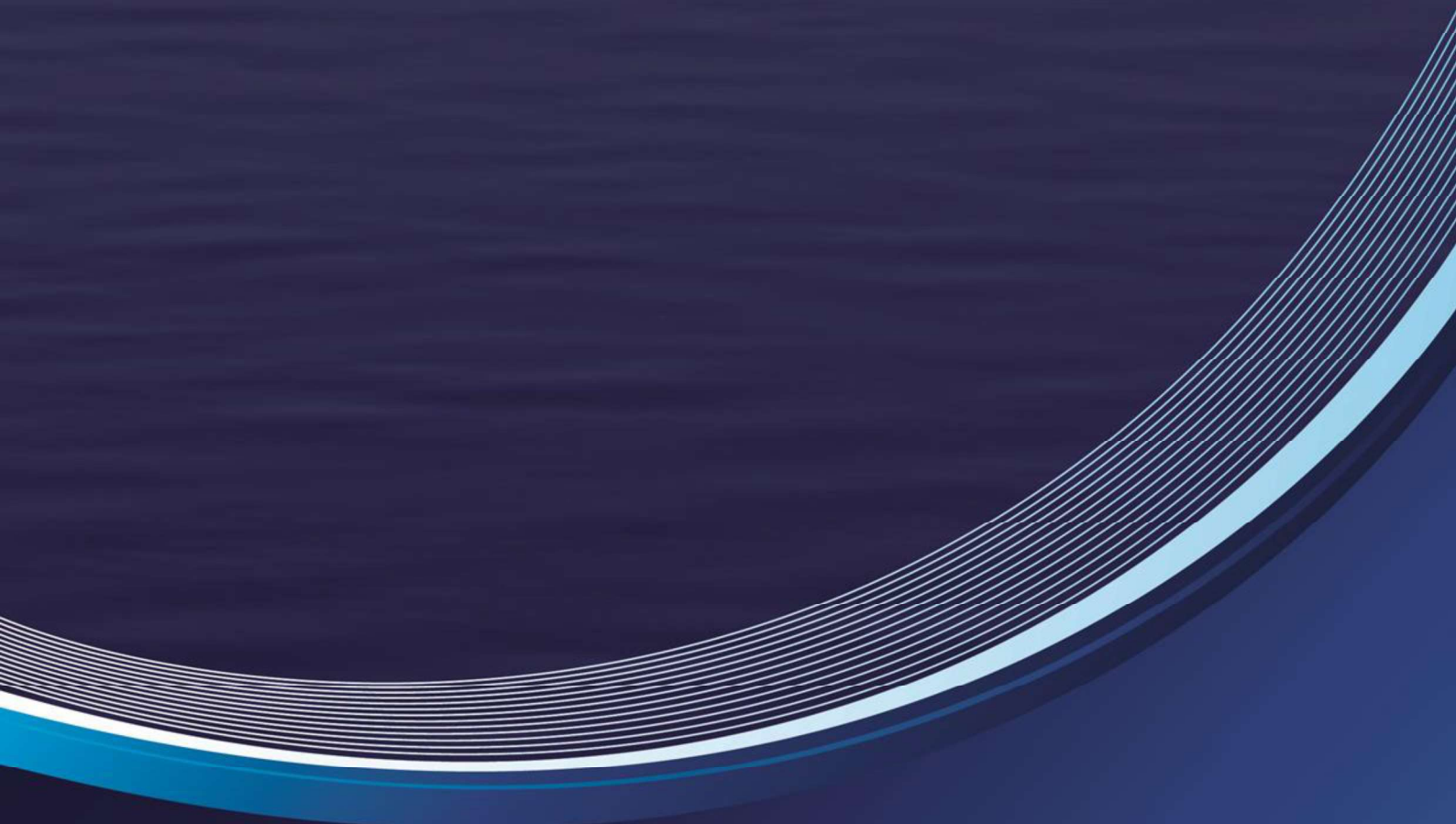
The below schedule outlines the 'baseline' list of consultees as discussed in Section 4.2.3 in the body of the main report. The anticipated outcome(s) of the discussions are made in relation to the following 'Terms of Reference':

1. Filling any potential gaps arising from the sites review analysis
2. Identifying the relevant market sectors best placed to take advantage of the Tipner opportunities
3. Availability of existing sector facilities: suitability and access
4. Research of the skills gap and training opportunities

Tier	Organisation	Anticipated Outcomes	ToR
<i>Public Bodies & Organisations</i>			
1	Solent LEP	CEMAST review, sector initiatives, Skills shortages	2 & 4
1	LEP – Employment & Skills Board	Skills shortages, UTC proposals	2, 3 & 4
1	LEP - SMMSG	Sites register, policy protection for waterside sites, funding programmes/bids	2, 3 & 4
1	PCC Economic Development Team	Sector based initiatives	2
1	Portsmouth University	UTC proposals, synergy with potential academy proposals, initiatives and sector involvement, skills shortages	2 & 4
1	British Marine	Skills shortages, market trends & barriers to growth	2, 3 & 4
1	Superyacht UK	Skills shortages, market trends & barriers to growth	2, 3 & 4
1	Rear Admiral Rob Stevens	Skills shortages, market trends & barriers to growth	2 & 4
2	Southampton Marine & Maritime Institute (SMMI)	Synergy with academy proposals, initiatives and sector involvement	2 & 4
2	Warsash Maritime Academy	Synergy with academy proposals, initiatives and sector involvement, skills shortages	2 & 4
2	Marine Skills Centre (Southampton City College)	Skills shortages	4
2	Marine South East	Skills shortages, market trends/sectors	2, 3 & 4
2	Maritime & Coastguard Agency (MCA)	Survey requirements, Skills shortages	3 & 4
<i>Contractors & Manufacturing</i>			
1	Burgess Marine	Limitations at Trafalgar Wharf site. Constraints, opportunities, market trends,	1 & 4
1	Magma Structures	Skills shortages, constraints, opportunities, market trends,	4
1	Solent Refit	Skills shortages, constraints, opportunities, market trends,	1 & 4
1	Premier Marinas	Limitations at Port Solent and Portsmouth Harbour/Solent sites. Constraints, opportunities, market trends,	4
1	BAE Systems	Skills shortages	4
1	QinetiQ	Skills shortages	4
1	Green Marine	Skills shortages, market trends	1 & 4
2	Sunseeker UK	Skills shortages, market trends/sectors	2 & 4
2	Princess Yachts	Skills shortages, market trends/sectors	2 & 4
2	Elephant Boatyard	Facilities (servicing & refit), Skills shortages	1 & 4
2	Stone Pier Yard	Facilities (servicing & refit), Skills shortages	1 & 4
2	Ocean Quay	Facilities (servicing & refit), Skills shortages	1 & 4
<i>Operators & Suppliers</i>			
1	Red Funnel	Skills shortages, facilities (servicing & refit)	3 & 4
1	Wight Link	Skills shortages, facilities (servicing & refit)	3 & 4
1	Gosport Ferry Company	Skills shortages, facilities (servicing & refit)	3 & 4
1	Portsmouth Queen Harbour Master (QHM)	Skills shortages, facilities (servicing & refit)	3 & 4
1	Associated British Ports (ABP)	Skills shortages, facilities (servicing & refit)	3 & 4
2	Port of London Authority (PLA)	Skills shortages, facilities (servicing & refit)	3 & 4
2	Port of Dover	Skills shortages, facilities (servicing & refit)	3 & 4
2	Autonomous Surface Vehicles (ASV)	Skills shortages, facilities (servicing & refit), market sector suitability	2, 3 & 4
2	Sustainable Marine Energy (SME)	Skills shortages, facilities (servicing & refit), market sector suitability	2, 3 & 4
2	Land Rover BAR	The Portsmouth experience – observations on demand/opportunities, Skills shortages	2 & 4

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Appendix 3

Marine Employment Alternatives



**Marine Employment Alternatives
Tipner Regeneration Programme
COMMERCIAL IN CONFIDENCE**

July 2020

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TIPNER REGENERATION PROGRAMME MARINE EMPLOYMENT ALTERNATIVES

COMMERCIAL IN CONFIDENCE

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1. INTRODUCTION

Portsmouth City Council is progressing plans for the major redevelopment of the Tipner West site in Portsmouth Harbour. The proposals include significant reclamation and development that needs to be assessed under the Habitat Regulations. The purpose of this report is to inform the assessment of alternatives associated with the delivery of the marine employment component of the Tipner Regeneration Project. There is a compelling case for the delivery of the housing and the alternatives case for this element and the need to co-locate with the marine employment will be dealt with in the Shadow HRA.

The test of alternatives is one of the components of the derogation under the Habitat Regulations where a project is deemed to have an adverse effect on a relevant designated site or sites. The second component of the derogation is the need to demonstrate Imperative Reasons of Overriding Public Interest (IROPI), sometimes referred to as the needs case with the third element addressing the need to agree and deliver compensation.

This report does not consider the overall IROPI case, which will also be dealt with in the Shadow HRA.

1.1 BACKGROUND

The Portsmouth City Deal, approved by the Government in 2013 was predicated on the basis that the Tipner sites (Tipner West and Horsea East) would unlock some 58,000m² of critical employment space for the growing marine and advanced manufacturing sectors of the Solent Economy; as well as delivering significant housing.

The marine and maritime sector provides almost 1/5 of the UK's GVA with the Solent being the UK's leading marine cluster and the marine and maritime sector being the largest sector in the Solent region. A need has been identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region. This need is expressed in various national and regional strategies and policies including:

- The 'Maritime Growth Study: Keeping the UK competitive in a Global Market' Report (Department for Transport, 2015) is a national study supporting the national policies for the sector.

- The Maritime 2050 report - *Maritime 2050 Navigating the Future*, (Department for Transport, January 2019) sets out the Government's strategy for the maritime sector over the next 30 years and arose out of the 2015 Maritime Growth Study. This is a national strategy that also acknowledges the strength of the Solent maritime sector
- Maritime Sector Recovery Plan, (Maritime UK, June 2020) has a national context
- Transforming Solent: Solent Strategic Economic Plan 2014-2020 (The Solent Local Enterprise Partnership, March 2014) a report on the economic future of the Solent sub-region.
- 'Making Waves: Solent's Marine & Maritime Sector', (Solent Local Enterprise Partnership, 2015), highlighted the Solent's "*coastal location, business base, research assets and educational strengths*" as key factors that make the Solent the "*UK's leading marine cluster*" at the "*heart of the UK's marine & maritime economy*".

Project specific market research¹ and the economic case has identified the need and demand for this employment space and furthermore that it will constitute a regionally significant marine employment hub that is to be delivered at Tipner. The site is immediately adjacent, and works would include a footprint in, The Portsmouth Harbour Special Protection Area which is a 'European site' and a 'European marine site' under Regulation 8 of the Conservation of Species and Habitats Regulations 2017 ("the 2017 Regulations"). As a whole, given the scale of development the project has the potential for creating a significant effect on the European Site.

1.2 THE HRA TEST OF ALTERNATIVES

In short, the first test required to pass the derogation requires that there must be no feasible alternative solutions to the plan or project which are less damaging to affected European sites. In respect of the test of alternatives:

- The competent authority needs to be satisfied that the absence of feasible alternative solutions has been demonstrated objectively and in robust fashion. Alternatives should be considered including schemes at

¹ City Deal Marine Sector Market Summary Marina Projects Ltd October 2016

a different location, using different routes, scales, sizes, methods, means or timing.²

- A 'do-nothing' option should be included as part of the consideration of alternatives. Practically this is not an acceptable alternative solution because it would be incapable of delivering the objective however, it can help to develop a baseline against which alternatives can be tested.
- Alternatives should be financially, legally and technically feasible. Alternatives cannot be ruled out because they would cause greater inconvenience or cost unless that negatively impacts viability/deliverability.
- Alternatives must be considered objectively and broadly. This could include options that would be delivered by someone other than the applicant, or at a different location, using different routes, scale, size, methods, means or timing. Alternatives can also involve different ways of operating a development or facility.
- It is for the applicant to identify alternatives and for the competent authority to assess whether a solution could have less of an impact on a European site.
- The competent authority will establish whether the alternative solutions are reasonable and feasible. The question of whether or not there are alternatives depends on how closely defined the objective of the plan or project is.

1.3 THE MARINE EMPLOYMENT OBJECTIVE

The needs case and demand for marine employment will be set out in a separate report for the promotion of the development proposals to support a proposed local plan allocation, but in summary National Government policy set out in Maritime 2050³ recognises the significance of the maritime economy in the UK and seeks to expand the UK's maritime economy. The strategy outlines various strategic ambitions that include:

- confirming that the government and the maritime industry are clear that maritime has an integral role to play in the future of the UK.

² DEFRA's *Habitats and Wild Birds Directives: guidance on the application of article 6(4)*

³ Maritime 2050, navigating the future, Department for Transport, January 2019

- continued support to commercial investment in maritime infrastructure
- grow the maritime workforce
- enhance the UK's reputation as the world leader in the provision of maritime education and training.

Furthermore Maritime 2050 identifies the very significant part that the Solent region plays in underpinning the UK's maritime economy. Government support for the growth of the sector across the Solent, and Portsmouth in particular, is further reinforced by the City Deal funding already in place and the Solent LEP's Local Industrial Strategy.

A recent report has further emphasised the crucial importance of the sector or Solent cluster to the marine sector nationally⁴. This report by CEBR on behalf of the Solent LEP and Maritime UK in September 2019 assesses the importance and recognition of the role the Solent plays as a gateway for trade with the rest of the world. It assesses the economic impact of the Solent-based Maritime Sector and Portsmouth naval base in terms of the key macroeconomic indicators of gross value added (GVA), turnover and employment. In summary Turnover exceeds £12billion, GVA accounts for a further £5.8 billion and the sector accounts for 152,000 jobs. As significant as the sector is, there are considerable growth prospects for the maritime economy of the Solent, indeed the CEBR report forecasts Annual Growth of 3.1% and whilst this is a slowing of the annual growth rate from the preceding period it is ahead of the maritime growth rate for the UK as a whole. This reflects the significance of the sector, however, the evidence presented by the regional reports summarised in Section 1.1, also make it clear that those growth prospects are being constrained by access to waterfront employment sites. It is the need for intervention to address this issue that led to the City Deal for Portsmouth and the identification of the strategic nature of the marine employment opportunity that the Tipner site presents and the benefit that can be provided to the Solent economy.

Assessment of the marine employment market across the Solent region¹ has identified the parameters of the marine employment proposals for Tipner West and notably the nature of constraints at other sites that need to be considered for this

⁴ *'The economic contribution of the Maritime Sector in the Solent LEP'*, CEBR: 2019
https://solentlep.org.uk/media/2837/cebr_maritime_uk_solent_lep_16102019.pdf

project to address the market requirements and avoid simple displacement of other uses. The principles established are that:

- There is a shortage of waterfront marine employment sites
- There is a gap in the market for lifting facilities above 200t and under 1,000t
- Other significant marine employment sites with boat lifting capacity are either inefficient in size and/or constrained.
- Constraints include a lack of water depth resulting in tidally restricted operations and/or a limit on maximum vessel size both of which restrict the ability of the market sector to fulfil its potential
- A shortage of open yard storage area, limiting the capacity and efficiency of operations which in turn further restricts the use of the facility is a common theme on other sites.

Consequent of the above findings, and given the strength of the need and demand, including national and regional policy that is driving the expansion of the marine and maritime sector, the key components for the Tipner Regeneration Programme, that will unlock the full potential of this strategic site, in respect of the marine employment proposals can be summarised as to:

- Provide a regionally significant marine employment hub to ensure the objective of supporting the growth prospects of the Solent marine and advanced manufacturing economy is met in order to support the national sector
- Deliver full-tide access, to ensure the full potential of this strategic site is realised
- Develop a large boat lift facility in the order of 600-700 tonnes, that matches the gap in the marketplace and seeks to ensure that the site unlocks potential rather than displace other uses
- Ensure an appropriate level of open yard storage to avoid the constraint present at other sites and provide the industry with the flexibility to adapt to short-term and alternative projects
- Provision of circa 58,000m² marine employment space. An appropriate scale of employment space for the site, as defined by the City Deal and reinforced by the local market research.

Assessment of the market and principles of marine employment confirms that a minimum site area of circa 9 Ha will be required to deliver the scale of marine employment outlined above and therefore have the ability to deliver against all of the above criteria. A site that can do so must be viewed as a critical marine employment opportunity site which in turn will lead to delivering against the overarching project objective which is expressed as:

“To deliver the sustainable growth and full economic potential of the Solent marine, maritime and advanced manufacturing cluster by meeting current unmet demands through unlocking critical maritime employment sites and delivering the essential associated physical and social infrastructure. This is in order to ensure the UK’s global competitiveness in the marine and maritime economy whilst supporting and enhancing the sub-region’s economy and regeneration”

2. OVERVIEW OF ALTERNATIVES

At a high level the alternatives to be considered include:

- Do Nothing
- Deliver at an alternative location (within the Solent region)
- Position the marine employment in a different configuration within the Tipner Project.

2.1 DO NOTHING

A 'Do Nothing' scenario will not deliver the project objective established above and as set out in the project description and the needs/IROPI case, this is because no new (market-led) marine employment will occur on the site. Furthermore, and perhaps more notably it will squander one of a limited number of critical waterfront marine employment sites that have been identified by the Solent LEP as being capable of transitioning to marine employment, thereby undermining National & Regional strategies aimed at expanding the marine sector, including Maritime 2050 and the Local Industrial Strategy.

For the avoidance of doubt a do-nothing scenario, in respect of the marine sector elements will lose the ability to:

- provide 1,750 FTE jobs on-site that would be provided by the proposed development
- utilise a critical marine employment opportunity that has the attributes to deliver strategic marine sector growth through development at the site
- address local deprivation through employment and skills growth as well as meeting housing need
- enhance marine sector skills

2.2 ALTERNATIVE LOCATIONS

In respect of the consideration of alternative locations there are a number of key considerations

- A key point is that any alternative must be in the Solent Region to meet the identified project need, objective and address local/regional policy delivery. Furthermore, the national and regional policy support makes the case strongly that the Solent has an established reputation as the UK's centre of excellence for marine and maritime industries.

- The Solent LEP's (emerging) Local Industrial Strategy is predicated on the basis that the Solent is well-placed to address key challenges of the National Industrial Strategy and lead the way in developing the ambitions of the Government's Maritime 2050 Strategy³.
- The Solent LEP's Waterfront Asset Register⁵ provides the foundation for an initial filtering of alternatives. This report responded to amongst other things the Strategic Economic Plan for the Solent region, published in 2014 that sought to focus investment on those parts of the economy with the best growth prospects. The marine and maritime sector was and remains recognised as a key economic strength around which the growth strategy for the region was built.

2.2.1 Overview of Solent LEP's Waterfront Assets Register

The aim of the waterfront employment sites report, and the assets register that it produced, was to provide a comprehensive register of all existing and potential waterfront sites in the Solent region and to demonstrate an understanding of their characteristics and assets. The need for such a sites register is a result of concerns raised, over a significant period of time, by marine & maritime businesses that valuable waterfront land, suitable for the growth of marine industries, is being lost to alternative developments.

There has been an established understanding for many years that waterfront employment sites across the Solent Region are in short supply. This study has been undertaken in response to the recommendations of *Transforming Solent: Marine and Maritime Supplement*⁶ and the *Solent Waterfront Strategy*⁷. Both of these reports highlighted the importance of the marine and maritime sector and the need for a site register.

Accordingly, the site register was compiled to identify the provision of waterfront employment sites across the Solent, based upon detailed assessment and evidence. It is important to recognise that the intention was that the sites register be referred to by policy makers and planning authorities to guide & shape long term development plans.

⁵ Maritime Future: Solent Waterfront Sites Study – AECOM, September 2015.

⁶ Transforming the Solent: Marine and Maritime Supplement, Rear Admiral Rob Stevens, CB March 2014

⁷ Solent Waterfront Strategy, Adams Hendry et al, December 2007

The register details the following (amongst other things):

- Site name, address and location
- Existing site characteristics including land use and presence of relevant assets
- Strategic road/rail access
- Navigational access including details of water depth, site water frontage and whether access is available at all states of tide
- Development prospects
- Site allocation and employment policy designations
- Flood risk and environmental designations
- Indicative estimate of current employment

The report notes the importance for strategic planning and identifies a total of 97 sites with a combined area of 1,730 hectares used or available for waterfront employment in the Solent area. Importantly, these sites are located within 7 clearly defined “clusters” across the region. Of this supply only 100.7Ha (less than 6%) was undeveloped waterfront land and spread across several sites. Furthermore, only around 10Ha (0.5% of the total) is undeveloped waterfront land with permanent waterfront access (applying the reports definition), again spread across several sites.

The report provides a summary of the analysis undertaken of the employment sites, categorised under a number of key headings. Perhaps most notably, the study analyses the sites from an ‘assets’ perspective, commenting on the level of infrastructure providing access to water. Furthermore, the report assesses each site individually with respect to its relative level of importance to the marine and maritime sector.

2.2.2 Site Categorisation

In addition to establishing the relative importance of a site, the sites register also provides an assessment for each of the waterfront assets based on 3 defined criteria: (1) Marine Access, (2) Presence of Marine & Maritime Activities and (3) Development Potential. The sites are assessed on a ‘yes’ or ‘no’ basis to provide a ‘typology’ characterisation overview. The combination of different criteria gives rise to a total of 8 different site typologies which are identified within the register.

These typologies that are determined by the site's key characteristics highlight the capacity and potential to support the marine and maritime sector. The eight typologies are then grouped into three sub-sets:

- Support for ongoing marine and maritime use i.e., where there is no room for growth
- Invest and grow for marine and maritime use, if suitable; where there is potential to expand existing activity
- Consolidate and/or transition to marine and maritime use if suitable; the introduction of new marine and maritime employment uses.

The relative level of importance is assigned to the site by scoring against a range of criteria. Tier 1 sites are considered to be of prime importance and are relatively the most important sites, displaying the best characteristics that are favourable for the marine and maritime sector. Tier 2 and 3 sites are respectively less important.

This approach has identified the sites across the region that offer the “best characteristics to give continued support and growth” and the ability to transition to marine and maritime employment. Delivering good access to water is noted as being essential to the prospects of delivering sustainable marine employment prospects at a given location.

2.2.3 The Tipner Site

The sites register provides a useful overview of Tipner, indicating a number of physical characteristics that will influence proposals for the site.

Tipner West was identified in the sites register as a 250,000m² (25Ha) site that has been categorised as a first tier “Prime Site” within Portsmouth Harbour. As noted, the register defines “Tier 1” as “sites of prime importance for marine & maritime activities within the Solent region”.

There are a total of 3 tiers utilised by the register; Tiers 2 & 3 are noted as offering a level of ‘secondary’ & ‘tertiary’ importance respectively. It is self-evident that a Tier 2 or 3 site could not achieve the objective of creating a regionally significant marine employment site with the required attributes.

2.2.4 Tier 1 Sites

It is particularly pertinent that of the 97 waterfront sites identified by the register, a total of 23 are ranked as ‘Tier 1’ (23.7%), the majority are established use without potential for growth and only 4 “Tier 1” sites remained under-developed for marine

& maritime use. This equates to just 4.1% of the total number of waterfront sites across the Solent region.

The 4 “Tier 1” sites that are identified as under-developed for marine & maritime use are as follows:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Spitfire Quay, River Itchen, Southampton
- Lower William Street, Industrial Estate, River Itchen, Southampton
- Vestas Technology UK: Manufacturing Site, River Medina, Newport, Isle of Wight

The Solent LEP Waterfront Sites Register provides an objective and robust assessment of the stock of waterfront employment land across the Solent region and provides a foundation for the identification of alternative locations. Accordingly, the above Tier 1 sites will be taken forward into the assessment of alternatives.

2.2.5 Other Sites

In addition to those sites that are under-developed, which might be considered to constitute the main opportunity sites, there are two further categories of sites worthy of further consideration:

- Tier 1 sites that are currently established for marine use but with identified potential for growth
- Excluded sites – these related to sites not considered to be available e.g., MOD sites or utility sites, on the basis they were providing critical infrastructure already and could not be transitioned to marine employment. Accordingly, this report should consider any sites that might now be available.

There were 6 Tier 1 sites identified by the Waterfront Assets Register that were already established for marine use but with identified potential for growth. These were:

- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Daedalus Enterprise Zone, Lee-on-the-Solent
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton
- Marchwood Industrial Park, Southampton Water

- Venture Quays, East Cowes, Isle of Wight
- Medina Yard, Isle of Wight

The only “excluded site” that has changed status since the production of the register is at Fawley Waterside.

2.2.6 Waterfront Assets Register Summary

The summary above and review of the Solent LEP’s Waterfront Asset Register identifies a comprehensive, thorough and objective review of the availability and classification of waterfront employment sites (including opportunity sites) across the Solent Region. The report, commissioned by the Solent LEP, with the express aim of supporting the delivery of regional growth policies, provides a sound basis to commence the process of identifying alternative opportunity sites for marine and maritime employment.

Furthermore, the report makes a number of observations:

- Existing waterfront employment sites are performing well with a generally low level of vacancy
- The marine and maritime sector across the Solent is expected to grow and demand for sites is likely to increase.

2.3 PRELIMINARY FILTERING OF ALTERNATIVES

This section considers all of the Tier 1 sites with any potential for transitioning to or growth of marine and maritime employment (10No. as identified above). It does so initially by making detailed reference to the undeveloped waterfront sites in the Solent Waterfront Assets Register . That analysis found of 94.4ha of undeveloped waterfront land only 10% (9ha) has permanent water access. The assessment also identified some established sites with available land not previously classified in the “growth” category, but it also found one site, Venture Quays, was now fully occupied and no longer displaying the potential for growth.

Furthermore, many of the sites with permanent water access were below 2ha in size and would not be considered strategic sites.

In fact, the 94.4ha of Solent undeveloped waterfront land reported by the Waterfront Assets Register is significantly overstated because it includes 63.6ha of land at Horsea Island. The Tipner project includes 7.4ha of land at Horsea East which constitutes the total of available undeveloped land. The balance of that land

is either in MOD use or forms part of the Horsea island Country Park, as illustrated in Figure 2-1.



Figure 2-1 Horsea East site

An updated summary of the undeveloped waterfront land in December 2019 and taking forward the marine employment proposals for Tipner West and Horsea East is provided in the summary below. It can be seen that the 10 Tier 1 sites from the Waterfront Assets Register are complemented by a further 5 existing sites where some limited vacant land has been identified:

Table 2-1 Undeveloped waterfront sites – update 2020

Location	Remaining vacant land (ha)	Waterfrontage (m)	Water Access (m Chart Datum)
Tipner West & Horsea East	10.8	375	-3.0m
Royal Clarence Yard	2.3	210	-4.0m
Priddy's Hard	1.2	51*	-5.6m

Bakers Wharf	1.0	82	1.7m
Spitfire Quay	1.1	1,167	1.7m
Lower William Street	0.5	108	2.0m
Chapel Riverside	0.7	434	1.7m
Dibbles Wharf	1.2	120	-2.2m
Eling Wharf	2.3	470	0.4m
Daedalus	83	0	n/a
Centenary Quay	1.3	212	-2.8m
Marchwood Industrial Park	5.2	1,200	-3.1m
Venture Quays	0	50	-2m
Medina Yard	0.5	405	-2
Kingston Marine Park	6.2	412	2

* Site served by a jetty some 250m long with no direct access ashore.

There is a combination of a severe lack of available land (less than or around 2Ha) and lack of permanent water access (all sites are drying at low-water spring tides, severely limiting vessel access) at Bakers Wharf, Spitfire Quay; Lower William Street, Chapel Riverside; and Eling Wharf which means that these sites can be excluded from further consideration.

Furthermore, Land South of Medina Yard and Dibbles Wharf whilst having all-tide access are too small. Priddy's Hard is limited in size also and it is notable that the deep water is some 250m distant with only a jetty connection and no feasible method or space to bring vessels ashore and so this site can also be dismissed.

The Venture Quays site on the Isle of Wight is now fully occupied by Wight Shipyards and Vestas and there is no longer the potential for growth and this site does not warrant further review at this time.

This preliminary filter of the Waterfront Assets register identifies the following sites that might meet the previously noted criteria and be worthy of further consideration:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton

- Vestas Technology UK, manufacturing site, River Medina, Newport, Isle of Wight
- Daedalus, identified growth potential
- Marchwood Industrial Park, identified growth potential
- Kingston Marine Park, identified growth potential

As for sites excluded from the Waterfront Assets Register (MOD/utility sites) there is one candidate site now in the portfolio of sites available for development which should be included in the analysis:

- Fawley Waterside; Southampton Water – previously considered as unavailable (Excluded Site) as it was classed as a utility site.

3. ASSESSMENT OF ALTERNATIVE SOLENT LOCATIONS

Arising from the above assessment and filtering exercise there are 8 sites, including Tipner & Horsesea (together the Tipner West project) that warrant more detailed review. Their locations are identified in Figure 3-1.

The assessments consider the potential of each site to be altered/developed to provide the required nature and scale of marine employment proposals.

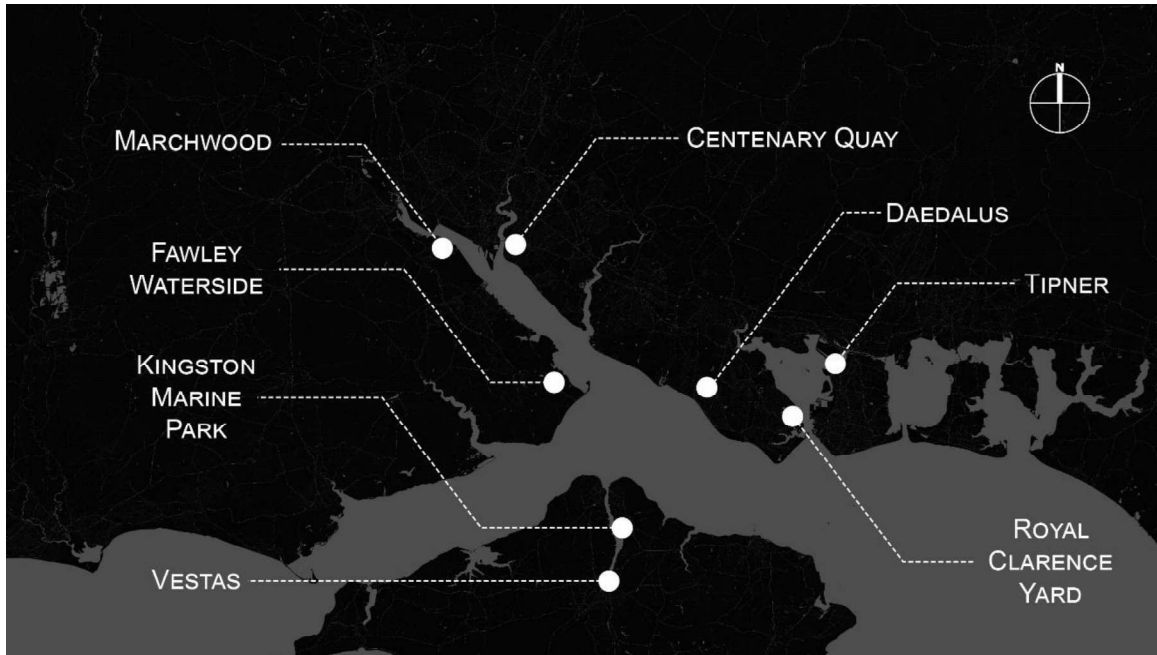


Figure 3-1 Alternative sites within the Solent region - location plan

3.1 TIPNER

3.1.1 Waterfront Assets Register Typology

The sites register categorises Tipner West with typology No.8 which is described as *“Industrial Site; Create/Improve Access; Grow and Transition to Marine and Maritime, if suitable”*. Typology No.8 is displayed in Table 3-1.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-1: Waterfront Register, Site Typology No. 8 (Relevant for Tipner West)

It is evident that water access to the Tipner West site is constrained at certain states of the tide; therefore, the assessment does not consider this site to currently offer 'good marine access'. The proposal however provides for a relatively modest dredge to extend the existing access channel to the deep water of Portsmouth Harbour at 4m Below Chart Datum, thus providing excellent access. The presence of an existing channel and deep water some 600m from the site means that the dredging can be achieved with a widening and deepening of the existing access channel. The capital dredge would be included within the project proposals and covered by the EIA and HRA.

The Waterfront Assets register considered Horsea Island separately but excluded it as an opportunity site because of the established use by the MOD. The MOD use will continue at Horsea but there is a site parcel, owned by PCC. The Tipner Regeneration Programme includes this parcel of the Horsea Island site of which approximately 4ha forms part of the marine employment zone. The detailed assessment below therefore includes that element of the site.

3.1.2 Detailed Assessment

Within this section this report considers the key components set out in Section 1.3. The delivery of these elements would be required to unlock the full potential of the marine sector, namely:

- Deliver full tide access – by dredging the access channel to a minimum of 3m below Chart Datum, connecting to the deeper water in Portsmouth Harbour.
- Develop a large boat lift facility in the order of 600-700 tonnes, to include a hoist dock, washdown, holding berths and work berths
- Ensure an appropriate level of open yard storage
- Provision of circa 58,000m² marine employment space
- The overall marine employment hub totals in excess of 9Ha



Figure 3-2 Tipner West Potential Marine Employment Proposals

The detailed assessment demonstrates that for the marine employment requirements, Tipner and Horsea can accommodate these in order to deliver a regionally significant marine employment hub, covering a minimum of 9Ha, spread across the Tipner and Horsea Island locations.

3.2 ROYAL CLARENCE YARD

3.2.1 Waterfront Assets Register Typology

Royal Clarence Yard (RCY) is categorised by the Waterfront Assets register with typology No.7 which is described as being an “Industrial Site; Grow and Transition to Marine and Maritime, if suitable”. This typology indicates a similar set of characteristics to that of Tipner West, the notable difference being that these sites are deemed to currently offer good access to the water, hence there is no requirement to either ‘create’ or ‘improve’ access. Typology No.7 is displayed in Table 3-2.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-2: Waterfront Register, Site Typology No. 7 (Relevant for Royal Clarence Yard)



Figure 3-3 Royal Clarence Yard

3.2.2 Detailed Assessment

Royal Clarence Yard is located between the Gosport Marina and Royal Clarence Marina. It is a historic site which includes a number of listed buildings such as the remains of the railway station used by Queen Victoria. It also includes a former steam fire engine house and boat house. The site has recently been disposed of by the MOD with the site being acquired by UK Docks a ship repair company with bases in Tyneside, Teesside, Plymouth and Gosport.

A summary of key issues/opportunities is provided below:

- The site totals only 2.3Ha
- The main jetty is approximately 150m long with a secondary berth of 60m
- The adjacent Royal Clarence Marina to the north limits the potential for any extended berthing
- The site enjoys deep water access with 4m depth below Chart Datum at the outer end of the main jetty. Capital dredging would be required if

boatlifting and all-tide berthing were to be provided – essential if the opportunity is to be maximised

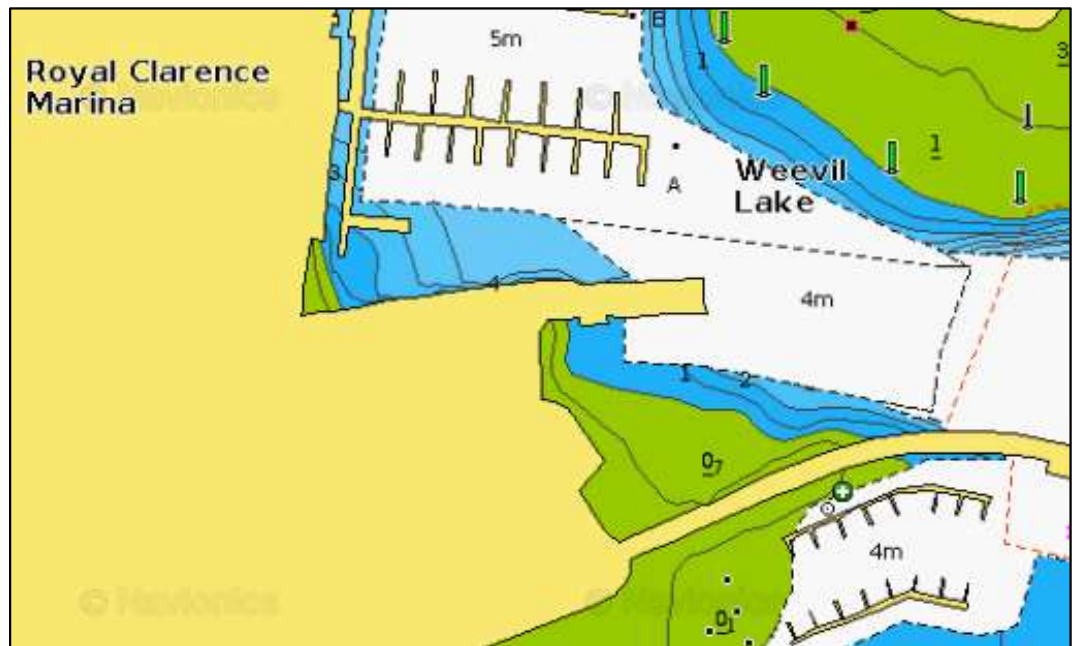


Figure 3-4 Royal Clarence Water Depths

- The existing quay wall/jetty would need upgrading if lifting facilities are to be introduced (impact of dredge depths?)
- There is a slipway on site, but the depth is restricted, and it is unlikely to be able to accommodate even if upgraded, the recovery and launching of vessels of any significant size – certainly not of 30m or greater.
- A significant proportion of the buildings on site are listed restricting their use and redevelopment
- The site is adjacent to the developing Royal Clarence Marina residential properties.

3.2.3 RCY Summary

The classification arising from the Waterfront Assets register is endorsed by the above assessment and there is certainly potential for enhanced marine employment uses to be delivered at Royal Clarence Yard. However, the limited size of site severely restricts the opportunities and does not allow it to meet the project objective. Any reclamation to deliver an increased site area would impact on the area required to provide access and support berthing having a consequential negative impact to offset the increase in site area.

Furthermore, the combination of the extensive footprint of listed buildings and other constraints restrict the potential of the site's redevelopment, such that it would not be possible to deliver the regionally significant marine employment objectives of the Tipner Project.

3.3 CENTENARY QUAY

3.3.1 Waterfront Assets Register Typology

Centenary Quay like Royal Clarence Yard is categorised as typology No.7, described as "*Industrial Site; Grow and Transition to Marine and Maritime, if suitable*" – refer also to Table 3-3

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-3: Waterfront Sites Register, Typology No.7 (relevant to Centenary Quay)

3.3.2 Detailed Assessment

Centenary Quay in Southampton is understood to be under offer to a developer at present with this project being promoted by the Homes and Community Agency. Oceanic Estates have announced plans for a wind blade facility at the site with the manufacturing and testing facility to be used by General Electric Company Renewables division. A total floor space of 11,633m² has been approved by Southampton City Council.

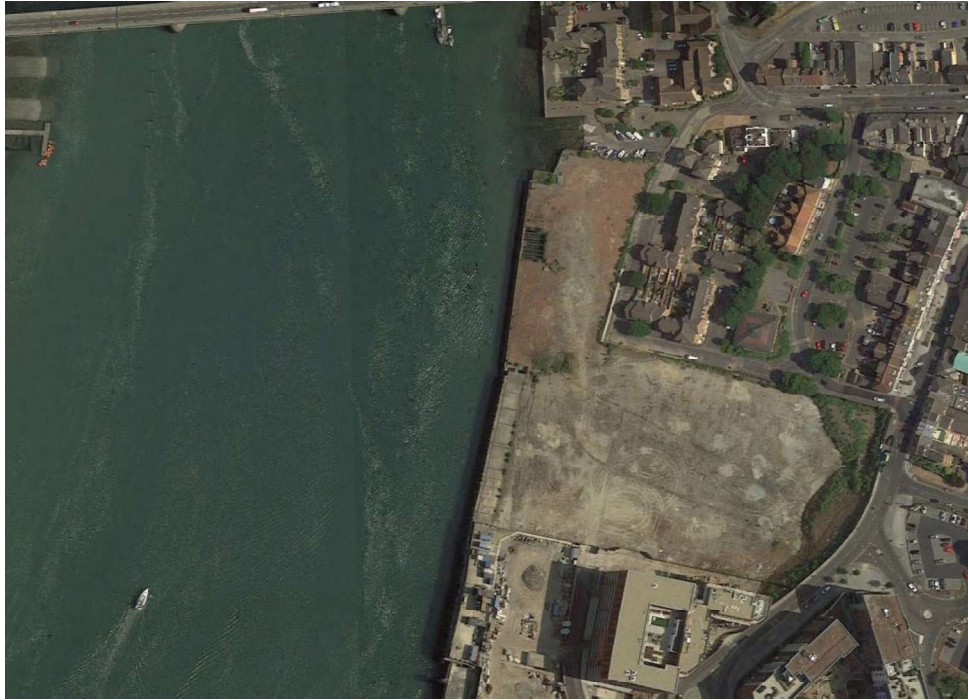


Figure 3-5 Centenary Quay

The deep-water berth will be used for loading and unloading of blades. A summary of key aspects of the site is provided below:

- The site is only 3.18 Hectares in size bounded by residential developments without potential for expansion on land.
- Extension into the river to increase the size of site would have navigational conflicts and adversely affect the existing water borne access.
- The berth at some 580m long enjoys water depth approximately 2m below Chart Datum, capital dredging would be required for full tidal access.
- The extent of berthing extending out from the quay wall is limited to approximately 60m due to the proximity of the main navigation channel and the path of larger commercial vessels passing under the Itchen Bridge.
- The existing quay wall is in the form of a suspended deck. The deck itself is of very limited load bearing capacity and significant intervention is required to increase the capacity of this dock

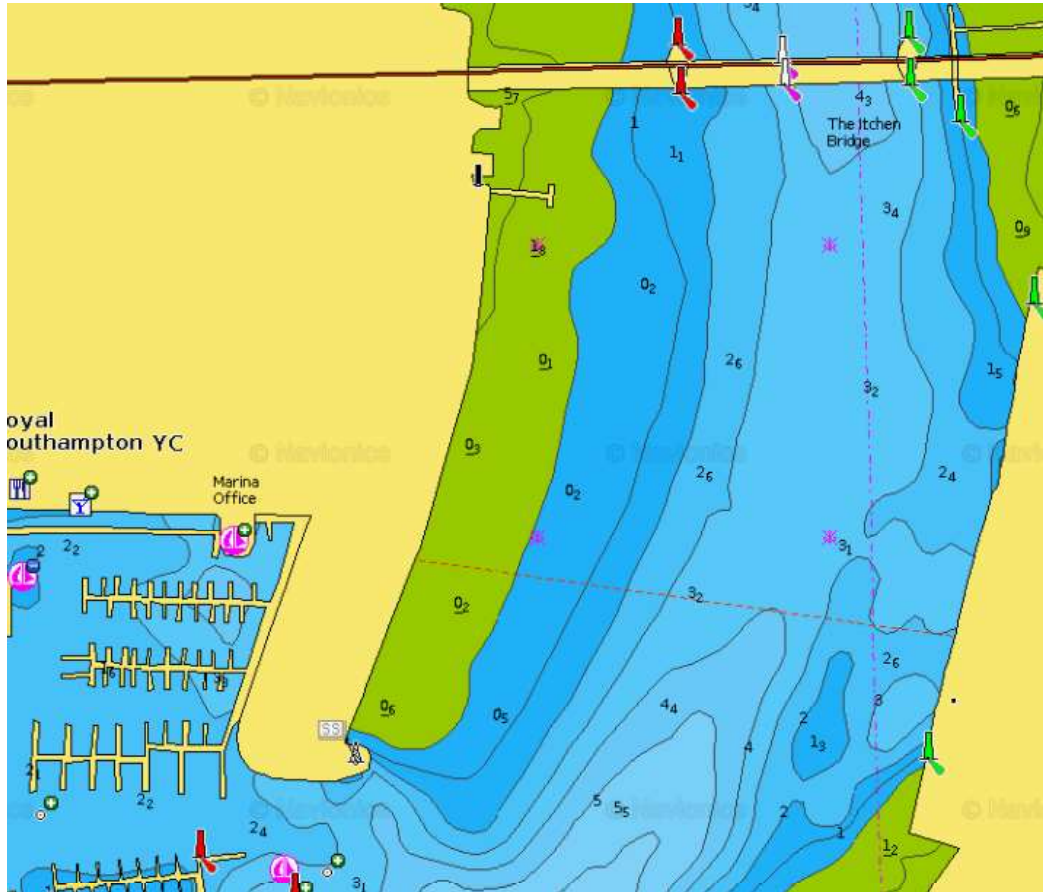


Figure 3-6 Centenary Quay Water Depths

3.3.3 Centenary Quay Summary

The site's classification for transition to marine employment holds good, however the site is of insufficient scale to warrant the investment in major boatlifting facilities, furthermore the site could not sustain the required level of development, boat hoist capacity or open storage necessary to achieve the project objective. Note that the recently approved planning for a major wind turbine shed provides less than 20% of the target employment space.

3.4 VESTAS, NEWPORT

3.4.1 Waterfront Assets Register Typology

Vestas Technology UK (manufacturing site) based at Newport on the Isle of Wight is categorised with typology No.4 which is described as *"Industrial Site; Create/Improve Access; Transition to Marine and Maritime, if suitable"*. Typology No.4 is displayed in Table 3-4.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-4: Waterfront Register, Site Typology No. 4

Due to the challenging characteristics present at the site, the Vestas site is the most unfavourable site for waterfront development of all the under-developed “Tier 1” sites. This assessment arises because of the significant challenge and extent of dredging in the Medina River that would be required to provide the necessary waterborne access.

3.4.2 Detailed Assessment

The Vestas site is located on the western bank of the River Medina and is in a narrow drying section of the river. Average water depths are 3m above Chart Datum and the site is serviced by shallow barges that have less than half-tide access. Deeper water (2m below Chart Datum) is around 1.25 miles to the north. A capital dredge to provide full-tide access would be a major undertaking and is unlikely to be cost effective, acceptable or sustainable, with significant environmental impacts arising.

Furthermore, the site is a little over 3 Hectares in size and could not support the major vessel lifting equipment required to satisfy the needs of a major marine employment site. There is no scope for expansion on land due to neighbouring activities and the site orientation means that reclamation to increase land area would necessarily be in a long thin strip along the edge of the river creating an impractical landform

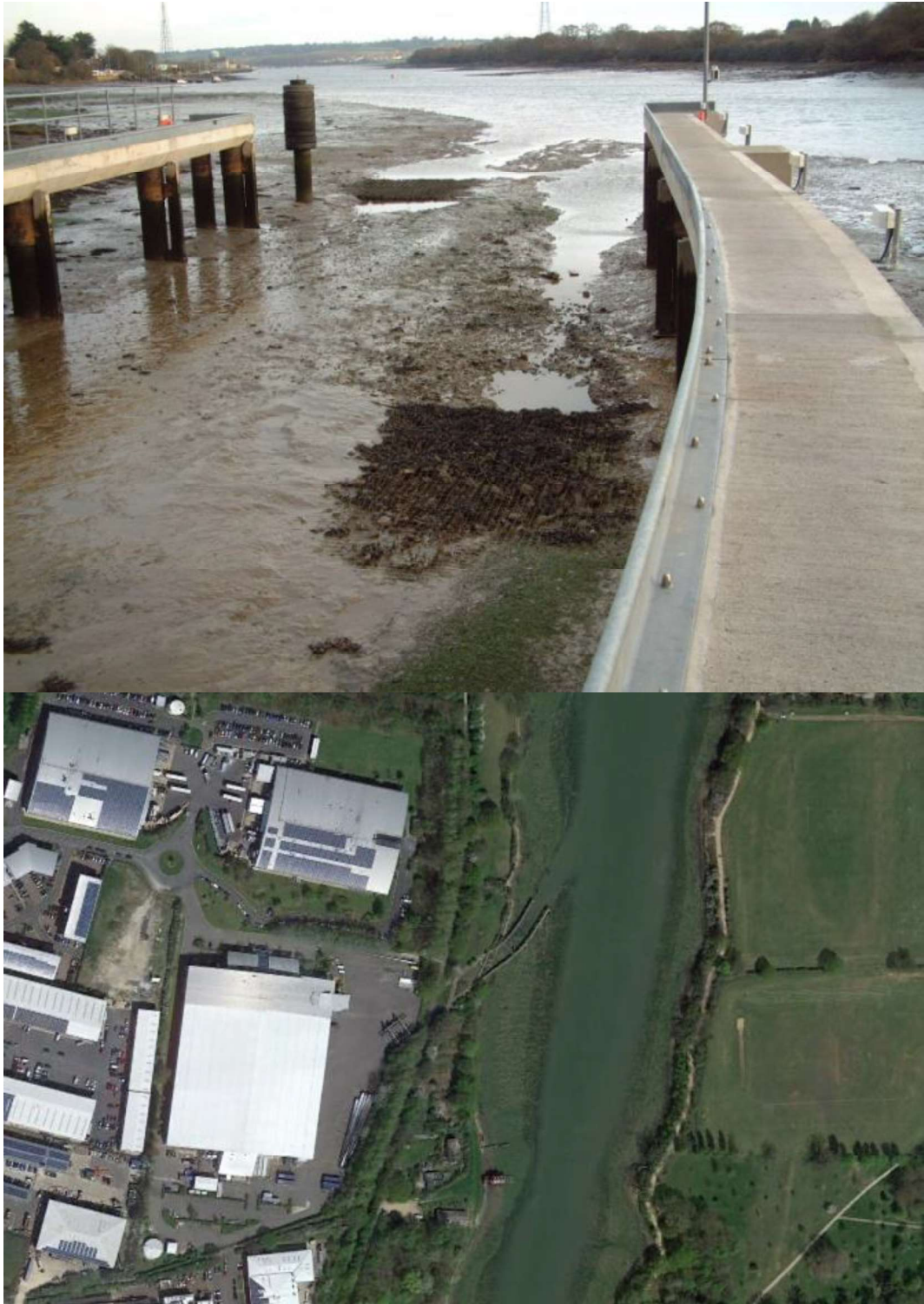


Figure 3-7 Vestas Hoist Dock

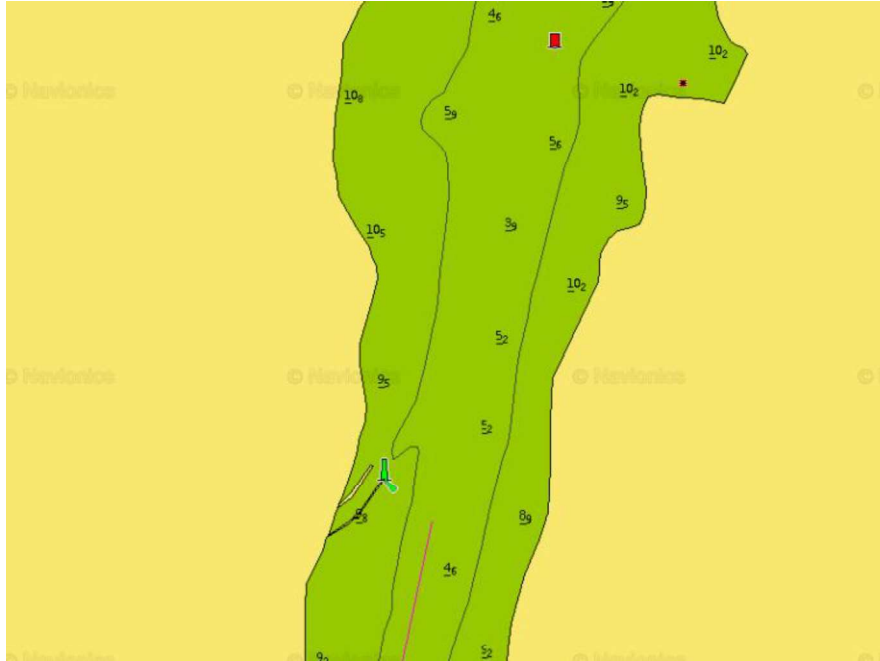


Figure 3-8 Vestas Newport

3.4.3 Vestas Summary

The site's classification as a Tier 1 site, for transition to marine employment must be questionable because of the lack of water depth and challenge in delivering meaningful full tide access. The site is of insufficient scale to warrant the investment in the capital dredge, and it is unlikely to be deliverable on environmental grounds, furthermore the site could not sustain the maintenance dredging obligation and required level of development, boat hoist capacity or open storage necessary to achieve the Tipner objective.

3.5 FAWLEY WATERSIDE

3.5.1 Waterfront Assets Register Typology

At the time of the Solent LEP's Waterfront Asset Register work, this site was still earmarked as a key utility site – being the former Fawley Power Station. Subsequently the site has been acquired by the Cadland Estate and proposals for a major redevelopment have been recently approved by New Forest District Council and New Forest National Park Authority. The proposals include for a marine employment quarter the detail of which are summarised below.

It is worth noting that whilst we have included this site in the assessment of alternatives, now that the site proposals have been approved and the use is confirmed, the site is arguably no longer available



Figure 3-9 The Former Fawley Powerstation

3.5.2 Detailed Assessment

- Fawley Waterside is connected to Southampton Water by a 1km access channel that has an established dredging regime that maintains the channel at 1.5m below Chart Datum (CD).
- The entrance channel structure is 15m wide with an invert at 2.44m below CD and this creates a constraint on maximum vessel size and vessel movement.
- The intention is to utilise the existing basin structures and create a canal within the basement structure of the former power station building, this will provide access to the employment site in the northern quarter.
- The employment site is 6.5Ha in size but the overhead power cables that crosses the site sterilises 50% of the site that would need to be reserved for secondary employment/supply chain uses
- A tidal flap will impound water within the canal that restricts vessel movements to periods of high water only
- Basin depths in the dock vary from 2.44m below CD to 4.58m below CD.
- The marine employment site is some 6Ha.
- The application confirms that Northern Quarter could include a maximum of 46,000sqm of employment space

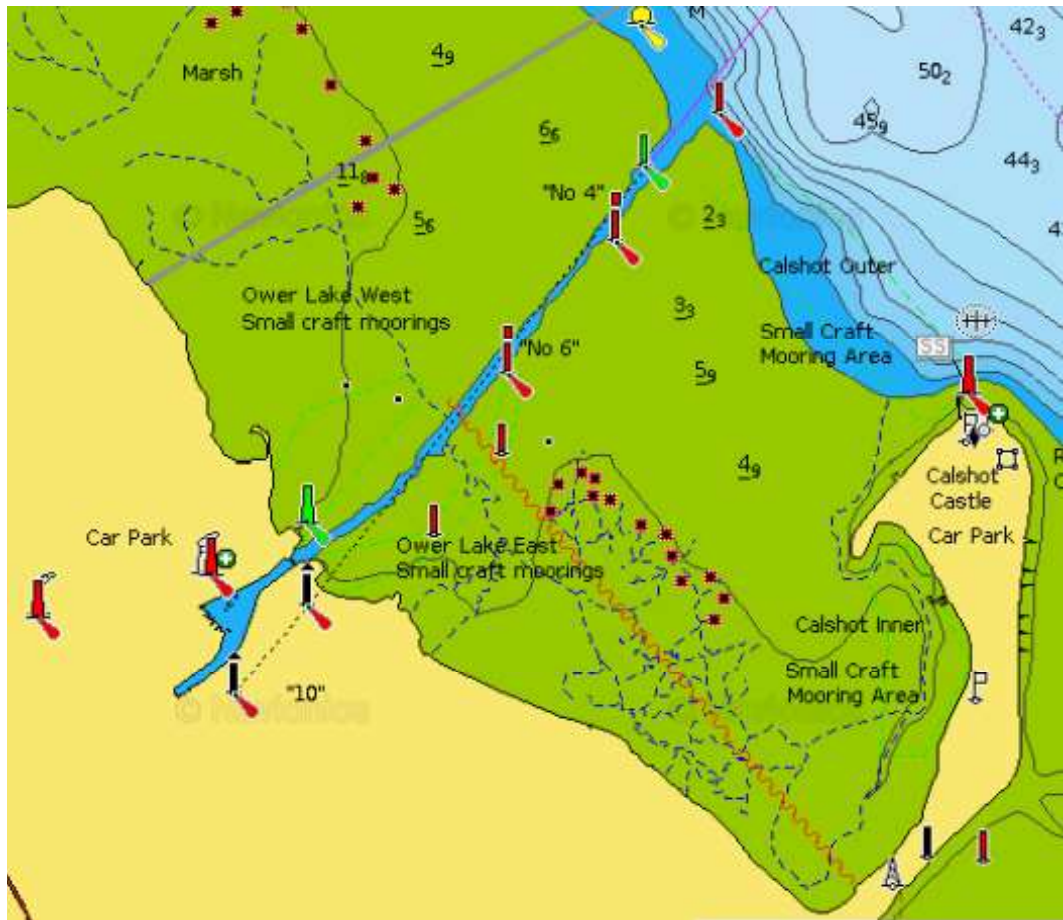


Figure 3-10 Fawley access channel bathymetry

Although the site has a dredged access channel. The planning application for the development makes it clear that access to the employment site will be restricted to high tide by the introduction of a tidal flap that will operate over the high tide period only and therefore the site cannot be viewed as providing unrestricted access.

3.5.3 Fawley Waterside Summary

Fawley Waterside is a notable site in terms of scale and the characteristics of the site will suit certain uses and compliment the wider Solent maritime economy and the thrust of development in the sector. The proposals for the site can be seen as secondary but may complement the more significant proposals for Tipner.

3.6 MARCHWOOD INDUSTRIAL PARK

3.6.1 Waterfront Assets Register Typology

Marchwood is categorised within Typology 7; *Established industrial site, Grow and Transition to Marine and Maritime, if suitable.*

Typology No. 7 is displayed in Table 3-5.

Table 3-5 Typology 7

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

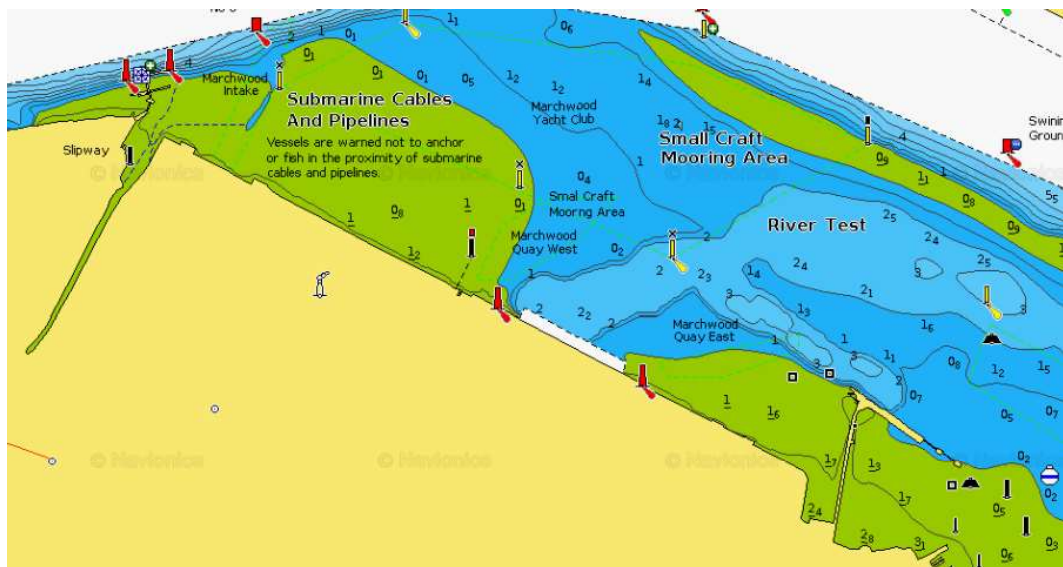


Figure 3-11 Marchwood Bathymetry Chart

The Marchwood site is approaching 60ha in total size and this, in addition to potentially good access to water, means the site requires more detailed consideration.

3.6.2 Detailed assessment

- Marchwood has immediate access to the River Test and Southampton Water
- A dredged pocket of approximately 265m is maintained in roughly the centre of the waterfront to 3.1m below C.D., adjacent to the quay wall and aggregate site.
- Beyond the dredged pocket the water depth immediately next to the quay wall along the remaining length is 2m above Chart Datum and so dries at periods of low water.

- Water depth between the River Test and the dredged pocket is at least 2.0m below C.D.
- A total waterfrontage of approximately 1,200m, however its established existing uses currently defines and limits the remaining potential. The available land for development is less than 10% of the total and it is away from the waterfront, thus reducing the benefit of the existing good access to water.
- Review of the adjacent residential development (to the northeast) and Marchwood military port (to the southwest) immediately confirms there is no obvious potential to expand the available land area to take advantage of the existing access.

3.6.3 Marchwood Summary

The site's classification for expanded marine employment use is justified, due to the physical characteristics of the site, however there is a lack of available space to deliver the project objective. The potential is limited by available land that is away from the water. Even if the balance of developable land were transitioned to marine employment it would not be the focal point of the development/site, being around 15% total of marine employment.

3.7 DAEDALUS

3.7.1 Waterfront Assets Register Typology

Daedalus is categorised as typology No. 6, which is described as Established MM Site; Create/improve access and grow for marine and maritime, if suitable. Typology No. 6 is summarised in Table 3-6.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 3-6 Typology 6

The Daedalus site is classified as Tier 1 and therefore requires inclusion in this assessment, but there are significant challenges around the access to water which limits the site's potential.

3.7.2 Detailed Assessment

The Daedalus site is an established ex MOD Airfield that has transitioned to civilian activities with an expanded “Enterprise Zone” that offers industry, service providers and educational facilities around the perimeter. The nature of the Enterprise Zone split into three opportunities (Hangers East, Hangers West & Daedalus Waterfront), has predominantly led to mechanical or innovation type providers with some heritage and maritime activity.



Figure 3-12 Daedalus Site Area

Whilst the site is of extremely large footprint, offering some 83 hectares, the availability of accessible land space is currently limited by the active airfield activities on site.

The clear limitation to the site’s potential as a Tier 1 asset is the separation from any water by Marine Parade Road, which would require all marine based activity to cross this main road when being launched or recovered. The existing slipway that borders the site is unmaintained and is only currently suitable for low key leisure vessel use. The lack of holding pontoons or support berthing is a significant drawback.

An example of the logistics required to launch an unfinished hull for Oyster Yachts, that was built at the Daedalus site and transported to a finishing facility by sea is

shown in Figures XYZ below. Discussions with Oyster representatives in 2016 outlined in more detail the logistics:

“The Oyster hull has been constructed in Daedalus due to the lack of available space at Saxon Wharf. This satellite location does create significant logistical and financial risks. For example, in order to transport the 4 No. construction moulds for the lay-up process of the hull to Daedalus, a jack up barge, dumb barge and mobile crane were all deployed. A road closure was arranged, and all operations were at the mercy of the weather. Wind strength abated to within 1m/s of the tolerance of the mobile crane, or the whole exercise would have been aborted and the sequence re-arranged. This sequence costs approximately £45k.”



Figure 3-13 Oyster launch off slipway

This level of activity and 3rd party provision requirement is clearly unsustainable within the context of a large and active site with frequent vessel movements. The lack of essential direct access to water will frustrate any potential to develop the site for marine industry.

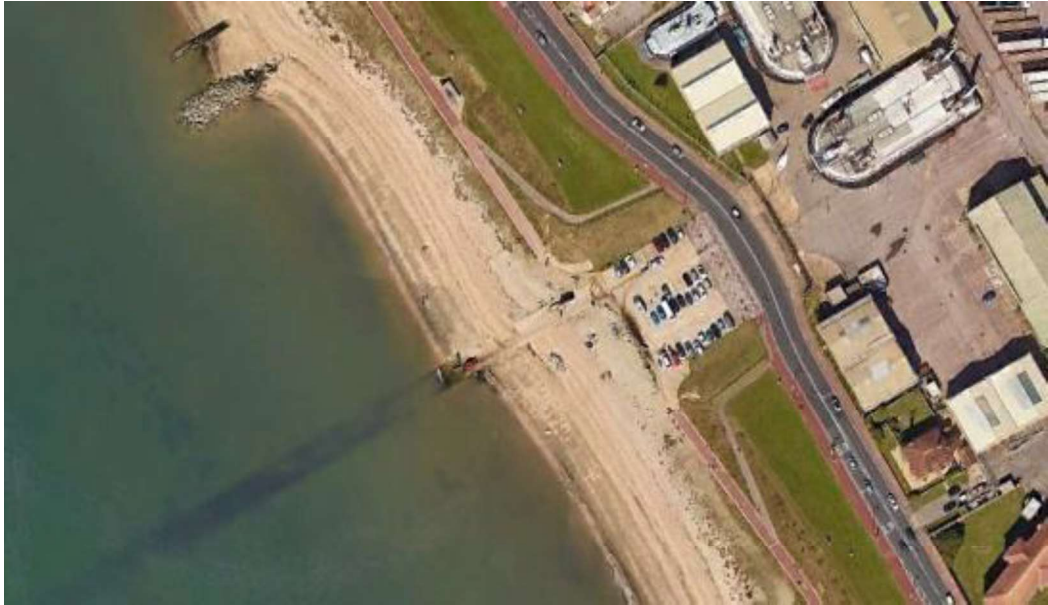


Figure 3-14 Daedalus Slipway

3.7.3 Daedalus Summary

The site’s classification for transition to marine employment is limited by the lack of access to water and supporting infrastructure. The separation of the site created by the road fronting the site further complicates matters when delivering meaningful access to water.

3.8 KINGSTON MARINE PARK

3.8.1 Waterfront Assets Register Typology

Kingston Marine Park is categorised as Typology 8, described as Established Industrial Site: Create/Improve Access, Grow and Transition to Marine and Maritime if suitable.

Table 3-7 Typology 8

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

At 6ha its inclusion at this time is required to determine if the poor access to water is fundamental to the opportunity for marine employment and whether the site can be expanded to achieve the objective.

3.8.2 Detailed Assessment

The Kingston site cannot meet the project objective for a number of reasons:

- The site slopes heavily and the land area accessible from the lower platform is much smaller than the site area suggests, indeed it is less than 2Ha. This platform is long and slim in nature (typically 50m by 350m) which will make for an inefficient use of the site with large areas taken up for movement along the site.



Figure 3-15 Kingston Marine Park

- The lower platform and sloping site ensure the necessary open yard storage areas cannot be delivered
- The engineering required to address the slope will ensure a proportion of the site needs to accommodate landscaping/engineered structures, further reducing the effective area of the site.

- Large overhead power cables cross the site confirming the limited nature of the lower platform and inability to provide open storage areas
- Engineering and environmental challenges have left this site incomplete and vacant for over 5 years
- The inter-tidal area fronting the site is at a level of least +4m Chart Datum and previous proposals for the site included a dredge to +2.5m CD – this would have provided a limited tidal lifting window over the high-tide only. It was not considered sustainable to undertake a capital dredge to provide full tidal access.

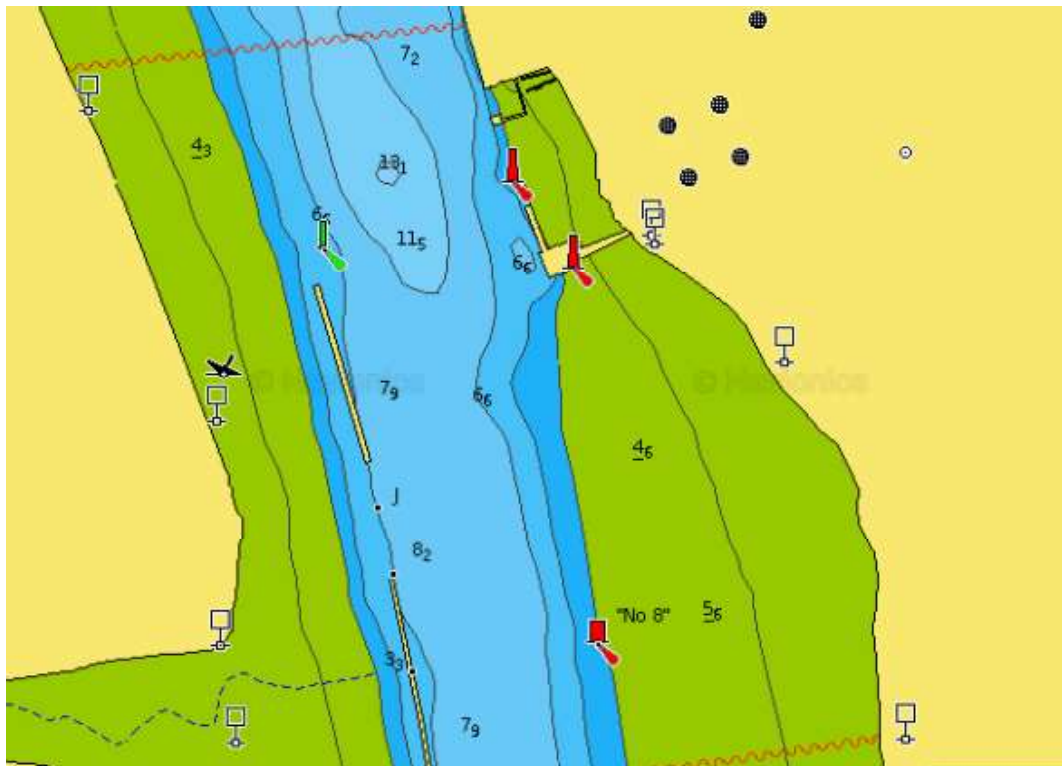


Figure 3-16 Kingston - local bathymetry

3.8.3 Kingston Marine Park Summary

The challenges presented by this site determine that the site could not deliver the project objective. Furthermore, the site is too small with limited tidal access and there is no obvious scope to address these shortcomings.

3.9 ALTERNATIVE SITES SUMMARY

The strengths of the Tipner site as compared to the various alternative sites is further reinforced by Figure 3-17.

Attribute	Do Nothing	Tipner	Royal Clarence Yard	Centenary Quay	Vestas Newport	Fawley Waterside	Marchwood Industrial Park	Daedalus	Kingston Marine Park
Existing depth (Chart Datum)	n/a	-3m	-4m	-2m	+1.5m	-1.5m	-3m	N/A	+4m
Available site area (ha)	n/a	9	2.31	3.18	3.75	6	6.2	83	6
Deliver full tide access	x	✓	✓	✓	x	x	✓	x	x
Develop a large boat lift facility in the order of 600-700 tonnes	x	✓	x	x	x	✓	✓	x	x
Ensure an appropriate level of open yard storage	x	✓	x	x	x	✓	x	✓	x
Provision of circa 58,000m ² marine employment space	x	✓	x	x	x	x	x	✓	x
Site area 9-10Ha	x	✓	x	x	x	x	x	x	x
Provide a regionally significant marine employment hub	x	✓	x	x	x	x	x	x	x

Figure 3-17 Alternatives Assessment Matrix

Review of Figure 3-17 highlights the following:

- Several sites (Vestas, Daedalus and Kingston Marine Park) are very shallow and fail the test of providing full tide access.
- Do Nothing, Vestas and Kingston Marine Park meet none of the stated criteria
- The marine employment site at Fawley Waterside will not enjoy full tide access despite having an access channel serving the general site at 1.5m below Chart Datum.
- Royal Clarence Yard, Centenary Quay, Vestas and Kingston Marine Park have insufficient space to develop the large boat lift facility that is missing in the marketplace.
- Daedalus is by some margin the largest available site, albeit much of the site is now allocated to aviation related employment. The most significant constraint of this site is the separation from the water and with no realistic prospect of proving access it can never be a prime waterfront employment site. This lack of access also stops it from being able to deliver the large boatlifting facility. Meaning only Tipner West is of sufficient size to deliver the essential large boatlifting facility.
- Other than Tipner West, only one site delivers three of the key criteria, and only two meet two of the criteria, each of these have significant restrictions that limit their potential

- Tipner West meets every one of the criteria and the absence of a fundamental constraint in turn ensures that it can meet the objective of delivering a regionally significant marine employment site.

As a result, the assessment of alternatives demonstrates clearly that the Tipner West and Horsea Island site is the only alternative site that can deliver the stated project objective.

Furthermore, the assessment outlined herein has:

- been founded on an independent and comprehensive piece of work by the Solent LEP that provides a baseline for assessment of alternative waterfront sites across the Solent Region.
- objectively and in robust fashion demonstrated there are no feasible alternatives, either at a different location, using different routes, scales, sizes, methods, means or timing.
- included a 'do-nothing' option, but this is not practically an acceptable alternative solution because it would be incapable of delivering the objective.
- dismissed alternatives because they are not financially, legally and/or technically feasible.

4. ALTERNATIVE SOLUTIONS AT TIPNER

4.1 CONFIGURATION AT TIPNER

Research was undertaken by Marina Projects regarding the proposed development of the marine and maritime hub at Tipner and Horsea Island in respect of the potential for Tipner as a possible future development site and the most appropriate configuration of the marine hub, and any other alternative solutions. The main purpose of the exercise was to explore the issues surrounding the extension of access to the water and connection to the Tipner and Horsea sites, with an identification of where and how this might be best accomplished to serve the interests of marine employment.

The investigation included both the existing landmass and harbour frontages, as well as potential extended waterfront zones that could be created by reclamation. To achieve the study objective, an appraisal of the marine aspects of the site(s) and their integration with the land was provided.

4.1.1 Marine Sector Requirements

The assessment of the market and principles of marine employment had confirmed that a site area of circa 9Ha would be required to deliver the scale of marine employment envisaged.

To achieve the joint goals of creating a maritime employment hub and exploiting the opportunity presented by the Portsmouth Harbour location, it was considered critical to maximise the access to the water at the study site. Furthermore, it was contended that it is the extent and nature of marine access to the site that would have the greatest influence on the range, type and extent of marine and maritime employment activities. In short, tidally restricted and inefficient access would severely limit the marine employment opportunities when compared to deep water access with extensive and efficient access to water infrastructure.

4.1.2 Approach to the Assessment

The investigation covered in detail the site assessment of the marine areas of the project, with the site and assessment being broken down into separate zones as shown in Figure 4-1. This work built on assessments undertaken during earlier (2016) study work and included an overview of the following criteria:

- Ownership of the seabed
- Prevailing site conditions
- Detailed review of each specific zone – existing occupiers and uses
- Nature and level of usage
- Areas and extent of disturbance that results from existing activity

Key elements of the site were reviewed focusing on the shoreline zones, including a discussion of key constraints that influence the masterplan development and project delivery. The constraints were divided into those of primary and secondary importance. The primary constraints were summarised as:

- Site Exposure/Protection
- Water Depths
- Designations
- Marine Infrastructure
- Road Access

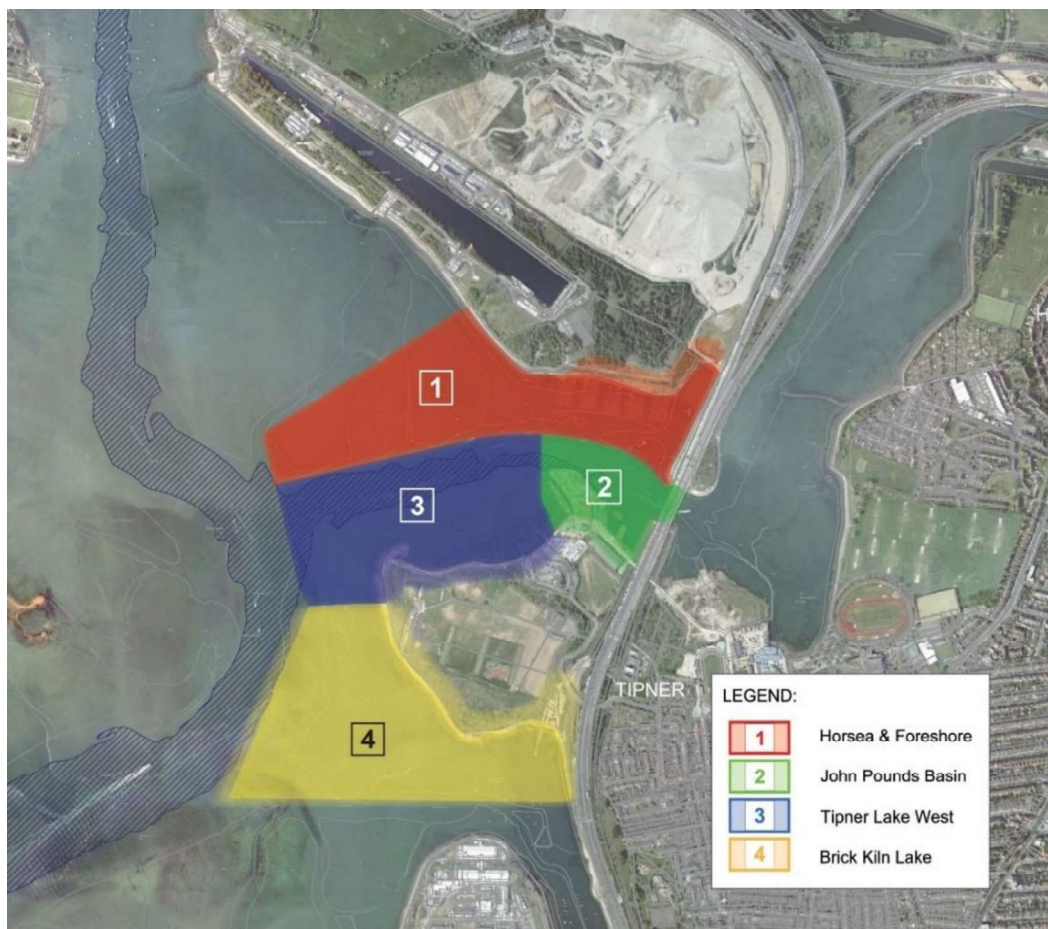


Figure 4-1 Access To Water Study Zones

A review was provided on a zone-by-zone basis with separate assessments made of the existing shoreline areas and new shoreline zones that could be created by reclamation, if necessary, in order to enhance access to water.

Secondary constraints were also considered e.g., Sub-sea cables; Mooring rights of third parties; Historic/Heritage structures and land values.

An assessment matrix was used to compare how individual zones of the water space would respond to the various key primary and secondary issues. The intention was to identify the optimum opportunity to expand access to the water and deliver functional all-tide access.

The assessment matrix immediately highlighted the extent to which the Pounds site basin best addressed all of the primary issues. The assessment of secondary issues further ratified this position; it was self-evidently the location best suited to providing improved marine access and would best facilitate the development of marine employment that was dependent upon access to the water.

4.2 SUMMARY AND CONCLUSIONS

- The Tipner West and Horsea Island East Site provides a positive opportunity for marine employment
- The merits and clear advantages of the John Henry Pounds site as a marine employment hub were clearly identified
- There is merit in incorporating the marine leisure interests at a single site within the Study area.
- The concept design reinforces the advantages of the JHP site as the favoured location for the marine employment hub.

4.3 TECHNICAL SITE CONFIGURATION

Building upon the above noted assessment and to support the Concept Masterplan study work this work provided a summary of the analysis of marine employment requirements, and the opportunity to split the marine employment between Tipner and Horsea Island East.

As part of the assessment a number of possible location permutations were discussed for the Tipner West site as illustrated in Figure 4-2 and Figure 4-3



Figure 4-2 Tipner Marine Employment Site Options 1 and 1a



Figure 4-3 Tipner Marine Employment Site Options 2 and 3

Options 2 and 3, would necessitate significant land take of the prime development area, including in Option 3 using an area of the proposed land reclamation to the west. These options would result in under-utilisation of the Horsea Island East site (not suitable for residential uses).

Option 1 was discounted as the majority of the proposed marine employment zone would have to be located remotely on Horsea Island East, an area that would require significantly greater capital infrastructure cost to provide access to a viable marine employment zone, again with increased environmental impact, both direct and indirect (due to requirement for increased supporting development).

Option 1a was considered to provide the optimum solution for marine employment development, because it was able to maximise the benefits of access to water and protection that the Tipner site provided and also created the best balance in terms of site size, use of assets and waterborne access.

4.4 SUMMARY OF EXISTING SITE ALTERNATIVES

The detailed assessment of the marine employment opportunities for the Tipner location identified the clear merits of the JHP basin as the main focal point for the marine employment proposals, where all-tide access to a protected basin should be focused. Whilst ideally the marine employment components would all be focused on a single site; separate assessment has concluded that the net effect would be an increase in environmental impacts arising from:

- Direct impact associated with the necessary infrastructure – quay walls dredging, protection etc.
- Indirect impact because non-optimal use of development assets would increase the scale of supporting development required and greater land-take/reclamation.

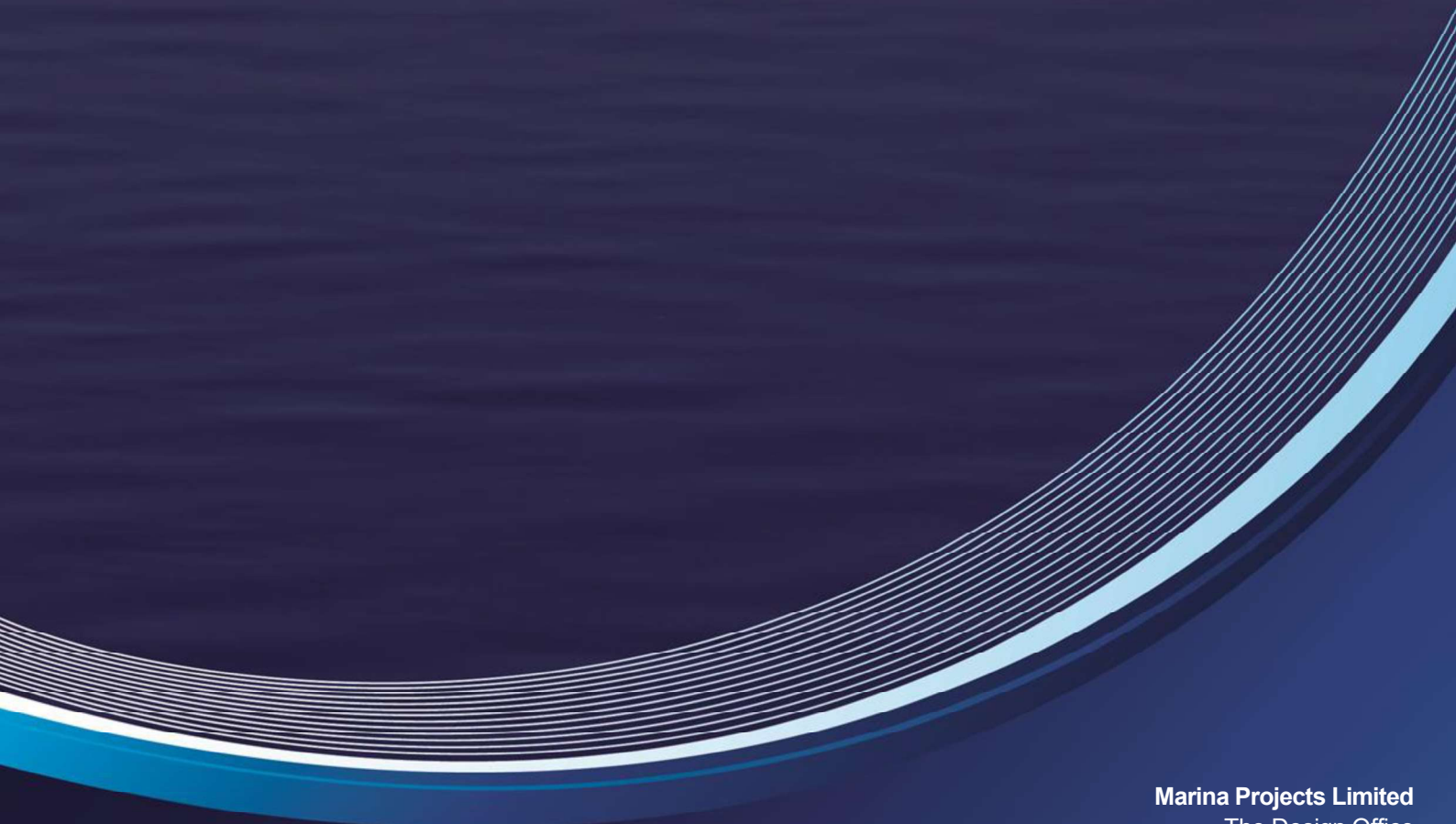
A solution with the main marine employment focused around the existing JHP basin and a secondary marine employment site immediately adjacent on Horsea Island East (connected via the new link bridge) will provide the optimum solution to achieve the regionally significant marine employment hub

5. SUMMARY & CONCLUSIONS

The marine and maritime sector provides almost 1/5 of the UK's GVA with the Solent being the UK's leading marine cluster and the marine and maritime sector being the largest sector in the Solent region. A need has been identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region. This is supported by national strategies and policies and is further reflected at a regional level.

The Portsmouth City Deal identified the opportunity to unlock a critical employment site at Tipner and the findings of this comprehensive assessment reinforce the identification of Tipner as a critical opportunity for the marine employment sector. Furthermore, the assessment of alternative marine sites across the Solent region demonstrates clearly that the Tipner West location is the only alternative site that can deliver the stated project objective.

Consideration of the site constraints and opportunities within Section 4 details the clear advantages of the JHP basin and confirmed that alternative options would increase the direct and indirect environmental impacts of an alternative arrangement within the Tipner site/study area.



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Appendix 4 Marine Sector Market Summary



CITY DEAL

Marine Sector Market Summary

October 2016

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CITY DEAL

Marine Sector Market Summary

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APPENDIX A: LITERATURE REVIEW

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APPENDIX E2: SUPERYACHT BUSINESS JUNE 2016

1. INTRODUCTION

Marina Projects Ltd has been appointed as part of a professional team being led by Savills who are masterplanning the City Deal sites in Portsmouth.

The 'City Deal' initiative insofar as it relates to Portsmouth, Tipner West and Horsea is intended to accelerate and increase investment into Portsmouth to achieve economic growth, create jobs and new housing. ***Underpinning the proposal is the aspiration to maximise the impact of marine and maritime assets by unlocking critical employment land at Tipner and Horsea Island for the creation of a marine/maritime hub and for advanced manufacturing.***

A key focus of the Marina Projects Ltd led scope of work is to explore the market demand for marine employment space and its suitability to the City Deal Sites. As a separate work stream, a report entitled ¹Access to Water issued on 10th March 2016, has considered the major site constraints, their influence and also identified the opportunities for maximising the waterborne access to the study site, which it is contended, will underpin any marine sector aspirations.

1.1 METHODOLOGY/SCOPE OF WORK

The market research component has been broken down into the following stages:

1. Background literature review
2. Assessment of existing marine employment sites and access to water facilities
3. Detailed consideration of sites with lifting capacity greater than 150 tonnes
4. Review of relevant sub-sectors of the marine economy, including sector engagement

Various reports and File Notes have been produced to address each of the work streams and this report both collates and summarises the outputs of the above work streams in order that a concise overview is provided.

¹ MP244-R-01 Access to Water March 2016

1.2 STRUCTURE OF THE REPORT

The following sections provide a high-level summary of the key findings of each the above noted work streams along with the main findings. The reader is pointed in the direction of the source material which is provided in the Appendices, where further detailed information is provided.

The Conclusion and Summary provided herein pulls together the major findings of each element of the study work to provide a concise overview of the nature and extent of marine sector demand, with a particular emphasis on identifying appropriate uses and user groups for the City Deal site.

2. LITERATURE REVIEW

As part of a detailed review of background reports into the marine sector market, particularly across the Solent, Marina Projects Limited has reviewed the following key documents:

1. Maritime Growth Study
2. Transforming the Solent: Marine and Maritime Supplement
3. Making Waves: Solent Marine and Maritime Sector
4. Maritime Future: Solent Waterfront Sites Review

This marine sector baseline and literature review can be found at Appendix A. A significant degree of cross-over and commonality exists within the various reports and the key findings that resulted from our review can be summarised as:

- Leadership – there is significant continuity between the reports regarding the need for considered leadership across the industry. It is suggested by the reports that the implementation of a coherent leadership structure at both an industry and Government level could enable the UK to become a global force and attract future international maritime businesses to the UK. The reports go as far as promoting the establishment of both regional and ministerial working groups to help co-ordinate and plan policy and the management of investment.
- Skills – a consistent message within the reports is the need to replenish and develop the skills infrastructure and to strengthen the UK’s marine and maritime educational facilities.
- Manufacturing – a significant growth opportunity is identified and there is a consistent message that various sub-sectors are showing positive growth prospects, e.g. superyachts, power boats, sailing vessels, marine renewables etc. The potential for creating “Marine Enterprise Hubs” has already been identified as providing an element for inward investment and high value marine manufacturing.
- Marketing & Brand – the reports address the need to highlight and promote the UK and, in particular, the Solent’s offer to the international market and recognise that the Solent and its maritime capabilities is already a globally recognised brand.
- Site Availability – Waterfront sites are under pressure from other non-essential uses, supply is limited and demand will increase. The reports promote the creation of shared assets.
- Growth Prospects – Regional sector growth is forecast to exceed 5% by 2025. An increase of 3,500 jobs.

