

Title of meeting: Cabinet

Date of meeting: 9 September 2019

Subject: Response to the Economic Development Culture and Leisure Scrutiny Panel's report into Portsmouth International Port

Report by: The Port Director of Portsmouth International Port

Wards affected: All

Key decision: Yes/No

Full Council decision: Yes/No

1. Summary

The Economic Development Culture and Leisure Scrutiny Panel conducted a review into Portsmouth International Port set by the panel in 2017 and completed in Feb 2019, therefore crossing the municipal years 2017-18 and 2018-19.

2. Purpose of report

The purpose of the report is to respond to the Economic Development Culture and Leisure Scrutiny Panel in respect of the recommendations outlined in the final report.

3. Recommendations

- (1) That the Panel is thanked for its work in undertaking the review:
- (2) That the Economic Development Culture and Leisure Scrutiny Panel's recommendations be approved in line with the responses noted in item 4 below.

4. Background

The Economic Development Culture and Leisure Scrutiny Panel set the objectives noted below.

Objective 1 – To consider business development, including cruise market ambitions, linking with Council's tourism and marketing strategies and developments to attract new business.

Objective 2 – To examine the importance of the port locally.

Objective 3 – To investigate the challenges and opportunities of the European trading negotiations/Brexit.

Objective 4 – To consider the issue of unaccompanied minors located at the port and to ensure there is a timely response to secure their safety.

Objective 5 – To hear of recent and future investment plans for the port (and funding implications for the City Council).

5. Panel's recommendations and response

Recommendation 1:

Capital improvement works be continued, subject to finances, to enhance facilities to bring these up to a competitive standard and pursue the new passenger boarding tower as part of the Transformation Plans to help reach the target of over 100 cruise calls per annum.

Response:

I am pleased to advise that the port's capital programme (2018/19 bids approved - £6m for the passenger boarding tower and £12.7m for Cruise Expansion) has commenced with the development of the cruise berth commencing November 2019. Cruise development works are expected to be completed by Spring 2021.

Furthermore, the port's significant customer Brittany Ferries extended their agreement to 31st December 2031 which helps underpin part of the investment in the passenger boarding tower which is expected to be completed in 2022.

Additionally, most recently, a new long term agreement has been achieved at Portico Shipping Ltd which will see the return of Geest Line to the port from January 2020. A loan facility for Portico of £15 million was agreed by Council in Feb 2019 subject to long-term sustainable agreements helping to underpin investments.

Recommendation 2:

Air quality at PIP should continue to be monitored as this is essential for the city and campaigns take place to tackle vehicle emissions on-site.

Response:

Air Quality Action Plan being delivered as part of the Clean Maritime Plan, to be submitted to the DfT by July 2020.

Capital funding will need to be identified to assist with the action plan.

Although voluntary at this stage, Portsmouth International Port will commit to the Clean Maritime Plan with the intention of being the first zero emission major port in the UK.

Recommendation 3:

Sustainable links should continue to be investigated for cruise passengers to use such as a water bus routes as well as shuttle buses.

Response:

New bus contract at port is due for renewal in 2020 and will have as a minimum euro 6 compliant vehicles.

Water shuttles are being offered to visiting cruise vessels the cost of which is taken from the port's budget.

Recommendation 4:

Use the knowledge being obtained from local market focus groups in the wider region to publicise the advantages of travelling from Portsmouth as a local port.

Response:

PCC is part of Shaping Portsmouth's core group. Rachel McMinn, Marketing Communications Manager, is working on a marketing plan to attract significant cruise ships to Portsmouth. A cruise group has been established by Shaping Portsmouth which includes the port, major Portsmouth attractions and industry experts to encourage passengers to remain in Portsmouth during their stay.

To be funded from the port's cash limit / reserve.

Recommendation 5:

Brittany Ferries be approached to help extend passenger holidays through their booking systems to link with local hotels and work continue with Shaping Portsmouth to launch a "sleep-park-ride" offer.

Response:

The port and Brittany Ferries already work with a local bus operator to transport some passengers to and from the Port to Portsmouth's shop and have arrangements with Gunwharf Quays, Wightlink and Hovertravel.

Local hotels are keen to offer park and sail arrangements, particularly in light of the target increased cruise calls for the port and discussions are taking part.

No impact on port resources other than officer time.

Recommendation 6:

Continue marketing campaigns to attract tourists to Portsmouth Port (and visit Portsmouth destinations from cruise ships), linking with Shaping Portsmouth and continue to apply for Discover England Funding to support this.

Response:

PCC is part of Shaping Portsmouth's core group. Rachel McMinn is working on a marketing plan to attract significant cruise ships to Portsmouth.

The port now attends major cruise and ferry conferences and, in some cases, provides stands at the events to showcase the port and the city of Portsmouth.

Jane Singh will continue to market the port as part of destination marketing and work with regional partners to access and bid for funds from Visit Britain's Discover England Fund and other international marketing opportunities.

Funded from the port's cash limit / reserve.

Recommendation 7:

Negotiations between Portsmouth City Council and the MOD proceed on future land usage as part of future business expansion aspirations.

Response:

Senior officers will continue to work closely with the MOD to unlock opportunities.

Capital funding will be required if a port development opportunity is agreed.

Recommendation 8:

Progress regarding the reception facility which would be used for Unaccompanied Minors (UAMS) should be submitted to the relevant Cabinet Member(s) portfolio meetings.

Response:

Under HMRC / UK Border Force port approval, the port complies with trader provided facilities in respect of immigration which includes holding areas for clandestines.

A report will be sent to the appropriate Cabinet Member by the relevant director regarding reception facilities used for Unaccompanied Minors that is not in connection with the port approval process.

Recommendation 9:

In preparation for leaving the European Union utilise the in-house and on-site expertise of WTO rules working outside of the EU to support other businesses, with the economic opportunities this may bring PCC.

Response:

Portico has its own in-house customs agency that has the experience and capability of submitting customs documentation on behalf of shippers. There has been an increase in resources ahead of 31 Oct 19 to support the port in any potential no deal Brexit. Trader awareness is one of the main concerns at the port therefore having this expertise will help considerably.

To be funded by Portico.

6. Equality impact assessment (EIA)

In line with the EDCL Scrutiny Panel's report on Portsmouth International Port.

7. Legal implications

In line with the EDCL Scrutiny Panel's report on Portsmouth International Port.

8. Finance comments

The Port's capital programme will need to fund a range of capital investments required. This will be subject in part to the successful capital bids.

A number of the initiatives will be financed from the Port's cash limit and/or reserve.

Some of the initiatives will need to be funded by external organisations including Portico Shipping Ltd.

Signed by:

Appendices: EDCL Scrutiny Panel's report on Portsmouth International Port

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: