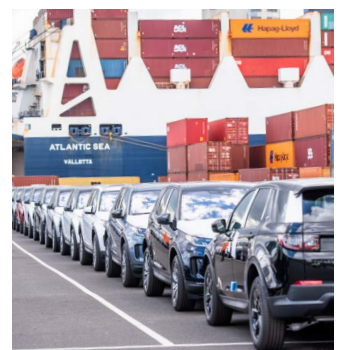
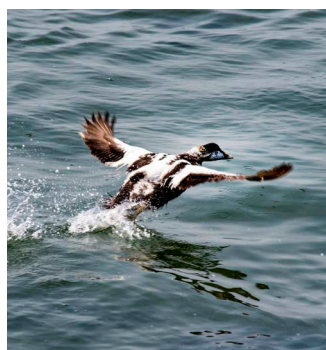
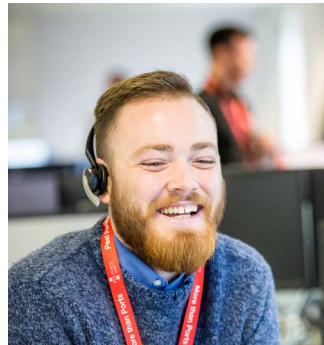
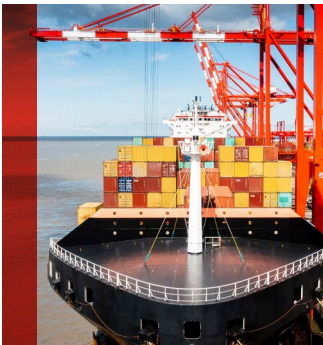


A level playing field

The role of ports in achieving better outcomes
for the UK's levelling up agenda





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Foreword

What is 'levelling-up' and its relevance to the port sector?

In February 2022, the UK Government launched its 'Levelling-up' white paper, which promised to set out a 'complete system change of Government works that will be implemented to level up the UK'.

This follows the creation of the new Department for Levelling-up, Housing and Communities, which is charged with helping to deliver on the UK Government's central mission to level up every part of the UK. Its ambition is to support "communities across the UK to thrive, making them great places to live and work".

Both steps are welcome.

We are pleased too that the white paper recognises that regional communities have been heavily affected over generations by social and economic inequalities. Even acknowledging this to be the case is an important step in the right direction for policy decisions. There are references also to the process of levelling-up being much wider than just creating economic opportunity throughout the UK: it needs to ease pressure points in parts of the country that are currently overstretched and it needs to do so in multiple, interconnected ways.

The white paper tackles this partly by describing a framework of six 'capitals': physical, intangible, human, financial, social and institutional. These six capitals cut across the public, private and civil society sectors and our business touches on all of them. We expand on our interest in these in the summary and recommendations section towards the end of our response.

What requires little explanation is that there is a clear and urgent need to develop a robust strategy and action plan that focuses on the key priority areas and addresses the issues which are currently making the UK one of the most unbalanced economies amongst its major competitor nations.

It has long been clear to those of us in the port sector that we have an important – indeed, essential – role to play in growing economies, and our response to the Government's white paper seeks to set out a practical vision for the sector itself.

There has never been a better time, nor a more pivotal time, for us to assert our ambitions, considering the current environment for two main reasons. Firstly, there is enormous scope for synergy between what is required for levelling-up, achieving Net Zero ambitions and the maritime logistics community.

Secondly, the effects on the economy and society from Brexit and COVID have brought supply chains into the public eye as never before. This in turn has resulted in a sharper focus on the essential role of ports, and the maritime industry more widely, acting as an important enabler that underpins the economy.

This document aims to set out the positive and supportive connections between our national response to current and future challenges, as well as the Government's levelling-up ambitions.



Claudio Veritiero
Chief Executive Officer,
Peel Ports Group

“It has long been clear to those of us in the port sector that we have an important – indeed, essential – role to play in growing economies, and our response to the Government's white paper seeks to set out a practical vision for the sector itself.”