- A number of sector wide initiatives are already underway (such as establishing a National Maritime Systems Centre of Excellence within the City of Portsmouth) and further detail can be found in the Literature Review at Appendix A.

In addition to the implied Government support that arises from the City Deal funding, the Maritime Growth Study and Solent Local Enterprise Partnership (LEP) reports which focus on the maritime sector provide a clear indication of the broad level of policy support that can be relied upon from across various Government Departments.

It is noteworthy that the potential for Tipner to act as a site for marine and maritime activity is already identified through the Waterfront Site Register. This review has assessed Tipner West as one of a very limited number of “Tier 1 Prime Sites” which provides significant development potential for the site to be transitioned for marine and maritime uses.

The limited availability of waterfront employment sites and particularly those with significant potential is a key factor. It is also particularly relevant in the context of an assessment of alternatives in the case of a Habitat Regs Assessment – in many ways the foundation material for the alternatives assessment is already in place.

3. SOLENT SITES ASSESSMENT

Building upon the Literature Review undertaken as the first stage of the Marine Sector Market Assessment, Stage 2 of the Market Study includes a review of the existing marine employment sites across the Solent (and beyond) to identify whether a gap in the provision of boat lifting, storage and service facilities exists.

As highlighted in the Literature Review, in 2015 the Solent LEP commissioned a study to compile a comprehensive register of all existing and potential waterfront employment sites in the Solent Region (the Waterfront Asset Register) and to demonstrate the site characteristics along with an overview of their assets.

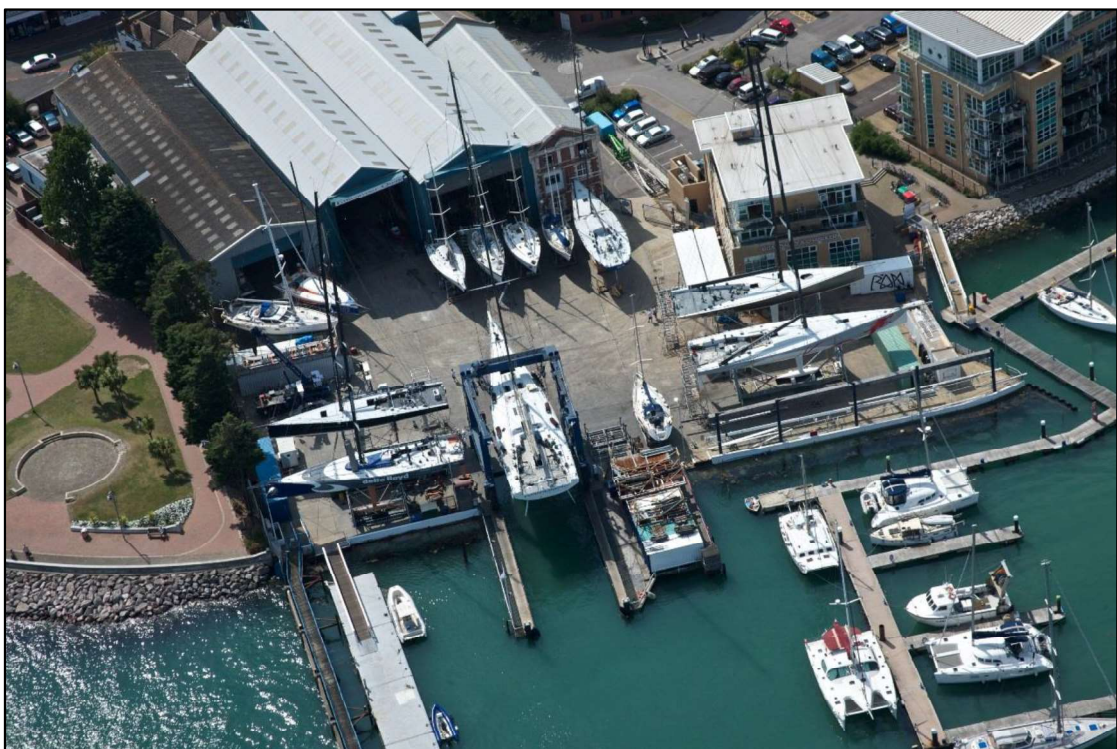


Figure 3.1 Endeavour Quay Boat Lifting Facility – Portsmouth Harbour

The Solent Sites Assessment summarised herein, has built upon the detail contained within the Waterfront Asset Register. Our assessment work has considered in detail both the nature and capacity of the vessel lifting/launching facilities provided at these sites along with the access to water provided at each of the identified waterfront employment sites. We have considered both the immediate market of Portsmouth Harbour and an expanded local market area that extends to cover all of Southampton Water in the West, Chichester Harbour to the East and the River Medina to the South. The detail of that review is summarised in File Note MP244-FN-04 City Deal: Marine Sector Intelligence Briefing Note, which is provided at Appendix B.

The key points arising from the summary are:

- That a notable gap in the market exists in facilities being able to service vessels over 100 tonnes and in particular the limit in capacity between 200 tonnes to 1,000 tonnes across the Solent Region.
- There are two sites providing lifting facilities for vessels greater than 200 tonnes, one of which is particularly inefficient.



Figure 3.2 Solent Refit Boat Lifting & Storage Facility – Southampton Water

- A dry-dock provides a storage/yard facility for vessels up to approximately 500 tonnes although the structure is inherently inefficient and heavily constrained.
- The market for vessels below 200 tonnes seems to be very well catered for, although a modest gap in the provision of facilities for vessels between 75 tonnes to 180 tonnes is evident. Whilst the boat lifting facilities for vessels below 200 tonnes is well serviced there is a shortfall in the provision of storage ashore. This shortfall is particularly evident during the winter season when peak demand for storage ashore is realised.
- The Solent wide shortage of facilities for vessels of greater than 200 tonnes extends to the Thames in the East and to the South West of the UK.
- Importantly this Solent Wide review starts to form the basis of a competition/alternatives assessment that identifies the unique nature of the opportunity that is provided by the City Deal sites.

4. MAJOR BOATLIFTING SITES REVIEW

Building upon the Solent Sites Assessment, we have reviewed in detail each of the Solent based sites that provide access to water facilities with a capacity of greater than 150 tonnes. This review is more detailed than the study work undertaken by the Solent LEP and has been informed by our knowledge and experience of each of these sites, along with the acknowledgement that constraints exist in each location that influence the nature and range of activities that can be accommodated at the sites. In subsequent work streams we have explored the extent of the constraints with relevant industry stakeholders.

For full details of the sites review refer to the Technical Note at Appendix C - MP244-TN-01 - City Deal Boatyard Parameters.

The detailed review has considered the range of constraints that are present at each location in an effort to provide an indication of the extent to which the market activity, both at each location and across the Solent as a whole, must be adversely influenced by the adequacy of the available facilities. The marine sector engagement in subsequent stages will further inform and re-enforce the extent of the influence of these constraints through direct dialogue with operators and/or tenants/users of these key study sites. It is very telling that in many cases commercial activity and cutting edge technical work is being undertaken in spite of the site attributes and constraints.



Figure 4.1 J Class Mast Removed Due to Air Height Restrictions – River Itchen Southampton

A range of constraints exist such that none of the facilities is fully able to exploit the potential for increased activity levels without major intervention. Our knowledge of the sites confirm that there is no realistic potential at any of the sites to address the constraints due to the site boundaries, neighbouring activities, geographical constraints and environmental designations amongst other things.

It is immediately apparent that a lack of open boatyard storage is present at each of the key lifting facilities. It is contended that a level of flexibility is essential to allow for a range of different marine sector activities to provide for adaptability and flexibility in the day to day operation and to allow different seasonal uses. Furthermore, our experience, supported by evidence from the marine sector engagement indicates that it is this lack of open yard storage which is often the constraint that limits the level of activity that can be undertaken at a site at any one time.



Figure 4.2 Wightlink Fast Cat at Trafalgar Wharf - Portsmouth Harbour

As previously noted, the water depth and access to water attributes of the site will dictate the range and nature of the vessels and associated uses that can be accommodated at a given location. It is interesting for example that Endeavour Quay noted in Figure 4.3, has the best level of access and available water depth of all of the major boat lifting sites, and despite being the most constrained site in size, arguably,

it accommodates the widest range of different market sectors including: commercial vessels, defence vessels, motor boats, race yachts and superyachts etc.



Figure 4.3 J Race Boat Lifting at Endeavour Quay – Portsmouth Harbour

Table 4.1 lists the various constraints and identifies the sites at which this constraint is present to an extent that it influences the nature of the activity undertaken there.

Constraint	Endeavour Quay	Saxon Wharf	Solent Refit	Trafalgar Wharf
Lack of open yard storage	X	X	X	X
Water Depth/Access		X	X	X
Efficient Facility			X	X
Site Footprint				X
Undercover Storage Space	X	X		

Table 4.1: Constraints Table

The Appendix C File Note also outlines the merits of different boat lifting methods to explore the relative efficiencies and flexibility of each system. It also discusses the various components of a successful marine employment facility and outlines the minimum parameters likely to be required at Tipner to support a major marine related occupier/anchor tenant.

A preliminary assessment of the minimum land area and breakdown of different uses suggested a minimum footprint for the marine employment site at 45,000-80,000m². It should be stressed that this is an indicative assessment based around a single major occupier/use. The scale of demand subsequently identified suggests that the marine employment opportunity is very much greater and the scale of site consequentially is much larger.

5. MARINE SECTOR ENGAGEMENT

Following the Stage 1 Literature Review and subsequent analysis of the Waterfront Employment Sites across the Solent, we have constructed a detailed programme of engagement that has targeted key organisations from across the marine sector. The structure of that engagement process and the initial list of target organisations is outlined in more detail at Appendix A, Section 4.2 of the Literature Review (Page 21 of Appendix A).

The programme of engagement very deliberately covers a range of sub-sections of the maritime economy and includes:

- Public Sector
- Sector Representative Organisations
- Services Providers
- Vessel Manufacturers
- Vessel Operators

These organisations generally undertake activities or have an interest in a specific sub-sector or cross-over into two or more sectors. The intent of the engagement has been to identify which sectors would be attracted to the City Deal site, given the site parameters identified within the Access to Water report and what their requirements might be. Accordingly in the following sub-sections, we have provided an overview of the key findings by sector and, where relevant, have identified feedback from specific organisations. Due to the above noted cross-over some organisations are quoted in more than one sub-section.

The organisations and main points of contacts with whom we have managed some meaningful engagement are set out in Table 5.1.

Sector	Consultee	Contact Name
Public Sector & Sector Representatives	LEP – SMMSG/HCC	[REDACTED]
	British Marine	[REDACTED]
	Superyacht UK	[REDACTED]
	Rear Admiral Rob Stevens	[REDACTED]
	Warsash Maritime Academy	[REDACTED]
	Marine South East	[REDACTED]
	ORE Catapult	[REDACTED]
	Solent Offshore Renewable Consortium	[REDACTED]
	Hampshire Chamber of Commerce	[REDACTED]
Service Providers	Burgess Marine	[REDACTED]
	Magma Structures	[REDACTED]
	Premier Marinas	[REDACTED]
	BAE Systems	[REDACTED]
	Green Marine	[REDACTED]
	Pendennis	[REDACTED]
	Sunseeker UK	[REDACTED]
	Princess Yachts	[REDACTED]
	Spirit Yachts	[REDACTED]
	Oyster Yachts/SYS	[REDACTED]
	Stone Pier Yard	[REDACTED]
	UK Docks	[REDACTED]
	Dryad Maritime	[REDACTED]
	Ship Builders Association	[REDACTED]
	Autonomous Analytics	[REDACTED]
Vessel Operators	Red Funnel	[REDACTED]
	Wightlink	[REDACTED]
	Gosport Ferry Company	[REDACTED]
	Williams Shipping	[REDACTED]
	Portsmouth Queen's Harbour Master (QHM)	[REDACTED]
	Autonomous Surface Vehicles (ASV)	[REDACTED]
	Land Rover BAR	[REDACTED]
	ML (UK) Ltd	[REDACTED]

Table 5.1 Schedule of Sector Engagement

A summary against the various sub-sectors of the marine economy is provided below:

5.1 COMMERCIAL VESSELS

There is a significant fleet of commercial vessels already active right across the Solent in the size range from 150 to 1,000 tonnes. A schedule of these vessels is provided at Appendix D.



Figure 5.1 Gosport Passenger Ferries operating in Portsmouth Harbour

The shortage of sites available to undertake boat lifting/ storage/ repairs/ refit/ maintenance in this size range has for some time undoubtedly been having a negative impact on the maintenance and repair activities of the vessel operators and this has been reflected in our stakeholder engagement. Much of the fleet is required to travel to the West Country e.g. Falmouth, or to the near continent, e.g. Cherbourg, Rotterdam or indeed much further, to access facilities with suitable capacity and availability. A number of immediate issues/observations arise:

- This is clear evidence of the lack of a suitable sized facility extending from Falmouth in the South West around to and beyond the River Thames in the East – indeed there is a similar shortage of commercial boatyard facilities to service more than 900 commercial vessels registered and active on the River Thames. As a consequence, the commercial vessel

fleet's wider market opportunity is very much greater than just that contained within the Solent.

- Vessel operators are exposed to longer than ideal vessel down-time and incur significant costs in arranging works at a remote location. The Maritime and Coastguard Agency (MCA) licensing of these vessels demands a regular programme of lifting, inspection and maintenance.
- There is undoubtedly a loss to the local marine sector supply chain through activity being driven outside of the region and indeed overseas.
- The lack of suitable facilities significantly limits the potential for new build and refit works to be undertaken within the region. There are examples of vessel manufacturers being unable to launch and or refit vessels that they construct at their current premises.
- The constraints identified at existing facilities has a direct knock-on effect through introduction of inefficient practices.

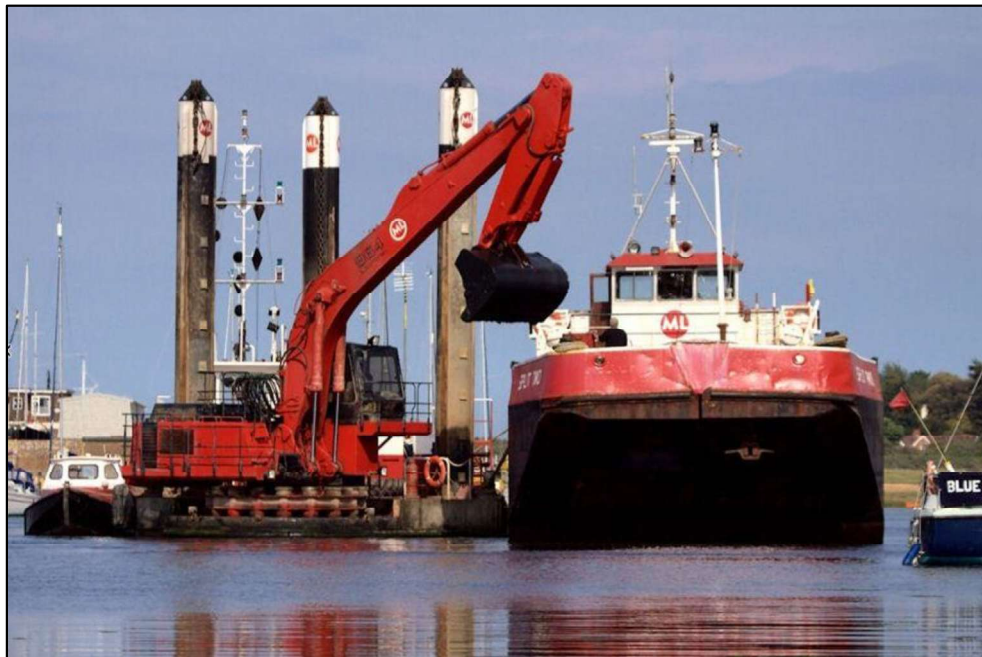


Figure 5.2 ML (UK) Specialist Dredging Contractors based from Portsmouth Harbour

Key comments/observations that have been made by the commercial sector during our engagement include:

- Not only is there a shortage of lifting facilities, but existing facilities that have been traditionally used by operators are being lost due to closure e.g. Marchwood slipway in 2016 and the commercial berthing in the Camber Docks in Portsmouth Harbour. (Red Funnel and ML Dredging)

- There is a limited range of facilities and these are being controlled by main operator(s) to the detriment of the market i.e. a closed yard policy; poor service/quality of work; increased pricing. (Red Funnel, Tyne Slipways, ML(UK), Gosport Ferry, Williams Shipping)
- Repair and refit providers are having to turn away work due to the facility being at capacity and a lack of available storage space and/or potential to expand. (Burgess, Tyne Slipways, Williams Shipping).
- Servicing/Repair activities are being compromised due to this capacity and limitations of available sites. Indeed, it is often the case that less than ideal facilities are being used and activities are being compromised. (Red Funnel, Williams Shipping, Green Marine, Oyster Yachts)
- The need for additional facilities is being acutely felt across the sector, not a single vessel manufacturer/operator confirmed that they have sufficient capacity within existing facilities/service providers to cater for existing vessels. It was confirmed that sector growth was being compromised by the shortfall in facilities.
- Lack of availability and capacity means that in emergency or urgent repair situations there is often no lift-out facility available within the region, this is particularly an issue for some larger vessels beyond the capacity of the largest facilities in the Solent. In some instances vessels have to be de-registered and towed long distances for inspection/repair works.
- There is a lack of deep water berthing with alongside capacity to site a crane or temporary works unit in Portsmouth Harbour and on a regular basis inefficient arrangements are being made to transfer vessels to deep water berths in Southampton Docks (Williams Shipping, ML(UK)).
- There is concern that operations and fleet growth are being constrained by the lack of facilities and the excessive costs that vessel operators are being put to in order to service their current fleet.

There is undoubtedly demand and a market opportunity for the development of a facility to service the requirements of the existing commercial vessel fleet. It is not a new market but rather an existing “customer base” for whom essential services are not available in the region. The strength and robustness of the evidence from existing commercial vessel operators and obvious impact that the lack of facilities is having on the sector strongly supports the creation of a facility capable of providing services to the majority of the fleet over 200 tonnes in weight. By reference to the fleet of commercial vessels and looking at the

existing market an ideal capacity might be pitched at around 600 to 700 tonnes. In short it is not a case of “build it and they will come” but rather “build it and they will stay (in the Solent)”.



Figure 5.3 Williams Shipping Providing Commercial Support Services across the Solent

Furthermore, the benefits to the local supply chain should not be understated. An additional facility would simply require the scaling up of existing arrangements and providing an immediate wider opportunity for growth across the maritime sector.

5.2 SUPERYACHT SECTOR

A superyacht can be defined as a leisure vessel with a length of 30 metres plus. Note that some classifications refer to 24 metres as being the threshold for superyacht classification.

There are in the order of 5,000 (30m+) superyachts in the world fleet. The size of the international fleet is growing steadily (circa 200 boats/annum) as is the average and largest size of vessel – this has seen the introduction of the term Mega Yacht (100m+) and Giga yacht (150m+). In many ways, the sector has bucked the trend of global recession and shown itself to somewhat immune from these economic pressures.

Note, however, that the majority of superyachts is at the smaller end of the range between 30 and 50 metres. There is a relative lack or rather small proportion of vessels greater than 90 metres. The distribution of yacht size is displayed in 4 which also indicates the extent to which the fleet has grown in size since 2000.

The UK Superyacht sector is heavily influenced by the build of production/semi production boats with the likes of Sunseeker and Princess extending their range over that last 15 years or so, first into the 24-30m size categories and then beyond to true Superyacht territory.

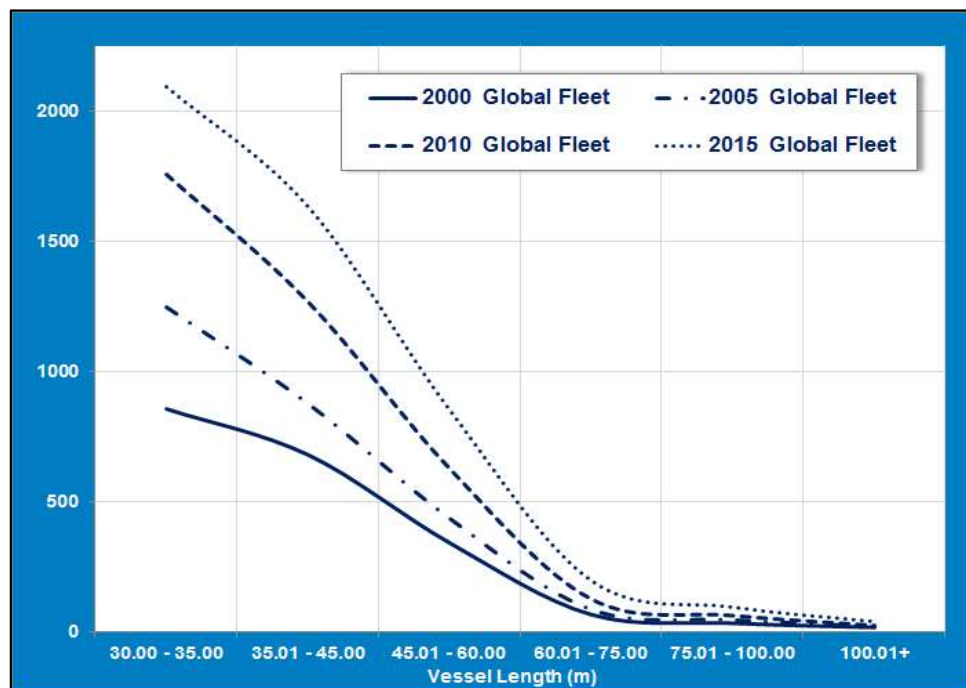


Figure 5.4: Superyacht Size Distribution

It is generally recognised that some 11% of the world's superyacht fleet is owned by British Citizens and it is the case that an even larger percentage are skippered by Britons and the percentage of British crew active in the superyacht sector is also a very significant proportion of the total market. An overview of the UK sector is summarised below:

- The latest figures issued by Superyacht UK² showed an 11.5% growth in the last 12-month period. The UK's Superyacht industry revenue now totals some £605 million. Figures for 2014/15 were 10.2% up on 2013/14

² Superyacht UK Annual Survey 2016

which in turn was 7.1% up on 2012/13. It is the case that this growth has been created despite the lack and shortage of facilities and in spite of some significant site constraints. The growth of the sector has been in positive contrast to performance of the UK economy over the same period.

- The UK's Superyacht industry now supports around 4,125 full time employees, an increase from circa 3,700 in 2013/14.
- The UK's new build industry is reported as being relatively small; in comparison to the world Superyacht industry.
- There has been a marked shift towards refit work over new-build activity in the last 4 years with several superyacht yards now dedicated solely to the refit sector which now accounts for 52% of the total superyacht business in the UK, increasing from 43% in 2013/14.
- The prospects for the sector are confirmed as being very positive with 70% of yards (up from 69% the year before) reporting on a positive outlook for the year ahead. 62% of Superyacht UK member businesses said they have a higher work load with 60% experiencing a higher value order book.
- Key to keeping the UK at the cutting edge of yacht production is the training of new employees, especially with the relentless advance of technology. Particular initiatives are reported by Pendennis and Sunseeker, indeed Sunseeker suggest they have some 65 vacancies at present.
- The industry is reported as working very closely with the supply chain to ensure that the latest equipment is fully understood which in turn leads to faultless installations. There is reference to the reliance upon the supply chain in keeping the skill levels high.

It is important to distinguish between new-build of superyachts and the repair/refit activities. There is a distinct difference and the shortage of waterfront employment sites is having a bearing on the extent of the UK sector and constraining new-build suppliers from exploiting a ready customer base – owners of their brand of vessel.

5.2.1 Superyacht New Build

As part of our sector engagement we have spoken to several of the

UK's leading Superyacht New-Build Companies based in the region. Furthermore, a recent article from Superyacht Business magazine has been provided at Appendix E and the summary below includes a report on the activities of other key players in the sector:

- **Oyster Marine** – is reported to be considering the development of new facilities to accommodate an increase in the order book. This is to accommodate demand for existing vessels and we know already that the Saxon Wharf site is not ideal, requiring the masts for these new yachts to be un-stepped due to the presence of the Itchen Bridge.

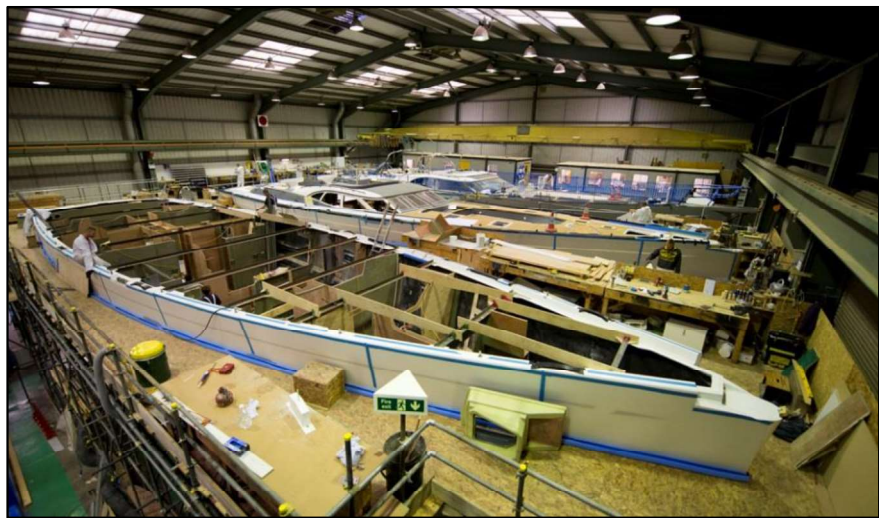


Figure 5.5 Oyster Marine New Build Facility – River Itchen Southampton

Any increase in the production of larger vessels would almost certainly require relocation to an alternative site. The company employs 400 people on a site of 15,000m² of which 6,000m² is covered shed space.

- **Spirit Yachts** – recent increase in the footprint of the yard is reported and it is in the process of installing new infrastructure. The site employs 34 people and the yard is just 1,500m² in size.
- **Fairline** – based in the Midlands and not on a waterfront location, this site location is reported as having restricted the maximum size of vessel range and Fairline is looking at all possibilities, which could include larger models being built at a UK coastal location.
- **Pearl Yachts** – currently has its first superyacht in-build at a facility within Portsmouth Harbour. The composite hulls are moulded overseas and shipped to the UK for a customer or semi-custom fit

out. Building larger models is a natural progression of the business and expect to be developed in the short term.

- **Pendennis** – the yard is focussed on refit projects at present but is new-build ready. The company has been subject to a £22 million infrastructure upgrade project which was completed in the summer of 2015. The site employs 370 people and the total size of yard is some 40,500m². Expansion into the new-build market will require additional sites and Pendennis has expressed keen interest in Portsmouth as a location because of the ready marine sector skills base.
- **Sunseeker** – is reported to have a clear business plan to invest in long-term growth. The fleet size continues to increase with the largest vessel currently 47.5 metres in length. Sunseeker employs some 2,000 people and the main Poole site is some 40,000m² in size.



Figure 5.6 Sunseeker New Build Facility - Poole

- **Green Marine** – has produced the first two test boats for Land Rover BAR. The company is reported to have invested heavily in its infrastructure, albeit that infrastructure has had to be created around protected buildings on the Hythe Marine Park site. The company employs 77 and has some 7,000m² of covered space.



Figure 5.7 Britain's Americas Cup Campaign vessel, hulls built by Green Marine

- **Princess** – the development of the new M-Class motor yacht necessitated Princess moving into new facilities which, by pure chance, the Royal Navy had vacated in very close proximity to Princess' existing waterside facility in Plymouth. The company employs 2,000 people with a total shipyard size of 102,000m² spread across five facilities.



Figure 5.8 Princess Motor Yachts New Build Facility - Plymouth

5.2.2 Superyacht Repair/Refit

Superyachts require regular and extensive refits with value of works running into many millions of pounds. A small percentage of this repair

and refit work is undertaken in the UK, despite a global reputation for the skills and quality of workmanship available in the UK; this is seen as being particularly important at this luxury end of the market.



Figure 5.9 Pendennis Shipyard Dry Dock Falmouth

It is fair to say that in part the reason for the UK's modest market share results because the superyacht fleet spends much of the summer in the Mediterranean and undertaking winter repairs/refit work in a Mediterranean yard is seen as being logistically easier to achieve. However, the relative transit distance from the Mediterranean to the UK is not perceived by many as a barrier to the growth of the UK repair/refit market share. The main constraint in the growth of this sector is being created by a lack of available facilities and the major providers in this market place would undoubtedly see an opportunity and would find a Solent base with the relevant employment and skill set as a natural location for a superyacht repair/refit yard. Such is demand for facilities that UK yards are able to be selective about projects, focus on long-term refits and premium jobs. The growth of the vessel fleet and demands of modern superyacht owners is increasing the scale of the superyacht refit sector and the UK is missing an opportunity to increase its share of this lucrative and high profile market.

It is particularly relevant that many superyacht owners would, out of choice, return the superyacht to the manufacturer for a major repair/refit. It is the case that these UK superyacht manufacturers do not have capacity within their facility to undertake these repair and refit works and this would be an attractive market sector for them to develop if the facility were provided. This specific point has been made to us by both Sunseeker, Green Marine and Oyster Yachts and would

undoubtedly apply to other superyacht manufacturers based out of the UK. Much like the commercial vessel repair/refit sector there is a ready market that is being turned away from the region/UK due to lack of facilities.

5.3 ADVANCED TECH/RACE BOATS

The fortunes of two of the region's major players in this field are intimately linked with Land Rover BAR (LRBAR) contracting with Green Marine to produce their race boats. Green Marine being a major supplier to LRBAR with a reasonable portion of manufacturing also undertaken overseas and out of the region due to a lack of local capacity. This is far from ideal and LRBAR have aspirations to streamline this process and are aiming to undertake more work locally to Portsmouth and, ideally, within Portsmouth Harbour.

The compromise created by the Green Marine facility in Hythe is particularly noteworthy and it is difficult to see how growth of the LRBAR activities could be handled without some additional out of region manufacturing.



Figure 5.10 World Leading Composite Boat Manufacturing at Green Marine – Southampton
In addition to their existing activities, LRBAR have very ambitious plans to expand their Advanced Tech/Race Boat business activities and these are being developed off the back of their success in locating and operating at The Camber in Portsmouth – confirmed during our engagement meeting and also the comments of Sir Keith Mills during the UKTI Set Sail for Global Growth Event during the America's Cup in Portsmouth in 2016. It is the case that LRBAR are already creating major new intellectual property at their Portsmouth

Base and they are convinced of the potential to create (ideally in Portsmouth Harbour) a Maritime Centre of Excellence with a focus on these advanced technologies. They see that this technology will have significant benefits to production boat manufacture in similar ways to the transfer of technology in the automotive industry. There is a recognition that significant additional facilities will be required. Furthermore LRBAR's aspirations are founded on developing plans to evolve and expand the America's Cup format with a shorter two-yearly cycle.

5.4 EMERGING TECHNOLOGIES

Our marine sector engagement has identified that there are a number of emerging technologies within and directly linked to the marine sector where there is significant growth potential and wider supply-chain benefits to the Solent Marine Sector economy.

5.4.1 Large Composites

The large composite sector provides services across the marine sector, including superyacht/defence/ship-building/oil and gas etc. It is the scale of the composite structures that can now be produced and the inability to transport by road that demands a waterfront location. It is also noteworthy that the UK is recognised as a world leader in composite technologies. This sector has significant growth prospects, benefits from the diversity of trading to numerous market and relies upon the marine sector skill set in particular and being a relatively new and emerging technology, the growth prospects are very encouraging as the technology begins to be applied in more and more sectors and as the scale of the composite structures increases and as the technology advances. It is a sector with global growth prospects and a Solent location and port relationship provided with links to the export market that has a particular benefit. A further benefit of the Solent location is the cross-over in the development of large masts for superyachts and race boats with the supply-chain and skill set already present in the location.



Figure 5.11: Large Scale Composite Structures - Trafalgar Wharf – Portsmouth Harbour

It is noteworthy that Rear Admiral Rob Stevens in his consultation meeting pointed to large composites as a sector with growth potential that has emerged significantly since his involvement in the 'Transforming the Solent' report.

5.4.2 Off-Shore Renewables

This is another sector with significant growth potential due to emerging technologies. The UK has the world's biggest offshore wind farm and the largest floating solar park in Europe. Traditionally, the off-shore energy sector has been dominated by the off-shore wind market but increasing focus on floating solar, wave and tidal energy generating projects is changing the landscape. There is an obvious cross-over with the marine sector due to the location of the energy generation sites but the connection is much deeper than this.



Figure 5.12: Typical Offshore Windfarm

The Off-Shore Renewable Energy (ORE) Catapult, Solent Offshore Renewable Energy Consortium and Rear Admiral Rob Stevens all noted the significant growth prospects for this sector.

The ORE in particular has recognised that the renewable sector itself is impoverished and disjointed and it has targeted a developing relationship with marine industries to further development innovation, new technologies and the supply-chain. Furthermore, the case for a Solent based connection and Solent based investment in the marine renewable energy sector and value chain infrastructure has already been made due to the strong marine sector links and pockets of established capability that have already been developed through natural advantages of the sector and Solent location.

The benefit of co-location of the supply chain is a particularly strong theme of the ORE recommendation and joining up with the marine sector supply-chain is considered to have excellent growth potential. It is also noteworthy that a new tidal testing site has been established off St Catherine's Point on the Isle of Wight, with further sites expected to be announced in the short-term. Again, Rear Admiral Rob Stevens noted that the off-shore renewables sector was a growing and emerging technology more prevalent today than when he wrote the 'Transforming the Solent' report.

5.4.3 Autonomous Surface Vessels

Another new and emerging technology for whom access to waterside sites is a recognised barrier to growth. Autonomous Surface Vessels

is a leading UK company in this sector, already based in Portsmouth Harbour at Trafalgar Wharf and the success that they have achieved to date has very much been in spite of the facilities and limited access to water that the business enjoys.



Figure 5.13: ASV Vessel Deployed in the Solent

The limitations of the site they are currently based at is preventing strategic growth and investment and, as a consequence, this activity and investment has been moved to Wales and further afield in Europe. The benefits of the Solent location, supply-chain links etc. make the Solent the location of choice for future expansion and ASV Limited would see a relocation to Tipner and the City Deal site as being preferable to further expansion in other locations further afield.

5.4.4 Other Technologies

The MD of Marine South East noted that there are other non-traditional sectors and emerging technologies, including fisheries, agriculture and modular high volume boat production, which might also have a place in a Solent wide marine sector growth strategy for whom access to waterfront sites would inevitably be an essential component. The relationship and co-location of the supply-chain and marine sector skill set was unsurprisingly noted as a significant upside that might draw this emerging technology market to the Solent.

5.5 SUPPLY CHAIN

The marine sector supply chain opportunity should not be overlooked.

There is clear evidence that the local marine supply chain is directly losing out on opportunities where locally based vessels are having to leave the Solent region for repair and refit works. The closed yard policy at a number of the major boat lifting sites also constrains the supply chain growth and development of independent specialist expertise.

It is also the case that there is a significant advantage for smaller supply chain businesses to be co-located with their major customers and this has created a number of significant marine 'clusters' in and around the Solent. This fact has been recognised by numerous parties with whom we have engaged.

The opportunity for the City Deal site to provide open yard facilities that serve more than one of the key sectors noted above would not only create increased demand for supply chain services but it would multiply the extent of that demand and the supply chain benefits along with increased employment opportunities.

6. SUMMARY & CONCLUSIONS

The key conclusions arising from the Marine Sector market review can be summarised as set out below:

6.1 HIGH LEVEL SUMMARY

1. National & Regional Policy/Funding Support for the sector has been clearly identified and this forms the backbone of an assessment of need that might be useful to justify the marine sector element of the City Deal proposals. It is suggested that this sector support might be an indicator of the potential for further public sector funding streams that would be relevant to the marine sector elements of the scheme.
2. There is a recognised demand/supply issue in relation to key waterfront sites that extends right across the Solent (indeed this can be applied to the UK as a whole). The value of the Solent location strength of existing markets and its connections to the wider marine industry should not be underestimated.
3. Tipner West is one of four “Tier 1” waterfront employment sites identified in a comprehensive study by the Solent LEP. That study and our more detailed review of the major boat lifting sites acts as a useful foundation for consideration of the competition and any assessment of alternatives – critical to the related environmental assessments associated with the likely marine works and their interaction with designated habitats.
4. There is an identified gap in the provision of lifting facilities for vessels above 150 tonnes.
5. There is clear evidence that the existing sites, where facilities over 150 tonnes are provided, are constrained by a range of factors. These constraints are directly and unduly influencing the operational activities undertaken at the sites and this is negatively impacting upon marine sector activity, constraining development of businesses and the sector that must also be detrimental to the marine sector supply chain. A recurring constraint is a lack of flexible yard space. The opportunity provided by City Deal is further enhanced by this analysis.
6. The existing Solent based commercial vessel fleet is extensive and this is not being accommodated for maintenance, servicing and repairs with a significant loss of activity outside of the region, with many vessels travelling to Falmouth, the near continent and beyond. This is an existing

market/customer base which should provide a significant degree of confidence to the investment case.

7. The range of marine sectors for whom City Deal might prove attractive is very significant with identified growth potential a positive and recurring theme of our research.
8. New and emerging markets also have considerable growth potential that relies upon the supply of waterfront employment land and this would have major supply chain benefits.
9. The Solent marine sector supply chain is undoubtedly losing out where work is having to leave the region. The supply chain has also been identified as having significant growth potential and the benefits of co-location of supply chain businesses with one or more major occupiers would likely create a significant demand for marine employment space.

Our sector engagement has not only identified key sectors that might have a significant interest in a major marine employment site at City Deal but has identified specific companies with growth potential and aspirations that are consistent with the wider objectives of the project. That is not to say that there are no other companies for whom City Deal would prove attractive but rather that the demand is so significant and waterfront site shortage so acute that identification of prospective businesses has been very straightforward. Accordingly it is suggested that the opportunity to maximise the marine employment opportunities at the site should not be underplayed.

A summary of the sectors and organisations identified by our analysis is provided in Table 6.1. Note that some companies are listed twice and this is a consequence of their activities straddling more than one sector of activity.

Sector	Company/Organisation	Notes
Commercial Repair/Refit	<ul style="list-style-type: none"> ▪ UK Docks ▪ Williams Shipping ▪ Burgess Marine 	Refer to vessel fleet schedule also
Superyacht Repair/Refit	<ul style="list-style-type: none"> ▪ Pendennis ▪ Burgess Marine ▪ Southampton Yacht Services 	

Sector	Company/Organisation	Notes
Superyacht New Build	<ul style="list-style-type: none"> ▪ Pendennis ▪ Sunseeker ▪ Pearl Yachts ▪ Oyster Yachts ▪ Green Marine 	
Advanced Marine Technology/Race Boats	<ul style="list-style-type: none"> ▪ Land Rover BAR ▪ Green Marine ▪ Magma Structures 	
Large Composites	<ul style="list-style-type: none"> ▪ Magma Structures ▪ Composite vessel development 	
Off-shore Renewables	<ul style="list-style-type: none"> ▪ Tidal Energy (PTEC) ▪ Vessel Servicing ▪ Off-Shore Renewables Catapult 	
Autonomous Vessels	<ul style="list-style-type: none"> ▪ ASV Ltd. 	

Table 6.1 Marine Sector Summary

The above list is by no means exhaustive but clearly identifies the significance of the demand that exists across various different sectors of the marine economy. Furthermore the regional level analysis of site availability matched to the extensive demand reinforces the (regional/national) significance of the City Deal project.

6.2 POTENTIAL NEXT STEPS

It is evident that the demand for facilities/space and infrastructure across various sectors of the marine economy is very significant and that this demand cannot be satisfied by City Deal alone, particularly given the residential property aspirations of the project and related outputs. In short City Deal cannot accommodate the extent of different sector interests but it could readily provide complimentary facilities that could accommodate two or perhaps even more sectors and the resulting supply chain demand.

It is suggested that there is merit in considering the specifics of the demand at a regional (Solent) level by matching the different sectors and their specific requirements to the various Tier 1 sites identified by the Solent LEP and this in

turn could inform which sector(s) are both best suited to and need to be located at the City Deal site. This will reinforce the need for specific forms of development e.g. dredging and reclamation. Such a piece of work can also be used to inform discussions with Government concerning the potential for wider project and sector funding. The advantages of bringing the Superyacht sector to a gateway site such as City Deal and what that could do to reinforce Portsmouth and the Solent's maritime strengths might be better understood from such a piece of analysis.

The approach to a Solent Wide marine sector assessment, noted above, that applies the individual sector requirements to the attributes of the various Tier 1 waterfront sites identified by the Solent LEP might create, a regional marine sector model that allows targeted development to be undertaken; maximises the benefits of public sector investment; focuses supply chain activity and provides information to inform a regional funding plan. It would also provide for co-ordinated planning, identify the importance of certain forms of development in each location and ease the process of dealing with the necessary Habitats Regulations and EIA Assessments.

6.3 CITY DEAL SPATIAL REQUIREMENTS

We have set out in Section 4 (with reference to Appendix C) a preliminary assessment of the minimum land area and breakdown of different uses that suggested a minimum footprint for the marine employment site at 45,000-80,000m². This early indicative assessment was based around the needs of a single major occupier/use, i.e. a site that might focus on meeting the needs of just one of the sectors of the marine economy highlighted in this report. The scale of demand subsequently identified suggests that the marine employment opportunity is very much greater and the scale of site consequentially required to meet some of this demand is much larger.

It is useful to summarise the landside requirements identified by individual marine sector stakeholders during our discussions and these are set out below:

6.3.1 Oyster Yachts:

- A moulding shop for a new 118' would need to be a minimum of 50m by 50m (2,500 m²) with overhead gantry cranes

- Minimum 5 No. Production bays 30 to 35m by 8m (1,400 m²) and overhead gantry cranes required
- Joiners shop 50m by 25m (1,250 m²) with direct access for large scale deliveries
- Office space to accommodate Project managers & Design team 25m by 25m (625 m²)
- Deck fit out workshop of approximately 30m by 16m (480 m²).
- Extensive outside storage
- Total building footprint circa 6,500 m²

6.3.2 SYS:

- Undercover facility of 60m by 20m (1,200m²) building height to accommodate range of vessels motor and sail up to approximately 15m

6.3.3 Green Marine:

- 4 No Build halls of approximately 30m by 15m (1,800m²) to enable modular ovens to be utilised for the post core process. Utilities to site in particular mains gas are a significant factor to operate the number and scale of the ovens utilised for the manufacturing process.
- Offices and design/administration of approximately 20 by 20m (400 m²)

6.3.4 Sunseeker:

- Total undercover units complete with gantry cranes, power & utilities of 10,000 -15,000 m².
- Extensive outside yard-space

6.3.5 Red Funnel:

- Outside storage ashore for at least one vessel at a time of approximately 40m by 15m (600m²)
- Undercover storage for the build of subsequent high speed multihull vessels approximately 50m by 30m (1,500 m²).

6.3.6 Wight Link:

- Outside storage for 1 No. multihull vessel of approximately 40m by 15m (600 m²)

6.3.7 Williams Shipping:

- Storage ashore for up to 2 No. vessels for servicing and maintenance of approximately 26m by 8m each (500m² combined allowing for boat moving equipment)

APPENDIX A: LITERATURE REVIEW



MP244 CITY DEAL

Marine Market:

Baseline & Literature Review

Client: Portsmouth City Council

January 2016

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MARINE MARKET: BASELINE & LITERATURE REVIEW

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1. INTRODUCTION

The 'City Deal' initiative insofar as it relates to Portsmouth, Tipner West and Horsea is intended to accelerate and increase investment into Portsmouth to achieve economic growth, create jobs and new housing. *Underpinning the proposal is the aspiration to maximise the impact of marine and maritime assets by unlocking critical employment land at Tipner and Horsea Island for the creation of a marine/maritime hub and for advanced manufacturing.* Funding is also provided to support skills investment and business support programmes. There is also a recognised need to “improve low rates of business start-ups in the area”.

For Portsmouth, the quantum of development that Tipner and Horsea will deliver is on a scale that the City has not seen before. It is recognised as being vital for the environmental, economic and social development of the City. It is therefore considered important that the concept design and, in-turn, the masterplan is informed by market intelligence to ensure viability and optimisation of the opportunity provided by the sites, in particular the unique location within Portsmouth Harbour and wider connection to the Solent.

It is recognised that there exists a body of study work, that has been undertaken within the last 5-10 years, relevant to the marine sector and that a number of marine sector initiatives are envisaged across the UK, the Solent region and some specifically identified for Portsmouth. Some of the background work has highlighted a number of issues such as the importance of waterfront employment sites; the loss of marine employment sites to alternative uses, and the interface between marine businesses and residential uses.

This report will collate the background information by undertaking an extensive literature review to produce a summary of key findings that can be applied to or considered relevant to the study site. Further research can then be targeted to fill identified gaps in the knowledge base and be targeted to the Tipner/Horsea opportunity.

1.1 OBJECTIVE

Accordingly the purpose of this document can be summarised as:

- Firstly, to provide an overview & summary on a number of key industry reports that bear relevance to the south coast maritime and marine industry.
- Secondly, to establish the main industry viewpoints and research based conclusions regarding areas of growth and demand relative to Portsmouth Harbour and the surrounding marine industry markets.
- Finally to establish the brief for the market research to be undertaken in Stage 2 of the study.

The reports that have been reviewed as part of this study are as follows:

- Maritime Growth Study: Keeping the UK competitive in a Global Market, Department for Transport, 2015
- Transforming the Solent: Marine & Maritime Supplement, Rear Admiral Rob Stevens CB, 2014
- Making Waves: Solent's Marine & Maritime Sector, Solent Local Enterprise Partnership (LEP), 2015
- Maritime Futures: Solent Waterfront Sites, Solent Local Enterprise Partnership (LEP), 2015
- Transforming the Solent: Productivity and Growth Supplement, Solent Local Enterprise Partnership (LEP), 2016
- Solent LEP Annual Report, Solent Local Enterprise Partnership (LEP), 2016

It is intended that the key findings and areas of commonality across the reports will begin to establish the *needs case* and the potential use for Tipner West and Horsea East. It is also intended that the review process together with industry experience, will identify 'gaps' in the knowledge base and as noted help inform the further stages of more targeted research.

2. INDUSTRY REPORTS REVIEW

2.1 MARITIME GROWTH STUDY: KEEPING THE UK COMPETITIVE IN A GLOBAL MARKET

2.1.1 Overview

The report seeks to provide a comprehensive review of the UK maritime and marine industries with respect to the continuing economic importance and contribution that the sector affords. The report was the result of a “call for evidence” from marine businesses, organisations and individuals with a view to providing a number of targeted recommendations for sector growth.

2.1.2 Scope of Report

The report highlights the attributes of the UK maritime sector, encompassing a wide range of activities such as training, business services, engineering, manufacturing research and development that should be considered together as a “mutually reinforcing, world-beating cluster of maritime activities”.

The report describes the strengths of the industry, including world-class marine expertise & innovation, and prominent international business services. The report also recognises the significant ‘inward’ investment to the UK from new port facilities & international shipping and the linkages between globally recognised maritime related training, as well as substantial export income driven by advanced technologies and systems.

The report notes that the UK maritime industry “continues to be seen by the international market as a world-leading maritime centre” that remains “highly competitive” in providing training, skills and manufacturing.

The maritime industry has provided significant benefit to the UK economy, identifying that the direct contribution was at least £11 billion in 2012 (GVA). The report notes that whilst the “contribution to the economy is already substantial, with the right conditions, can be grown further”.

2.1.3 Report Conclusions

The key conclusions can be summarised as follows:

- The report presents “a vision” for the UK maritime sector, whereby industry and government work together to ensure the industry remains competitive in the face of international growth.
- To achieve the stated objectives, the report specifically identifies that the sector needs leadership (by both government & industry), skills and marketing.
- The report promotes a number of recommendations for both the maritime & marine industry and government to implement, with the purpose of ensuring that the UK’s maritime sector remains competitive in a global market.
- Innovation, clustering and stability identified as “underpinning the health of the UK maritime sector”.
- The report concludes with an advisory note on the implementation of the recommendations, suggesting that an “inclusive approach” should be adopted, ensuring that “all parties are engaged as one sector”.

Notwithstanding the government funding support for the City Deal, this report reinforces the significant support for one of the fundamental elements of the City Deal project and that will serve to reinforce the *needs case* for this component of the scheme.

2.2 TRANSFORMING SOLENT, MARINE & MARITIME SUPPLEMENT

2.2.1 Overview

This report was commissioned following the decision in November 2013 to cease shipbuilding for the Royal Navy in Portsmouth and aims to put forward a long-term development strategy in order to create a climate for sustainable growth in the marine and maritime industry specific to the Solent area. Created as a Supplement to the *Solent’s Strategic Economic Plan* (SEP), the report “proposes a route to that success and a strategy for rekindling the Solent’s world-renowned marine & maritime strengths”.

2.2.2 Scope of Report

The report identifies the marine and maritime industry as the largest sector in the Solent region and establishes the route to reinvigorate its global reputation for marine and maritime excellence. This is to be achieved through the implementation of a strategic plan that identifies the UK's "marine and maritime strengths, opportunities for growth, and the steps that are needed locally and nationally, to address a range of constraints facing the sector, both immediately and in the longer term".

The report notes that the over-arching aim of the strategy is to position the Solent as a "globally recognised marine and maritime centre of excellence".

The report identifies 6 strategic themes for the basis of the strategy, to include; Leadership, Developing Our Ports, Marine Manufacturing, Technology & Innovation, Skills and Brand Solent.

2.2.3 Report Conclusions

The main conclusions are summarised as:

- The strategic plan has been the subject of comprehensive consultation and puts forward a total of 36 recommendations and 15 proposals for government funding to unlock a range of specifically identified projects.
- A number of these recommendations relate directly to developments within the Portsmouth area, with specific reference to the Tipner West site in certain cases i.e. the introduction of a Marine & Maritime Academy linked to Portsmouth University.
- The report provides a detailed assessment of the marine and maritime industry and comments upon the performance of the industry over recent years.
- On the whole, growth within the marine and maritime sector has been positive, however the report identifies a number of constraints and barriers to growth in both the immediate and the long-term time frames.
- A programme of recommendations is proposed to address these issues.

- The report notes that the “marine and maritime sectors are well placed to drive both local and national growth, provided that the constraints and investments set out in this strategy are addressed”. In particular, “less reliance on public spending and defence, over reliance on a handful of enterprises, low levels of business start-up, limited R&D, poor transport links and routes to market.”

2.3 MAKING WAVES: SOLENT’S MARINE & MARITIME SECTOR

2.3.1 Overview

Following the release of the strategy put forward by the *Transforming Solent: Marine and Maritime Supplement* that was published alongside the *Solent’s Strategic Economic Plan*, the Solent Marine & Maritime Steering Group (SMMSG) was established to provide informed advice to the Solent Local Enterprise Partnership (LEP) on the delivery and further development of the Strategy.

The *Making Waves* report is intended to provide an update and review of the progress and achievements within the sector one year on from the establishment of the Steering Group.

2.3.2 Scope of Report

The report identifies that growth in the marine and maritime sector in the Solent region is forecast at 5% over the period to 2025. The report also highlights the Solent’s “coastal location, business base, research assets and educational strengths” as key factors that make the Solent the “UK’s leading marine cluster” at the “heart of the UK’s marine & maritime economy”.

The progress made in providing leadership for the sector, investing in skills and addressing port access and connectivity is identified within the report. A number of key successes are highlighted, including the establishment of Ben Ainslie Racing Head Quarters for the City of Portsmouth, securing significant funding for works to improve access to Southampton Docks, and the establishment of a National Centre for Maritime Intelligent Systems (CMIS).

The report notes that the investment & industry support provided by the LEP has enriched the development of skills in the region, seeing the Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) now open at the Solent Enterprise Zone (opened September 2014). Furthermore, the report identifies that additional investments will be secured to bring forward a new Advanced Technology Block at Eastleigh College, as well as a Centre of Excellence for Composites located on the Isle of Wight.

It is noteworthy that the report addresses the importance of “Marine Enterprise Hubs”, stating that the creation of these hubs will be encouraged “to act as magnets for inward investment and a focus for the incubation of high-value marine manufacturing in the Solent”. The report strengthens its support for manufacturing noting that Marine Enterprise Hubs “seek to create an eco-system for growth” that “showcase our strengths and create wealth for the region”.

2.3.3 Report Conclusions

The key conclusions are summarised as set out below:

- The report notes that the provision of suitable employment space will be critical to enabling future Marine and Maritime growth in the Solent, stating that “without access to waterfront employment sites, the marine & maritime sector will fail to reach its potential”.
- Stated intention of the SMMSG to focus upon building a compelling brand for the Solent with the aim of attracting inward investment.

The report provides a sound overview of the progress made within the Solent’s marine & maritime industry to date and discusses the need to support the growth of ‘skills’ and ‘marine manufacturing’.

There is evidently further support for the formulisation of a Waterfront Employment Sites Register across the Solent area, to help shape & safeguard planning policy and “Growth Deal investments”.

2.4 MARITIME FUTURE: SOLENT WATERFRONT SITES

2.4.1 Overview

The aim of the waterfront employment sites report is to provide a comprehensive register of all existing & potential waterfront sites in the Solent region and to demonstrate understanding of their characteristics and assets. The need for such a register is a result of concerns raised by marine & maritime businesses that valuable waterfront land, suitable for the growth of marine industries is being lost to alternative developments.

The study has been undertaken in response to the recommendations of *Transforming Solent: Marine and Maritime Supplement* and the *Solent Waterfront Strategy* (2007), of which both reports highlighted the importance of the marine and maritime sector and the need for a sites register.

2.4.2 Scope of Report

The report discusses the importance of land loss at strategic waterfront locations and the impact on the Solent's ability to provide the required sites to facilitate the levels of demand & growth within the marine and maritime sector. The report notes the trend in prime waterfront sites being given over to the demand for residential developments due to the distinct lack of compelling evidence to counter proposals for a change of use. In response to this situation, a sites register has been compiled to identify the provision of waterfront employment sites across the Solent, based upon detailed assessment and evidence.

The intention is such that the register can be referred to by policy makers and planning authorities to guide & shape long term development plans. It is planned that the study is the fore-runner to a second piece of work that will consider developing a policy framework to further protect key employment sites.

The report notes the importance for strategic planning and identifies a total of 97 sites with a combined area of 1,730 hectares used for waterfront employment in the Solent area. Importantly, these sites are located within 7 clearly defined "clusters" across the region.

The report provides a summary of the analysis undertaken of the employment sites, categorised under a number of key headings. Perhaps most notably, the study analyses the sites from an ‘assets’ perspective, commenting on the level of infrastructure providing access to water. Furthermore, the report ‘tiers’ each site individually with respect to its relative level of importance to the marine and maritime sector.

In addition to establishing the relative importance of a site, the register also provides an assessment for each of the waterfront assets based on 3 defined criteria; (1) Marine Access, (2) Presence of Marine & Maritime Activities and (3) Development Potential. The sites are assessed on a ‘yes’ or ‘no’ basis to provide a ‘typology’ characterisation overview. A total of 8 different site typologies are identified within the register. This approach has identified the sites across the region that offer the “best characteristics to give continued support and growth”.

2.4.3 The City Deal Site

The sites register provides a useful overview of Tipner West, indicating a number of physical characteristics that will influence proposals for the site. An extract of the full register for Tipner West & Horsea Island is provided in Appendix A.

Tipner West is identified as a 250,000m² site that has been categorised as a first tier “Prime Site” within Portsmouth Harbour. The register defines “Tier 1” as sites of prime importance for marine & maritime activities within the Solent region, noting that on balance, they display “the best characteristics to give continued support and growth to marine and maritime business”. There are a total of 3 tiers utilised by the register; Tiers 2 & 3 noted as offering a level of ‘secondary’ & ‘tertiary’ importance respectively.

It is particularly pertinent that of the 97 waterfront sites identified by the register, a total of 23 are ranked as ‘Tier 1’ (23.7%) and of these, only 4 “Tier 1” sites remain under developed for marine & maritime use. This equates to just 4.1% of the total number of waterfront sites across the Solent region.

The 4 “Tier 1” sites that are identified as under developed for marine & maritime use are as follows:

- Tipner West, Upper Portsmouth Harbour, Portsmouth
- Royal Clarence Yard, Lower Portsmouth Harbour, Gosport
- Centenary Quay Marine Employment Quarter, River Itchen, Southampton
- Vestas Technology UK: Manufacturing Site, River Medina, Newport, Isle of Wight

The sites register categorises Tipner West with typology No.8 which is described as “*Industrial Site; Create/Improve Access; Grow and Transition to Marine and Maritime, if suitable*”. Typology No.8 is displayed in Table 2.1.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.1: Waterfront Register, Site Typology No. 8 (Relevant for Tipner West)

It is clearly understood that water access to the Tipner West site is constrained at certain states of the tide; therefore the assessment does not consider this site to currently offer ‘good marine access’.

By contrast both Royal Clarence Yard & Centenary Quay are categorised with typology No.7 which is described as “*Industrial Site; Grow and Transition to Marine and Maritime, if suitable*”. This typology indicates similar set of characteristics to that of Tipner West, the notable difference being that these 2 sites are deemed to currently offer good access to the water, hence no requirement to either ‘create’ or ‘improve’. Typology No.7 is displayed in Table 2.2.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.2: Waterfront Register, Site Typology No. 7 (Relevant for Royal Clarence Yard & Century Quay)

Centenary Quay in Southampton is understood to be under offer to a developer at present with this project being promoted by the HCA. The Royal Clarence Yard site is retained by the MOD and at this time there is no certainty at this time that the site will be released for redevelopment.

Vestas Technology UK (manufacturing site) based at Newport on the Isle of Wight is categorised with typology No.4 which is described as “Industrial Site; Create/Improve Access; Transition to Marine and Maritime, if suitable”. Typology No.4 is displayed in Table 2.3.

	Good Marine Access	Presence of Marine & Maritime Activities	Development Potential
Yes			
No			

Table 2.3: Waterfront Register, Site Typology No. 4 (Relevant for Vestas Technology UK)

It is suggested that due to the challenging characteristics afforded by the site, the Vestas Technology UK site is perceived to be the most unfavourable site for waterfront development out of all the under developed “Tier 1” sites in the region. This assessment likely arises because of the significant challenge and extent of dredging in the Medina River that would be required to provide the necessary waterborne access.

It is noteworthy that there are a total of 6 “Tier 1” “Prime Sites” which fall within Portsmouth Harbour; they are: Trafalgar Wharf, Endeavour Quay, Royal Clarence Yard (retained site), Daedalus, Town Quay (Ben Ainsley Racing) and Tipner West.

2.4.4 Report Conclusions

The general conclusions (as opposed to those specific to Tipner West) can be summarised as follows:

- The report identifies a number of fundamental issues that are pertinent to the strategic allocation of waterfront development sites.
- Due to the growth of the Solent’s marine & maritime economy, demand for waterfront sites is expected to significantly increase. By contrast the supply of sites is and is likely to remain constrained.

- A range of sites across the Solent are performing “relatively well” with respect to occupancy, infrastructure and access. However, the report also comments on a number of “highly accessible” waterfront locations that are occupied by “non-marine related uses” that would in turn, present a significant opportunity should they be made available to marine related business.
- The report concludes with a number of recommendations, noting that the register should be used “to support strategic land-use planning for waterfront employment sites” and should remain a “live document” that is updated regularly.
- Recognition that the Solent LEP and partners promote opportunities to create shared assets for marine and maritime businesses, which require access to water”.

3. KEY ISSUES & COMMONALITY

The industry reports identified within this document discuss a number of ‘key issues’ that relate directly to the strategic growth of the marine & maritime industry. These are identified through wider ‘visionary’ based commentary as well as providing detailed and targeted recommendations. It is noteworthy that the reports establish a degree of parity and areas of commonality which is discussed within this following section.

It is also worth recognising at this stage that not all of the issues are directly relevant at a site level i.e. they will not inform development proposals, albeit they do provide excellent evidence of the wider sector initiatives and support that is present.

3.1 LEADERSHIP

There is significant continuity between the reports regarding the need for considered “leadership” across the industry. It is suggested by the reports that the implementation of a coherent leadership structure at both an industry and government level could enable the UK to become a “global force” and attract further international maritime business to the UK. The reports go as far as promoting the establishment of both regional and ministerial working groups to help co-ordinate planning policy and the management of investment.

It is important to note that the *Making Waves* report (one year on), identifies that measures have been taken to provide sector leadership through the establishment of the Solent Marine and Maritime Steering Group (SMMSG), with the aim of “supporting investment, innovation, and to nurture the skills and talents required to embrace new technologies”.

3.2 SKILLS

Perhaps the most prevalent and consistent ‘message’ within the reports is the need to “replenish and develop” the skills infrastructure and to strengthen the UK’s marine and maritime educational facilities. The Solent is described as becoming increasingly “skills-hungry” as a result of “technological advances and changes to occupational structure driving up skills requirements across much of the marine and maritime sector”. As a result, the reports make reference to the requirement for significant investment in to the skills sector to keep pace with demand.

The need for the introduction of maritime apprenticeships in areas such as engineering is strong within the Solent region and should be targeted as an area for investment supported by government schemes. It is recommended that the government should work with the industry to provide apprenticeship programmes that include more roles in the maritime sector. This is being promoted through various channels including the “Support for Maritime Training” (SMarT) scheme.

The requirement for STEM (Science, Technology, Engineering & Maths) courses and employer led-partnerships are well supported throughout the industry and the ‘Making Waves’ report notes that the Solent LEP have since invested in the “Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) at Daedalus. Furthermore, a Centre of Excellence for Composites will also be created on the Isle of Wight, provided for by Growth Deal funding.

The *Making Waves* report also notes that to meet the needs of the sector, the existing gaps in the skills base need to be identified and addressed. It is recognised that the sector should take advantage of European funding to provide a “world class pipeline” of skills and to work with service providers to ensure that growth is supported throughout the industry.

3.3 MANUFACTURING

Intrinsically linked to the skills & education sector is manufacturing which is also identified as a key area within the industry for further development and growth. The *Transforming the Solent* report notes the “global demand for superyachts, powerboats, sailing and other craft is once again strong”, suggesting that manufacturing within the marine leisure sector is exhibiting areas of demand and market opportunity that exists. The report continues, noting that “the need for offshore support craft is forecast to grow, alongside demand for sustainable ships and ships made of composite materials”.

The report recommends that new “Marine Enterprise Hubs” are established to act as “magnets for inward investment and high-value marine manufacturing”, thus creating new marine companies and taking advantage of growth opportunities. The *Making Waves* report notes that marine enterprise hubs “seek to create an eco-system for growth” and that the SMMSG has developed a framework for marine enterprise hubs in the Solent region.

The need for both ‘skills’ & ‘manufacturing’ must be considered within the context of access to waterfront sites to ensure that the potential for growth is fully realised.

3.4 MARKETING & BRAND

The reports address the need to highlight and promote the UK and Solent’s ‘offer’ to the international market through the implementation of a “globally recognised brand”. Recognising that the future of the marine industry will depend greatly upon the ability to compete on a global stage; the need for a clear image & brand must not be underestimated. It is suggested that with well-structured and targeted marketing, the UK’s marine & maritime industry can be positioned to attract inward investment and support export-led growth.

It is interesting to note that the *Maritime Growth* study reports that an improvement to the UK’s promotion of marine businesses to international markets should not require “significant new investment” and puts the emphasis on introducing a more “ambitious and co-ordinated” approach.

3.5 CONSOLIDATED RECOMMENDATIONS

The reports present a number of specific recommendations in order to encourage development & growth within the UK and Solent marine & maritime industry. For the purpose of this review, the recommendations that bear significant relevance to Portsmouth (and associated areas/markets) are considered pertinent to further study work and are summarised as follows:

3.5.1 Leadership

Creation of the Solent Marine & Maritime Steering Group to provide sector support and a coherent approach to planning & investment. The SMMSG has been established since this recommendation was first published and shall be identified as a key target for focused engagement in due course. There is a reasonable expectation that the SMMSG & LEP will be key supporters of the scheme at the planning stage.

3.5.2 Skills

- Secure a funding uplift for STEM facilities & to encourage young people into the sector

- National policy change to allow colleges to deliver demand-led provision
- Introduction of 'flagship' STEM skills facilities with focus on marine & maritime sectors through the introduction of an academy linked with Portsmouth University and the 'City Deal' initiative (Tipner West identified as potential site).
- Introduce a heritage skills centre, delivering the craft skills needed to build, conserve and repair older and historic vessels at the Portsmouth Historic Boatyard (Boathouse No4)
- Other proposals also include:
 - Brockenhurst College STEM Centre of Excellence
 - IoW College Centre of Excellence for Composites, Advanced Manufacturing and Marine Technology
 - Southampton STEM Centre

3.5.3 Manufacturing

- Safeguard, secure, invest in and develop waterfront employment assets
- Build new marine *Enterprise Hubs* in both Portsmouth and Southampton, within which a marine incubation centre can be established providing flexible accommodation coupled with business and innovation support. This proposal is promoted as part of the Portsmouth & Southampton 'City Deal' initiative
- Create a new Isle of Wight (Marine) Enterprise Zone stretching across five sites, three with direct water access

3.5.4 Marketing

- For the Inward Investment & Marketing Working Group divisions of the LEP to take ownership of a marine and maritime brand & campaign

3.5.5 Technology and Innovation

- Create the Solent Large Structures Composites Centre as a satellite of the National Composite Centre in conjunction with the University of Bristol

- Upgrade the shallow water monitoring platform run by the Institute of Marine Sciences at University of Portsmouth
- Establish a maritime focused Satellite Applications Centre of Excellence at University of Portsmouth
- Commercialisation of Southampton Marine and Maritime Institute (SMMI) to open up access to research and development (R&D) facilities
- Marine Autonomous Systems (MAS) cluster needs subsidised access to NOC testing facilities

3.6 UPDATED PROGRESS

Since the release of 'Maritime Growth Study' (2015) and 'Transforming the Solent' report (2014); the Solent LEP have recently released two further separate publications which are worthy of note and provide a degree of updated information in terms of sector growth & development.

3.6.1 Solent LEP Annual Report, Jan 2016

This report provides a succinct overview of the progress made since the release of the 'Maritime Growth Study' in January 2015. The following findings are of particular note:

- £7m investment has been committed for an Enterprise Zone at Daedalus West to support advanced manufacturing, marine and aviation businesses
- The Solent LEP have invested £5.3m in Fareham's Innovation Centre which opened in March 2015 and is reportedly 80% occupied
- £10.9m invested for a centre of Excellence for Composites on the Isle of Wight which is now open and operational
- The Ben Ainslie Racing (BAR) Head Quarters for the City of Portsmouth now fully built and fully functional
- Defence Growth Partnership SME Fund established to support unmanned marine systems
- A new brand initiative '*Maritime Nation*' has been launched and is intended to increase the awareness of the UK's marine & maritime sector. It is intended that the "initiative will provide a coherent brand and stronger voice for the sector"

3.6.2 Transforming the Solent: Productivity & Growth Supplement, Jan 2016

This report looks forward to the coming year and provides a “platform for a refresh on the Solent Economic Plan” (SEP) on which to address the challenges for the Solent Economy. This report reiterates some of the key items of progress as identified in the *Annual Report*. The following findings are of particular note:

- Since the formal opening of the Centre of Excellence in Engineering, Manufacturing and Advanced Skills Training (CEMAST) in Sept 2014, STEM enrolments have significantly accelerated beyond expectation
- In relation to the recommendation to “excite young people and to introduce the marine & maritime industry schools; the government has committed to invest over £1.bn up to 2019/20 to attract new teachers into the profession, particularly in STEM subjects
- £9m investment made for an infrastructure programme to upgrade the facilities at Eastleigh College, including a new Advanced Technology Block to support the development of STEM skills
- £4m has been secured to establish a National Maritime Systems Centre of Excellence within the City of Portsmouth and is expected to provide the city and region with a steady number of young people with specialist skills and is supported by a number of industry employers, including the Royal Navy & BAE Systems

4. OPPORTUNITY FOR TIPNER

The significance of the UK's marine sector, importance of The Solent and opportunity for growth in the marine sector is a consistent theme within the various reports. Identifying where the specific demand will come from and how that is suited to Tipner will be a focus of the next stage of market assessment.

Integrating the resulting evidence with the evolving masterplan will be an iterative process. What is clear is that the extent and nature of activity to be designed for, will be influenced by the nature of the 'Access to Water' that the site can provide.

As identified in Section 2.4, the Waterfront Sites Register has already assessed Tipner West as a "Tier 1" "Prime Site" which includes significant "development potential" with respect to transitioning the site use to marine & maritime activities. The site is one of four remaining "Tier 1" "Prime Sites" that are under developed for marine & maritime activities across the Solent region. It is also suggested that an improvement in marine access would significantly enhance this particular sites' ability to transition and service the marine & maritime industry.

As a result of Tipner West's classification as a "prime site" for marine & maritime activities with the crucial opportunity/potential of improved access to water, it is concluded that the most relevant findings from the review process in terms of growth & development relate to the need for 'skills' & 'manufacturing'. The recommendations for 'skills' and 'manufacturing' identified within Section 3 included a number of options and those considered most relevant to Tipner West are as follows:

1. Build a new Marine Enterprise Hub in Portsmouth, within which a 'Marine Incubation Centre' can be established providing flexible accommodation coupled with business and innovation support
2. Introduction of 'flagship' STEM skills facilities with focus on marine & maritime sectors through the introduction of an Academy linked with Portsmouth University.

It is suggested that the recommendations noted above would also sit comfortably with the wider needs of the industry such as the strong requirement for marine related apprenticeships and global demand for boat building & composite materials. There is a link between the suggested Academy and proposals for a University Technical

College at Hilsea that needs to be further explored to ensure consistent and complimentary delivery.

4.1 CONCEPTUAL MARINE ENTERPRISE HUB

Given the background detail above and objectives of City Deal we have considered the appropriate components of a 'Marine Enterprise Hub' on the City Deal site and Figure 4.1 illustrates at a conceptual level the components and indicates the likely inter-relationships between the employment space and proposed Marine & Maritime Academy and Incubation Centre.

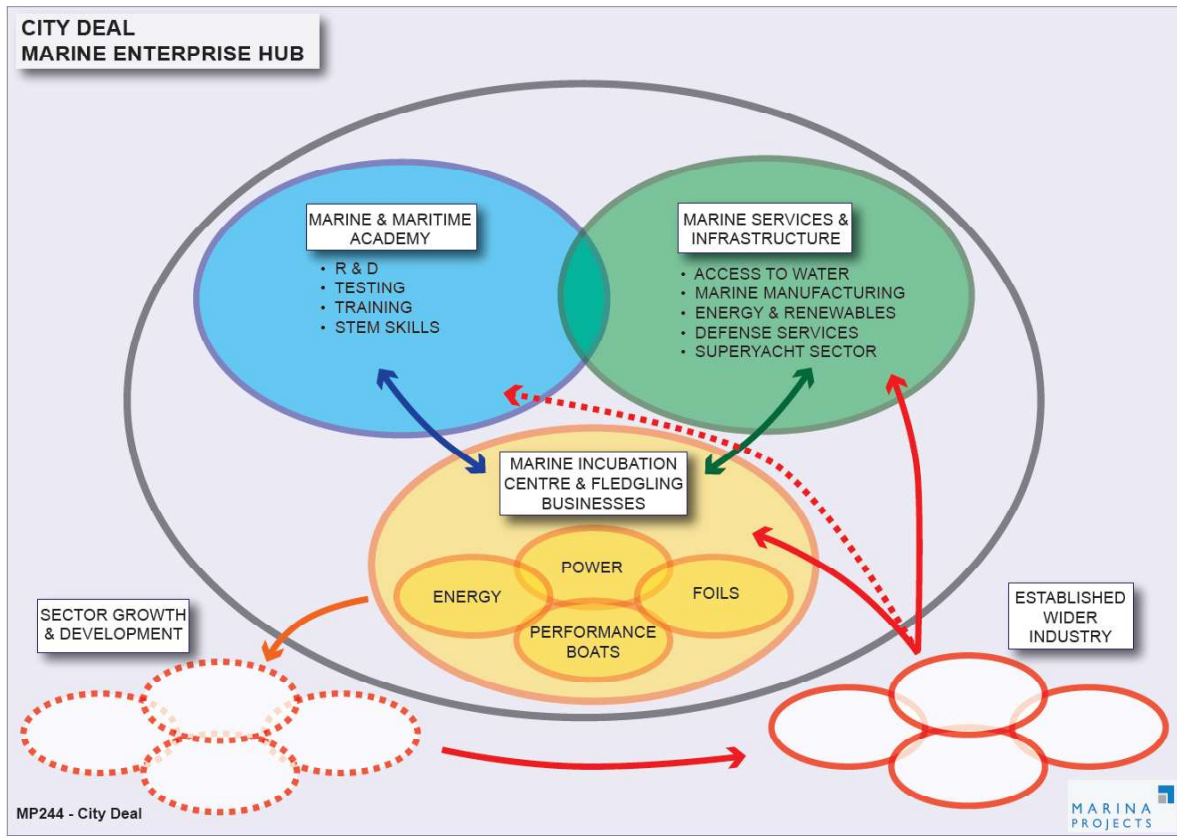


Figure 4.1: Potential Site Usage for Tipner West

As noted, the findings from the review process have identified a common set of needs and requirements.

The Tipner West site has the potential to service some of these key needs, however it is suggested that the level of demand and areas for potential growth need to be identified and quantified in a more tangible fashion which will help create a sustainable model as identified in Figure 4.1. In other words, the use of the site as for commercially viable marine employment activity operations can be

‘underpinned’ and ‘complemented’ by a Marine & Maritime Academy that, provide a plausible ‘route’ to business growth.

4.2 MARKET STUDY BRIEF

Within Stage 2 of the study we will undertake a more detailed, targeted and specific market study to explore the detail of the marine sector opportunities relevant to Tipner. The brief for that study has been informed by the baseline review provided herein. The Stage 2 study will culminate in a comprehensive evidence based report.

The market intelligence will link back to the Access to Water Study being undertaken within Stage 1 to establish the areas of demand most suited to the site opportunities. It is recognised that any employment space (e.g. marine) is a departure from the Core Strategy applicable to Horsea Island East and Firing Range sites and would need to be fully evidenced/justified and this links to the need for robust market knowledge being provided.

The market study will be designed to have two main threads that focus on the marine sector commercial opportunity and the need for skills.

Common to both elements will be a degree of marine sector engagement and we will engage with key sector representatives who will be interviewed (face to face or by telephone/email) in an effort to explore the general issues/shortfalls affecting the industry. The organisations to be targeted include the Solent LEP, its Marine and Maritime Steering Group (SMMSG), the LEP’s Employment & Skills Board, Portsmouth University (particularly in respect of the Academy Proposals), British Marine, and Marine South East. Importantly, this engagement will include relevant officers in PCC engaged in these marine sector initiatives. As opportunity presents itself we will engage with the project team that are preparing the Phase 2 SMMSG Study looking at regional policy for the protection and use of key waterfront sites.

4.2.1 Commercial Opportunity

Focusing on this element of the market research it is important to note that the findings identified within this document are the result of a detailed review of general industry reports and as such, exclude any influence from any existing demand for marine related commercial operations

within Portsmouth Harbour and wider areas. It is therefore suggested that a degree of market research is undertaken to identify any imbalance between demand and supply. The aim will be to identify and quantify the market opportunities and relevant marine sector(s) that will maximise the potential of the opportunities presented by the study site.

It is proposed to consider the market in geographic zones with appropriate consideration being given to the definition of an immediate, local and wider market. It is anticipated that to an extent the definition of the wider market will be influenced by the identification of gaps in the immediate/local market i.e. by identifying where in the wider market these gaps are filled.

It is further recommended that this study element be undertaken under two headings;

- Sites Review
- Market Sectors e.g. commercial marine, marine leisure, marine renewables, superyachts, defence services etc.

Sites Review

We will explore in detail the access to water provided by the existing marine employment sites identified within the Solent LEP Waterfront Asset Register to identify the gaps in the provision of facilities and the limitations and constraints of existing employment sites. These constraints will relate to the physical attributes of the waterborne access e.g. water depth, exposure, tidal conditions, air height limitations and also the nature/efficiency of the vessel access e.g. slipway, ship-lift, dry dock or hoist. Indirect factors affecting the efficiency and use of existing sites will also be considered e.g. road access, available land/employment space, neighbouring uses etc.

We will produce a detailed schedule/matrix and commentary that explores the immediate, local and wider market offering, identifying what access to water parameters are best suited to exploiting the market gap.

Market Sectors

Review of the various market sectors will be undertaken as a second step and be informed by the access to water review. Fundamentally we will be considering which sectors are best suited to take advantage of the market opportunity and how well and where they are currently accommodated. The identification of a market sector(s) that are not well accommodated and with growth potential will reinforce the potential viability and deliverability of the Tipner opportunity, it will also help to support the policy justification to depart from the Core Strategy policies, where this applies.

Research will extend to existing marine commercial operators in and around Portsmouth Harbour, The Solent and beyond to establish their requirements and views on future demand for employment space, market size and growth potential. Again it is the case that the review of the wider market might be influenced by the nature of specific sector opportunities. Indeed it might be the case that some sectors are not well represented within the immediate and local market of the Solent and we will consider the potential for establishment of new markets.

Engagement will consist of interviews with targeted operators/regulators e.g. the Marine and Coastguard Agency (MCA), to establish demand, vessel characteristics, current under/oversupply of services, market trends and wider market demand.

We will also consider the existing vessel fleet operating within the local/wider market to understand how well they are accommodated for servicing, survey, repair and new build. This will entail dialogue with:

- Port/Harbour Operations
 - Pilot boats
 - Tugs
- Commercial Operators & Contractors
 - Passenger vessels
 - Ferries
 - Workboats – dredgers, survey boats etc.
- Service Providers
 - MCA – inspections
 - Engineers

- Manufacturers
- Superyacht Sector

We will apply our extensive existing knowledge, intelligence database and industry contacts including those to provide invaluable market information. We also anticipate detailed input from Savills market team particularly given their relevant input and experience of the Woolston Riverside side.

4.2.2 Investigate the 'Need for Skills'

City Deal includes skills development programmes and aspirations to tackle unemployment. Furthermore the marine and maritime industry has recognised that there is a distinct 'gap' in advanced manufacturing and skills within the Solent region and this can be regarded as the primary driver. However, with consideration to Tipner West and the potential for creating a Marine Enterprise Hub and Academy, *targeted* research is required to understand the areas of demand which might complement such a facility. This further research would seek to establish the following key matters:

- 'Skills' gaps in the market – through consultation, which sector(s) within the marine industry are experiencing a shortfall and are there particular skills gaps (current and anticipated)
- Market trends - in what direction is the industry moving and therefore, what skills will be needed in the future?
- Requirements for success - through case studies, identify key attributes exhibited by similar enterprises.
- Existing Programmes – what of the City Deal initiatives are making progress and in which direction, is there an overlap?
- Mechanism for delivery - in what form and structure should the Enterprise Hub & Academy operate to ensure its long-term viability?

The proposals for the development of a University Technical College for 14 to 18 year olds at the Trafalgar School site in Hilsea needs to be fully understood. The College will provide access to training courses in electrical & mechanical engineering and advanced manufacturing. The development appears to offer a significant amount of synergy to the

marine & maritime industry and has the backing of some key marine industry heavy-weights i.e. BAE Systems, Carnival UK, Land Rover BAR, as well as Portsmouth City Council and the Solent LEP. The facility is programmed for completion in time for September 2017.

Given the UTC's relative proximity to the Tipner site, we will aim to understand the details of this scheme at an early stage. Whilst no reference to a 'marine & maritime academy' is made, it is clear that a degree of overlap could potentially exist and there is a need to understand how/if these facilities will complement one another. Irrespective of the need or requirement for an academy, providing access to water at the Tipner site should potentially offer some significant benefits to the operations at the UTC. Furthermore, the UTC will potentially provide further support for the introduction of training/STEM skills at the site in terms of providing satellite facilities, apprenticeship linkages to commercial tenants etc. The announcement of this development increases the requirement to consult with Portsmouth University (& the Solent LEP) at an early stage to understand their long-term vision and how the UTC & Academy might influence and shape the development & facilities at Tipner.

4.2.3 Work Tasks

The following section describes the various Stage 2 work tasks which will necessarily be undertaken as an iterative process.

Sites Review

This piece of work is fundamentally desk-based utilising a range of resources including web sites, almanacs, industry literature and our extensive knowledge of the Solent marine market and sites. As appropriate we will identify any gaps in the knowledge and apply appropriate resources to source the necessary information e.g. through site visits, contact with site owners/occupiers etc.

Sector Based Review

Initial desk-based research will build a picture of the marine sectors most suited to the market opportunity being determined by the sites review and access to water study. Our informed knowledge of the vessel activity suited to the opportunity will be informed by the marine sector

engagement and this initial work will enable us to finalise the engagement list and purpose/output of the proposed discussions.

Skills Review

The majority of the skills research will arise as a function of the stakeholder engagement summarised below.

In addition we will work with the Savills research team to consider further exemplars of similar sector specific academies (not limited to marine) including the Southampton City College's specialist Marine Skills Centre located at Woolston and proposals for the development of a University Technical College for 14 to 18 year olds at the Trafalgar School site in Hilsea.

Marine Sector Engagement

It is evident that the marine sector engagement will need to cover a number of strands of the more detailed second stage market research. The following 'Terms of Reference' shall form the basis for the consultation, noting that scope and extent of each engagement will need to be tailored to the specific organisation to ensure that the maximum output can be gleaned from the discussion:

1. Filling any potential gaps arising from the sites review analysis
2. Identifying the relevant market sectors best placed to take advantage of the Tipner opportunities
3. Availability of existing sector facilities: suitability and access
4. Research of the skills gap and training opportunities (as noted under 4.2.2)

A summary schedule of key organisations and the broad scope of the anticipated discussion is provided in Appendix C. It is understood that this schedule identifies the baseline list of consultees and that the list will potentially 'grow' as the engagement is undertaken.

4.2.4 WORK PROGRAMME

The following Gantt chart provides an overview of the proposed programme for the Stage 2 Market Study as described within this section. As illustrated, the overall programme duration for Stage 2 is 16 weeks, concluding mid-June.

Activity	Duration	February	March	April	May	June
1. Sites Review	4 weeks					
2. Sector Based Review	12 weeks					
3. Skills Review	12 weeks					
4. Marine Sector Engagement	10 weeks					

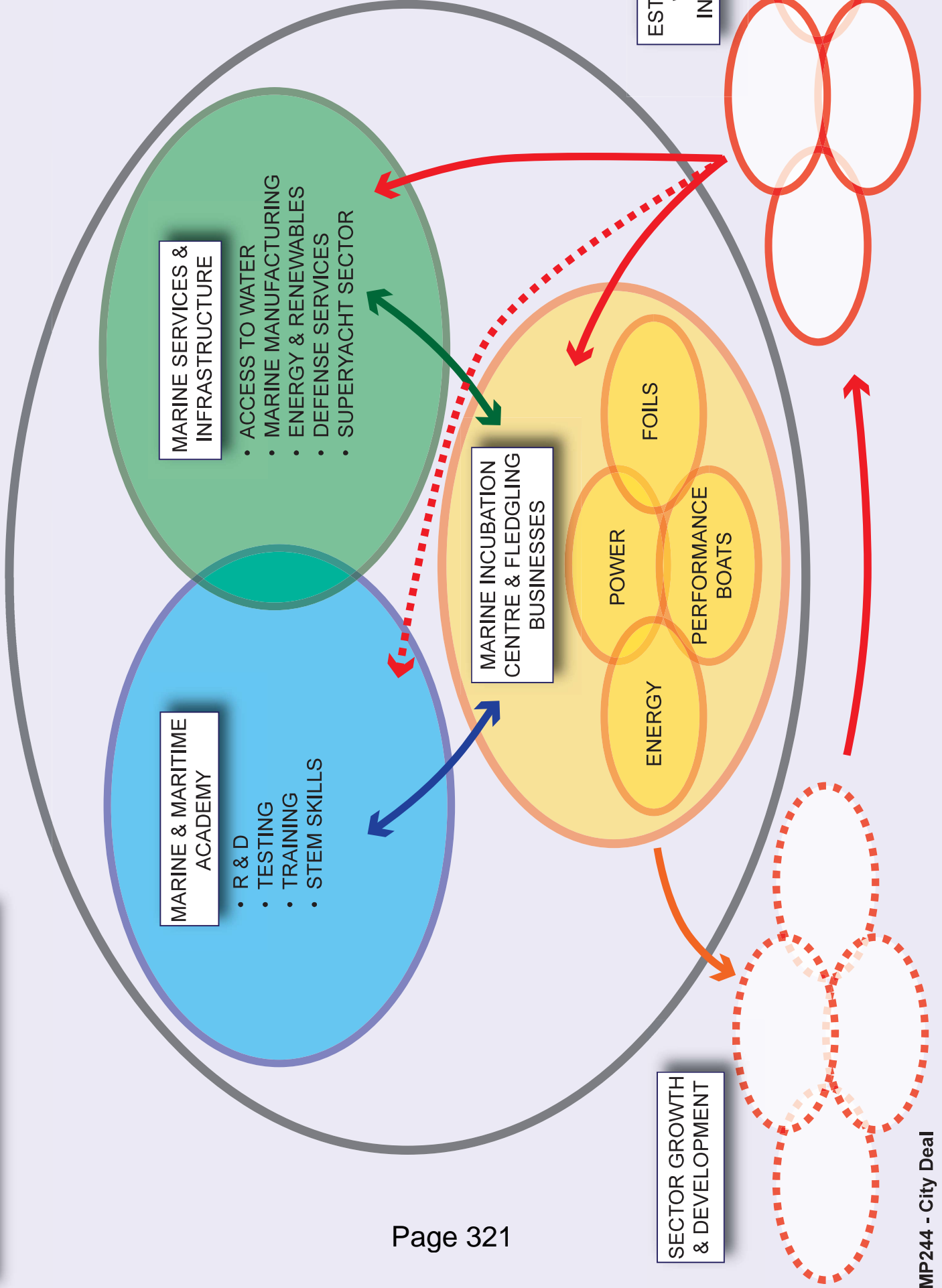
5. APPENDICES

5.1 APPENDIX A ~ WATERFRONT SITES REGISTER EXTRACT (TIPNER WEST
& HORSEA ISLAND)

MP244 City Deal
APPENDIX A - Waterfront Sites Register Extract (Tipner West & Horsea Island)

	Item	Tipner West	Horsea Island	Additional Notes	
	Postcode	PO2 8RA	PO6 4TT		
	Local Authority	Portsmouth	Portsmouth		
	Cluster	Upper Portsmouth Harbour	Upper Portsmouth Harbour		
Land Use	Site Area (sqm)	252,982	1,063,170		
	Commercial ferry/port	-	-		
	Defence Activities	-	✓		
	Marine Leisure & Recreation	*	-	* Tipner West also used for marine leisure/recreation - cruising and angling clubs	
	Boat building and repair	-	-		
	M&M Supply chain	-	-		
	Research & Development	-	-		
	General Office	-	-		
	General Industry inc. Sui Generis	-	-		
	Open Storage	✓	-		
	Warehousing	-	-		
	Aggregates/minerals/waste	*	-	* Tipner West also used for aggregates (Harry Pounds yard) and possibly waste (TJ Waste)	
	Retail	-	-		
	Residential	-	-		
	Community/recreation/leisure	*	-	* Tipner West has The Harbour School (for kids with difficulties) and also the National Seamanship Training Centre of the Nautical Training Corps	
	Utilities	-	-		
Vacant Land & derelict buildings	✓	✓			
Additional comments	-	-	This site is actively used by the MoD.		
Strategic	Proportion of M&M business activities	0%	0%		
	Clustering of M&M businesses	No	No		
	Key site occupiers	Tipner Boating and Angling Club, Portsmouth Harbour Cruising Club, Hope Construction Materials, TJ Waste and Recycling Ltd and Pounds Shipping	MoD		
	Proportion of small sized units	-	-		
	Proportion of medium sized units	100%	100%		
	Proportion of large sized units	-	-		
	Building Quality	-	-		
	Site quality	-	-		
	Site Assets of Relevance to M&M	Quay	✓	-	
		Jetty/moorings/pontoons/pier	*	-	* Tipner West - PCC has moorings
Slipway		*	-	* Tipner West - PCC has slipway (plus some means of launching and recovering down slipway)	
Fixed Cranes (jib/tower)		✓	-		
Mobile boat hoist/lift		-	-		
Boat rails		-	-		
Covered dry storage		-	-		
Open dry storage		*	-	* Tipner West - PCC has dry storage area for boats	
Freight transfer facilities		-	-		
Container cargo facilities		-	-		
Ro-Ro cargo facilities		-	-		
Bulk cargo facilities		-	-		
Dry/wet dock	-	-			
Other site assets	-	✓			
Additional comments	Floating crane on site, currently disused	Deep water torpedo testing lake	* Tipner West also used to store floating crane barge "Apache" which is in use		
Strategic Access	Strategic Road Access	Direct	Direct		
	Freight Rail Access	No	No		
	Public Transport Access	Poor access - 2 bus routes within 0.5 miles	Good access - 5 bus routes within 0.5 miles		
Navigational Access	Servicing of Site	Off-road loading/unloading	Off-road loading/unloading		
	Water Depth Above CD	0.3	-2.5		
	Permanent Water Access	No	No		
	MHWS Tide	4.7	4.7		
	MHWN Tide	3.8	3.8		
	MLWN Tide	1.9	1.9		
	MLWS Tide	0.8	0.8		
	Location of Measure	Portsmouth	Portsmouth		
Development Prospects	Water Frontage (m)	1,500	1,500		
	Vacant Developable Land	75%	60%		
	Observed Derelict Buildings	-	-		
	Observed Vacant Buildings	-	-		
	Area Built On (sqm)	7,967	11,000		
	Proportion of land built on	3%	1%		
Site Allocations/Designations	Intensification Prospects	High	High		
	Investment Requirements	Site remediation (for contamination); channel deepening (dredging)	Site remediation (for contamination); channel deepening (dredging)		
	Flood Risk	Low	Low		
	LA Employment Land or Water Access Policy Designation	-	-		
Site Allocations/Designations	LA Mixed-use or Regeneration Policy Designation	-	-		
	SPA	✓	✓		
	RAMSAR	✓	✓		
	SAC	-	-		
	SSSI	✓	✓		
	All Local Environmental Designations	-	✓		
	Indicative Current Job Capacity of Site (excluding MoD)	<25	n/a		
Importance Tier	Importance Tier	Tier 1 - Prime Site	MoD		
	Typology	8. Established industrial site: create/improve access to grow and transition to M&M if suitable.	0. Marina, commercial ferry/port, Defence or Utilities (Assume current use is long term)		

5.2 APPENDIX B ~ CONCEPTUAL MARINE ENTERPRISE HUB



5.3 APPENDIX C ~ MARINE SECTOR ENGAGEMENT OVERVIEW

APPENDIX C ~ MARINE SECTOR ENGAGEMENT OVERVIEW

MP244 City Deal

Rev A 08/03/2016

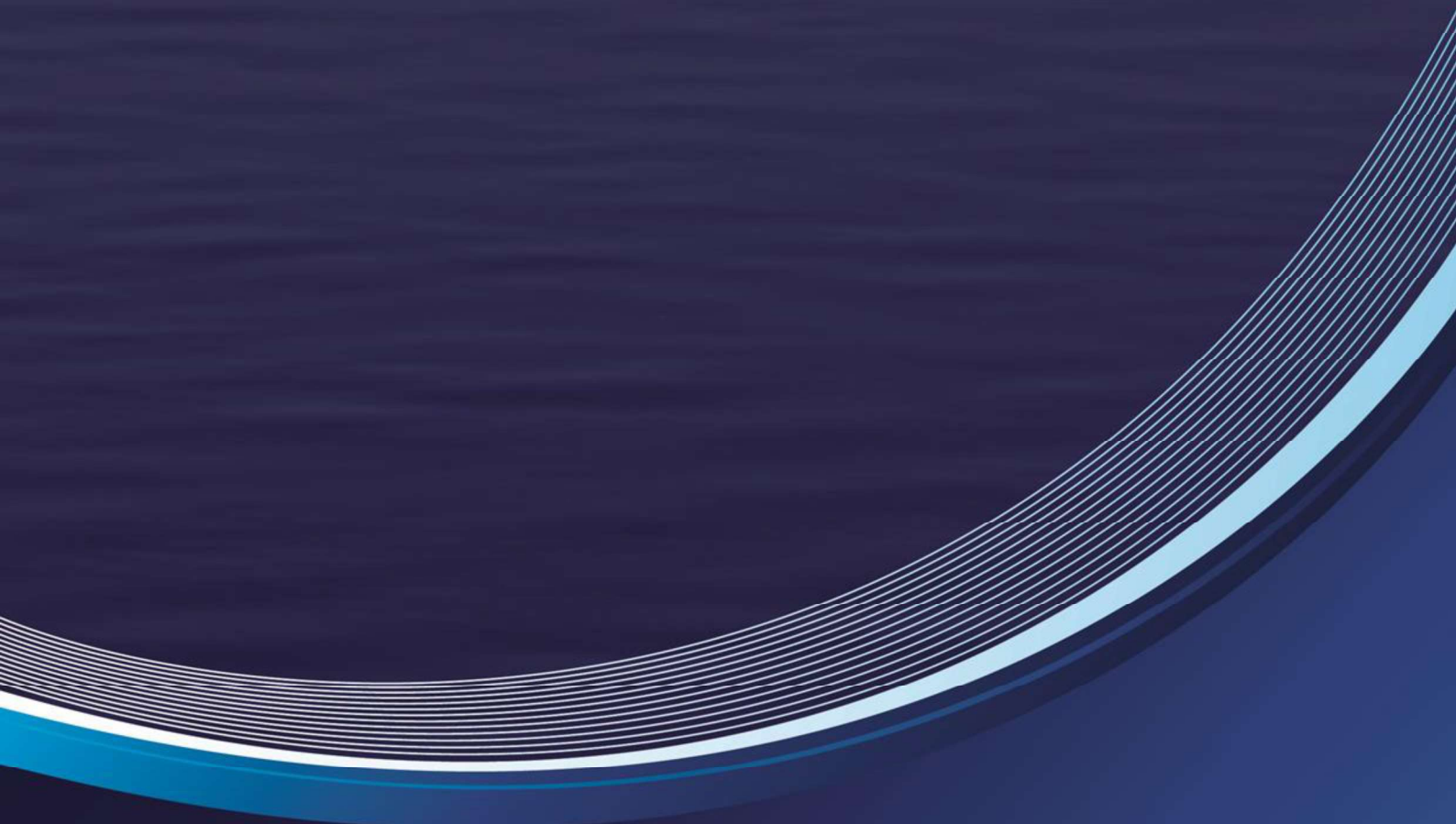
The below schedule outlines the 'baseline' list of consultees as discussed in Section 4.2.3 in the body of the main report. The anticipated outcome(s) of the discussions are made in relation to the following 'Terms of Reference':

1. Filling any potential gaps arising from the sites review analysis
2. Identifying the relevant market sectors best placed to take advantage of the Tipner opportunities
3. Availability of existing sector facilities: suitability and access
4. Research of the skills gap and training opportunities

Tier	Organisation	Anticipated Outcomes	ToR
<i>Public Bodies & Organisations</i>			
1	Solent LEP	CEMAST review, sector initiatives, Skills shortages	2 & 4
1	LEP – Employment & Skills Board	Skills shortages, UTC proposals	2, 3 & 4
1	LEP - SMMSG	Sites register, policy protection for waterside sites, funding programmes/bids	2, 3 & 4
1	PCC Economic Development Team	Sector based initiatives	2
1	Portsmouth University	UTC proposals, synergy with potential academy proposals, initiatives and sector involvement, skills shortages	2 & 4
1	British Marine	Skills shortages, market trends & barriers to growth	2, 3 & 4
1	Superyacht UK	Skills shortages, market trends & barriers to growth	2, 3 & 4
1	Rear Admiral Rob Stevens	Skills shortages, market trends & barriers to growth	2 & 4
2	Southampton Marine & Maritime Institute (SMMI)	Synergy with academy proposals, initiatives and sector involvement	2 & 4
2	Warsash Maritime Academy	Synergy with academy proposals, initiatives and sector involvement, skills shortages	2 & 4
2	Marine Skills Centre (Southampton City College)	Skills shortages	4
2	Marine South East	Skills shortages, market trends/sectors	2, 3 & 4
2	Maritime & Coastguard Agency (MCA)	Survey requirements, Skills shortages	3 & 4
<i>Contractors & Manufacturing</i>			
1	Burgess Marine	Limitations at Trafalgar Wharf site. Constraints, opportunities, market trends,	1 & 4
1	Magma Structures	Skills shortages, constraints, opportunities, market trends,	4
1	Solent Refit	Skills shortages, constraints, opportunities, market trends,	1 & 4
1	Premier Marinas	Limitations at Port Solent and Portsmouth Harbour/Solent sites. Constraints, opportunities, market trends,	4
1	BAE Systems	Skills shortages	4
1	QinetiQ	Skills shortages	4
1	Green Marine	Skills shortages, market trends	1 & 4
2	Sunseeker UK	Skills shortages, market trends/sectors	2 & 4
2	Princess Yachts	Skills shortages, market trends/sectors	2 & 4
2	Elephant Boatyard	Facilities (servicing & refit), Skills shortages	1 & 4
2	Stone Pier Yard	Facilities (servicing & refit), Skills shortages	1 & 4
2	Ocean Quay	Facilities (servicing & refit), Skills shortages	1 & 4
<i>Operators & Suppliers</i>			
1	Red Funnel	Skills shortages, facilities (servicing & refit)	3 & 4
1	Wight Link	Skills shortages, facilities (servicing & refit)	3 & 4
1	Gosport Ferry Company	Skills shortages, facilities (servicing & refit)	3 & 4
1	Portsmouth Queen Harbour Master (QHM)	Skills shortages, facilities (servicing & refit)	3 & 4
1	Associated British Ports (ABP)	Skills shortages, facilities (servicing & refit)	3 & 4
2	Port of London Authority (PLA)	Skills shortages, facilities (servicing & refit)	3 & 4
2	Port of Dover	Skills shortages, facilities (servicing & refit)	3 & 4
2	Autonomous Surface Vehicles (ASV)	Skills shortages, facilities (servicing & refit), market sector suitability	2, 3 & 4
2	Sustainable Marine Energy (SME)	Skills shortages, facilities (servicing & refit), market sector suitability	2, 3 & 4
2	Land Rover BAR	The Portsmouth experience – observations on demand/opportunities, Skills shortages	2 & 4

6. REFERENCES

- Southampton & Portsmouth City Deal
- Maritime Growth Study: Keeping the UK competitive in a Global Market, Department for Transport, 2015
- Transforming the Solent: Marine & Maritime Supplement, Rear Admiral Rob Stevens CB, 2014
- Making Waves: Solent's Marine & Maritime Sector, Solent Local Enterprise Partnership (LEP), 2015
- Maritime Futures: Solent Waterfront Sites, Solent Local Enterprise Partnership (LEP), 2015
- Transforming the Solent: Productivity and Growth Supplement, Solent Local Enterprise Partnership (LEP), 2016
- Solent LEP Annual Report, Solent Local Enterprise Partnership (LEP), 2016



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APPENDIX B: FILE NOTE: MARINE INFRASTRUCTURE BRIEFING NOTE REV E
WITH APPENDIX

MARINA PROJECTS LTD: FILE NOTE

CITY DEAL

Marine Sector Intelligence Briefing Note

Revision 01 – 14/03/2016

1. INTRODUCTION

This Briefing Note forms an element of the marine market intelligence brought forward to support the proposals for the City Deal development in Portsmouth and specifically the aspiration to create a maritime employment hub. The first stage of the market assessment was a literature review of a number of key sector specific reports. Stage 2 of the market study includes a review of the existing marine employment sites across the Solent (and potentially beyond) to identify whether there is a gap in the provision of boat lifting services.

In 2015, the Solent Local Enterprise Partnership (LEP) commissioned a study¹ to compile a comprehensive register of all existing & potential waterfront employment sites in the Solent region and to demonstrate the site characteristics & overview of their assets. The sites register was compiled as a reference point for policy makers and planning authorities to help guide & shape long term development plans.

Marina Projects Ltd has built upon this 'baseline' study and has undertaken a desk-based review of all waterfront sites across the Solent region that are facilitating marine employment that is reliant upon a connection to the water typically through boatyard & boat lifting operations. The aim of this review is to identify the method & scope of each operation, including the infrastructure & equipment used to provide the access to water. Facilities that do not offer access to water via lifting operations akin to 'typical' boatyard activities (and are therefore not focuses for marine employment) are not included as part of this review i.e. public slipways, marina dry-stack facilities, etc.

This review has utilised a number of resources, including web sites, almanacs, industry literature and our existing knowledge of the Solent marine market.

¹ Maritime Futures: Solent Waterfront Sites, Solent Local Enterprise Partnership (LEP), 2015

It is noteworthy that for the purpose of this review, a 'vessel' is defined as a keelboat, motor/power boat (including RIB's) or sailing yacht. For the avoidance of doubt, dinghy launching facilities are excluded from the scope.

1.1 OBJECTIVE

The purpose of this briefing note can be summarised as follows:

- To create an accurate account of marine businesses providing 'access to water' across the Solent region and the form of boat lifting operations i.e. hoist docks, slipways, crane operations etc.
- To identify any 'gaps' in the knowledge of existing marine infrastructure
- Inform the next detailed stage of market research

1.2 SCOPE

For the purposes of this study element Portsmouth Harbour is defined as the *Immediate Market* and the *Local Market* region covers the geographical area of Cowes and the River Medina, Southampton Water, through the Eastern Solent, up to and including, Chichester Harbour.

It is worth noting that the western extent of the local market boundary is consistent with the Solent Waterfront Assets Register. The eastern limit has been extended to include the whole of Chichester Harbour and beyond – such that Portsmouth Harbour sits centrally within the Local Market.

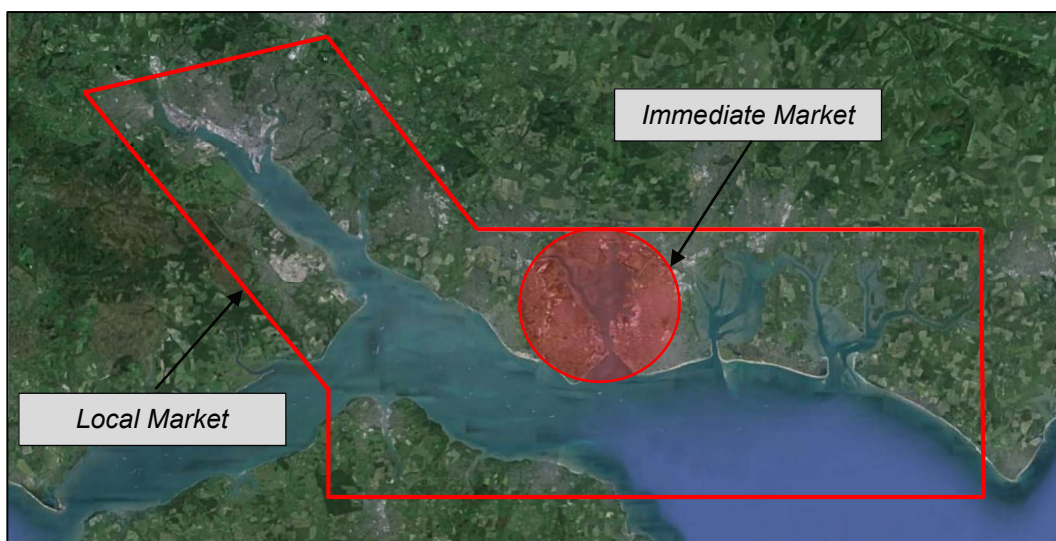


Figure 1.1 Geographical area covered by this note

2. LIFTING OPERATIONS

Within the boundary of the study, 63 sites have been identified as having the ability of launching and recovering vessels to and from the water. A full schedule of the 63 sites is provided in Appendix A. It is worthy of note that 10 of the 63 sites are yacht/sailing club related facilities providing services for members and on the basis that they are not primarily a focus for marine employment activity, they have been discounted from further review.

In addition, Marchwood Military Port operates a 225 tonne hoist dock that has also been discounted from further review on the basis that the site is managed by the Ministry of Defence and is not providing any direct marine sector employment. As a result, the overall number of sites within the Solent region that are facilitating and creating a focus for marine employment through a 'boatyard' type facility/operation is 52.

Each site providing access to water has been assessed and categorised by their primary means of lifting boats; meaning they may also operate 'secondary' equipment on site that is not included as part of the analysis.

2.1 IMMEDIATE MARKET

Of the remaining 52 sites, 9 are located within the immediate market area of Portsmouth Harbour. An additional 5 sites were found to operate vessel lifting facilities, however these sites have been discounted from further assessment because they are identified as either sailing/cruising clubs, or sites that are operated by the MoD.

It is interesting to note that of the 9 sites located within the immediate market, 5 have a maximum lifting capacity of 14 tonnes and are therefore heavily restricted in lifting capacity. The remaining 4 sites are summarised as follows:

- Port Solent (40 tonne hoist dock) – This facility provides a relatively self-contained operation, predominantly utilised by the marina and residential berth holders. The location of the Port Solent boatyard, accessed from within a locked basin curbs the boatyards potential to service the immediate market beyond the confines of the marina. However, it is likely that an amount of Premier Marinas berth holders from across the region are attracted to the site as a result of companywide discounted benefits.

- Trafalgar Wharf (1,000 tonne ship lift) – The infrastructure required to lift and manoeuvre the size of vessels akin to 1,000 tonnes limits the ‘usable’ area that the yard has to offer, meaning that the nature of the operation restricts the number of vessels that can be serviced at any time, rendering the site relatively inefficient. The facilities ‘offer’ is strengthened by a 40 tonne slipway hoist which services the lower end of the market.
- Endeavour Quay (180 tonne hoist dock) – This facility provides the second largest commercially operated hoist dock in the *local* market, providing good access for deep drafted sailing vessels at the entrance to Portsmouth Harbour. The site services both ‘commercial’ and ‘marine leisure’ vessels with some 50,000ft² of related under cover storage and employment space. The available yard space at around 3,000m² is considered somewhat limited for larger vessel operations and it certainly restricts the extent and nature of activity attracted to the Yard.
- Gosport Boatyard (100 tonne mobile crane) – This facility is serviced with a 100 tonne mobile crane and provides circa 5,500m² available yard area. The site focuses operations on the marine leisure vessels and caters for a notable portion of the immediate market.

There are in the order of some 5,000 leisure vessels berthed within the limits of Portsmouth Harbour. Based upon the findings noted above and taking account of significant commercial vessel activity within the harbour; it is suggested that there may be an undersupply of lifting services within the immediate market. It is certainly the case that a number of operators have policies in place to effectively manage the space and dissuade customers from keeping vessels ashore for a significant length of time.

To understand the significance of any shortfalls in servicing within the immediate market it is important to consider the service offering within the local market, not least because of the strong geographical and industry links across the Solent.

2.2 LOCAL MARKET

The distribution of primary lifting methods across the 52 sites in the local market and immediate market is illustrated in Figure 2.1.

Solent Marine Sites - Primary Lift Mechanism

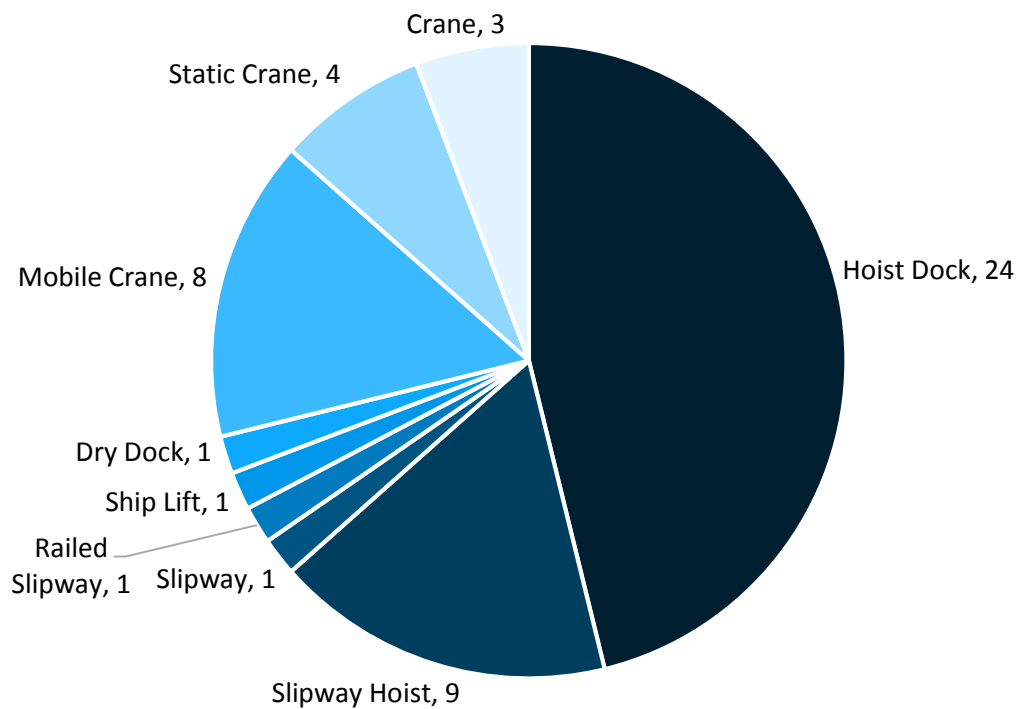


Figure 2.1 Distribution of primary lifting types

The main observations from the analysis are as follows:

- The most prevalent means of boat launching and recovery across the Solent region is by means of a hoist dock and travel lift arrangement, accounting for 46% of the sites. This arrangement provides the most flexible and efficient method for lifting, launching and manoeuvring vessels.
- Access to water at 29% of sites is provided by crane operation; whether it be 'fixed' or 'mobile', either permanently on site or 'hired-in as required basis.
- A total of 11no sites have been identified as providing a slipway by means of 'primary access to water'. Of these, 9no sites operate a slipway hoist, either self-propelled or manoeuvred with ancillary equipment (e.g. tractor). It is noteworthy that of the remaining 2no sites, 1 operates a railed slipway and winch system (Solent Refit, Hythe), and the other utilises a tractor to aid launch and recovery of vessels from their own trailers.
- Further facilities include a dry dock and a ship lift.

The efficiency and flexibility provided by the various types of lifting/launching arrangement is likely to be a significant factor in influencing the extent of activity that can be accommodated at a given site and the extent of services and marine

employment that is driven by the site. Other relevant factors include the depth of water available, yard/employment space, support berthing, influence of neighbouring activities and road access. Further analysis of the related issues will be undertaken once a greater focus on the market opportunity is evident.

3. LIFTING CAPACITIES

In order to provide further context to the scale of operations identified in Section 2, it is necessary to identify the lifting capabilities of each of the sites. At this stage, it has been possible to establish lifting details for 42 of the 52no sites identified as providing access to water within this study. This includes a reported *maximum tonnage* of vessels which could be potentially accommodated by the site. This analysis is illustrated in Figure 3.1.

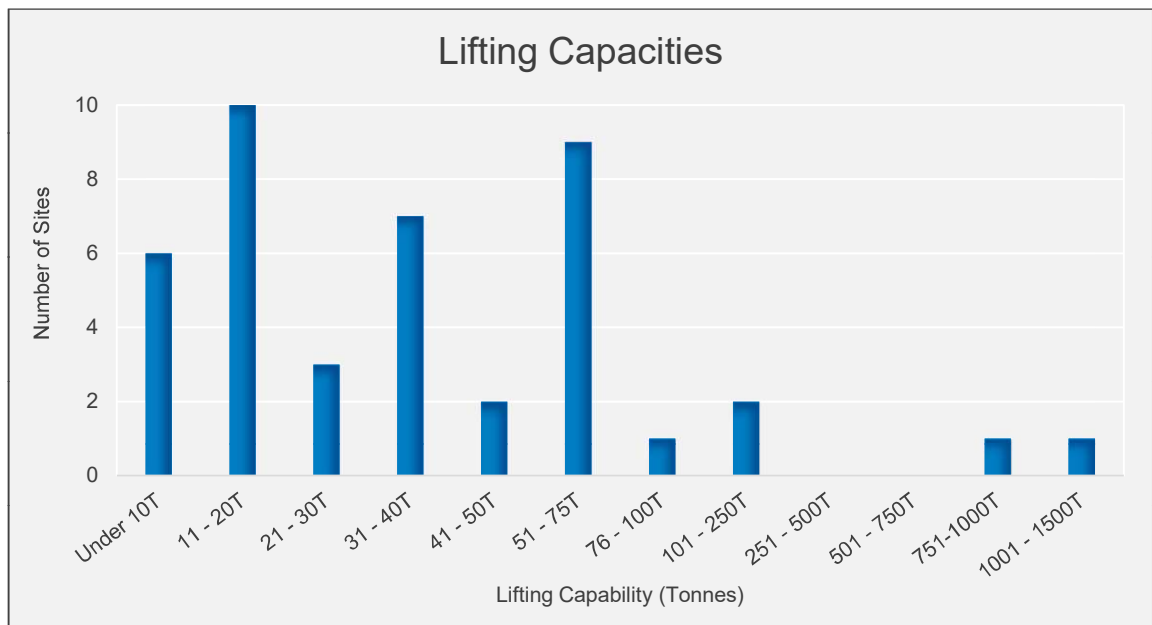


Figure 3.1 Lifting capabilities across the 46 sites

The analysis has identified the following observations:

- The market up to and including 75 tonnes appears to be well serviced, with a total of 37 sites providing a method of lifting capable of the associated loadings.
- There are only 3 sites providing lifting facilities between 75 and 250 tonnes. The largest capacity lift in this category is in fact a 200 tonne hoist (Saxon Wharf). It is interesting to note that the lifting facility in the 76 to 100 tonnes category is a mobile crane (Gosport Boatyard).
- There is a notable 'gap' between the 200 tonnes facility and the 751 to 1000 tonnes grouping.

- The top end of the market is serviced by two facilities: Solent Refit and Trafalgar Wharf.

In addition to the sites identified in Figure 3.1, there is also a 'dry dock' on the River Itchen which services vessels up to 60 metres in length. This facility does not have a tonnage limitation but by means of comparison, the associated tonnage of a 60m vessel is in the order of 450-500 tonnes. However it is important to note that the nature of the dry-dock is that it is both inefficient in set-up and launching time and a dock of this nature can only accommodate one vessel at a time constraining the opportunity and limiting the associated activity.

As noted, the 'ship lift' operation at Trafalgar Wharf is similarly inefficient due to the set-up required for lifting and launching infrastructure required to move vessels from the ship lift, limiting the number of vessels that can be serviced at any time. There is greater flexibility provided at the Solent refit site i.e. potentially more than 1 vessel can be lifted ashore at any given time through the slipway and rail arrangements.

As noted, the analysis suggests that there is a 'gap' in lifting capabilities between the 101- 250 tonnes category and the 750-1000 tonnes category. However, upon closer analysis, the site providing lifting facilities in the 751 to 1000 tonne range (Trafalgar Wharf) is actually rated at the higher end of the banding; therefore the 'gap' is larger than it appears, in fact extending from 200 tonnes to 1,000 tonnes with only a single (inefficient) dry dock within the study region providing any other facility for vessels over 200 tonnes. This is illustrated further in Figure 3.2 whereby the banding is removed to illustrate the actual rating for each individual site.

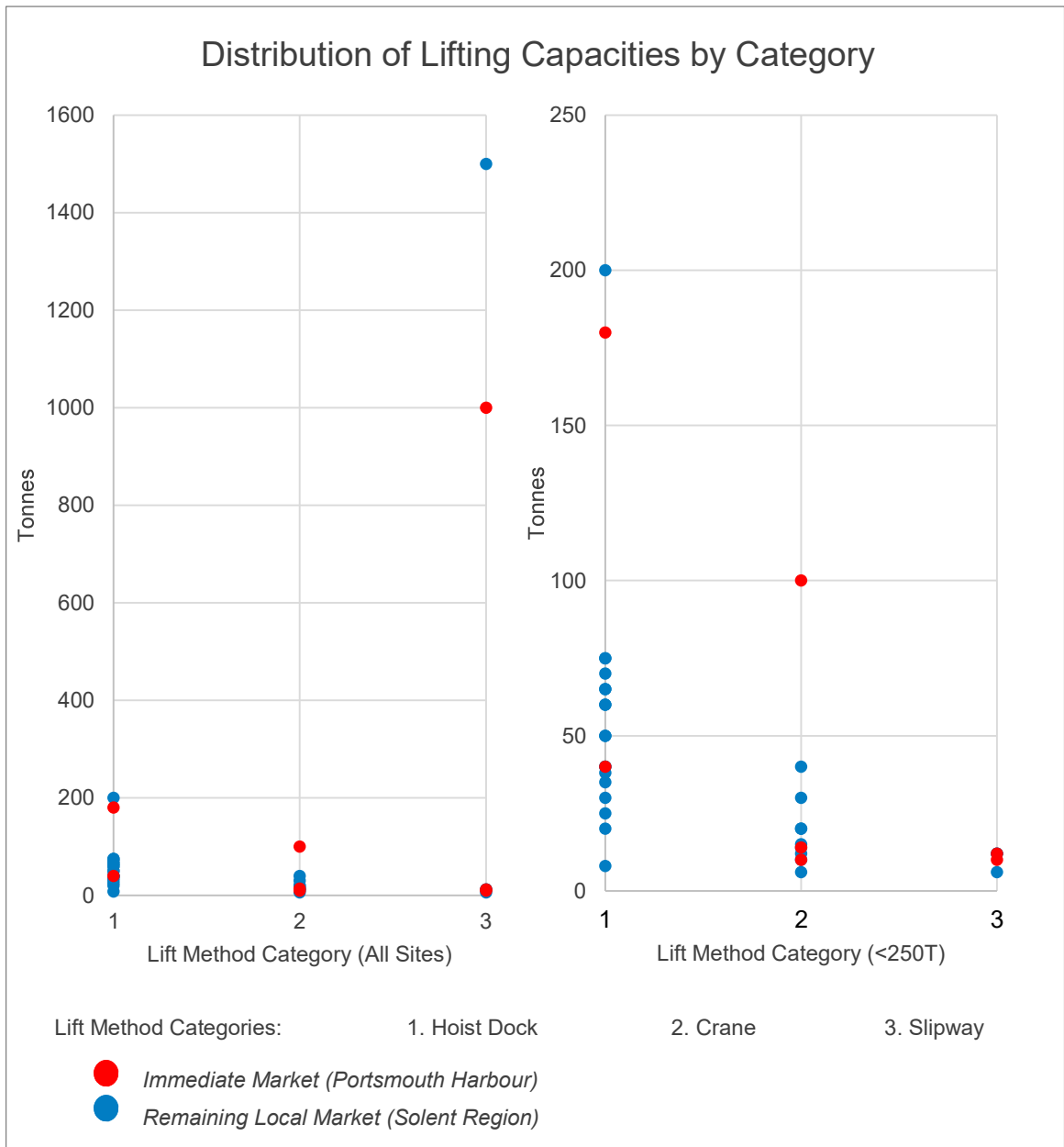


Figure 3.2 Distribution of lifting capacities by lift method capacity

The distribution of the lifting facilities is better understood when the 2 large capacity slipway facilities are removed from the data (Solent Refit & Trafalgar Wharf). This is illustrated in the right-hand caption in Figure 3.4.

It is interesting to note that whilst hoist dock facilities are the most prevalent in the Solent region, the sites that provide the greatest capacity of lifting in terms of tonnage are akin to slipway operations. However, it is evident that with the exception of Solent Refit & Trafalgar Wharf, generally slipway facilities (slipway hoists) offer a modest range of lifting capacities.

3.1 SUMMARY

The analysis has identified the following key points:

- There is a notable 'gap' in the market servicing vessels from 200 tonnes to 1000 tonnes in the Solent region
- There are 2 sites providing *lifting* facilities to vessels greater than 200 tonnes, of which one is particularly inefficient.
- A 'dry dock' provides a storage/yard facility up to around 450-500 tonnes but is inefficient/constrained.
- The market below 200 tonnes seems to be well catered for, although a modest 'gap' in the 75 tonnes to 180 tonnes is evident. Further understanding on the operational efficiency will identify whether or not this sector of the market is being adequately serviced.

4. NEXT STEPS

The analysis has identified that there is a potential 'gap' in the immediate Solent market above 200 tonnes, however this area of the market needs to be further understood to identify how & where vessels are currently being serviced.

It is therefore proposed that a further stage of research is undertaken that will seek to identify the following:

- Consider site specific characteristics of all sites providing facilities over 75 tonnes – i.e. depth of water, access, employment space, yard space, support berthing.
- Sites providing lifting capabilities of 200 tonnes and above along the UK south coast from Penzance to Thames ~ to include sites on Rivers Medway & Thames.
- Quantify the 'size' of the market i.e. how many vessels within the size range are located in the 'wider' market? Vessel types which will be captured in this analysis to include:
 - Port/Harbour Operations
 - Commercial Operators & Contractors
 - Service Providers & Shipping
 - Superyacht Sector
- Consideration to the market sectors which are likely to take advantage of the proposed site at Tipner.

APPENDIX C: MP244-TN-01

MARINA PROJECTS LTD: TECHNICAL NOTE

CITY DEAL

Preliminary Marine Employment Site Parameters

Confidential – not for release under FOI

Revision 06 – 24/06/2016

1. INTRODUCTION

This summary paper covers the concept design parameters for the marine employment related terrestrial land allocation for City Deal. The design considerations are informed by early indicators from the market assessment work, although at this early stage the contents of this note are to be considered as minimum preliminary requirements for the development of core marine employment activities at a sustainable scale. Progress and completion of the marine sector market assessment has the potential to extend potential market opportunities that the City Deal site can capture requiring the potential expansion of the marine employment requirements.

The market research has identified a significant gap in the provision of boat lifting/ access to water facilities across the Solent and beyond. There are currently four major boat lifting and storage sites within the Solent that have lift capacities and vessel storage facilities either side of the identified gap (200-1,000 tonnes) . These sites are:

- Saxon Wharf located on the River Itchen – 200tonnes
- Solent Refit located on the upper reaches of Southampton Water – 1,500tonnes
- Endeavour Quay located in the Portsmouth Harbour entrance and
- Trafalgar Wharf situated at the head of Portsmouth Harbour on Portchester Lake – 1,000tonnes.

The facility locations are illustrated in Figure 1.1.

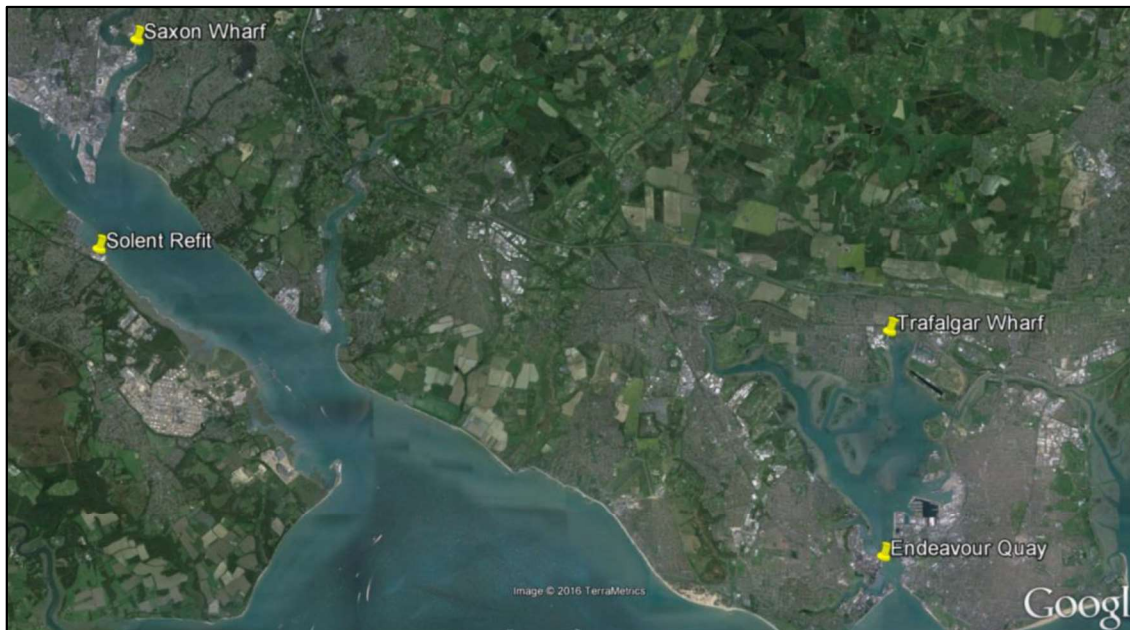


Figure 1.1 - Solent Boat Lifting & Storage Facilities over 150 ton Capacity

2. SITE COMPARISON

The above noted sites are also considered to be constrained to a greater or lesser extent such that the nature of marine related activity being undertaken on the sites is being limited by their physical attributes. The comparison of the sites below considers these constraints and the physical make-up of the site with the intention of informing the preparation of a set of parameters for the City Deal masterplanning.

In addition to the Solent facilities noted, a notable boat lifting/storage and refit facility located in Falmouth (Pendennis) is referenced due to the scale of services and facilities offered. A summary of the key features of each site is noted in the following sub-sections.

2.1 SAXON WHARF

Saxon Wharf is a marine service centre on the River Itchen with a major occupier (Southampton Yacht Services) who manufacture luxury sailing vessels of up to 27m (restricted by undercover storage capacity, air-height under the Itchen Bridge) and also undertake prestigious yacht restorations on vessels of up to 45m length and 200 ton displacement. Their operations are ultimately restricted by availability of open storage, shed space and boat lift capacity. Further restrictions on large boat activity arise from relatively shallow water on the berths which are generally dredged to around 2m Below Chart Datum (CD).

It is relevant that the site is further supported by the marine related engineers, designers, upholsterers, riggers etc. located in Shamrock Quay Marina located only 130m metres away. The site provides the following key boatyard features:

- Dedicated outside storage area
- 24 hr site access by water
- Holding berths generally at -2m CD with some deep pockets for large vessels
- Travel hoist boat lift system
- Open yard policy allowing 3rd party trades to utilise the facility

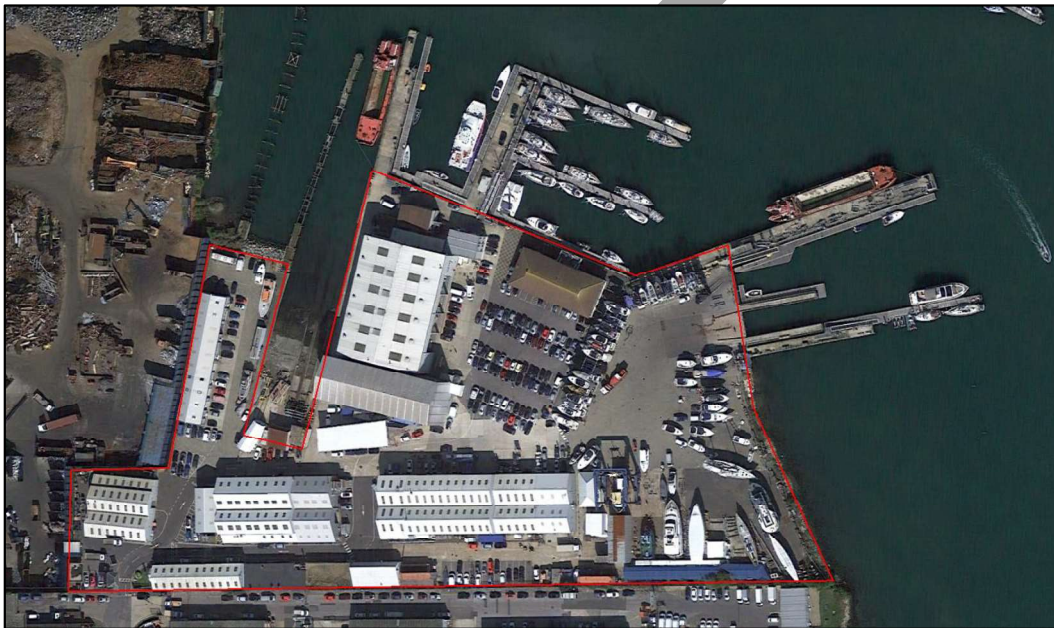


Figure 2.1 - Saxon Wharf Site location and redline boundary

A summary of the land uses at Saxon Wharf is provided in Table 2.1. Appendix 1 provides a detailed summary of each of the reference sites and a comparison of the ability of City Deal to achieve the design requirements established later in this document.

Table 2.1: Land Allocation

SAXON WHARF Land Allocation	
Use	Area
Outside Storage (m ²)	4,800
Undercover Storage (m ²)	6,000
Buildings (m ²)	5,100
Developed %	43%
Total Site Area (m ²)	30,000

2.2 SOLENT RE-FIT

Solent re-fit is an ex MOD site that is being utilised to service the commercial and leisure boat sectors. With a capacity to lift vessels of up to 1,500 ton displacement it is the largest capacity ship lift in the Solent. Storage ashore is however limited to vessels that are either left on the slipway cradle (preventing any ongoing lifting or launching operations) and two storage ashore spaces alongside the slipway. The lifting and launching arrangement is therefore somewhat cumbersome and less efficient than a travel hoist.

Undercover storage is a key feature of the site, however due to the configuration of the boat moving system, access to and from the water is an operational constraint.

The site provides the following key boatyard features:

- Limited outside storage area
- Restricted slipway operations due to water depths
- Deep water holding berths
- Slipway boat lift system
- Open yard policy allowing 3rd party trades to utilise the facility

Water depth at the site is also restricted limiting launch/recovery operations to periods of high-tide and the site is subject to extensive siltation that has been exacerbated through a lack of maintenance dredging in recent years.



Figure 2.2 - Solent Re-fit Site location and redline boundary

Table 2.2: Land Allocation

SOLENT RE-FIT Land Allocation	
Use	Area
Outside Storage (m ²)	1,700
Undercover Storage (m ²)	10,000
Buildings (m ²)	9,000
Developed %	44%
Total Site Area (m ²)	47,000

2.3 ENDEAVOUR QUAY

Endeavour Quay is an open boatyard with a 180 ton lift capacity (travel hoist system). The site has a number of on-site marine related tenants that service the range of vessels utilising the facilities. Storage ashore is very restricted, although the site does benefit from 3 No. undercover sheds of up to 40m length, each with unrestricted access to the water. Deep water holding pontoons with immediate proximity to deep water channels in Portsmouth Harbour complete this efficient albeit restricted boat lifting operation.

The site provides the following key boatyard features:

- Dedicated outside storage area

- 24 hour site access by water
- Deep water holding berths
- Travel hoist boat lift system
- Open yard policy allowing 3rd party trades to utilise the facility

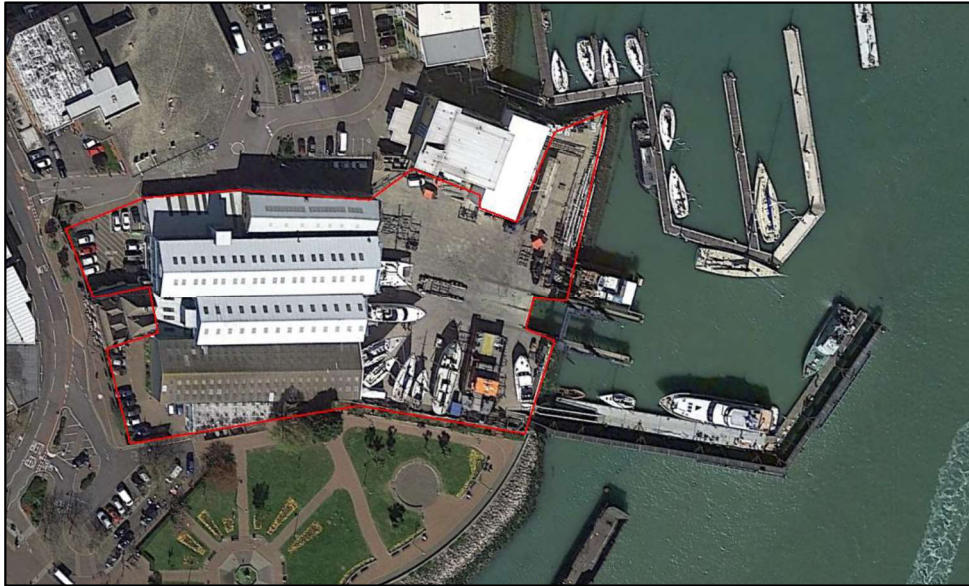


Figure 2.3 - Endeavour Quay Site location and redline boundary

Table 2.3: Land Allocation

EQ Land Allocation	
Use	Area
Outside Storage (m ²)	2,500
Undercover Storage (m ²)	1,400
Buildings (m ²)	1,500
Developed %	77%
Total Site Area (m ²)	7,000

2.4 TRAFALGAR WHARF

Trafalgar Wharf offers boat lifting services through the provision of an 877 ton capacity synchro-lift (often reported as having a 1,000tonne capacity). It is worth noting that the synchro-lift has a beam restriction of 13m and length of 60m which does limit the ability of the site to lift vessels, particularly those over 500tonnes. In summary there is a proportion of vessels over 500 tonnes that could not be accommodated at the site due to their dimensional characteristics – length, beam, draught.

The lifting arrangement is complex and a little cumbersome requiring significant time to set-up for lifting or launching of large vessels with a detailed plan required of the vessel hull to ensure the cradle or keel blocks are accurately placed usually requiring the use of divers during the lifting process.

Located at the top of Portsmouth Harbour the access channels are limited in depth to less than 1m below Chart Datum. All vessel launching and recovery therefore needs to take place at the top of the tide. This would place a significant restriction or effectively exclude vessels with a draught of 5m or more from using the site.

Again the site operates an open yard policy allowing 3rd party contractors to undertake works on vessels. Outside storage is restricted to vessels on the boat lift system (which prevents any further boat lifting or launching operations) and a limited storage space alongside the ship lift. Undercover storage is provided, although this has been compromised with the introduction of an undercover leisure boat dry stack facility.

Current plans for redevelopment of the northern portion of the site for residential uses, is removing an amount of undercover storage space, commercial buildings and waterfront employment asset. The introduction of residential uses in proximity to marine employment has the potential to create longer-term operational implications.

The site provides the following key boatyard features:

- Restricted outside storage area
- Deep water holding berth
- Synchro-lift boat lift system
- Restricted site access by water due to dredge depths
- Open yard policy allowing 3rd party trades to utilise the facility



Figure 2.4 - Trafalgar Wharf Site location and redline boundary

Table 2.4: Land Allocation

TRAFALGAR WHARF Land Allocation	
Use	Area
Outside Storage (m ²)	4,600
Undercover Storage (m ²)	6,500
Buildings (m ²)	15,400
Developed %	39%
Total Site Area (m ²)	68,000

2.5 PENDENNIS SHIPYARD

Pendennis shipyard is located in Falmouth Harbour and is the UK's most prestigious/high profile Superyacht new build and refit facility. With recent expansion and refurbishment works the site now has a 640 ton travel hoist as well as dry docks for vessels of up to 100m. There is very limited outside storage space limiting the nature and number of projects that can be worked on at any one time. It is reported that only long-term refit or new-build projects are undertaken at Pendennis.

Pendennis is a closed facility and only their employees (370 FTE's) and dedicated sub-contractors are able to undertake works on site.

- 2 No. 75m fully enclosed Dry Docks
- 2 No. 90m Undercover Construction Sheds
- 640 ton Travel Hoist



Figure 2.5: Pendennis Site location and redline boundary

Table 2.5: Land Allocation

PENDENNIS Land Allocation	
Use	Area
Outside Storage (m ²)	1,000
Undercover Storage (m ²)	22,000
Buildings (m ²)	7,500
Developed %	49%
Total Site Area (m ²)	62,000

2.6 SUMMARY

The following matrix provides a summary of the various site parameters described above. A more detailed comparison is provided within the schedule at Appx 2.

Site	Weight	Length	Beam	Draught	
				Water depth BCD	Tidal ops – max draught
Saxon Wharf	200t	Approx. 40m	10m	2m	6m
Endeavour Quay	180t	Approx. 40m	9m	5m	10m
Hythe Marine Park	1500t	60m		0m CD	4-5m
Trafalgar Wharf	877t	60m	13m	1m	5m
Pendennis	640t	100m			

3. BOAT LIFT SYSTEM & CAPACITY

3.1 BOAT LIFTING SYSTEM

The most appropriate, flexible and efficient boat lift system is a marine travel hoist. This system of boat lifting enables vessels to be lifted from a dedicated lifting bay typically located over the immediate water area (as not to occupy valuable land area). Once a boat is lifted in the hoist, the machine transports the vessel to a separate storage area, where it is lowered onto securing equipment. The hoist then returns to the lifting bay to commence continued lifting and launching operations. The efficiency and quick turnaround of the hoist system allows short-term projects to be undertaken efficiently and cost-effectively and this opens up survey, minor repair and other such project work.

More traditional lifting systems are available such as the slipway and trolley system at Solent Refit and the synchro lift at Trafalgar Wharf. These traditional methods however require boat supporting structures to be carefully positioned in pre-determined locations and then the vessel lined up to marry up with the

supporting structures. The set-up and breakdown time is significant and this is a far less efficient and flexible system than a travel hoist where by each individual lifting 'strop' can be readily positioned (with assistance from a diver only in particular circumstances) specific to each vessels requirements. This is reflected by the nature of work being focused on long-term refit and new build projects where such lifting systems are being used.

Examples of boat lifting systems are identified in **Error! Reference source not found.** to Figure 3.3 for ease of reference.



Figure 3.1 - Vessel supported on individual lifting strops Saxon Wharf



Figure 3.2 - Vessel on the slipway cradle at Solent Re-fit

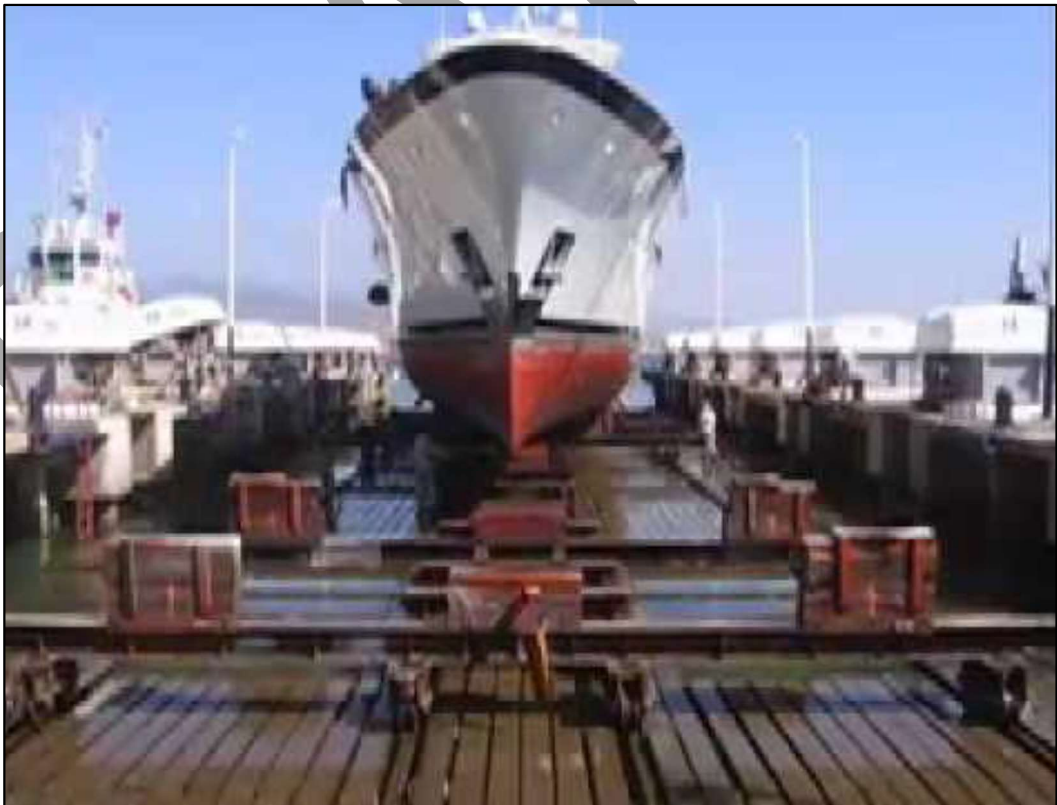


Figure 3.3 - Vessel on Syncro-lift supports at Trafalgar Wharf

3.2 BOAT LIFT CAPACITY

The market assessment has identified a significant gap in the provision of boat lift capacity that extends right across the South Coast and it has also identified both inefficiency and constraints across the local and wider market area that limits activities at either end of the lifting spectrum which it is maintained provides a robust foundation from which to develop the City Deal marine employment proposals.

In order to fully capitalise on the opportunity for introducing a new boat lifting system at the site, it is suggested that the capacity should exceed the existing provisions for marine travel hoists within the defined market areas. To that end, the hoist must exceed 200 ton (Saxon Wharf Marina), furthermore, and in recognition of commercial vessels based within the local market, a capacity exceeding 500 ton will enable the facility to capitalise on these existing markets.

At this preliminary stage a 600 ton marine travel hoist is proposed with approximate external dimensions of 22m long by 18m wide. The width of the proposed hoist will enable larger multihull vessels to be lifted as well as more traditional monohull vessels. The hoist dock structure from which the travel lift will operate will be approximately 40m length overall by 19m. Alternative configurations of the hoist dock can enable the structure to extend from the quay wall by 40m or to create a recess within the land to reduce the extension over the water dependant on site constraints.

A typical hoist dock configuration is noted in Figure 3.4.

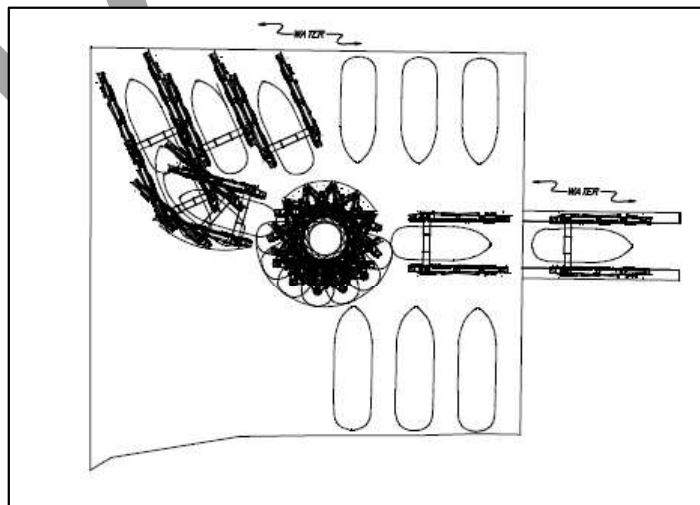


Figure 3.4-Typical hoist dock and boat storage configuration

The proposed lifting system and capacity will enable vessels of up to 70m long by 13m beam to be lifted and stored ashore at the City Deal site.

A hoist of this capacity has the potential to appeal to a number of sectors including but not limited to:

- Commercial repair and refit
- Superyacht Sector
- Marine Renewable support vessels
- New build – leisure/commercial

4. BOAT STORAGE

4.1 OPEN STORAGE

In order to service the proposed boat lifting system and identified vessel markets, an outside storage area is required. Considering the observed constraints at relevant sites within the local market area (all of which are influenced to a significant degree by access to adequate open storage areas), the range of sectors to whom the site might appeal and the efficiency of a large hoist in accommodating short-term projects it is considered essential that the open yard area is not unduly constrained. Accordingly a minimum yard area of approximately 10,000m² is proposed, this figure assumes a uniform layout with free unobstructed access throughout. This storage area will facilitate between 12 and 18 No large vessels depending on vessel lengths and configurations.

The boat storage at Saxon Wharf is heavily restricted by existing land uses, typically the site can accommodate 10 No vessels in the range 100-200 tonnes which results in a boatlift that is unable to realise its full potential. Similarly Endeavour Quay has provision for just 8 No vessels up to 180 tonnes and again is unable to extract maximum value from the boat lifting assets.

In order to increase boat storage capacity and efficiency of storage a boat mover (a self-propelled vehicle) should be considered with a capacity of at least 300 tonnes. A typical self-propelled boat mover is illustrated in Figure 4.1 for reference. This equipment will enable more efficient storage of vessels as it reduces the occupied and access space of stored vessels. Distances between stored vessels could be reduced by up to 7m per boat. This would have an impact of increasing the number of boats stored ashore by up to 5 No. It is to be

noted that with support from a boat mover, the travel hoist would be utilised for all lifting operations and transportation of only vessels over the capacity of the boat mover.



Figure 4.1 - 300 Ton boat mover to enable efficient use of storage space and increase vessel storage capacity

4.2 UNDERCOVER STORAGE

In order that vessel works can be undertaken in a sheltered (and controlled) environment, undercover storage areas are a fundamental requirement for the site. Temporary undercover structures can be installed on an 'as required' basis; for shorter-term projects however a permanent undercover building will be required to accommodate a minimum of 2 No vessels of up to 60 m. The buildings are to be of a size and configuration that allows the specified travel hoist access. The specified boat lift and vessel size dictates that the foot print of the undercover boat storage shed will be a minimum of 3,000 m². There will likely be increased undercover requirements for new build/refit activity linked to the major site occupier and/or multiple occupiers will see this demand rise to the upper range of undercover storage which is assessed as 10,000 m².



Figure 4.2 - Solent Refit Undercover Storage

Solent Re-fit has 10,000 m² of undercover storage which is noted in Figure 4.2. It is noteworthy that the boat lifting and moving systems in place do not allow for efficient access and egress for each vessel within the undercover storage. This has impact such as the requirement to sequence boat lifting and launching activities. As an ex MOD site sequencing of activities is more achievable. However, with multiple users/clients with varying demands, provision of vessel specific access is paramount.

5. CITY DEAL - MARINE EMPLOYMENT SPACE

The site will require a major marine related occupier which will take the form of one of the following:

- Boat builder
- Boat construction/fit out
- Boat Re-fit/repair specialist
- Marine Engineer/fabricator

This occupier will not only create demands for its own employment space but also act as a catalyst for boat lifting and storage activity but generate wider indirect employment opportunities. The major marine employment facility will likely have a foot print of between 3,500 – 4,000m².

Additional employment supporting the marine hub generated by the facility and major occupier may take many forms including:

- Vessel Surveyors – recognised MCA inspection facility
- New build distributors/ PDI & Handover
- Engineers
- Shipwrights
- Vessel repairs
- Sail Makers
- Design Studios

Additional provisions for marine employment should be not less than 12 No units of approximately 400 – 500 m². In addition office space and smaller units will increase the minimum additional employment buildings to a footprint of 7,000m². This building allocation compares with existing facilities across the Solent region and the upper estimate closer to the upper end of the existing site range.

In addition the site has the potential to accommodate a Maritime Academy or satellite facility for other marine sector training providers as well as a significant representation of incubator units.

5.1 TOTAL MARINE EMPLOYMENT LAND ALLOCATION

In addition to the components noted above the site must provide for access and ancillary uses e.g. parking. Typically the marine employment uses account for between 40% and 50% of the total site area, with smaller, constrained and efficient sites perhaps achieving a 70% threshold.

The proposed **minimum** core footprint of land allocation for City Deal is noted:

Boat storage (Under cover and outside storage)	13,500m ²
Major Marine Occupier (Buildings)	4,000m ²
Additional Marine Employment (Buildings)	3,000m ²
Total Marine related land allocation inc. access, parking etc.	<u>45,000m²</u>

The above assessment provides a minimum baseline position for the core marine related activities. Development of marine related employment to include

all uses (academy, support services and ancillary providers), will see the dedicated total marine sector land allocation increase to approximately 80,000 m². Note that the wider development of related/secondary uses that are less reliant upon the direct and primary access to the water will increase the percentage of development that might be located on the Horsea East Site. It is anticipated that a number of models might need to be considered through the concept development stage and in masterplan evolution.

The preliminary range of marine employment land allocation is summarised in Table 5.1.

Table 5.1: Range of Land Allocation

CITY DEAL: Land Allocation	Core Marine Footprint	
	<i>Minimum</i>	<i>Upper</i>
Outside Storage (m ²)	10,000	20,000
Undercover Storage (m ²)	3,500	10,000
Buildings (m ²)	7,000	12,000
Total Site Area (m ²)	45,000	80,000

Appendix – summary of South Coast Sites

Marina Projects Ltd

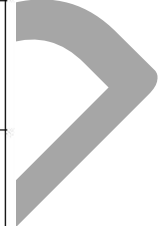
APPENDICES

MP244 - City Deal Boat Yard Parameters						City Deal	
CITY DEAL LAND ALLOCATION	E.Q.	Saxon Wharf	Trafalgar Wharf	Solent Refit	Pendennis	Core Marine Footprint	
						Minimum	Maximum
Outside Storage (m2)	2500	4800	4600	1700	1000	10000	20000
Undercover Storage (m2)	1400	3000	6500	10000	22000	3500	10000
Buildings (m2)	1500	5100	15400	9000	7500	7000	12000
Developed %	77%	43%	39%	44%	49%	45%	52%
Total Footprint (m2)	7000	30000	68000	47000	62000	45556	80769

N.B. Pendennis Shipyard Undercover includes temporary structures erected over dry docks

DRAFT

	Boatyard	Water Depth	Navigational Access	Road Access	Primary Constraints	Boat Lift (Type)	Lifting Capacity	Secondary Boat lift	Ancillary Equipment	Site Footprint	Yard Space	Covered Storage	Buildings	% Developed Footprint
1	Endeavour Quay	-3 mCD 24hrs	Good	Moderate	Yard Space	Hoist Dock	180T	35T crane	50T boat mover	7,000 m ²	2,500 m ²	1,400 m ²	1,500 m ²	77%
2	Pendennis		Good	Moderate (isolated)	Yard Space	Hoist Dock	640T			62,000 m ²	1,000 m ²	22,200 m ²	7,500 m ²	49%
3	Saxon Wharf	-2.5 mCD 24hrs	Moderate	Moderate	Yard Space	Hoist Dock	200T	10 T crane	47 T boat mover	30,000 m ²	4,800 m ²	3,000 m ²	5,100 m ²	43%
4	Solent Refit	0 mCD to +2 mCD	Moderate	Good	Depth, storage	Ship Lift	1500T			47,000 m ²	1,700 m ²	10,000 m ²	9,000 m ²	44%
5	Trafalgar Wharf	0 mCD	Poor	Moderate	Depth, Storage	Ship Lift	877 T	40 T Hoist		68,000 m ²	4,600 m ²	6,500 m ²	15,400 m ²	39%
6a	Tipner Point (Existing)	-0.3 mCD	*Poor	* poor	Depth, Yard Space	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6b	Tipner Point (Proposed)	-2 mCD (approach) -4m CD (berth)	Good	Excellent	Expansion Space	Hoist Dock	600 T	30 T Crane	300 T boat mover	45,500 m ² (min.)	10,000 m ² (min.)	3,500 m ² (min.)	7,000 m ² (min.)	45%
7a	Horsea East Inlet (Existing)	+1.3 mCD to +2.5 mCD	*v. Poor	*v. poor	Water Depth	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7b	Horsea East Inlet (Proposed)	-2 mCD (approach) -4m CD (berth)	Good	Excellent	None	Hoist Dock	600 T	30 T Crane	300 T boat mover	45,500 m ² (min.)	10,000 m ² (min.)	3,500 m ² (min.)	7,000 m ² (min.)	45%



APPENDIX D: SCHEDULE OF VESSELS

Solent Market Data:

Company	Vessel Name	L.o.a. m	Beam m	Draft m	Displacement Δ		Deadweight Ton	Builder/Designer	Home Port	Vessel Type /Class
					(Light) Tons	(Heavy) Tons				
Red Funnel	Red Jet 1	32.5	8.4	1.1	77.36	96	17.89	FBM Marine Ltd	Southampton	HSC (Fast Ferry) - Catamaran
	Red Jet 2	32.5	8.4	1.1	77.36	96	17.89	FBM Marine Ltd	Southampton	HSC (Fast Ferry) - Catamaran
	Red Jet 3	32.9	8.32	1.25	94.11	110	22.11	FBM Marine Ltd	Southampton	HSC (Fast Ferry) - Catamaran
	Red Jet 4	30.88	10.52	1.26	90.74	130	42.26	North West Bay Ships	Southampton	HSC (Fast Ferry) - Catamaran
	Red Jet 5	32.9	8.3	1.25	82.18	110	27.82	Pequot River Ship Works (USA)	Southampton	HSC (Fast Ferry) - Catamaran
	Red Jet 6	41.12	10.87	1.3	95	140	45	Shennara Refit LP	Southampton	HSC (Fast Ferry) - Catamaran
Wight Link	Wight Ryder 1	41	12	1.6	120	150	26	BMT Nigel Gee	Portsmouth	HSC (Fast Ferry) - Catamaran
	Wight Ryder 2	41	12	1.6	120	150	26	BMT Nigel Gee	Portsmouth	HSC (Fast Ferry) - Catamaran
Goop Ferries	Spirit of Portsmouth	32.6	10.49	2.12	230	315	85	VT Halmatic Ltd/Comarc	Portsmouth	Monohull Ferry
	Harbour Spirit	32.9	10.2	1.9	230	315	85	Tehmont Shipyard - Houliar	Portsmouth	Monohull Ferry
	Spirit of Gosport	32.6	10.2	1.4	230	315	85	Abels Shipbuilders/Comarc	Portsmouth	Monohull Ferry
Blue Funnel	Ocean Scene	26	10						Southampton	
	Leisure Scene								Southampton	
ML Dredging	Ashleigh R								Southampton	
	Split 2	42	8.4	3.4	390	922	532	ML (UK)	Southampton	Barge
	Split 3	52	9	3.15	390	1015	623	ML (UK)	Southampton	Barge
Hythe Ferry	Wilton II	30	9	1.25	264	494	230	ML (UK)	Southampton	Back Hoe Dredger
	Great Expectations	21	4						Southampton	Monohull Ferry
Solent Towing	Lomax	28	12.6	3.98	128		134		Southampton	Tug
	Felix	30.8	11.4	4.8					Norway	Tug
	Alex	30.8	11.14	4.7	119				Norway	Tug
	Vivax	32	12	5.3	145				Norway	Tug
	William	16.9	5.3	2.2	66.688	84.463	15.775	Damen Shipyards	Southampton	Tug
	Willpower	22.5	7.25	2.95	180.182	246.615	66.433	Damen Shipyards	Southampton	Tug
	Lilith	16	5	2.7			89	Richard Dunston	Southampton	Tug
	Willdeavour	22	9	3	183.811	318.563	134.752	Neptune Marine Services	Southampton	Tug
	Willsupply	20	7	1.8	106.128	190.442	84.314	Neptune Marine Services	Southampton	Tug
	Willchallenge	19	8.1	1.8	126.833	215.258	88.425	Manor Marine	Southampton	Tug
Williams Shipping	Wilcary 1750	45	20	3.6	665	2415	1750	Kieler Howaldswerke A.G.	Southampton	Barge (GL)
	Wilcary 1711	50	18.8	3	431	2110	1680	Neptune Marine Services, Holland	Southampton	Barge (BV)
	Wilcary 1500	50	14	3	279.6	1559.6	1280	Neptune Marine Services	Southampton	Barge (BV)
	Wilcary 600	34.8	11.3	2	160	761	601	IHC	Southampton	Barge (BV)
	Wilcary 504	30	11	2.5	138	629	491	Neptune Marine Service	Southampton	Barge (BV)
	Wilcary 503	30	11.2	2.5	138	629	491	Neptune Marine Services	Southampton	Barge (BV)
	Wilcary 501	30	11	2	138	629	491	Neptune Marine Services	Southampton	Barge (BV)
	Wilcary 350	33	10	2	179.5	331.5	152		Southampton	Barge (MCA)
	Wilcary 312	34	8	2		489.6			Southampton	Barge
	Wilcary 300	36	8	2	114.46	518.4	403.94	Neptune Marine Services	Southampton	Barge
Swiber	Wilcary 250	45	8	1.8	130	385	255	N.A. Bernard / Holland	Southampton	Barge
	Sarah	30	11	5.5			279		Southampton	
	Alma	30	11	5.5					Southampton	
Itchen Tugs	Ferriby	24.2	10.7	5.2					Southampton	
Serco	SD Indulgent	26.09	9.44	4.2		186			Portsmouth	ASD 2509 Class Tug
	SD Independent	26.09	9.44	4.3		186			Portsmouth	ASD 2509 Class Tug
	SD Suzanne	21.19	9.43	3.6		121			Portsmouth	ASD 2009 Class Tug
	Helen								Portsmouth	Felicity Class Tug
	Genevieve								Portsmouth	Felicity Class Tug
	SD Bountiful	29.14	9.59	4.9		271			Portsmouth	ATO 2909 Class Tug
	SD Powerful	38.79	9.43	4.2		384			Portsmouth	Twin Unit Tractor Tug
	SD Christina	21.19	9.43	3.6		121			Portsmouth	ASD 2009 Class Tug
	SD Ocean Spray								Portsmouth	
	SD Netley	18	7						Portsmouth	Newhaven Class Tender
Newhaven	SD Navigator								Portsmouth	
	SD Inspector								Portsmouth	
	SD Teesdale								Portsmouth	
	SD Catherine								Portsmouth	
	SD Nuibourne	18	7						Portsmouth	Pushy Cat 1204 Class Tug
	SD Norton								Portsmouth	Newhaven Class Tender
	Afon Ilgwy	22.35	8	2.2		119			Portsmouth	Personnel Ferry
	NovaK	31.85	11	2.5		288			Portsmouth	Utility Vessel/Barge
	BRW 103	26.5	11			185			Portsmouth	Bostalls Workboat
	Oil Spill Response									

APPENDIX E1: SUPERYACHT BUSINESS ARTICLE

MARINA PROJECTS LTD: FILE NOTE CITY DEAL

Overview of Article in June 2016 Issue of Superyacht Business

Revision 01 – 07/07/2016

1. INTRODUCTION

The June 2016 edition of the Superyacht Business magazine includes an article on the UK's Superyacht Sector and the purpose of this File Note is to provide a brief summary of the key findings. The reader should make reference to the full article for further, more detailed explanation.

It is worth making a couple of points of background:

- The article classes a Superyacht as 24m+ in length. Internationally the definition of Superyachts varies with many considering that the class starts at 30m+. There are in the order of 5,000 (30m+) superyachts in the world fleet.
- The size of the international fleet is growing steadily (circa 200 boats/annum) as is the average and largest size of vessel – this has seen the introduction of the term Mega Yacht (100m+) and Giga yacht (150m+)
- The UK Superyacht sector is heavily influenced by the build of production/semi production boats with the likes of Sunseeker and Princess extending their range over that last 15 years or so, first into the 24-30m size categories and then beyond to true Superyacht territory.

2. GENERAL

The following general comments and messages arise from the article:

- 2.1 The UK's Superyacht industry revenue now totals some £542 million. This figure for 2014/15 is 10.2% up on 2013/14 which in turn was 7.1% up on 2012/13.
- 2.2 The UK's new build industry is reported as being relatively small; in comparison to the world Superyacht industry.
- 2.3 The UK's Superyacht industry now supports around 4,000 full time employees, an increase from circa 3,700 in 2013/14.

- 2.4 Several superyacht yards are dedicated solely to the refit sector which now accounts for 48% of the total superyacht business in the UK, increasing from 43% in 2013/14.
- 2.5 The prospects for the sector are confirmed as being very positive with 74% of yards (up from 69% the year before) reporting on a positive outlook for the year ahead. 62% of Superyacht UK member businesses said they have a higher work load with 60% experiencing a higher value order book.
- 2.6 Key to keeping the UK at the cutting edge of yacht production is the training of new employees, especially with the relentless advance of technology. Particular initiatives are reported by Pendennis and Sunseeker, indeed Sunseeker suggest they have some 65 vacancies at present.
- 2.7 The industry is reported as working very closely with the supply chain to ensure that the latest equipment is fully understood which in turn leads to faultless installations. There is reference to the reliance upon the supply chain in keeping the skill levels high.

3. OVERVIEW OF SUPERYACHT YARDS

The article includes a summary of the key Superyacht yards involved with new build activity and a summary of pertinent comments is provided below.

- 3.1 **Green Marine** – has produced the first two test boats for Land Rover BAR. The company is reported to have invested heavily in its infrastructure, albeit that infrastructure has had to be created around protected buildings on the Hythe Marine Park site. The company employs 77 and has some 7,000m² of covered space.
- 3.2 **Oyster Marine** – is reported to be considering the development of new facilities to accommodate an increase in the order book. This is to accommodate demand for existing vessels and we know already that the Saxon Wharf site is not ideal, requiring the masts for these new yachts to be stepped due to the presence of the Itchen Bridge. Any increase in the production of larger vessels would almost certainly require relocation to an alternative site. The company employs 400 people on a site of 15,000m² of which 6,000m² is covered shed space.

- 3.3 **Pendennis** – the yard is focussed on refit projects at present but is new-build ready. The company has been subject to a £22 million infrastructure upgrade project which was completed in the summer of 2015. The site employs 370 people and the total size of yard is some 40,500m².
- 3.4 **Princess** – the development of the new M-Class motor yacht necessitated Princess moving into new facilities which, by pure chance, the Royal Navy had vacated in very close proximity to Princess' existing waterside facility in Plymouth. The company employs 2,000 people with a total shipyard size of 102,000m² spread across five facilities.
- 3.5 **Spirit Yachts** – recent increase in the footprint of the yard is reported and it is in the process of installing new infrastructure. The site employs 34 people and the yard is just 1,500m² in size.
- 3.6 **Sunseeker** – is reported to have a clear business plan to invest in long-term growth. The fleet size continues to increase with the largest vessel currently 47.5 metres in length. Sunseeker employs some 2,000 people and the main Poole site is some 40,000m² in size.
- 3.7 **Fairline** – based in the Midlands and not on a waterfront location, this site location is reported as having restricted the maximum size of vessel range and Fairline is looking at all possibilities, which could include larger models being built at a UK coastal location.
- 3.8 **Pearl Yachts** – currently has its first superyacht in-build at a facility within Portsmouth Harbour. The composite hulls are moulded overseas and shipped to the UK for a customer or semi-custom fit out. Building larger models is a natural progression of the business and expect to be developed in the short term.

Mike Ward
07/07/2016

APPENDIX E2: SUPERYACHT BUSINESS JUNE 2016

Bouncing back

With a third consecutive rise in annual revenue, the UK's superyacht sector is steadily gaining momentum – a trend that looks set to continue

JAKE KAVANAGH REPORTS

The superyacht new-build industry in the United Kingdom is in an upbeat mood, despite a possible exit from the European Union in June 2016. Figures recently released by the British Marine Federation (BMF) suggest business is booming, with industry revenue now totaling £542 million. This is 10.2% up on 2014/15, a year that was already up 7.1% on the one before.

Although the UK's new-build industry is relatively small, it is highly productive in terms of yachts per yard. For the BMF's statistical purposes, the term 'superyacht' applies to any vessel of more than 24m LOA, and whilst the production of motor vessels dominates the figures, there is also a higher number of sailing yachts built compared with other countries.

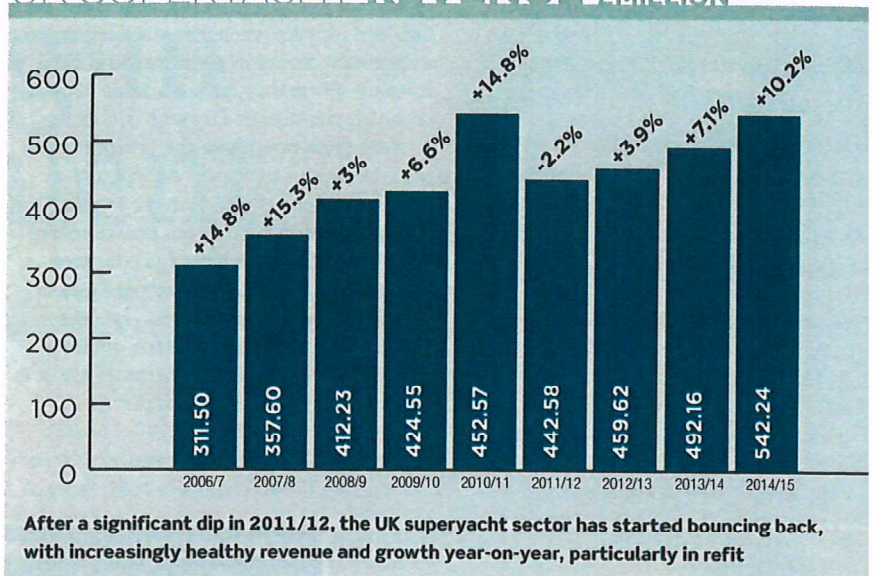
The latest report – the ninth to date – was compiled by Superyacht UK, an association of the BMF that represents more than 200 superyacht-orientated companies, and 70% of the total UK marine industry. Some 48% of those surveyed reported an increase in profits during 2014/15, and the industry's Gross Value Added (GVA), which was measured for the first time this year, boosted the UK's Gross Domestic Product (GDP) by £304 million. This has come as welcome news during a general slow down in the manufacturing sector.

In other headline figures, the superyacht industry now supports around 4,000 full-time employees, up from 3,693 in 2013/14, and 62% of members surveyed said they have a higher work load, with 60% experiencing a higher value within their order book.

Although we are focusing on new builds, it would be remiss not to mention the rise of the UK's refit sector. Several yards are dedicated solely to this service, and now account for 48% of the total superyacht business in the UK, up from 43% in 2013/2014.

The BMF survey, released in September 2015, remains the most current, and cites the number of responders that have a positive outlook on the year ahead as rising from 69% to 74%. Clearly, there are reasons to be cheerful.

UK SUPERYACHT REVENUE £MILLION



Inward investment

Leading the field in terms of motoryacht production is Sunseeker, reporting around £100 million in sales on the new 131 Yacht model alone, and almost as much again in forward orders for the new 116 Yacht and 95 Yacht.

Princess Yachts in Plymouth, recovering well from earlier setbacks, is closing the gap with a strong order book for the striking M Class, and the launch of two new models in the last six months, the 35M and 30M.

In the sailing sector, Southampton-based Oyster is also enjoying a surge in business, despite sailing yachts only accounting for 10% of the world's total fleet. Oyster will be launching five new superyachts during this year and early 2017, and is using a well-attended world rally to promote the brand to new markets in the Pacific.

Meanwhile, niche producers Green Marine continues to push at the cutting edge of carbon composite hulls, and recently launched its second new build for Wally Yachts. The company is also heavily involved in the UK bid for the America's Cup by building a futuristic aerofoil trimaran.

Spirit Yachts on the East Coast, a company

that builds classic yachts with modern epoxy technologies, may soon be signing a deal for 130ft classic sailing sloop made almost entirely from wood.

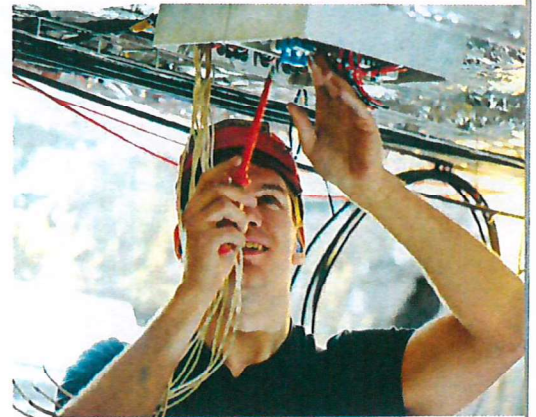
Behind all the success has been a willingness to invest in new models, along with new infrastructure, and the latest technology, whilst also taking advantage of low interest rates and the occasional regional grant. Falmouth-based Pendennis, for example, has invested £20 million in major upgrades to its waterside facility, including new build halls and a new locked basin.

Other yards have also invested in new infrastructure, with Oyster planning to erect temporary build halls to meet demand for its new 118 model. Investment in new models has also been a key element in the UK's success, Princess's sales director Will Green explained "In a market where customers have so much choice, builders have to find new ways to stand out, but with a high-quality product at the right price. This is why we actively 'assault' new product development."

Richard Selby, Superyacht UK's international development manager, remarked, "Our member companies are reporting substantial

CTM

How many direct employees?



Greater emphasis is now being placed on recruiting - and then retaining - apprentices



Many companies, such as Awlgrip, offer free training courses to the industry, especially useful when dealing with innovative products

increases in business for 2016. Many of the UK's biggest superyacht builders are now seeing good returns on the extensive investments they made at the end of 2015."

Selby, who hosted the tenth inward mission of international journalists earlier this year, is also keen to point out that equipment manufacturers and service suppliers have also enjoyed significant gains.

"The UK's services sector, which saw steady growth during the last six months of 2015, is reporting positive performances for the first half of 2016. In particular, success has been noted in the brokerage sector, which reported an increase of 17% in turnover in the last six months of 2015, with greatest growth seen in international sales."

Identifying new markets

Another factor in the success of the UK's new-build sector has been the return of some existing markets, most notably the US. The euro has also been enjoying some traction against the pound, valued at 1.35/£ at the beginning of January, and gaining steadily to 1.23/£ on 3 May.

While Asian markets remain elusive to many builders, particularly in the face of the

recent anti-corruption measures in China, the traditional markets have returned. Several builders are now placing more emphasis on their global presence.

"We are strengthening our dealer network, particularly in the US," explains Sunseeker's CEO Phil Popham, who has recently appointed the industry veteran Steve Leeson to the role of vice president of Sunseeker USA. Leeson should be busy, because the brand has seen significant growth in the United States, with total sales reported as up 326% year-on-year.

To reach new clients, several yards will be attending more of the 40 main international boat shows this year, despite the costs and logistics. Meanwhile, in the UK, a new boat show in the nation's capital has enjoyed its second year. Running from 4-7 May, London On-Water 2016 joined with Prestige London (a

high-value property expo) and the London Yacht, Jet and Prestige Car Show to bring high net worth individuals the very best in luxury goods and lifestyle.

Retaining skills

Key to keeping the UK at the cutting edge of yacht production is the training of new employees, especially with the relentless advance of technology. Falmouth-based Pendennis has been a leader in this field for many years, but now other yards have recognised the importance of training school leavers to fill the skills gaps, eventually forming a large pool of potential managers.

Sunseeker, for example, has its own 'talent manager', Alex Bowman. Formerly with the giant recruitment company Reeds, Bowman understands the value of developing the right skills by providing on-the-job training. ■■■▶

Many of the UK's biggest superyacht builders are now seeing good returns on the extensive investments they made at the end of 2015



Pendennis is currently focused on refits, but remains new-build capable



Princess has joined other companies in a programme of new model development, such as its new 30M, which debuted this year



Sunseeker reports a strong order book

"During the recession, there were more people than jobs," Bowman explained, "Now that has reversed. Skilled and experienced operators have plenty of opportunities, so we have to be competitive at retaining skilled craftsmen."

Working with local colleges on a day-release scheme, Sunseeker has recently recruited 40 apprentices across the disciplines of composites, joinery, electrics and engineering, bringing the total on site to 103.

"All of these will be prime candidates for internal promotion," Bowman says. "We need these skills, because we currently have 65 vacancies. A Sunseeker craftsman can be on £33k in their fifth year of employment."

The industry is also working very closely with the supply sector to ensure that the latest equipment is fully understood, leading to faultless installations.

"To keep skill levels high, we rely on the supply chain," Bowman said. "Companies like Raymarine and Simrad, for example, who are the forefront of the business, will send key staff to train our technicians on site. Several manufacturers are donating their newest products for training purposes. Caterpillar recently shipped one of its newest generators to Bournemouth Technical College. We also have 'tool box' talks, where a team leader will attend a course with a manufacturer, and then pass his knowledge on to the rest of the team."

Possible Brexit

At the time of writing, the UK is still a few weeks away from a major referendum about

whether to leave the EU, the so-called Brexit. Opinion amongst voters is almost equally split, although the industry seems largely unphased. The BMF has remained resolutely neutral, but is looking at the implications for members whichever way the vote goes, and remains available to provide factual advice.

Many of the CEOs that spoke to *Superyacht Business* remarked that whatever the outcome, it would still be business as usual, but the uncertainty ahead of the vote has definitely been unhelpful. For Oyster, CEO David Tydeman said, "Currency fluctuations are the biggest concern. Over the past few years the dollar has remained fairly consistent, but the euro has moved by as much as 30%. That alone could add £1 million to the price of one of our larger boats."

All will be revealed on 23 June.

Challenges for the future

With the return of traditional markets, and continued confidence in the UK as an innovator, the BMF feels confident that the figures will continue to increase.

"Overall, we are more optimistic about the performance of the sector in 2016," Selby says. "Our members are reporting full

workloads generated by repeat business, as well as new clientele from across the world."

The BMF's CEO, Howard Pridding, shares the optimism, but emphasises the importance of keeping government fully engaged.

"We are constantly working with the government to raise awareness and support for our industry, which is bucking the general downturn in UK manufacturing.

"We regularly deal with no less than 20 different government departments, and are helping ministers understand the key role of our industry to the UK economy. There has been a recent study (September 2015) which has looked at the entire UK maritime sector, and which we hope has helped to highlight our role within it," he said.

As for the long-term future of the UK's new-build industry, that will depend largely on what is happening elsewhere.

"The main challenge facing the UK superyacht industry is international competition," Selby concludes. "We have a great heritage in marine manufacturing, but we face strong competition when it comes to the scale of our manufacturing capabilities. Today we must rely on something else – British excellence. We also have a renowned legacy for quality and

Currency fluctuations are a big concern. Over the past few years, the dollar has remained fairly consistent, but the euro has moved by as much as 30%

GREEN MARINE

3

Yachts launched in 2015

KEY FACTS:

- ▶ **Founded:** 1982
- ▶ **Size of shipyard:** 7,000m² (covered space)
- ▶ **Direct employees:** 77
- ▶ **Largest yacht built so far:** 42m (138ft)
- ▶ **Location:** Southampton, Hampshire
- ▶ **Web:** www.greenmarine.co.uk

Green Marine was originally established to create high-performance racing craft in lightweight carbon composites, and was bought by Dutch-based Vitters in 2010 following a successful collaboration to build superyachts.



YARD OVERVIEW

Located within a historic building beside Southampton Water, Green Marine continues to push at the cutting edge of advanced carbon composites, most notably with its current involvement with the UK's futuristic America's Cup bid.

Bill Green and Ian King founded the company in 1982 to develop the fastest sailing hulls available, specifically by using materials with a high strength-to-weight ratio. To date, more than 180 yachts of all shapes and sizes have been produced within the refurbished ex-flying boat factory, including popular racing yacht designs such as the TP-52 and Open 60. Such a competent use of composites brought the company to the attention of the Vitters Group in 2000.

PROJECT OF INTEREST

service which draws many people to the UK when it comes to racing. **SB**

- ▶ **Project name:** Galateia
- ▶ **Length:** 30m (100ft)
- ▶ **Beam:** 7.2m (23ft 7in)
- ▶ **Draft:** 4.4m/6.2m (16ft 5in)
- ▶ **Displacement:** 110,231lbs (49.95 tons)
- ▶ **Race crew:** 24
- ▶ **Sail area:** 640m²
- ▶ **Engine:** TBD 300hp
- ▶ **Accommodation:** 6 guests/4 crew

We are free to build hulls not only for Vitters, but also for other yards, and follow opportunities in other industries



Richard Acland, CEO Green Marine

A collaboration between Vitters and Green Marine led to no less than four all-carbon superyachts, starting with the 37m (122ft) sloop *Ghost* in 2005, which was shipped to the Dutch yard for fitting out. The success of this project led to a slightly larger project, the 40m (128ft) sloop *Cinderella IV*, launched in 2009. This was followed by the 42m (138ft) sloop *Sarissa*, launched in 2011.

New owners

In 2010 the founders decided to sell their business, and Vitters became the owners. Production of advanced, lightweight yachts continued, and in 2013, the 33m (108ft) sloop *Inoui* was launched. Green Marine co-produced all the matched entrants for the 2014 Volvo Ocean Race, and the latest new-build project to be completed was in October 2015, when the company launched *Galateia*, a 30m Wally Cento sailing yacht. *Galateia* is the third hull in the Wally Cento line, and the second to be built at the UK facility. The project took 24 months from mould to water, and due to the ability to plane and surf, is expected to achieve speeds in excess of 25 knots downwind.

Several other projects were completed in 2015, including two Malcolm McKeon yachts of 33m and 32m, a hull extension of the first Wally Cento, and two refit projects. Green Marine has also produced

the first two test boats for Sir Ben Ainslie's America's Cup Challenge.

The company has invested heavily in its infrastructure, and due to the protected nature of the former Sunderland flying boat factory, the company had to build a 'facility within a facility'. This has led to the creation of four build halls, known as 'build boxes' inside the existing 7,000m² structure, all doubling as computer-controlled curing ovens. In total there are four multi-purpose build boxes of 38m x 11m, and two bays, which are 45m long and extendable.

Serving the build boxes are a series of specialist workshops, including a component shop with an autoclave and four ovens up to 10m x 8m. A six-figure investment added another 9.5m x 2.6m autoclave in November 2015 following its purchase from the Royal Navy. It was formerly used to cure Lynx helicopter blades, and is now creating superyacht components instead.

Diversification

"The fit with Vitters is ideal," explains CEO Richard Acland. "Of course, we have built a number of hulls for them but we are also able to build hulls for other yards and indeed take on our own projects from clients looking for a Green Marine solution. We are also able to follow opportunities in other areas such as renewables." **SB**

▶ OYSTER

6

Superyachts
in build
2016

KEY FACTS:

- ▶ **Founded:** 1973
- ▶ **Size of yards:** 15000m² (6000m² covered)
- ▶ **Number of direct employees:** 400
- ▶ **Size it can build to:** 40m (128ft)
- ▶ **Biggest length built so far:** 38m (125ft)
- ▶ **Web:** www.oysteryachts.com

Owned by HTP Investments since 2012 and operating out of two yards – one on the East Coast of England, the other on the River Itchen in Southampton – Oyster produces semi-custom composite sailing boats from 14m to 37m.



▶ YARD OVERVIEW

Oyster began as a consultancy based in Ipswich that managed myriad build partners, but in 1998 the company acquired a 50% stake in their most dependable new build yard, refit specialists Southampton Yacht Services (SYS) now called Oyster Yachts Southampton (OYS). As CEO David Tydeman explains, "A subsequent acquisition of the remaining 50% of SYS in 2002 meant that for the next ten years, Oyster operated with a hybrid model, part internal and part outsourced. With the support of new shareholders (in 2012) we needed to make a choice, continue to

The trend is for buyers to be more hands on than they were before, which is why we've bought all production in-house

David Tydeman, CEO Oyster Yachts



outsource or bring all key parts of a new build firmly in house.'

Because of the continuing trend for Oyster buyers to be far more hands on during construction these days, the in-house route was chosen, and although the largest yacht in the range was built in Turkey for a while, all of our production is now based in the UK within wholly owned operations.

Close co-operation

Oyster currently has a nine-model line-up, with three of them – the 825, 885 and 118 – in the superyacht category. These are all built at the OYS facility, which has two halls with six construction bays. All the new product development and most of the design and engineering teams were relocated to the Southampton office in 2013. The East Coast facility was renamed Oyster Yachts Wroxham, and now has ten build bays and 200 staff dedicated to the smaller end of the range. All the hulls and superstructures are built in GRP.

Operating under the mantra 'choice, not compromise' Oyster is keen to build a yacht in close co-operation with each client, with designs that allow plenty of flexibility. With 29 yachts of more than 25m (82ft) launched since 2002, and six currently in build, Oyster has an order book worth £65m, and no shortage of interest.

The latest design is the 118, which is set to launch in 2018, and to accommodate the build programme, new facilities are being considered at the OYS site to allow two 118s to be built simultaneously. Once the infrastructure is completed, Oyster will be able to produce three 118s by 2020 or four by 2021.

Designed with a collaboration between Rob Humphreys and Oyster's in-house team, the 118 is being built to DNV classification and MCA LY3 coding, and features many clever design innovations. The tender stowage, for example, is in a recess on the foredeck which doubles as a cushioned recreational area when the tender is deployed. Further aft, the mainsheet neatly disappears into a captive winch deep within the hull.

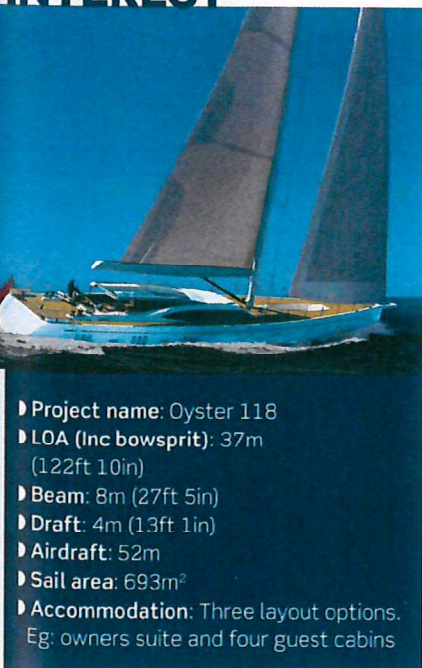
World rally

Also in production are three 825s – two due this year and an 885 due to launch in 2017.

A highlight in the marketing campaign will be the Oyster World Rally, which starts in Antigua in January. It has four parts, Pacific Rally, Antipodean Cruise, Asian Rally, and home passage via South Africa.

Oyster reports that it has sold 23 yachts (nine new builds and 14 brokerage yachts) across the range into the rally already, with 34 boats in total signed up for the 27-month adventure. **SB**

PROJECT OF INTEREST



- ▶ **Project name:** Oyster 118
- ▶ **LOA (Inc bowsprit):** 37m (122ft 10in)
- ▶ **Beam:** 8m (27ft 5in)
- ▶ **Draft:** 4m (13ft 1in)
- ▶ **Airdraft:** 52m
- ▶ **Sail area:** 693m²
- ▶ **Accommodation:** Three layout options. Eg. owners suite and four guest cabins

PENDENNIS

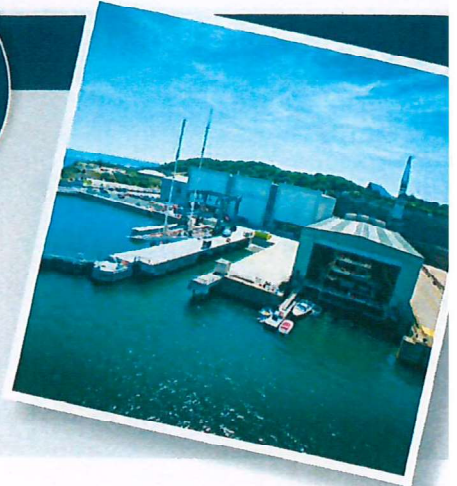
KEY FACTS:

- ▶ **Founded:** 1988
- ▶ **Size of shipyard:** 40,468m²
- ▶ **Direct employees:** 370
- ▶ **Largest yacht built so far:** 55m (180ft)
- ▶ **Location:** Falmouth, Cornwall
- ▶ **Web:** www.pendennis.com

Located in Falmouth Docks, Pendennis Shipyard was founded in 1988, and since 1993 has been run jointly by Mike Carr and Henk Wiekens following their management buyout. Pendennis offers new builds from 30-100m (98-328ft).

£22

Million spent on upgrades



YARD OVERVIEW

Pendennis Shipyard was established from the legacy of the UK's America's Cup challenge in the late 1980s, and has grown to become a new build and refit yard with a high international profile and an award-winning apprenticeship scheme.

The yard has delivered three new-build custom sailing yachts in the last five years, totalling 122m LOA, and currently has one 31m new-build project on hold, but the bulk of its current workload is advanced refits.

At the time of press, Pendennis Shipyard had six refit projects underway – three motor yachts and three sailing yachts – totalling 312m LOA. However, it remains fully new-build capable, especially following a £22 million infrastructure upgrade which was completed in the summer of 2015.

The new 40,500m² facility occupies a

80% of our clients are non-UK, and recent inward investment in our facilities has reinforced our global competitiveness

Toby Allies, sales and marketing director, Pendennis



prime location near the entrance of the commercial – but remarkably scenic – port of Falmouth, thereby enjoying easy access to the Atlantic. The company specialises in custom steel and aluminium yacht construction, modification and repair, with the in-house team skilled in all trade areas, materials and technologies.

Pendennis has long excelled in restoring beautiful and historic sailing vessels, but work on the larger sailing yachts such as the iconic J Class has led to purpose built infrastructure for tall rigs, including an 80m mast hall.

New construction halls

As a privately owned company, Pendennis has continually reinvested in its infrastructure, taking advantage of low interest rates, and European and regional grants to almost completely redesign the facility alongside the existing 150m dry dock. Close co-operation with the construction group Midas has given the yard three brand-new aluminium construction halls, arranged with a central spine that contains the mast hall, specialist trade workshops and project offices. There is also a new hospitality complex.

Additionally, a 640-tonne travel hoist replaced the existing 400-tonne version. The final part of the investment was the creation of a gated wet basin, which is

protected by a 110m pier. Launch from the halls into the basin now only takes a couple of hours, rather than a whole day, and the floating gate can easily be opened at high tide to allow access for sea trials and new arrivals, including vessels passing through.

Increased turnover

The redesigned infrastructure means that Pendennis is now far better equipped to build and refit yachts of up to 100m, with custom fittings and bespoke interiors all manufactured on site. The yard also has a highly specialised painting team, and the new halls have been specifically designed for stable climate control.

Toby Allies, Pendennis's sales and marketing director, explains that trends within the industry drove the investment.

"Over the past five years we understood that the average size of yachts in our market was increasing, along with a growing demand for refits at Pendennis," he says.

Pendennis reported an increase in turnover from £37m in 2014 to a projected £40m in 2015, with a profitability of £2.6m. The order book is described as healthy, particularly around the seasonal migration of yachts, but there are currently no new-build projects planned. Hull extensions and re-configurations, detailed restorations, and other major engineering work are all keeping the yard particularly busy. **SB**

PROJECT OF INTEREST



- ▶ **Project name:** Hemisphere
- ▶ **Length:** 44m (144ft)
- ▶ **Beam:** 16m (54ft)
- ▶ **Engine:** Twin CAT C12 490hp
- ▶ **Top speed:** 13 knots power/20 knots sail
- ▶ **Cruise speed:** 11 knots
- ▶ **Guests:** 12 guests in 5 cabins

PRINCESS

KEY FACTS:

- ▶ Founded: 1965
- ▶ Size of shipyard: 102,193m² (five facilities)
- ▶ Direct employees: 2,000
- ▶ Largest yacht built so far: 40m
- ▶ Location: Plymouth, Devon
- ▶ Web: www.princessyachts.com

With five production facilities in and around the port city of Plymouth, including a former 'Dreadnought' naval yard, Princess produces a wide range of motor yachts built in GRP, including the M-Class range of superyachts.

2

New models over
30m
launched in last
six months



YARD OVERVIEW

A major employer in south west England, Princess has been building production motoryachts since the 1960s, but reached a milestone in 2011 with the launch of its first model over 25m. Since moving large-yacht production into a former naval refit facility at South Yard, Princess now also produces the M class range of semi-custom composite superyachts from 30-40m.

With no less than five separate production facilities in the historic naval port of Plymouth, Princess claims to enjoy a 70 per cent rate of repeat custom, with owners moving up through the range – so it was little surprise when the company decided to build yachts beyond 24m.

PROJECT OF INTEREST



- ▶ Project name: Princess 35M
- ▶ Length: 35m (115ft 4in)
- ▶ Beam: 7m (23ft 11in)
- ▶ Draft: 2m (6ft 11in)
- ▶ Displacement: 131,600kg (290,100lbs)
- ▶ Fuel capacity: 4,150 US gal/ 15,700l
- ▶ Water capacity: 462 US gal/1,750l
- ▶ Engines: 2 x MTU 16V 2000 M94
- ▶ Top speed: 27 knots
- ▶ Cabins: 4-5
- ▶ Crew: Six

There aren't many builders that have launched six new models in a single year – with two of them over 30m

Will Green | sales director, Princess Yachts



Corporate investment

Princess was sold to L Capital, the investment arm of the French-owned multi-national LVMH, in 2008, and the new owners continued to invest to increase the yard's market share. As a result, its current large yacht range consists of four distinct portfolios. The S class has one model of 22m, the V Class has nine models from 11-26m, and the Flybridge Motoryacht class has ten models from 13-29m. Whilst one of the V Class and two of the Flybridge class could be referred to as superyachts, Princess deliberately created the M-Class to distinguish the new offering of 30m-plus vessels from the rest of the range.

The move into the M-Class necessitated new premises, and by pure chance the Royal Navy vacated one of its historic shipyards virtually alongside Princess's existing waterside facility. Originally used to build Dreadnought battleships, the new South Dock facility was restructured for the new semi-custom M-Class, with each model built on a fairly standardized engineering platform, but with a semi-custom fit-out.

The M-Class is available in three distinct models. The flagship 40M was launched in 2012, with a new 35M joining the line up in September 2015. Completing the range is the 30M, replacing the 32M that started the M-Class story in 2010. The first 35M hull was released for fitting out in April 2014.

Buffeted by 'economic headwinds' in 2014, Princess Yachts reported a turnover of £240m at the year's end, with a loss of £11m, following a profit of £4m in 2013 on similar turnover. However, it suffered significant damage to its facilities and stock during a violent storm in February 2014, although it managed to meet every order.

CEO Chris Gates reported a strong order book in 2015, from both the Southampton and Cannes Boat shows, and is introducing no less than six new models following "a major programme of investment".

Steady turnover

"We are now ramping up the M-Class," says sales director Will Green. "We've had a great 2015, with the sixth 40m handed over, and the arrival of our two new models.

"Turnover is pretty steady, at between £200-250m, but we expect to see greater profitability on the strength of our forward order book. Due to our wide dealer network across the full Princess range, we have a presence at virtually every international boat show, and will be actively seeking out new markets. Not many builders have launched six new models in a single year, with two of them over 30m. We've also just been told that our 35M has been awarded a major superyacht award, which is further encouragement to continue our drive to develop new models." **SB**

▶ SPIRIT YACHTS

1
Superyacht
built to
date

KEY FACTS:

- ▶ Founded: 1993
- ▶ Size of shipyard: 1,500m²
- ▶ Direct employees: 34
- ▶ Largest yacht built so far: 30m (100ft)
- ▶ Location: Ipswich, Suffolk
- ▶ Web: www.spirityachts.com

Located in the port city of Ipswich on the East Coast, Spirit Yachts builds classically styled sailing yachts and powerboats almost entirely in wood, with strip planked cedar/epoxy hulls. There are more than 125 designs to choose from, up to 39m (130ft).



▶ YARD OVERVIEW

Led by experienced yacht designer Sean McMillan, Spirit Yachts specialises in creating classically beautiful yachts and motor vessels built in the ultimate carbon capture material – natural wood. The hulls are created using cedar strip and khaya planking with epoxy sheathing, whereas the interiors are all created using solid hardwood joinery.

The choice of this construction method extending into the superyacht category has been a USP for Spirit, as it has allowed the company to offer a full custom service from the outset. As no moulds are required, the customers can specify any type of design and layout, providing it remains within the company's ethos of creating a good-looking and practical craft.

Customers are free to tweak the sheerline or the stem shape, and specify their own interior, as each build is unique

Nigel Stuart, managing director, Spirit Yachts



As a result of so many potential owners coming to the offices with their unique take on the Spirit concept, the on-site drawing office has amassed a wide range of potential designs, particularly in the 30m-plus category.

Full custom

This successful brand is now even rivalling Sunseeker for its placement in the James Bond franchise, with 007 sailing into the Venice lagoon in a Spirit 54 for a scene in the 2006 film *Casino Royale*.

"Customers who want to avoid owning yet another big, white boat with big, black windows bring us their ideas," explains MD Nigel Stuart. "As such, we now have over 40 designs for yachts over 30m. Customers are free to tweak the sheerline or the stem shape, and specify their own interior, as each build is unique. The build process also produces very little waste, and much of the strongback and framing material can be reused."

There are currently more than 60 Spirit yachts of various designs of power and sail being used, with 90 per cent still with their original owners. The yard, which has recently increased its footprint and is in the process of installing new infrastructure, has three new builds under construction, a 70ft powerboat and two

sailing yachts of 47ft and 55ft respectively. However, following the success of the 100ft *Gaia*, Spirit's only superyacht to date and well known on the Mediterranean regatta circuit, there may soon be an order for the striking 130ft model. "A full custom yacht like ours takes a while for an owner to commit to," explains Stuart. "There is a lot of discussion about it beforehand."

Meanwhile the company has opened an office in Asia, and exhibited a 65ft yacht at the Thailand Boatshow last year. "We have had a lot of interest, but Asia is still a new market for us and will take a while for us to penetrate," said Stuart.

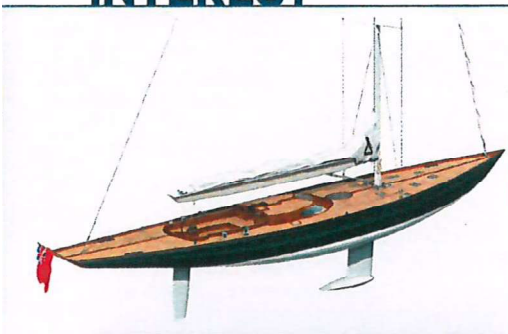
Sustainable construction

The portfolio of superyachts contains four leading designs. For sail, there is the Classic 100, the 118 and the 130, and in power there is the striking Spirit P100. All are offered as a platform for the owner to begin their own personalisation process.

"The sailing masts are carbon fibre, and are supplied by Southern Spars, whereas the teak decking is from sustainable sources, mainly from Stones Timber, where two teak trees are planted for every one felled," Stuart explains.

Spirit will be exhibiting at Dusseldorf in January 2017, and at Annapolis for the first time, in October of the same year. **SB**

PROJECT OF INTEREST



- ▶ Project name: Spirit 130
- ▶ Length: 39m (129ft 6in)
- ▶ Beam: 7m (23ft 3in)
- ▶ Displacement: 105 tonnes
- ▶ Ballast: 33%
- ▶ Sail area: 7,812ft²
- ▶ Engine: Hybrid or diesel options

SUNSEEKER

£100

Million pre-tax sales of 131 model in 2016

KEY FACTS:

- ▶ **Founded:** 1969
- ▶ **Size of shipyard:** 40,000m²
- ▶ **Direct employees:** 2,000
- ▶ **Largest yacht built so far:** 47.5m (155ft)
- ▶ **Location:** Poole, Dorset
- ▶ **Web:** www.sunseeker.com

An iconic British brand, whose products have starred in several James Bond films, Sunseeker creates a range of GRP motoryachts from 15m-47m. In June 2013 the Chinese conglomerate Dalian Wanda bought a 91.8% stake in the company.



YARD OVERVIEW

Starting life as Poole Powerboats in 1969, the company has since grown steadily to become an international brand with a wide range of designs based on high performance fibreglass/composite hulls. Most recently, the business model for the larger yachts has moved from semi-production to semi-custom.

Sunseeker has its main production facility in the harbour town of Poole, in Dorset, with three satellite workshops nearby and a moulding operation in Weymouth.

In the mid 1990s, Sunseeker broke into the superyacht sector with the Predator 80, an open-decked 50-ton performance cruiser that defined the type of superyachts the yard would produce. The launch of Sunseeker's first 100ft-plus model, the 105 Yacht, in the

We saw substantial improvement in our sales in 2015 and we continue to be in a great position this year

Phil Popham, CEO Sunseeker International



summer of 2000 was the initial step in the brand's progress towards becoming a major player in the superyacht sector.

Consolidation

Before 2008 demand had been outstripping supply, so the global recession had a big impact on sales, especially as 95% of the annual 250-boat output was exported. With the arrival of Chinese entrepreneur Wang Jianlin in 2012 and the installation of Phil Popham as CEO, a refreshed executive team set the company on a new course.

In 2015 Sunseeker announced the new 131 Yacht, an evolution of the proven 40m platform, which was launched at London Boat Show in January. This superyacht was the largest model ever to make its debut in London. Demand for the 131 Yacht is reported to be 'extremely high', with the first eight already sold, and four due for completion this year.

The delivery of the 100th Sunseeker of more than 30m was celebrated at the 2015 Cannes Boat Show, a huge landmark for the yard. The company produces an average of seven 30m-plus yachts every year.

Currently, there are 17 boats in the product range, with nine qualifying as superyachts. The yard builds three models from 17m-24m in the Predator range, three from 20m-31m in the Sport Yacht range, and seven models from 24m-47m in the Yacht range.

In January 2016, the company announced plans to recruit 225 new skilled staff to meet the forthcoming introduction of several new models, including the 131 Yacht, 95 Yacht, 116 Yacht and Manhattan 52.

Focus on skills

Sunseeker also announced plans to hire a record intake of apprentices in 2016, with 14 being recruited to join the team in Portland and a further 26 to the team in Poole. These 40 new employees will bring the total number of apprentices to over 100, the highest number on site to date.

Sunseeker says it had a great start to the year by securing a substantial number of sales across the entire range at the 2016 London Boat Show with a combined value of confirmed boat orders in excess of £47.5m.

The company is also strengthening its dealer network, particularly in the US, where it has recently appointed a new vice president of Sunseeker USA, Steve Leeson. The brand has seen significant growth in the US market with total sales up 326% year-on-year.

CEO Phil Popham said, "Sunseeker has a clear business plan to invest in long-term growth and sustainable success. We saw substantial improvement in sales in 2015 and are in a great position this year, in line with our three-year business plan." **SB**

PROJECT OF INTEREST



- ▶ **LOA:** 40m (131ft 5in)
- ▶ **Beam:** 8m (26ft 7in)
- ▶ **Draft:** 2.7m (8ft 10in)
- ▶ **Displacement:** 189,600kg (417,966lb)
- ▶ **Fuel capacity:** 21,650lt (5,715 US gal)
- ▶ **Accommodation:** 12 guests/9 crew
- ▶ **Engine:** Up to 2 x 3181PS
- ▶ **Performance:** Up to 25 knots
- ▶ **Range at 10 knots:** Up to 1,500nm

REFIT FOCUS

AN ATTRACTIVE PROPOSITION

Refits activity now accounts for half of the revenue generated by the UK's superyacht industry. So what exactly is driving this impressive demand?

THE UK'S SUPERYACHT new-build industry is almost entirely located along the southern coastline, and centred in the major ports. When it comes to refit, the geography allows the yards to tap in to the huge infrastructure that already exists to serve either naval or commercial shipping interests, along with specialised services for the leisure industry. Companies like Pendennis, Solent Refit, Southampton Yacht Services and Burgess Marine are all in deepwater locations with a large pool of specialised labour nearby. But what else is attracting new business?

"There are a combination of factors," explains Burgess Marine's MD Nicholas Warren. "For us, our USP is a high degree of flexibility. We can manage an entire project on a turn-key basis, or give the owner complete freedom to arrange his own team of subcontractors." Burgess Marine is based in the major naval port of Portsmouth, and has on-site facilities to handle yachts of up to 65m, with secure docking and a 1,000-ton synchrolift. "We also offer complete transparency with the owners, and our pricing generally comes in at between 20-30% cheaper than equivalent yards in the Med."

Right skills at the right price

Solent Refit, which is in a prime location near the port of Southampton, specialises in refits of all types of large yachts, particularly those that require extensive work to recover their value. CEO Alan Foot, a former superyacht skipper himself, knows the importance of having a large skill base to call upon. "Here in Southampton, every type of marine skill is just a short distance away, so anything a yacht – or its crew – needs is readily available," he says. "For example, we also offer on-site crew training with professional qualifications, something for which the UK is internationally recognised."

The weakening pound is also helping the price advantage for European customers, as Toby Allies of Falmouth-based Pendennis confirms.



Pendennis has always specialised in refitting classic yachts

"The exchange rate is certainly having a positive impact for dollar and euro clients," he says. "It's an exciting time for us, and we are going from strength to strength. We are seeing owners buying pedigree vessels that are very competitively priced – notably classic sailing yachts – and then enjoying the process of converting them into something really special."

Another factor in a UK refit is speed, and the high level of engineering.

"Owners don't want their yacht out of action for too long," Warren says. "The refit market is being driven by the arrival on the market of tonnage of a certain age. A superyacht is essentially a ship, so our commercial mentality to systems and project management makes for a quick



Solent Refit CEO Allan Foot

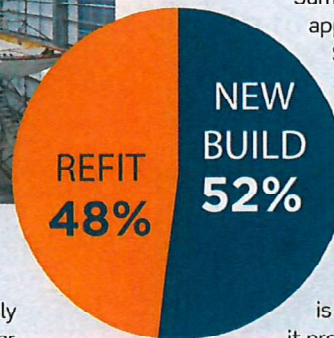
turnaround. The average refit time for a ship nowadays is ten days, and we bring that kind of drive to the market."

Summarising the UK's appeal for refit, Superyacht UK's senior researcher Alistair Wilson explains that the UK offers a multi-faceted service to owners.

One-stop shop

"The real attraction is the one-stop shop it provides as a leading hub for maritime services," he says. "These range from finance and insurance to yacht management,

crew supply, registration, as well as a large, dynamic equipment supply chain dedicated to the sector. The UK as a whole also offers a lot of attractions for superyacht owners, such as sympathetic tax regime for HNWs. In addition, we're starting to see British OSTs like Gibraltar grow in attraction with its links to the UK marine industry and the City of London. There are also tax changes beneficial to HNW superyacht owners, and a programme of development with new superyacht marinas and supply hubs being built." **SB**



Here in Southampton, every type of marine skill is just a short distance away, so anything a yacht – or its crew – needs is readily available

YARDS IN BRIEF



Aquastar enjoys VAT-free status

AQUASTAR

► **Web:** www.aquastar.gg
 ► **Tel:** +44 (0) 1481 244550

Aquastar is based in the UK dependency of Guernsey, one of the Channel Islands. As such, it is outside the EU and enjoys VAT-free status, but with a currency linked directly to the UK pound. Aquastar builds rugged GRP motoryachts to a classic style from 35–80ft (10–24m) and is going bigger with a new design for the Aquastar 85 in collaboration with Mark Tucker of Design Unlimited. “We offer a full custom service, even to the exterior styling,” explains CEO Geoff Wilson. “A lot of our customers have been asking for a larger model and we have the capacity to build superyachts here in St Peter Port. We are looking to expand the brand into the US, but this is not a priority for us at the moment. Our Channel Islands location is a big advantage as European customers can get a ferry from St Malo and come here quickly and easily by sea.” Aquastar currently has a 57 and a 75 in build, with an average of 12 months delivery time. It also undertakes refit work.

FAIRLINE

► **Email:** duncan@greybeardiyachting.com
paul@psdesign.uk.com
 ► **Tel:** + 44 (0) 23 8045 6336

Fairlie Yachts specialised in building classic sailing yachts in wood epoxy, and had a number of designs for sailing superyachts, but sadly the company went into liquidation in March 2016. However, a phoenix has risen from the ashes, as CEO Duncan Walker explains, “Expected orders didn’t materialise, so the two principals, myself and Paul Spooner, decided to close



Production at Fairline has recently restarted

the company, but are both continuing in the marine business. I am now Greybeard Yachting and will work out of my Hamble office as a ‘pop up’ refit boatyard. I have retained all the specialist tooling gathered over the last 20 years and have access to a highly skilled local workforce.” Walker ultimately hopes to carry on building the Fairlie range of modern classics, as the intellectual copyright is said to be in ‘friendly hands’. Meanwhile, Paul Spooner will concentrate on design work as Paul Spooner Design and is currently involved in his third bespoke houseboat, which is a Fairlie speciality.

FAIRLINE

► **Web:** www.fairline.com
 ► **Tel:** +44 (0) 1832 273661

Midlands-based Fairline builds GRP motoryachts from 38–78ft (11–23m) with the 78 Squadron just knocking at the bottom end of the superyacht category. The 50-year-old company was recently bought out of administration by two UK-based Russian investors, who are both boating enthusiasts, and production has restarted. The new members of the management team all have a long track record within the UK’s luxury yacht building market and the emphasis is currently on product development. “Our Midlands location has restricted the maximum size of our range to date,” explains Miles



Pearl Yachts is looking to the US market

Moorhouse, Fairline’s head of marketing. “But we are looking at all possibilities, which could include larger models built at a UK coastal location in the future. We are ruling nothing out.”

PEARL YACHTS

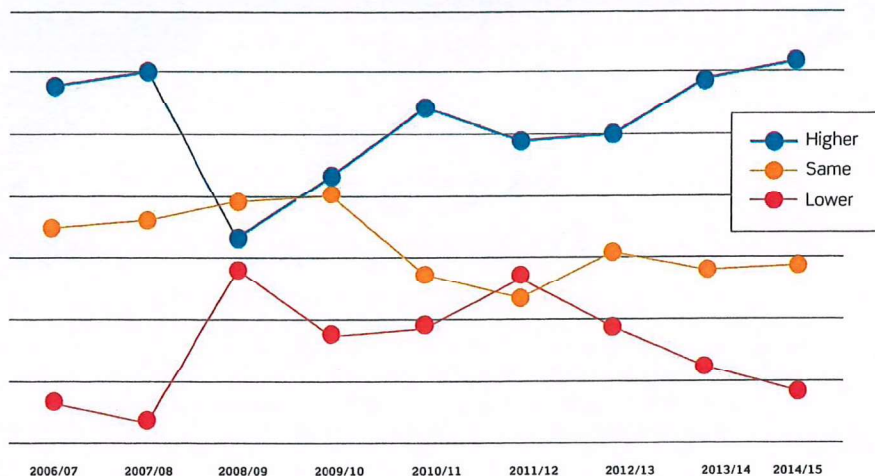
► **Web:** www.pearlyachts.com
 ► **Tel:** +44 (0) 1926 491069

Established in 1997 and based in Warwickshire, Pearl Yachts currently has its first superyacht in build at a facility within Portsmouth Harbour. The new Pearl 95 is a design collaboration between Bill Dixon and interior design specialist Kelly Hoppen, and features a full-width owner’s cabin within the 29m hull, with a beach club aft. The Pearl 95 will supplement the two other models in the range, the 20m Pearl 65 and 23m Pearl 75, with examples of each also currently under construction. The composite hulls are moulded overseas and then shipped into the UK for a custom or semi-custom fit out. “Building larger models has been a natural progression for Pearl,” CEO Ian Smallridge explains. “Several of our existing owners want to move up in size but stay within the brand, and as a family-owned company we can be increasingly competitive with much bigger yachts. Also, the overseas market is still improving for us, albeit quite slowly, so we are in the process of building some yachts for the US.” **SB**

Fairline is looking at all possibilities, which could include larger models built at a UK coastal location in the future. We are ruling nothing out

ORDER BOOK 2015-2016

UK Superyacht value of the order book over the last 12 months compared to 2013/2014



Respondents to a British Marine Federation survey reported a general uplift in the value of their order books - with demand increasingly met through investment in infrastructure



Sunseeker continues to thrive, and has had a particularly strong start to the year



Green Marine pushes at the edge of advanced carbon composite technology

GREEN MARINE

YACHTS LAUNCHED 2015

NAME	LENGTH	MOTOR/SAIL	DESIGNER
Galatea	30m	S/Y	Wally Yachts
TBA	33m	S/Y	Malcolm McKeon

YACHTS UNDER CONSTRUCTION/DELIVERED 2016

NAME	LENGTH	MOTOR/SAIL	DESIGNER
TBA	33m	S/Y	Malcolm McKeon

OYSTER

YACHTS LAUNCHED 2015

NAME	LENGTH	MOTOR/SAIL	DESIGNER
825-04	25m	S/Y	Humphreys Yacht Design/Oyster
885-04	27m	S/Y	Humphreys Yacht Design/Oyster

YACHTS UNDER CONSTRUCTION/DELIVERED 2016

NAME	LENGTH	MOTOR/SAIL	DESIGNER	DELIVERY
118-01	37m	S/Y	Humphreys Yacht Design/Oyster	2018
885-08	27m	S/Y	Humphreys Yacht Design/Oyster	2017
885-07	27m	S/Y	Humphreys Yacht Design/Oyster	2016
825-05	25m	S/Y	Humphreys Yacht Design/Oyster	2016
825-06	25m	S/Y	Humphreys Yacht Design/Oyster	2016
825-07	25m	S/Y	Humphreys Yacht Design/Oyster	2017

PENDENNIS

YACHTS LAUNCHED 2015

(NO NEW BUILDS LAUNCHED 2015)

YACHTS UNDER CONSTRUCTION 2016

NAME	LENGTH	MOTOR/SAIL	DESIGNER	DELIVERY
Dubois 382	31m	S/Y	Dubois Naval Architects	On hold

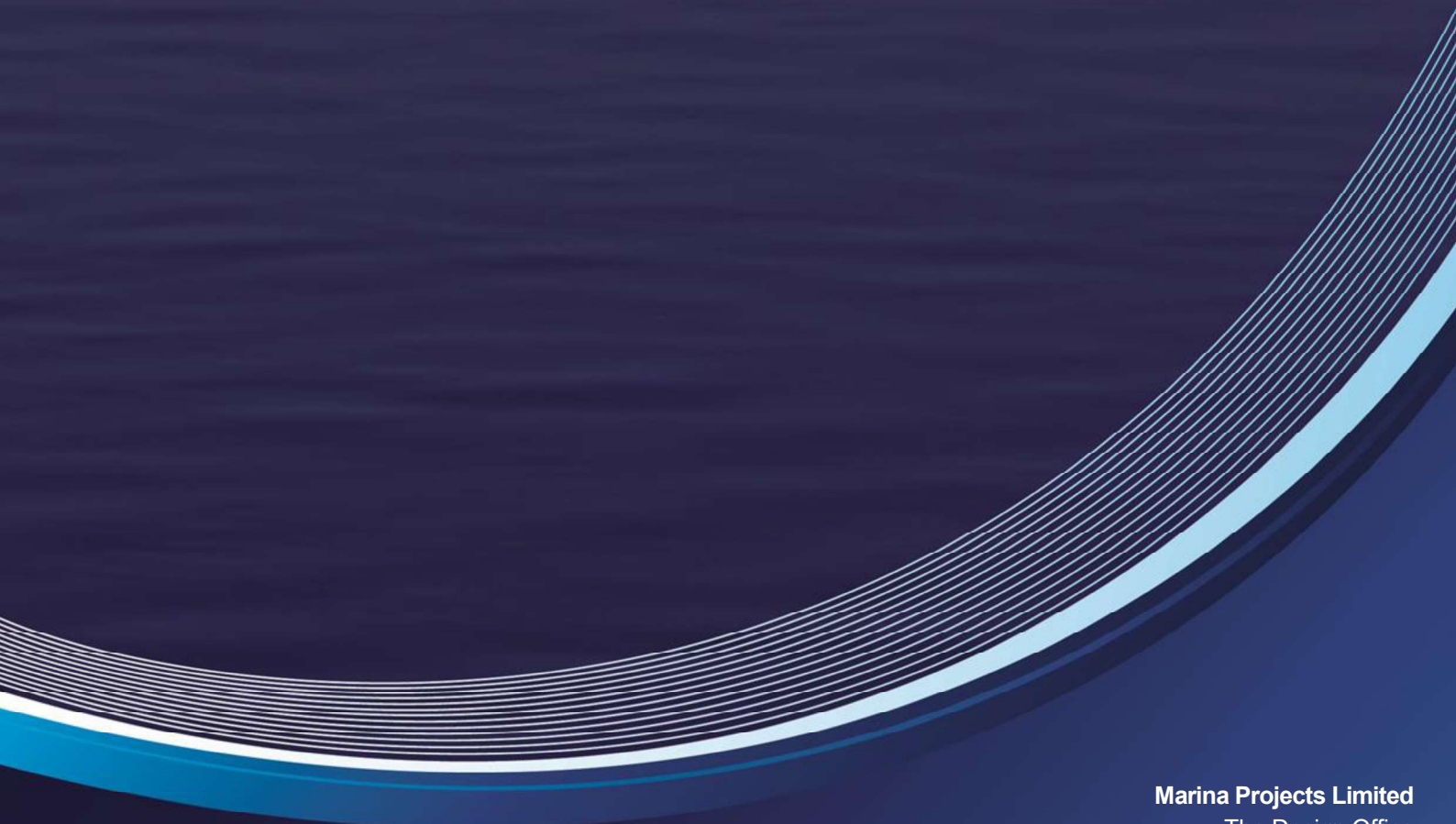
SUNSEEKER

YACHTS LAUNCHED 2015

NAME	LENGTH	MOTOR/SAIL	DESIGNER
Living the Dream	34m	M/Y	Sunseeker
Nautilass	34m	M/Y	Sunseeker
Terabyte	34m	M/Y	Sunseeker
Insignia	34m	M/Y	Sunseeker
Anya	40m	M/Y	Sunseeker
Zozo	40m	M/Y	Sunseeker

YACHTS UNDER CONSTRUCTION 2016

NAME	LENGTH	MOTOR/SAIL	DESIGNER	DELIVERY
Sunseeker 116/1	35m	M/Y	Sunseeker	2016
Sunseeker 116/2	35m	M/Y	Sunseeker	2016
Sunseeker 116/3	35m	M/Y	Sunseeker	2016
Sunseeker 131/02	40m	M/Y	Sunseeker	2016
Sunseeker 131/03	40m	M/Y	Sunseeker	2016
Sunseeker 131/04	40m	M/Y	Sunseeker	2016



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Appendix 5 Summary of Planning History

Appendix 5: Summary of Planning History

This Appendix sets out key planning history for Tipner East, Tipner Point (on TW) and Horsea Island and which are based on the polices contained in the Portsmouth Plan. The records are not comprehensive, but represent the main past and planned land use changes in area.

- **Tipner Interchange** – The construction of a new motorway junction on the M275 to include the construction of a roundabout, and a dedicated busway southbound alongside the M275.
 - **Reference:** 09/01568/FUL
 - **Approved:** April 2010
- **Tipner East** – Detailed application for land remediation and raising, including thermal desorption. Outline application for up to 518 dwellings, CHP plan, sea wall and coastal path. Main access from Twyford Avenue.
 - **Reference:** 10/00849/OUT
 - **Approved:** March 2012
- **Tipner East Phase IV-** Outline application for up to 80 dwellings and up to 615 sqm of commercial floorspace for uses within Classes A1/A2/A3/A5, construction of a new access from Twyford Avenue.
 - **Reference:** 11/00362/OUT
 - **Approved:** March 2012
- **Land off Tipner Lane and Twyford Avenue** – Site clearance including demolition, remediation and land raising by 0.25m on Parcel I, II and III, and up to 4.5m on Parcel IV at Tipner East
 - **Reference:** 11/00363/FUL
 - **Approved:** January 2012
- **PD Fuels, Tipner Wharf** – Demolition of existing buildings
 - **Reference:** 11/00726/DEM
 - **Approved/No Objection:** August 2011
- **Tipner East Phase IV** – Full planning permission for the remediation of the land in accordance with the method outlined in application 11/0363/FUL and outline planning permission for incorporation of the site into the PD Fuels development area as consented by planning application 11/00362/OUT
 - **Reference:** 12/011807/FUL
 - **Approved:** November 2012
- **Land East of M275 Tipner Lane (Tipner Park and Ride)** – Construction of Park and Ride facility
 - **Reference:** 13/00853/FUL (Previous associated application 12/00561/FUL)
 - **Approved:** October 2013
- **Tipner East – Parcels 1a and II** – Outline application for 23 dwellings
 - **Reference:** 13/00202/OUT
 - **Approved:** March 2018

- **Tipner East – Parcel III** – Outline for 5 dwellings
 - **Reference:** 13/00203/OUT
 - **Approved:** March 2018

- **Tipner East** – Approved of Reserved Matters for construction of 80 dwellings and 235 sqm of commercial floorspace pursuant to outline permission 11/00362/OUT
 - **Reference:** 15/01854/REM
 - **Approved:** February 2016

- **Land West of M275 Tipner Lane** – Construction of temporary access road linking existing commercial operations at TW with Tipner Lane (west of M275) for up to 10 years (or until the site is redeveloped as part of the wider redevelopment of TW)
 - **Reference:** 15/01016/FUL
 - **Approved:** September 2015

- **Park & Ride site at Tipner East** – Outline proposal for the erection of a multi-storey Transport Interchange up to 34.8 m AOD incorporating a park and ride facility for up to 2,650 cars, 50 bicycles; a taxi rank and car and bicycle rental facility, public conveniences, landscape areas, ancillary offices and uses within use classes A1, A2, A3, D1 and D2 with access from Junction 1 on the M275
 - **Reference:** 20/00457/OUT
 - **Decision:** Refused, June 2021

Appendix 6 Review of Portsmouth City Council Emerging Local Plan 2017 & 2019 Reg 18 Issues and Options Consultation Responses

Review of Portsmouth City Council Emerging Local Plan 2017 and 2019 Reg 18 Issues and Options Consultation Responses

Tipner West and Horsea Island East

Review of Portsmouth City Council Emerging Local Plan 2017 and 2019 Reg 18 Issues and Options Consultation Responses

Tipner West and Horsea Island East



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1. Introduction

- 1.1. Portsmouth City Council (PCC) is currently undertaking the preparation of a new Local Plan which will replace the existing, adopted Development Plan Documents including the Portsmouth Plan, adopted in 2012, the Area Actions Plans for Somerstown and Southsea Town Centre, adopted in 2012 and 2007 respectively, and saved policies from the Portsmouth City Local Plan, adopted in 2006.
- 1.2. In 2017 an Issues and Options Regulation 18 consultation was undertaken which posed a number of specific questions regarding the future vision and objectives of the city, including key areas of growth. Tipner West, Horsea Island East and Port Solent were identified as key strategic development locations within the emerging Plan.
- 1.3. Following this, in 2019, a further Regulation 18 consultation was undertaken, titled 'The Future of Tipner and Horsea'. This consultation set out the vision for development at Tipner West and Horsea Island East, and also included the anticipated issues and challenges that were anticipated to impact proposals.
- 1.4. This Report seeks to summarise the responses received to both the 2017 and the 2019 consultation which are relevant to the ongoing promotion of the site at Tipner West and Horsea Island East. It will conclude by highlighting the key themes that were raised during each consultation and setting out how these have fed into the progression of the Masterplan, and how any concerns that were raised have been addressed.

2. Issues and Options Consultation 2017: Strategic Allocations

- 2.1. Portsmouth City Council (PCC) undertook the Issues and Options Regulation 18 consultation in July 2017. Exhibitions were held to disseminate the proposed 'Vision for Portsmouth' and to seek the views of local residents, stakeholders and statutory consultees on the emerging policies of the Plan.
- 2.2. Tipner West was included within part of the Proposed Strategic Site Allocation 1, which also included Tipner East and the Tipner Firing Range. The consultation document noted that Tipner West was originally allocated for development within the 2012 Portsmouth Plan (Core Strategy), with City Deal status and associated funding coming after that. As a result the document stated: *"the Council is committed to enabling this site to come forward"* (Paragraph 6.8) and *"The site will significantly contribute to the delivery of the city's housing supply and regeneration of Portsmouth"* (Paragraph 6.10).
- 2.3. In relation to the overall allocation's sustainability the Regulation 18 document states that overall the site provides the potential to deliver a number of positive effects for the economy, the vitality of retail centres, and delivering quality housing, although it was noted that there were, at the time, a number of uncertainties relating to the manner in which the site is to be delivered.
- 2.4. The issues to be considered during the consultation included:
 - The capacity of infrastructure, including roads, utilities and community infrastructure such as schools to support development in this location;
 - The impact and mitigation of noise, primarily from the M275;
 - Public open space and access to the waterfront;
 - Potential relocation of the existing Harbour School;
 - The need for improved flood defences, and any opportunities arising from their delivery;
 - The delivery of key identified infrastructure including a new sewer, water supply, electricity substation, flood defences and highways infrastructure linking to the M275 and the relationship between Tipner East to Tipner West;
 - The need for new walking and cycling links throughout the area and to the surrounding areas and key destinations;
 - Impact upon the Portsmouth Harbour SSSI; and
 - Links to new country park at Horsea
- 2.5. Question 26 of the consultation asked respondents: *Do you agree that Tipner should remain a Strategic Site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?*

Review of Portsmouth City Council Emerging Local Plan 2017 and 2019 Reg 18 Issues and Options Consultation Responses

Tipner West and Horsea Island East



- 2.6. Port Solent and Horsea Island were included within the Regulation 18 consultation as the Proposed Strategic Site Allocation 2, which also noted the identification of the sites within the adopted Portsmouth Plan. The Issues and Options Document notes that the Employment Land Review (2016) identifies Horsea Island, in conjunction with the development of Tipner West, as a key potential site for approximately 25,000 sqm of new employment floorspace. Additionally, given the site's deep water access it was noted for potential to extend the marine and maritime related cluster found at Port Solent.
- 2.7. The consultation document noted the following issues to be considered:
- The capacity of infrastructure, including roads, utilities, and community infrastructure such as schools, to support development in this location;
 - Known serious contamination issues on site and remedial work necessary before development could proceed;
 - The impact and mitigation of noise, primarily from the M275;
 - Ensuring adequate access is provided for all uses including the existing Household Waste Recycling Centre;
 - Enhancing public access to new Horsea Island Country Park;
 - The potential provision of a new bus and walking and cycling bridge link from Tipner, and links to Cosham and the wider area;
 - Impacts upon ecologically sensitive Portsmouth Harbour and Brent Goose feeding sites;
 - Any visual impact of development from key viewpoints, Portchester Castle and the wider Portsmouth Harbour
- 2.8. Question 27 of the consultation asked respondents: *Do you agree that Port Solent and Horsea Island should remain a Strategic Site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?*

3. Issues and Options Consultation 2017: Responses

- 3.1. This section of the Report will provide a summary of the responses received to the 2017 Issues and Options consultation, grouping them into key themes. Within the next sections of this Report it will be shown how the proposals have responded to these comments, and how any concerns raised have been addressed.
- 3.2. Over 220 consultation responses are available via the Portsmouth City Council (PCC) website from the 2017 Issues and Options consultation. Each respondent was asked a series of questions regarding the issues raised within the consultation document, with spaces to comment on the wider vision and objectives, as well as more specific sections relating to key issues identified by the Council, and finally questions about the proposed strategic site allocations.
- 3.3. Of the responses available, 76 provided comments which were specifically related or relevant to the proposed developments at Tipner West, Port Solent and Horsea Island East. This does not include responses which stated “yes” in response to questions 26 and 27 of the consultation but did not elaborate or provide further commentary.
- 3.4. The responses can generally be grouped into a number of key themes, which are explained further within this chapter. For the purposes of data protection names of private individuals are not listed, but instead the respondent reference is included. Where relevant the names of businesses or statutory consultees are used.

Sustainability

- 3.5. Sustainability was a key theme within many of the Regulation 18 responses. The National Planning Policy Framework notes that there are three overarching objectives which the planning system should strive to achieve in relation to sustainable development: an economic objective, a social objective, and an environmental objective. All of these objectives were considered within the responses:
 - Ref 66: “It is vital to protect the remaining natural environment surrounding the city, and any development that threatens this environment should be strongly opposed. Natural environment includes air quality, noise, smell and sea cleanliness; these need to be considered in this section. The natural environment brings threats to current development and human habitat, such as seagulls, urban foxes, and other pests. These need consideration in this section.”
 - Ref 102: “Long term sustainability and vision must outweigh ‘quick fixes;”
 - Ref 109: “Issues for the natural environment, certainly include biodiversity, but they also relate to green spaces, transport and the health and quality of life of the people of Portsmouth need to be integrated. The suggested approach and statement by the council shows a complete lack of vision, is tokenistic and completely superficial.”
 - Ref 139: “Insufficient weight is given in the “Issues” to the social and environmental costs of development. The housing numbers illustrate the point because these numbers are not socially or environmentally sustainable. Stronger policies should be made and enforced on renewable energy requirements on all new developments where appropriate.”

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Tipner West and Horsea Island East

- Ref 220: “There should be more focus on ensuring places for people to gather and build community, and more focus on sustainability for future energy needs, with a vision to develop community, clean energy that eradicates fuel poverty.”
- Ref 255: “It is inappropriate for there to be a presumption in favour of sustainable development in Portsmouth as a whole. Rather, any development should be considered on its merits from scratch bearing in mind the present population density, environmental impact, flood defences, local infrastructure and health/education needs”
- Ref 256: “I feel more emphasis should be placed on sustainability” and “Employment land should be made available to help a more sustainable economy”
- Portsmouth City Council Public Health (Ref 257): “The economic benefits of a healthy population could be made more of. A healthy population that is able to work and not create a drain on health and social care, will help boost the economic aspirations of the city”
- Ref 291: “The move towards carbon neutral vehicles means Portsmouth needs to heavily invest in electric charging points. We’re pleased about the funding already secured for this but more will need to be done to retrofit Portsmouth’s Victorian terraced streets and to ensure new development is fit for a carbon neutral future.”
- Ref 306: “If the interests of Portsmouth residents are to be protected and their needs met - this is a city with poor health and education outcomes - all these issues will need to be addressed. Further, any development that does take place must put the needs of local people first. That means adequate social housing provision and not just the type of homes that enable developers to maximise their profits (often evading social housing obligations in the process).”
- Ref 342: “Portsmouth is an area with very little open space, which is essential for health and wellbeing, especially in an overcrowded island”

Infrastructure

3.6. The majority of respondents who discussed new housing development within the city noted the importance of ensuring the required associated infrastructure was also delivered, with comments focussing on schools and healthcare facilities primarily.

- Ref 86: “I think housing options have to be considered in light of infrastructure, schooling, GP’s, road congestion etc. To put in place housing targets to hit some predefined number is irresponsible unless balanced against the practical issues and current residents’ concerns. By creating housing, without expanding other services, all of which seem at breaking point, just reduces quality of life for all who remain, incentivising those who can afford to move out to do so”
- Ref 102: “New residential development needs to be balanced against the infrastructure available. Coming out of the city by road is already very difficult. Aspirations must be tempered by reality. Healthcare must increase.”
- Ref 103: “Lacking infrastructure, schools, healthcare, community centres, you can’t keep building houses without the support”
- Ref 117: “With the amount of house building proposed there will be no green space apart from the common”

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Tipner West and Horsea Island East

- Ref 139: “We need infrastructure especially schools and health facilities. These “basics” are required in any advanced society but in Portsmouth they are lacking” and “Reduce the proposed housing numbers to sustainable levels. Consider also how schools and good education help in reducing deprivation and plan for the building of them on Strategic Sites”
- Ref 195: “New homes in the city, whether 18,000 or some lower number, can only be viable *after* substantial upgrades to infrastructure, especially roads, schools and health provision”
- Ref 342: “No additional housing should be planned until the city has the physical, social, health, environmental and educational infrastructure to deal appropriately with the housing it already has”

Traffic, Transport and Highways

3.7. In relation to Traffic, Transport and Highways most responses to the Issues and Options Consultation indicated they were not satisfied with the current highway network within the city, specifically in relation to the availability of public transport, but also in relation to the cycle network, pedestrian accessibility, and air quality as a result of high levels of traffic in the city centre.

- Ref 59: “I also think public transport provision needs to be expanded in order to reduce the need for car ownership. In particular provision for public transport at night” and “I think that reducing the amount of traffic on the island is key to improving health through the reduction of NOx and particular matter levels”
- Ref 62: “Objective 6/8 should clearly articulate a move to sustainable public transport (buses and subsidies for electric vehicles). Also a move to dedicated (raised) cycle lanes”
- Ref 66: “Traffic and transport issues are described much too optimistically. Portsmouth has a very significant and growing traffic and transport problem. There are often long delays in entering and exiting the city.”
- Ref 93: “There is only one easily accessible electric charging point in Portsmouth for cars. If you study the ZAP Map which shows all UK charging points, Portsmouth is one of the worst cities in the UK. This is one of the issues to dissuade electric car ownership. People with electric cars are not going to visit Portsmouth”
- Ref 99: “With the proposed increase in housing will come increased traffic and pollution. Vehicle fumes are a major issue for Local and National Government. There should be more incentives to get the local community out of cars and onto bikes”
- Ref 141: “More houses more cars, we are already a very polluted city, so transport needs sorting out *before* more new builds”
- Ref 319: “We also believe that new transport infrastructure development could be key to alleviating some of the pressure on the limited land available.”
- Ref 326: “Every new housing development places even more cars upon the already congested roads of Portsmouth and places an unbelievable strain upon Portsmouth’s infrastructure that is fast reaching bursting point.”
- Ref 336: “Land use and transportation must be planned together, hand in hand, rather than proposing allocations and then having a separate Transport Plan which may or may not provide for the required infrastructure because it is separately funded and has different objectives”

3.8. Parking was also a key issue raised within the responses, with lots of comments relating to the current problems of on street parking in the city and how this should be considered during the design and preparation of masterplans for new development:

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- Ref 57: "Limit parking permits to a maximum of two per household for on street parking"
- Ref 66: "On street parking should be eliminated by strict rules on car parking provision along with any residential or workplace developments"
- Ref 120: "It is near pointless to spend time and money on "improving" transport as long as there is no limit on car ownership. I suggest all residents intending to buy their first car to have proof of an off-road parking space in order to acquire the vehicle road licence (not simple but effective). Also new estates should ban overnight on-road parking"
- Ref 309: "And many councillors will acknowledge that the biggest problem in their postbag is often parking, yet this is not addressed" and "The plan does not recognise how or whether parking should be controlled in the context of existing or new homes and existing street patterns"

Housing

- 3.9. The proposed housing numbers within the Issues and Options consultation provided the broadest range of responses, with some noting that the Plan should seek the maximum number of new homes possible, and others noting that no new housing should be proposed.
- 3.10. Many responses specifically focussed on the availability and provision of affordable housing within the city throughout the plan period, and the quality of new housing development.
- Ref 60: "The issues clearly indicate that there is insufficient high quality residential housing in the city to meet the need, and too much terraced stuff of low quality. Options need to recognize this imbalance and plan to correct it. The housing need is driven by the economy, and in terms of quantity, type and location must be planned to complement this driver"
 - Ref 65: "Too much concern for ducks and dogs! Not enough concern for the housing of humans and necessary infrastructure" and "Take heed of the demands of central government to build more housing. Your current plan will never meet the targets set for Portsmouth. Remember that if such housing is not built in the city it will have to be built in the countryside"
 - Ref 66: "The option of continuing with high density housing is completely wrong. We need to build the types of accommodation that people want in order to attract and retain the necessary professional and skilled workforce residents on the island to motivate genuine businesses to set up home here"
 - Ref 117: "Housing that is truly affordable for local first time buyers is needed, not expensive housing. We need one bedroom accommodation for single people"
 - Ref 118: "Increase employment land over housing – more employment opportunities in city will reduce car use"
 - Ref 122: "There should be more of a focus on affordable housing delivery"
 - Ref 198: "Affordable housing should be sought wherever possible, from all schemes that can viably support its delivery"

Economic Development and Growth

- 3.11. Despite references to the Employment Land Review within the Issues and Options Consultation document, there were not many comments specifically related to economic development and growth.
- 3.12. The development of marine industries did feature within the responses relating to economic development:

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Tipner West and Horsea Island East

- Ref 52: "Future proof employment i.e. those in technology as well as looking to expand the established naval jobs available"
- Ref 57: "I believe the Council should concentrate on generating opportunities for companies from start up, new and established from the manufacturing, science and engineering sectors. This would generate far better paid jobs than the current drive for more and more low paid retail jobs."
- Ref 62: "I support the growth of the maritime industry in Portsmouth, it should be an easy win – consider regenerating Clarence Pier and the surrounding area as part of the flood defences and generating maritime industry interest"
- Ref 147: "That Portsmouth's maritime heritage is unrivalled is less open to dispute, but Portsmouth is not just a collection of old ships to admire. It is one of the world's most important working naval and commercial ports, now joined by a prestigious university. It is more because of these vibrant actualities, much less because of the old, wooden "victories" for tourists, that Portsmouth has a promising future"
- Ref 188: "There needs to be another example of growing the local economy. We are very reliant on state sponsorship of the dockyards and I am not sure that we can rely on the America's Cup to provide marine growth"
- Ref 195: "Additionally the plan needs to include more business/commercial investment as without extra jobs in the city, new houses will only increase congestion due to commuting out of the city"
- Ref 284: "Consider how best to attract more professional, technology based, creative etc. businesses"
- Gosport Borough Council (Ref 340): "In particular the Council very much supports the protection of waterfront sites of sub regional significance which contribute to the marine and maritime sector. The Council considers that such sites form part of a wider network around the Harbour and in the light of further MoD waterfront land releases in Gosport there is tremendous scope for collaborative work between the two authorities to develop this sector further."

3.13. The following comments specifically noted the importance of skills development and links with the University to assist with the economic development of the City:

- Ref 12: "Links with the University of Portsmouth and their plans for development, work with developers and landowners to get a more joined up vision of the City and its future"
- Ref 106: "Encourage computer programming, finance and other suitable jobs for qualified university students to stay in the city as there is little work here for university graduates. Also invest in manufacturing for less qualified people"
- Ref 148: "Providing employers with happy well educated employees equipped by our education system with the necessary skill sets with which to succeed and a city to be proud to headquarter their companies in."
- Portsmouth Cultural Trust (Ref 189): "Some of the more successful urban projects have encouraged the development of a creative industry cluster, which encourages young aspiring professionals to locate their businesses and accommodation around town and city centres. Graduates are the best source for business creation in the creative industries: Portsmouth has a ready source with the University"
- Ref 301: "We need more skills based apprenticeships for younger people which could be linked to city businesses"

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- Ref 319: "We believe that continuing to strengthen links between the university and local businesses is of vital importance in both enabling the city's economy to continue to grow in key areas and to encourage graduates to consider staying in the city to commence their working career. This could include providing physical space within the city to enable businesses and the academic world to improve collaboration, joint ventures and specialist training, as well as providing attractive places for graduates to live and spend their leisure time"

Co-location

3.14. A few of the responses noted the importance of linking residential and economic development, or locating them adjacent to each other, mainly with the aim of reducing commuting and therefore traffic and poor air quality. For some this also included providing facilities and employment opportunities for those already living in Portsmouth, rather than encouraging additional commuting:

- Ref 66: "The options seem concerned with transport links for new development. There need to be options to rectify the significant problems which the city faces today. This much include shifting residential facilities close to work places to eliminate commuting, opening up routes in and out of the city, moving large traffic flows such as the loW car ferry access points out of the city. On street parking should be eliminated by strict rules on car parking provision along with any residential or workplace developments" and "Portsmouth needs to ensure that its residents have employment close to their homes so that commuting can be eliminated."
- Ref 86: "In fact given the amount of people commuting off the island each day it would seem more rational to focus on creating employment and places of work than building ever more housing, but no corresponding places of work. Even the work at Tipner which apparently should create 3,700 permanent jobs, should only require 1,370 homes (at 2.7 persons per home as you state), not the 2,370 you are so proud of. This alludes to my comments above of creating more homes than local work can support - which will lead to more congestion on the roads, and more pressure on local infrastructure."
- Ref 188: "There needs to be a clearer understanding by councillors and planners of the link between population density and deprivation and low educational attainment. With this in mind it would be wise to improve infrastructure and facilities for the current population and their children rather than encouraging more people onto the island who will probably commute off island to work"
- Ref 195: "Additionally the plan needs to include more business/commercial investment as without extra jobs in the city, new houses will only increase congestion due to commuting out of the city"

Reclamation

3.15. Two of the responses specifically noted the potential for land reclamation to meet the requirements of the plan:

- Ref 276: "Land can be reclaimed from the sea. This course has already been successfully and affordably adopted in the past hereabouts in order to meet various needs. If available, this could provide any amount of land to meet future housing needs"
- Ref 335: "Land can be reclaimed from the sea. This course has already successfully and affordably been adopted in the past hereabouts in order to meet various needs. If available, this could provide any amount of land to meet future housing needs"

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Tipner West and Horsea Island East

Tipner West and Horsea Island East

3.16. There were a few responses to Questions 26 and 27 from the consultation document which did not fall within any of the main categories listed above. The questions asked if Tipner (Question 26) and Port Solent & Horsea Island (Question 27) should remain a strategic site for development in the new Plan. The comments from this questions are set out below:

- Ref 66: "These sites should remain as open space"
- Ref 77: "Yes, but must have regard to the correct level of infrastructure"
- Ref 86: "As for Tipner, I can only assume the local facilities will need to be built alongside the housing, but no real mention of this has been made apart from additional retail shops"
- Ref 87: "Yes it should remain a strategic site. No, I do not agree that the issues to be addressed are properly represented. During the progress of the previous Plan and through to the Inspector's Inquiry the residents at Port Solent had considerable involvement with both the Council and the Developers/Premier Marinas. That was necessary because initial plans would have destroyed the whole environment. The new plans quote the then reduced figure of 500 dwellings, but also quote redevelopment of the Boardwalk, whatever that now means. Last time the whole project proved non-viable, not just because of economic changes, but also because such questions of land quality, sewers, road access, other services etc. had been underestimated and therefore made it unattractive. So, in the absence of major economic improvements, how would a new plan be deliverable now? Who knows? Horsea Island is no longer earmarked for houses and that was the major provider. The concept of 500 houses on remaining Port Solent space would again potentially destroy its character, despite the nice wording used in the general text. No doubt the residents and businesses at Port Solent would again join forces in order to gain proper understanding with the council and any proposed developers."
- Ref 97: "Tipner, Horsea Island and Port Solent sites are preferable for redevelopment because there would be little impact on current housing and residents"
- Ref 103: "No mention regarding health care plus the number of dwellings. School as all the schools in the area are full." And "Any development at Port Solent would put more traffic onto Southampton Road, which is already congested"
- Ref 106: "Get on with building Tipner" and "Tipner redevelopment essential" and "Needs a lot of work and money. Leave Tipner/Portchester Lake completely undisturbed. Maybe make this a low key study centre/nature reserve"
- Ref 109: "Car access should be limited to the business space created in Horsea Island East. Links should enable between Tipner and Horsea Island allowing buses, cyclists and pedestrians access between Tipner West and Horsea Island East, the new country park, Port Solent and beyond" and "Tipner West should not remain an area for strategic development in the plan. It should remain an area of open space for public recreation, protection of the Harbour environment and biodiversity and be linked to Horsea Island" and "Horsea Island should not remain an area for strategic development in the plan. It should become an area of open space for public recreation, protection of the Harbour environment and biodiversity and be linked to Tipner West"
- Ref 118: "Improved access to Port Solent required"
- Ref 122: "Yes – and more should be done to bring forward delivery of affordable housing on the site in the near future. The council should look at a CPO if the Pounds family & TRC keep failing to develop their land"

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Tipner West and Horsea Island East

- Ref 123: “CPO Tipner site from the Pounds family. With mention to your £48.7m of funding why has this been spent on other things? Tipner has lain waste for years, will I be asking this again in 2034?”
- Ref 131: “Port Solent is a working marina and needs to retain its maritime functionality e.g. hoist, repair facilities, chandlers etc.”
- Resident Association of Port Solent (Ref 147): “The bridge and the road from the M275 at Tipner to Port Solent sounds good but seems a huge waste of a valuable asset to use it simply for a high speed bus (which most people will rarely use) and bicycles. It should be open to car users as an alternative route in and out of Port Solent, with measures in place to ensure that access is only permitted to residents. We do not wish to encourage a new rat-run but we do wish to alleviate pressure on the junction of Port Way with the A27.”
- Ref 148: “I agree that it is a strategic site for development but it's development needs to be considered in conjunction with the future of the city and not without a proper impact assessment on local public services, roads, and traffic, and the necessary action to mitigate those impacts.”
- Hampshire and Isle of Wight Wildlife Trust (Ref: 175): “In the absence of more design detail we have concerns with the inclusion of this site. We agree with the issues that have been identified and need addressing through the Plan to deliver this area. As we have previously mentioned the Solent Waders and Brent Goose strategy is in the process of being updated and additional survey work was carried out over the winter of 2016/17. Sites within this strategic site allocation have been identified as being part of the ‘core network’ of sites used by overwintering waders and Brent geese; their function is currently being compromised by increased recreational pressure in the area, particularly dog walkers and the flying of drones. It is crucial that the fields at the western end of the area are protected and that a recreation management strategy is developed in order to deliver important recreation facilities whilst maintaining the function and viability of this area for Brent geese. The proposed Horsea Country Park provides an excellent opportunity to deliver a piece of multi-functional green infrastructure that could serve the residents of the local area, whilst delivering net gains in biodiversity. It is worth noting that there are several sites proposed within this Plan and those of adjoining Local Authorities which are considering development of sites that have been identified for their importance for over wintering waders and Brent geese. Therefore any assessment should look to consider potential adverse impacts in combination with other plans or projects.”
- Ref 203: “As long as routes from north Portsmouth are improved i.e. access not from M275”
- Southern Water (Ref 249): “With regard to the issues to be addressed at the Tipner strategic sites, Southern Water supports the reference in paragraph 6.14 to the need to consider the capacity of utilities infrastructure to support development. In line with paragraph 162 of the National Planning Policy Framework (NPPF) and the National Planning Practice Guidance, we have undertaken an assessment of our infrastructure and its ability to meet the forecast demand for the proposed developments at Tipner. The assessments reveal that additional local wastewater infrastructure would be required to accommodate the proposed development at each site, involving making a connection to the local sewerage networks at the nearest points of adequate capacity.”
- Ref 267: “Yes providing necessary road improvements are implemented”
- Ref 268: “In my opinion Tipner area is best suited to development for housing as it already has good road access”
- Ref 279: “The mix of housing, including specialist, affordable and student housing is all important. However, other factors such as mixed-use developments and proximity to amenities and a range of transport options is essential throughout. A large development like Tipner without suitable facilities--such as a shops, pub, GP, etc. leaves residential neighbourhoods without a cohesive element, and with the need to travel further and increase congestion.”

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- Ref 288: “Yes. This site is ideal for development as described. However, if this area can only yield 1250 homes, however will the target of 17,000 be achieved in Portsmouth in the future unless swathes of current housing is removed and replaced with tower blocks? The relocation of the Harbour School could be effected quickly to St James Hospital site before plans are finalised for housing uses on the land.”
- Historic England (Ref 307): “We welcome the recognition of the two Grade II listed former powder magazines dating from the late 18th century located within the scrap yard/breakers yard at Tipner West. The need to retain these buildings in a sensitive re-use and with an appropriate setting should be identified as an issue to be addressed through the Plan.”
- Ref 312: “Yes but protection needed for local sailing and boating clubs. We do agree that Tipner should remain as a Strategic Site, and with the description of the Site. However, with the seemingly non-viability of Commercial Road as a vibrant modern shopping centre, we would like to suggest that there is a case for exploring the Tipner West site as a potential waterside leisure/shopping centre comparable to Gunwharf, but with a full range of modern major shops, not just outlet shopping. There could be a high quality waterside residential element. There could be some decking as at Gunwharf and an underground car park. The southern Firing Range could be used for other types of housing, thus providing a range of housing across the whole site. The north west bay area could be developed as a waterside quay area with ferries and water taxis serving, for example, Gosport, Gunwharf and Port Solent.” And “Port Solent and Horsea Island Site Issues needs to be reworded: the essential (not potential) provision of a new bus and walking and cycling bridge link from Tipner, and links to Cosham and the wider area”
- Ref 313: “These areas should be remain a strategic site in the plan as they represent an opportunity to create to promote a direct non-motor vehicle method of transport with relation to a possible walking and cycling bridge to connect Horsea Island to Tipner west development and onward to the park and ride bus connections and cycle routes into the city centre.”
- RSPB (Ref 334): “Given the proximity of the proposed Tipner site to Portsmouth Harbour SPA/ SSSI we have serious concerns regarding impacts of the designated features of the adjacent wildlife sites from development in this location. We note that ‘impact upon Portsmouth Harbour SSSI’ has been identified as an issue that will require addressing as part of the plan, however we are very concerned that the plan fails to identify the need to assess impacts to the SPA and its supporting habitat. These are afforded protection under the Conservation and Habitats Species Regulations 2010 (as amended) which provide a clear series of test which must be considered when assessing the impacts on a European site and its species. Whilst we note that the Habitats Regulation Screening Assessment which accompanies the Issues and Options paper does appropriately screen this development, because of the potential for Likely Significant Effects and identifies the need for further assessment, it is essential that this is recognised in the Local Plan. At the next stage of the emerging plan we would anticipate a comprehensive analysis of the emerging development proposals (including any mitigation) as part of the robust draft HRA and any sites which fail to meet the legal test as set out in The Habitats Regulations would need to be removed from the plan”

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- RSPB (Ref 334): Given the proximity of the proposed Port Solent and Horsea Island site to Portsmouth Harbour SPA / SSSI we have serious concerns regarding impacts on the designated features of the adjacent wildlife sites from development in this location. We note that 'Impacts upon ecologically sensitive Portsmouth Harbour and Brent Goose feeding sites'; has been identified as an issue that will require addressing as part of this plan. Given the significance of Portsmouth Harbour and its supporting habitats it is essential that its SSSI/SPA designation is highlighted in the Local Plan and the need for impacts to be appropriately assessed. In addition it is with concern that the interim assessment paragraph 6.21 fails to identify the potential for negative impacts on the natural environment as the site includes areas identified as important for feeding Brent Geese and Waders. Consistent with the statements made in relation to the other sites with similar constraints any adverse impacts would need to be satisfactorily mitigated. Whilst we note that the Habitats Regulation Screening Assessment which accompanies the Issues and Options paper does appropriately screen in this development, because of potential for Likely Significant Effects and identifies the need for further assessment, it is essential that this is recognised in the Local Plan. At the next stage of the emerging plan, we would anticipate a comprehensive analysis of the emerging development proposals (including any mitigation) as part of a robust draft HRA and any sites which fail to meet the legal tests as set out in The Habitat Regulations would need to be removed from the plan."
 - Environment Agency (Ref 338): "Tipner - We will continue to work with you to bring forward the redevelopment of this site. The issues associated with the redevelopment of Tipner have been well rehearsed over many years and as you are aware the key issues that need to be addressed are flood risk, contamination remediation, water quality, the marine environment (e.g. shellfish and migratory fish) and European nature conservation designations" and "Port Solent and Horsea Island – as with the Tipner site above we have on many occasions discussed the key issues that need to be addressed through the redevelopment of these sites and are therefore not going to go into detail here. Key issues include consideration of the closing landfill site and any contamination associated with this, along with potential flood risk, water quality in the harbour and the European nature conservation designations. Careful consideration will need to be given to any new road that is proposed as part of this due to potential instability issues linked to the historic landfilling"
 - Education Skills Funding Agency (Ref 345): "The ESFA notes that the strategic site option at Tipner includes various issues to be considered, including the potential relocation of The Harbour School, a special school for children with Social, Emotional and Mental Health Needs (SEMH). In answer to Question 26, the ESFA suggests that the Council consider very carefully the impacts of relocation and work closely with the school to identify all the implications of this before forming an opinion on whether relocation should be pursued. Any relocation of the school should be to a site of equivalent or better quality and suitability for the needs of the school"
- 3.17. Premier Marinas provided an extensive response to the consultation which has been included in Appendix 1 of this Report.

4. Issues and Options Consultation 2017: Key Themes

- 4.1. The responses available on the Portsmouth City Council (PCC) website for the 2017 Issues and Options Consultation demonstrate that there are a number of key themes that local residents and statutory consultees wish to highlight for the preparation of the emerging Local Plan. Some of these issues relate to existing problems that residents are currently experiencing within the city, and many relate to city-wide concerns covering the entire Local Plan area. However, each of the responses provide information into key areas of concern that can help develop the masterplan and characteristics of future developments at Tipner West and Horsea Island East. The key themes are set out within this chapter of the Report, along with some commentary of how the emerging proposals for the site have looked to address the issues raised.

Sustainability

- 4.2. Nearly all of the responses referred to sustainability in some manner, including the aspects of economic, environmental and social sustainable development.
- 4.3. For many people the primary aspect of sustainability that should be sought or protected through the Local Plan process was the environmental pillar, particularly in relation to biodiversity and climate change.
- 4.4. The responses recognised the importance of many of the habitats both in and surrounding Portsmouth, which include areas of local, national and international conservation designation, and concerns were raised that these would not be afforded the required protections as a result of the significant development anticipated across the Plan Period.
- 4.5. The proposed strategic allocation at Tipner West, Port Solent and Horsea Island East, as with the other proposed allocations within the 2017 Issues and Options Document, has the potential to impact upon nearby designations. However the proposal and its impacts will be carefully considered as required by current planning and environmental policy and regulatory requirements.
- 4.6. A Habitats Regulations Assessment (HRA) refers to the several distinct stages of the Appropriate Assessment required to be undertaken in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended) and the Conservation of Offshore Marine Habitats and Species Regulations 2017 (as amended) to determine if a plan or project may affect the protected features of a habitats site before deciding whether to undertake, permit or authorise it. Work has already commenced on the shadow Appropriate Assessment reports and the sequential requirements of the HRA to ensure that any impacts of the development will be suitably considered, and if necessary mitigated and/or compensated, to ensure the environmental pillar of sustainable development is upheld.
- 4.7. The other aspect of sustainability that featured significantly within the public comments related to the health and wellbeing of residents of Portsmouth. Some noted that the current access to areas of open space within the City were limited, and this should be a key aspect to be considered within future growth proposals, with others noting that the economy of the City will function better with a healthy population.

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- 4.8. The National Planning Policy Framework (2019) sets out that planning policies and decisions should aim to achieve healthy, inclusive and places and therefore promoting healthy communities is a key aim of both National and Local Planning Policies. It is also a key consideration within the proposed Tipner development, and has been included as one of the Design Principles which are being used to progress the proposal Masterplan.

Housing

- 4.9. The figures relating to housing growth across the plan period was an important question within the Issues and Options consultation document, and the responses indicated very varied views.
- 4.10. Some responses felt that the city was at capacity and therefore there should not be any additional housing planned for within the area.
- 4.11. Other responses stated that development and growth was required, and therefore the housing figures proposed reflected the needs of the city.
- 4.12. Regardless of people's opinions on the number of houses to be provided within the Local Plan period, many responses demonstrated key themes of consideration in relation to housing. This was specifically in relation to providing the right homes that people want and need, including affordable dwellings and the types of homes that will attract a workforce.
- 4.13. The proposed Strategic Allocations at Tipner West and Horsea Island East have been developed from the need for marine employment and residential development in Portsmouth. This includes identified need of affordable housing within the city, as well as demands from certain demographics, for example households within specific income brackets, or those with an aspirational demand which is not currently being met. The Masterplan has been designed to reflect the market requirements in terms of the scale of housing to be achieved and the guidance on the type, density, size and tenure mix that the market would

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look to deliver. The proposals have also been designed to help reduce and to avoid exacerbating the already high levels of commuting that many respondents mentioned and were concerned about.

Highways

- 4.14. Within the Issues and Options consultation responses comments relating to highways largely focussed around the existing issues within the city relating to congestion and high levels of commuting. Many responses stated that the public transport was not sufficient within Portsmouth and therefore this was often not seen as a viable or suitable alternative to the private car for journeys in and out of the city.
- 4.15. With regards to the proposed allocations at Tipner West and Horsea Island East some respondents noted that this area was suitable for the proposed development due to its good highway connections, although others felt that more needed to be done to improve these links prior to development.
- 4.16. There were also many comments raised about the high levels of parking within Portsmouth, particularly in relation to on-street/over-night parking within residential areas. Some respondents recommended solutions to ease the issues of parking, with others recommending that more radical approaches would be required within the emerging Local Plan.
- 4.17. The development of transport infrastructure within the Tipner West and Horsea Island East emerging proposals will be an integral element of the Masterplan. Within the early engagement process the Design Council stated that the feasibility of a car-free development should be explored which would alleviate any concerns over connectivity of the site. As a result this has been developed further within the Masterplan proposals.
- 4.18. In relation to highways a number of comments related to the potential for co-location of housing in close proximity to employment and community uses. As stated many respondents raised concerns regarding the high levels of congestion and commuting within Portsmouth, which has implications for air quality and pollution amongst other matters. Therefore some comments noted that the provision of housing near to employment uses (or vice versa) would reduce commuting travel, particularly for those who currently commute out of the city for work. Therefore, the desire to look for a high level of self-containment to reduce commuting is a key attribute of the design proposals as is providing the homes that currently cannot meet the city's population needs and aspirations in order to reduce the levels of commuting out of and into the city.
- 4.19. Tipner West has been identified since the 2013 City Deal as a site with the potential for a regionally and/or nationally important marine employment development and job provision. However, unless these additional jobs are suitably located in proximity to the housing where the new workforce can live, there will be further associated negative effects caused by additional commuting and unsustainable development and the marine proposals may be undermined. Therefore the proposed Strategic Allocations of Tipner West and Horsea Island will include the co-location of jobs and homes, with the potential for a high level of self-containment, which will specifically assist with the reduction of currently unsustainable commuting patterns that were identified by the Issues and Options consultation responses.

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Economic Growth

- 4.20. Within the consultation responses a number of comments were raised about economic development, which was seen as a key requirement of the emerging Local Plan by many. Some respondents also specifically mentioned the importance of a focus on marine employment growth. This sector was seen as a natural area of focus for the Council within the comments, as a result of Portsmouth's historic connections to the marine and maritime industries. One respondent specifically stated that this would be an "easy win".
- 4.21. Alongside comments relating to economic development there was also recognition of the role that skills development could play. Many comments to the 2017 consultation referred to the developing links between businesses and the University of Portsmouth to encourage skills growth within the City, and as a way of enticing graduates to remain within Portsmouth following completion of their studies. It was also recognised that for existing businesses within the City this could create the potential for economic development and growth.
- 4.22. In November 2020 PCC published the Skills and Labour Market Strategy 2020-2025 which aimed to provide a skills-progressions strategy seeking to align skills provision to local employment needs, with a particular focus on key science, technology, engineering, arts and maths (STEAM) industry areas. The Strategy recognises that the residents of Portsmouth have huge potential for creating the environment for economic growth, but that currently jobs are unavailable for local residents due to high in-commuting, and there is a skill or educational gap which means local people do not hold the qualifications required to obtain the jobs that are available.
- 4.23. There is therefore a key opportunity within the development of marine and maritime employment space at Tipner and Horsea Island East to create programs for skill and educational development, linking with local businesses, schools and the University of Portsmouth to lessen this gap and provide more opportunities for local people, in turn leading to economic development for the City. This is also being developed in the progression of the plans with a strong education programme included in the development of the proposals.

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- 4.24. The Issues and Options consultation responses in relation to the specific questions relating to the proposed Strategic Allocations of Tipner West and Horsea Island were varied, with some noting that the site should be retained as public open space or developed as a new retail centre for the city. Overall however the majority of respondents showed support for continued allocation of the site.
- 4.25. To retain the site as open space would require significant infrastructure costs to protect the land at Tipner West and the northwest of the city in general and that would need significant funding. There is also already a proposed provision of open space at Horsea Island to assist the city as a whole. In regards to a further retail destination for the city, this needs to be balanced with the existing provision in the city centre at Commercial Road, in Southsea, and at Gunwharf Quays and Port Solent.

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4.26. Many responses to the question about the strategic allocation raised concerns about the provision of community infrastructure, specifically in relation to retail, health and education facilities. The 2017 consultation document provided brief details regarding the proposed allocation of the site, and therefore details of the exact facilities that could be provided within the site were not included. However, since this time a significant Masterplanning exercise has been undertaken, and is still ongoing, and as a result it is now proposed for the following to be included within the site to deliver a comprehensive self-sustaining community and neighbourhood that leads positively to a high percentage of self-containment:

- A marine employment and advanced manufacturing hub.
 - Primary marine employment in TW with access to water.
 - Secondary marine employment in HIE.
 - Maritime education/training.
- Key transport infrastructure:
 - A bridge link between TW and HIE for all traffic, but no general vehicular access through to Port Solent.
 - A public transport link between HIE and Port Solent and the wider city.
 - Water-taxi terminals.
 - Integration with the Portsmouth Park & Ride on Tipner East.
- A high density mixed-use community core characterised by:
 - A community focal point.
 - Multi-storey residential living.
 - Ground floor retail and business uses.
- A gateway transport hub:
 - Multi-storey transport facilities – adaptable vehicle transit area.
 - Bus Rapid Transit stop.
 - Modal interchange facilities.
- Residential neighbourhoods:
 - A mix of density, unit types and tenures.
 - Retirement living.
 - Interconnectivity with the core and transport hub – pedestrian/cycle links.
 - Interconnected via a network of community routes.
 - A close relationship with the Harbour – with optimised Harbour views.
 - A peripheral waterfront/park route for pedestrians/cyclists.
 - A range of open space types – pocket parks/courtyards/parks.
- Leisure uses:
 - A marine leisure hub on HIE.
 - Potential hotel.
 - Supporting food and beverage provision for the local neighbourhood including restaurants and cafes.
 - A supporting local centre to assist support the new neighbourhood.
- Community uses:
 - A primary school.
 - Healthcare centre.
 - Nursery

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- Interconnected green infrastructure network of open spaces – recreation/ biodiversity/ amenity.

4.27. Within the consultation there were other comments, specifically those from statutory consultees, which related to detailed elements of design of the proposals, specific parts of the site including the Harbour School or existing heritage assets, National and International nature designations within the area, and assessment of the impacts of any future development proposal at the site. These response have been considered within the ongoing Masterplan and concept development proposals for the site, and ongoing correspondence with the statutory and non-statutory consultees will continue throughout the design and consenting application stages for the proposed Strategic Allocations and development.

5. Tipner and Horsea Consultation 2019: The Consultation Document

- 5.1. 'The Future of Tipner and Horsea' was published as a consultation document in 2019 recognising that this was likely to be the largest allocation to be included within the emerging Local Plan. The document states: *"Tipner and Horsea Island represent the largest area of undeveloped and underused land in the city. We have considered the potential for developing this specific area as part of the local plan for Portsmouth"* (Page 1).
- 5.2. The current uses of Tipner West and Horsea Island were listed as: MOD firing range, Harbour school and National Seamanship Training Centre; and Grade II Listed buildings at Tipner, and D-Day slips at Horsea.
- 5.3. The consultation include a diagram of how the site could be laid out with future land uses including employment and marine employment, both with supporting residential, community uses including school and local retail uses, further residential areas, and housing, employment and habitat creation. Within this diagram a new road was proposed between Tipner West and Horsea Island East, and there were indicative areas for potential land reclamation, although the document stated: *"This is a best guess at the area that could be reclaimed and further work would need to be carried out to identify the exact location"* (Page 2).
- 5.4. It was stated that a 'Super Peninsular' could be created which would include land reclamation with the following benefits and challenges:
- **Benefits**
 - Could address the impacts of climate change (sea level rise) on sensitive ecological areas, through funding a variety of mitigation measures;
 - More homes to meet the city's needs;
 - A deep water frontage for marine and maritime industries; and
 - A more balanced community, by enabling a better mix of homes, jobs and facilities – with less need to travel.
 - **Challenges**
 - Significant ecological impact requires careful thought;
 - Increases the technical challenges of project delivery; and
 - Increase infrastructure needed to support a larger development
- 5.5. A total of seven consultation questions were included which looked for responses to the description of the area, the main issues and challenges described, the proposed vision, the concept of the Super Peninsular, and any other comments or areas of concern.

6. Tipner and Horsea Consultation 2019: The Responses

6.1. In June 2019 Portsmouth City Council (PCC) published a summary document of the responses received to the Future of Tipner and Horsea consultation document. These responses will be summarised within this section of the Report, with the following sections setting out the ways the responses have fed into the masterplan preparation for the site, ensuring that any areas of concern have been addressed within the proposals.

Consultation Question 1: Do you agree with the description of the area? Would you describe anything differently?

6.2. The topic outline for this question within the consultation document provided an overview of the proposed Strategic Development Area setting out why development was required and a short summary of the current uses at the site.

6.3. The PCC Summary confirms that overall 31 respondents generally agreed with the description of the site and 12 stated mixed feelings, with concerns about some missing information from the site description. Five respondents were completely opposed to the description, largely based on concerns of overdevelopment.

6.4. With regards to the site diagram some of the respondents raised concerns about the consultation area, and it appears people believed this demonstrate the full area for land reclamation. As a result PCC agreed that the diagram could be more clearly shown and better articulated.

6.5. Based on the comments set out within the PCC Summary it appears there were mixed responses to the description of the area as 'the largest areas of undeveloped and underused land in the city', with some respondents stating the ecological value and open space of the area should be recognised. Other respondents agreed with the description, and also stated that this created an opportunity site for regeneration and new development. Finally there was a wish for the site's legacy of historical, industrial and military activities to be included or emphasised within the site description.

6.6. In relation to the existing environment there was desire to see further descriptions of the ecological significance of the area, the official designations, and the potential for flooding to be included in reference to the site.

6.7. Similarly further explanation was sought by some respondents in relation to the existing uses at the site, for example inclusion of the two boat/sailing clubs at Tipner West and clarification that the Harbour School was specifically for children with Social, Emotional and Mental Health (SEMH) needs.

6.8. The initial Council's response to the description of the development area, set out within the PCC Summary document, stated: *"Overall it is considered that the document does highlight the sensitive environmental and ecological assets on the site. Nonetheless the feedback given here highlights the need for the Council to take these factors into consideration. The presence of the two sailing clubs, the heritage assets on site and the Harbour School are all acknowledged and are important factors for the future of the site going forward"* (Page 6).

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Consultation Question 2: Do you agree with the main issues and challenges described in the consultation document? What would you describe differently?

6.9. The PCC Summary confirms that most respondents did not agree with the description of the main issues and challenges included within the consultation document. The responses were grouped into key themes which included the environment, housing, traffic and transport, flood risk, service and community infrastructure, viability and heritage.

Environment

6.10. The Summary document states that one of the most commonly raised area of concerns in relation to environment were the potential impacts upon biodiversity in the area, including losses and degradation of local wildlife and their habitats. Some responses requested for development to be located elsewhere to avoid impacts on the Harbour, and there were concerns that human development would have a more significant impact on the environment than referenced in the consultation document.

6.11. The Hampshire and Isle of Wight Wildlife Trust suggested that the site would be better suited as a sanctuary site for coastal birds, and further enhancements and sensitive management at the site could improve its function and capacity both as a feeding resource and a high tide roost site.

6.12. The Environment Agency (EA) however welcomed the commitment to achieve environmental net gain from any future development, and encouraged early engagement with the EA, Natural England and other groups to develop an effective programme of coastal migration and/or compensation.

6.13. Beyond biodiversity, the PCC Summary states that some respondents were concerned about health impacts to people due to proximity of any development to contaminated land, as well as poor ground conditions more general, stating:

- Pollution is a key issue that the Council needs to consider;
- Development could create new opportunities for polluting the environment in the future such as litter polluting the harbour;
- Land remediation should be integrated as part of any flood defences and protection works; and
- Need to consider the issue of contamination from unexploded ordnance (UXO) from former military use of the land and explosive remnants of war from WW2.

6.14. The Summary also states that the EA's primary concerns regarding land contamination would be the impact on the underlying chalk principal aquifer, and any impacts to shallow groundwater which may impact water quality in the Special Area of Conservation (SAC). Development would therefore need to ensure that no contamination is mobilised into the chalk aquifer, for example as a result of inappropriate piling through areas with contaminated leachate into chalk.

6.15. Finally the responses wished to see sustainable construction practices incorporated into proposals, with the development supporting climate change mitigation through the promotion of low utility usage, installation of solar panels and the consideration of more innovative technologies.

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Housing

6.16. According to the Council's Summary of responses it appears more concerns raised around housing related to the delivery of what were considered as 'unrealistic' housing needs proposed by Central Government. Overall the comments relating to housing appeared to be related to the overall emerging Local Plan housing figures, rather than site-specific concerns.

Traffic and Transport

6.17. The PCC Summary states that Transport was a commonly raised topic within the consultation responses, and the highlighted issues included:

- Impacts (increased congestion) on traffic in and out of the area including added pressure on the M275;
- Disruption to local traffic from plant vehicles;
- Disrupting the traffic network of the wider city;
- The need for more buses and
- The need to ensure that this would be a cycle-friendly development.

6.18. Additionally the document states that transport related suggestions included:

- Extend the Park & Ride to be able to cope with additional pressures. Or a new Park & Ride to exclusively serve the Naval Base for 1,000 vehicles;
- Enhance the shoreline as a walking and cycling route connecting key areas;
- Proposed bridge will only be successful if public transportation is enhanced so that residents will be less car dependent. Options should be planned for to avoid worsening congestion; and
- Permitted parking for residents only on the site

Flood Risk

6.19. The PCC Summary states that there were concerns raised within the responses about rising sea levels and how these might relate to the development, as well as how drainage will be handled and the need for flood defences.

6.20. The EA welcomed the early consideration of flood risk, particularly the need to raise land, which will provide the most robust form of defence against sea flooding. The EA's comments note that improvements to flood risk management infrastructure are likely to be required from the outset, with consideration given to the most up to date sea level rise predictions in planning for future risk.

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Service and Community Infrastructure

- 6.21. Within the responses, comments were raised about the anticipated increased pressures on the existing infrastructure and services in the area, including healthcare, education and emergency services. Therefore provision of these within the development will be necessary, along with provision of shops, employment, sport and leisure for the additional population. According to the PCC Summary one of the responses sought to see relocation of the Harbour School to a site supporting positive mental health, with “*green space and sky*” (Page 14).
- 6.22. The Council's initial response to the question of Issues and Challenges stated: “*Generally speaking, the comments received in response to the description of Issues and Challenges are broadly accepted, in that the sites are subject to a range of issues and challenges which have prevented other development proposals from coming forward and continue to be relevant for the future of the site and any further plans for development here. The points raised here will be considered further as the proposals for the site are developed further. Any proposals for the future of these sites will need to pass the test of deliverability*” (Pages 15-16).

Consultation Question 3: Do you agree with the proposed vision for the Tipner Strategic Development Area?

- 6.23. The PCC Summary confirms that there were 55 responses to this question, 24 of which supported the proposed vision. Those in support highlighted the potential delivery of much needed houses and/or the need to address the existing poor state of the area. Others also noted the importance of building or increasing landmass in a well-connected and previously developed area, rather than building on greenfield sites.
- 6.24. The remaining responses to this question either objected to the vision or were more mixed, with concerns regarding environmental impact of the proposals being raised along with concerns about overdevelopment.
- 6.25. The PCC Summary notes that some of the responses stated there was a lack of creativity included within the vision, and stated that the area should be ‘special’ rather than similar to surrounding development. Similarly one respondent recognised that the area could have a strong identity as a green village and carbon neutral exemplar development, utilising features such as solar panels, district heating and utilising sea power, plus a focus on waste recycling and the potential to create energy from residual wastes.
- 6.26. As with the site description some respondents requested for the heritage assets to be better articulated and enumerated in the vision, and some of the respondents requested for further explanation of the listed structures and non-designated heritage assets to be included.
- 6.27. According to the PCC Summary, the respondents in opposition to the vision raised concerns about the emphasis on housing and the subsequent impacts on traffic within the city, and stated that the development does not represent sustainable development. There were also respondents opposed to development on contaminated land and on Horsea Island.

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6.28. Generally in the responses there was a desire for other uses, beyond just housing at the site, and alternative examples included marine employment, a replacement firing range, watersports facilities, and employment and leisure.

6.29. The final comments relating to the vision focused on Transport, and the PCC document provides the following summary of these responses:

- Residents are unlikely to give-up their cars unless Portsmouth has a much more reliable and functional public transport system;
- Difficult to imagine a greater focus on walking and cycling given the proximity of the development area and Tipner East to the motorway;
- It is a 'dead-end site', like Gunwharf Quays, so traffic/parking management will be essential to the success of the development;
- The location has potential: well located for access in and out of the city; and
- Bridge to Horsea Island could become a 'rat run'.

6.30. The Council's initial response to the second consultation response stated: "*Some comments were received relating to the Super Peninsular concept, but it is worth confirming the vision does not specifically relate to reclamation – more to a set of principles for the future of the sites.*"

It is recognised that the potential need for marine and maritime employment at a suitable location, integrated with residential development requires further development and was not fully justified at this point in the supporting information and further work is needed to test this.

Regarding biodiversity comments, it is acknowledged that the consultation document could have explained all biodiversity issues in a little more detail, though it is not considered the issue was "underplayed" in any way or that the responses were less well informed as a result. It is recognised that all biodiversity issues, including the full range of habitats and species will need to be taken into account when considering the future of the sites" Page 9

Consultation Question 4: What do you think of the Super Peninsular concept? What do you think of the potential advantages and impacts as described in the consultation document?

6.31. The Summary document from PCC confirms that 16 of the 52 respondents to this question supported the Super Peninsular proposal, with some stating that it could be an exciting development, with the potential benefits of increasing housing, jobs and retail provision. Within the comments it was recognised that Portsmouth has a history of successfully developing reclaimed land, and that the proposed larger land area would make the development more viable overall with the benefits of the prospect of an attractive waterfront. Overall these comments were supportive of the Super Peninsular if the following could be addressed:

- Financial feasibility
- Offsetting the likely environmental damage by appropriate mitigation and compensation;
- Environmental, historical, natural and economic issues;
- Modelling of hydrodynamic implications;

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- Infrastructure in place to support the plans;
 - All aspects of design and other aesthetic concerns; and
 - Consideration is given to the material used for landfilling.
- 6.32. Seven other comments felt the concept for the Super Peninsular needed to be more ambitious or consider alternative proposals for the area, for example looking for landmark buildings, or a network of canals with more waterfront access. Within the comments contained within the PCC Summary it appears there is ambitious to create a visually impressive development, perhaps which gains global recognition, as this will attract people (and wealth) into the City.
- 6.33. According to the PCC Summary Report the main objections to the proposal for land reclamation related to the potential environmental implications given the sensitive and high value setting of the proposal, as well as the impacts of additional housing on the site. Some respondents recommended that the Council should look to be delivering its housing allocation in a less environmentally damaging location, with others noting that the proposed location was not a sustainable location for development.
- 6.34. Within the Summary Report it is noted that Natural England objects to the Super Peninsular proposal as a result of the impacts on the Special Protection Area (SPA). Within the consultation responses Natural England explains the 'test' that the Super Peninsular proposals would need to address for this option to progress, including the Derogation Test involving confirmation that there are no feasible alternatives and the proposal must be carried out for imperative reasons of overriding public interest; and the Alternatives Test whereby the competent authority must be able to demonstrate objectively the absence of feasible alternative solutions to achieve the objectives of the proposal.
- 6.35. The Council's initial response in relation to Question 4 states: *"Overall comments were mixed regarding the Super Peninsular concept. Some saw the potential advantages of land reclamation as a way of meeting the city's needs and noted the previous reclamation which has been carried out.*

However, the significant objections received from environmental groups and Natural England are recognised. The Council accepts that it needs to demonstrate the clear justification for any land reclamation. Whilst this work has been underway for some time, there remains further work in order to come to a conclusion on the issues raised as to whether to further promote or dismiss this option. The advice from Natural England regarding the derogation test and the alternatives test is understood. The Council always anticipated that development of the sites would be difficult and that delivery of super peninsular concept would be subject to the most rigorous testing and requirements for justification. Nonetheless it should be recognised that the Super Peninsular Concept has emerged as a significant option to be considered in the Council's requirements to maximise the potential for development within the City to meet its own needs, but any development at this scale and location would need to meet the stringent legal and environmental requirements. At present it is considered that technical work on the potential of the sites should continue, with further consideration and evaluation of options before an appropriate approach to Tipner and Horsea is set out in the Draft Plan.

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Some of the comment received to the Super Peninsular concept (i.e. layout of specific uses) are too detailed to be fully addressed at this time. However others address fundamental issues regarding the appropriateness and deliverability of the super peninsular concept which will be further explored as the concept is examined up to the Draft Plan.” (Pages 21-22)

Consultation Question 5: Do you have any comment on the Strategy Plan at this stage?

6.36. According to the Council's Summary of the consultation response, all of the answers to this question either raised matters that had already been raised within previous questions, related to matters within the wider Portsmouth area, or related to details contained within the consultation diagram (e.g. 'The plan does not show the recently constructed lorry park' or 'The plan does not show clearly where the new road will be'). The Council's initial response to this question recognises that most of the points have already been addressed, but also states:

“There is no intention to block Tipner Lane.

The diagram shows an indicative bridge link across to Horsea and a public transport corridor on through Horsea Country Park.

The super peninsular concept does not currently include reclamation of land to the north of Tipner West in area “B” shown on the Strategy Plan. This should be made clear in future publications going forward” (Page 25)

Consultation Question 6: Tell us what you think of the summary of issues to be considered. Have we missed anything? Would you describe anything differently?

6.37. The PCC Summary document has grouped the 44 responses to this question into key themes. The first of which is land reclamation. It appears the majority of responses sought further information about the land reclamation aspects of the proposals, including the likely impacts of the proposals on sea flows/currents, flood defence requirements, the existing shoreline in locations such as Portchester, and the hydrodynamics of the river. Alternative uses which avoided land reclamation were given within the responses, and included developing the site for open space to encourage well-being and wildlife.

6.38. With regard to Traffic and Transport the PCC Summary report states that many concerns raised included but were not limited to:

- Even if the new development is walkable and well linked to the city, a lot of people commute out of Portsmouth for work and will have to drive;
- Situation will be exacerbated by increased traffic using the junction of the M275; more consideration towards how this will impact the flow of traffic in and out of the city during busy periods;
- Needs an integrated transport strategy with links for cycles/pedestrians into Portsmouth;
- The park and rise is too small and located too close to the city centre;
- A cheaper bridge design, supporting pedestrians and cycles only, might deliver benefits sooner and reduce traffic volumes entering Port Solent from neighbourhoods such as Tipner;
- Further investigation of the bridge link will be essential to determining the capacity;

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- More information on how residents and business parking will be managed; and
 - More detail needed on transport proposals overall.
- 6.39. As with other questions the consultation responses noted there was a lack of information about Heritage, and that a lack of a separate heritage section within the consultation was seen as a 'massive oversight' in a harbour with as much history as Portsmouth. According to the Council's Summary document there were requests for a formal Heritage Impact Assessment to be included if the plans are to be taken forward.
- 6.40. The Council's initial response on this question stated: *"The comments raised here are largely concerned with requests for additional information and recognition of certain issues. Broadly speaking, these comments are accepted. It is envisaged that as work on the Tipner project continues, additional detail and clarity on proposals will be made available for the public and others to comment upon in due course. In the meantime, the comments here will be reflected upon and will inform the project as it progresses"* (Page 29).

Consultation Question 7: Do you have any other comments at this stage?

- 6.41. It appears from the PCC Summary document that most if not all of the consultation comments within this section had been previously raised in response to other consultation questions. John Pounds, the landowner within some of the consultation area, held no objection in principle to the development of the Tipner Super Peninsular subject to sufficient highway capacity being retained to allow for future development of his land (Area B within the consultation diagram).
- 6.42. Also in answer to this question Gosport Borough Council (GBC) stated support for the aims of the Tipner Strategic Development Area in providing new homes and employment floorspace, which will help meet local and sub-regional need. Within GBC's response there was particular support for marine and maritime employment space and deep-water access to Portsmouth Harbour, which will strengthen the Harbour's position as an area of marine excellence. However, GBC raised concerns about the environmental impacts of the proposals and the uncertainty over the deliverability of the scheme as a result of the impacts on the SPA and the costs associated with both land reclamation and the likely compensation/mitigation requirements. GBC concluded by stating that Statements of Common Ground with other Partnership for Urban South Hampshire (PUSH) authorities should consider one option which include the Super Peninsular project and one that does not, to ensure that other options are considered for potential housing delivery in the sub-region.
- 6.43. The Council's initial response to this last question in the consultation stated: *"Many of the comments raised concern around environmental and ecological impacts which will require careful consideration and further work before an appropriate way forward on the sites can be finalised."*

Some other comments concern issues which are too detailed to be addressed at this time but will feed into the consideration of options and opportunities as work progresses.

The comments on behalf of landowner John Pound are noted. The Council is undertaking ongoing discussions and negotiations with John Pounds and other landowners in both Tipner West and Tipner East which will inform the final development strategy. Regarding specific points –

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It is confirmed there are no current proposals to reclaim land identified to the west of the proposed new road within Area B which adjoins a working quay, and this will be made clear in further work.

Further technical work on the capacity of the M275 junction is currently being undertaken. This will inform further consideration of how access to that junction will be managed, and the extent to which it might constrain development” (Page 36).

7. Tipner and Horsea Consultation 2019: The Masterplan

- 7.1. This section will firstly summarise the comments received to the 2019 consultation document titled 'The Future of Tipner and Horsea' before looking at how these responses have informed the progression of the masterplan, which has also sought to ensure concerns raised will be overcome within the final proposals for the site.

Key Issues

Environment

- 7.2. Throughout all of the consultation responses it appears a key area of concern related to the potential environmental impacts of the development. The site is located at Portsmouth Harbour which is afforded a number of national and international nature designations including a Special Area of Conservation (SAC), a Ramsar site, and a Site of Special Scientific Interest (SSSI), and people are concerned that the proposals, particularly those relating to land reclamation, will have significant and adverse impacts on the environmental features of the area. For some consultation responses this concern was significant enough to object to the entire proposal, whereas others noted the general principle of development in the area was supported, but that the environmental impacts would require further justification.
- 7.3. Natural England (NE) held an objection to the proposals on the basis of this environmental impact on Portsmouth Harbour. The NE consultation, as set out within the Portsmouth City Council (PCC) Summary of Responses (July 2019), provided information on the tests that would be required to support proposals in the area, including confirmation of reasons of overriding public interest and lack of alternatives. At the time of the consultation NE stated that it appeared difficult for the proposals to pass these tests, and therefore unlikely that a development at the site could be supported by NE as a result, however it is understood this was due to limited information being made available as part of the consultation by PCC.

Traffic/Transport and Infrastructure

- 7.4. The consultation noted that currently the site is underdeveloped and there are not many uses within either Tipner or Horsea Island. It is understandable, therefore, that many of the comments related to the anticipated impacts from an intensification of uses at the site. These largely related to the impacts on the local transport network, particularly the M275 junction, and the social/community infrastructure in the area.
- 7.5. Although it appeared, from the PCC Summary document, that the concept of a low-car or car-free development was proposed within the consultation document, many responses were not clear on how this would be delivered. There were questions raised regarding parking management, access to businesses and homes, and the design of the proposals. Many times comments stated that a development with car-free aspirations would not be successful until the wider public transport network within Portsmouth was addressed.

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- 7.6. Beyond this, however, a few responses appeared unconvinced that the concept would be delivered, noting that currently lots of people commute out of Portsmouth for work, and therefore many residents of the new scheme would still rely on the car for similar journeys.
- 7.7. With regards to the proposed bridge link to Horsea Island there appeared to be general support for this within the comments, although some noted that a different design which would only allow pedestrians or cycles would be cheaper and therefore could be delivered earlier within the proposals, providing benefits early on.
- 7.8. Largely the concerns raised regarding traffic and transport were looking for more information and more confirmation of the anticipate effects of the development.
- 7.9. Similarly more information was requested in relation to the infrastructure that will be provided within the development. The consultation document provided a high level vision and concept diagram for the proposals, but did not detail the exact uses that would be included within the development. Therefore, according to the PCC Summary document, concerns were raised that the increased population in this area would place greater pressure on social infrastructure close to the site, including healthcare and education facilities.

Housing

- 7.10. The PCC Summary of comments set out that there were main concerns relating to the housing numbers included within the consultation, some of which were focussed on the wider Portsmouth figures, and some of which related directly to the site.
- 7.11. The comments which related to the wider area stated that the number set out within the Government's standard methodology was too high for Portsmouth, particularly when it is taking into consideration as an island which has a number of environmental constraints. Some of the responses requested for PCC to make a strong argument to the Government to object to the standard methodology figure and instead develop a locally assessed housing need number.
- 7.12. The site specific comments stated that the proposals would be overdevelopment of the site. However, these concerns were more borne out of the impacts of the population increase on the local infrastructure network (both social and traffic/transport).
- 7.13. Other comments within this key theme were supportive of the site for residential development. It was recognised that the site is previously developed but underutilised, and therefore it would be preferable to develop this site compared to greenfield sites.
- 7.14. There was also support within the consultation responses for a development which could be focussed on sustainability, with elements to reduce carbon reliance, such as car-free homes, use of renewable energy, walkable neighbourhoods and waste recycling schemes.

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- 7.15. Within the PCC Summary documents some comments also looked for an exemplar development in this gateway location of the city. They recognised the significant scale of the proposals, with recommendations that they should be even more ambitious, akin to the developments seen within Dubai, and therefore could encourage global investment and interest.

Employment and Other Uses

- 7.16. Within the PCC Summary document it was apparent that many of the consultation responses believed too much emphasis was given to the development of housing at the site, without enough recognition of the other uses that could or should be provided at the site.
- 7.17. The comments which referred to the delivery of specific marine employment uses at the site were largely in support, for example Gosport Borough Council, which noted that the development could strengthen the harbour's position as an area of marine excellence.
- 7.18. Many of the comments requested for leisure and sport facilities to be considered at the site, along with open space. The consultation document did not confirm what facilities would be included within the proposals, and therefore there appeared to be a number of comments concerned that the site would be fully residential without any amenity, community or leisure spaces. There also were a few comments which noted that open spaces within Portsmouth more generally were in demand, and therefore this should be included at the site.

Heritage

- 7.19. The PCC Summary document set out that there were comments relating to heritage for each of the seven consultation questions, however these specifically related to the lack of detail about the existing heritage assets at the site. Moving forward the comments, including those from Historic England, asked for better consideration of the Listed buildings, archaeological potential, and historic background of the site to inform the masterplan.

The Masterplan

- 7.20. Evidence gathering for the project has been progressing since 2016 when a range of background planning, design, engineering, environmental and marine investigations were undertaken to understand the Site's opportunities and constraints. Throughout 2017 and 2018 discussions were held with statutory consultees, including Natural England and the Environment Agency, to discuss the environmental aspects of the proposals.
- 7.21. Further technical work and masterplanning was undertaken in 2019 following completion of the 'Future of Tipner and Horsea' consultation, ensuring that the comments raised could be used to inform the design proposals, and any concerns or constraints highlighted could be overcome.
- 7.22. In June 2019 the new vision for the masterplanning brief was proposed to the Council which sought future thinking on urbanism, with concepts including car-free/ pedestrian first development, and an urban form and design that incorporated features to foster health and well-being.

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- 7.23. The Masterplan has responded to the key concerns and matters raised within both the 2017 and 2019 consultations undertaken by PCC, which largely can be incorporated into the main key themes.

Environment

- 7.24. As noted the site is located in Portsmouth Harbour which has national and international nature designations. Engagement with Natural England (NE) has been ongoing since 2017/2018, which has included detailed technical guidance on the metrics to be used in establishing the evidence base for the required assessment tests included within the Appropriate Assessment (AA). Discussions with NE throughout this time have been positive, and it is understood that NE only objected to the proposals during the 2019 Tipner and Horsea consultation due to the fact that none of the evidence base that was being prepared in coordination with NE was yet within the public domain.
- 7.25. Alongside the AA, the proposals will also be subject to Environmental Impact Assessment, to rigorously assess the elements and potential impacts of the proposal. These two assessments will compare the proposals against a range of scenarios, including a 'do nothing' scenario which would see no development at the site.
- 7.26. Throughout the Masterplanning process the sensitive nature of the site and its surrounding area has been both recognised and highlighted. Land reclamation is necessary for the proposal as, amongst other things, it allows for the best waterfront access for the proposed marine employment, and it allows a sufficient land mass to create a sustainable development with a strong element of self-containment. The implications of land reclamation are, however, being carefully assessed to ensure that the mitigation and compensation measures delivered alongside the development are proportionate and acceptable.
- 7.27. Environmental concerns within the 2019 consultation also related to the impacts of Flood Risk both on the future residents of the proposed development, and existing residents in the area following completion of the proposals. The Environment Agency online 'Flood Map for Planning' indicates that parts of the site are at risk from coastal/tidal flooding. It is therefore imperative for the proposals to ensure the development is safe for its lifetime, and does not increase the risk of flooding elsewhere, which is a requirement of both local and national planning policy. Within the current masterplan there is provision for flood defences within the highest risk areas of the site, as well as inclusion of raised levels to prevent flooding.
- 7.28. As a result of the significant work being undertaken in relation to all aspects of the environment at the site, including the flood risk modelling, the ongoing discussions with Natural England and other bodies, and the compensation and mitigation measures proposed, it is believed that the environmental concerns raised within the 2019 consultation will be able to be suitably addressed to enable the Project Objectives to be met.

Housing and Mixed Uses

- 7.29. Throughout the 2019 consultation responses there were concerns raised regarding the uses at the site, both in relation to the number of dwellings proposed and the lack of other uses which would be beneficial to support the development and for the growth of the wider city.

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- 7.30. The current masterplan proposals include the following uses:
- A new bridge connecting Tipner West and Horsea Island East;
 - Provision of a marine employment hub of around 9-10ha incorporating 58,000sqm of marine employment space with open yard space and a boat lifting facility for 600-700 tonnes and tide access;
 - Delivery of around 3,500 new homes (approximately 55% apartments and 45% houses) including affordable homes;
 - Provision for circa 350 senior living apartments/ houses;
 - Provision for circa 350 Private Rental Sector (PRS) apartments/ houses;
 - Provision of an additional 100,000-1200,000 sqft general commercial office floorspace;
 - Provision of 30,000 sqft retail/Food & Beverage provision, including a supermarket of 10,000-15,000 sqft;
 - Inclusion of 2FE Primary School within the first phase;
 - 1,000-2,000 sqm of healthcare and community provision;
 - A nursery of circa 250sqm;
 - 1.6-2.0ha of open space per 1,000 population
 - A transport hub of approximately 2,000sqm;
 - Parking provision for 0.3-0.5 parking spaces per dwelling with a centralised provision close to motorway access; and
 - Utilities
- 7.31. The site has been identified as the only remaining/undeveloped location within the Solent which can support the development of a new marine employment hub, which is required to support local, sub-regional and national demand, and to ensure continued growth of the marine and maritime industries in the Solent. The marine employment hub will therefore form a significant focus for the development, but this will be supported by approximately 3,500 dwellings, with a mix of market and affordable units.
- 7.32. The level of housing provision has been developed through the needs within Portsmouth, derived from the Government's standard methodology, and the required housing to support the employees of the marine and maritime industries.
- 7.33. These homes will assist in meeting the housing needs of the marine employment employees, Portsmouth households earning £15,000-£30,000 which currently have an unmet demand for dwellings within Portsmouth, and the aspirational households which evidence demonstrates are leaving the city to find housing within neighbouring authorities.
- 7.34. Alongside these uses there will be a full collection of supporting uses such as education, healthcare, open space, and wider employment opportunities beyond the marine employment provision. There will also be retail facilities, including a supermarket, alongside other food and beverage uses. Overall these uses will create a sustainable community which will enable high levels of self-containment such that future residents will not be required to travel to other parts of the city for day-to-day or week-to-week needs. These uses will also ensure there is no greater demand on existing facilities within the area, particularly healthcare and education facilities which may not have capacity to expand and support the future population.

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- 7.35. One of the consultation comments stated Tipner should be “Portsmouth’s answer to Poundbury” (page 32) and this is a similar aspiration to the levels of self-containment desired for the Tipner development, which are currently aiming for 40-60%.
- 7.36. Overall the proposals demonstrate a number of different uses, alongside the marine employment and housing, for Tipner West and Horsea Island East, in turn overcoming the concerns raised within the 2019 consultation.

Traffic and Transport

- 7.37. The aspiration for 40-60% self-containment within the proposals will not only assist in the creation of a sustainable development, but will reduce the impacts of the proposal on the local transport network.
- 7.38. As stated the objective is to achieve a car-free environment and a pedestrian first development, which will strongly support high levels of self-containment if residents are able to walk to their place of work from their home, both of which will be within the site for many.
- 7.39. There are currently very high levels of commuting in Portsmouth, and many consultation responses noted that this was already having a significant impact on journey times. Through the provision of new employment floorspace (both marine and general commercial), as well as dwellings specifically designed to meet the demands currently identifiable within the city, the amount of commuting into or out of the development will be significantly lower than a similar development without the same levels of self-sufficiency or focus on car-free living and putting the pedestrian first. For residents with cars there will be provision of up to 0.3 parking spaces per dwelling overall, and a centralised parking location close to the motorway, to ensure the development ensures high levels of accessibility.

Heritage

- 7.40. The layout of the development has been founded on the historic forts and characteristics of these that are so prevalent around Portsmouth and Portsmouth Harbour. The listed magazine stores will be retained and brought back into use, safeguarded for the future. It is not proposed to lose the D-Day slipways but to celebrate these and the heritage of the site, including through its proposed new name – Lennox Point, named after Charles Lennox, Master General of the Board of Ordnance, who originally developed the site for the Naval stores. Further reference to the historical context will be integrated into the detailed design and forthcoming heritage and public art strategies as the proposals progress.
- 7.41. Overall the comments to the 2019 consultation on the Future of Tipner and Horsea have been useful to provide a fuller overall understanding of the existing site constraints, the concerns relating to the future proposals, and the aspirations of local groups and members of the public. These have been used to continue to inform the masterplan, and the revised vision following this consultation exercise. One of the key objectives for the site is to develop marine employment alongside supporting housing and infrastructure to deliver a sustainable community with high levels of self-containment (40-60%). This will seek to address many of the concerns raised within the consultation, particularly around the provision of infrastructure and facilities within the site, and the impact of the new population on the local transport network.

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- 7.42. Within the comments from the 2019 consultation there were a number of responses which sought highly aspirational and creative visions for the area, and this is another aim of the proposal. The development of Tipner West and Horsea Island will assist with the city's growth aspirations by focussing on the sectoral strengths and maritime heritage of the area within an ambitious development which will be a key gateway into the city.
- 7.43. With regard to the site's environmental importance, the proposals will need to abide by stringent regulations and there is a strong aim for environmental net gain as part of the proposals.

8. Conclusion

- 8.1. Portsmouth City Council (PCC) is currently undertaking the preparation of a new Local Plan which will replace the existing, adopted Development Plan Documents including the Portsmouth Plan, adopted in 2012, the Area Actions Plans for Somerstown and Southsea Town Centre, adopted in 2012 and 2007 respectively, and saved policies from the Portsmouth City Local Plan, adopted in 2006.
- 8.2. In 2017 an Issues and Options Regulation 18 consultation was undertaken which posed a number of specific questions regarding the future vision and objectives of the city, including key areas of growth. Tipner West, Horsea Island East and Port Solent were identified as key strategic development locations within the emerging Plan.
- 8.3. Over 220 responses to the consultation are available on the PCC website, and this Report has sought to analyse those responses which were relevant to or directly commented on the proposed Strategic Allocations of Tipner West, Horsea Island East, and Port Solent.
- 8.4. Overall a small number of key themes could be seen within the responses. These were:
- Sustainability – including economic, environmental and social aspects;
 - Human health and wellbeing;
 - Housing – specifically the requirement to provide the right homes to suit Portsmouth's housing needs;
 - Highways and Parking;
 - Infrastructure delivery;
 - Economic Growth – particularly in relation to marine employment growth and skills development.
- 8.5. The consultation was undertaken in 2017, and although the opportunity for a strategic development at the site had been identified for a number of years, this was still within the very early stages of concept and masterplan development. Therefore, understandably, there were comments raised within the consultation regarding the provision of both transport and community infrastructure at the site.
- 8.6. In 2019 a second Regulation 18 consultation was undertaken with a specific focus on the future development of Tipner West and Horsea Island East. Similarly within this consultation comments were raised regarding the provision of transport and community infrastructure at the site, and particularly the impact of this housing growth on the existing facilities within the local area.
- 8.7. The responses to the 2019 consultation also included discussion on the environmental impacts of the proposal, which were seen as a key constraint to development of the site.

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- 8.8. Since the consultations were undertaken significant work has been undertaken to: understand the specific needs of Portsmouth, including housing needs, employment needs, and skill development needs; commence the work required for the shadow Appropriate Assessment and sequential process required by the Habitats Regulations Assessment (HRA); and progress the key Design Principles for the Masterplan which are set out below.
1. Pedestrian first
 2. Healthy communities
 3. Closer to nature
 4. Climate responsive
 5. Beacon of innovation
- 8.9. The aspiration for a high level of self-containment within the development, of approximately 40-60%, will assist in reducing the need for vehicular travel into or out of the development site, reducing the reliance on existing facilities within the nearby area, and reducing the impact on the local transport network.
- 8.10. The aspiration for a creative gateway development was also apparent within the responses to the 2019 consultation, and this, along with other ideas contained within public consultation to date, have been used through the preparation of the Masterplan and vision for the site.
- 8.11. The development of the Design Principles, as well as the work undertaken to date, and that which will continue to be progressed throughout the next stages of the emerging Local Plan and the Masterplanning development, have all been informed by the key issues raised within the 2017 and 2019 consultations.

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Appendix 1 Premier Marinas 2017 Consultation Response (Ref: 308)

#7

COMPLETE

Collector: Web Link 1 (Web Link)
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Page 1: About you

Q1 What is your first name?

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Q2 What is your last name?

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Q3 Postal Address

[REDACTED]

Q4 Email Address - please provide a valid email address so that we can keep you updated on future consultations on the Local Plan. If you don't have an email address we will write to you at the postal address provided.

[REDACTED]

Q5 Organisation (if applicable)

CBRE Ltd.

Q6 If you are acting on someone else's' behalf please add your name, address and organisation name here

On behalf of Premier Marinas Limited and CBRE Global Investors (on behalf of USF Nominees Ltd) - data input by PCC from onlien response

Q7 Gender

[REDACTED]

Q8 How old are you?

Q9 Do you have a disability?

Q10 Ethnicity – to which of these groups do you belong?



Q11 We keep a list of individuals and organisations to keep informed as we prepare the new Local Plan. Please use the dropdown menu below to state if you want to be included on the list.

Yes

Page 2: Vision and Objectives

Q12 1. Do you agree with the Vision and Objectives (Yes/No)? If no, how should they be changed?

Respondent skipped this question

Page 3: Issues - Housing, Regeneration, Retail and the City Centre

Q13 2. Do you agree with the description of housing issues? If no, what other issues are there to consider?

Respondent skipped this question

Q14 3. What housing options do you think the council should follow in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q15 4. Do you agree with the description of issues regarding regeneration and the local economy? What other issues are there to consider?

Respondent skipped this question

Q16 5. What regeneration and local economy options do you think the council should follow in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q17 6. Do you agree with the description of issues regarding retail and the city centre? What other issues are there to consider?

Respondent skipped this question

Q18 7. What retail and city centre options do you think the council should follow in the new local Plan? Are there any other options we should be considering?

Respondent skipped this question

Page 4: Tourism, Health and Open Space, Heritage, Design and the Built Environment, Tall Buildings

Q19 8. Do you agree with the description of tourism and cultural issues? What other issues are there to consider?

Respondent skipped this question

Q20 9. Do you agree with the proposed preferred option for tourism and culture in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q21 10. Do you agree with the description of issues regarding health, wellbeing and open space? What other issues are there to consider?

Respondent skipped this question

Q22 11. What options do you think the council should follow for health, wellbeing and open space in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q23 12. Do you agree with the description of issues regarding heritage, design and the built environment? What other issues are there to consider?

Respondent skipped this question

Q24 13. What options regarding heritage, design and the built environment do you think the council should follow in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q25 14. Do you agree with the description of issues regarding tall buildings? What other issues are there to consider?

Respondent skipped this question

Q26 15. What options regarding tall buildings do you think the council should follow in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Page 5: Natural Environment, Transport, other issues and other identified work

Q27 16. Do you agree with the description of natural environment issues? What other issues are there to consider?

Respondent skipped this question

Q28 17. Do you agree with the proposed preferred option for the natural environment issues for the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q29 18. Do you agree with the description of issues regarding transport? What other issues are there to consider?

Respondent skipped this question

Q30 19. What transport options do you think the council should follow in the new Local Plan? Are there any other options we should be considering?

Respondent skipped this question

Q31 20. Do you agree with the description of other planning issues? What additional issues are there to consider?

Respondent skipped this question

Q32 21. Regarding these planning issues, what options do you think the council should follow in the new Local Plan?

Respondent skipped this question

Q33 22. Have we identified all the technical work which needs to be done? What other plans, policies and programmes should be taken into account when preparing the new Local Plan?

Respondent skipped this question

Page 6: Development Requirements

Q34 23. What amount of housing do you think we should seek to deliver in this plan?

Respondent skipped this question

Q35 24. What amount of employment land do you think we should be seeking to deliver in this plan? What do you think is the correct approach to employment land?

Respondent skipped this question

Q36 25. Do you have any views on the need we have identified for new retail floorspace? Do you agree that Portsmouth City centre is the correct location for new retail floorspace?

Respondent skipped this question

Page 7: Strategic Sites

Q37 26. Do you agree that Tipner should remain a strategic site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?

Respondent skipped this question

Q38 27. Do you agree that Port Solent and Horsea Island should remain a strategic site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?

These representations are submitted on behalf of our joint clients, Premier Marinas Limited and CBRE Global Investors (CBREGI; on behalf of USF Nominees Ltd), with regard to their respective landholdings at Port Solent (see ownership plan in original email). Port Solent is currently subject to site-specific policy PCS2 in the adopted Portsmouth City Plan (2012) and establishes the allocation of Port Solent for 500 residential units, 3.4 ha marina related operations and the allocation of the Boardwalk as a "Local Centre".

The approach being progressed in the Portsmouth Local Plan Review 'Issues and Options' Consultation Draft is set out by Proposed Strategic Allocation 2, and is broadly in accordance with the existing PCS2 policy. We have set out the following responses in relation to this policy and other draft policy options below.

Site Description

Port Solent is located to the western side of Horsea Island, to the north of Portsmouth Harbour. The Port consists of an operational marina with a fully serviced boatyard and storage facilities, as well as a range of bars and restaurants, a cinema, health club and children's play area. Port Solent benefits from views across Portsmouth Harbour, including Portchester Castle.

Representations to the Portsmouth Local Plan Issues and Options Consultation 2017

The majority of comments relate to the site-specific policy allocation, however, insofar as the comments relate to topic-specific policies elsewhere in the plan, these have also been referenced below.

Specific Allocations

The identification of the Tipner sites for the delivery of dwellings, and Port Solent/Horsea Island for residential development and marine-related economy, as well as the existing Boardwalk and car park, should be considered as a single strategic site allocation as the Western Corridor, capable of delivering significant residential and economic development, including marine-related development.

The benefit of this approach is that it would allow the most appropriate uses to be located in the most appropriate strategic locations, taking into consideration suitable and compatible uses against the constraints of the Western Corridor in terms of flood risk, ecology and land contamination.

In any case, Port Solent has the capability of delivering at least 500 homes, and our clients are keen to progress this development within the strategic context and are working with a masterplanning team to explore design options. Furthermore, it is critical that the marine economy is able to be supported through a broad range of other ancillary uses including wider employment offer, tourism and leisure, in order to recognise the changing role of marinas and the need for economic viability to fund necessary infrastructure investment.

Residential Development

Port Solent, as part of a strategic allocation, is capable of delivering at least 500 homes. The previous plan-making process demonstrated that a number of the issues referenced, i.e. contamination and infrastructure, have since been overcome and are not considered to be barriers or constraints to achieving residential development.

Portsmouth's Objectively Assessed Need is set out at 740 dwellings per annum (17,020 across the plan period). There is currently identified capacity for 14,560 dwellings, which would result in a shortfall against meeting this need. Furthermore, DCLG's recently published housing need methodology consultation (September 2017), indicates that applying the proposed formula for Portsmouth would result in an increase of Objectively Assessed Need to 835 dwellings per annum, equating to a total figure of 19,205 dwellings. Accordingly, the pressure to deliver urban brownfield sites will be significant, as well as the ability to facilitate early delivery. The role of housing delivery at Port Solent can act as not only a significant boost to housing supply in Portsmouth, within years 1-5 of the plan period, but also act as a catalyst for regeneration and wider growth for the Western Corridor. The plan area faces a number of challenges relating to deliverability, and therefore the opportunity should be taken to ensure that Port Solent is able to come forward without delay.

In relation to the above, and in line with the Government's Housing White Paper, brownfield sites in sustainable urban locations should be promoted and encouraged for the delivery of high density development. The allocation should specifically refer to Port Solent as being an appropriate location for tall buildings and high density development, in accordance with the need to deliver housing and the suitability of the character of the area.

Tourism and Leisure Development

The site allocation should also reference Port Solent as being a strategically located tourism and leisure destination. The marina and Boardwalk already act as key attractions for the visitor economy in the area, capable of further enhancements to secure the position and diversify the economic activity. Policy support should be given to visitor accommodation associated with this.

Retail Development

Whilst the Boardwalk is currently identified as a Local Centre, given the significant increase in housing supply on the Western Corridor and at Port Solent itself, as well as the unmet retail comparison floorspace requirements and the proposed inclusion of tourism and leisure uses explicitly as set out above, we consider that Port Solent should be identified as a District Centre. This will enable the growth of a supporting leisure and tourism role, as well as meeting the needs of future residents and employees in the area.

Given the status of Port Solent in consideration of other designated District Centres, it should clearly be allocated as such.

Employment Development

The existing adopted allocation specifically refers to '3.4ha marina related operations'. The Western Corridor is critical for the future of the marine industries in Portsmouth, and Premier Marina's role specifically within this is important in relation to not only marine-related employment and commercial activity, but also the knock-on effect this has to the visitor and tourism economy, in recognition of the increasingly wider scope of the attraction of leisure marinas.

The specific figure of 3.4ha, does not, in our view, need to be referenced within the policy. Wider strategic development, layout and the masterplanning process may reveal alternative ways to provide marine-related development on the Western Corridor, and, as such, a specific figure would not be appropriate in the context of the aspirations of the marine-related development. Should a sustainable and efficient scheme be brought forward which maximises innovation and improved layout, but does not specifically meet the 3.4ha figure in that specific location, it should not be constrained by a policy requirement which will not specifically ensure improvements and continued viability of a marine-led scheme.

Employment Policy

Local Plan Issues and Options 2017

Employment Policy

Sites which have no long-term employment development prospects should not be allocated for continued protection in line with NPPF paragraph 21. We recognise that there exists a strategic opportunity to deliver regeneration across sites in order to preserve and enhance employment as part of mixed-use schemes, and divert the best and viable uses to the most appropriate locations. In relation to our above comments, specific site area figures should be avoided in policy approaches as they do not take into account masterplanning and layout efficiencies, nor density and height.

Retail Policy

The existing designation of Boardwalk as a Local Centre will need to evolve, in order to enable continued development to support viability in line with increased residential population, tourism and leisure role and the wider regeneration of the whole Western Corridor. Therefore, as set out above, Port Solent should be a designated District Centre.

The approach to locate retail comparison floorspace in Portsmouth Town Centre relies on the wider regeneration strategy being realised, therefore, retail floorspace should be able to be located in other existing retail destinations, such as the Boardwalk, where such opportunities exist.

Linked to the above, the marine sector offers the potential to enhance the growing tourism and leisure sector in Portsmouth through increasing visitor appeal and economic function of the region. Therefore, there should be recognition of the role that Port Solent and marine sites can play in contributing towards these uses.

Tall Buildings

Tall buildings should be supported at key regeneration sites as part of ensuring efficient densities, quality design and the appropriate and efficient use of brownfield sites to deliver viable developments as part of a mix of uses. Port Solent has existing policy support for tall buildings which should be continued and enhanced through the emerging Local Plan.

Affordable Housing

In relation to Affordable Dwelling Options, we would propose support for AH1b which would ensure that any obligations are proportionate to each site, depending on specific need and viability to acknowledge locational and site-specific viability characteristics.

We support the council's regeneration aims and seek to assist in delivering sites to help realise this vision.

Transport

We support the provision of strategic transport schemes to deliver improved accessibility to Port Solent and support the rest of the Western Corridor through the plan.

Summary

In summary, Premier Marinas and CBRE Global Investors welcome the recognition of a wider strategic site allocation within the emerging Local Plan, which includes the Tipner sites, Port Solent/Horsea Island, as well as the existing Boardwalk and car park, as capable of delivering significant residential, tourism/leisure and economic development, including marina-related development.

Q39 28. Do you agree that St James Hospital and Langstone Campus should be a strategic site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?

Respondent skipped this question

Q40 29. Do you agree that Lakeside should remain a strategic site for development in the new Plan? Do you agree with the description of the site, the opportunity it presents and the issues to be addressed?

Respondent skipped this question

Page 8: Opportunity Areas

Q41 30. What do you think about the future of the city centre? What are the issues we need to address and what do you think the Plan should try to achieve?

Respondent skipped this question

Q42 31. What do you think about development in the Cosham area? Are there any specific sites we should consider or specific issues we need to address?

Respondent skipped this question

Q43 32. What do you think about development in the North End area? Are there any specific sites we should consider or specific issues we need to address?

Respondent skipped this question

Q44 33. What do you think about development in the Fratton area? Are there any specific sites we should consider or specific issues we need to address?

Respondent skipped this question

Q45 34. What do you think about development in the Somerstown area? Are there any specific sites we should consider or specific issues we need to address?

Respondent skipped this question

Q46 35. What do you think about the future of the seafront? What are the issues we need to address and what do you think the Plan should try to achieve?

Respondent skipped this question

Page 9: Other sites, areas and comments

Q47 36. Have we identified all the potential strategic sites and areas of opportunity? What others should we be looking at?

Respondent skipped this question

Q48 37. Do you have any other comments or suggestions on matters not covered by the consultation questions?

Respondent skipped this question

Page 10

Q49 38. Do you have any other comments regarding the other supporting documents?

Respondent skipped this question

Q50 39. Do you have any documents you wish to submit in support of your comments?

Respondent skipped this question

From: [REDACTED]
Sent: 28 September 2017 09:58
To: Planning Policy
Cc: Stoddart, Jonathan @ London HH; Everard, Charlotte @ London HH
Subject: Portsmouth Local Plan - Consultation Response
Attachments: lplan-issues-and-options-representation-form CBREGI and PM.pdf; PCC Local Plan Reg 18 Representations - CBRE for CBREGI and PM.pdf

Dear Sir/Madam,

Please see attached on behalf of Premier Marinas and CBRE Global Investors (for USF Nominees Ltd) in relation to Port Solent.

Please confirm receipt of the attached, and we look forward to hearing from you regarding future stages of the plan's progress.

A site location/ownership plan will follow later today.

Kind regards,

Phoebe

Phoebe Juggins | Senior Planner
Planning
CBRE Ltd

[REDACTED]

[REDACTED]



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<http://www.cbre.com/EN/Pages/legal/privacypolicy.aspx>

[REDACTED]

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**Portsmouth Planning
New Portsmouth Local Plan
Response form**



Please return by Thursday 28 September 2017

Tell us what you think

Ref:	For office use only
------	---------------------

We would like your comments on the Issues and Options consultation and supporting documents.

Please photocopy pages 2 and 3 of this form if you want to respond to multiple questions. This form is also available on the council's website. You may find it more convenient to complete the online questionnaire, which is on [the council's website](#). If you need any help or would like more information please call us on (023) 9243 7863 or email planningpolicy@portsmouthcc.gov.uk.

You do not have to answer all the questions.

Your details

Name:	N/A
Organisation (if applicable):	Premier Marinas Limited and CBRE Global Investors (on behalf of USF Nominees Ltd)
Full address:	c/o CBRE – see below
Email address:	
Telephone number:	

Your agent's details (if applicable)

Name:	Jonathan Stoddart
Organisation (if applicable):	CBRE Ltd.
Full address:	[Redacted]
Email address:	[Redacted]
Telephone number:	[Redacted]

If you have provided your email address we will use it for future consultations on the Local Plan. If you would prefer to be contacted by letter please tick the box:
We keep a list of individuals and organisations to keep informed as we prepare the new Local Plan. If you want to be included on that list please tick the box:

<input type="checkbox"/>
<input type="checkbox"/>

Your response to the Issues and Options document

Comment no.1

Which question are you answering?

4, 5 and 24 (Employment),
6, 7 and 25 (Retail)
8 and 9 (Tourism)
14 and 15 (Tall Buildings)
18 and 19 (Transport)
26, 27 (Tipner and Port Solent/Horsea Strategic Sites)

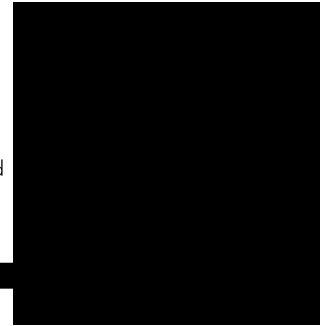
Answer

Please see accompanying letter.

How did you hear about this consultation?

Council notification.

Switchboard
Fax
Direct Line



Planning Policy
Cultural Services and City Development
Portsmouth City Council
Civic Offices
Guildhall Square
Portsmouth
PO1 2AU

27 September 2017

By Email

Dear Sir / Madam,

PORTSMOUTH LOCAL PLAN: ISSUES AND OPTIONS CONSULTATION 2017

These representations are submitted on behalf of our joint clients, Premier Marinas Limited and CBRE Global Investors (CBREGI; on behalf of USF Nominees Ltd), with regard to their respective landholdings at Port Solent (see attached ownership plan).

Port Solent is currently subject to site-specific policy PCS2 in the adopted Portsmouth City Plan (2012) and establishes the allocation of Port Solent for 500 residential units, 3.4 ha marina related operations and the allocation of the Boardwalk as a "Local Centre".

The approach being progressed in the Portsmouth Local Plan Review 'Issues and Options' Consultation Draft is set out by Proposed Strategic Allocation 2, and is broadly in accordance with the existing PCS2 policy. We have set out the following responses in relation to this policy and other draft policy options below.

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Port Solent is located to the western side of Horsea Island, to the north of Portsmouth Harbour. The Port consists of an operational marina with a fully serviced boatyard and storage facilities, as well as a range of bars and restaurants, a cinema, health club and children's play area. Port Solent benefits from views across Portsmouth Harbour, including Portchester Castle.

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In any case, Port Solent has the capability of delivering at least 500 homes, and our clients are keen to progress this development within the strategic context and are working with a masterplanning team to explore design options. Furthermore, it is critical that the marine economy is able to be supported through a broad range of other ancillary uses including wider employment offer, tourism and leisure, in order to recognise the changing role of marinas and the need for economic viability to fund necessary infrastructure investment.

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I trust that the above is helpful. I would be grateful if the Borough Council could confirm receipt of this letter and that the representations have been duly made. Please do not hesitate to contact me or my colleague Phoebe Juggins at the details above.

Yours faithfully

JONATHAN STODDART
SENIOR DIRECTOR – PLANNING

CBRE Limited for and on behalf of Premier Marinas Limited and CBRE Global Investors (for USF Nominees Ltd)

CC: Pete Bradshaw (Premier Marinas)
Ed Dale-Jones (CBRE Global Investors)

Piper, Kimberley

From: [REDACTED]
Sent: 28 September 2017 14:57
To: Planning Policy
Cc: Stoddart, Jonathan @ London HH; Juggins, Phoebe @ London HH
Subject: RE: Portsmouth Local Plan - Consultation Response
Attachments: Port Solent Site Location Plan.pdf

Dear Sir/Madam

Further to the below submission, please find our Site Location Plan attached.

Kind regards

Charlotte

From: Juggins, Phoebe @ London HH
Sent: 28 September 2017 09:58
To: 'planningpolicy@portsmouthcc.gov.uk' <planningpolicy@portsmouthcc.gov.uk>
Cc: Stoddart, Jonathan @ London HH [REDACTED]; Everard, Charlotte @ London HH
[REDACTED]

Dear Sir/Madam,

Please see attached on behalf of Premier Marinas and CBRE Global Investors (for USF Nominees Ltd) in relation to Port Solent.

Please confirm receipt of the attached, and we look forward to hearing from you regarding future stages of the plan's progress.

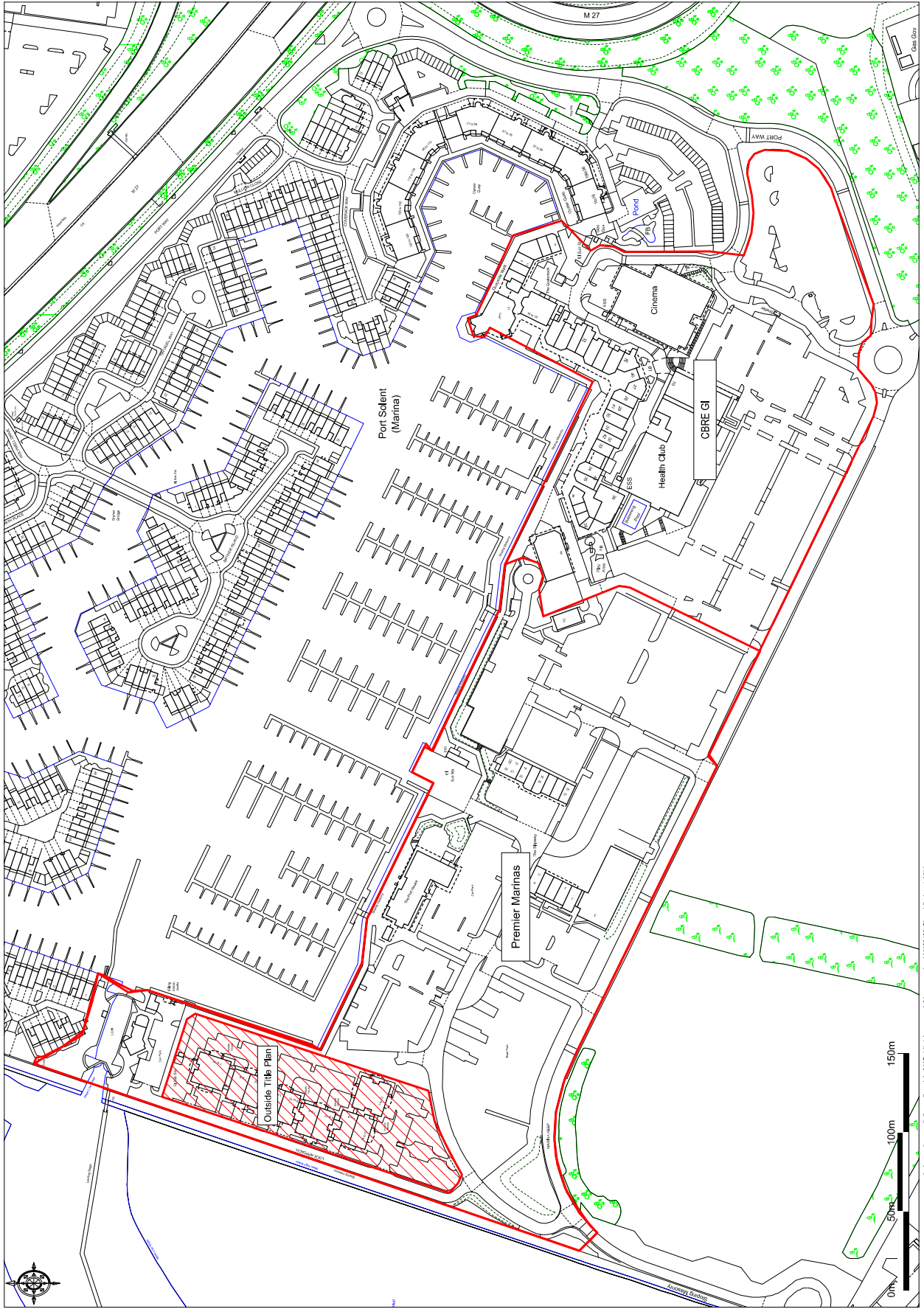
A site location/ownership plan will follow later today.

Kind regards,

Phoebe

Phoebe Juggins | Senior Planner
Planning
CBRE Ltd
[REDACTED]
[REDACTED]





Review of Portsmouth City Council Emerging Local Plan 2017 and 2019 Reg 18 Issues and Options Consultation Responses

Tipner West and Horsea Island East



Gavin Hall
Director

+44 (0) 23 8071 3900
ghall@savills.com

Eleanor King
Associate

+44 (0) 23 8071 3097
eleanor.king@savills.com

Appendix 7 Spatial Masterplan Framework

UPDATED SPATIAL FRAMEWORK

- Land gateways
- Sea gateway
- Gateways link
- Primary community route
- Secondary community route
- Waterfront parks
- Community park (Lennox Common)
- Primary green route
- Secondary green link
- Lennox Shuttle loop
- Pocket park
- Landmark - Tall building
- Landmark - Focal point
- Amenity/active frontage
- 5-8 storey buildings
- 3-4 storey buildings
- Marine employment
- Education
- Urban square
- Boat clubs (relocation)
- Water taxi route
- Transport hub



Appendix 8 SPA Metric Briefing Note



BRIEF ON SPA METRIC PROCESS TO DETERMINE REQUIRED COMPENSATION

FOR LENNOX POINT

Report Ref: EB03130-B1

19 August 2021

Project reference	EB03130
Project site	Lennox Point (Tipner)
Client	Portsmouth City Council; Agent Savills
Report title	Brief on SPA Metric Process to Determine Required Compensation
Report reference	EB03130-B1
Report version	04
Report author(s)	Louise Martland
Approved by	Abby Thomas
Final draft date	19 August 2021

To achieve the study objectives stated in this report, we were required to base our conclusions on the best information available during the period of the investigation and within the limits prescribed by our client in the agreement. Where information is provided by others, EBL shall bear no liability in respect of any advice given on the basis of that information. No investigative method can completely eliminate the possibility of obtaining partially imprecise or incomplete information. Thus, we cannot guarantee that the investigations (date, work, interpretation of that data or work) completely defined the degree or extent of e.g., species abundances, habitat management efficacy, conservation credit calculations and hence credit requirements, described in the report. Nor does EBL accept any liability for any decisions made by the CLIENT on the basis of the information, consultancy or advice provided by EBL.



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BRIEF ON SPA METRIC PROCESS TO DETERMINE REQUIRED COMPENSATION FOR LENNOX POINT

1 INTRODUCTION

In 2017 Environment Bank were engaged by Savills on behalf of Portsmouth City Council to provide advice on a mitigation and compensation approach for the anticipated impacts to the Portsmouth Harbour Special Protection Area (SPA) of the proposed Lennox Point development (then called Tipner). Note; the harbour is also covered by additional SSSI and RAMSAR designations. In the event that the project passes the HRA tests, the work would be used to identify the extent, nature and location of the compensation measures needed.

As opposed to traditionally used hectare 'ratios' to determine compensation requirements (e.g., compensate for direct impacts at a 2:1 scale), it was proposed to modify the Defra biodiversity metric to provide a framework for assessment of impacts to the SPA and the bird populations for which it is designated. In turn, this will facilitate a more granular approach to compensation design.

Through 2017 and 2018 an approach was developed and utilised on iterations of development design; during this time there were various meetings and consultation sessions with Natural England (NE) and Environment Agency (EA) to keep them informed and secure their preliminary agreement to this approach. To date, NE and EA have outlined their agreement in principle to the approach, with final approval to be sought upon the final confirmation of the SPA metric methodology set out in this paper.

The SPA metric is modified from the original DEFRA metric released in 2012. Subsequent revisions of the metric have been released, the most recent of which, the biodiversity metric 3.0, on the 7th July 2021. As a result, the SPA metric is being cross referenced with the metric updates to ensure the best approach is adopted.

2 DEFRA BIODIVERSITY METRIC OVERVIEW

The Defra biodiversity metric, originally published in 2012, is a tool that has been developed to allow quantification of the broad biodiversity value of habitats; it does not assess value for species. It can be used to assess current biodiversity value (baseline), direct habitat impacts (losses) and biodiversity enhancement through habitat creation or restoration (gains) covering all on-site landscaping and any offsite provision, providing a net biodiversity impact score in a land change scenario.

The metric works by providing a comparative measure of each habitat on-site in ‘biodiversity units’ by multiplying its area (hectares), distinctiveness score (based on general habitat type, richness and rarity) and current condition score (an assessment of each habitat at that particular site). See Table 1.

Biodiversity units = area x habitat distinctiveness x habitat condition

Table 1. Illustration of baseline biodiversity scoring

		Biodiversity distinctiveness		
		Low	Medium	High
Condition	Poor	2	4	6
	Moderate	4	8	12
	Good	6	12	18

During habitat creation or restoration, the metric incorporates risk factors. These factors are associated with the delay between the loss of the baseline habitat and the proposed habitats achieving their assigned target condition and habitat type (time to target risk factor), in addition to the inherent difficulties associated with habitat creation and restoration (difficulty risk factor). These risk factors reduce the gain in biodiversity value calculated for higher risk habitats.

Draft changes to an updated biodiversity metric¹ (biodiversity metric 2.0), released in July 2019, introduced a connectivity factor and a strategic location factor to the metric. These changes were included in the beta test release at the time of the last SPA metric assessment.

¹ <http://publications.naturalengland.org.uk/publication/5850908674228224>

A final metric version (biodiversity metric v3.0²) has since been released (7th July 2021). This metric version excludes the connectivity factor incorporated within the 2.0 beta release but retains the strategic location factor. In addition, the ability to modify the time to target risk multiplier has been incorporated. This allows the metric assessor to account, where necessary, for the early initiation of any proposed compensation works (reducing the overall biodiversity unit requirement), or account for any delays in compensation works initiation (increasing the biodiversity unit requirement).

3 SPA METRIC METHODOLOGY FOR DEVELOPMENT IMPACT

The SPA assessment developed for this project follows a metric of similar format to the Defra biodiversity metric but assesses the impact of the habitat loss to the birds utilising the area, as opposed to the general biodiversity value of those habitats. As a result, the SPA metric assessment is distinct from a biodiversity metric assessment, which will be undertaken independently.

It is acknowledged that the SPA is of statutory designation status as a result of its biological importance. However, whereas the biodiversity metric would assess the site as uniform high distinctiveness and good condition, here we look to ascertain which areas of the site are of particularly high value (e.g., roosting areas) or low value (e.g., terrestrial area with no roosting opportunities) to the birds, to allow a more fine-tuned assessment of impact and compensation requirements.

The resulting SPA metric units will not be comparable to biodiversity metric units but will allow assessment of compensation requirements when evaluating losses and gains quantified using the same methodology.

The following provides a break-down of the approach used. Note: this process was developed prior to the introduction of the biodiversity metric 3.0. As appropriate, the SPA metric methodology will be reviewed in light of the updated biodiversity metric release.

3.1 Target Species and Habitats

Following a review of the Portsmouth Harbour SPA, Site of Special Scientific Interest (SSSI) and Ramsar designations the assessment will focus on habitat important for use by the respective citation species:

- Dark-bellied brent goose, *Branta bernicla bernicla*
- Black-tailed godwit, *Limosa limosa islandica*
- Dunlin, *Calidris alpina*

² <http://publications.naturalengland.org.uk/publication/6049804846366720>

- Grey plover, *Pluvialis squatarola*
- Red-breasted merganser, *Mergus serrator*

The SPA metric assessment will include assessment of all intertidal and subtidal areas within the SPA and within the zone of influence of the development (the ZOI maybe subject to change to align with the determination of the HRA). It will also look at intertidal and terrestrial areas outside of the SPA where these habitats are of supporting functional use by the target bird species. All other terrestrial habitats, considered to have zero value for the SPA designated bird species, will be accounted for within the independent biodiversity metric analysis for the development footprint and final masterplan.

3.2 SPA Function Value of Habitats

The metric seeks to attribute an SPA function value (value to the cited birds) to each habitat within the assessment area. Habitat function is assessed in relation to the recorded use by target species of different habitat types and was determined through the interrogation of WSP bird survey data (location and abundance) against habitats.

High function habitats were shown during survey work to be key provisioning habitats for target species; habitat with evidence of more limited use were assessed as medium; habitat with no recorded usage by any species were recorded as low function.

Table 2 shows how SPA function scores are assigned to different habitats.

Table 2. SPA function classification

SPA function score	Definition
Very High	Areas important as roost sites for bird(s)*
High	Habitats of significant usage by bird(s)**, within or adjacent to the SPA
Medium	Habitats of significant usage by bird(s), but outside of designation***
Medium	Habitats of regular usage, but not significant use to bird(s), within or adjacent to the SPA
Low	Habitats of no usage by bird(s), within the SPA (site fabric).

*all references to birds, means that the habitat has been identified as important for 1 or more of the bird species identified in section 3.1.

** Analysis of bird use of each habitat was assessed by species, assessing maximum count, average count and total count, by habitat and by habitat hectare.

*** Supporting habitat, e.g., amenity grassland in close proximity to the SPA and used by Brent Goose.

Table 3 and 4 below outline the SPA function assigned to each habitat type assessed within the February 2020 assessment, including the bird species for which the habitat was identified as important. Intertidal and subtidal habitats with no recorded usage by the species were recorded as low function and were typically SPA fabric (Table 3). The habitats assessed within Table 4 were identified to be predominantly outside of the SPA, excluding a few small areas of phase 1 habitat mapping provided, which fell within the SPA but were not identified within the EUNIS data.

Table 3. EUNIS habitats and SPA habitat function values

EUNIS code	EUNIS description	SPA function factor	Habitat of high importance to which bird(s)
A1.3142	[Ascophyllum nodosum] on full salinity mid eulittoral mixed substrata	High	Brent goose, Dunlin, Grey plover
A2.245	[Lanice conchilega] in littoral sand	High	Brent goose, Grey plover
A2.3	Littoral mud	High	Red-breasted merganser
A2.321	[Nephtys hombergii] and [Streblospio shrubsolii] in littoral mud	High	Black-tailed godwit, Red-breasted merganser
A2.3223	[Hediste diversicolor] and oligochaetes in littoral mud	High	Brent goose, Black-tailed godwit, Grey plover
A2.421	Cirratulids and [Cerastoderma edule] in littoral mixed sediment	High	Brent goose, Black-tailed godwit, Dunlin, Red-breasted merganser
C1	Surface standing waters	High	Red-breasted merganser
A1.153	[Fucus serratus] with sponges, ascidians and red seaweeds on tide-swept lower eulittoral mixed substrate	Medium	
A2.11	Shingle (pebble) and gravel shores	Medium	
A5	Sublittoral sediment	Medium	
B1.4	Coastal stable dune grassland (grey dunes)	Low	
G5.62	Mixed scrub woodland	Low	

Table 4. Supporting habitat function values

Phase 1 code	Phase 1 habitat description	SPA function factor	Habitat of high importance to which bird(s)
H1.1	Intertidal mud/sand	High*	Black-tailed godwit
H1.2	Intertidal shingles/cobbles	High	
H1.3	Intertidal boulders/rocks	Medium*	
B2.2	Semi-improved neutral grassland – Tipner Range	Medium	
B6	Species-poor semi-improved grassland – Tipner Range	High	Brent goose
J1.2	Amenity grassland – at east of Tipner lake	Medium	Brent goose

*Small areas have a lower function value where reduced suitability is known. E.g., northeast corner of Tipner island at boat yards.

Figure 2 in section 8 shows a plan of SPA function classification across the site.

3.3 Baseline Condition of Habitats

Due to the site designation as an SPA, in addition to the lack of more detailed information confirming the presence or absence of undesirable features that would restrict habitat condition, all habitats were assigned a precautionary good condition as requested by NE.

3.4 Direct and Indirect Habitat Impacts

Habitat impacts across the assessment area are assessed in numerous ways:

- Direct loss of habitat – through:
 - Development on land.
 - Reclamation of harbour habitats for development.
 - Loss of intertidal habitat – i.e., the dredging of intertidal habitats to form a subtidal channel.
 - This provides corresponding creation of sub-tidal habitats.
 - Disturbance of roost sites adjacent to areas with direct impact will be considered as direct loss.
- Indirect impacts:
 - Existing subtidal habitat to be dredged for the access channel.
 - Assessed as 1 step reduction of condition from good to moderate.
 - Intertidal areas along the edge of the access channel to be reprofiled but remain intertidal following temporary disturbance.
 - Assessed as 1 step reduction of condition from good to moderate.
 - Permanent reduction in function condition of the SPA from disturbance from construction and occupied development.
 - A 250m buffer around the development, into the harbour, has been applied to assess a potential impact by disturbance. This buffer has been informed through a literature search of disturbance effects on waterbirds both in relation to construction and operation. The literature search included research of waterbird species included in the SPA citation. 50% of each disturbed habitat area will be assessed for a reduction from good to moderate condition. This is deemed an appropriate approach given that disturbance will not be constant over this area.
 - Disturbance of Tipner Lake and adjacent playing field.
 - In addition to the 250m buffer, it is assumed that Tipner lake and the adjacent playing field may also be subject to increased disturbance and a reduction in condition to moderate as per the above is included.

See Figure 3 in section 8 for areas of assessed impact.

3.5 In Application

Base line habitat value and therefore the value of SPA loss will be determined using the metric:

$$\text{SPA value} = \text{Area (ha)} \times \text{SPA function} \times \text{SPA condition}$$

Therefore, for direct impacts:

$$\text{SPA value direct loss} = \text{Area of loss (ha)} \times \text{SPA function} \times \text{SPA condition}$$

Where there is potential for indirect effects on habitats via increased disturbance and loss in condition, a precautionary approach will be taken, and habitat will be assessed as having a one-step reduction in condition to moderate:

$$\text{SPA value indirect loss} = \text{Proposed SPA value} - \text{Current SPA value}$$

The results of this assessment will calculate SPA unit loss caused by the development. The impact score can be broken down to direct and indirect impacts, impacts to marine and terrestrial habitats and impacts within and outside the SPA. These results provide a framework for the minimum extent of required compensation measures.

4 ESTIMATING REQUIRED COMPENSATION

Ultimately the SPA metric will be utilised to calculate the units of SPA value generated at specific compensation sites; assessing baseline and projected target value, taking into account risk factors of delay and difficulty for specific compensation sites. However, at this stage it is useful to reverse-engineer the metric to allow input of the required units of compensation and a metric scenario, to provide a range in the number of hectares of required compensation for the proposed development.

When assessing risk, the target for compensation areas will not be broad ecological functionality, but the ability of a habitat to provide suitable resource for the foraging and roosting of target species.

It is recognised that at this stage estimations are, by necessity, a broad analysis of theoretical compensation scenarios, the ultimate factors used will depend on the individual and specific habitat compensation scenario, baseline to target habitat, when specific compensation sites are being scoped and designed.

For the purposes of preliminary estimation of the compensation requirement, the habitat compensation requirement has been simplified to the following 2 broad habitat types:

- Intertidal foraging habitat
 - Recharge – 10 years, low difficulty

- Realignment – 10 years, medium difficulty
- Grassland foraging habitat – 5 years, low difficulty

Provision of roosting sites will be optimised within onsite design and offsite compensation as appropriate.

Notes on compensation scenarios:

Compensation within existing SPAs will only be considered where a clear gain in SPA function can be evidenced, such as through enhanced foraging availability through increased tidal exposure.

For the purposes of compensation requirement estimation, compensation outside the SPA is limited to a precautionary target of medium SPA function. This restriction may or may not apply once compensation parcels have been identified, depending on factors including location.

5 EXAMPLE OF RESULTS – ASSESSMENT FROM FEBRUARY 2020

Portsmouth Harbour SPA is 1,247ha in size, with a considered zone of impact for Tipner (both direct and indirect) of 165.45 ha of this 143.39 ha falls within the SPA. The direct impact of the development is calculated as 40.94 ha, with 35.43 ha located within the boundary of the SPA. This is equivalent to a direct impact on 2.84 % of the SPA area (Table 5). A further 124.51 ha is identified under the indirect impacts of the development, with 111.36 ha located within the SPA boundary (8.9 % of the SPA area). In total, a total of 11.50 % of the Portsmouth Harbour SPA area is considered to be impacted (direct and indirect) by the development.

There is an estimated net impact to SPA function of -1,055.98 units. Of which -936.50 units is to marine habitats (direct and indirect impacts to SPA function of target bird species) and -119.48 units to brent goose terrestrial grazing habitats. See table 5.

Table 5. Summary of SPA impact results

		TOTAL assessment area	Marine habitat Incl. roost sites	Terrestrial habitat
Existing habitat	Hectares	165.45	146.79	18.66
	SPA value	2719.98	2469.00	250.98
Direct impacts	Hectares	40.94	35.43	5.51
	SPA value	-688.56	-595.38	-93.18
Indirect impacts	Hectares	124.51	111.36	13.15
	SPA value	-367.42	-341.12	-26.30
TOTAL gross impacts	SPA value	-1055.98	-936.50	-119.48

Compensation of intertidal habitat impacts will require an estimated 93 – 162 ha, dependent on compensation scenario.

Compensation of terrestrial grazing habitats will require an estimated 10 – 36 ha, dependent on compensation scenario, but it is likely that no more than 20 ha will be required.

The impact assessment will be recalculated as the development design becomes final. In addition to confirming direct impacts, measures will be taken to reduce indirect impacts to Portsmouth Harbour and Tipner lake; at present indirect impacts are estimated with a generalised methodology. Within the final assessment any unavoidable indirect impacts will be individually assessed when the specific nature of these impacts is understood in more detail. Offsite compensation is required and is currently estimated based on broad scenarios; the compensation generated from each offsite enhancement area will also be assessed based on site specific design and risk.

6 REVISION OF THE SPA METRIC

The current SPA metric described above was designed to allow assessment of the impacts of the development and is underpinned by bird survey data. However, now that there is further work in identifying and designing offsite compensation areas, we are reviewing the SPA metric methodology to ensure it facilitates assessment of projected uplift in value for the target species through habitat change, and that it also supports the function of long-term monitoring.

Therefore, we will be reviewing how SPA function and condition factors are determined, considering not just bird usage but also looking at physical habitat attributes important in habitat/area usage by the birds, such as parcel size, openness and proximity to undesirable features.

As part of this process, we will, where appropriate, look to incorporate features from the finalised metric 3.0 (e.g., strategic location).

Since the original development of this SPA metric, the Solent and Dorset Coast SPA has also been designated and covers the proposed development site; target species and classification of SPA function value of habitats will be reviewed as appropriate in light of potential additions to target species.

Environment Bank will consult with WSP as the appointed ecologists for the project for this updated SPA metric (this work is already underway), and then 1-on-1 feedback sessions will be held with NE and EA to allow for their input and to seek confirmed support for this approach as we approach formal submission of the assessment into planning.

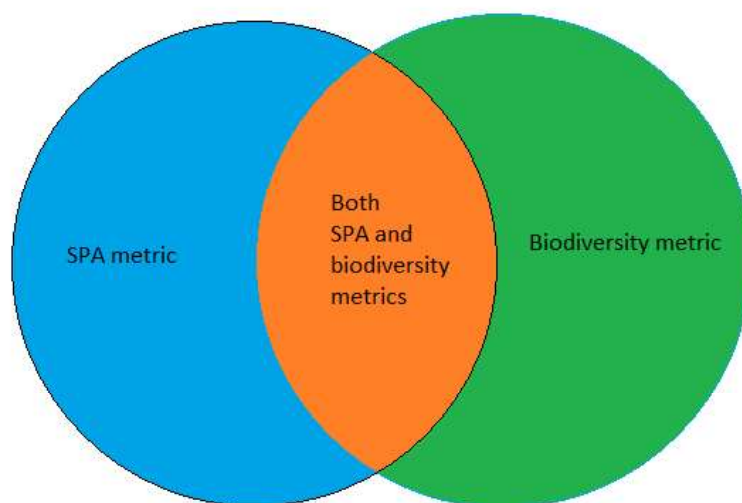
7 INTERACTION BETWEEN THE SPA AND BIODIVERSITY METRICS

In addition to the SPA metric, it will be required of the development to assess its general biodiversity impact i.e., the within-development site impacts, in line with national planning legislation and guidance. It will therefore be a requirement to deliver a minimum of a 10% gain in biodiversity (BNG) once the Environment Bill is enacted in autumn 2021 (and although there is a two-year transition of the mandatory policy, the delivery of BNG will need to be set out prior to submission of a planning application).

Through necessity, the SPA and biodiversity metrics will in some areas be applied to the same parcels of land. For example, the grassland within the firing range is important functional habitat for brent geese (high SPA function), but only of medium biodiversity distinctiveness, whereas the scrub dunes at the south of Tipner range and within the SPA are of low SPA function but medium-high biodiversity value.

The two metric assessments will be completed independently: one assessing impact to SPA bird populations, and the other assessing impact to general biodiversity. The unit results are not directly comparable or interchangeable, but when combined provide a full scope of potential compensation requirements.

Figure 1. Illustrative areas assessed within SPA and biodiversity metrics



Tables 6, 7 and 8 below provide an illustrative example of the areas assessed by the two metrics and the associated results and how this can inform a complete compensation package.

Table 6. Illustrative example of SPA and biodiversity metric assessment areas

	SPA metric	Biodiversity metric
Direct marine impact (ha)	35	26
Indirect marine impact (ha)	110	0
Direct terrestrial impact (ha)	5	24
Indirect terrestrial impact (ha)	15	0
Total hectares assessed	165	50

Table 7. Illustrative example of SPA and biodiversity metric assessment net impact results

	SPA metric	Biodiversity metric
Marine impact	900	400
Terrestrial Impact	100	100
Net impact	1,000	500

Table 8. Illustrative example of SPA and biodiversity metric compensation requirements

	SPA metric	Biodiversity metric	Comment
Marine impact (ha)	140	80	SPA compensation likely to have sufficient biodiversity uplift to also meet biodiversity requirement.
Terrestrial Impact (ha)	20	25	SPA compensation requirement likely to provide low biodiversity uplift and so be in addition to biodiversity requirement.
Net requirement	160	105	

When assessing the biodiversity value of a compensation package we will also take into account a potential ‘domino effect’ (not assessed above), whereby creation of intertidal habitats from coastal realignment may cause loss of a priority terrestrial habitat which will itself require compensation.

8 NATURAL ENGLAND AND ENVIRONMENT AGENCY ENGAGEMENT

Previous consultation with NE and EA resulted in their agreement in principle to the approach adopted. Throughout the consultation process to date, the comments and amendments set out below were highlighted for review:

- The release of the updated SWBGS 2019 support site data – This data has since been obtained from the WSP and will be incorporated within future revisions of SPA metric assessment due to its potential impact on the SPA Function scores and indirect impact buffer zone.

- Clarification of SPA Function Methodology – further information to be outlined within the future SPA metric assessment report upon the finalisation and approval of all methodological changes.
- Inclusion of references for 250 m indirect buffer - to be included within the subsequent revision of the SPA assessment report.
- Review of condition methodology – to include SSSI condition data and SPA condition reports, where appropriate.
- Indirect impact condition methodology – to be outlined in full in the subsequent report.

Subsequent to the conclusion of the metric methodology revisions, NE and EA will be consulted to outline and discuss the finalised assessment methodology, with a view to receiving written support of the approach from both NE and EA.

9 FIGURES

Figure 2. SPA function banding plan: February 2020 assessment

Figure 3. SPA impact assessment plan: February 2020 assessment

Figure 2 – SPA function banding plan

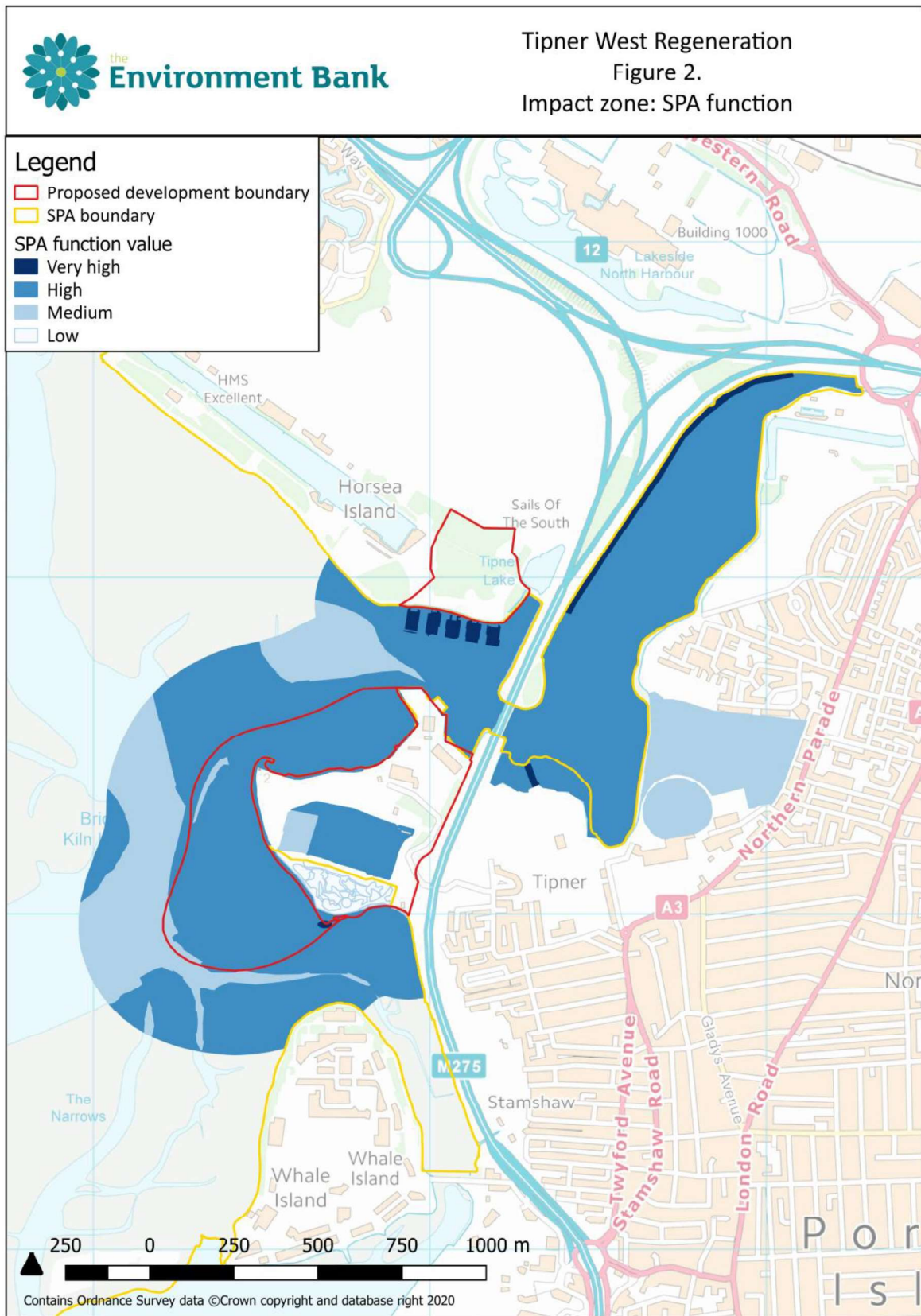
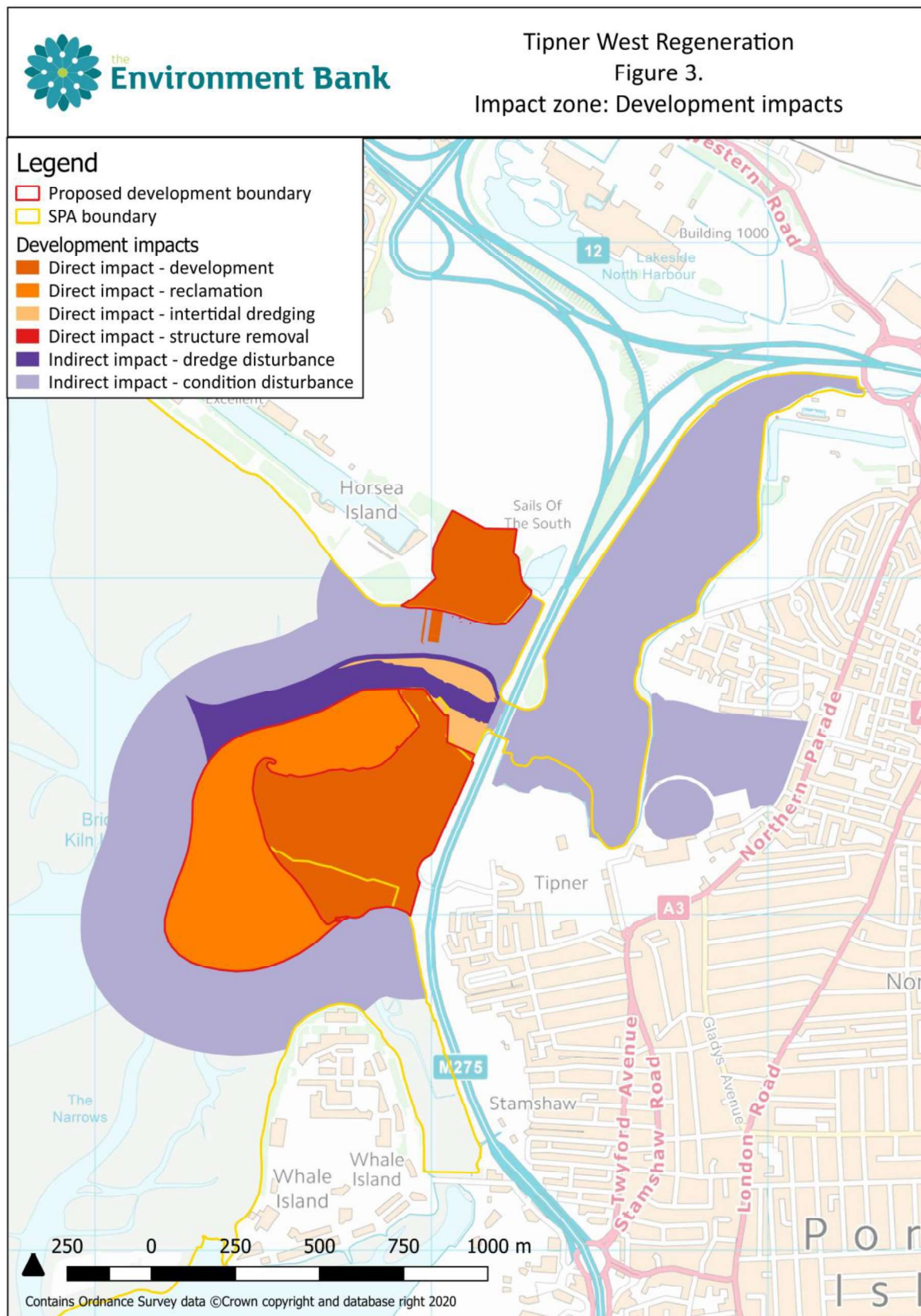


Figure 3. SPA impact assessment.



Appendix 9
Summary of Wintering Bird Surveys 2019/20 and
Disturbance Factors



MEMO

TO	Gavin Hall	FROM	Adrian Hutchings
DATE	21 December 2020	CONFIDENTIALITY	Confidential
SUBJECT	Summary of wintering bird surveys 2019/20 and disturbance factors		

Introduction

WSP were commissioned by Portsmouth City Council (PCC) to complete wintering bird surveys of suitable habitat for overwintering water birds within and in proximity to the proposed regeneration of Tipner West, hereafter referred to as the 'Proposed Development'.

The Proposed Development lies on the western side of Portsmouth and comprises land on Horsea Island, Tipner West and the intervening intertidal area (as shown on Figure 1). The area included within the wintering bird surveys was extended to include other suitable habitat in proximity to the Proposed Development, upon which potential indirect effects such as fragmentation could occur, or alternatively which may have potential to be enhanced. This area is hereafter referred to as the 'Main Site Survey Area'. In addition, the scope included surveying an area referred to as the 'Central Harbour Survey Area' located within Portsmouth Harbour to the west of the Proposed Development and a focussed survey within 250m of the existing M275 Bridge to gather data on the existing flight patterns of birds within this area, moving to or from Tipner Lake. The areas surveyed are shown on Figures 2, 3 and 4.

Methodology

Surveys were undertaken between November 2019 and March 2020, including water bird surveys of the Main Site Survey Area, Central Harbour Survey Area and M275 flight surveys with two visits per month. This report also draws on the WSP Tipner West Wintering Bird Report (2018), which details results from surveys undertaken from 2014 to 2018.

In addition, at vantage points utilised in the surveys, a description of background features which could be seen or heard and were considered to have potential to disturb foraging or roosting waders, geese or other water birds was noted. This comprised listing the type of disturbance (e.g. road traffic, agricultural activity, aeroplanes, construction or school noise) and for each potential disturbance type noting whether the potential disturbance was visual or auditory (or both) and for the duration of time spent at the vantage point whether it was constant, intermittent but regular or occasional. This information builds on the Disturbance Report produced in 2016 (WSP/PB 2016).

Designated sites and qualifying features

Portsmouth Harbour, which the Proposed Development is situated within/adjacent to, is a statutory designated site for the wintering birds which it supports. The area is designated as a Special Protection

Area (SPA)¹, Ramsar² and Site of Special Scientific Interest (SSSI)³. The species which comprise the reasons for designation differ slightly between these designations. However, in summary Portsmouth Harbour supports internationally important numbers of dark-bellied brent geese *Branta bernicla bernicla*, black-tailed godwit *Limosa limosa islandica*, dunlin *Calidris alpina* and red-breasted merganser *Mergus serrator* and nationally important numbers of grey plover *Pluvialis squatorola*.

Results

Summary of survey results

All five species which form reasons for the designation of Portsmouth Harbour were recorded within the Survey Areas. In addition, a further thirteen waders, ten waterfowl and ten other water birds⁴ were recorded. Of these species brent geese, curlew *Numenius arquata*, oystercatcher *Haematopus ostralagus*, snipe *Gallinago gallinago* and little egret *Egretta garzetta* were recorded utilising terrestrial habitat within the Proposed Development, with the other species recorded in estuarine/intertidal habitats. The proportion of the population of each species recorded using the various Surveys Areas varies, as does the frequency of use and areas used.

Thirty non-water bird species were also recorded in total. The non-water bird community recorded was considered common and widespread and comprised species typical of the habitats present.

Brent geese overfly terrestrial areas, however waders tend to move around the Survey Areas following the coast line or deep water channels, with the exception of those flying inland to forage on terrestrial areas (curlew and oystercatcher). Wader roost locations were identified within the Main Site Survey Area as follows:

- World War II slipways to the south of Horsea Island East;
- dilapidated concrete jetty in Tipner Lake;
- exposed shingle on the southern side of Tipner Firing Range;
- Horsea Island slipway;
- M275 revetment in Tipner Lake; and the
- seawall to the west of Port Solent.

Within the Central Harbour Survey Area a key wader roost location was identified on Pewit Island. In addition, waterfowl were recorded roosting on the water on Tipner Lake, south of Tipner Range and within the western harbour areas.

The vantage point surveys of the M275 Bridge recorded the passage of 23 species of water bird below or above the M275. These included those which preferentially fly above the bridge (geese and larger waders

¹ Portsmouth Harbour Special Protection Area information. Available online: <https://designatedsites.naturalengland.org.uk/Marine/MarineSiteDetail.aspx?SiteCode=UK9011051&SiteName=portsmouth&countyCode=&responsiblePerson=&SeaArea=&IFCAAarea=&HasCA=1&NumMarineSeasonality=4&SiteNameDisplay=Portsmouth%20Harbour%20SPA#SiteInfo> (Accessed on 05/11/2020)

² Portsmouth Harbour Ramsar Site data sheet. Available online: <https://jncc.gov.uk/jncc-assets/RIS/UK11055.pdf> (Accessed on 05/11/2020)

³ Portsmouth Harbour SSSI citation. Available online: <https://designatedsites.naturalengland.org.uk/PDFsForWeb/Citation/1003174.pdf> (Accessed on 05/11/2020)

⁴ 'Water birds' are defined by the Ramsar convention as synonymous with waterfowl 'birds which are ecologically dependent on wetlands'. This definition includes birds from the following families; divers, grebes, cormorants, herons, bitterns, swans, geese, ducks, wetland raptors, rails, waders, gulls and terns (only families from which representatives regularly occur within Portsmouth Harbour have been listed).



such as curlew) and species which were almost always recorded crossing below the bridge only (small waders such as redshank *Tringa totanus*).

Survey data demonstrates the Proposed Development includes areas which form part of the internationally important Portsmouth Harbour SPA and Ramsar and are utilised by the species for which the site is designated. It also includes areas which function as undesignated supporting habitat used by foraging brent geese and roosting waders.

Peak counts within the Survey Areas as a proportion of the Portsmouth Harbour population gives an indication of the importance for all four qualifying species of the SPA and grey plover (as listed in the SSSI citation). Brent goose and red-breasted merganser were recorded below the five-year peak mean WeBS data and citation data, whilst dunlin, grey plover and black-tailed godwit were recorded in greater abundance than the five-year peak mean WeBS data and citation data.

Disturbance

The highest frequency of potential disturbances and background noise within the Main Site Survey Area was from motorways (visual and audible); walkers (with and without dogs); boats and surveyors. Whilst the motorway was recorded as a potential disturbance, no actual disturbance events were recorded. Surveyors were the primary cause of actual disturbance during the surveys, with ten records of disturbance in the Main Site Survey Area, followed by boats within the harbour (nine records) and cyclists along the Tipner Lake footpath (four records). The lack of disturbance events recorded by the motorway (visual or audible) indicates habituation of wintering birds to motorway traffic across the Survey Area.

The highest frequency of potential disturbances and background noise within the Central Harbour Survey Area was from boats (including the survey boat) and walkers (with and without dogs). Surveyors (survey boat) were again the primary cause of actual disturbance during the surveys, with five records of disturbance in the Central Harbour Survey Area, followed by predators (one crow and one peregrine falcon). The lack of disturbance events recorded by boats indicates likely habituation of wintering birds to boat traffic across the Survey Area.

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Bradley Williams
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Approved by: Adrian Hutchings
Technical Director

Appendices

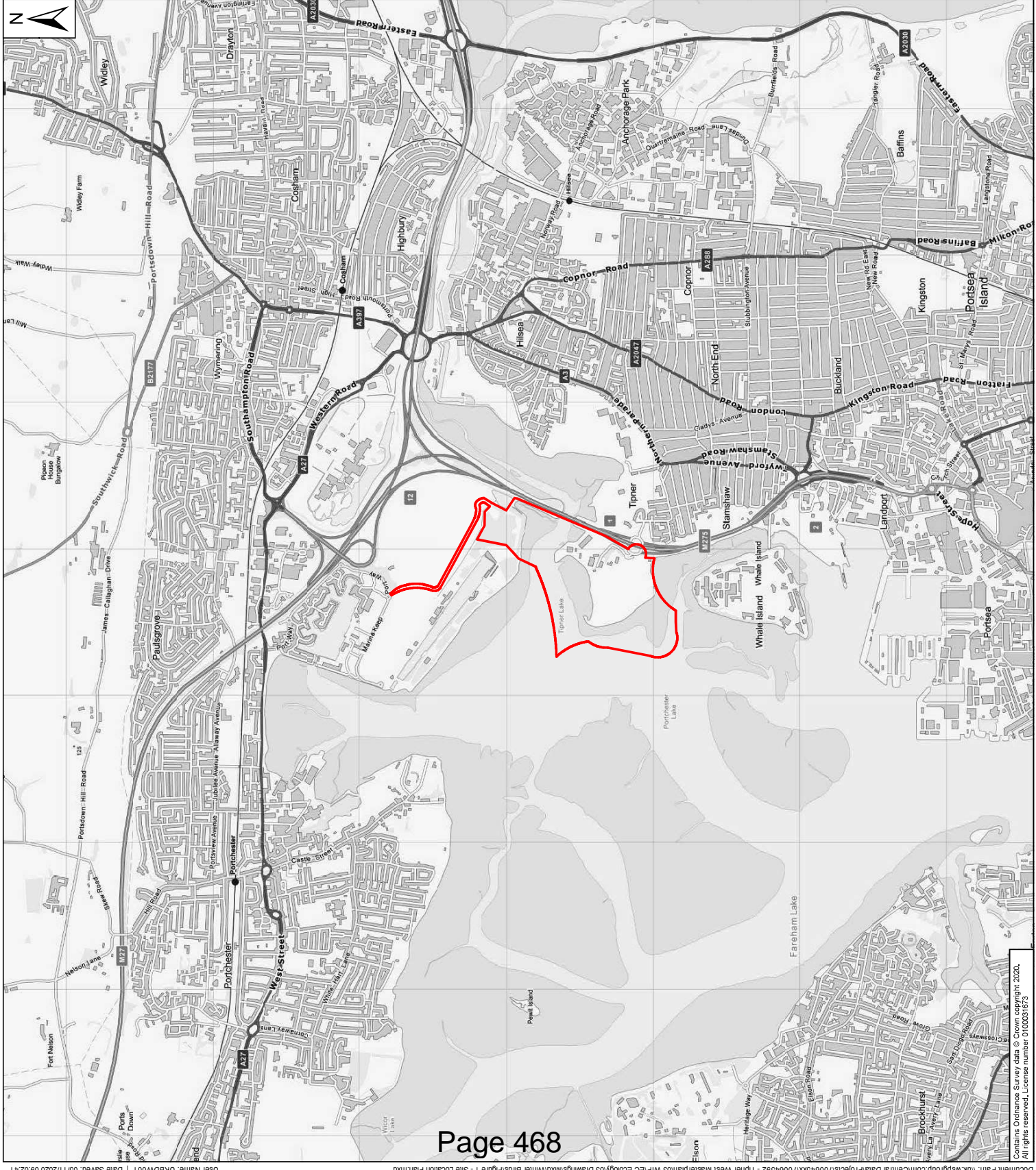
Figure 1. Tipner West Location

Figure 2. Tipner West wintering bird survey vantage point locations

Figure 3. Tipner West wintering bird survey main site survey sectors



Figure 4. Tipner West wintering bird survey central harbour survey sectors

Tipner West Indicative Boundary



Client:	PORTSMOUTH CITY COUNCIL
Project:	TIPNER WEST REGENERATION
Title:	SITE LOCATION PLAN
Drawn/No:	BW
Date:	05/11/2020
Scale:	25,000 @ A3
Checked:	BL
Approved:	AH

Legend

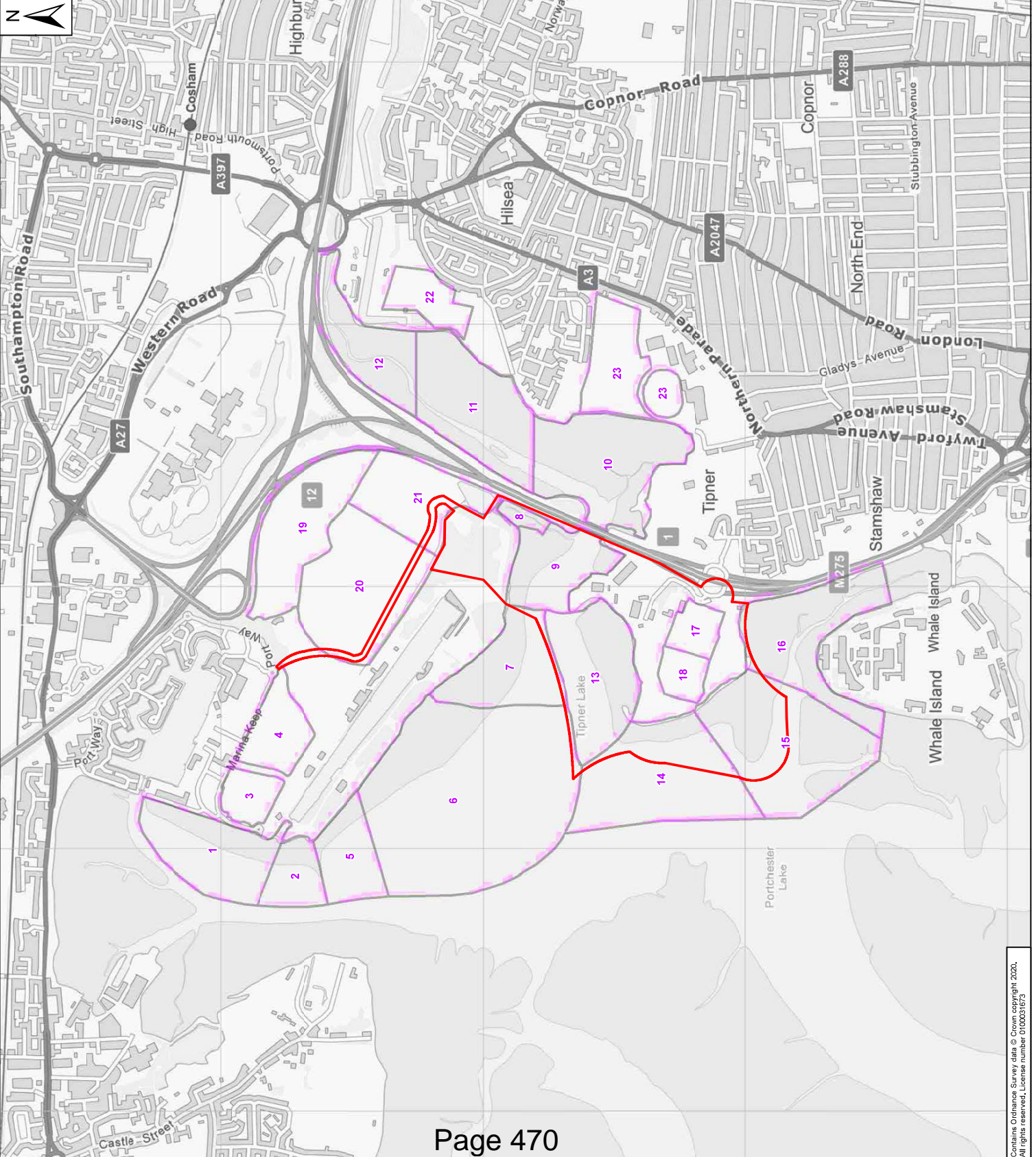
-  Tipner West Indicative Boundary
-  M275 Bridge Vantage Points
-  M275 Bridge Vantage Point Survey Area








Client:	PORTSMOUTH CITY COUNCIL
Project:	TIPNER WEST REGENERATION
Title:	M275 VANTAGE POINT LOCATIONS
Drawn:	BW
Date:	05/11/2020
Checked:	BL
Scale:	15,000 @ A3
Approved:	AH

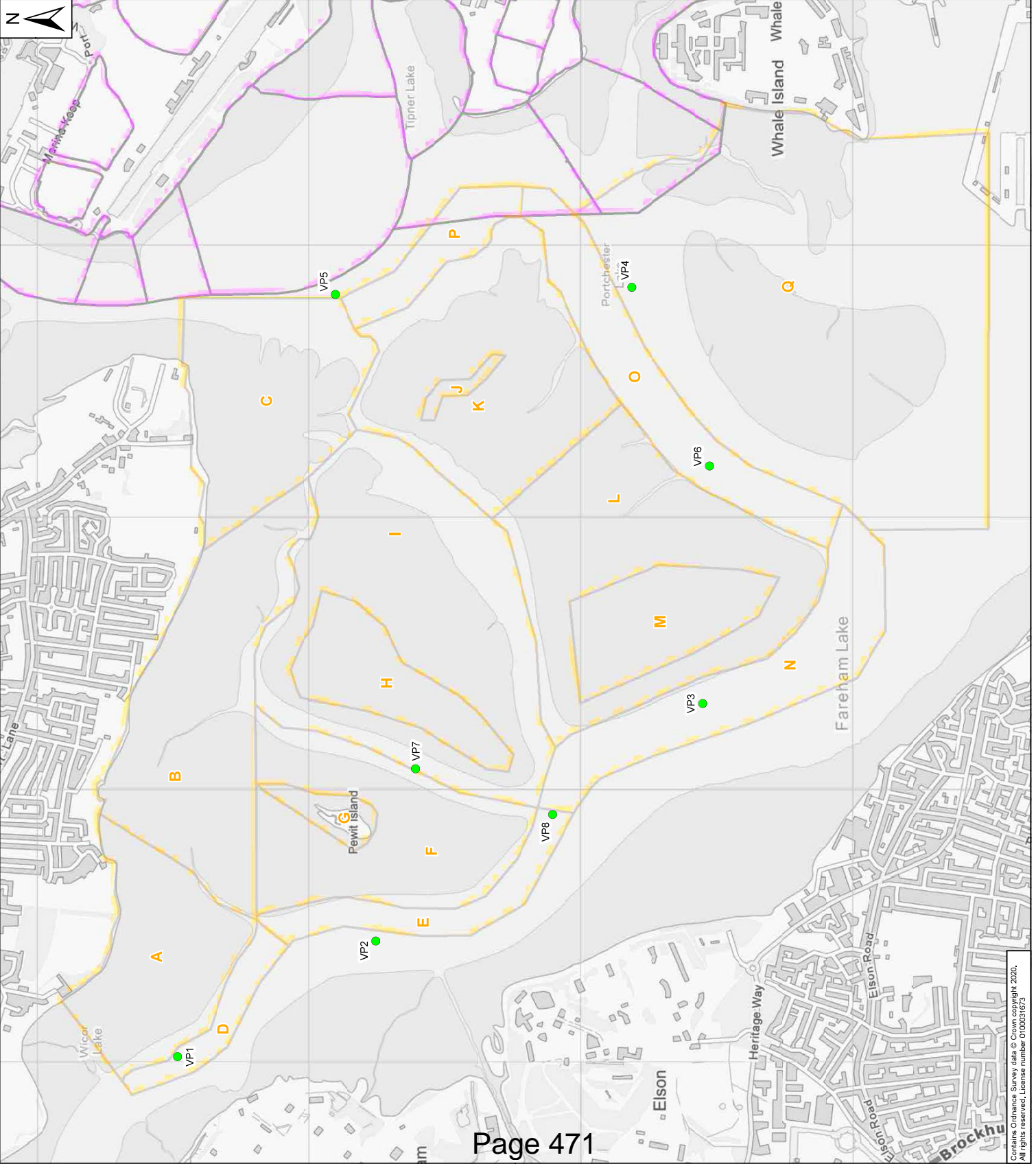
Legend

- Tipner West Indicative Boundary
- Main Site Sectors



Client:	PORTSMOUTH CITY COUNCIL
Project:	TIPNER WEST REGENERATION
Title:	MAIN SITE SURVEY AREA
Drawn/No:	BW
Date:	05/11/2020
Checked:	BL
Scale:	14,000 @ A3
Approved:	AH

Legend  Central Harbour Sectors  Main Site Sectors  Central Harbour Vantage Points	  	Client:	PORTSMOUTH CITY COUNCIL
		Project:	TIPNER WEST REGENERATION
		Title:	CENTRAL HARBOUR SURVEY AREA
Drawing No: FIGURE 4 Date: 05/11/2020 Scale: 13,500 @ A3		Drawn: BW Checked: BL Approved: AH	



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Lennox Point

Briefing Note

Needs Case, Habitats Regulations Assessment and Position Statement

About this document

This document reviews the context of options for the proposals at Tipner West and Horsea Island East, which have previously, or are currently, being considered in accordance with the recommendation as per Cabinet approval on 6 October 2020.

These options are being promoted through the Local Plan Regulation 18 consultation (anticipated summer 2021) and as planning applications (due to be submitted in 2022) for the proposed development at this location, known as Lennox Point.

The report sets out context to the site itself, the need for Lennox Point and the historical context within which this project firmly sits.

It explains why the proposed development must be delivered at Tipner West and Horsea Island East, with an associated requirement for reclamation.

www.lennoxpoint.com

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1.0 Executive Summary

This document outlines the more recent history of the Tipner West scheme to date, the evidence base, risks, and conclusions.

While talk of development at Tipner has been ongoing since the 1950s the scheme has always struggled with disparate land ownership and huge development costs. However that all changed in January 2014, when the Cabinet at Portsmouth City Council agreed to enter into the City Deal contract to deliver the following outputs in exchange for grant funding of circa £50million.

- 2,370 homes
- 58,000 sqm of employment space
- 3,742 new permanent jobs by 2025
- 1,300 temporary construction jobs
- £640m of private sector investment

The City Deal Sites Key Aims are to deliver the Core Strategy (Portsmouth Plan) for the Tipner/Horsea Area and to make a positive contribution to the other Corporate Strategies including; the Regeneration Strategy and the LEP Strategy for Growth (Marine and Maritime employment).

This is the baseline for any development at Tipner West and failure to deliver could result in returning the grant.

2.0 Background

- 2.1 In 2013, the Government made the decision to move ship building from Portsmouth to Rosyth in Scotland. As the marine and maritime economy represented the largest economic sector in the Solent region, lobbying from Portsmouth and the region led to Government introducing a Minister for Portsmouth and The Portsmouth and Southampton City Deal¹.
- 2.2 The City Deal was aimed at unlocking critical employment sites to provide opportunities that were designed to arrest the likely decline of the marine and maritime sector in the Solent, and the associated training and skills, as a result of the decision to move shipbuilding to Scotland. This employment would require physical and social infrastructure to support it, which included housing to support the growing workforce.
- 2.3 Portsmouth already has significant housing targets to meet set by the government. Given its Island City nature and the desire to not build upwards on Portsea Island, it is understood that the Local Planning Authority (LPA) would require at least 3,500 homes to be developed at Tipner West to simply meet its housing requirement for the next Local Plan period (circa 15 years). Alongside this however is the additional housing needed to support the growing workforce required for this sub-regional Solent marine and maritime economy provision and to ensure that that employment growth could be sustained.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/256460/2013111_Southampton_and_Portsmouth_City_Deal_Document_and_Implementation_Plans.pdf

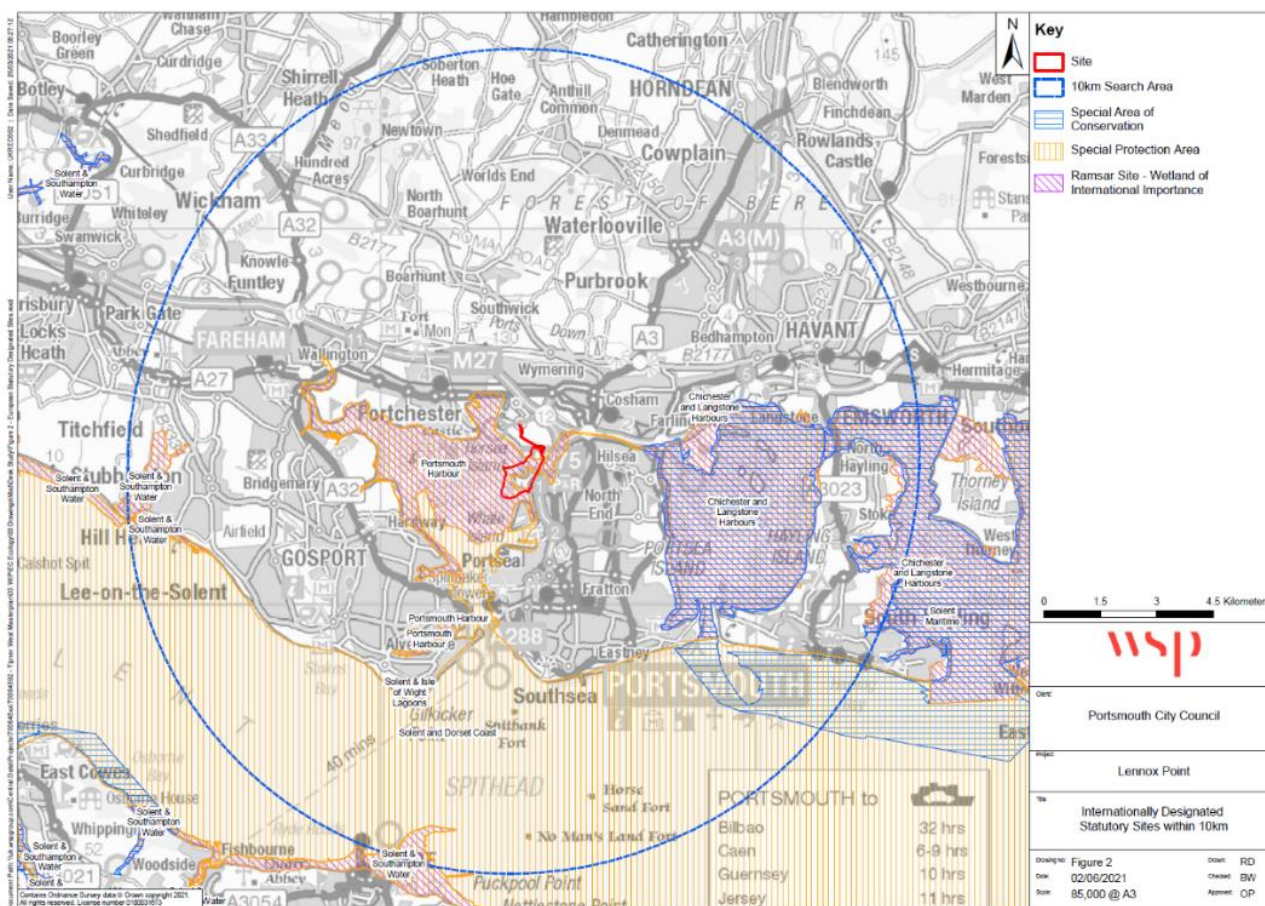
- 2.4 The overall Project Objective for the Tipner West and Horsea Island East Strategic Development Area therefore became: “To deliver the sustainable growth and full economic potential of the Solent marine, maritime and advanced manufacturing cluster by meeting current unmet demands through unlocking critical maritime employment sites and delivering the essential associated physical and social infrastructure. This is in order to ensure the UK’s global competitiveness in the marine and maritime economy whilst supporting and enhancing the sub-region’s economy and regeneration.”
- 2.5 Through the 2013 City Deal, Portsmouth City Council was able to purchase 31.5 hectares of land, the majority of which was in MOD ownership, at Tipner West and Horsea Island East and circa £50million funding, to deliver the City Deal aspirations.
- 2.6 However, to create a viable and sustainable community able to deliver the Project Objective, critically the marine and maritime employment and the assessed housing need for Portsmouth (as defined by MHCLG and therefore required by the Council to deliver in its Local Plan), leads to a total land mass of circa 59 hectares. Therefore, land reclamation of circa 27.5 hectares has been proposed as part of this development to ensure we meet the strategic needs of the area.
- 2.7 Current work confirms that no alternative options exist locally, regionally or even nationally that deliver the marine and maritime objectives of the City Deal and there are no other sites within the Portsmouth boundary capable of delivering the required housing numbers to support the Council's Local Plan.
- 2.8 This note summarises the evidence behind this, the need for the reclamation, the process that must be adhered too, and the programme commitment to ecology.

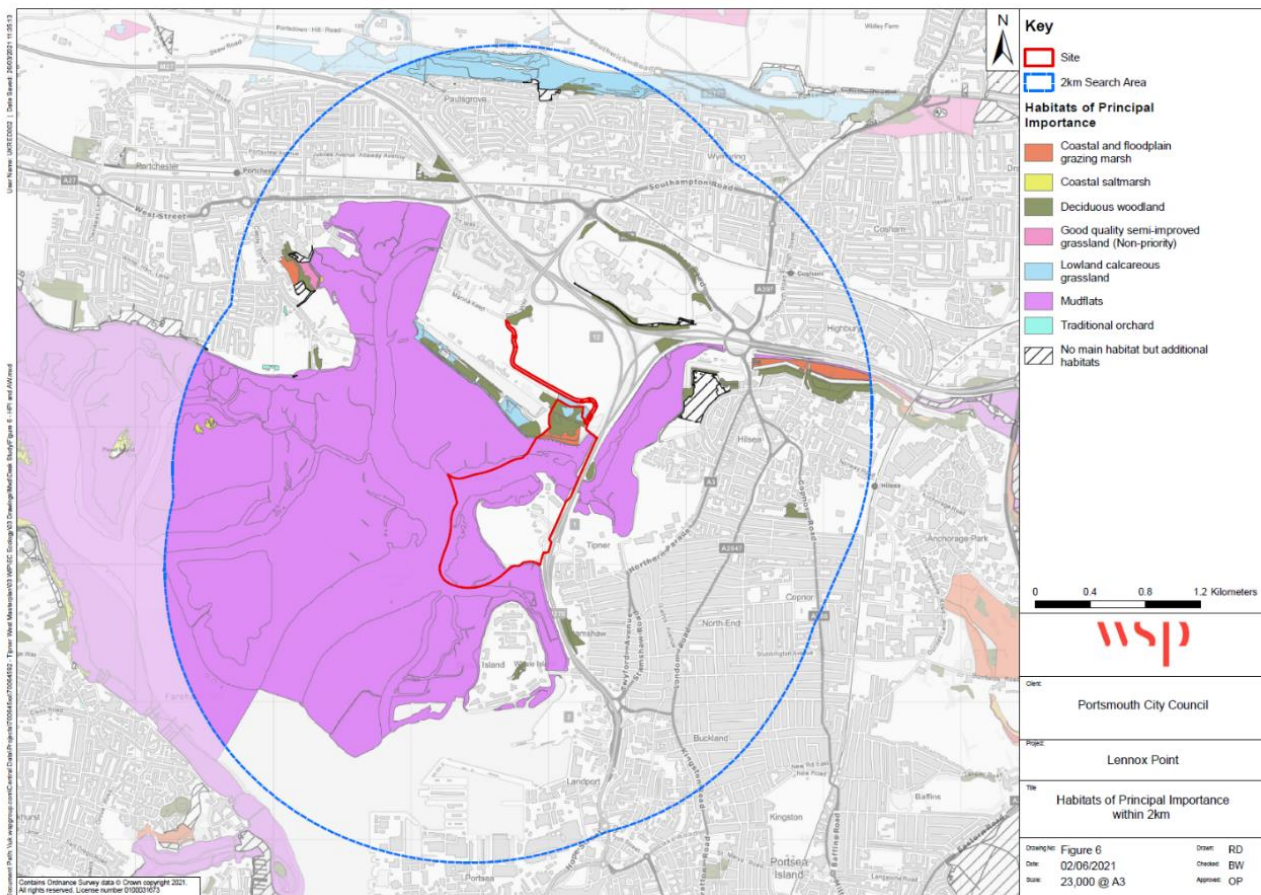
3.0 The Site

Points to consider:

- Tipner West and Horsea Island East is at risk of flooding. There is also contamination, which means there is a potential contamination risk to the harbour if no action is taken.
- Lennox Point offers an opportunity to deliver a wider ecosystem and increase biodiversity net gain once completed.
- Land reclamation will impact the inter-tidal habitat (mudflats) around Tipner West. However, we are creating new habitat, through compensation land, above and beyond our statutory commitments.

It is of course acknowledged that the site is located in an ecologically sensitive area with several designated habitat sites (international, national and local) present within Portsmouth Harbour and the adjacent Langstone and Chichester Harbours.





3.1 The Existing Environment

- 3.1.1 The Portsmouth Harbour Site of Special Scientific Interest (SSSI) citation states that *“it is the westernmost of three extensive and connected tidal basins – Portsmouth, Langstone and Chichester Harbours – which share physical characteristics and, in many respects, should be seen as a single biological system.”* The mudflats in the vicinity of the Tipner West and Horsea Island East developments form part of a complex mosaic of habitats which support diverse plant and animal communities which are themselves characteristic of estuarine systems in the Solent. It is this habitat mosaic combined with geographical location which makes the area attractive to wintering waterbirds and the primary reason the area is designated at both European (Special Protection Area (SPA)/Ramsar) and national levels (SSSI).
- 3.1.2 Portsmouth Harbour is additionally designated under the Solent and Dorset Coast SPA to protect the foraging grounds of common tern, little tern and sandwich tern. These tern species breed within the Solent and are reliant upon deep-water and shallow water habitats which support their prey during the chick-rearing season.
- 3.1.3 Estuarine systems, and mudflats in particular, are ecologically productive areas which are naturally dynamic and constantly changing. The Portsmouth Harbour mudflats support extensive beds of eelgrass and green algae which provide feeding grounds for internationally important numbers of wintering dark-bellied Brent geese and nationally important numbers of grey plover, dunlin, and black-tailed godwit. These species roost in the elevated areas of the Harbour at high tide, including the Tipner Range which is recognised as a primary supporting area for Brent geese (Solent Wading bird and Brent geese Strategy, 2020).

3.1.4 Trends in the condition of the European and nationally designated nature conservation sites are difficult to ascertain, but the current Condition Assessment (undertaken by Natural England in September 2018) showed that in summary, 71% of the SSSI was in 'Unfavourable - no change' and 26% in 'Unfavourable recovering' condition categories (see table overleaf). Specifically, SSSI Units 15 and 17 (Port Solent, Horsea Island and Tipner Range) closest to the development site are in 'Unfavourable recovering' status.

Status	% meeting area of favourable or unfavourable - recovering	Favourable	Unfavourable - recovering	Unfavourable - no change	Unfavourable - declining	Partially destroyed	Destroyed	Not recorded
Area (hectares)	357.58	32.68	324.90	900.22	1.95	0	4.46	0
Percentage (%)	28.28	2.58	25.70	71.21	0.15	0.00	0.35	0.00

3.1.5 It should also be noted that this part of the harbour achieves Water Framework Directive (WFD) Moderate status on mean winter inorganic nitrogen and WFD Good to High status on phytoplankton. The water environment of the closest SSSI unit (18) is assessed as borderline favourable for the interest features on the weight of evidence on elevated levels of inorganic nitrogen but with no strong biological indication of eutrophication shown by phytoplankton and macro-algae. A large part of the nitrogen load input is carried by tidal flow from the Solent but relatively very little by minor rivers into the head of the harbour.

3.1.6 Outside of the international and nationally designated sites on the edge of the estuary and in the terrestrial areas scrub, woodland and grassland habitats supports a range of notable and protected terrestrial species, including bats, small mammals, birds, reptiles and invertebrates. Two locally designated wildlife sites, Horsea Island East Local Wildlife Site (LWS) and Tipner Ranges (part LWS) are designated for the presence of several nationally scarce and county scarce botanical species; golden samphire, divided sedge, annual beard-grass and purple small-reed.

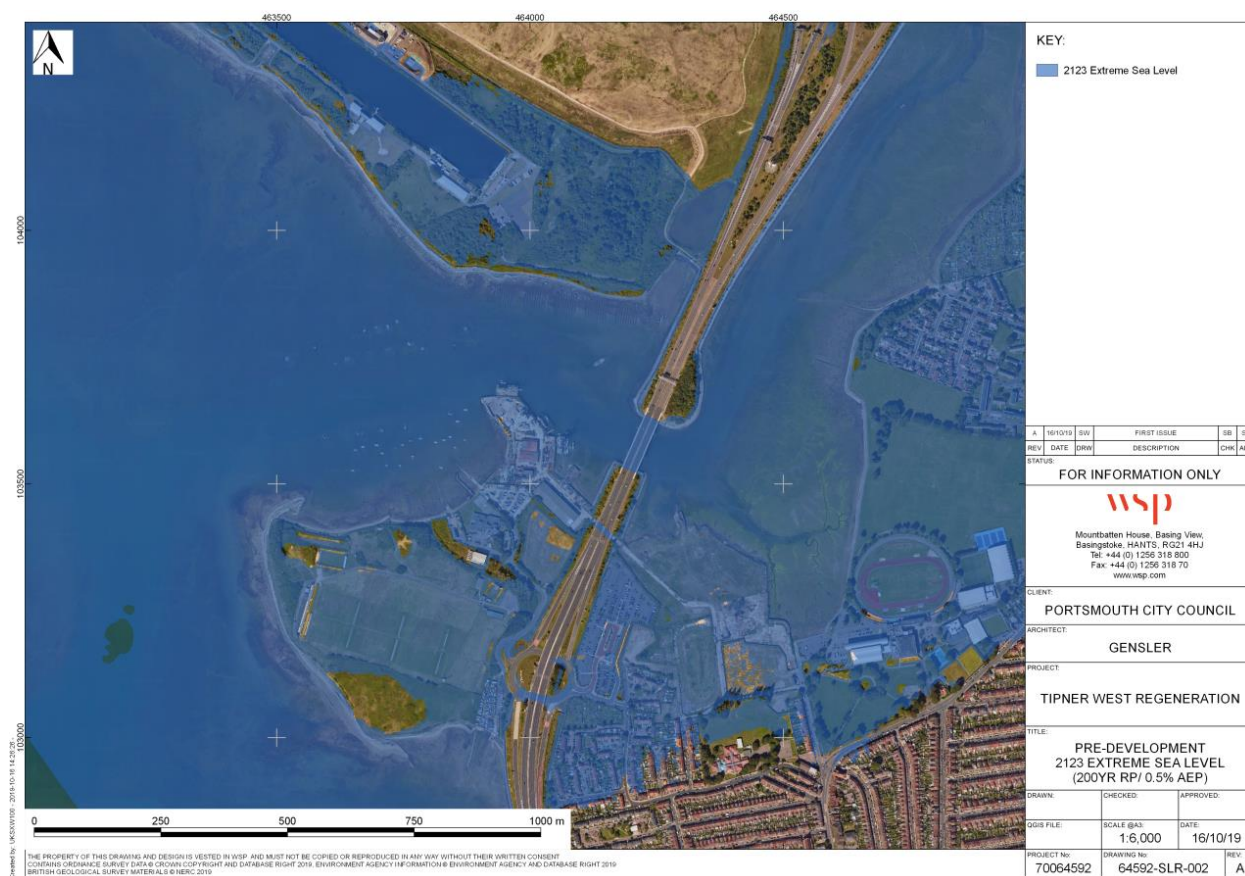
3.2 Flood risk

3.2.1 The existing coastal flood defences are in poor condition. The 2011 Portsmouth Island Coastal Strategy Study (PICSS)² estimated residual life (to failure) of the defences on Horsea Island of 5-10 years and on Tipner West of 10-15 years. Due to a lack of maintenance over recent years, there is an increasingly high risk of failure of the defences in the next few years. Should the defences fail there are risks of releasing contaminated ground into Portsmouth Harbour and hence pollution of designated nature conservation sites. Defence failure would also exacerbate coastal flood risk with Tipner West currently only offering protection up to a 1 in 10 year return period storm, i.e. substantially lower than the 200-500 year standard of protection offered by the recent/current North Portsea and Southsea schemes – therefore representing a weak-spot in the island-wide defences (due to a flood pathway through to the Tipner interchange and Tipner East).

² <https://www.portsmouth.gov.uk/wp-content/uploads/2020/05/development-and-planning-portsea-island-coastal-strategy-study.pdf>

3.2.2 The Council, when it purchased these sites, has committed to managing and investing in flood defences for Tipner West and Horsea Island. Our experience in this area has demonstrated that the Environment Agency's funding structures are based on protecting existing homes and as such no grant is anticipated and this will need to be funded either by the Council, by the development or the Council will need choose not to be "holding the line" and allow Tipner West and Horsea Island south to be subsumed.

3.2.3 Without significant investment to renew the coastal flood and erosion defences, the contamination risks to the designated sites and flood-risks to many properties and infrastructure assets is considerable. The figure below shows the estimated extent of flooding due to a 200-year return period extreme sea-level event (accounting for 100 years climate change), i.e. the same event/timeframe for which the rest of Portsea Island is being protected from with recent/current investment. It should be noted that the extreme flood extent shown below is also based on the existing defences being maintained in their current form for Tipner West alone. (Please note the image before does not reflect the investment made into flood defences at the north of the island.)



3.3 Contamination

3.3.1 A significant number of ground investigations have been undertaken across the majority of the Tipner West and Horsea Island East site, which have indicated asbestos, metals, polyaromatic hydrocarbons (PAHs) and petroleum hydrocarbons are present in the made ground across the site at concentrations which exceeded the adopted screening criteria. Marine Ground Investigation works are currently also underway.

4.0 Need for the Project

Key factors

- **The maritime sector in the Solent will be negatively impacted by not delivering at least 9 hectares of marine employment.**
- **There is a huge need identified in this sector, which Lennox Point is proposing to deliver.**
- **Housing is required to support the maritime development and will also support Portsmouth's housing demand; in turn creating a more desirable place to live and work.**

4.1 Summary of position

The text below will demonstrate that:

- The marine and maritime sector provides almost 1/5 of the UK's GVA
- The Solent is currently the UK's leading marine cluster
- The marine and maritime sector is the largest sector in the Solent region
- There is a need identified to further support the Solent cluster in order to support the UK's marine and maritime sector as well as the Solent region
- Waterfront employment sites compete with other uses, creating difficulty in meeting growth capabilities for the sector
- Tipner West is the only alternative location capable of delivering the strategic marine employment provision for the Solent area that is envisaged by the City Deal
- A land area of 9 hectares and provision of 58,000sqm of marine and maritime employment floorspace is required
- This sub-regional employment provision will lead to up to 1,750 new direct jobs
- The local population cannot currently support this growth. This will require inward migration since the local skills base is presently insufficient for this level of growth.
- Portsmouth already suffers from a serious inward commuter problem leading to adverse environmental effects
- The aspiration that 50-60% of workers would wish to live at Lennox Point equates to 1,000 new homes required
- Portsmouth has an unmet housing need in the absence of Tipner West of circa 3,500 homes.
- Neighbouring authorities are unable to meet that need in addition to their own requirements.
- Alternative locations for the 3,500 homes cannot be found within Portsmouth's administrative boundaries.
- The development at Tipner West needs to meet Portsmouth's unmet housing need as well as the demand created by the sub-regional employment provision – hence planning for the provision of circa 3,500 homes

4.2 Portsmouth's Housing Need

- 4.2.1 As part of the Local Plan Review process, the Council must meet its housing needs based on the objectively assessed Standard Methodology for assessing housing need, introduced by the Government in 2017. Most recently, the Government provided Portsmouth with a figure of 17,588 net additional homes needed between 2020 and 2038.

- 4.2.2 A Background Paper to the Local Plan Review in December 2018³ noted the actual deliverable level of housing in Portsmouth is "*likely to be constrained by a number of factors, including the availability of land, impacts upon the environment, the capacity of infrastructure and the deliverability of development*".
- 4.2.3 The Council will have undertaken an assessment of specific, developable sites or broad locations for growth for years 6-10 of the Local Plan and, where possible, for years 11-15. It is understood from communication with the Council's Local Plans Team, that without residential development at Tipner West, there would be a shortfall of circa 3,500 homes identified within the Local Plan Review.
- 4.2.4 The NPPF and PPG (Planning Practice guidance) set out the methods in which unmet need can be provided in neighbouring authorities through the duty to cooperate and the completion of a Statement of Common Ground. Each LPA can agree multiple statements with neighbouring authorities, which are also used to address other strategic and cross-border planning considerations. The table below sets out Savills understanding of the current position of the neighbouring Local Authorities from submitted Statements of Common Ground.

Neighbouring Authority	Response to meeting Portsmouth's Unmet Need	Conclusion
Fareham Borough Council (FBC)	Sep 2020 – Portsmouth City Council (PCC) had requested 1,000 dwellings. FBC response that the request was 'out of date' and will provide a proportionate contribution. Allowance of 847 dwellings to meet Portsmouth and Gosport's combined unmet need of over 3,500 dwellings.	FBC's delivery of unmet need will not be sufficient to meet the needs of PCC.
Winchester City Council (WCC)	Feb 2021 – consultation document – no reference to delivery of dwellings above their minimum requirement	PCC's unmet needs are unlikely to be provided.
Havant Borough Council (HBC)	Local Plan submitted for examination Feb 2021 – buffer of 340 above their minimum requirement to ensure 'plan is flexible to accommodate needs. Not anticipated and to allow a rapid response to economic change	HBC will not be providing additional homes to deliver PCC's unmet needs.

- 4.2.5 The evidence that only one neighbouring authority (Fareham) has the ability to take on any unmet need from Portsmouth City Council (and Gosport) indicates that it is vital to find capacity within the city to deliver the homes needed. Savills is undertaking further research into these neighbouring authorities, as well as Portsmouth's own housing land supply, to confirm that these statements have robustly and objectively assessed all opportunities to deliver additional housing to support the sub-regional employment provision being proposed at Tipner West.

³ Portsmouth Plan Review Background Paper: Housing Needs and Housing Targets Update, PCC (December 2018)

- 4.2.6 Any alternative options being put forward to meet the City's defined needs, will be considered as part of the local plan process.
- 4.2.7 Therefore, unless Portsmouth's housing need is fulfilled there is a danger that the housing provision for employees to support the sub-regional marine employment provision could be occupied by others and will be insufficient for sustainability of the marine and maritime employment centre of excellence. This would therefore undermine the sustainable growth of the sector and the viability of the marine employment provision. As such the proposed development at Tipner needs to meet the City's unmet housing need as well as the uplift required to 'consume its own smoke' in supporting the sub-regional employment growth that has to be delivered to Tipner.

4.3 Meeting marine and maritime manufacturing sector need

- 4.3.1 In 2013, the marine and maritime sector provided 17% of the UK's Gross Value Added (GVA) and 20.5% of the Solent's GVA, and this was growing. Various studies⁴ have demonstrated that the UK maritime industry "*continues to be seen by the international market as a world-leading maritime centre*" and that clustering is crucial in underpinning the health of the sector.
- 4.3.2 As a result of the COVID-19 pandemic, the maritime industry has put forward a recovery plan⁵ that sets out how the maritime sector is well-placed to drive a green, regionally balanced, export-led recovery and the actions needed for both industry and Government to achieve this.
- 4.3.3 Several regional and local policy documents⁶ confirm the importance of the marine and maritime cluster that exists within the Solent economy (the largest sector in the Solent region), and the need to grow this cluster in order to support the sector as a whole within the UK.
- 4.3.4 The reports prepared by the Solent LEP⁷ regarding the marine and maritime sector highlighted the Solent's "*coastal location, business base, research assets and educational strengths*" as key factors that make the Solent the "*UK's leading marine cluster*" at the "*heart of the UK's marine and maritime economy*" and a "*globally recognised marine and maritime centre of excellence*".
- 4.3.5 A more recent report in 2019 further emphasises the crucial importance of the Solent cluster to the marine sector nationally⁸. This report by CEBR, the Centre for Economics and Business Research, (on behalf of the Solent LEP and Maritime UK) assesses the importance and recognition of the role the Solent plays as a

⁴ Maritime Growth Study: Keeping the UK competitive in a Global Market, Department for Transport, 2015; Maritime 2050 *Navigating the Future*, Department for Transport (DfT), January 2019

⁵ Maritime Sector Recovery Plan, Maritime UK, June 2020

⁶ Solent LEP Strategy for Growth (2012);

The PUSH Economic Strategy (2010) and Local Investment Plan (2012);

The Portsmouth Plan (2012)

The Portsmouth Regeneration Strategy 'Shaping the Future of Portsmouth - a strategy for economic growth & prosperity' (2011)

Transforming Solent: Solent Strategic Economic Plan 2014-2020, Solent LEP (2014) and Transforming Solent: Marine & Maritime Supplement, Solent LEP (May 2014)

⁷ Making Waves: Solent's Marine & Maritime Sector', Solent Local Enterprise Partnership (2015) and Transforming Solent: Marine & Maritime Supplement, Solent LEP (May 2014).

⁸ 'The economic contribution of the Maritime Sector in the Solent LEP', CEBR: 2019

https://solentlep.org.uk/media/2837/cebr_maritime_uk_solent_lep_16102019.pdf

gateway for trade with the rest of the world. It assesses the economic impact of the Solent cluster and Portsmouth naval base in terms of the key macroeconomic indicators of gross value added (GVA), turnover and employment. The report noted that *"the maritime sector in the Solent plays an important role in facilitating UK trade with the rest of the world, and international trade drives economic growth"*... and is *"...a vital cog in the wheel of UK manufacturing"*. The report also noted that the *"maritime sector in the Solent LEP region is set to grow at a faster rate than in the UK"*. Marina Projects Limited prepared a report⁹ to inform the development of Tipner West and Horsea Island East at the outset in 2016. The report highlighted a number of issues that creates difficulty for the marine and maritime sector in meeting its growth capabilities. This includes the competition that waterfront employment sites find from alternative uses, in particular residential and employment uses that do not require access or proximity to the water.

4.3.6 The Solent LEP report 'Maritime Futures: Solent Waterfront Sites'¹⁰, provided a register of all existing and potential waterfront employment sites in the Solent region to provide an evidence base for policy makers (such as Solent LEP, PUSH (now PFSH – Partnership for South Hampshire) and LPAs) to guide their strategic, long-term plan making and crucially to protect the most important of those sites. The report ranked them in respect to their level of importance to the marine and maritime sector (from Tier 1 to Tier 3) and on three defined criteria of:

- Marine access
- Presence of marine and maritime activities
- Development potential

4.3.7 This enabled the identification of 97 waterfront employment sites across the region that offered the "best characteristics to give continued support and growth" to the marine and maritime sector. This reduces to 69 sites once those operated by the MoD, commercial or ferry port activities and utilities, and leisure or recreation uses are excluded. Of the 97, 23 are ranked as Tier 1 but of these, only four 'Tier 1' sites remained under-developed for marine and maritime use in order to support the Solent need. The only available site of these four that was not already developed was Tipner West.

4.3.8 To confirm this, an alternative sites assessment¹¹ prepared by Marine Projects Limited concluded that Tipner West remained the only option for the Solent area to deliver the strategic marine employment envisaged by the City Deal and that will respond to the need and demand¹².

4.3.9 Assessment of alternatives (Marine Employment Alternatives, Marina Projects Limited (2020))

⁹ Marine Market: Baseline and Literature Review, MPL (2016)

¹⁰ 'Maritime Futures: Solent Waterfront Sites', Solent LEP: 2015

https://solentlep.org.uk/media/1341/maritime_futures_-_solent_waterfront_sites_-_169_15_.pdf

¹¹ 'Marine Employment Alternatives', MPL (January 2020)

¹² Savills is currently undertaking further research to quantify the impact that would result to the UK marine and maritime sector should the Solent not be able to meet that need and demand.

Attribute	Do nothing	Tipner West	Royal Clarence Yard	Centenary Quay	Vestas Newport	Fawley Waterside	Marchwood Industrial Park	Daedalus	Kingston Marine Park
Existing depth (Chart Datum)	n/a	-3m	-4m	-2m	+1.5m	-1.5m	-3m	n/a	+4m
Available site area (hectares)	n/a	10.8	2.31	3.18	3.75	6	6.2	83	6
Ability to deliver full tide access	No	Yes	Yes	Yes	No	No	Yes	No	No
Ability to develop a large boat lift facility in the order of 600-700 tonnes	No	Yes	No	No	No	Yes	Yes	No	No
Ability to ensure an appropriate level of open yard	No	Yes	No	No	No	Yes	No	Yes	No
Provision of circa 58,000 square metres of marine employment space	No	Yes	No	No	No	No	No	Yes	No
Site area of between 9-10 hectares	No	Yes	No	No	No	No	No	No	No
Ability to provide a regionally significant marine employment hub	No	Yes	No	No	No	No	No	No	No

4.4 The land take required

4.4.1 Savills and Marina Projects Limited have undertaken research to investigate the quantum of land take required to provide a regional centre of excellence in order to meet the demand in the Solent area. It identifies that the amount of land required for the marine employment use and ancillary employment land should be a minimum of 3-4.5 hectares for wharves, marinas and boatyards, with total land area of 8 hectares. These figures are based on a single user and, given that it is likely that the site would not be identified for a single user, it is suggested that the minimum site area, including the marine infrastructure and boatyard, should be at least 9 hectares.

4.4.2 Providing an employment site area of this size would also require upfront infrastructure (including in particular a 600-700 tonne boat lift facility) in order to attract the strong demand identified and underpin the economic growth of Portsmouth, the Solent and the UK. It has been identified that that land does not need to be contiguous but should be in close proximity to the access-to-water point, and so the land can therefore be split across the site at Tipner West and Horsea Island East if connected by bridge.

4.5 The associated marine-led residential development

4.5.1 The sub-regional employment need that would occupy the 9 hectare site would provide circa 58,000 sqm of marine and maritime employment floorspace. This is expected to create circa 1,750 direct jobs in the marine and maritime sector.

- 4.5.2 The National Planning Policy Framework (NPPF) sets out the three elements of sustainable development:
- **Economic** - land and infrastructure to support economic growth and innovation
 - **Social** - housing to meet future needs alongside accessible community facilities and services to ensure community wellbeing
 - **Environmental** - growth whilst protecting and enhancing the environment including improving biodiversity, and mitigating and adapting to climate change
- 4.5.3 Overall, the NPPF seeks to promote sustainable growth by meeting future needs for housing and employment through mixed-use development in sustainable locations, with employment at strategic locations to attract inward investment, co-located with a range of community facilities, while minimising impacts and securing biodiversity net gain. This scheme aims to deliver all of these attributes of sustainable development, whilst recognising that development at Tipner may have an impact on the Portsmouth Harbour Special Protection Area (SPA).
- 4.5.4 Providing housing in proximity to the new jobs created by this scheme is essential to avoid the impact on increasing travel times, congestion and the environmental impact of commuting in and out of Portsmouth. 28,000 people travel out of Portsmouth each day for work,¹¹ more than 41,000 people travel in¹³ and the current number of workers for every job in Portsmouth is 1.39 (Southampton is at 1.5). This demonstrates Portsmouth has a lower resident workforce compared to employment demand. The job growth - created by meeting the sub-regional employment demand - could lead to an increase in workers travelling towards the development for work, rather than solely from Portsea Island. An aspired for figure of 50-60% (similar to Poundbury) would equate to circa 1,000 employees from the marine and maritime floorspace looking to live in the new neighbourhood.
- 4.5.5 The delivery of homes, closely linked to jobs, will provide Portsmouth with the opportunity to:
- Increase its share of the economic growth potential
 - Address the imbalance between jobs and workers by increasing the supply of homes
 - Capture the benefits of economic activity and improve regional competitiveness
 - Capture current and future in-commuters to reduce high levels of in-commuting with attendant benefits in terms of reduced carbon emissions and air pollution and reduced traffic congestion
 - Capture more employee expenditure within Portsmouth

4.6 Next Steps

- 4.6.1 Despite the robust case and evidence underpinning the need for the development at Tipner West and Horsea Island East, Savills is undertaking a full and further objective appraisal of the various alternative options set out below as part of the Habitats Regulations Assessment (HRA). This will be submitted with the planning applications in 2022 and Savills will be reporting on this in due course to further confirm that there are no alternative options that meet the Project Objective apart from Option 5: The Proposed Scheme (see overleaf).

¹³ Approach to Employment Land Study, BE Group, for PCC (2019)

5.0 Options appraisal

Options	Option 1 - do nothing	Option 2 - housing only on existing land (excl. HIE)	Option 3 - housing and industry on existing land (incl. HIE)	Option 4 - industry plus park & ride (incl. HIE)	Option 5 - housing and industry on enlarged land site	Option 6 - Walter Menteth proposal
City deal	Repayment of city deal grant	Negotiate partial grant repayment	Capable of partially meeting criteria, negotiate partial grant repayment. Closest to original City Deal	Negotiate partial grant repayment	Fully meets criteria	Negotiate partial grant repayment
Habitats Regulations Assessment required with agreement from Natural England and Environment Agency	No but intertidal habitat (SSSI) and SPA will be lost to sea level rise.	Yes	Yes	Yes	Yes	Yes
Environmental Challenge	Flood risk Flood defences will still result in loss of intertidal habitat (SSSI) due to sea level rise	Flood risk. Compensation land required (due to loss of Brent Geese foraging) + 10% biodiversity gain required	Flood risk. Compensation land required (due to dredging, bridge and loss of Brent Geese foraging) + 10% biodiversity gain required	Flood risk and SPA impact due to dredging and bridge	Compensation land required (due to dredging, bridge loss of intertidal and loss of Brent Geese foraging) + 10% biodiversity gain	Flood risk and Mitigation + some compensatory land + biodiversity net gain
Sea defences	Within 100 years, site lost to sea level rise.	Largely at City expense	Largely at City expense	Largely at City expense	Cost covered by scheme	Largely at City expense and multitude of incremental sites needing defending
Homes provision	Nil	Circa 1,350	Circa 1,000	Nil	3,500	Unknown
Jobs provision	Nil	Nil	1,750 on site	1,750 on site	2,410 on site	Unknown
City Deal requirement met	Default	Default	Housing number not met.	Default	All requirements met	Default

Options	Option 1 - do nothing	Option 2 - housing only on existing land (excl. HIE)	Option 3 - housing and industry on existing land (incl. HIE)	Option 4 - industry plus park & ride (incl. HIE)	Option 5 - housing and industry on enlarged land site	Option 6 - Walter Menteth proposal
Housing alternatives	Additional 3,400 homes to be found in City Centre, Cosham	Additional 2,040 homes to be found in City Centre, Cosham	Additional 2,300 homes to be found in City Centre, Cosham	Additional 3,3400 homes to be found in City Centre, Cosham	Not required	Additional quantum required unknown
Effect on Local Plan	Major delay or plan found unsound Leads to Gov't intervention	Delay or plan found unsound Leads to Gov't intervention	Delay or plan found unsound Leads to Gov't intervention	Delay or plan found unsound Leads to Gov't intervention	None Plan can proceed to Reg 18 and Reg 19 consultation on time	Delay or plan found unsound leading likely to Gov't intervention
Harbour school relocated	No- but flood protection of the school will need to be agreed.	Yes	Yes	Yes	Yes	Yes

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When considering any options for this site the City deal agreement, the local plan requirement and the ability to address a full Habitats Regulations Assessment (HRA) must be considered. Due to the complexity of this site there would be significant cost associated with this site.

In conclusion, the only proposal which will meet the requirements for employment and housing and the Project Objective is that of Option 5, which includes land reclamation and mixed development at Tipner West.

6.0 Ecological Impact and Disturbance

Points to consider:

- **Due to the environmental constraints on this site, it is vital that stringent ecological and environmental regulations are adhered to.**
 - **The environmental regulators and not the LPA independently verify the Habitats Regulations Assessment (HRA) process.**
 - **The development will only go ahead if statutory stakeholders - including Natural England and Environment Agency - are satisfied with the proposal.**
- 6.1.1 As a Site of Special Scientific Interest (SSSI), Special Protection Area (SPA) and RAMSAR, with other protected sites close by in Langstone and Chichester and Southampton Harbours and the Solent and Dorset Coast more widely, it is vital that the Council follows stringent ecological and environmental regulations for this proposed development. This includes a Habitats Regulations Assessment (HRA) which requires us to undertake an Appropriate Assessment (undertaken to assess and address the likely significant effects of the proposed development which we know will be significant and that no alternative solutions exist for this development).
- 6.1.2 We have been engaging with professionals across every sector, including Natural England, Environment Agency, RSPB and Hampshire and Isle of Wight Wildlife Trust (HIWWT), to ensure we minimise, and compensate for, the impact on wildlife. We have also agreed to a Regulatory Panel being put into place by the Local Planning Authority to review the proposal with these statutory and non-statutory groups. (Further details on the Regulatory Panel can be found in 8.2)
- 6.1.3 There are objections to the scheme from two wildlife groups and although not statutory stakeholders, they have formed an alliance through a national petition against the development of the site. The current number of signatories on the petition is 23,865 (as of 24 June 2021). It's important to note that we continue to engage with these bodies via the Regulatory Panel where they are able to contribute as guest panellists.
- 6.1.4 At the heart of site design and place making is an ethos premised upon ecosystem services whereby human wellbeing and biodiversity co-exist in a balanced and sustainable manner. This will not just deliver the best for people, but will provide opportunities for wildlife, birds and pollinators to live, nest and move through the development. Parks at the water's edge will be optimised for biodiversity and will provide semi-natural habitats with vegetative landscaping in keeping with the local coastal character and generating opportunities for nature and people's interaction and connection with nature.

7.0 What is a Habitats Regulations Assessment (HRA)?

The Habitats Regulations Assessment (HRA) is a multi-stage process which helps determine Likely Significant Effects (LSE) and, where appropriate, assess adverse effects on the integrity of a European site, examine alternative solutions, and provide justification for Imperative Reasons of Overriding Public Interest (IROPI).

Existing guidance remains in place following the UK withdrawal from the European Union. It consists of a four stage process which is summarised below.

Stage 1 - Screening

Screening is the process of identifying potentially relevant European Designated Sites and whether the proposed plan or project is likely to have a significant effect on the interest features of the site either alone or in combination with other plans and projects.

Stage 2 - Appropriate Assessment (AA)

Where there are potential adverse effects, an assessment of mitigation options is carried out and mitigation measures are proposed to address the effects. Should a likely significant residual adverse impact remain, the HRA must progress to Stages 3 and 4.

Stage 3 - Assessment of alternatives

Identification and examination of alternative ways of achieving the objectives of the project to establish whether there are solutions that would avoid or have a lesser effect on the site(s).

Stage 4 - Imperative reasons of overriding public interest (IROPI)

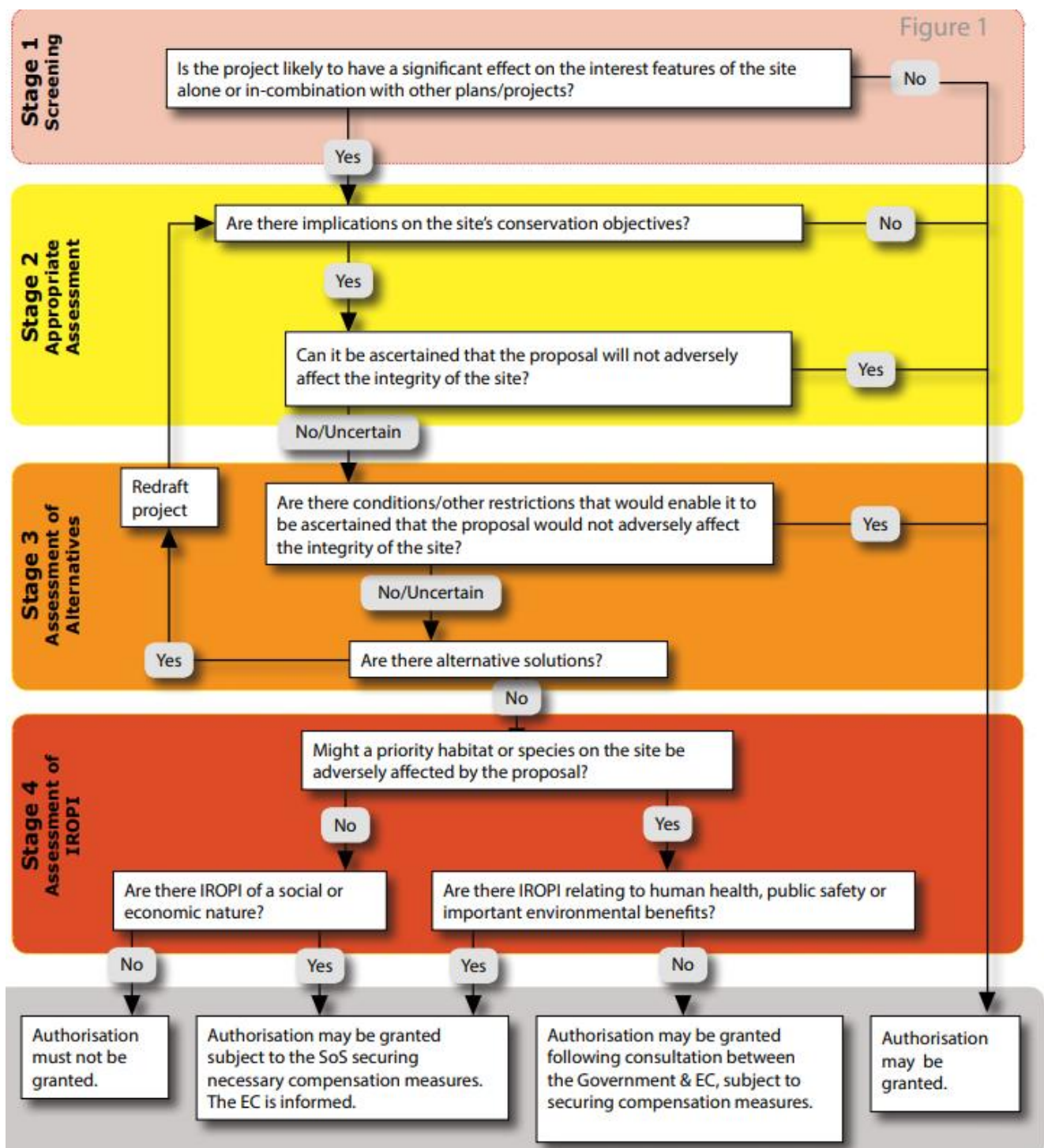
Where it can be demonstrated that there are no alternative solutions that would have a lesser effect or avoid an adverse effect on the integrity of a designated site, a project may still be allowed to proceed if there are 'Imperative Reasons of Overriding Public Interest' upon which it may be justified.

Stage 4b - Compensation

In the instance of having to provide IROPI, compensation land must be provided in order to permit the plan or project to proceed.

Figure 1 below provides a flow chart of each Habitats Regulations Assessment (HRA) Stage and the considerations and interdependencies between them.

Figure 1: Flow chart of HRA process



8.0 Where are the proposals for Tipner West, Lennox Point, in the Habitat Regulations process?

Points to consider:

- Impacts related to a new bridge, dredging and land reclamation will be consented through a Transport and Works Act Order (TWAO) by central Government; impacts related to developing the existing land mass and in particular the firing range will be consented by the Council as Local Planning Authority (LPA) via a planning application.
- It is the responsibility of the Secretary of State or PCC as Local Planning Authority (LPA) to carry out an Appropriate Assessment (AA), a stage in the Habitats Regulations Assessment (HRA) process, prior to the determination of any TWAO or planning application respectively
- A Shadow HRA report will be submitted with the applications for consent to ensure the consenting body has the information required to carry out the AA and determine IROPI
- All stages are underway and are being developed by the project team.
- The project team are involving statutory and non-statutory stakeholders in sharing the progress of our Habitats Regulations Assessment (HRA).

8.1 Stage progress

8.1.1 Stage 1 – Screening – Significant progress made

- A draft Stage 1 Screening Report has been progressed to the production of a first draft report.
- The Stage 1 Screening assessment has identified that likely significant effects (LSE) could occur upon eight identified European sites.
- LSE identified the likely loss of designated and supporting habitat, reduction in habitat quality, disturbance of qualifying features (water birds), changes to site hydrodynamics, air quality and water quality.

8.1.2 Stage 2 – Appropriate Assessment – Significant progress made

- Following the conclusions from Stage 1, a draft Stage 2 'Appropriate Assessment' (AA) has been progressed.
- The Stage 2 AA examines more closely the likely effects identified to inform whether an adverse effect on site integrity can be ruled out. This includes consideration of mitigation as well as in-combination effects with surrounding developments.
- The Stage 2 AA is well progressed with detailed assessments being carried-out, however as it is likely to show that there is "no certainty that the proposals won't adversely affect the integrity of the site", the team is progressing with the stage 3 works in parallel.

8.1.3 Stage 3 – Assessment of Alternative Solutions – Significant progress made and further work underway

- Stage 3 of the Habitats Regulations Assessment process requires an assessment of any alternative solutions that have been considered that could deliver the project objective for e.g. whether the

project can be delivered elsewhere altogether, split up into different elements and delivered in different locations or whether there are alternative ways of achieving the Project Objective.

- A methodology has been determined to ensure that all potential alternative solutions are identified and subsequently assessed.
- The overall approach to be adopted is to set out the national need for marine employment, the need for marine employment in the Solent and then the potential specific sites in the Solent that meet the requirements to deliver the need. Whether this can be met in a different manner than simply providing a new site for marine employment growth will also be considered in the alternative solutions.
- City Deal had previously pinpointed Tipner and Horsea Island as the locations for this growth, but this will be reviewed and checked.
- In order to ensure the continued viability and deliverability of the marine sector employment, there is a requirement for social and physical infrastructure, such as housing and training and skills opportunities, to be provided in order to support the growing workforce and this needs to be done in a viable, market facing manner. Hence the scale of the proposals at Lennox Point to ensure these requirements are all met.
- The starting point for the housing requirement is not only meeting the housing required to support the growing workforce, but also in meeting any unmet housing need in the local authority area.
- It is also important that the proposals, wherever provided, work to enhance and not detract from the economy and regeneration of the locality in which it is developed and are developed in as sustainable a manner as possible.
- For example if Tipner is arrived at, it is understood that meeting the Council's housing need and ensuring the workforce, or at least a proportion of it, can be housed at Tipner is imperative to reduce the negative impacts that flow from significant level of commuting found within Portsmouth (as set out in detail in paper 1) and also to ensure the City's regeneration and protection of the city from flood risk.
- As well as considering if the Project Objective can be delivered in a different way, or in a different location completely, this stage of the HRA will also consider whether the different elements all need to be located together to meet the Project Objective or can parts of the proposals be delivered in different locations.
- In doing so, the Solent study area will be revisited to assess whether the housing component of the project can be met elsewhere either on the same site as the potential marine employment, or disaggregated to other smaller sites.
- Alternative solutions within the site at Tipner are also being identified and assessed (e.g. options for site layout, construction methods and phasing).
- The Stage 3 assessment has commenced and is being progressed in accordance with a programme that will result in a comprehensive update to the Regulatory Panel.

8.1.4 Stage 4 - Imperative Reasons of Overriding Public Interest (IROPI) – **Work underway**

- The policy basis to inform and justify IROPI has been identified and will continue to be progressed.
- Projects are required to justify IROPI for reasons that relate to human health and public safety, social or economic benefit and/or overriding beneficial consequences for the environment.
- To establish the soundness of IROPI reasons the Council could ask the 'appropriate authority', the UK Government (DEFRA, DfT or MHCLG), for its opinion on whether the project or local plan possesses IROPI. Once a request is made, the appropriate authority will consult with stakeholders that they

consider appropriate to inform their opinion. The appropriate authority will publish the IROPI opinion to the Council.

- 8.1.5 The above stages are iterative and will be progressed in tandem with other assessments (e.g. Environmental Impact Assessment). Work on all four stages of the Habitats Regulations Assessment (HRA) are progressing with significant work currently taking place in relation to Stage 2 Appropriate Assessment and Stage 3 Assessment of Alternative Solutions. Stage 4 IROPI has been progressed to identify the core justifications for the project and will be developed to enable a request to be made by the Council to the appropriate authority later this year.
- 8.1.6 The Environment Impact Assessment work is being developed following agreement earlier this year with the statutory and non-statutory consultees and the Council as Local Planning Authority (LPA) on the scope of the assessments and will be being reported to the Regulatory Panel (see below) during the latter part of 2021 and early 2022 as the detailed assessments and proposed mitigation, compensation and enhancements are advanced. This will tie in with delivery of further information to support the LPA's next stage of consultation in the Local Plan at Regulation 19 where a plan level Strategic Environmental Assessment (SEA) will need to be undertaken by or on behalf of the LPA. Expenditure to date and the work required in order to progress this crucial feasibility stage was agreed in October 2020.¹⁴

8.2 The Regulatory Panel

- 8.2.1 A Regulatory Panel has been established by the Local Planning Authority, pursuant to Coastal Concordat principles, which brings together statutory DEFRA consultees (Environment Agency, Natural England and the Marine Management Organisation) and non-statutory consultees (RSPB and, shortly, Hampshire and Isle of Wight Wildlife Trust) to provide a regular forum for consideration and assessment of the Habitats Regulations Assessment and Environmental Impact Assessment work streams.
- 8.2.2 Due to resourcing issues, it has been agreed that the Lennox Point Regeneration programme will fund an external consultant to attend this panel on behalf of the Hampshire and Isle of Wight Wildlife Trust.
- 8.2.3 Alongside the Habitats Regulations Assessment and Environmental Impact Assessment work, information shared with this panel will include baseline reports, agreement of methodology, bird survey data and site strategies.

¹⁴ [Agenda for Cabinet on Tuesday, 6th October, 2020, 12.00 pm Portsmouth City Council](#)

9.0 Environmental Impact Assessment (EIA)

9.1 EIA - Proposed Development on the Tipner West (TW) and Horsea Island East (HIE) Strategic Development Area (SDA)

- 9.1.1 Under the EIA Regulations, the proposed development at the TW&HIE SDA constitutes EIA-development, for which an Environmental Assessment is required. The Project Team has therefore commenced the preparation of the Environmental Assessment, including a range of environmental surveys. The first formal submission in the EIA process is a request to the relevant authorities for a Scoping Opinion (Scoping Request report) – this was submitted in December 2020.
- 9.1.2 The Environmental Impact Assessment (EIA) Scoping Report was prepared by Savills on behalf of the Council with input from the Project Team. The Scoping Report provides preliminary environmental information in relation to the proposed development at the TW&HIE SDA and suggests the scope of key issues that the subsequent EIA will need to examine.
- 9.1.3 The Scoping Report was provided in support of a request for a ‘Scoping Opinion’ for the proposed development from the Council and the Department for Transport (DfT) and relating to the above elements of the proposed development.
- 9.1.4 This Scoping Report contained the information to allow the Secretary of State for Transport and the Council to consult with relevant stakeholders on the proposed scope of the EIA, including the MMO, Environment Agency, Highways England and Natural England, so that their comments could be taken into consideration as they issue a Scoping Opinion in response to this Scoping Request. That Scoping Opinion set out their view on the scope and level of detail of the information to be provided in the Environmental Impact Assessment (EIA). The scope of the EIA is likely to cover the following topics:
- Human health
 - Greenhouse gases and climate change
 - Socio-economics
 - Ground conditions and hydrogeology
 - Hydrology and flood risk
 - Navigation
 - Traffic and transport
 - Noise and vibration
 - Air quality
 - Biodiversity (ecology)
 - Landscape and visual impact
 - Microclimate (wind, sun and overshadowing)
 - Archaeology
 - Heritage
 - Soils and agricultural land
 - Marine hydrodynamics

9.1.5 It is considered likely that the Environmental Statement (ES) will be based on a set of agreed high level parameters that will be taken from the wider Masterplan proposals, and are likely to include:

- Extent of reclamation and other works in the Harbour
- Design and method of reclamation
- Dredging
- Method of remediation
- Drainage arrangements
- Extent and design of land raising
- Bridge design, access design
- Phasing
- Land use layout
- Heights
- Numbers of units
- Open space layout, including occupation activity with regard to access to or restriction on activity in proximity to the coastal frontage with the SPA

9.1.6 The ES will be prepared over 2021 and finalised in early 2022 to be submitted alongside and covering all the applications being submitted to secure the necessary approvals/consents for the proposed development.

9.2 EIA for Compensation Sites

9.2.1 As set out above, it is likely that there will be a set of sites identified for compensation as part of the proposed development. Ideally, the compensation would be underway and delivering the required habitat prior to any impact taking place at the TW&HIE SDA site. As such, compensation sites may come forward in advance of the wider TW&HIE SDA proposals.

9.2.2 Applications to create and manage compensation sites can be made in advance of the wider project proposals, as they are not reliant on, nor do they necessitate, those proposals. The compensation site creation and management proposals may or may not need EIA separately – this is determined at the EIA Screening stage. That screening is to determine if the compensation site creation and management proposals might have a significant impact on the environment (social, environmental and economic aspects), such as to require EIA.

9.2.3 Once the compensation sites are confirmed, and any works required to enable them to act as effective compensation sites are finalised, the need for them to be subject to EIA (and HRA) if progressed in advance of the wider project can be determined in consultation with the consenting body for the works required. Progression in advance of the main project would be helpful, as these would represent a committed scheme and would be included in the main project EIA in that manner.

10.0 Compensation Land (Stage 4b)

Points to consider:

- **Compensation land will be provided to offset impacts on the Portsmouth Harbour SPA. This will include the creation of new habitat and not just the enhancement of existing habitat.**
- **Lennox Point offers an opportunity to deliver wider ecosystem benefits and enhance biodiversity once completed.**
- **Land reclamation will affect mudflats around Tipner West. However, we are creating more new habitat than will be lost, through new compensation land area over and beyond our statutory commitments.**

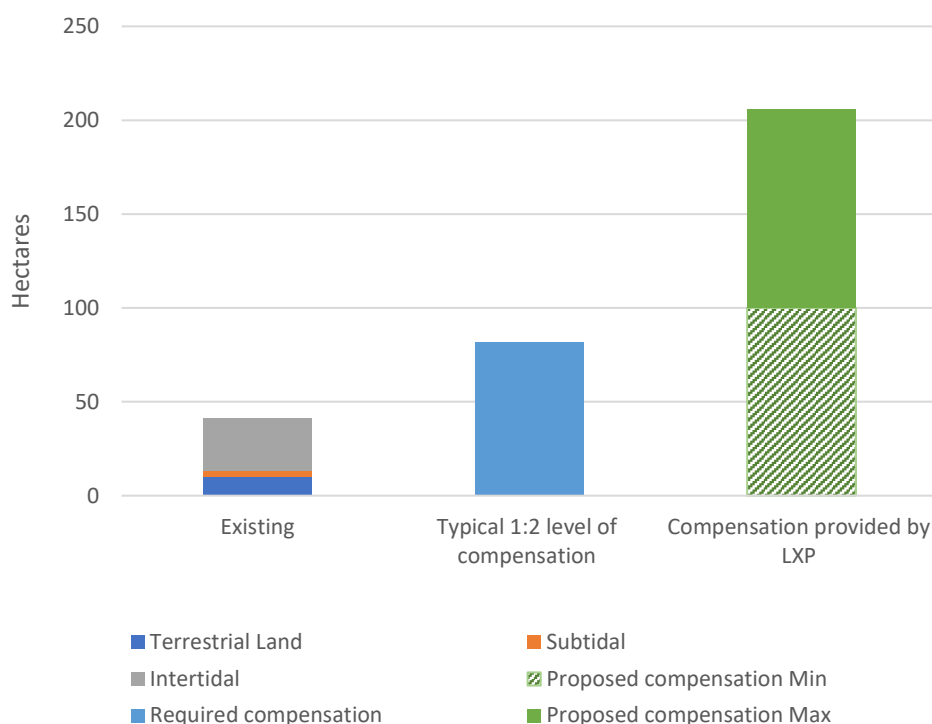
10.1 Key principles and approach

- 10.1.1 The requirement for compensation sites is due to the proposed impact on the Portsmouth Harbour SPA, a European protected site, through the land reclamation works and dredging. This is the last stage of the HRA process, however, due to the lead in times to find, secure and establish compensation land this has been addressed early in the process.
- 10.1.2 A robust methodology has been adopted for the site search utilising a comprehensive metric approach to establish the habitat requirements. Spatial analysis using GIS and ecologically focused search criteria were applied.
- 10.1.3 The overarching objective: identify sites that can ensure the integrity of the UK National Site Network and integrity of the European sites are maintained.

10.2 Metric Outputs and Compensation Requirements

- 10.2.1 Outside of the site, we are launching an ambitious and long-term project which will not only provide compensation for the bird life which utilises the existing Harbour but provide benefits beyond our statutory commitments.
- 10.2.2 To establish the amount of land and habitat type required, Environment Bank used an adapted version of the DEFRA Metric. As opposed to traditionally used hectare ratios to determine compensation requirements (e.g. compensate for direct impacts at a 2:1 scale), it was proposed to modify the Defra biodiversity metric to provide a framework for assessment of impacts to the SPA and the birdlife for which it is designated, and to facilitate a more granular approach to compensation design. Early consultation was undertaken with Natural England and the Environment Agency on this approach. The adapted metric results in roughly a 1:3 to 1:5 ratio of habitat loss to compensation, as opposed to the standard non-quantitative approach without a metric which typically provides a 1:2 output. As such, this is considered to be a more robust approach that will deliver greater environmental net gain.

Figure 2: Graph showing approximate area of habitat loss against a 1:2 standard ratio, alongside the proposed compensation land provision from the Lennox Point proposals (minimum and maximum).



10.2.3 The adapted DEFRA Metric established compensation and habitat requirements. These are divided into two broad types – compensation for loss of intertidal habitat and compensation for loss of supporting (Brent Geese) habitat. Depending upon the nature of the sites to be used for the compensation and whether these are new or existing sites being enhanced and depending upon the level of difficulty in creation of the habitat, Lennox Point is proposing to create the following new habitat areas:

Intertidal habitat (IT) - Between 93 and 170 ha (to replace 28ha lost)

Supporting (Brent Geese (BG) habitat – Between 10 and 36 ha. (to replace 10ha lost)

10.2.4 From an impact to 10 hectares of terrestrial land, 28 hectares land reclamation in intertidal habitats and 3 hectares of subtidal, we are looking to provide over 100 hectares of intertidal mudflat and saltmarsh habitat creation and enhancement within the existing range of birdlife utilising Portsmouth Harbour. This project will be designed to not only compensate for the impacts in year one, but will provide improved resilience to coastal sea level rise in the future.

10.2.5 The amount of land required depends on the current status of the compensation sites. For example, with regards to the supporting Brent Geese habitat, there is a higher land take requirement if the land is already suitable for Brent Geese but could be enhanced through further management interventions, than if a brand new foraging site on land which is not currently suitable is created.

10.2.6 The initial metric assessments indicate that approximately 40 hectares of the SPA and its functionally linked habitat (i.e. the firing range on Tipner West) would be directly impacted by the Lennox Point proposals

through the proposed land reclamation, dredging and developments works. Based upon the metric outputs above, a significant uplift of enhanced/new habitat would be delivered through the compensation sites to account for this loss.

10.2.7 It is important to note that the metric work has been an iterative process. As new survey data has become available and the masterplan is revised the outputs have been updated. Metric calculations will be carried out on the final selected sites to ensure they meet the requirements.

10.2.8 The compensation should be provided in advance of the impact taking place.

10.3 Stage 1 – GIS Analysis

10.3.1 Once the habitat and land requirement had been established, WSP undertook spatial analysis using GIS software. This was based upon a range of criteria which are listed below. A weighting (in brackets) was applied to each criteria based upon how integral they were the delivery and suitability of the compensation sites.

- Administrative Area (10%) - preference to sites within the Council area
- Distance from Coast (35%) - coastal proximity - highest weighted criteria
- Site Designation (30%) - existing nature conservation designation deemed a constraint
- Priority Habitats (10%) - similarly to designated sites, but with a reduced weighting
- Brent Goose Usage (15%) - no or rare/occasional use ranked lower than regular use

10.3.2 The initial area of search focussed in on Portsmouth Harbour and Langstone and Chichester Harbour, but Natural England directed the team to consider any sites within the same bio-geographical area of the SPAs as this ensures the integrity of the European Sites and the UK National Site Network. This area extends along the south coast of England, from Poole Harbour in the west, to Rye Harbour in the East and includes the Isle of Wight.

10.3.3 Developing compensation land in Portsmouth and Langstone and Chichester harbours is difficult due to the already protected nature of both of these areas and any change would likely lead to a loss of other protected habitats in order to provide the compensation land, and those protected habitats would then need to be compensated for – an aptly named ‘Domino effect’.

10.4 Stage 2 – GIS Refinement

10.4.1 Following the initial analysis, further criteria were added to refine the GIS outputs. These included:

- Additional habitat preferences of target species
- Land elevation
- Proximity to settlements, built up areas and other land uses with greater human activity

10.4.2 A heat map (Figure 3) was produced as an output which indicated areas of high, medium and low potential (Green (1), Amber (2), Red (3)).

Figure 3: Initial heat map output from GIS



10.5 Stage 3 – Long/Short list and Qualitative Ranking

- 10.5.1 A detailed desktop review was then undertaken utilising detailed habitat criteria. Potential site boundaries were drawn based upon existing spatial features, such as field boundaries, to define specific sites.
- 10.5.2 Based on a qualitative approach, each site was assessed against the criteria and assigned a rank from which total scores were derived to identify overall suitability for habitat creation. This allowed identification of the most favourable sites.
- 10.5.3 For example, sites were given a higher ranking if they fell within the Portsmouth administrative boundary as this would result in compensation delivered closer to the area of impact, but also would unlock the possibility of dual benefits from these sites by incorporating nitrate offsetting (as these would fall within the same water catchment as Tipner West).
- 10.5.4 A list of potential sites were identified which contained:
- 46 Terrestrial Brent Geese Sites
 - 15 Intertidal Sites

10.6 Further Prioritisation

- 10.6.1 Environment Bank undertook a further prioritisation exercise. Identified sites were assessed against an increased set of criteria for either Brent Geese or Intertidal habitat. The additional criteria included area, shape, urban proximity, dominant land cover and distance from high water mark.
- 10.6.2 Publicly available data sets were used as a comparative baseline to assign sites to one of the three scoring thresholds for each criterion. Scores were totalled and combined with stage 3 qualitative assessment which resulted in the identification of:
- 11 high potential sites for Brent Geese
 - 5 high potential sites for waders (intertidal)

10.7 Site Visits and Landowner Engagement

- 10.7.1 Site visits were undertaken in September 2020 (from public vantage points) to review the priority sites and confirm suitability in line with the desktop assessments. This enabled a review of the current site and management practices and highlighted any issues or potential constraints not visible through desktop sources.
- 10.7.2 Landowner identification and engagement was undertaken to establish initial interest and to also facilitate access for additional surveys and site appraisals.

10.8 Current progress and next steps

- 10.8.1 Ecological surveys commenced for the priority sites in December 2020, which included winter bird surveys. Survey work is ongoing to establish the baseline conditions.
- 10.8.2 Engineering appraisals have been undertaken for the intertidal sites and initial options for engineering solutions to create these sites have been produced. Substantial works may be required to breach existing flood defences and create a new areas of tidal range. As such, engineering viability for the intertidal sites is fundamental to the delivery.
- 10.8.3 The three strands of investigation described above (ecological appraisals, engineering review and landowner engagement) resulted in a refined list of sites located around the lower Arun, to the west of Littlehampton.
- 10.8.4 Based upon the current outputs from the metric, two-to-three of these sites would be required to provide the necessary compensation. However, work is ongoing for all these sites to reduce the risk of delivery if land management arrangements are unable to be agreed for some sites.

11.0 Biodiversity Net Gain (BNG)

Key factors

- **The project is seeking to attain 10% Biodiversity Net Gain.**
- **Baseline conditions and development of Biodiversity Metrics are taking place.**
- **BNG considerations are integral to the current masterplanning process to seek to maximise delivery within the site.**

11.1 Our commitment

- 11.1.1 At the heart of site design and place making is an ethos premised upon ecosystem services whereby human wellbeing and biodiversity co-exist in a balanced and sustainable manner. This will not just deliver the best for people, but will provide opportunities for wildlife, birds and pollinators to live, nest and move through the development. We will optimise for biodiversity and will provide semi-natural habitats with vegetative landscaping in keeping with the local coastal character and generating opportunities for nature and people's interaction and connection with nature.
- 11.1.2 Outside of the site, we are launching an ambitious and long-term project which will not only provide compensation for the bird life which utilises the existing Harbour but provide benefits beyond our statutory commitments. This project will be designed to not only compensate for the impacts in year one, but will provide improved resilience to coastal sea level rise in the future.
- 11.1.3 Biodiversity Net Gain (BNG) is an approach which seeks to improve the biodiversity of a development. The intention is that, once applied, BNG will result in development site having a positive ecological impact. The requirement to deliver BNG is included in the Environment Bill, due to receive Royal Assent late 2021, which will place its requirement on a statutory footing. The bill will require all development projects to deliver 10% biodiversity net gain that can be maintained for at least 30 years. The principle is that development projects must 'leave biodiversity in a better state than before'.
- 11.1.4 In order to achieve BNG, projects must follow the mitigation hierarchy of i) avoidance; ii) minimisation; on-site restoration; and iii) offset (off-site compensation). Measuring BNG will be achieved through the application of DEFRA's 'Biodiversity Metric' which creates a score for biodiversity on the site and off-site both before and after construction.
- 11.1.5 We are going beyond 10% net gain commitments with a conservation project which will deliver enhanced provision of priority habitats with a mosaic of features that will contribute to local and national habitat targets with opportunities for a wide array of rare wildlife, including bird life from the Solent and one that is designed to be sustainable in the future with climate change in mind.
- 11.1.6 A project such as this also has the scope to deliver wider ecosystem service benefits including reduced nutrient output and cleaner water, carbon sequestration and potentially new opportunities for public access and education in wild places.

12.0 Considerations

In order to ensure compliant with best value and public governance the below key strategic, financial and reputational risks must be reviewed before any consideration of change to the current project brief for Tipner West and Horsea Island East.

12.1 Strategic

1. If not pursued, the Council will be delaying the decision and the authority will still need to find at least 3,500 homes somewhere in the City that has not been considered to date - but they will also not be able to support the economic growth that the city, or that the Solent marine and maritime cluster, urgently needs.
2. Without developing Tipner West, it is likely that the inter-tidal will be lost in any event to sea-level rise over time and/or lost through flood/sea defences that would be required in due course to safeguard the M275, Tipner East and Stamshaw.
3. Whilst there is no doubt amongst the project team and Council that the SPA is a highly cherished resource, if done right Lennox Point presents the rare opportunity to do something that can not only meet the objectives, but also play a significant role in enhancing and protecting biodiversity over the long term and create a development built for the future.
4. The world has changed since the pandemic and Lennox Point has the opportunity to bring people and nature together and show Portsmouth's commitment to supporting its residents with high-quality, environmentally friendly homes and public realm. A catalyst for change forcing people to consider alternatives to London and Southampton.
5. Post-pandemic, more than ever, the City's current and future demand for employment opportunities remains unmet but the educational and skills attainment of the city will be negatively impacted. In particular in the core marine and maritime sector. The city will not provide sufficient jobs to meet its growth ambitions and in order to put Portsmouth on a par with the other south coast cities or the wider national average.
6. In terms of sustainability if we disperse the growth, it will perpetuate already unsustainable travel patterns, which are contributing to climate change.

12.2 Reputational

1. There would be no justification to build Tipner Bridge – a key piece of city infrastructure that has been an aspiration of the Council for over a decade and will impact on other existing work streams (see more details below). It may affect the delivery of the Horsea Island Country Park as it will be inaccessible for Portsmouth residents without the bridge.
2. Lennox Point will be a shopfront for the city, the gateway into Portsmouth, and has already received regional, national and international coverage for its innovative, sustainable development proposals. Reputational risk from the development market, marine and maritime industries and resident population.

3. The council has already purchased a large percentage of the land to facilitate the development and questions will be raised around what the council will now do with that land.
4. Abortive negotiations with landowners could lead to us not being able to secure compensation sites.
5. The scheme has to look to provide 10% additional biodiversity net gain resulting in an increase in the biodiversity on the site. Although there will be an immediate impact we will enhance the current position and provide legal protection over biodiversity on the site and compensation land.
6. Work with UTC Portsmouth, University of Portsmouth, school curriculum packs and career work will all have to be aborted. This includes A-Level students working on Phoenix Quay Branding. Year 12 & 13 students working on robotics enabling a car free life and Year 10 students working on ethical living. This will also impact the curriculum material already produced for all schools across the city. We will also no longer be able to attend agreed career days, run work experience weeks or take T-Level pupils.

12.3 Financial

1. Money spent would have been abortive. (Expenditure to date and required expenditure agreed Tuesday 6 October 2020¹⁵)
2. The repayment of the City Deal funding (circa £48.7 million) to government would need to be negotiated.
3. Negotiations with Homes England and Department of International Trade will cease significantly damaging the relationship.

13.0 Council Officer Review

13.1 Planning Case Officer

The more ambitious, forward looking proposal would be focused around the development of a new marine employment 'hub of excellence' of national significance at Tipner West (utilising the site's deep water access into the harbour), made viable by the creation of a larger development area through land reclamation to establish a new supporting community of around 3,500 new homes. The marine employment hub could support a specialist marine and maritime innovation quarter and/or enterprise zone for the sub region, partnering with local higher education and training providers to deliver accessible and skilled work for Portsmouth residents. Co-locating a new community with the marine employment hub reflects the national policy preference for creating sustainable mixed-use schemes and would seek to address the need to *balance* the provision of new homes in the city with sufficient employment opportunities to reduce commuting and the associated impacts on air quality.

If the more ambitious option is pursued, and critically, if the harm to the harbour environment can be satisfactorily addressed through the required legal tests, redevelopment would not only compensate for habitat loss and other in-direct impacts but would deliver significant net gains in biodiversity by providing additional mudflat habitat (featuring net gains in both scale and quality) to that lost/ impacted through land reclamation within the Solent.

¹⁵ [Agenda for Cabinet on Tuesday, 6th October, 2020, 12.00 pm Portsmouth City Council](#)

This would be enhanced by on-site habitat provision and an underlying development strategy that would seek to integrate ecosystem services at all levels.

The creation of the new community would be guided by principles that would make a positive impact on the perception of the city and deliver a new community designed to meet the challenges of creating new places for the 21st Century; a new approach to living within Portsmouth. It would be governed by strategies that respond to the Climate Emergency and promote optimal health and well-being, including car free streets, sustainable and active transport, carbon neutral and low carbon living, whilst making full use of modern technology to achieve these goals. Redevelopment would also help to ensure Tipner is resilient to the impacts of climate change over the next 100 years, providing the necessary flood defence infrastructure to protect the low lying site from sea level rise. Due to the potential quantity and mix of housing types and tenures the site area could support, there is an opportunity to deliver a more substantial contribution to the need for affordable housing for Portsmouth residents.

Given the limited options for development sites of significant scale within the city, the opportunity for new development needs to be maximised. Providing development at a greater scale at Tipner, which has the potential for direct motorway access and sustainable and active travel connectivity to the rest of Portsmouth, would reduce the need to increase development pressures elsewhere in the city, where the Council would otherwise be required to find other locations for new homes and employment floorspace to meet the identified targets for Portsmouth. Fewer homes at Tipner would also necessitate a re-evaluation of other proposed land designations in the city, such as employment areas or green/ open spaces, and/ or further increases in residential density, scale or height in other key locations. Additional homes may also need to be sought beyond the constrained city boundaries (through the 'Duty to Cooperate') within neighbouring authority areas, adding development pressures to greenfield land within the sub-region and outward migration and less sustainable travel patterns.

Pre-application engagement with PCC Development Management has made significant progress in the last six months with the appointment of a dedicated case officer with experience in delivering strategic projects. A New Neighbourhood Team has been established to this end, resourced with a Team Leader (Nick Lloyd-Davies), Principal Planning Officer and, in due course a Senior and career-grade Planner. A 2 year Planning Performance Agreement (to March 2023, but renewable) has been signed to provide the necessary resource commitments, governance framework, associated funding £130,000 per annum (plus VAT) and programme to secure the necessary planning consents. A Regulatory Panel has been established pursuant to Coastal Concordat principles bringing together statutory DEFRA regulators (Environment Agency, Natural England and Marine Management Organisation) and non-statutory (RSPB and, shortly, Hampshire and Isle of Wight Wildlife Trust) to provide a regular forum for consideration and assessment of the HRA and EIA workstreams. A Heritage Forum has also been established with direct input from Historic England and local heritage groups. Furthermore, two all-day design panel workshops have been undertaken to robustly consider the current masterplan with significant input from the LPA and the Promoter team, together with many highly respected industry professionals within Design South East, all of whom have expressed strong support for the project's vision.

As things stand, the development management team considers that there is a case to be made for the land reclamation and hence the quantum of development as currently proposed, but securing potential agreement from regulators remains some way off as discussions have only just commenced around the 'Alternative Solutions' case. The derogation steps set out under the Habitat Regulations 2017 will be a significant hurdle but will be considered at length through the Local Plan Examination, Transport and Works Act Order (TWAO) Inquiry and planning application processes. It is proposed that an early IROPI opinion be sought from the Secretary of State to provide

some early reassurance on the project (equivalent to that provided by a National Policy Statement for major infrastructure projects) and that this will be sought prior to Regulation 19 Consultation on the draft Local Plan.

The LPA are engaging in ongoing, challenging, dialogue with regard to the draft masterplan in its current form, but Officers are confident that these can be resolved in the near future. A Common Ground Tracker document has been produced to monitor progress across all key planning and environmental issues and to ensure a robust and iterative audit trail is maintained up the point of planning application submission.

14.0 Conclusions

Lennox Point is an ambitious and innovative development proposal for a new, pedestrian first (car-free) environment and waterfront neighbourhood in Portsmouth.

It offers an opportunity to make a step change for the City of Portsmouth; providing homes and employment for local people and bringing investment into the city, to help build a sustainable new community and most notably a beacon for Portsmouth in leading the way with 21st Century, climate-responsive development.

It will have a leading marine employment and green marine technology hub (Phoenix Quay) that will reinforce Portsmouth's place in the heart of the Solent maritime economy, and will be home to an environmentally conscious and mixed community who will benefit physically and mentally from living and working at Lennox Point.

The proposals for Tipner West and Horsea Island East will improve and enhance biodiversity within the area.

The Habitats Regulations Assessment is a robust regulatory requirement and will be adhered to. If not approved, the development proposals will not progress. The decision to agree to the HRA in relation to land reclamation is taken by the regulators within central government.

It is the position of Council officers, representing both the developer and the LPA, that this scheme should be allowed to continue to submission of planning with the stringent processes in place through the regulatory legislation being adhered to in order to ensure the scheme results in an overall positive impact.



BRIEF ON SPA METRIC PROCESS TO DETERMINE REQUIRED COMPENSATION

FOR LENNOX POINT

Report Ref: EB03130-B1

19 August 2021

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To achieve the study objectives stated in this report, we were required to base our conclusions on the best information available during the period of the investigation and within the limits prescribed by our client in the agreement. Where information is provided by others, EBL shall bear no liability in respect of any advice given on the basis of that information. No investigative method can completely eliminate the possibility of obtaining partially imprecise or incomplete information. Thus, we cannot guarantee that the investigations (date, work, interpretation of that data or work) completely defined the degree or extent of e.g., species abundances, habitat management efficacy, conservation credit calculations and hence credit requirements, described in the report. Nor does EBL accept any liability for any decisions made by the CLIENT on the basis of the information, consultancy or advice provided by EBL.

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BRIEF ON SPA METRIC PROCESS TO DETERMINE REQUIRED COMPENSATION FOR LENNOX POINT

1 INTRODUCTION

In 2017 Environment Bank were engaged by Savills on behalf of Portsmouth City Council to provide advice on a mitigation and compensation approach for the anticipated impacts to the Portsmouth Harbour Special Protection Area (SPA) of the proposed Lennox Point development (then called Tipner). Note; the harbour is also covered by additional SSSI and RAMSAR designations. In the event that the project passes the HRA tests, the work would be used to identify the extent, nature and location of the compensation measures needed.

As opposed to traditionally used hectare 'ratios' to determine compensation requirements (e.g., compensate for direct impacts at a 2:1 scale), it was proposed to modify the Defra biodiversity metric to provide a framework for assessment of impacts to the SPA and the bird populations for which it is designated. In turn, this will facilitate a more granular approach to compensation design.

Through 2017 and 2018 an approach was developed and utilised on iterations of development design; during this time there were various meetings and consultation sessions with Natural England (NE) and Environment Agency (EA) to keep them informed and secure their preliminary agreement to this approach. To date, NE and EA have outlined their agreement in principle to the approach, with final approval to be sought upon the final confirmation of the SPA metric methodology set out in this paper.

The SPA metric is modified from the original DEFRA metric released in 2012. Subsequent revisions of the metric have been released, the most recent of which, the biodiversity metric 3.0, on the 7th July 2021. As a result, the SPA metric is being cross referenced with the metric updates to ensure the best approach is adopted.

2 DEFRA BIODIVERSITY METRIC OVERVIEW

The Defra biodiversity metric, originally published in 2012, is a tool that has been developed to allow quantification of the broad biodiversity value of habitats; it does not assess value for species. It can be used to assess current biodiversity value (baseline), direct habitat impacts (losses) and biodiversity enhancement through habitat creation or restoration (gains) covering all on-site landscaping and any offsite provision, providing a net biodiversity impact score in a land change scenario.

The metric works by providing a comparative measure of each habitat on-site in 'biodiversity units' by multiplying its area (hectares), distinctiveness score (based on general habitat type, richness and rarity) and current condition score (an assessment of each habitat at that particular site). See Table 1.

Biodiversity units = area x habitat distinctiveness x habitat condition

Table 1. Illustration of baseline biodiversity scoring

		Biodiversity distinctiveness		
		Low	Medium	High
Condition	Poor	2	4	6
	Moderate	4	8	12
	Good	6	12	18

During habitat creation or restoration, the metric incorporates risk factors. These factors are associated with the delay between the loss of the baseline habitat and the proposed habitats achieving their assigned target condition and habitat type (time to target risk factor), in addition to the inherent difficulties associated with habitat creation and restoration (difficulty risk factor). These risk factors reduce the gain in biodiversity value calculated for higher risk habitats.

Draft changes to an updated biodiversity metric¹ (biodiversity metric 2.0), released in July 2019, introduced a connectivity factor and a strategic location factor to the metric. These changes were included in the beta test release at the time of the last SPA metric assessment.

¹ <http://publications.naturalengland.org.uk/publication/5850908674228224>

A final metric version (biodiversity metric v3.0²) has since been released (7th July 2021). This metric version excludes the connectivity factor incorporated within the 2.0 beta release but retains the strategic location factor. In addition, the ability to modify the time to target risk multiplier has been incorporated. This allows the metric assessor to account, where necessary, for the early initiation of any proposed compensation works (reducing the overall biodiversity unit requirement), or account for any delays in compensation works initiation (increasing the biodiversity unit requirement).

3 SPA METRIC METHODOLOGY FOR DEVELOPMENT IMPACT

The SPA assessment developed for this project follows a metric of similar format to the Defra biodiversity metric but assesses the impact of the habitat loss to the birds utilising the area, as opposed to the general biodiversity value of those habitats. As a result, the SPA metric assessment is distinct from a biodiversity metric assessment, which will be undertaken independently.

It is acknowledged that the SPA is of statutory designation status as a result of its biological importance. However, whereas the biodiversity metric would assess the site as uniform high distinctiveness and good condition, here we look to ascertain which areas of the site are of particularly high value (e.g., roosting areas) or low value (e.g., terrestrial area with no roosting opportunities) to the birds, to allow a more fine-tuned assessment of impact and compensation requirements.

The resulting SPA metric units will not be comparable to biodiversity metric units but will allow assessment of compensation requirements when evaluating losses and gains quantified using the same methodology.

The following provides a break-down of the approach used. Note: this process was developed prior to the introduction of the biodiversity metric 3.0. As appropriate, the SPA metric methodology will be reviewed in light of the updated biodiversity metric release.

3.1 Target Species and Habitats

Following a review of the Portsmouth Harbour SPA, Site of Special Scientific Interest (SSSI) and Ramsar designations the assessment will focus on habitat important for use by the respective citation species:

- Dark-bellied brent goose, *Branta bernicla bernicla*
- Black-tailed godwit, *Limosa limosa islandica*
- Dunlin, *Calidris alpina*

² <http://publications.naturalengland.org.uk/publication/6049804846366720>

- Grey plover, *Pluvialis squatarola*
- Red-breasted merganser, *Mergus serrator*

The SPA metric assessment will include assessment of all intertidal and subtidal areas within the SPA and within the zone of influence of the development (the ZOI maybe subject to change to align with the determination of the HRA). It will also look at intertidal and terrestrial areas outside of the SPA where these habitats are of supporting functional use by the target bird species. All other terrestrial habitats, considered to have zero value for the SPA designated bird species, will be accounted for within the independent biodiversity metric analysis for the development footprint and final masterplan.

3.2 SPA Function Value of Habitats

The metric seeks to attribute an SPA function value (value to the cited birds) to each habitat within the assessment area. Habitat function is assessed in relation to the recorded use by target species of different habitat types and was determined through the interrogation of WSP bird survey data (location and abundance) against habitats.

High function habitats were shown during survey work to be key provisioning habitats for target species; habitat with evidence of more limited use were assessed as medium; habitat with no recorded usage by any species were recorded as low function.

Table 2 shows how SPA function scores are assigned to different habitats.

Table 2. SPA function classification

SPA function score	Definition
Very High	Areas important as roost sites for bird(s)*
High	Habitats of significant usage by bird(s)**, within or adjacent to the SPA
Medium	Habitats of significant usage by bird(s), but outside of designation***
Medium	Habitats of regular usage, but not significant use to bird(s), within or adjacent to the SPA
Low	Habitats of no usage by bird(s), within the SPA (site fabric).

*all references to birds, means that the habitat has been identified as important for 1 or more of the bird species identified in section 3.1.

** Analysis of bird use of each habitat was assessed by species, assessing maximum count, average count and total count, by habitat and by habitat hectare.

*** Supporting habitat, e.g., amenity grassland in close proximity to the SPA and used by Brent Goose.

Table 3 and 4 below outline the SPA function assigned to each habitat type assessed within the February 2020 assessment, including the bird species for which the habitat was identified as important. Intertidal and subtidal habitats with no recorded usage by the species were recorded as low function and were typically SPA fabric (Table 3). The habitats assessed within Table 4 were identified to be predominantly outside of the SPA, excluding a few small areas of phase 1 habitat mapping provided, which fell within the SPA but were not identified within the EUNIS data.

Table 3. EUNIS habitats and SPA habitat function values

EUNIS code	EUNIS description	SPA function factor	Habitat of high importance to which bird(s)
A1.3142	[Ascophyllum nodosum] on full salinity mid eulittoral mixed substrata	High	Brent goose, Dunlin, Grey plover
A2.245	[Lanice conchilega] in littoral sand	High	Brent goose, Grey plover
A2.3	Littoral mud	High	Red-breasted merganser
A2.321	[Nephtys hombergii] and [Streblospio shrubsolii] in littoral mud	High	Black-tailed godwit, Red-breasted merganser
A2.3223	[Hediste diversicolor] and oligochaetes in littoral mud	High	Brent goose, Black-tailed godwit, Grey plover
A2.421	Cirratulids and [Cerastoderma edule] in littoral mixed sediment	High	Brent goose, Black-tailed godwit, Dunlin, Red-breasted merganser
C1	Surface standing waters	High	Red-breasted merganser
A1.153	[Fucus serratus] with sponges, ascidians and red seaweeds on tide-swept lower eulittoral mixed substrate	Medium	
A2.11	Shingle (pebble) and gravel shores	Medium	
A5	Sublittoral sediment	Medium	
B1.4	Coastal stable dune grassland (grey dunes)	Low	
G5.62	Mixed scrub woodland	Low	

Table 4. Supporting habitat function values

Phase 1 code	Phase 1 habitat description	SPA function factor	Habitat of high importance to which bird(s)
H1.1	Intertidal mud/sand	High*	Black-tailed godwit
H1.2	Intertidal shingles/cobbles	High	
H1.3	Intertidal boulders/rocks	Medium*	
B2.2	Semi-improved neutral grassland – Tipner Range	Medium	
B6	Species-poor semi-improved grassland – Tipner Range	High	Brent goose
J1.2	Amenity grassland – at east of Tipner lake	Medium	Brent goose

*Small areas have a lower function value where reduced suitability is known. E.g., northeast corner of Tipner island at boat yards.

Figure 2 in section 8 shows a plan of SPA function classification across the site.

3.3 Baseline Condition of Habitats

Due to the site designation as an SPA, in addition to the lack of more detailed information confirming the presence or absence of undesirable features that would restrict habitat condition, all habitats were assigned a precautionary good condition as requested by NE.

3.4 Direct and Indirect Habitat Impacts

Habitat impacts across the assessment area are assessed in numerous ways:

- Direct loss of habitat – through:
 - Development on land.
 - Reclamation of harbour habitats for development.
 - Loss of intertidal habitat – i.e., the dredging of intertidal habitats to form a subtidal channel.
 - This provides corresponding creation of sub-tidal habitats.
 - Disturbance of roost sites adjacent to areas with direct impact will be considered as direct loss.
- Indirect impacts:
 - Existing subtidal habitat to be dredged for the access channel.
 - Assessed as 1 step reduction of condition from good to moderate.
 - Intertidal areas along the edge of the access channel to be reprofiled but remain intertidal following temporary disturbance.
 - Assessed as 1 step reduction of condition from good to moderate.
 - Permanent reduction in function condition of the SPA from disturbance from construction and occupied development.
 - A 250m buffer around the development, into the harbour, has been applied to assess a potential impact by disturbance. This buffer has been informed through a literature search of disturbance effects on waterbirds both in relation to construction and operation. The literature search included research of waterbird species included in the SPA citation. 50% of each disturbed habitat area will be assessed for a reduction from good to moderate condition. This is deemed an appropriate approach given that disturbance will not be constant over this area.
 - Disturbance of Tipner Lake and adjacent playing field.
 - In addition to the 250m buffer, it is assumed that Tipner lake and the adjacent playing field may also be subject to increased disturbance and a reduction in condition to moderate as per the above is included.

See Figure 3 in section 8 for areas of assessed impact.

3.5 In Application

Base line habitat value and therefore the value of SPA loss will be determined using the metric:

$$\text{SPA value} = \text{Area (ha)} \times \text{SPA function} \times \text{SPA condition}$$

Therefore, for direct impacts:

$$\text{SPA value direct loss} = \text{Area of loss (ha)} \times \text{SPA function} \times \text{SPA condition}$$

Where there is potential for indirect effects on habitats via increased disturbance and loss in condition, a precautionary approach will be taken, and habitat will be assessed as having a one-step reduction in condition to moderate:

$$\text{SPA value indirect loss} = \text{Proposed SPA value} - \text{Current SPA value}$$

The results of this assessment will calculate SPA unit loss caused by the development. The impact score can be broken down to direct and indirect impacts, impacts to marine and terrestrial habitats and impacts within and outside the SPA. These results provide a framework for the minimum extent of required compensation measures.

4 ESTIMATING REQUIRED COMPENSATION

Ultimately the SPA metric will be utilised to calculate the units of SPA value generated at specific compensation sites; assessing baseline and projected target value, taking into account risk factors of delay and difficulty for specific compensation sites. However, at this stage it is useful to reverse-engineer the metric to allow input of the required units of compensation and a metric scenario, to provide a range in the number of hectares of required compensation for the proposed development.

When assessing risk, the target for compensation areas will not be broad ecological functionality, but the ability of a habitat to provide suitable resource for the foraging and roosting of target species.

It is recognised that at this stage estimations are, by necessity, a broad analysis of theoretical compensation scenarios, the ultimate factors used will depend on the individual and specific habitat compensation scenario, baseline to target habitat, when specific compensation sites are being scoped and designed.

For the purposes of preliminary estimation of the compensation requirement, the habitat compensation requirement has been simplified to the following 2 broad habitat types:

- Intertidal foraging habitat
 - Recharge – 10 years, low difficulty

- Realignment – 10 years, medium difficulty
- Grassland foraging habitat – 5 years, low difficulty

Provision of roosting sites will be optimised within onsite design and offsite compensation as appropriate.

Notes on compensation scenarios:

Compensation within existing SPAs will only be considered where a clear gain in SPA function can be evidenced, such as through enhanced foraging availability through increased tidal exposure.

For the purposes of compensation requirement estimation, compensation outside the SPA is limited to a precautionary target of medium SPA function. This restriction may or may not apply once compensation parcels have been identified, depending on factors including location.

5 EXAMPLE OF RESULTS – ASSESSMENT FROM FEBRUARY 2020

Portsmouth Harbour SPA is 1,247ha in size, with a considered zone of impact for Tipner (both direct and indirect) of 165.45 ha of this 143.39 ha falls within the SPA. The direct impact of the development is calculated as 40.94 ha, with 35.43 ha located within the boundary of the SPA. This is equivalent to a direct impact on 2.84 % of the SPA area (Table 5). A further 124.51 ha is identified under the indirect impacts of the development, with 111.36 ha located within the SPA boundary (8.9 % of the SPA area). In total, a total of 11.50 % of the Portsmouth Harbour SPA area is considered to be impacted (direct and indirect) by the development.

There is an estimated net impact to SPA function of -1,055.98 units. Of which -936.50 units is to marine habitats (direct and indirect impacts to SPA function of target bird species) and -119.48 units to brent goose terrestrial grazing habitats. See table 5.

Table 5. Summary of SPA impact results

		TOTAL assessment area	Marine habitat Incl. roost sites	Terrestrial habitat
Existing habitat	Hectares	165.45	146.79	18.66
	SPA value	2719.98	2469.00	250.98
Direct impacts	Hectares	40.94	35.43	5.51
	SPA value	-688.56	-595.38	-93.18
Indirect impacts	Hectares	124.51	111.36	13.15
	SPA value	-367.42	-341.12	-26.30
TOTAL gross impacts	SPA value	-1055.98	-936.50	-119.48

Compensation of intertidal habitat impacts will require an estimated 93 – 162 ha, dependent on compensation scenario.

Compensation of terrestrial grazing habitats will require an estimated 10 – 36 ha, dependent on compensation scenario, but it is likely that no more than 20 ha will be required.

The impact assessment will be recalculated as the development design becomes final. In addition to confirming direct impacts, measures will be taken to reduce indirect impacts to Portsmouth Harbour and Tipner lake; at present indirect impacts are estimated with a generalised methodology. Within the final assessment any unavoidable indirect impacts will be individually assessed when the specific nature of these impacts is understood in more detail. Offsite compensation is required and is currently estimated based on broad scenarios; the compensation generated from each offsite enhancement area will also be assessed based on site specific design and risk.

6 REVISION OF THE SPA METRIC

The current SPA metric described above was designed to allow assessment of the impacts of the development and is underpinned by bird survey data. However, now that there is further work in identifying and designing offsite compensation areas, we are reviewing the SPA metric methodology to ensure it facilitates assessment of projected uplift in value for the target species through habitat change, and that it also supports the function of long-term monitoring.

Therefore, we will be reviewing how SPA function and condition factors are determined, considering not just bird usage but also looking at physical habitat attributes important in habitat/area usage by the birds, such as parcel size, openness and proximity to undesirable features.

As part of this process, we will, where appropriate, look to incorporate features from the finalised metric 3.0 (e.g., strategic location).

Since the original development of this SPA metric, the Solent and Dorset Coast SPA has also been designated and covers the proposed development site; target species and classification of SPA function value of habitats will be reviewed as appropriate in light of potential additions to target species.

Environment Bank will consult with WSP as the appointed ecologists for the project for this updated SPA metric (this work is already underway), and then 1-on-1 feedback sessions will be held with NE and EA to allow for their input and to seek confirmed support for this approach as we approach formal submission of the assessment into planning.

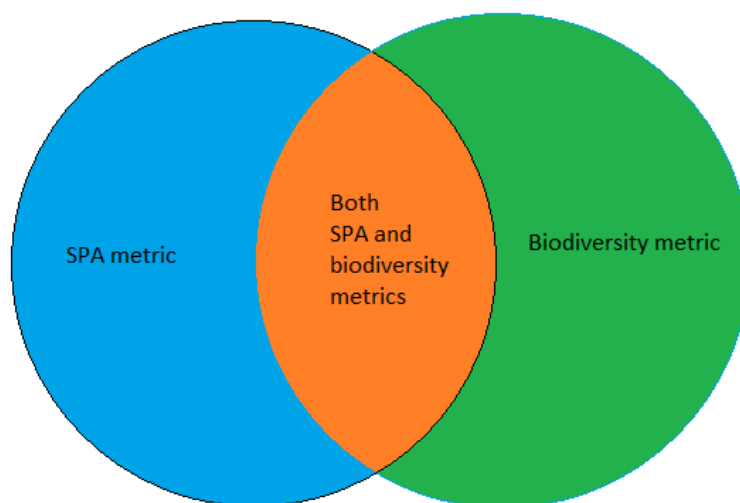
7 INTERACTION BETWEEN THE SPA AND BIODIVERSITY METRICS

In addition to the SPA metric, it will be required of the development to assess its general biodiversity impact i.e., the within-development site impacts, in line with national planning legislation and guidance. It will therefore be a requirement to deliver a minimum of a 10% gain in biodiversity (BNG) once the Environment Bill is enacted in autumn 2021 (and although there is a two-year transition of the mandatory policy, the delivery of BNG will need to be set out prior to submission of a planning application).

Through necessity, the SPA and biodiversity metrics will in some areas be applied to the same parcels of land. For example, the grassland within the firing range is important functional habitat for brent geese (high SPA function), but only of medium biodiversity distinctiveness, whereas the scrub dunes at the south of Tipner range and within the SPA are of low SPA function but medium-high biodiversity value.

The two metric assessments will be completed independently: one assessing impact to SPA bird populations, and the other assessing impact to general biodiversity. The unit results are not directly comparable or interchangeable, but when combined provide a full scope of potential compensation requirements.

Figure 1. Illustrative areas assessed within SPA and biodiversity metrics



Tables 6, 7 and 8 below provide an illustrative example of the areas assessed by the two metrics and the associated results and how this can inform a complete compensation package.

Table 6. Illustrative example of SPA and biodiversity metric assessment areas

	SPA metric	Biodiversity metric
Direct marine impact (ha)	35	26
Indirect marine impact (ha)	110	0
Direct terrestrial impact (ha)	5	24
Indirect terrestrial impact (ha)	15	0
Total hectares assessed	165	50

Table 7. Illustrative example of SPA and biodiversity metric assessment net impact results

	SPA metric	Biodiversity metric
Marine impact	900	400
Terrestrial Impact	100	100
Net impact	1,000	500

Table 8. Illustrative example of SPA and biodiversity metric compensation requirements

	SPA metric	Biodiversity metric	Comment
Marine impact (ha)	140	80	SPA compensation likely to have sufficient biodiversity uplift to also meet biodiversity requirement.
Terrestrial Impact (ha)	20	25	SPA compensation requirement likely to provide low biodiversity uplift and so be in addition to biodiversity requirement.
Net requirement	160	105	

When assessing the biodiversity value of a compensation package we will also take into account a potential ‘domino effect’ (not assessed above), whereby creation of intertidal habitats from coastal realignment may cause loss of a priority terrestrial habitat which will itself require compensation.

8 NATURAL ENGLAND AND ENVIRONMENT AGENCY ENGAGEMENT

Previous consultation with NE and EA resulted in their agreement in principle to the approach adopted. Throughout the consultation process to date, the comments and amendments set out below were highlighted for review:

- The release of the updated SWBGS 2019 support site data – This data has since been obtained from the WSP and will be incorporated within future revisions of SPA metric assessment due to its potential impact on the SPA Function scores and indirect impact buffer zone.

- Clarification of SPA Function Methodology – further information to be outlined within the future SPA metric assessment report upon the finalisation and approval of all methodological changes.
- Inclusion of references for 250 m indirect buffer - to be included within the subsequent revision of the SPA assessment report.
- Review of condition methodology – to include SSSI condition data and SPA condition reports, where appropriate.
- Indirect impact condition methodology – to be outlined in full in the subsequent report.

Subsequent to the conclusion of the metric methodology revisions, NE and EA will be consulted to outline and discuss the finalised assessment methodology, with a view to receiving written support of the approach from both NE and EA.

9 FIGURES

Figure 2. SPA function banding plan: February 2020 assessment

Figure 3. SPA impact assessment plan: February 2020 assessment

Figure 2 – SPA function banding plan

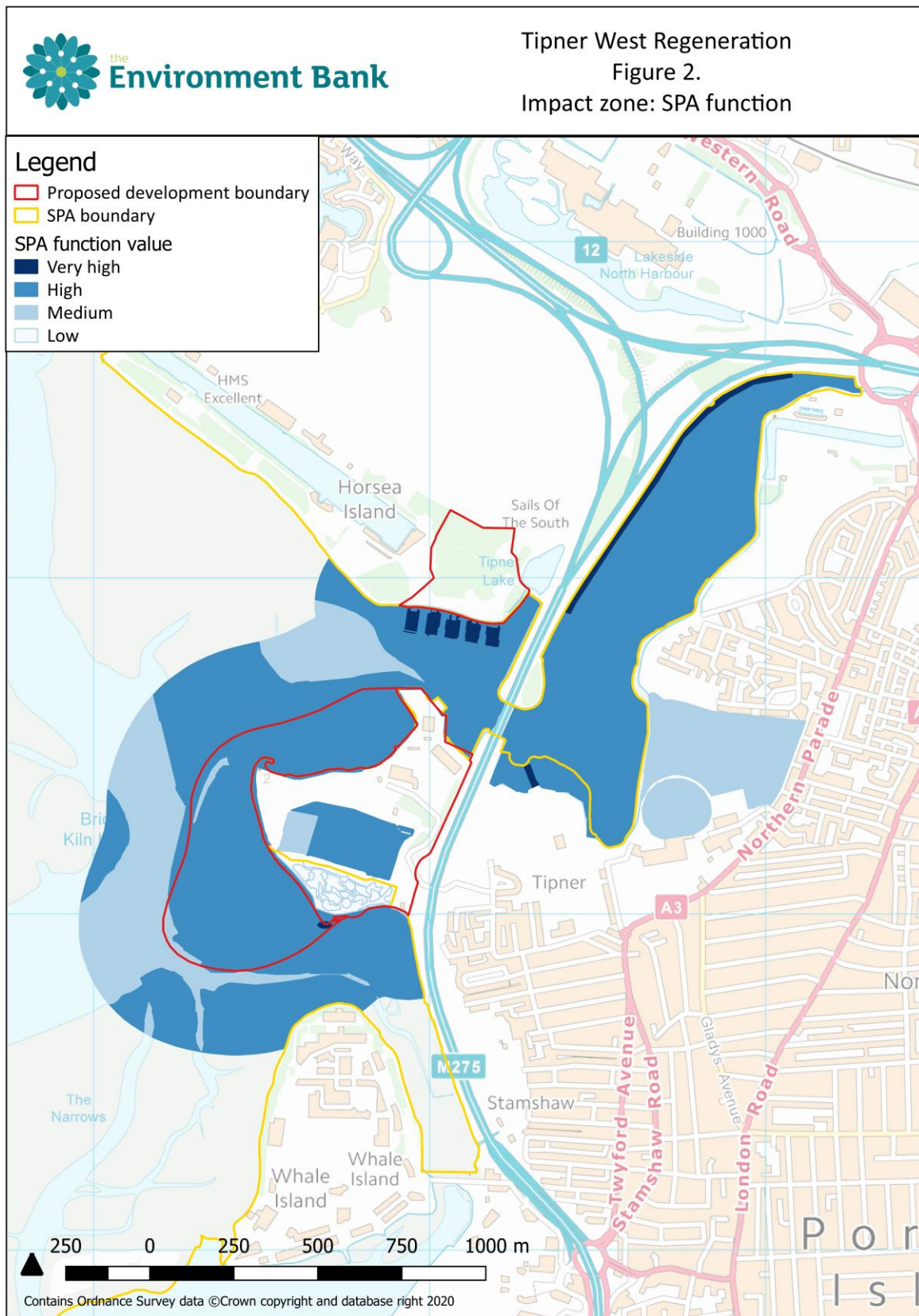
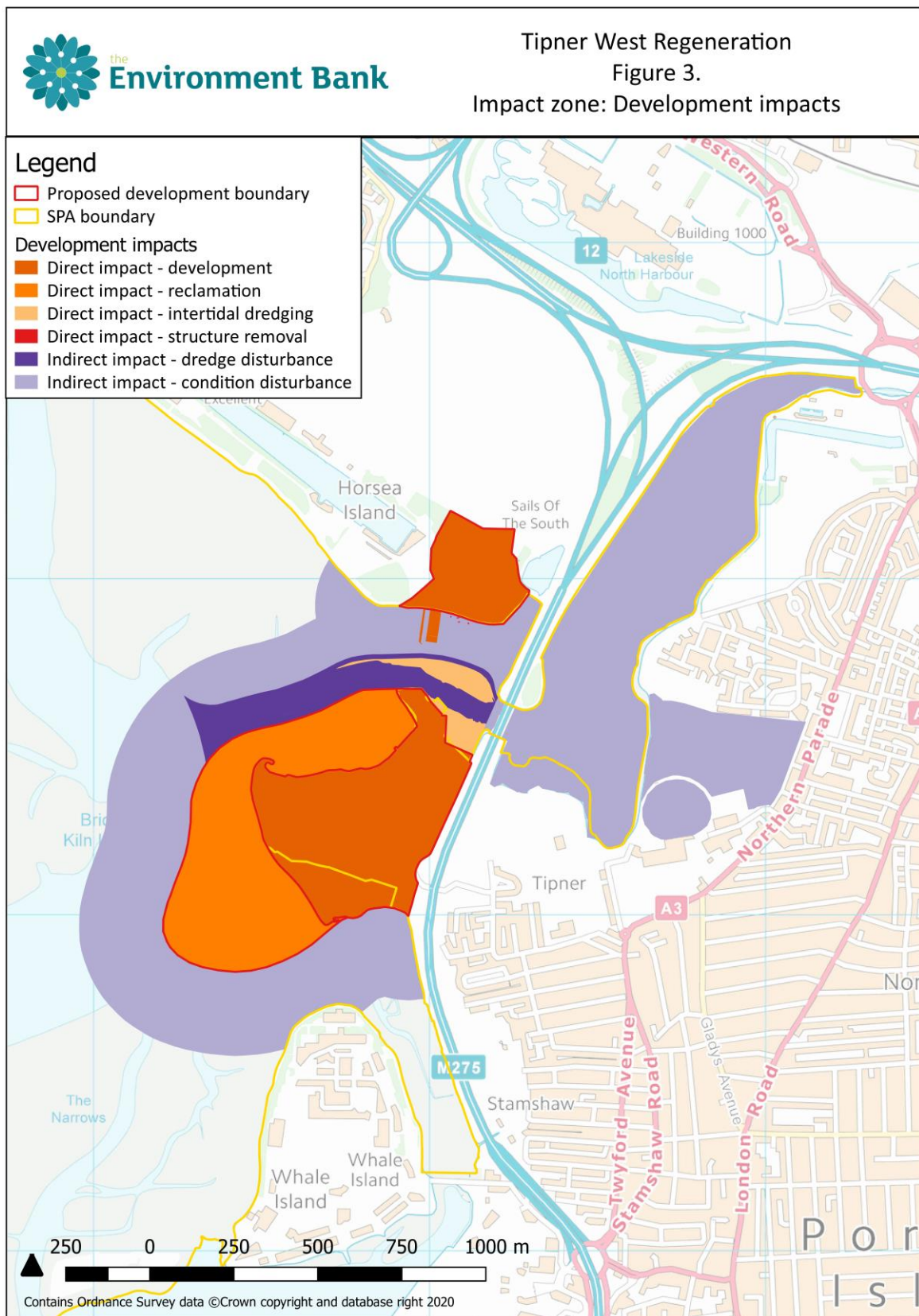


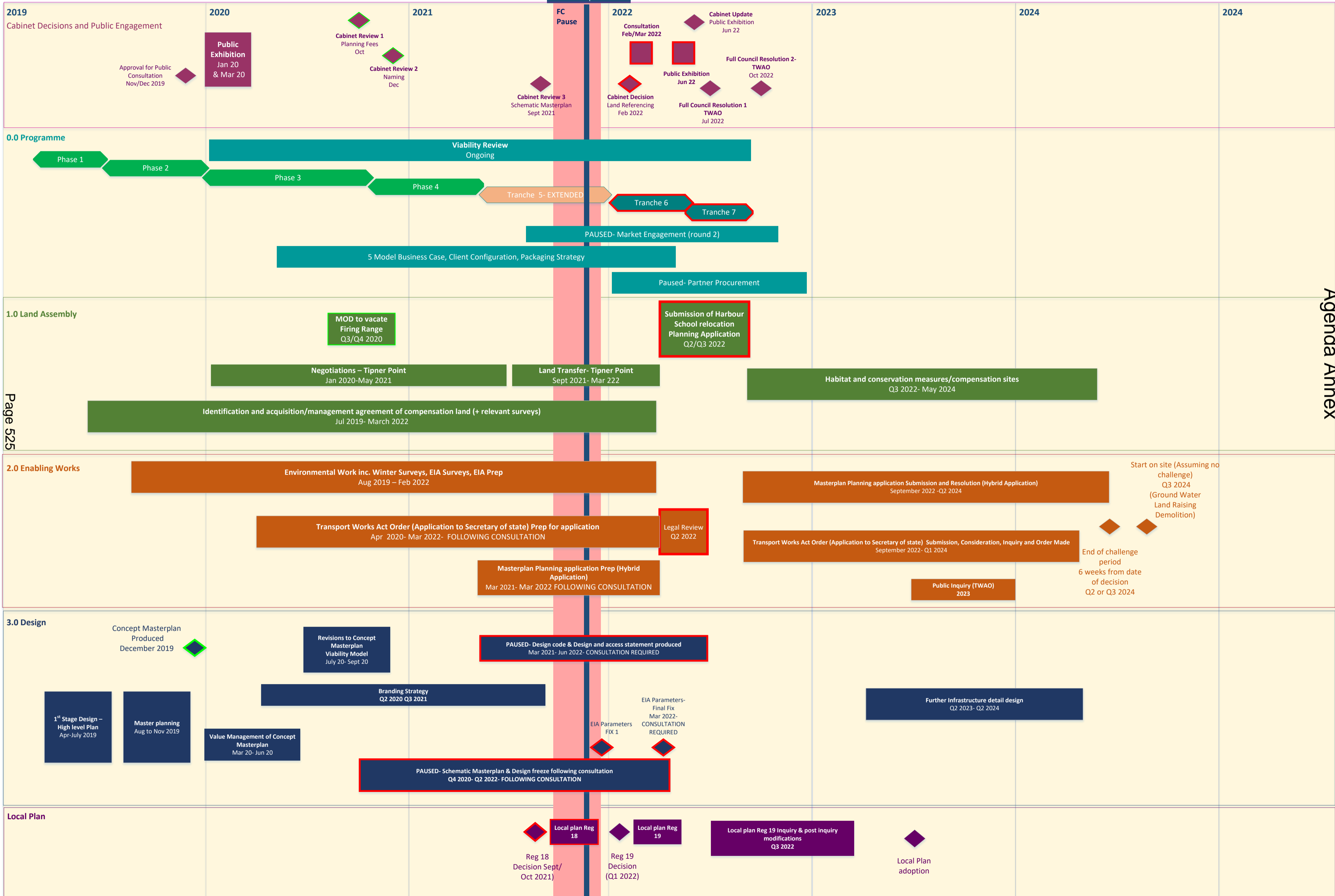
Figure 3. SPA impact assessment.



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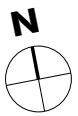
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City Deal 2013 Option

Appendix H



Tipner West Alternatives Assessment:

City Deal 2013

	Dwellings		Density		POS		Car Parking	Marine Employment		Education				
	Houses	Apartments	Houses	Apartments	Bedspaces average/ unit	ha/1,000 population	Parking ratio	Tipner West	Horsea Island East	Tipner West	Horsea Island East			
Sub-Total	32%	68%	dph*	dph*	2.40	1.61	0.30	sq.m	sq.m	ha.	ha.	ha.	ha.	
	346.5	741.0	55	190				27,730	30,270	4.80	2.50	1.20	1.00	
TOTAL:		1,088	6.30	3.90	2,610	4.20	326		58,000		7.3		2.2	
	no.		ha.	ha.	no.	ha.	no.	sq.m		ha.		ha.		
Hectares required:				10.20		4.20					4.80		2.20	21.40
			ha.		ha.					ha.(excluding HIE)		ha.		ha.

NOTES:

- * dph based on phase one application
- 1 Apartment numbers are illustrative of building heights between G+4 to G+6-storeys with 2no buildings of G+15-storeys.

- 9 Ha Marine Employment
- 4.3 Ha Residential - Apartments¹
- 6.3 Ha Residential - Houses
- 2.2 Ha Education
- 4.2 Ha Public Open Space
- Existing Vegetation
- Mixed Use

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Develop Existing Land Mass Option

Appendix I



Tipner West Alternatives Assessment:													
Develop Existing Land Mass													
	Dwellings		Density		POS		Car Parking	Marine Employment		Education			
	Houses	Apartments	Houses	Apartments	Bedspaces average/ unit	ha/1,000 population	Parking ratio	Tipner West	Horsea Island East	Tipner West	Horsea Island East		
Sub-Total	55%	45%	dph*	dph*	2.40	1.52	0.30	58,000	-	9.00	0.00	0.00	
TOTAL:	423.5	342.0	55	190	1,837	2.80	230	58,000	-	9	0.00	0.00	
	no.		ha.	ha.	no.	ha.	no.	sq.m		ha.	ha.	ha.	
Hectares required:			9.50		2.80					9.00		0.00	21.30
			ha.	ha.	ha.	ha.				ha.	ha.	ha.	ha.

NOTES:

- * dph based on phase one application
- 1 Apartment numbers are illustrative of building heights between G+4 to G+6-storeys with 1 no buildings of G+15-storeys.

- 9 Ha Marine Employment
- 1.8 Ha Residential - Apartments¹
- 7.7 Ha Residential - Houses
- 0 Ha Education
- 2.8 Ha Public Open Space
- Existing Vegetation
- Mixed Use

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<u>LXP - Options Appraisal - Financial Modelling</u>	Scenario 5	Scenario 2.12	Scenario 2.10 2012 Local Plan	Scenario 2.6 Existing Land Mass	Scenario 2.2 Harbour School, JHP, Clubs, Firing Range and Tipner East & Stanshaw Existing Land Mass	Scenario 2.1 Harbour School, JHP, Clubs and Tipner East & Stanshaw Existing Land Mass	Do Nothing
	LXP	City Deal	Plan	Land Mass	Land Mass	Land Mass	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Units	3,503	1,250	1,270	821	0	0	0
Revenue (Uninflated)							
Serviced Land Sale Revenue	274,418	56,250	89,154	57,634			
Ground Rent Sale	11,538	2,750	2,794	1,806			
Ground Rent Income							
Car Parking	15,765	5,625	5,715	3,690			
Retail							
Marine Employment	12,500	10,000	0	18,750			
Office	10,615	0	781	0			
Non-Grant Revenue	324,836	74,625	98,444	81,880	0	0	0
City Deal	53,648	0	0	0	0	0	0
Net Uninflated Revenue	378,484	74,625	98,444	81,880	0	0	0
Costs (Uninflated)							
Fees - Masterplanning	-13,608	-10,887	-10,887	-10,887	-9,920	-9,920	-9,920
Tipner West + MOD land acquisition	-10,000	-10,000	-10,000	-10,000	-3,754	-3,754	-3,754
Tipner land acquisition - fees (legal + stamp duty)	-368	-368	-368	-368			
Crown Land acquisition	-100	0	0	0			
Legal Fees - pre-submission advice	-1,432	-859	-859	-573	-269	-269	-269
Survey costs	-2,671	-1,336	-1,336	-1,336	-2,363	-2,363	-2,363
Horsea Island Land Management Plan	-120	-120	-120	0			
Flood defences inc working quays	-29,722	-20,506	-20,506	-18,133	-18,133	-830	
Phasing and temporary works costs (allowance only)	-6,758	-4,575	-2,405	-4,242			
Site Preparation (incl. Land Reclamation/Remediation/Raising (existing))	-54,094	-20,735	-16,139	-16,375			
Utilities - FW (offsite)							
Utilities - all other (incl. Foul Drainage Treatment Plant (On Site))	-111,752	-40,796	-32,767	-32,729			
Electric Vehicle Charging							
Underground Car Parking	-50,143	-17,552	-17,833	-11,528			
Roads inc adoption							
Demolitions	-1,845	-1,714	-1,845	-1,845			
Abnormal Ground Conditions	-24,200	0	0	0			
Marine Abnormals	-11,090	-13,929	-13,929	-13,929	-13,929	-13,929	
Site External Works and Public Realms (landscaping)	-53,546	-29,325	-19,517	-21,146			
Sustainability Works	-11,000	-3,850	-3,912	-2,529			
Other Buildings	-17,180	-8,903	-8,903	-8,903			
Habitat creation	-27,520	-8,256	-8,256	-8,256			
Relocate Harbour School	-15,000	0	0	-15,000			
Fees internal/consultants	-13,405	-10,724	-10,724	-8,043	-2,331	-2,331	-2,331
Non-construction Contingencies and Risk Allowance	-1,900	-1,425	-1,425	-1,425			
Professional Fees on Infrastructure	-20,863	-10,299	-9,073	-7,305			
Bridge	-18,890	-18,890	-18,890	0			
Cost Total (Uninflated)	-497,206	-235,047	-209,693	-194,552	-50,699	-33,396	-18,637
Uninflated Revenue less Costs	-118,722	-160,422	-111,249	-112,672	-50,699	-33,396	-18,637
Inflation							
Inflated Revenue (incl. Additional Subsidy required)	667,110	286,022	268,173	237,988	N/A	N/A	N/A
Inflated Costs	-603,853	-284,693	-252,430	-229,780	N/A	N/A	N/A
Interest	-25,547	-4,722	-7,099	-4,598	N/A	N/A	N/A
Net Cash Flow	37,710	-3,393	8,644	3,611	N/A	N/A	N/A
NPV	0	0	0	0	N/A	N/A	N/A
Additional Subsidy required per dwelling	45.373	146.002	101.803	153.984	N/A	N/A	N/A
Additional Subsidy required to effect zero NPV	158,940	182,503	129,289	126,421	N/A	N/A	N/A

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LXP Assumptions	Scenario 5	Scenario 2.12	Scenario 2.10	Scenario 2.6	Scenario 2.2 Harbour School, JHP, Clubs, Firing Range and Tipner East & Stamshaw	Scenario 2.1 Harbour School, JHP, Clubs and Tipner East & Stamshaw	Do Nothing
	LXP	City Deal	2012 Local Plan	Existing Land Mass	Existing Land Mass	Existing Land Mass	Do Nothing
Unit numbers	3,503 units: Based on 29.75ha of developable residential land area	1,250 units: Based on requirements of City Deal Agreement	1,270 units: Based on allocation in 2012 Local Plan	821 units: Based on 6.31ha of developable residential land area	N/A	N/A	N/A
Revenue							
Serviced Land Value (SLV) Plot Sales	Blended SLV Plots valued (by Rosehill Advisors) at: net of realisable sales value (based on broadly comparable schemes, including 10% placemaking premium) less, base build cost, contingency, professional fees and gross margin (note: gross of abnormals and £106 or CLC contributions)	Blended SLV Plots valued (by Rosehill Advisors) at: net of realisable sales value (based on broadly comparable schemes), less base build cost, contingency, professional fees and gross margin (note: gross of abnormals and £106 or CLC contributions)	Blended SLV Plots valued (by Rosehill Advisors) at: net of realisable sales value (based on broadly comparable schemes), less base build cost, contingency, professional fees and gross margin (note: gross of abnormals and £106 or CLC contributions)	Blended SLV Plots valued (by Rosehill Advisors) at: net of realisable sales value (based on broadly comparable schemes), less base build cost, contingency, professional fees and gross margin (note: gross of abnormals and £106 or CLC contributions)	N/A	N/A	N/A
- Tenure	70% Private 15% Affordable Rent 15% Shared Ownership	70% Private 15% Affordable Rent 15% Shared Ownership	70% Private 15% Affordable Rent 15% Shared Ownership	70% Private 15% Affordable Rent 15% Shared Ownership	N/A	N/A	N/A
- Unit Mix	45% Houses 55% Apartments	32% Houses 68% Apartments	45% Houses 55% Apartments	45% Houses 55% Apartments	N/A	N/A	N/A
Ground Rent	Capitalised at 0.1% of GDV at 5% yield over 20 years (less purchasers costs)	Capitalised at 0.1% of GDV at 5% yield over 20 years (less purchasers costs)	Capitalised at 0.1% of GDV at 5% yield over 20 years (less purchasers costs)	Capitalised at 0.1% of GDV at 5% yield over 20 years (less purchasers costs)	N/A	N/A	N/A
Car Parking	Capitalised at £15k per car parking space (1,051 spaces)	Capitalised at £15k per car parking space (375 spaces)	Capitalised at £15k per car parking space (381 spaces)	Capitalised at £15k per car parking space (246 spaces)	N/A	N/A	N/A
Marine Employment	5.65ha of Marine Employment space valued (by Marina Projects) at net realisable value of required infrastructure costs and land value (including commercial space)	4.8ha of Marine Employment space valued (by Marina Projects) at net realisable value of required infrastructure costs and land value (including commercial space)	N/A	9ha of Marine Employment space valued (by Marina Projects) at net realisable value of required infrastructure costs and land value (including commercial space)	N/A	N/A	N/A
Office	13,931sqm of Office space valued (by Rosehill Advisors) at capitalised net land sales value	N/A	0.625ha of Office space valued (by Rosehill Advisors) at capitalised net land sales value	N/A	N/A	N/A	N/A
City Deal	Full City Deal grant (plus interest) available to fund costs	Full repayment of City Deal grant required due to grant conditions not being met	Full repayment of City Deal grant required due to grant conditions not being met	Full repayment of City Deal grant required due to grant conditions not being met	Full repayment of City Deal grant required due to grant conditions not being met	Full repayment of City Deal grant required due to grant conditions not being met	Full repayment of City Deal grant required due to grant conditions not being met
Costs							
Fees - Masterplanning	Majority of Masterplanning Fees expended to date, remainder forecast out to granting of planning permission	80% of LXP scenario cost applied - reduced levels of Masterplanning required for this scenario due to lower complexity	80% of LXP scenario cost applied - reduced levels of Masterplanning required for this scenario due to lower complexity	80% of LXP scenario cost applied - reduced levels of Masterplanning required for this scenario due to lower complexity	Expenditure to date	Expenditure to date	Expenditure to date
Tipner West + MOD land acquisition	MOD land transfer transaction has already taken place. Tipner West land transfer transaction value agreed	MOD land transfer transaction has already taken place. Tipner West land transfer transaction value agreed	MOD land transfer transaction has already taken place. Tipner West land transfer transaction value agreed	MOD land transfer transaction has already taken place. Tipner West land transfer transaction value agreed	Expenditure to date (MOD land transfer)	Expenditure to date (MOD land transfer)	Expenditure to date (MOD land transfer)
Tipner land acquisition - fees (legal + stamp duty)	Land acquisition fees forecast at set percentage of acquisition price	Land acquisition fees forecast at set percentage of acquisition price	Land acquisition fees forecast at set percentage of acquisition price	Land acquisition fees forecast at set percentage of acquisition price	N/A	N/A	N/A
Crown Land acquisition	Requirement assessed by Savills	No Crown Land Acquisition	No Crown Land Acquisition	No Crown Land Acquisition	N/A	N/A	N/A
Legal Fees - pre-submission advice	Committed External Legal advice from Pinsent Masons required for consenting stage, plus external Counsel.	60% of LXP scenario cost applied - due to reduced Habitat Regulations Assessment (HRA) tests applying, which drives need for external legal support	60% of LXP scenario cost applied - due to reduced Habitat Regulations Assessment (HRA) tests applying, which drives need for external legal support	40% of LXP scenario cost applied - due to further reduced Habitat Regulations Assessment (HRA) tests applying, which drives need for external legal support	Expenditure to date	Expenditure to date	Expenditure to date
Survey costs	Majority of Surveys works complete including: ground marine investigation, geotechnical, ecological, topographical	50% of LXP scenario cost applied - reduced levels of geotechnical surveys required due to no land reclamation	50% of LXP scenario cost applied - reduced levels of geotechnical surveys required due to no land reclamation	50% of LXP scenario cost applied - reduced levels of geotechnical surveys required due to no land reclamation	Expenditure to date	Expenditure to date	Expenditure to date
Horsea Island Land Management Plan	Land management required on Horsea Island East prior to development taking place	Land management required on Horsea Island East prior to development taking place	Land management required on Horsea Island East prior to development taking place	Horsea Island is not acquired	N/A	N/A	N/A
Flood defences inc working quays	Based on Edge Treatment Strategy (including mix of hard defences, soft defences and working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.12 (including mix of hard defences, soft defences and working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.10 (including mix of hard defences, soft defences and working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.6 (including mix of hard defences, soft defences and working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential (including mix of hard defences, soft defences and working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential (including mix of working quay & land bund) by WSP	N/A
Phasing and temporary works costs (allowance only)	Allowance from cost consultants Faithful+Gould to cover potential phasing and temporary works costs across the implementation of the development	pro rated of Scenario 5 based on site area	pro rated of Scenario 5 based on site area	pro rated of Scenario 5 based on site area	N/A	N/A	N/A
Site Preparation (incl. Land Reclamation/Remediation/Raising (existing))	Based on Masterplan Remediation Strategy Cost Model (27ha of reclamation & raising of existing land mass to 4.5m) & Coastal and Earthworks Design Land Formation Strategy by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential (raising of existing land mass to 4.5m) - Scenario 2.12 pro rated of Scenario 5 on site area, earthwork volumes provided by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential (raising of existing land mass to 4.5m) - Scenario 2.10 pro rated of Scenario 5 on site area, earthwork volumes provided by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential (raising of existing land mass to 4.5m) - Scenario 2.6 pro rated of Scenario 5 on site area, earthwork volumes provided by WSP	N/A	N/A	N/A
Utilities - all other (incl. Foul Drainage Treatment Plant (On Site))	Masterplan utilities strategy (including Incoming potable water, electric, foul water and surface water drainage) by WSP & Hoare Lea	Incoming potable water, electric, foul water and surface water drainage pro rated of Scenario 5 by units, other utilities pro rated by site area	Incoming potable water, electric, foul water and surface water drainage pro rated of Scenario 5 by units, other utilities pro rated by site area	Incoming potable water, electric, foul water and surface water drainage pro rated of Scenario 5 by units, other utilities pro rated by site area	N/A	N/A	N/A
Underground Car Parking	Based on architects Genslers designs including a mix of undercroft naturally ventilated car parking and Multi Storey Car Parking	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	N/A	N/A	N/A
Demolitions	Demolition of existing structures on site	Demolition of existing structures on site	Demolition of existing structures on site	Demolition of existing structures on site	N/A	N/A	N/A

Abnormal Ground Conditions	Allowance from cost consultants Faithful+Gould to cover potential abnormal ground conditions and associated additional foundation costs	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	N/A	N/A	N/A
Marine Abnormals Infrastructure	Based on Edge Treatment Strategy (including working quay & water taxi pontoon) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.12 (including working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.10 (including working quay) by WSP	Based on Tipner West 'Do Minimum' Land Take and Optimise Development Potential for scenario 2.6 (including working quay) by WSP	N/A	N/A	N/A
Site External Works and Public Realms (landscaping)	Based on architects Genslers designs including a mix of hard and soft landscaping, temporary gardens, allotments, childrens play areas, SUDS, external lighting & roads	pro rated of Scenario 5 based on site area	pro rated of Scenario 5 based on site area	pro rated of Scenario 5 based on site area	N/A	N/A	N/A
Sustainability Works	Allowance from cost consultants Faithful+Gould to cover outline sustainability works	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	pro rated of Scenario 5 by unit numbers	N/A	N/A	N/A
Other Buildings	Based on architects Genslers designs including Education Facilities, Bike Store, Transport Hub, Consolidation Centre, Estate Service Centre, Community	allowances included as Scenario 5 excluding education facilities	allowances included as Scenario 5 excluding education facilities	allowances included as Scenario 5 excluding education facilities	N/A	N/A	N/A
Habitat creation	Estimate from external compensation experts Environment Bank, based on reclamation area and corresponding amount of compensating terrestrial (17.89ha) and intertidal (161ha) habitat land required to be created/acquired	30% of LXP scenario cost applied - no land reclamation, however, some impact on existing habitats on Tipner West	30% of LXP scenario cost applied - no land reclamation, however, some impact on existing habitats on Tipner West	30% of LXP scenario cost applied - no land reclamation, however, some impact on existing habitats on Tipner West	N/A	N/A	N/A
Relocate Harbour School	Estimated cost of Harbour School relocation provided by PCC Design team based on BCIS indicies (including optimism bias)	Harbour School is not relocated	Harbour School is not relocated	Estimated cost of Harbour School relocation provided by PCC Design team based on BCIS indicies (including optimism bias)	N/A	N/A	N/A
Fees internal/consultants	Costs to date plus forecast of required fees during construction timeframe	80% of LXP scenario cost applied - reduced levels of Fees required for this scenario due to lower complexity	80% of LXP scenario cost applied - reduced levels of Fees required for this scenario due to lower complexity	80% of LXP scenario cost applied - reduced levels of Fees required for this scenario due to further lower complexity	Expenditure to date	Expenditure to date	Expenditure to date
Non-construction Contingencies and Risk Allowance	Represents contingency on non-construction elements	75% of LXP scenario cost applied - reduced levels of contingency required for this scenario due to lower complexity & therefore risk	75% of LXP scenario cost applied - reduced levels of contingency required for this scenario due to lower complexity & therefore risk	75% of LXP scenario cost applied - reduced levels of contingency required for this scenario due to lower complexity & therefore risk	N/A	N/A	N/A
Professional Fees on Infrastructure	7% professional fees included on majority of infrastructure costs (utilities excluded)	7% professional fees included on majority of infrastructure costs (utilities excluded)	7% professional fees included on majority of infrastructure costs (utilities excluded)	7% professional fees included on majority of infrastructure costs (utilities excluded)	N/A	N/A	N/A
Bridge	Informed by low-level bridge design from WSP	Informed by low-level bridge design from WSP	Informed by low-level bridge design from WSP	No Bridge constructed	N/A	N/A	N/A
Inflation	All revenues and costs are inflated by 3% per annum	All revenues and costs are inflated by 3% per annum	All revenues and costs are inflated by 3% per annum	All revenues and costs are inflated by 3% per annum	N/A	N/A	N/A
Interest	Interest on borrowing is charged at 3% on net annual cash flow	Interest on borrowing is charged at 3% on net annual cash flow	Interest on borrowing is charged at 3% on net annual cash flow	Interest on borrowing is charged at 3% on net annual cash flow	N/A	N/A	N/A



SNC • LAVALIN

Tipner West

Non-Technical Business Case Summary

Portsmouth City Council

12 November 2021

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Revision	Purpose description	Originated	Checked	Reviewed	Authorised	Date
1.0	Tipner West Regeneration Update Report	ED	ED	MC/GH	ED	

Client signoff

Client	Portsmouth City Council
Project	Tipner West
Job number	5192799
Client signature/date	

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Introduction

At each stage of the Business Plan, SOB, OBC and FBC, a non-technical summary is prepared to provide a synopsis of the five sections, Strategic, Economic, Commercial, Financial and Management. This document, the non-technical summary for the OBC, includes an analysis of the three development options – development of existing land mass, City Deal and Lennox Point (current masterplan) in accordance with work previously undertaken on site alternatives and the options carried forward from the SOB.

1. Executive Summary

The purpose of the Outline Business Case (OBC) report is to reaffirm the strategic context for the project, to make the case for change and to determine 'the preferred way forward'.

At the conclusion of the OBC, Portsmouth City Council (PCC) and all stakeholders will have a good understanding of the robustness of the proposal and the future direction of travel. The business case across the five dimensions of the Five Case Model will have been completed (as a guide) to:

- Strategic Case – 78%
- Economic Case – 72%
- Commercial Case – 58%
- Financial Case – 58%
- Management Case – 52%

The strategic context for land at Tipner West and Horsea Island has been developed and establishes the need for the project to:

- Support national, regional, local or organisational policies, initiatives and targets.
- Fit within the PCC's business strategy and plans for the achievement of these goals, and
- Align with other projects and programmes in the PCC's strategic portfolio

The primary policies, selected in the Business Plan and relevant to the development are:

Planning

- The National Planning Policy Framework (NPPF) (2012, Revised 2018)
- Government White Paper – Planning for the Future (March 2020)
- City Deal (2013)
- The Portsmouth Plan (The Portsmouth Core Strategy) (adopted January 2012)
- The Conservation of Habitats and Species Regulations 2017 (as amended) and the Conservation of Offshore Marine Habitats and Species Regulations 2017 (as amended)

Maritime Economy & Regeneration

- City Deal (2013)

Alongside these policies, housing need and employment, together with their co-location are important factors in the strategic case and make for a compelling case, to support the development of Tipner West.

Tipner West sits alongside 17 other regeneration projects in Portsmouth, the City Centre Regeneration and Tipner West being the two largest of these projects.

External dependencies for the development are limited, primarily to the identification and acquisition of compensation land in accordance with the habitat relocation. This dependency is managed by way of negotiation with the authorities and proposal to purchase over and above the minimum land required, to allow float as required.

Supporting PCC's aims to tackle the shortage and worsening position in housing supply and employment space provision is critical. Tipner West is offering an opportunity to make a significant contribution to tackle these factors while also offering an opportunity to meet the overall aim - to make Portsmouth Britain's premier waterfront technology and innovation city – a great place to invest, learn, live, work and visit, and the most attractive place for starting, growing or locating a business.

Expanding upon the Strategic Business Case for the development of Tipner West and the accepted assumption that no other sites are available in Portsmouth City Council boundary, in single ownership, to deliver the quantum of housing and employment space planned, the Economic Case looks at the alternative site development options, in terms of quantum of development and corresponding land take together with the critical success factors and the economic benefits the development options can deliver.

2. Strategic Case

The Strategic Case sets out the need for intervention and how Tipner West will fit with the Government's and PCC's aims and objectives. It makes the clear case for change, in supporting PCC's aims to tackle the shortage and worsening position in housing supply and employment space provision. Tipner West is offering an opportunity to make a significant contribution to tackle these factors while also offering an opportunity to meet the overall aim - to make Portsmouth Britain's premier waterfront technology and innovation city – a great place to invest, learn, live, work and visit, and the most attractive place for starting, growing or locating a business.

The strategic context for the project consists principally of a significant increase to new housing, employment space (marine particularly), and a bridge link to Horsea Island. National and local objectives are aligned to encourage delivery of housing and employment space without delay.

There has been an historic undersupply of homes in Portsmouth and very few affordable homes built in Portsmouth in the last three years. Research shows there is only 3.1 years' worth of land supply in Portsmouth.

In addition, employment space is under pressure, and Employment Land Study, prepared by BE Group on behalf of Portsmouth City Council (February 2019), highlights the potential implications of the lack of employment floorspace. The report states: "Critically there have been more losses of employment floorspace over the period 1995-2018 than gains, with negative net levels for both B1 space and mix B1/B2/B8 floorspace. Assuming this net growth level continues through the forecast period there will be more losses than gains of floorspace to 2036.

The 'alternatives' test will require an assessment of the need for the development and the strength of that need, and alternative solutions to meet it, e.g. alternative sites within / outwith Portsmouth, do-nothing, and developing at a smaller scale on the existing land mass.

For the IROPI test (part of the HRA assessment), considerations will include benefits to human health, public safety and beneficial consequences of primary importance to the environment. As Priority Habitats or Priority Species would not be negatively affected, account can be taken of social or economic benefits. Habitat compensation is likely to be required as the last part of the sequential approach.





As part of the TWAO and TCPA submissions, a full shadow HRA assessment will be provided to inform the decision of the Competent Authority.

While addressing the objectives, contributing to housing supply and employment levels, the proposals offer benefits to its new residents, workforce and visitors, and improvement to the City brand, alongside promoting economic success.

An analysis of the scope for development at an alternative site within Portsmouth or the adjoining authorities show there is no scope to find an alternative deliverable site within the area, which is not already committed for development. The conclusion is, there is not a feasible alternative to Tipner West.

3. Economic Case

Expanding upon the Strategic Case for the development of Tipner West and the accepted assumption no other sites are available in Portsmouth City Council boundary, in single ownership, to deliver the quantum of housing and employment space planned, the Economic Case looks at the alternative site development options, in terms of quantum of development and corresponding land take.

Option	Do Nothing	Develop Existing Land Mass	City Deal	Lennox Point
Details				
Number of homes	0	821	1250	3500

The charts below assesses the three options, identified in the Strategic Outline Business Case as being the preferred “carried forward” options (graphically shown above) – both from a qualitative and quantitative specific. These options will be assessed in the context of “Do Nothing”, which would result in the loss of the existing land mass leading to the loss of the existing land uses on the site, including the Harbour School, **the loss of the inter-tidal and terrestrial habitats that form part of the designated nature conservation sites and the repayment of the City Deal**. The consequential environmental and financial implications of the loss of habitat will be significant and this have not been assessed as part of this business case but will be considered as part of the Benefit/Cost Ratio in due course.

These scenarios have been assessed, using a set of qualitative and quantitative criteria, based upon Portsmouth Strategic Objectives (reflected in the Portsmouth Economic Development and Regeneration Strategy 2019 – 2036, “The Strategy”).

3.1. Quantitative Assessment

	Current LXP	City Deal	Existing Land Mass	Do Nothing
Units	3,503	1,250	821	
	£'000	£'000	£'000	£'000
Non-Grant Revenue	324,836	74,625	81,880	-53,648
HE Grant Required	158,940			
City Deal	53,648	53,648	0	
Net Uninflated Revenue	537,424	128,273	81,880	
IDP Cost Total (Uninflated)	-497,206	-235,047	-194,552	
Uninflated Revenue less IDP Costs	40,218	-106,774	-112,672	
Uninflated Revenue less IDP Costs (excluding HE Grant)	-118,722	-106,774	-112,672	
Inflated Revenue (incl. Additional Subsidy required)	667,110	285,180	237,988	
Inflated IDP Costs	-603,853	-284,693	-229,780	
Interest	-25,547	-3,970	-4,598	
Net Cash Flow	37,710	-3,483	3,611	
NPV	0	0	0	
Grant Funding Subsidy per Property	45.373	102.410	153.984	
Additional Subsidy required to effect zero NPV	158,940	128,013	126,421	
Ranking (requiring least subsidy)	1st	2nd	3rd	

3.2. Qualitative Benefits Criteria

The qualitative benefits, extracted from the Strategy, have been reviewed with PCC and a more concise list developed for the purpose of distinguishing between the available site options. A set of weightings was also then considered and agreed.

Qualitative Benefit	Description	Weighting
Strategic Fit	<ul style="list-style-type: none"> • How well does the option align to, and support, the policy context and PCC Regeneration Strategy? • Does it support the 5 design principles? • Does it contribute to the sustainability of key services? 	20%
Marine Employment Campus	Does it provide the marine employment accommodation in accordance with City Deal, within a “hub”?	20%
City Housing (in accordance with Housing Needs)	Does it provide the housing deficit identified in Housing Needs Assessment? Does it provide housing in accordance with PCC Policy requirements?	15%
Improving Health and Connectivity	Does it promote the 5 design principles rooted in creating a sustainable neighbourhood for the future	10%
Access to the Waterfront (public)	Do the proposals provide ease of access to the waterfront for all	10%
Compliance with HRA	Ease of compliance with the 3 step test	25%

3.3. Qualitative Benefits Scoring

An appraisal of the qualitative benefits associated with each option was undertaken with PCC and Savills, who scored each of the short-listed options against each of the benefit criteria against the following 0-5 scale:

- 0 – Site does not deliver/contribute to the delivery of this criteria
- 2 – Site only contributes to the delivery of this criteria to a very limited extent
- 3 – Site partially contributes to the delivery of this criteria
- 4 – Site contributes to the delivery of this criteria to a greater extent
- 5 – Site fully meets the requirements for delivery of this criteria

The results were then collated and a weighted benefit score was derived for each option. Do nothing option would obviously not achieve a score against any of these criteria.

3.4. Analysis of Results

	Weight %	Existing Land Mass	City Deal	Lennox Point
Strategic Fit	20%	3	60	3
Marine Employment Campus	20%	5* ²	100	4* ³
City Housing (in accordance with Housing Needs)	15%	2	30	2* ¹
Improving Health and Connectivity	10%	3	30	4
Access to the Waterfront (Public)	10%	3* ⁴	30	5
Compliance with HRA	25%	4	100	3
Total			350	
Ranking			2nd	
				3rd
				1st

*1 = Takes account of large number of apartments and therefore not in keeping with the Portsmouth market requirements, although does provide more homes than Existing Land Mass

*2 = All Marine Employment is accommodated on Tipner West and therefore on consolidated campus

*3 = Reflects accommodation spread over TW +HIE

*4 = Public access limited by extent of marine employment area

4. Commercial Case

This section, the Commercial Case, sets out how PCC SD will be seeking to procure the delivery of Tipner West, ensuring that:

- Commercial strategy of PCC maximises public value
- Supply chain is prepared for opportunities as they arise and can provide the required deliverables to deliver the selected option.
- Attractiveness of any future option to potential interested parties.

The context for any procurement exercise is framed by the high-level programme.

The role of PCC in the delivery and packaging strategy has yet to be decided, however the role of PCC will have reference to the Strategic Case and the socio-economic benefits the development has set out to deliver. In relation to Tipner West, this is underpinned by the provision of marine employment and homes, together with the desire to create a place, which feels part of Portsmouth but is viable and sustainable as a community within the City.

The delivery options for each scenario considered are based upon the 'Six Pillars' of Procurement featured in the UK Government HM Treasury's Project Initiation RouteMap (now IPA RouteMap), a best practice document obligated for consideration by all UK Government Clients.

4.1. Development to Date

Development to Date for each of these Pillars 1-6 is noted below.

Pillar 1 (Understanding and Communicating Requirements) – Development to Date

This has been managed via the preparation and agreement of a balanced scorecard. The Vision has been set as "A new waterfront neighbourhood and marine employment hub — the gateway to progressive Portsmouth and a beacon for the future of south coast cities" which reflects PCC's aspirations.

The Mission of the Project is to reconnect people's lives and work with the sea, in order to improve mental and physical health, appreciate the importance of sustainability and create resilient, inclusive communities.

Pillar 2 (The Market) - Development to Date

The market is split into categories – developer/investor, contractor and funder of the overall development and the eventual residents.

The feedback received from the Supplier Days held to date, has yielded approx. 300 organisations who have expressed an interest in participating in Tipner West in some form and identified the potential opportunities:

PCC has developed a Market Engagement Strategy (MES) in April 2021 which is currently in draft form. The MES draws on the depth of experience within the team and builds on the lessons learned from other clients in

developing their approaches to market engagement, including infrastructure projects such as HS2 Ltd, Northern Estates Programme (NEP), Transport for London (TfL), Crossrail Ltd (CRL), Tideway and the Olympic Delivery Authority (ODA) and regeneration projects such as Kings Cross, Welbourne Garden Community and Berewood.

Pillar 3 (Packaging the Programme) – Development to Date

Early work undertaken by Gardiner and Theobald in this respect, considers the granularity of the strategy, using a layer cake approach. Is it preferable to approach the market with a “semi-packaged” offering, for example, looking at the delivery of all the housing as one package and infrastructure as another. Alternatively, is it more appropriate, particularly in the context of the economic environment in 2020, to consider separate package procurements which can be resourced locally, without reliance on overseas markets.

The packaging strategy has been produced by Gardiner & Theobald and provides a layer by layer review of the current procurement and delivery options.

Pillar 4 (Contracting) – Development to Date

Works completed to date :

- Selection and appointment of professional, consultant team
- Development of balanced scorecard
- Development of packaging strategy (see below)
- Development of programme and phasing strategy
- Development of risk register and mitigation strategy

Pillar 5 (Routes) – Development to Date

Currently work is underway to commence the routes to engagement including:

- Preparation and circulation of an investor/developer guide – this will be prepared for distribution to parties interested in participating in Tipner West. Opportunities for participation maybe at several levels contractors, funders, developers or private sector/joint venture partners.
- Preparation and circulation of a suppliers/contractors guide – this will be distributed to parties interested in contracting opportunities primarily. It is acknowledged some contractors may form part of a larger team and therefore captured by the investor/developer guide. However, some contractors will want to engage with the project on a purely contracting basis, for individual or multiple packages.
- Engagement with Government Bodies – this, in particular, is centring around the Department of International Trade (DIT) and Homes England, but will be expanded to cover other bodies including funding and development facilitators.
- Investor and Industry engagement events.

Pillar 6 (Benefits Communication) - Development to Date

Limited work has been undertaken in this respect to date, apart from general engagement at supplier and partner days, where PCC has concentrated on communicating the vision of Tipner West.

Alongside the 6 Pillars, the commercial case considers how the development will be “packaged” for the market, to achieve maximum market engagement and therefore value for money. Preferred scenarios will need to:

- Maximise public value
- Select a delivery strategy reflective of supply chain capacity and capability to deliver the selected option
- Refine the attractiveness of preferred option to potential interested parties.

The Project team’s approach is to be further developed during the next stage with the objective to:

- Maximise public value
- Select delivery strategy reflective of supply chain capacity and capability to deliver selected option
- Refine attractiveness of preferred option to potential interested parties.

These objectives will be tested through market engagement, following agreement of procurement packaging and partner procurement, programmed for Q2 – Q4 2021.

In the three scenarios identified, the management/disposal of the marine employment site can be accommodated and is subject to further consideration by PCC.

5. Financial Case

In agreeing the Financial Viability Model (FVM) with Portsmouth City Council, key inputs have been agreed and applied to the model. This model has then been used to test the scenarios using the same inputs, amended where necessary to reflect required changes to the assumptions.

5.1. Land Trader model

The FVM is a “land-trader” model that works on the assumption that the Enabling/Master Developer funds the delivery of the key infrastructure to provide serviced land to be sold to house builders and commercial developers to build and sell the proposed housing or commercial units. Therefore, the key revenue associated with the sale of serviced land is gross of all infrastructure and Section 106 costs, as the burden of the cost falls on the Enabling/Master Developer.

The FVM provides the user with the ability to determine the optimum housing mix, apartment weighting and land requirement to maximise the revenue contribution from the residential development (serviced land) to help support the delivery of the key infrastructure required as well as improvements in flood defence, the marine employment and the vision for this new community.

In determining the optimum level of housing, one has to be cognisant of the finite amount of land that is either currently available or the overall amount of land that could be made available through reclamation to support the scheme costs. There is a requirement to balance the FVM to maximise the serviced land value and contribution to the scheme costs while minimising the land reclamation requirements.

The FVM allows the user to apply a number of sensitivity tests to help “zone in” on the optimum housing mix and overall quantum of units.

5.2. Residential Mix and Key Revenue Inputs

The Housing Mix and values have been borne out of precedents in the local market and seek to deliver a balance across a wide variety of unit types with the aim to capture a broad demographic to deliver a new community, including those who are likely to be employed at Tipner West as well as taking account of specific identified housing need in Portsmouth.

The table below provides a summary of the key inputs that have been applied to create the revenue inputs into the sensitivity analysis:

Key Revenue inputs		
Maritime	£ per ha	£2,083,333
Employment	£ per sqm	£1,045
Ground Rent	£ per unit	£2,200
Parking	£ per space	£15,000
Residential Serviced Land Value £ per unit		
Base LXP With premium		£78,000
Without Premium		£70,200

The key variable to test the various scenarios is - as the scale and the quantum of development reduces, so too does the place making premium through loss of the vision. Therefore, the 10% place making premium applied to the residential values in Lennox Point Scenario has been removed.

In the City Deal 2013 alternative, if there is to be no land reclamation, this would result in a non-market facing mix of 68% apartments and 32% houses in order to deliver the 1,250 homes, reducing income and marketability. The income reduction is noted above.

5.3. Comparable Financial Appraisal

	Existing Land Mass (821 homes)	City Deal (1,250 homes)	Lennox Point (3,503 homes)
Land Take	19.75	19.75	49.74
Total Serviced Land Value	£81.88m	£128.27m	£378.39m
Overall Scenario Costs	£194.55m	£235.05m	£497.21m
Viability Gap/Subsidy required (to effect zero NPV)	-£126.42m	-£128.01m	-£158.94m
Subsidy Required per Home	£154k	£102k	£45k
Most Viable (requiring least subsidy)	3rd	2nd	1st

5.4. Scenario Comparison

The rankings of the qualitative and quantitative assessment, have been converted into a numerical value (10 for 1st, 5 for 2nd and 0 for 3rd) and these have been assessed alongside each ranking, to provide an overall ranking

Cost and Benefits	Existing Land Mass	City Deal	Lennox Point
Qualitative Assessment	2 nd (5 points)	3 rd (0 points)	1 st (10 points)
Quantitative Assessment	3 rd (0 points)	2 nd (5 points)	1 st (10 points)
	5	5	20
Overall Rank	2nd joint	2nd joint	1st

6. Management Case

This section establishes

- Who is involved in the project, both inside and outside of PCC, including users, commissioners, and other key stakeholders
- The achievability of the project, taking in to account the PCC's readiness and resources
- How the project is to be managed

The Management Case has a close relationship to the Commercial Case, taking into account how PCC wishes to package and procure Tipner West and whether that is achievable within the constraints of their internal configuration. The Management Case remains subject to extensive procurement work which is currently underway.

Following the Industry Day in September 2021, a number of developers, investors and contractors have shown interest in participating in the development of Tipner West. Discussions are ongoing, in accordance with public procurement regulations, to draw upon the expertise of enabling/master developers (with investment capacity), to help deliver the serviced land parcel strategy, upon which the scenarios have been modelled (Land Trader Model).

The Management Case will also consider risk allocation and how this impacts the configuration. There are three broad categories:

- Allocated risk – this may be borne by a supplier or PCC and a packaging model will need to reflect this transfer of risk and reward to appeal to the market.
- Transferred risk – this may be borne by consultants or third parties who are undertaking tasks and therefore managing risk, for a fee or form of remuneration, but without risk and reward.
- Transferred risk – this will be risk that is transferred to a third party, potentially developer or funder along with a corresponding level of reward. At this level, less resource will be required from PCC however “control” of elements of the project are also lost and potentially the ability to deliver all the desired objectives.

Following initial industry engagement, PCC has expressed an interest in participating in the master developer role, with the need for investment and industry expertise acknowledged. A participation in the master developer role will protect and maintain the delivery of the project vision and objectives, whilst providing PCC with an active role in the successful delivery of Tipner West. As a result, the management response will be developed further beyond this OBC, taking lead from the approach yet to be determined on the commercial strategy.

7. Scenario Comparison Conclusion

The Lennox Point scenario is the most beneficial scenario, based on both qualitative and quantitative measures, albeit the scenario still requires public sector intervention in the way of subsidy. It is recognised, given the scale of the project, this subsidy may decrease significantly during the life of the project, as a development of this scale and vision can often exceed anticipated revenue predictions, by starting to create “its own market”, increasing the rate of sales and/or potentially values. However, values will still need to be within affordability limits for the Portsmouth market.

When compared to the “do nothing” option, the Lennox Point scenario achieves the objectives of the wider Portsmouth Regeneration Strategy and provides both housing and employment in accordance with the Local Plan needs assessment. The “do nothing” scenario will entail the repayment of the City Deal monies and incur the loss of essential habitats. The full impact of this loss has yet to be fully assessed, as part of a wider Benefit Cost Ratio calculation, however given the designated status of the site, it is anticipated the impact will be significant.

Emma Davies
Director – Faithful+Gould

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savills

Spotlight Development: The Value of Placemaking

2016

RAISING THE GAME

Early investment creates better places
and delivers higher returns

LAND VALUE UPLIFT

Long-term vision and partnership
approach is needed

CASE STUDIES

Alconbury Weald,
Heyford Park, Poundbury



◀ Cover image: Alconbury Weald Discovery Day

Foreword

THE VALUE OF PLACEMAKING

Early spending in infrastructure, local amenities and public spaces creates better places. This report examines why it pays to take the long view and partnership approach

We need to build more homes. Developing large sites is essential if we are to deliver the 300,000 new homes a year to meet housing need. But creating great new places with their own identities where people really want to live requires more than houses.

Successful large-scale residential developments also need a mix of local amenities, shops, workplaces, schools, public spaces and different housing types. This mix builds a stronger, more resilient community with economic vitality of its own.

The social arguments for creating sustainable communities for existing and future residents are strong and have been well documented elsewhere. In this report, we build a financial case for investing in place, addressing some of the challenges developers face and suggesting how these barriers can be overcome.

Our analysis shows placemaking can pay off financially as well as socially. By building a simplified land value model for a theoretical urban extension site of 3,000 homes, we have demonstrated a scenario where additional early investment raises land values by 25%.

While the potential needs an assessment on a case by case basis, this uplift benefits the various parties involved in placemaking which in turn, enables the delivery of new neighbourhoods that communities

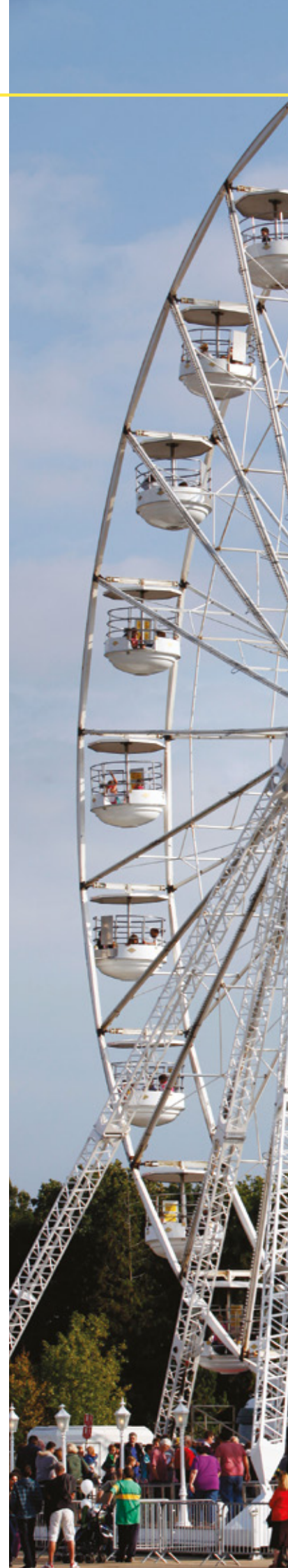
really want. Harnessing these gains to meet Government's and Local Planning Authorities' aspiration for higher quality places, requires a long term vision and a partnership approach.

Investing more, early on increases development risk and can act as a barrier to successful placemaking. The solution comes in the form of patient capital and/or JVs with landowners willing to draw land receipts later in the development process. Landowners, public bodies, pension funds, equity investors, house builders and master developers all have a part to play.

Another important component is public sector finance. This can take the form of forward funding by the local authority to ensure the early delivery of a school, for example, or Government loans such as the £3bn Home Building Fund by the Homes and Communities Agency (HCA). Support by streamlining the planning process and flexibility on the timings of delivery of section 106 obligations also help to reach a common goal of creating great places.

With so much market variation, site types and developer models, there can be no single formula for placemaking. However, our case studies provide lessons on the effect of investing early and the range of uses normally expected in successful places, such as schools, public realm, shops, services and employment uses. ■

Landowners, public bodies, investors, pension funds, house builders and master developers all have a part to play



THIS PUBLICATION: This document was published in October 2016. The data used in the charts and tables is the latest available at the time of going to press. Sources are included for all the charts. We have used a standard set of notes and abbreviations throughout the document.

EXECUTIVE SUMMARY



Investing early can pay off: our model shows that additional early spend increases land values by circa 25%
See pages 04/05



Higher land value can be achieved by investing in placemaking earlier rather than later
See page 06



Land value uplift enables the delivery of neighbourhoods communities want
See page 07



Case studies: lessons from Alconbury Weald, Heyford Park and Poundbury
See pages 08,09,10



Recommendations: placemaking requires patient capital, viable land, long-term vision and support from Government and Local Authorities
See page 11

A DIFFERENT ANGLE

As part of a community engagement programme at Alconbury Weald, Urban & Civic held a big event in 2011. The Design and Discovery Day hosted 2,500 people who came along to see nearly 100m of display boards and give their views. A Ferris Wheel allowed them to enjoy the 575 hectare brownfield site from a different angle.

Modelling Land Value

INVESTMENT IN PLACE PAYS OFF

Creating better places makes financial sense. Our modelling shows how to make it work

Words: **Lucy Greenwood**



“Spending more upfront and achieving higher sales values and sales rates can increase land values by around 25%”

Lucy Greenwood, Savills Research

When it comes to spending on placemaking, some key conditions stand out: the strength of the local market relative to connected markets and therefore the potential to increase sales values and sales rates through extra investment.

Our land value model

To examine how these variables affect each other and the impact of extra spending on land values, we built a simplified land value model for a theoretical urban extension of 3,000 homes on a 425 acres site, 50% of which is developable.

We have fixed many components of this model for simplicity and allowed the scale of additional investment, sales values and rates of sale to be varied. The effect of changing the required rate of return and the timing of the additional investment are subsequently examined on page 6.

The land value is an output of the model, calculated as the net present

value (NPV) of the cashflow of future receipts. It is the amount the land is worth today as the income in the future from selling plots of land or taking a share in the value generated from the homes sold.

At the simplest level, it shows that spending an extra 50% on placemaking, in markets where this leads to a higher sales value and faster sales rate, can boost the land value by around 25%, depending on required rates of return.

This is a theoretical exercise to illustrate the effect of investing more upfront. Real life throws up a bigger number of moving parts, with opportunities for partnerships to reach landowners’, developers’, local authorities’ and communities’ objectives.

The basic scenario

In this scenario, we assume a basic spend on infrastructure, average house prices and a steady rate of sales on a straightforward site with no remediation costs.

The required spend on enabling infrastructure, spine roads and services as well as S106 and Community Infrastructure Levy (CIL) obligations are made at a cost of £30,000 per home.

We have assumed a new home market sales values of £250 per sq. ft. or £250,000 per home which is a typical sales value in much of the south of England.

The Affordable housing component of the site is set at 30%, which is an approximate average target across

▼ Poundbury in Dorset



© Duchy of Cornwall

such markets. The value of the Affordable housing is calculated as 50% of the market homes.

We assume that the homes on the site would be absorbed at a rate of 120 a year. This breaks down to 84 market sales and 36 Affordable homes absorbed per year. The modelling is illustrative. In reality, delivery may vary, increasing over the lifetime of the project to achieve local targets.

This market rate of sale is similar to the average on a range of large development sites in comparable markets. A hypothetical site developed according to these criteria results in a land value of £52 million – the equivalent of £123,000 per gross acre.

The legacy scenario

Here we have assumed that there is potential to increase demand for homes on the site which is reflected in higher sales values and sales rates. Amongst the examples we have looked at where placemaking has been successful, some sites have seen strong increases in sales rates, others have seen strong increases in sales values or elements of both.

In Poundbury, the urban extension to Dorchester in Dorset, new build values are up to 29% higher than on other new build schemes in the area on a type for type basis in the last year. At Brooklands in Milton Keynes the highest sales rates over the last three years have been nearly double (91% higher) that of other nearby developments such as Oakgrove and Middleton.

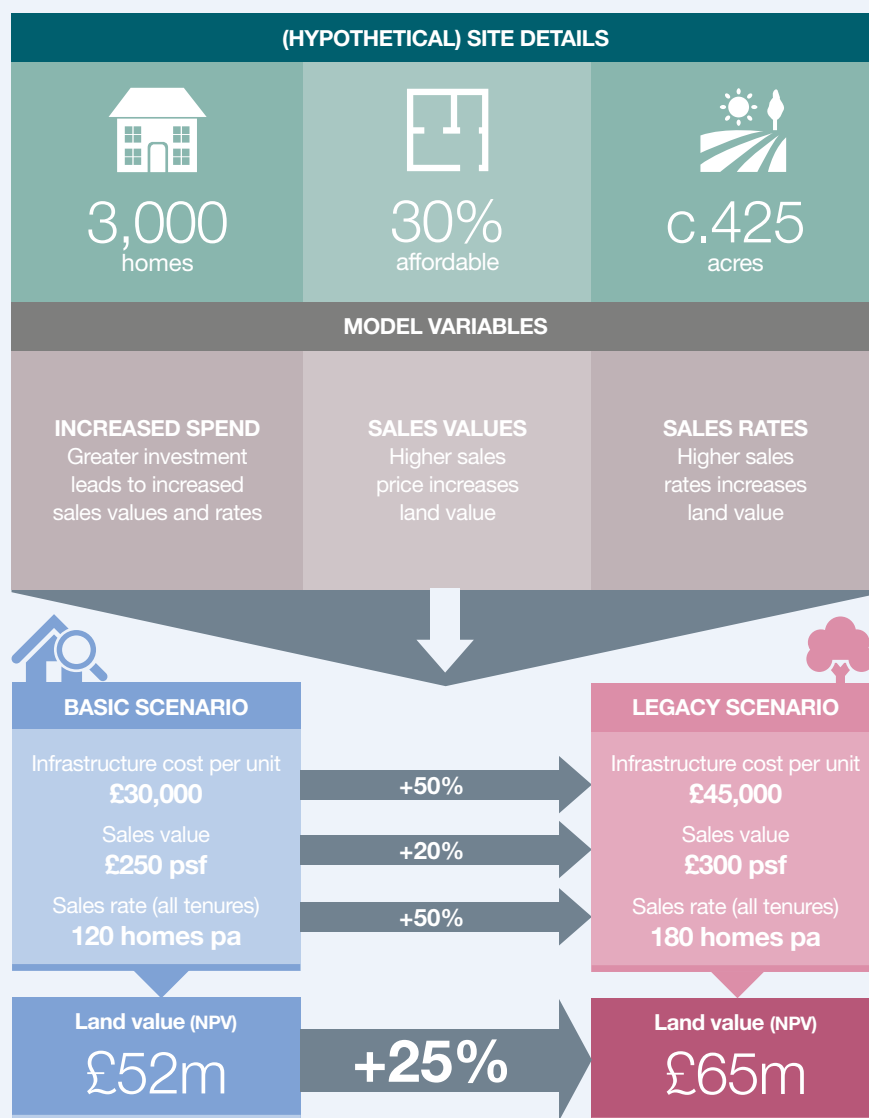
In this legacy scenario, we have assumed that sales values reach 20% above the basic scenario to £300 per sq ft and that the take up rate is 50% higher at 180 homes per year across all tenures, as a result of opening up new markets for the scheme.

The scale of additional investment put into sites for placemaking is difficult to quantify accurately. From our knowledge of the range of investment typically made on sites, we have assumed that spending an extra 50% of infrastructure costs on placemaking, with 60% spent upfront, could achieve the value and sales uplift required.

This brings the total 'infrastructure' spend to £45,000 per home. We calculate that the extra spend and sales value uplift would deliver land value of £65 million, 25% more than in the basic scenario. This is the equivalent of £153,000 per gross acre. ■

LAND VALUE MODEL

The benefits of an increased spend



THE ASSUMPTIONS BEHIND THE MODEL: The variables we have chosen are based on Savills experience of sites across the country as well as interviews with clients. Site specific variables will of course vary from this illustrative case.

- Our model is based on a hypothetical 3,000 home scheme on a site of 425 acres (172 hectares) which is 50% developable at a density of 35 dwellings per net developable hectare.
- It assumes an average home size of 1,000 square feet.
- 30% of the total number of homes are Affordable. The value of the Affordable homes are 50% of 'The Basic' market value of £250 per sq ft.
- The basic infrastructure spend (£30K per unit) is the minimum required spend per unit for site preparation works, S106 and CIL. It is assumed that 40% of this is spent in the first two years, then 15% at each fifth of the development built out.
- The additional infrastructure spend (an extra £15K per unit) is assumed to be spent as follows: 60% upfront investment then 10% every fifth of the development built out.
- Uplift in sales values is linked to the timing and scale of additional spend.
- A build cost of £100 per sq ft is assumed for the basic example, increasing with any additional spend on infrastructure by one third of the percentage of extra spend.
- The build cost for 'The Legacy' scenario is £117 per sq ft.
- The model is calculated in real terms, so no inflation is applies.
- The housebuilder margin is 20%
- The land value is calculated as the net present value of the net project cashflow.
- No upfront land cost is assumed in the model.

Source: Savills Research

LEGACY SCENARIO: THE IMPORTANCE OF TIMING

Early investment raises land value but also increases development risk

Meeting the demand for quality housing

A key feature highlighted by our modelling is that investment in place releases the potential for higher sales rates and sales values. This is particularly the case in areas of high demand where buyers can be drawn from strong markets nearby.

Therefore, the uplift in sales values can only be achieved if there is investment in place to make it more appealing. The sooner the investment is made, the sooner the uplift in sales values can be achieved which is reflected in the land value. Conversely, investing later decreases the potential.

Our model shows that for the legacy scenario the land value decreases by 26% if the majority of the extra investment is made 40% of the way through the build out rather than at the start.

Risk is greater

Investing more upfront however, increases the peak debt. In our model the peak debt is 56% greater if the majority of the investment is made upfront rather than later in the build. The ability to accommodate this level of debt is necessary to achieve the higher land values discussed above.

-26%

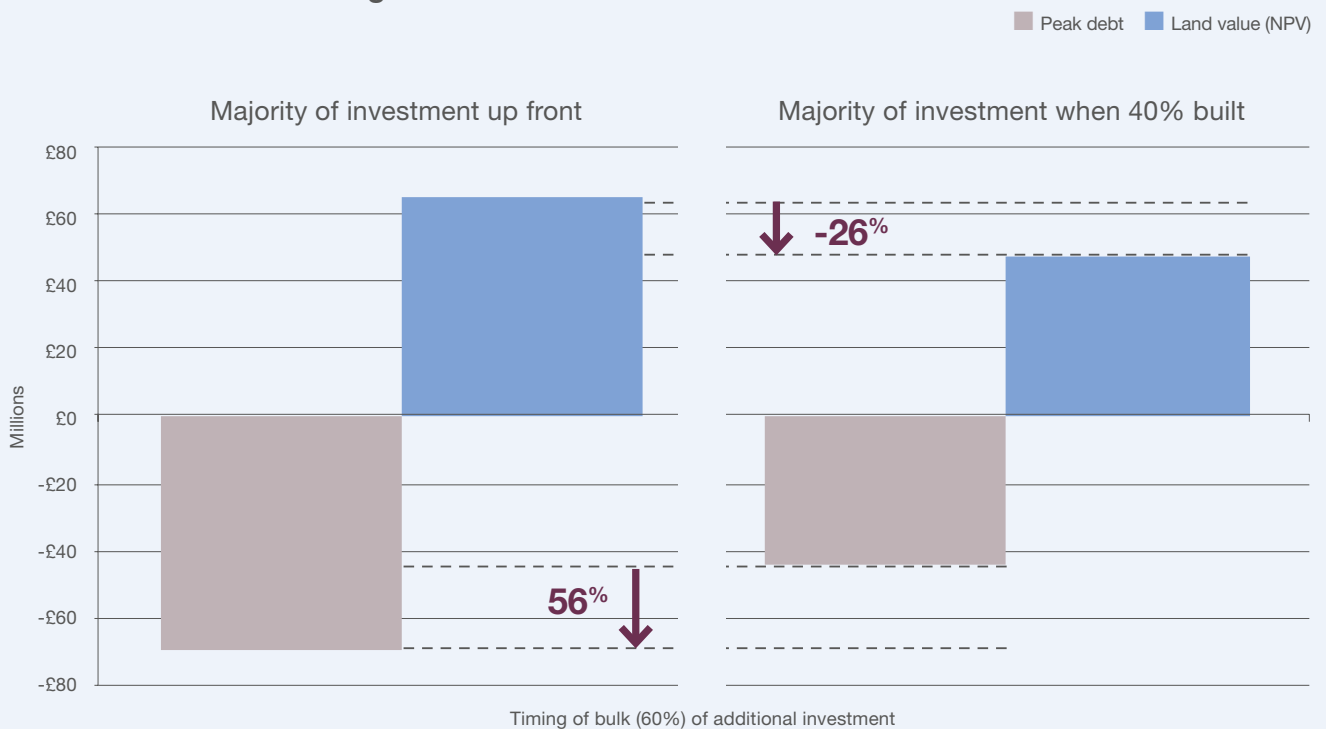
Relative reduction in land value if investment is later, delaying the potential for higher value sales

56%

Increase in peak debt required if additional investment is upfront

FIGURE 1

Earlier investment means greater land value



Source: Savills Research NB: Based on the assumptions for the legacy scenario with 50% additional investment and absorption rate of 180 homes per year when bulk of investment made

Partnership Approach

A COMMON GOAL BENEFITS ALL

A longer term view and willingness to draw receipts over a period of time is key to creating value for all

Words: Lucy Greenwood
.....

.....
“Faster sales rates benefit the various partners in the scheme”

Lucy Greenwood, Savills Research
.....

Our theoretical model shows what can be gained from the land in the long term. It does not include an upfront payment for land. If all the land is an upfront cost to the developer, development risk is greater and there may be less scope to make additional investment. However, where land is paid for over a period of time, there may be more financial capacity to invest in place and achieve better returns in the long term.

There is therefore an incentive for the landowner to take a longer term view and maintain ownership of the land to benefit from the additional investment. This can be achieved by entering into a joint venture (JV) or development licence with a master developer.

Separate research shows there is appetite among rural landowners to develop. According to our poll in our Estate Benchmarking survey of 81 rural estates, 40% have plans to sell land to developers over the coming year.

Importance of sales rates

Land value is increased with faster sales rates because higher levels of income are achieved sooner and the development is completed faster. As a result, the period until the development breaks even is shortened and the finance costs are reduced.

This benefits the various partners that may have invested in the scheme, including the public sector. Hence public bodies putting in the land, receive their back ended returns sooner and finance invested to support upfront costs of infrastructure can be repaid earlier, returning to the public purse.

Required rate of return

One of the most influential factors on land value in our model is the required rate of return on capital or discount rate. Patient capital delivers higher land values which justifies the higher investment in place.

This illustrates why developers with access to patient long term capital and /or public sector support are able to invest more in placemaking while those delivering a site on their own may find it more difficult.

A partnership approach is needed where both private and public sector work together to deliver a common goal of creating better places and building more homes.

Public sector support can come in the form of land, forward funding and planning certainty. Such a framework set up by a master developer allows a wider mix of housebuilders to participate increasing rates of delivery.

All three main cases studies we have observed at Alconbury Weald, Heyford Park and Poundbury, have involvement by a number of players.

Hopkins, Morris and Redrow are delivering homes at Alconbury Weald. Meanwhile at Upper Heyford, Bovis Homes have bought a number of plots, providing early funds to the Dorchester Group to reinvest in infrastructure. ■

▼ Alconbury Weald



Infrastructure

WHEN AND HOW TO SPEND IT

Earlier investment brings greater benefits. Spending on schools, public realm and amenities sets the tone for a new neighbourhood

Words: Susan Emmett



“Schools attract potential buyers and increase footfall supporting shops”

Susan Emmett, Savills Research

The attraction of a new development is not governed solely by the quality of the homes but by the quality of the place around it. Investing earlier in key features that give the development a sense of place and community, as seen in every desirable village and market town, pays off.

As we have explained on previous pages, our model shows that investing in placemaking delivers an uplift in sales values where conditions are right. Our calculations also show that the sooner the additional investment is made, the earlier the uplift in values can be achieved (see page 6).

This applies equally to investment in place as part of planning requirement, which may include a school, and additional investment. These are some of the key components in placemaking:

▼ Primary School at Alconbury Weald



Community engagement

Developers building large urban extensions are not just selling houses, they are selling a vision of the future. Putting the site on the map as a destination with a character of its own is crucial to attract demand, particularly if the aim is to draw more affluent buyers from further afield.

Early marketing, PR, social media and community engagement all have a part to play in shaping that vision in the public’s imagination, gaining support for the development, easing the planning process and ultimately boosting values once homes go on sales.

Urban & Civic’s decision to invest in community engagement has played a large part in shaping perceptions of Alconbury Weald in Huntingdon, ultimately in supporting sales.

One of the earliest events was a ‘Family Discovery and Design Day’ to discuss ideas for the site in September 2011, two years ahead of submitting a planning application and almost five years before the first home went on sale.

The first homes, built by Hopkins, went on sale in April this year. Sales rates in the first two months were higher than anticipated - two per week compared to the average of one per week on an average outlet. Sales values on a per square foot level were 16% above that expected. Given that the scheme is still in its very early phases, we would anticipate further uplift.

Importance of schools

Investing in a school or schools, whether as a planning requirement or choice, has a significant impact on the success of a development, particularly if this is done early. Primary schools typically cost between £5 million and £10 million and a secondary school £20 million.

Developers might be required to provide two to three schools on a scheme of around 3,000 homes depending on the need from the local area.

There was a consensus among developers we interviewed that this was money well spent and should be prioritised over other non-residential uses. Schools provide an immediate draw to the development not only attracting potential buyers but also increasing footfall from non-residents.

It is therefore important to locate the school in a way that complements the neighbourhood centre and helps

support early commercial outlets. Parents on the school run can provide custom for coffee shops and food stores, creating community feel.

Effect of schools on sales

It can be hard to pick apart a single driver for increasing sales rates and values. We know from our earlier research of 2015/16 schools results and HM Land registry data that there is a 20% house price premium around the best performing state schools.

Whilst this analysis does not tell us whether the school is better because it is in a higher value area or if the house prices are higher because of the quality of the school, it does suggest a link between quality schools and demand for homes.

Heyford Park School

At Heyford Park, a development of over 700 homes on a former US air force base in Bicester, rental uptake increased significantly in the lead up to the opening of Heyford Park Free School in 2013 as parents sought to ensure that they were in the right catchment for the new state school.

The success of the school which is currently three times oversubscribed has driven new build sales rates with approximately a quarter of new buyers suggesting the school was the main reason they buy at the site.

Overall, Dorchester, the master developer behind Heyford Park, has experienced sales price growth from £250 per sq ft to £340 per sq ft in the two years since it started building with 150 homes already completed and sold by the housebuilder on site. It has experienced a sales rate of two a week, selling to one in four visitors.

Public Realm

In any neighbourhood that works, the spaces between the buildings are as important as the buildings themselves. Investing in well-designed good quality public realm makes all the difference when it comes to creating a sense of place and using land effectively.

However, prescribing exactly how much ought to be spent on public realm is difficult.

For developers involved in long-term placemaking, establishing effective procurement routes and long-term relationships with suppliers can mitigate the costs of higher quality materials, such as natural stone. This is the case for the Duchy of Cornwall in Poundbury.

▼ Heyford Park School



Poundbury

Whilst Poundbury's traditional architecture, built according to principles advocated by the Prince of Wales, has drawn the most comment, we found that the way the development made best use of land provides the most important lessons for other development.

The master plan for the overall scheme delivers higher densities within a walkable neighbourhood, which promotes healthier lifestyles, helps support the local shops and increases land value.

In general, higher densities increase land values at appropriate building heights for the location. However,

securing this premium requires that the public realm is well designed and of good quality.

At Poundbury people are prioritised over cars. Streets are an integral part of the public realm, designed to feel like a welcoming open space where neighbours can meet and children can play rather than solely a route for vehicles.

There is a wide variety of building types at Poundbury and a hierarchy of scale rising to a landmark tower, in Queen Mother Square, which will form the district centre of the neighbourhood.

Buildings around the square, rise between four and six storey



▼ King's Point House at Poundbury



© Duchy of Cornwall

→ and deliver a mix of residential and commercial property.

Alconbury Weald

Urban & Civic have also prioritised investing in the public realm to set the tone for a new neighbourhood at Alconbury Weald from the outset. The entrance to the development is framed by good quality landscaping. The first thing a visitor sees is a pond with seating areas, leading onto an attractive open square and a new primary school which opened in September 2016 even before the show home was opened.

New entrances to the site have been put in to separate construction traffic and a significant amount has been spent on moving existing and putting in mature trees. Around £10million was spent in advance of any housebuilding on these features to ensure that the experience those looking for a home get when they come to the site is one of an established quiet, rural village.

Retail and amenities

Where a new place is being created from scratch, shops, services and community facilities should be integrated within the design coherently.

There is a symbiotic relationship between residential and commercial development if both are considered together rather than treated

.....
 “Shops, services and community facilities should be integrated within the design”
 Savills Research

as separate entities. Residents value local shops, cafes, restaurants, community facilities and leisure amenities. Shops and leisure facilities need day time trade to thrive. Local schools and commercial workplaces can help provide vital footfall.

The retail does not need to start big. Smaller units run by local entrepreneurs, rather than a national chain, as seen in the Poundbury approach, may prove more viable in themselves and support a greater sense of community and quality of place.

At Poundbury, residential, shops and employment space are fully integrated. The scheme also features mixed use buildings such as Kings Point House which was built for £6.5million in 2011 and includes retail, office and residential uses.

So far at Poundbury, there are approximately 3,000 people living in different types of housing, including Affordable housing.

It also provides employment for some 2,100 people working in 185 businesses. The scheme is over half built and is expected to grow to 2,200 homes by completion in 2025.

Heyford Park Centre

The next step for Heyford Park involves a £15 million village centre at the heart of the scheme. It is designed to feel like an Oxfordshire village and includes plans for community space, a village square, a restaurant, a hotel, a bar, a cafe, shops and 40 homes. However, with over 1.3 million sq ft of commercial space ranging from warehouses to lab space and offices, the site is already home to 200 established businesses.

▼ Alconbury Enterprise Campus



Employment

Ultimately, the decision on whether to include significant employment space really depends on the strength of the local economy, the location of the scheme, its connectivity and what is already available in the areas surrounding the development.

Urban & Civic have taken a different approach to Poundbury at Alconbury with the Enterprise Campus which has a separate entrance to the residential element. It currently has a workforce of 600 which is set to increase with the build out of 1 million sq ft of commercial space over the next two years.

Given its location in Cambridgeshire, the Campus can draw on Cambridge’s reputation as a global centre for technology and proximity to other business and technology hubs.

The Campus received Government Enterprise Zone status in 2012 which means businesses will enjoy a range of benefits including 100% business rates discount and superfast broadband. ■

▼ £15million Heyford Park village centre



Recommendations

CREATING GREAT PLACES REQUIRES SUPPORT

Investing in placemaking creates quality new neighbourhoods, enabling more new homes to be built faster. Land, patient capital, partnerships and Government support are key

1 SITES IN THE RIGHT PLACES: We need more land to come forward in areas of high housing demand or connected to strong markets where investing extra in place making is viable. A greater availability of sites would keep land values stable allowing more scope to invest in non-residential uses, public realm and infrastructure.

2 THE ROLE OF PUBLIC LAND: Public land disposal, including central Government's target to release land for 160,000 new homes over the course of this Parliament, can play a large part here. However, public sector landowners must consider their objectives when releasing surplus land such as whether they prefer a capital sum, a long-term income stream or a mix of both. The latter particularly lends itself to working in partnership with developers to create new places that can provide steady income over longer time frames. The new Accelerated Construction scheme (see below) will help ensure land release is put to use more effectively for house building.

3 PATIENT, LOW COST MONEY AND LAND: Investing early in quality placemaking and facilities can deliver higher land values in the right locations. But if landowners look to extract maximum funds at the earliest opportunity there is less scope to make the additional investment. Investing more earlier on also increases development risks. The solution comes in the form of patient capital and/or JVs with landowners willing to take a longer

term view and draw funds at a later date once sales start. The role of pension funds looking for steady income should also be considered.

4 GOVERNMENT INFRASTRUCTURE SUPPORT: There is some help from Government. In last year's Spending Review, the Treasury extended the £40 billion UK Guarantees Scheme to cover housing and regeneration and new school building plans. Such guarantees can help reduce development risk, with loans repayable only as homes are completed. Given that private investment is key to delivering infrastructure and housing, it's crucial that Government support continues to help developers raise finance from banks and capital markets at low rates and where possible repayable against sales.

5 SUPPORT FOR HOUSE BUILDING: Uncertainty throughout the period of Brexit negotiations risks a negative impact on the economy and less availability of finance. The recent announcement of the £3bn Home Building Fund, designed to speed up house building should help mitigate these risks provided funds are easily accessible and not mired in red tape to ensure take up.

The package includes cash from existing funding streams and provides £1bn of new loans for small builders, custom builders and innovative developers. A further Accelerated Construction scheme will use £2bn of public sector borrowing to make public land with outline planning permission available to builders. ■



160,000

new homes to be built on public sector land



£40bn

UK Guarantees Scheme extended to cover housing, regeneration and new schools



£3bn

Home Building Fund is designed to speed up housebuilding

▼ Challowcombe Square, Poundbury

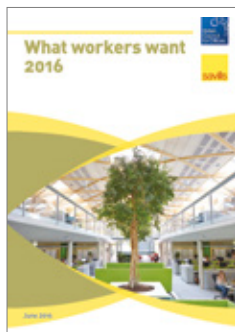


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Additional Research



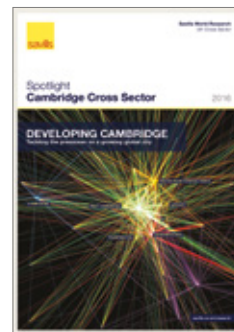
Spotlight Planning



What workers want 2016



Estate Benchmarking Survey



Spotlight Cambridge Cross Sector



Market in Minutes: UK Residential Development Land

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Transport Strategy

DATE	02 November 2021	CONFIDENTIALITY	Public
SUBJECT	Lennox Point – Transport Strategy		

1. INTRODUCTION

- 1.1 WSP has been commissioned by Portsmouth City Council (PCC) to provide multi-disciplinary advice for the development of proposals at Tipner West (TW) and Horsea Island East (HIE) in Portsmouth, known collectively as the Lennox Point development.
- 1.2 This Note sets out the Transport Strategy for the masterplan that has been developed by WSP to achieve the Vision for Lennox Point.

2. VISION AND DESIGN PRINCIPLES

- 2.1 The vision for Lennox Point is to create a new waterfront neighbourhood and marine employment hub that acts as the gateway to a progressive Portsmouth and a beacon for the future of south coast Cities.
- 2.2 This vision is underpinned by a series of design principles (**Figure 1**) that have shaped the development of the masterplan and in turn informed the creation of the transport strategy.

Figure 1 – Lennox Point Design Principles



- 2.3 The design principle “Pedestrian First” aims to create a development where pedestrians and cyclists have priority over vehicular modes with the aim of re-prioritising the internal street network as a social and play space. To achieve this, an ultra-low vehicle environment is proposed. The

“Pedestrian First” principle will require the development to be an early adopter of innovative transport and servicing solutions based around the “Future Mobility” agenda, namely mechanisation and shared and autonomous transport solutions.

2.4 At the centre of the Transport Strategy is an acknowledgement that the way we live our lives is changing and the reliance upon private motorised vehicles for the majority of trips is not necessary. To deliver this Lennox Point will:

- Prioritise pedestrians and cyclist movements on-site through deployment of an ultra-low vehicle environment;
- Use micro-consolidation to manage deliveries and reduce the volume of motorised vehicles requiring access across the internal street network on the site;
- Offer a communal refuse strategy that removes the need for refuse vehicles to travel down every street;
- Offer a range of services and facilities on-site that reduces the need for off-site travel;
- Prioritise travel off-site by active modes (walking, cycling and micro-mobility) through delivery of bespoke cycle parking standards and delivery of mobility corridors to key destinations;
- Enable access to high frequency public transport for all inhabitants in a less than five-minute walk; and
- Provide a viable alternative to private car ownership through offering a range of shared mobility solutions including a car club, ride-hailing services and micro-mobility solutions.

3. MOVEMENT HIERARCHY

3.1 The Vision and Design Principles have been translated for the purposes of this Transport Strategy into a hierarchy of movement for trips both on and off-site. As shown by **Figure 2** pedestrians will be afforded the highest priority on site alongside other active modes such as cycling and micro-mobility. The public transport strategy proposes the use of a demand responsive bus service on the site itself to ensure that all residents are less than a five-minute walk from public transport. Finally, acknowledging that there will still be a need for some vehicular access, emergency service vehicles, maintenance and limited deliveries will be afforded the lowest priority but will still be able to access all parts of the site with every street being provided with emergency service access.

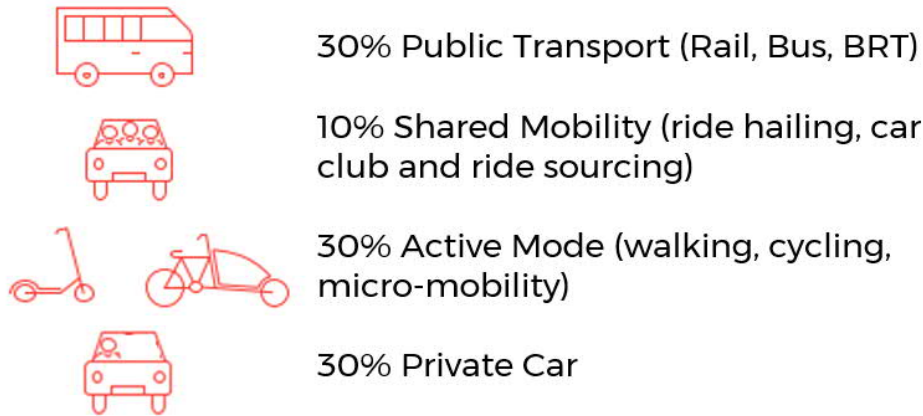
Figure 2 – Hierarchy of Movement on-site



- 3.2 For travel off-site the transport strategy establishes a set of mode share targets. Research undertaken for North Essex Garden Communities¹, looking at Cities across the world concluded that on average a 22% walking mode share, 19% cycling mode share, 21% public transport and 36% private car had been achieved in other exemplar developments/locations. Overall this research identified an aspirational mode share of 40% for active modes, 20% for public transport and 40% for private vehicles. To achieve these targets a step change in active mode and public transport infrastructure will be required both on and off-site.
- 3.3 The North Essex Garden Communities Study identified that a combination of physical measures as well as behavioural changes are required to meet the mode share targets outlined. Exemplar developments quoted include Freiburg in Germany where vehicular traffic has been restricted and streets prioritised for walking and cycling.
- 3.4 A mix of uses coupled with higher levels of density are also quoted as assisting in these aims by enabling people to access amenities and facilities within easy walking and cycling distances.
- 3.5 When setting the mode share targets, consideration has been given to journey purpose to ensure that consideration is given to both the likely distance of each trip type and the demographic of traveller.
- 3.6 Reviewing the existing Census travel to work based mode share for Portsea Island it is evident that a 19% walking mode share is already achieved whilst cycling is already a healthy 9%. A target of 30% walking and cycling has been set and is considered realistic. However, acknowledging the edge of City location of the site cycling has been prioritised over walking as the main active mode of travel to and from the Proposed Development.
- 3.7 The public transport mode share on Portsea Island already stands at 12%. Provision of high frequency public transport services, conveniently accessible to all users of the development will be key to achieving a 30% mode share target across bus, rail and water taxi, acknowledging that the majority of rail based journeys are likely to start or end with a bus based journey to/from the site.
- 3.8 The remaining 40% vehicular mode share reflects the residual need for private transportation (such as for education escort trips, long distance retail and leisure trips) and the growing trend towards car sharing (car clubs) and ride hailing services (Uber etc). The proposed external to site mode shares for the Proposed Development broken down into journey purpose are outlined in **Figure 3**.

¹ North Essex Authorities, Mode Share Strategy for the North Essex Garden Communities, Integrated Transport Planning Ltd. (July 2019)

Figure 3 – Hierarchy of Movement off-site



4. ACCESS STRATEGY

EXISTING ACCESS

- 4.1 The proposed development site at TW is currently accessed via M275 junction 1 Tipner Lane. Land at HIE is not currently accessible via public highway, with access gained via the former Paulsgrove Landfill site, managed by Veolia.
- 4.2 The existing access junction at M275 Junction 1 is a grade-separated roundabout motorway junction completed in 2014 to provide direct access to the Park and Ride and Tipner Lane. Tipner Lane provides access to sailing and cruising clubs, a disused MOD firing range, the Harbour School and an industrial employment site, TJ Waste and Recycling. Direct vehicular access to Stamshaw via Tipner Lane to the east of the M275 is prohibited through the use of bollards.
- 4.3 The roundabout junction is partially signalised with traffic signals on the M275 northbound-off slip. The remainder of the junction is priority controlled. A bus lane is provided on the M275 Southbound on-slip towards Portsmouth City Centre.
- 4.4 Active mode infrastructure at the roundabout takes the form of a shared cycle/footway, providing a pedestrian and cycle route around the southern side of the junction and connecting Tipner Lane with the cycle routes to/from the City Centre. The existing cycle routes run south along either side of the M275, as well as providing a connection across to the Park and Ride and residential areas to the east. Controlled pedestrian/cycle crossing points are provided, in the form of Toucan Crossings, on the M275 northbound off-slip and M275 southbound on-slip.
- 4.5 The existing roundabout layout features a wide circulatory carriageway, which can potentially result in high vehicle speeds. This, coupled with the limited pedestrian and cycle priority, leads to a vehicle dominated environment, limiting the effectiveness of promoting active mode travel across the junction.
- 4.6 In addition to M275 Junction 1, to the north of the junction, an underbridge is provided which accommodates a vehicular access between TJ Waste Services and Twyford Avenue. This is a private link that is not currently accessible to the general public.

PROPOSED ACCESS

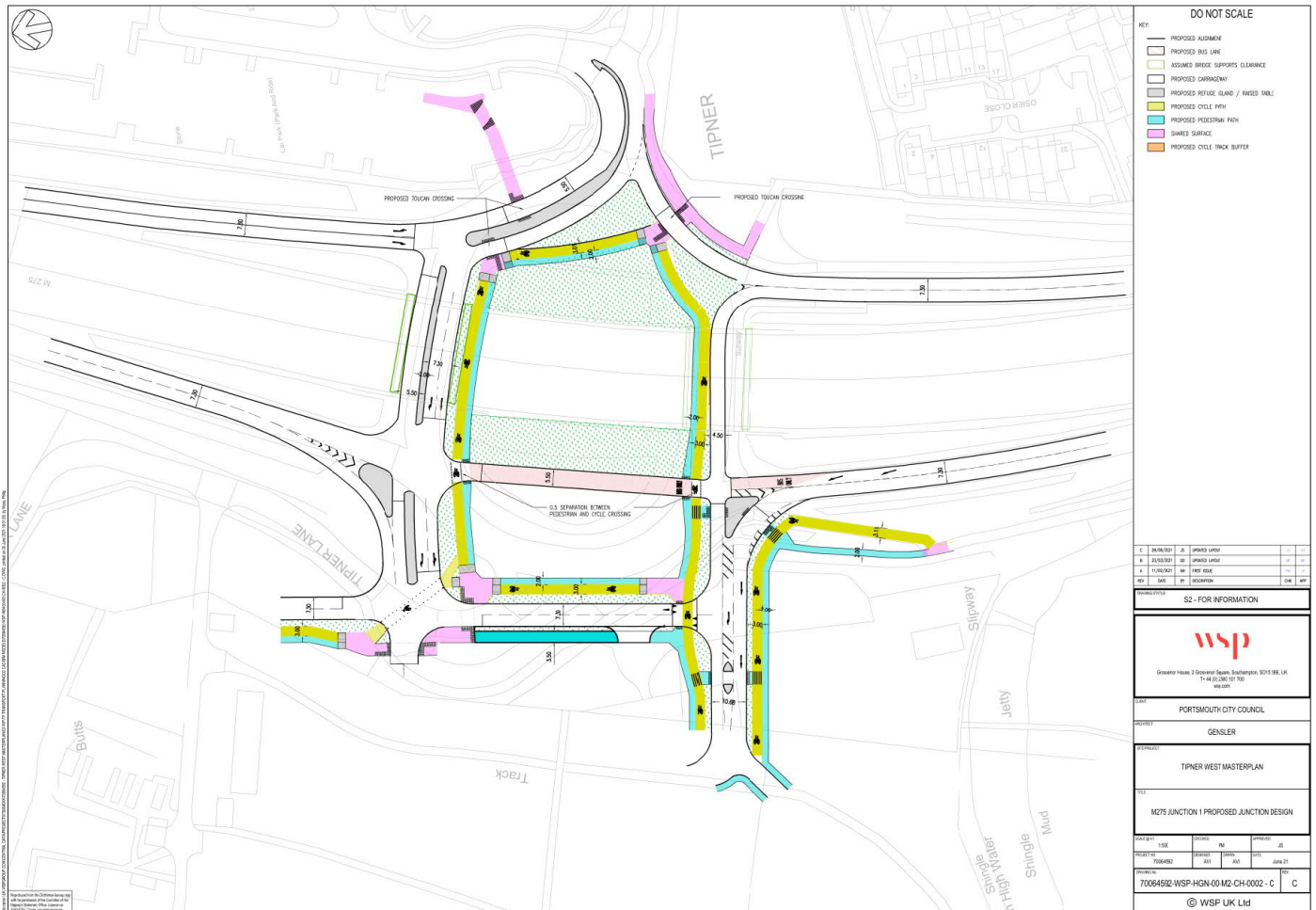
4.7 The proposed development access strategy is premised on sustainable living and achieving a “Pedestrian First” urban realm within the development site. The access and servicing strategy therefore targets trip purposes traditionally undertaken by motorised vehicle and assumes adoption of sustainable and active transport modes or new servicing processes to achieve an ultra-low vehicle environment within the proposed Lennox Point development. A series of strategies that make up the wider transport strategy for Lennox Point underpin the “Pedestrian First” design principle as shown in **Figure 4**.

Figure 4 – Lennox Point Transport Strategy



4.8 In light of the Proposed Development’s ambition to reduce motorised vehicle use, it is proposed that the exiting M275 Junction 1 roundabout will be modified to improve pedestrian and cycle priority and facilitate access to the development site. Agreement has been reached with PCC Highways that the junction will be transformed into a series of signalised junctions that provides greater priority for active modes and strengthen links with the neighbouring Park and Ride and wider Portsmouth. The initial concept for this junction is shown in **Figure 5**.

Figure 5 – M275 Tipner Lane Junction Improvement

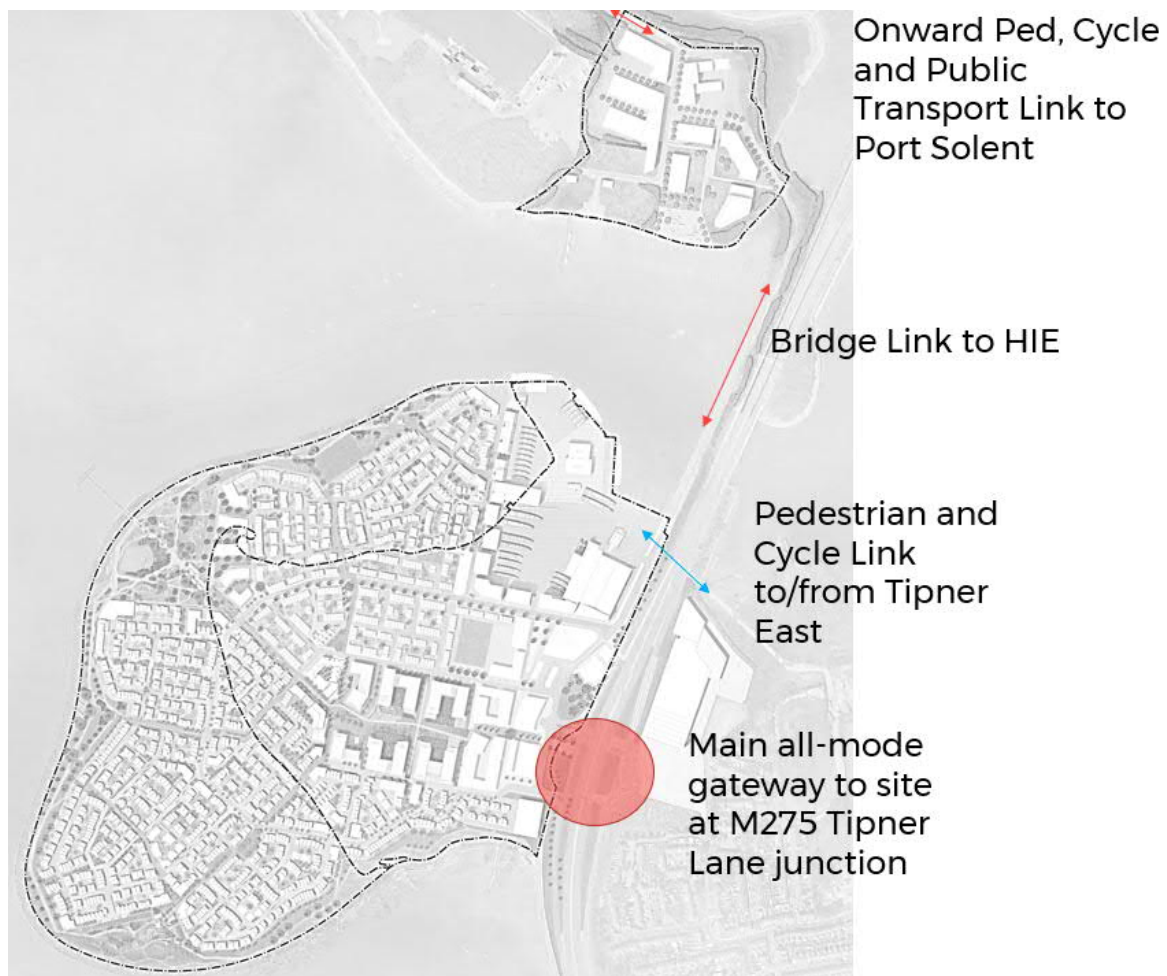


- 4.9 It is proposed that the underbridge located to the north of the M275 Junction 1 is converted to a cycle and pedestrian route only, to connect the Proposed Development with the emerging development proposals at Tipner East and existing communities and amenities east of the M275. The underbridge link will join the segregated footway/cycleway on the western side of the proposed highway link between TW and HIE.
- 4.10 Access to HIE will be provided from TW via a new road and all mode bridge, crossing Tipner Lake, alongside the existing M275 bridge. The new bridge is proposed to include a single carriageway road, 7.3m wide, with a segregated 5.0m active modes footway/cycleway. The bridge is also proposed to include a landscaping strip, separating the vehicular traffic from pedestrians and cyclists.
- 4.11 In addition to the new highway link between the M275 Junction 1 and HIE, a further point of connection is proposed between HIE and Port Solent. This access will be limited to public transport and active modes only.
- 4.12 Owing to the presence of the MOD establishment to the south of the proposed Horsea Island Country Park, the pedestrian and cycle route across the Country Park is to be separated from the public transport route. A lit 5.0m segregated footway/cycleway will be provided around the northern side of the Country Park and connect with the pedestrian and cycle infrastructure on Port Way at

Port Solent. The proposed route is sufficiently wide to allow a maintenance vehicle to park and cyclists and pedestrians to continue their journey.

- 4.13 The bus only link across the Country Park will feature a 7.3m carriageway that will run along the southern side of the Country Park and connect to Port Way at the existing roundabout junction, which provides access to the Household Waste Recycle Centre. The access route will be controlled through use of a Traffic Regulation Order and signage to prevent misuse of the link. The bus only road does not need to be street lit as cyclists and pedestrians will be prohibited from using this route.
- 4.14 The delivery of these three points of connection to the wider Portsmouth area will ensure that the Proposed Development is connected to a wide range of amenities and facilities in the local area and help achieve the sustainable transport aspirations of the site.
- 4.15 **Figure 6** illustrates the access strategy proposed.

Figure 6 – Access Strategy



- 4.16 Vehicular access to the streets or lanes (Laneways) across the development site will therefore be by exception and managed by the Lennox Point Management Company.
- 4.17 A summary of the strategy proposals and anticipated contribution to an ultra-low vehicle environment is provided below.

ON-SITE ACCESS

- 4.18 Lennox Point urban realm is designed as a “Pedestrian First” environment, and as such general vehicular access is limited.
- 4.19 Only one route is provided where the urban realm will be required to accommodate an anticipated higher number of motorised vehicle movements, referred to as the Transport Corridor. The Transport Corridor incorporates a 6.0m vehicle corridor, provided for public transport buses and servicing purposes, and enables the proposed public transport route through the site to be within 400m of all residents of Lennox Point.
- 4.20 Other Laneways within the Lennox Point development will priorities pedestrian and cycle movement and be constructed without kerbs, removing the barriers these upstands create to mobility impaired within traditional urban environments, where vehicular movements are prevalent. The Transport Corridor and Pedestrian First neighbourhoods are shown on **Figure 7**.

Figure 7 – On Site Access Strategy



5. PARKING STRATEGY

VEHICLE PARKING

- 5.1 To facilitate delivery of an ultra-low vehicle environment across the majority of the site a consolidated parking strategy is proposed. This strategy will see residential parking located in a series of under crofts and multi-storey car parks all located in the central eastern area of the development close to the M275 junction. Residents will be able to access parking from their properties by walking, cycling or utilising the on-site public transport solution.
- 5.2 Reflecting on the range of transport options available residential parking will be limited with a transitional strategy that provides 0.5 spaces per dwelling in initial phases with the aim of achieving 0.3 spaces per dwelling at completion. Transition will be tied to implementation of supporting alternative mode infrastructure as shown in **Table 1**.

Table 1 – Parking Provision by Phase Mapped Against Alternative Transport Provision

Phase/Parking Standard	Phase 1	Phase 2	Phase 3	Phase 4
0.5 Spaces Per Dwelling				
0.5-0.3 Spaces Per Dwelling				
0.3 Spaces Per Dwelling				
Mobility Strategy	Car Club	Car Club	Car Club	Car Club
	Micro-mobility	Micro-mobility	Micro-mobility	Micro-mobility
	DRT (Demand Responsive Transport)	DRT	DRT	DRT
	Park and Ride (P&R)	P&R	P&R	P&R
	Local Services	Bus Rapid Transit (BRT)	BRT	BRT
		Local Services	Local Services	Local Services
			Technological Shift	Technological Shift

- 5.3 All parking on site will be unallocated with permits purchased from the on-site management company to facilitate parking. The deployment of this strategy will empower residents of the development to consider the need for private car ownership with the overall aim of reducing car ownership levels given the range of transport solutions available.
- 5.4 For those who are mobility impaired, on-plot disabled parking will be available. Disabled parking will be provided in line with NPPF Paragraph 110 and Building Regulations Part M. Persons eligible for disabled parking permits will be permitted to park within Lennox Point urban realm at, or close to, their place of residence. Disabled parking for the central apartment blocks will be adjacent to the

closest access point to their lift or stair core. The current masterplan assumes the residential land use will accommodate 5% disabled parking on-plot with a further 5% provided within the consolidated parking structures.

- 5.5 Visitor and employee parking will be offered in the neighbouring Park and Ride site with transfer from the Park and Ride facilitated by walking, cycling or utilising public transport. Overall it is anticipated that approximately 1135 parking spaces will be provided on-site with a further 400 required at the neighbouring Park and Ride. This level of provision is significantly lower than what would be delivered if parking was provided in accordance with PCC’s adopted parking standards which would see some 5626 spaces provided for the residential land use alone.
- 5.6 A ‘Monitor and Manage’ approach is proposed to secure the parking strategy through the planning application and ensure that the delivery of parking can be monitored throughout delivery of the project.
- 5.7 The car parking strategy is illustrated in **Figure 8**.

Figure 8 – Lennox Point Parking Strategy



CAR CLUB

5.8 A Car Club will be provided at Lennox Point, with storage of the vehicles proposed to be within the parking facilities. Discussions are ongoing with the car club operators to identify the required level of provision to offer a genuine alternative to car ownership.

ELECTRIC VEHICLE CHARGING

5.9 The parking strategy currently allows for up to 100% of parking spaces on site to feature electric vehicle charging with 80% anticipated to be provided from first opening with the remaining 20% provided with passive provision for later installation. The expanded Park and Ride will have its own electric vehicle charging facilities that could be used by employees and visitors to the site.

CYCLE PARKING

5.10 To facilitate the mode share aspirations of the development a bespoke cycle parking standard has been adopted, informed by best practice from other developments across the UK. **Table 2** provides a summary of the parking standards that have been incorporated into the masterplan.

Table 2 – Lennox Point Cycle Parking Standards

Land Use	Sub-category	Long-stay spaces	Short-stay spaces
Residential	1 bedroom	2 spaces per dwelling	1 space per 3 dwellings
	2 bedrooms	2 spaces per dwelling	
	3 bedrooms	3 spaces per dwelling	
	4 bedrooms	4 spaces per dwelling	
Employment	Office	1 space per 75sqm	For first 5000sqm 1 space per 500sqm thereafter 1 space per 5000
	Industrial	1 space per 250sqm	1 space per 1000sqm
	Food retail	1 space per 175sqm	First 750sqm: 1 space per 20sqm thereafter 1 space per 150sqm
	Non-food retail	1 space per 250sqm	1 space per 60sqm

	Hotel	1 space per 20 bedrooms	1 space per 50 bedrooms
	Pre-school or creche	1 space per 8FTE staff + 1 space per 8 students	
	Primary School	1 space per 8FTE staff + 1 space per 8 students	1 space per 100 students
	Healthcare*	1 space per 3 professional staff	2 spaces per consulting room and
Transport Hubs	-	1 space per 10 public users up to a maximum of 5000 daily public users	
Community Uses		1 space per 8 FTE	1 space per 100sqm GEA

- 5.11 The cycle parking strategy outlined in **Table 2** results in a requirement for 10,178 cycle parking spaces across the site. This provides an uplift of over 24% when compared to the PCC adopted standards and some 40% above what would be required under the London Plan requirements which are generally regarded as best practice.
- 5.12 The bespoke cycle parking standards for Lennox Point also include design requirements which will ensure that a range of bicycle types can be accommodated and encourage uptake of cycling as a main mode of transport.

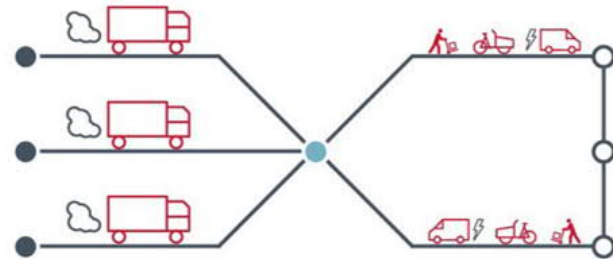
6. SERVICING STRATEGY

DELIVERIES

- 6.1 To facilitate the ultra-low vehicle environment proposed across the majority of the site it will be necessary to manage deliveries to individual properties. A micro-consolidation centre is therefore proposed on site which will be operated by a first mile last mile delivery company and overseen by the Lennox Point Management Company. Initial analysis indicates that up to 86% of deliveries to individual residential properties could be handled by the micro-consolidation centre. The consolidation centre is proposed to manage the delivery of small parcels and general deliveries to residents by consolidating multiple deliveries to fewer vehicles and potentially other complementary modes, such as the Starship System, where autonomous robots travel alongside pedestrians and cyclists to deliver goods to resident's homes.
- 6.2 Royal Mail deliveries are assumed to be on foot within the Lennox Point development, using the consolidation centre to park their vehicles.

6.3 The remaining deliveries (large goods and perishable goods) will have direct access to dwellings controlled through a permit system and ANPR enforcement. The location of the micro-consolidation centre is shown in **Figure 9**.

Figure 9 - Micro-consolidation Centre Location



Source: TfL

6.4 The employment, primary school, retail and hotel land uses will all have direct vehicular access and will therefore not be subject to the same strategy as the residential land use.

WASTE COLLECTION

6.5 A communal waste collection strategy is proposed for the residential land use. Various options for this were explored through the masterplanning process. However, the preferred strategy that is currently being explored with PCC’s Waste Team for the housing and lower density apartment buildings located outside of the central core of the development is to utilise an underground refuse storage system. Collection points will be provided throughout the development site with residents transferring their waste to these refuse storage areas on foot. The system will enable the impact of refuse storage and collection to be minimised on the public realm around the site, thereby facilitating the ‘Pedestrian First’ Design Principle.

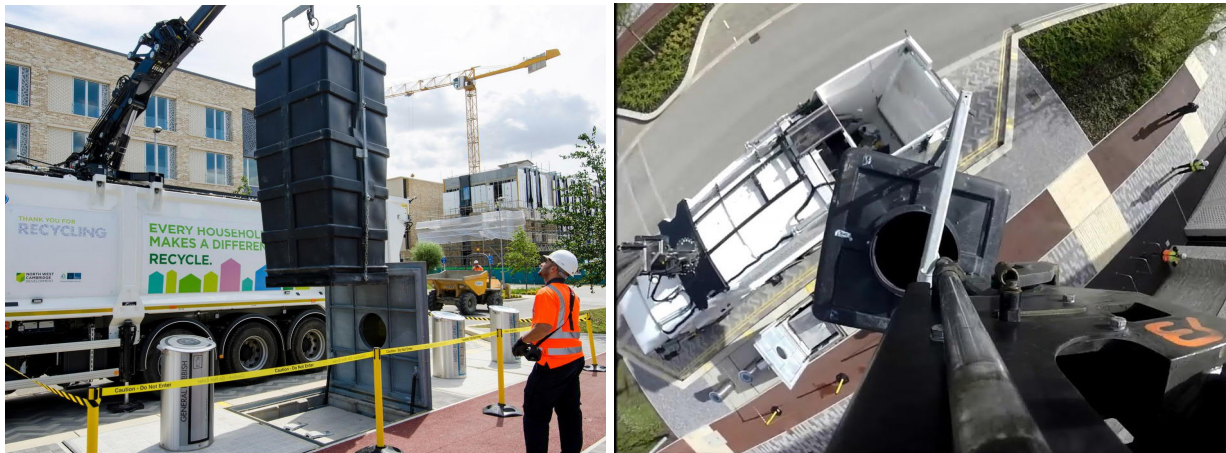
6.6 An example of this system in use from North West Cambridge is illustrated in **Figure 10**. Smart technology will be deployed with sensors in the bins to alert PCC to when the bins require collection with the aim of reducing the frequency of collection.

6.7 The higher density apartment buildings located in the centre of the development will incorporate bin stores with Eurobins for storage and collection of waste.

6.8 For collection of larger bulk items and the use of a skips, the residents will need to book collections or access for the skip lorry via the Lennox Point Management Company.

6.9 The employment, primary school, retail and hotel land uses will all have direct vehicular access and will therefore not be subject to the same strategy as the residential land use.

Figure 10 - Refuse Collection at North West Cambridge



Source: scams.gov.uk

7. PUBLIC TRANSPORT STRATEGY

7.1 A three-tiered public transport strategy is proposed for Lennox Point:

- A demand responsive mini-bus service will operate around the site and connect to the on-site public transport interchange as well as the neighbouring Park and Ride. Whilst it is envisaged that this service will operate on a commercial basis (such as Arriva Click) this service will have the ability to transition to an autonomous people mover when the technology and legislative framework exist;
- The Park and Ride bus service will be extended to the Lennox Point Transport Interchange to bring a greater number of users of the site within easy reach of a high frequency bus service that connects with the City Centre, nearby railway stations, Gunwharf Quays and University. Other local services will also be extended to service the site; and
- The South East Hampshire Rapid Transit (SEHRT) network will be able to utilise the new link across to Port Solent. It is therefore anticipated that the proposed Fareham to Portsmouth SEHRT route will divert via the site and stop at the Lennox Point Transport Interchange.

7.2 A dedicated Transport Interchange will be located on site and be a focal point for access to scheduled bus services as well as shared mobility such as taxis and Uber. The Transport Interchange has been designed to accommodate:

- Two bus stops for scheduled services and the demand responsive mini-bus service;
- Parking for ride hailing services such as taxis and Uber;
- Cycle parking to allow interchange between bicycle and public transport;
- Space for shared micro-mobility such as docking stations for e-scooters; and
- Enclosed waiting areas to provide space for passengers changing modes.

7.3 The Transport Interchange has been located adjacent to the Local Centre and other facilities at the M275 junction to provide convenient interchange between modes and ensure an integrated solution that delivers the principles of a mobility hub. **Figure 11** shows the location of the transport interchange on site.

Figure 11 - Transport Interchange Location



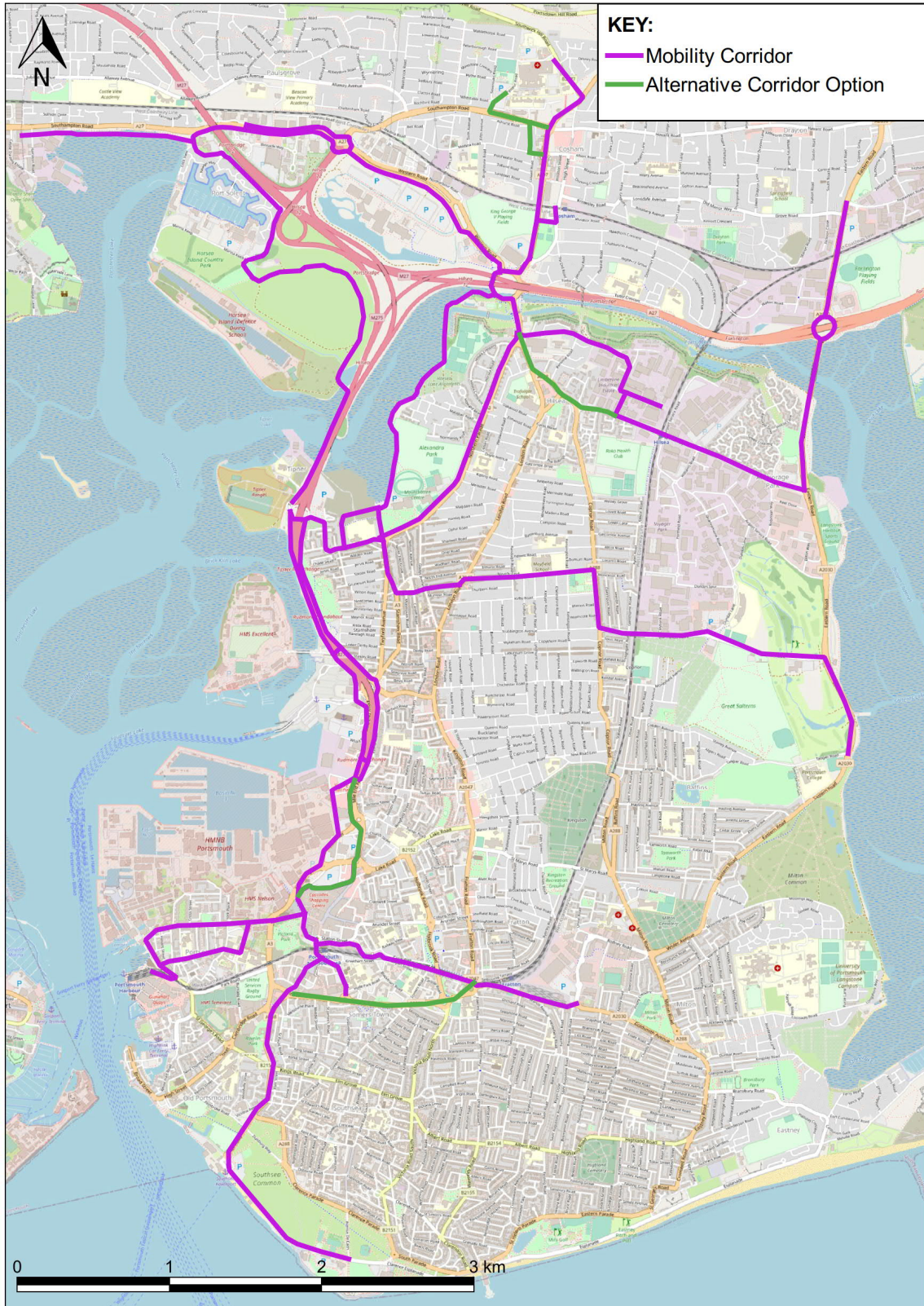
8. WALKING, CYCLING AND MICRO-MOBILITY STRATEGY

8.1 The following design elements are incorporated into the masterplan to prioritise travel by walking, cycling and micro-mobility modes:

- Pedestrian First neighbourhoods will feature across the majority of the site where walking takes priority but the street is shared to enable cycle and micro-mobility use;
- The Pedestrian First neighbourhoods will all be connected to a cycle priority corridor. This corridor is shared with the public transport corridor and forms the Transport Corridor that runs around the site. The Transport Corridor facilitates efficient movement around and on/off-site for longer distance cycling and micro-mobility trips;
- A recreational walking and cycling route is proposed around the perimeter of the site to facilitate leisure trips and encourage healthy living;
- The bespoke cycle parking standards will enable everyday travel on and off-site by bicycle as well as convenient interchange with public transport services;
- A shared micro-mobility offer will be incorporated into the site as part of a City wide strategy. Whilst this strategy is still being developed by PCC the current masterplan incorporates space for e-scooter docking stations as currently used across the City as part of the Voi trial; and
- Off-site a series of walking and cycling audits are underway to appraise a number of mobility corridors that will deliver enhanced pedestrian, cycle and micro-mobility connections to key destinations across the City. The current mobility corridors that are being assessed are shown

in **Figure 12**. The over-arching aim being to deliver a series of improvements that will facilitate the sustainable travel aspirations of the site. This work is being delivered in combination with the findings of the Portsmouth Local Cycling and Walking Implementation Plan (LCWIP).

Figure 12: Mobility Corridors



9. WATER TRANSPORT

- 9.1 The Proposed Development provides a unique opportunity for access to the water which could facilitate the provision of a water-based transport solution.
- 9.2 Analysis undertaken by WSP identified the wider Portsmouth, Fareham and Gosport as key origins/destinations for water-based journeys.
- 9.3 The water based transport solution could service both the commuter and tourist markets as part of a wider Portsmouth offer. With a Water Taxi forming a component of a wider Mobility as a Service (MaaS) offer, opportunity exists for this mode to form a complimentary part of the overall transport strategy for the site. As such facilitates have been included within the masterplan for a Water Taxi type service to operate.

10. MANAGEMENT STRATEGY

- 10.1 Delivery of the various components of the Transport Strategy outlined above will require a holistic approach to the management of the site and delivery of services for travel further afield.
- 10.2 It is therefore proposed that a Lennox Point Management Company will be formed to maintain and operate the shared spaces and facilities within the site. They will also have overarching responsibility for ensuring that the micro-consolidation and parking strategies are implemented and maintained.
- 10.3 A core principle of this management strategy is the delivery of a Lennox Point app which will allow residents and visitors to access the individual services offered by the site. This digital strategy will facilitate for instance permit holder access to the site for deliveries, parking permits for the consolidated parking strategy as well as a means to liaise and communicate with the Lennox Point Management Company.
- 10.4 Working with PCC and wider transport stakeholders such as Solent Transport it is anticipated that journey planning and therefore transport choices will be made available through a MaaS type application which will be integrated into the Lennox Point app. The MaaS application will enable informed transport choices to be made and encourage uptake of active and public transport modes.
- 10.5 The delivery of the Transport Strategy will require careful monitoring as the development is built-out and a comprehensive Travel Plan will be submitted with any planning application outlining how the strategy can be secured and delivered.

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Appendix: Tipner West engagement activity to date

When	Who	Activity
Sept-Oct 2019	Residents	Public exhibitions at Port Solent and The Mountbatten Centre to give local residents the chance to give feedback on the plans for Tipner West (now Lennox Point).
Sept 2019	Investors, developers, future supply chain - local and national businesses	Tipner West Industry Day. Over 200 delegates from local and national firms attended an event to hear about the plans for Tipner West.
Jan- Mar 2020	Residents	Tipner West roadshow. A series of events around the city to give Portsmouth residents the chance to feedback on the plans for Tipner West (now Lennox Point) and suggest ideas for the team to consider.
Oct 2020	Residents	Focus groups made up of Portsmouth residents worked together to name Lennox Point and the marine employment hub Phoenix Quay.
May 2021 and ongoing (paused)	Environmental and heritage stakeholders	Monthly regulatory panel and heritage panel launched to keep key stakeholders updated.
June 2021	Marine and maritime sector	A marine sector market sounding exercise to ascertain the market's appetite for the Marine Employment Hub of the Lennox Point development. This included a mix of local, UK and international firms.
Aug 2021	Council members	Members were invited to take part in a cross-party working group to ask questions about the scheme and help shape the next phase of the project.
Sept 2021	Investors, developers, future supply chain - local and national businesses	Over 200 businesses from Portsmouth and beyond attended an event designed to present the masterplan and opportunities to get involved in the Lennox Point supply chain.
Sept 2021	Future supply chain - local and national businesses	Launch of the Lennox Point e-brokerage tool that allows businesses to register for project updates, events and contract opportunities.
Sept - Oct 2021	Council members	A series of briefings for all members on the options for Tipner West, including Lennox Point.
Sept-Oct 2021	Residents, businesses and wider stakeholders	Portsmouth City Council's Local Plan public consultation includes three options for the future of Tipner West - including Option 1: Innovative sustainable community (Lennox Point).
Sept-Oct 2021	Investors, developers	A series of 1:1 meetings, facilitated through the Department of International Trade, to help gain an early indication of the market's interest in the investment/development opportunity.

Ongoing	Young people, students in Portsmouth	We are working with students at UTC Portsmouth, Portsmouth College, The University of Portsmouth on a number of projects including the design of the Horsea Island bridge, waste management, robotics to support car-free living and the design of Phoenix Quay's branding. We also plan to support Aspirations Week and a T-Level student placement in 2022.
Ongoing (paused)	Ward members	We have held monthly meetings for ward councillors to provide regular updates on the project and answer questions.

Public consultation



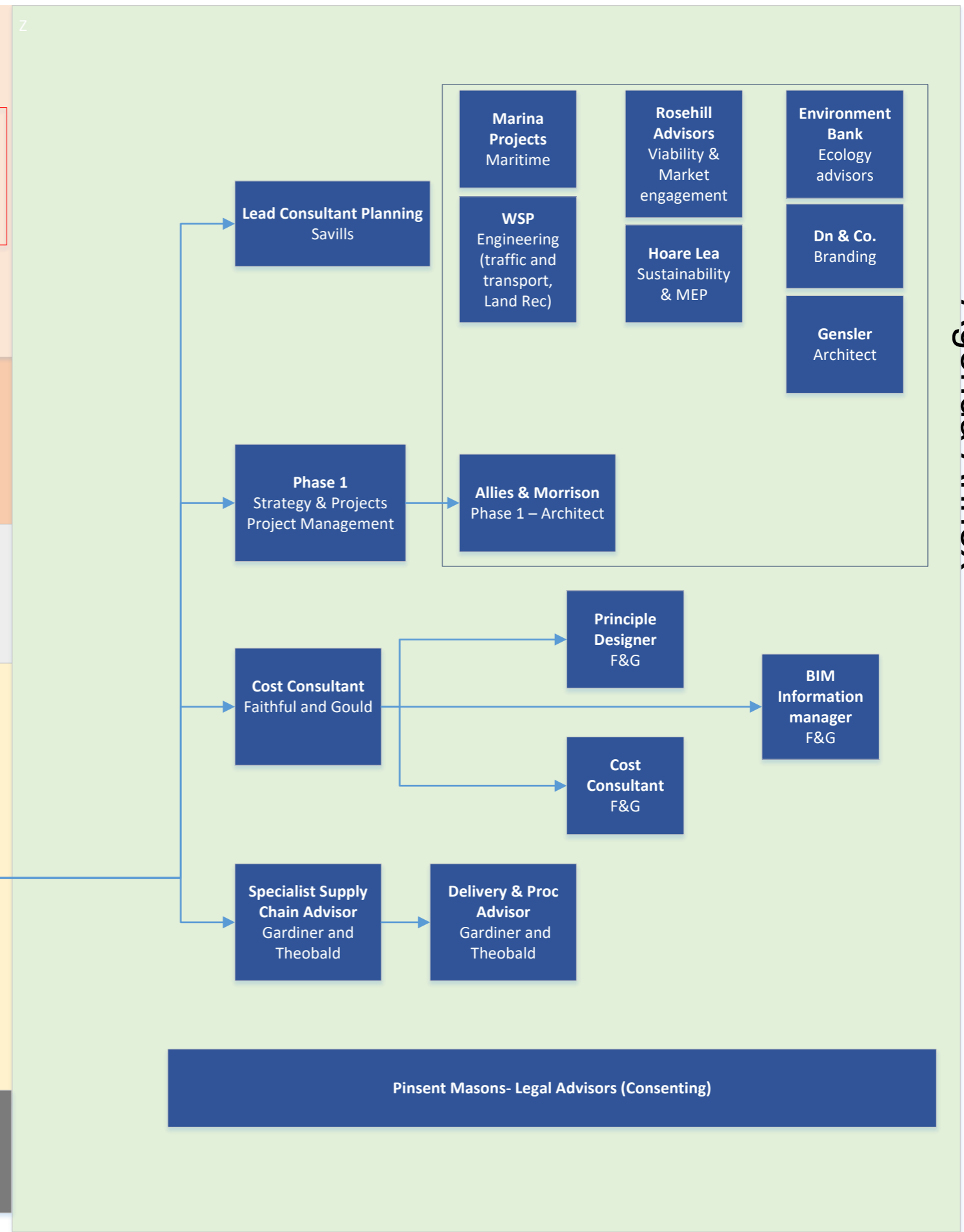
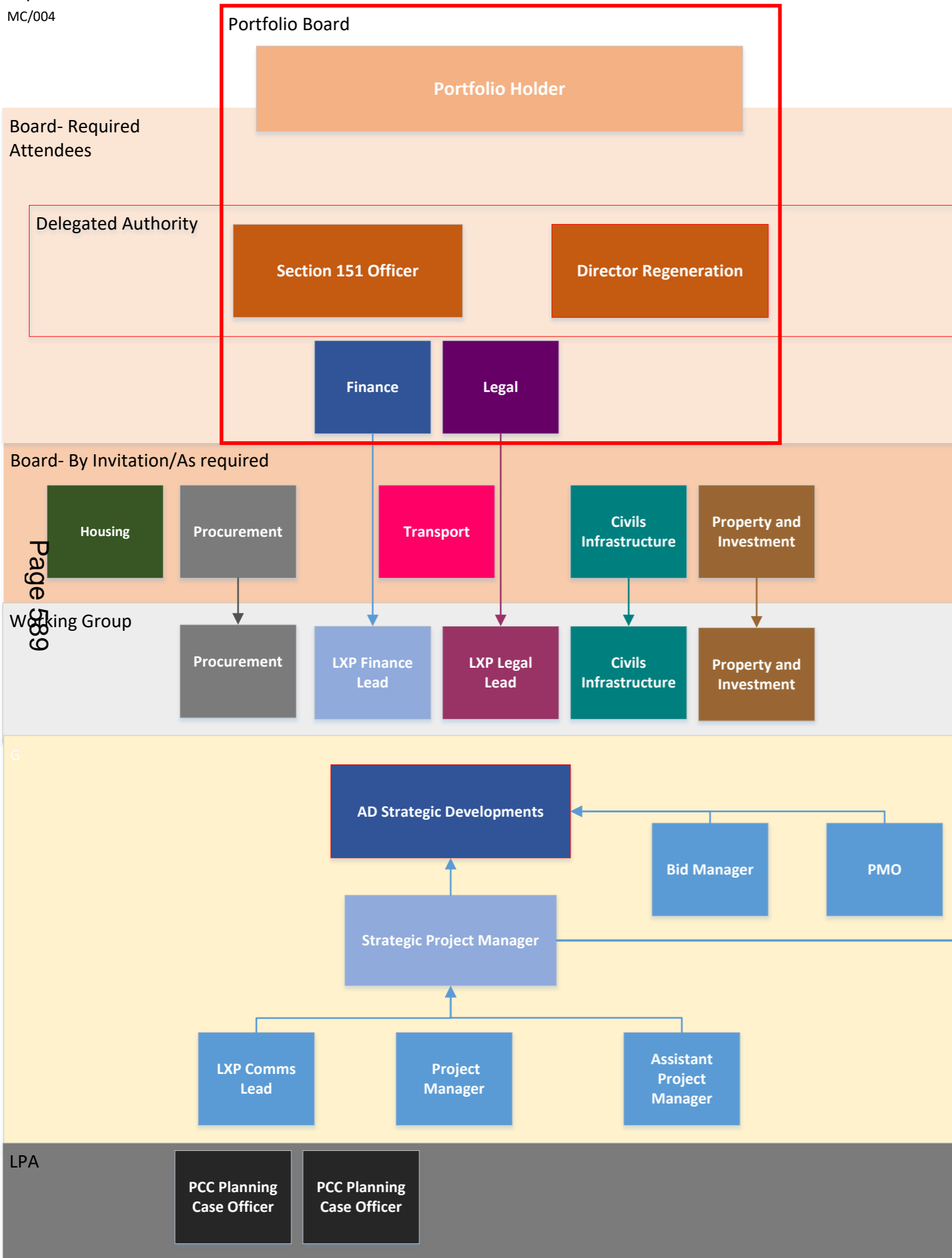
Industry consultation



Appendix: Lennox Point stakeholders

Primary stakeholders	
Portsmouth City Council	Members of Portsmouth City Council (cabinet, leaders and deputy leaders of all political parties, ward councillors); Consultancy Team; LXP Delivery Board; LXP Portfolio Board; LXP Steering Group (led by PCC as regulator); LXP Working Group; LXP Planning Working Group (led by PCC as regulator); other PCC directorates; other PCC projects/strategic developments.
Residents	Those living in Tipner East (Nelson) and Port Solent (Paulsgrove); all other Portsmouth residents; individual residents interested in climate change (e.g. Keep Milton Green); young people (aged 14-25) living, studying or working in Portsmouth; Resident Association Groups (e.g. Resident Association of Port Solent (RAPS))
Statutory consultees	Historic England; Office of Rail and Road (ORR); Natural England; Environment Agency; Marine Management Organisation (MMO); Department for Transport (DFT); Department for Environment, Food and Rural Affairs (DEFRA); Highways England; Local Planning Authority (LPA); Environmental Health Officer (EHO).
Environmental groups	Hampshire & Isle of Wight Wildlife Trust; RSPB; Bird Aware; Butterfly Conservation; Extinction Rebellion; Friends of the Earth; Portsmouth Climate Action Board; Portsmouth Climate Action Network; Portsmouth Climate Alliance; Portsmouth Greenpeace; Portsmouth Sustainability Action Group; Sustrans
Central Government	Department for International Trade (DIT); Ministry of Housing, Community and Local Government (MHCLG); Department for Business, Energy and Industrial Strategy; Department for Education and Skills; HM Treasury.
Harbour/defence	MOD Royal Navy; Defence Infrastructure Organisation (DIO); Queen's Harbour Master (QHM).
Wider Portsmouth stakeholders	
Education	Schools x 63; colleges x 2; University of Portsmouth; Portsmouth UTC (University Technical College); University of Winchester Centre for Climate Action (Climate Change Education and Communication)
Specialist Interest Groups	<p>Disability - Portsmouth Disability Forum, Portsmouth Association for the Blind, Portsmouth Deaf Centre, Loud 'n' Clear, Enable Ability, Dynamite for Portsmouth</p> <p>Elderly - Age UK, North End Allsorts, Over 50s and 60s social clubs, Life Matters, Natterjacks, Not Forgotten</p> <p>Parents - Portsmouth Parent Voice, Portsmouth Parent Board</p> <p>Youth - PYC Portsmouth, Portsmouth Youth Parliament, Scouts/Brownies</p> <p>Women's Safety - Reclaim the Streets, White Ribbon</p> <p>Individuals involved with the Design Panel; Portsmouth Cycle Forum; Portsmouth Society</p>
Local Government	Hampshire County Council; Gosport Borough Council; Fareham Borough Council; Southampton City Council.

Media	Local and regional - including The News, BBC and ITV and trade press
Business stakeholders	
Business networks - local	Solent LEP; Shaping Portsmouth; Greater Portsmouth/Hampshire Chamber of Commerce; Solent Forum; Portsmouth Harbour Marines; Lakeside North Harbour; Local area business associations; Portsmouth Chinese Association; Portsmouth Bangladeshi Business Association; Federation of Small Businesses; HIVE Portsmouth and wider voluntary, charitable and social enterprise (VCSE) sector organisations; Portsmouth Creates; Portsmouth Enterprise Centre; Transport groups; market traders.
Business networks - UK wide	LEPs/Growth Hubs; Chambers of Commerce; National Enterprise Agencies; Federation of Small Businesses.
Direct suppliers	Actual and potential direct suppliers at Tier 1.
Indirect suppliers	Actual and potential indirect suppliers at Tier 2, 3 and below.
Investors	Private and public sector investors.
Marine/coastal	Royal Yachting Association (RYA); Eastern Solent Coastal Partnership; Maritime and Coastguard Agency (MCA); Trinity House; British Marine; Solent MEZ.
Site stakeholders	
Tipner West	Defence Infrastructure Organisation (DIO); TJ Waste; MOD Diving School; Harbour School; Pounds Marine Shipping; Tipner Boating and Angling Club; Portsmouth Harbour Cruising Club (PHCC); Nautical Seamanship Training Centre.
Tipner East	Tipner Regeneration Company; Bellway; Homes England; Vivid
Property	Homes England; Ravelin
The Crown Estates	The Crown Estates
Utilities	Portsmouth Water; SSE; Southern Water.



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Lennox Point

www.lennoxpoint.com

Portsmouth City Council - FAQ's arising from the Member Briefing November 2021

This document aims to give members of Portsmouth City Council a summary of the questions and answers raised at recent councillor briefings on Option 1 for Tipner West in the draft local plan - Innovative sustainable community (Lennox Point).

You can find further information about the project at www.lennoxpoint.com and contact the team at Lennox.Point@portsmouthcc.gov.uk if you have any further questions.

Background to Lennox Point

Why have plans been developed for this scheme over other options for the site?

Through the 2013 City Deal, Portsmouth City Council was able to purchase 31.5 hectares of land and were granted approximately £50 million of funding, to deliver the City Deal aspirations and explore new maritime employment opportunities at Tipner West and Horsea Island East.

Having assessed a number of alternative options for the site, the proposed development is the only one that meets the criteria for City Deal finance, can cover the cost of sea defences required to maintain Tipner West and Horsea Island and offers enough land to accommodate the marine employment hub and required housing - as defined by central government and therefore required by the council to deliver in its Local Plan.

Have you explored alternative options for the site?

The Local Plan consultation asked people in Portsmouth to review three alternatives for Tipner West:

- Option 1: Innovative sustainable community (Lennox Point)
- Option 2: Regeneration of existing area
- Option 3: Maintain (no strategic scale development at Tipner West)

You can find more detailed information about the draft local plan at: www.portsmouth.gov.uk/localplan and read the full [draft local plan consultation document](#) - section 7.2 relates to the options for Tipner.

The Tipner West project team has also assessed the viability of four further alternative options and others may come forward through the Local Plan consultation process. We've looked at the opportunities each option presents when it comes to bringing new jobs and investment into Portsmouth, new homes, as well as the viability, and the potential environmental impact and its mitigation. All this information is being made available to the Local Planning Authority to be considered as alternative options for Tipner West in response to the current Local Plan Regulation 18 consultation.

Can the area be greened over to provide more recreational space?

Included within the draft Local Plan is Option 3 - maintain the area with no strategic development at Tipner West. While this is one option for this area and the city, it would not help to address the need for new jobs and homes in the city. Sea defences would also be required to maintain the existing land mass and protect existing land uses.

Who owns the land?

Portsmouth City Council was able to purchase land formerly owned by the MoD through the 2013 City Deal. The council is currently in the process of purchasing land at the northern tip of Tipner West. This is due to complete before the end of the year.

Where has the funding for the project come from?

In 2013 Portsmouth City Council received a £50m City Deal government grant to unlock the Tipner West and Horsea Island East site to create new jobs and homes. If the City Deal requirements are not met, the council may need to return this funding to central government.

How much money has been spent to date?

The strategic developments team will be providing a breakdown of the project costs and expenditure in the status report for members that will be shared for December's full council meeting.

Team structure

Who is the team developing these plans?

The Lennox Point masterplan is being developed by a project team within the strategic developments (SD) team at Portsmouth City Council. The SD team is effectively the developer and promoter of the scheme and will be responsible for submitting the planning application to the Local Planning Authority. The project team was given approval by cabinet to progress a planning application for Lennox Point in October 2020.

The Lennox Point project team is supported by a number of expert consultants, including consultant planners, architects, structural and civil engineers, cost consultants, ecologists and marine consultant. They have been appointed for their expertise and understanding of similarly large scale, complex and environmentally important projects.

Homes

How many and what types of homes will be at Lennox Point?

Lennox Point will create 3,500 new homes for people in Portsmouth, helping meet the city's need for more housing. There will be a mix of different types and sizes of homes, from flats and apartments to terraced, semi-detached, mews and town houses, built to match Portsmouth's needs and suit all ages, and incomes. The buildings will take inspiration from the history of the area but be modern in design and ready for the future of how we'll live and work.

What is the proposed mix of housing?

Lennox Point would provide 3,500 homes - 45% houses and 55% apartments. 1,050 homes will be affordable rent or shared ownership. The population of the new development has been estimated at 7,000 people.

What do we mean by affordable housing?

Under current plans it would be a mix of affordable rent or shared ownership homes. There is a particular need in Portsmouth for good quality homes for households with a combined income of £15,000 - £30,000. The housing mix at Lennox Point is intended to meet this need. This housing gap affects approximately 11,500 households in Portsmouth. The plan also provides good quality homes that will be affordable to people working within the marine employment hub across a range of manual and skilled jobs. There will also be provision for key worker homes.

Shouldn't we aspire to provide more affordable housing and social housing?

Current plans include 30 per cent affordable housing, which corresponds to the council's policy. The final mix and number of homes, including affordable homes, is something that would need to be discussed with members and looked at as part of the overall viability of the scheme.

Who is the housing designed for?

We want to create a place that will be home to people of all ages, incomes and lifestyles who share a wish to live in a close-knit community, near to the water but connected to the city. This is a long-term project, so we want to create a place that will be fit for the future and support a healthier and more environmentally conscious way of living - a choice young people tell us they want to be able to make as adults, considering the climate emergency.

Will it be an exclusive eco-development aimed at those with higher incomes or from outside Portsmouth?

No. We're committed to building homes that local people can afford to buy or rent and that support key workers in our community. The mix of housing has been determined based on the needs of the population in Portsmouth, local incomes and the local market. There are no plans to include detached homes and the homes have been priced in modelling at current Portsmouth market rates. Good quality, affordable homes will be created within every area of Lennox Point. Every home will:

- Have a view of the water or green space
- Be within a 10-minute walk to the water and everyday amenities
- Be within a 5-minute walk to public transport connections

Lennox Point is designed to foster a sense of community, make it easy for residents to live more sustainably and make the most of its position within Portsmouth Harbour.

How will the population be supported by local services?

Education: Lennox Point will be home to a two-form entry primary school and nursery that will be built during the first phase of development. We're working closely with the council's education team to design the school around the needs of children and families in the city. The school will be built to the highest environmental standards, providing light-filled, modern classrooms, an outdoor games pitch, sensory garden and specialist support for autistic children. The view of the education team is that local secondary schools, within the catchment area, have capacity for young people living at Lennox Point.

Health: A new GP surgery will be created at Lennox Point and a retirement community will provide support for older residents.

Community: We will provide facilities that complement those in nearby areas, such as the Mountbatten Centre, shops and cinema at Port Solent, encouraging people to move between different parts of the city depending on what activities they're doing. A new bridge link between Lennox Point and Horsea Island East will provide a bus, cycle and walking between Lennox Point and Horsea Island East creating a valuable connection between Lennox Point, the proposed country park, Port Solent, Paulsgrove and Cosham. Improved walking, cycling and bus connections, as part of SEHRT, will also ensure good connection between Lennox Point and the city centre.

Employment

Why does the scheme involve a marine and maritime employment hub?

The Phoenix Quay marine employment hub and sister site at Horsea Island East will address the decline of shipbuilding, marine and maritime skills and jobs in Portsmouth and the employment need identified in the 2012 Portsmouth Plan, City Deal and the Economic Growth and Regeneration Strategy 2019.

There are [ambitious plans regionally and nationally to see the marine and maritime sector grow](#), but [few sites are capable of supporting such a complex industry](#). Tipner West has been identified by Solent LEP as a regionally significant site to support growth in the sector. Its unique combination of deep-water access, excellent transport connections, and strategic position within the Solent makes it an ideal location for a new marine employment hub that can link into the Solent Freeport and make the most of Portsmouth's heritage, skills and location.

We will create 1,900 new jobs and apprenticeships in the marine employment sector and 58,000 square metres of marine employment space - with new boat sheds, facilities for research and development, workshops, offices and stores.

What feedback have you had from the marine and maritime sector?

We have undertaken a marine sector market sounding exercise to ascertain the market's appetite for the marine employment hub and had a positive response from 46 marine sector organisations, ranging from potential main tenants and marine hub/boatyard operators, to supply chain businesses, developers and investors. We are already having serious and constructive conversations with leading names in the sector who see themselves as potential future occupiers and flagship tenants for the scheme. Interested organisations operate across the breadth of the marine sector with new-build, marine leisure, repair and refit, and commercial vessel sectors most highly represented. 19% of responding businesses interested in the marine employment hub are large businesses (over 250 employees) and 7% have a turnover greater than £250m.

What about other sectors - will Lennox Point create other jobs too?

There will be a further 12,000 square metres of non-maritime flexible employment space across Lennox Point, as well as community facilities (shops / restaurants, school, nursery and GP surgery) that will create approximately 1,470 additional jobs for local people. Over 1,500 construction jobs will also be created by the scheme.

Will young people in Portsmouth be able to access the new jobs and training opportunities created?

Yes. We are already working with the education board to ensure the local curriculum can equip young people for the future training, apprenticeship and job opportunities that will be open to them at Lennox Point in the marine and maritime sector. Horsea Island East area of the develop will also open up further education, research and develop opportunities.

Environment

What are the environmental consequences of any development in this area?

This is an ecologically sensitive area, one which is designated at an international level for the support of over-wintering birds, summering tern species and the habitats which support them. It is a Site of Special Scientific Interest (SSSI), a Special Protection Area (SPA) and a Ramsar site, and we must follow stringent processes to ensure any environmental impacts can be mitigated appropriately. Any development at Tipner West is likely to be subject to a [Habitats Regulations Assessment](#) - including building on the existing land mass, creating a bridge connection between Lennox Point and Horsea Island East, and developing the marine employment hub. The HRA is not triggered specifically by the proposed land reclamation.

As such, there is a series of sequential tests we will have to go through for any development on the site. It is critical that we adhere to that, and that we respect the value of the natural habitats of the harbour and the species that use them. The environmental strategy first seeks to reduce environmental impacts and where necessary mitigate.

What is your response to concerns raised by environmental groups?

We've been undertaking detailed ecological surveys since 2015 to make sure we fully understand the ecology of the harbour, the species present, which habitats are the most valuable and how the surrounding area supports species and the harbour as part of wider ecological networks. The results of these findings are being shared with stakeholders including Natural England, the Environment Agency, Hampshire and Isle of Wight Wildlife Trust and RSPB as part of our commitment to keep them involved in the plans for Lennox Point.

Any development at Tipner West will have an impact on existing habitats, but as we develop the masterplan we want to:

- Enhance and where necessary re-create areas of the most valuable habitats - such as intertidal mudflats and coastal grasslands
- Create new green spaces and habitats where species can thrive and expand into
- Carefully design out conflicts between people enjoying the coast and the species which rely on it
- Measure and prove an increase in biodiversity as a result of the development, including using DEFRA's biodiversity metric to capture the value of the site as it exists now and test our approaches to development.

Are you engaging with environmental groups?

Yes. It is really important that we listen to their concerns and work with them on plans for this area. We are liaising closely with our statutory stakeholders – including Natural England and The Environment Agency. They and other key stakeholders - including the Hampshire and Isle of Wight Wildlife Trust and RSPB - sit on our regulatory panel so that we can have regular and open conversations about the proposals. The development will only happen if statutory stakeholders are satisfied. It is our intention to work closely with the environmental stakeholders to identify the best solution to minimise the environmental impacts of the development.

What is environmental compensation land and is it achievable?

We have a statutory commitment to create or enhance roughly 80 hectares of new or existing mudflat and saltmarsh habitats within the existing range of birdlife in Portsmouth Harbour. We propose increasing this to around 120 hectares of habitat creation and enhancement, providing compensation sites along the south coast, creating new habitats within and surrounding Lennox Point as well as providing local enhancements and integration of ecological features into the development itself.

The compensation land would need to be secured and proven to be effective before the development goes ahead. We are already in discussion with a number of potential landowners about suitable sites.

How do you achieve a biodiversity net gain?

In line with the emerging National Planning Policy Framework Lennox Point will deliver a biodiversity net gain, proving an increase in biodiversity, in both quantity and variety of habitats and species, as a result of the development. This will include using DEFRA's biodiversity metric to capture the value of the site as it exists now and test our approaches to development.

A biodiversity strategy is being developed to mitigate, compensate, enhance and importantly incorporate the natural environment into Lennox Point. This will include compensation for internationally designated habitat and other habitats, creation of new habitat within and surrounding Lennox Point. Our ambition is to deliver the best lifestyle for people living and working at Lennox Point as well designing the development with wildlife, birds and pollinators in mind with green spaces, tree canopies, keeping traffic to a minimum, incorporating livings roofs and building away from the flight paths we know birds use.

How environmentally friendly will Lennox Point be?

We want Lennox Point to be the south coast's first and largest net zero carbon neighbourhood. As a totally new place, we have the ability and responsibility to build a resilient and adaptable place that will respond to climate change. This will include incorporating measures such as:

- Harnessing the potential of renewable energy
- Building a smart grid and mobility energy infrastructure
- Embracing circular economy principles to minimise waste and maximise the long-term value of materials
- Using local materials and workforce
- Using of solar panels and green roofs
- Capturing rainwater to prevent waste, use for recreation and improve ecology

Will the land reclamation release carbon from the existing mudflats into the atmosphere?

We intend for the land reclamation engineering works to be undertaken without releasing the carbon already stored within the existing mudflats. We will also be creating new areas of mudflat and saltmarsh, as part of the compensatory habitats, that will act as new natural carbon stores.

It is our ambition for Lennox Point to be the south coast's first net carbon zero development and we are working on a roadmap towards that goal, that includes steps such as creating a low vehicle environment; sourcing renewable energy; a high specification of building insulation; passive solar design; on-site renewable energy generation; low energy modern methods of construction, such as off-site construction and factory assembly; and using electric power over mains gas throughout the development.

What protection does this area and neighbouring areas of the city have from flooding?

The existing coastal defences at Tipner West are in poor condition. The [2011 Portsmouth Island Coastal Strategy Study](#) estimated that defences on Horsea Island East may fail within 5-10 years, and within 10-15 years on Tipner West – and due to lack of maintenance over recent years, there is an increasingly high risk that these defences could fail sooner. Should the defences fail, there are risks of releasing contaminants present in the ground into Portsmouth Harbour and polluting designated nature conservation sites. It represents a weak-spot in island-wide defences - particularly in comparison to the recent/current North Portsea and Southsea coastal defence schemes.

Sea defences will be required to protect the existing land mass and existing uses at Tipner West regardless of any wider development on the site. The proposed development presents an opportunity to offset the significant costs of the required flood defences, by incorporating the required works into the development proposals.

Part of Portsmouth

How will Lennox Point connect to other parts of the city?

At Lennox Point we'll make it easy for people to get around the neighbourhood and connect to other parts of Portsmouth by walking, cycling and public transport, creating new connections between the north and south, east and west and opening up 2.5km of walkable waterfront as well as new green spaces for the city.

- There will be quick and easy bus connections between Lennox Point, the city centre, Port Solent, railway stations and other local destinations
- Lennox Point will become an integral part of the [South East Hampshire Rapid Transit](#) network
- The M275 junction will be remodelled and improvements made for pedestrians and cyclists making it easier and safer for people to move between Tipner East and Lennox Point
- Lennox Point will link to Portsmouth's cycle network and provide new routes
- Water taxis or ferries will take people to and from other parts of the harbour by water
- The new Horsea Island Country Park will become accessible on foot, by bike or bus to everyone in the city via Lennox Point and the proposed new bridge.

Is Lennox Point going to be another destination development like Gunwharf Quays or Port Solent?

Lennox Point is being designed as a new community and neighbourhood that is part of Portsmouth, not a stand-alone destination. It will complement, rather than compete, with other parts of the city and we will also work close with other proposed developments in Tipner East to ensure that the schemes work well together and create better connections between these areas of the city. It is vital that it is easy and convenient for people to move between Lennox Point and other areas of the city, especially for regular tasks like visiting friends and family, shopping or travelling to work.

Will it have an impact on existing services like schools and health services?

We have closely assessed what services are required to support the proposed population at Lennox Point, which is why we have included plans for a two-form entry primary school, nursery, GP surgery and retirement community.

Will there be enough shops, restaurants and entertainment for people who live at Lennox Point?

The proposed amount of commercial and employment space (outside the maritime employment hub) has been determined by the likely population of Lennox Point and market demand. The final mix of uses, including shops, cafes, restaurants and office space, is flexible and will be able to respond to changing habits and market demand.

Transport and travel

Does the success of Lennox Point rely on the expansion of the Park and Ride?

No. Lennox Point will offer car stores that will enable residents with cars to keep their vehicles safe when not in use. Limited visitor parking could be accommodated within the neighbouring Park and Ride. We will work with future marine sector occupiers at Lennox Point to assess the required level of parking for their employees noting that we hope to attract employees from the local area and will be making it easy for people to travel to and from Lennox Point by public transport, bike, scooter etc.

Will people be willing to live in a more car free environment?

Living at Lennox Point will be a choice to live in a more environmentally conscious way and in a largely pedestrianised area of the city, where there is less reliance on daily car travel and private car ownership. We know that it will not be a choice that everyone in Portsmouth would want to make but it is in line with the ambitions many people hold and in particular young people. As a long-term project, we want to create a place that today's young people and children will want to call home in the future.

The government has acknowledged that the number of cars on our roads needs to be reduced if we are serious about meeting the UK's net-zero targets and there is a real opportunity for Portsmouth to showcase how we can enable and empower people to be less reliant on cars by designing for people over vehicles and having in place the right supporting technology and transport options.

How will you enable people to be less reliant on cars?

All homes will be within a 5-minute walk to public transport connections. The Lennox Point transport interchange will make different transport options easy to access including, high frequency bus services, bikes and e-scooters, ride-sharing and hailing services like taxis and Uber. Residents with mobility impairments will be connected to their preferred transport mode at the interchange, ensuring Lennox Point is fully inclusive.

A centrally-located car store will be available for residents and home to a car club - so people who don't want the cost and commitment of owning a car still have easy access to one when they need it. Parking will be made available across Lennox Point for residents with disabilities. The demand for parking will be monitored throughout the implementation of the development and the parking strategy has been developed to be flexible and respond to changing demand.

How will people get their shopping and deliveries?

We plan to have a central consolidation centre that allows deliveries to be received before being taken to the resident's home through Lennox Point's own last-mile distribution system. This will prioritise more sustainable methods of transports such as courier bikes, electric vehicles and even robotics as it already being done successfully in other pedestrian-focused developments and cities. We are already talking to a number of technology firms and courier companies including DHL to map out Lennox Point's preferred solutions. [Milton Keynes case study - Starship 'robots' deliver everything from food to medication.](#)

Will businesses be able to access Lennox Point by road?

Yes. The site is being designed to locate businesses in strategic positions that are accessible by vehicles when needed for large deliveries etc. Key community facilities, such as the school and GP surgery, will also be positioned strategically to allow access by road for children and adults with disabilities and for essential deliveries. We are also considering priority access and parking arrangements for staff at these facilities who don't live within Lennox Point. Emergency Services will also be able to access all areas of the site.

Will it be safe for people to move around at night?

Yes. Creating a safe and welcoming environment for everyone is at the heart of the proposals. This includes removing obstacles from the streets to make it easier and safer for children, older residents and disabled residents to move around Lennox Point. Safety will be built into the fabric of public spaces at Lennox Point using innovations in lighting and technology so that we don't create no-go zones or situations of vulnerability.

Planning process

What is the proposed timescale for Lennox Point?

In October 2020, Portsmouth City Council's cabinet gave approval for the Lennox Point project to work towards the submission of a planning application. We will submit a planning application for the masterplan in September 2022.

Between now and then there are a number of important steps we have to take including further marine ground investigations, surveys and environmental impact assessments. We anticipate work will start on site in summer 2024, subject to planning approval.

What will be included in the planning application next year?

Lennox Point is a complex project so there are several parts to the planning application:

- **A hybrid planning application** - seek approval from the Local Planning Authority for the Lennox Point masterplan, including site clearance, initial infrastructure and the first phase of construction.
- **A Transport and Works Act Order** - an application to the Department for Transport to cover the work affecting navigation in Portsmouth Harbour.
- **An Environmental Impact Assessment (EIA)** - a wide-ranging and detailed report on the impact of the proposed development. It will look at specific areas such as flood risk, biodiversity, waste, water quality, heritage and archaeology, air quality and climate change.
- **Habitats Regulations Assessment (HRA)** - submitted to the LPA and Secretary of State, the HRA is made up of several stages including, identifying and assessing the impact on specific habitats and species, considering alternatives, establishing an Imperative Reason of Overriding Public Interest (IROPI), and providing effective compensation habitats.

How we live and work is changing rapidly, is there flexibility in the plan to allow for changes in future?

Yes. The project will be developed in stages, giving opportunities for it to respond to changes in how we live and work, new developments in technology, and environmental considerations.

What public consultation have you done so far?

We have undertaken a number of consultation exercises to engage people in Portsmouth, the marine and maritime sector, investors, developers and future supply chain for Lennox Point:

- **Sept-Oct 2019** - Public exhibitions at Port Solent and The Mountbatten Centre to give local residents the chance to give feedback on the plans for Tipner West (now Lennox Point).
- **Sept 2019** - Tipner West Industry Day. Over 200 delegates from local and national firms attended an event to hear about the plans for Tipner West.
- **Jan- Mar 2020** - Tipner West roadshow. A series of six events around the city to give Portsmouth residents the chance to feedback on the plans for Tipner West (now Lennox Point).

- **Oct 2020** - Focus groups made up of Portsmouth residents worked together to name Lennox Point and the marine employment hub Phoenix Quay.
- **June 2021** - A marine sector market sounding exercise to ascertain the market's appetite for the Marine Employment Hub of the Lennox Point development. This included a mix of local, UK and international firms.
- **September 2021** - Industry Day. We hosted over 200 businesses from Portsmouth and beyond at an event designed to present the masterplan and opportunities to get involved in the Lennox Point supply chain.
- **Sept-Oct 2021** - Portsmouth City Council's Local Plan public consultation includes three options for the future of Tipner West - including Option 1: Innovative sustainable community (Lennox Point).
- **(Paused) Nov-Dec 2021** - Public consultation. Present the proposed masterplan to residents in Portsmouth and encourage them to provide feedback through a questionnaire on the plans. People can take part online, over the phone and by visiting drop in events at seven locations around the city. The consultation will be promoted via Lennox Point and the council's communication channels including social media, websites, newsletters, Flagship, local media and leafleting.
- **(Paused) Ongoing** - a series of 1:1 meetings, facilitated through the Department of International Trade, to help gain an early indication of the market's interest in the investment/development opportunity.
- **Ongoing** - educational outreach. We are working with students at UTC Portsmouth, Portsmouth College, The University of Portsmouth on a number of projects including the design of the Horsea Island bridge, waste management, robotics to support car-free living and the design of Phoenix Quay's branding. We also plan to support Aspirations Week and a T-Level student placement in 2022.

What is the current status of the project?

On 13 October, members of Portsmouth City Council passed a motion to pause and rethink the Tipner West project to ensure value for money is achieved, the environment is protected, and the maximum levels of affordable housing are delivered. In line with the motion, a report is being prepared for December's full council meeting. The report will give councillors a chance to consider the challenges and opportunities Tipner West presents, looking at the range of options for the site, and what each may mean in terms of jobs, homes, value for money and environmental impact.