The role of ports in the economy



125k

jobs supported directly by UK ports

672k

jobs supported indirectly

Ports

- Act as catalysts for growth, and incite economic development in a multitude of sectors and regional locations
- Connect multiple economic sectors
- Support manufacturing, processing, retail, resource extraction, heavy industry and much more
- Create a wide and varied range of skilled business and job opportunities

“With cutting-edge technology, high-quality design and manufacturing, unparalleled expertise in services and major investment opportunities, the UK is the natural home for global maritime business.”

“Maritime is a vital part of our island nation’s heritage and of our modern economy – supporting jobs, driving innovation and enabling trade.”

£2.67

GVA created in UK economy for every £1 contributed directly by port sector

51%

how much more productive the UK maritime workforce is compared to the average UK worker

£37bn

turnover and £10.8bn GVA from the maritime sector

800,000

jobs supported by maritime sector

£10,500

extra annual income supported by maritime sector compared to national average

£500m

collective annual investment by ports each year

95%

UK global trade (by volume) facilitated by maritime sector

500m

tonnes, UK global trade facilitated by maritime sector

£500bn

UK global trade facilitated by maritime sector

£29bn

GVA from port sector

£74bn

aggregate economic impacts from ports industry

£1.8bn

tax revenues from port sector

Skills and jobs

The Government's white paper rightly identifies the pressures on coastal communities.

Clearly, for a country with such an extensive and important relationship with its surrounding seas, this represents both a major concern and wasted potential.

The nature of the port sector in the UK is that it is geographically diverse. While there are several major hubs, there are also hundreds of smaller facilities spread all along the coast. Some of these are publicly owned or 'trust' ports, but the private sector is the dominant provider of jobs and opportunities for skills development.

Ports enable a raft of highly skilled career choices across a variety of different remits. What may have traditionally been regarded as manual and operating roles are widely different in the modern day and the extensive variety of jobs provide ample opportunities for apprenticeships, on-the-job academic learning, and a varied career for life.



Circa

2000

Peel Ports Group people employed across a varied remit of skilled roles

80%

of the people employed within our ports - using Liverpool as an example - live in the direct hinterland of the local area

£39k

Average pay in the maritime sector is 36% higher than the national average of £29k

51%

How much more productive the UK maritime workforce is compared to the average UK worker

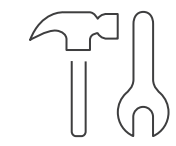


As the maritime industry continues to thrive, ports and the wider sector create growth through investment, bringing employment to the community and as most jobs are physically located on or near the port estate they provide long-term, stable roles for locals.

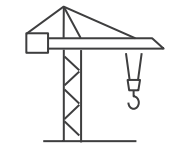
There can be no levelling-up without giving current and next generations the chance to find their way in rewarding, meaningful work that also affords them and their families a good standard of living and hope for the future. Ports already offer this and are ready for more.

The Government should ensure that its measures on education and skills identify and take advantage of the opportunities in maritime roles, providing the industry with the pipeline of talent it needs for years to come.

Some of the wide range of skilled career opportunities a port can provide:



Technicians



Crane operators



Marine navigations



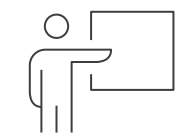
Pilots



Port police and security



IT analysts



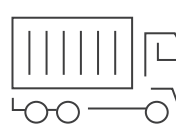
Business management



Sales and commercial



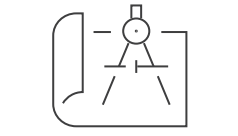
Health, safety and environmental



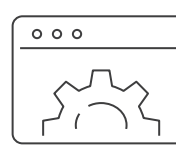
HGV and drivers



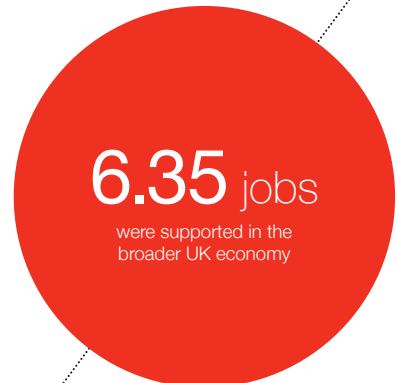
Legal and financial



Planning and property management



Automation engineering



Community impact: The Port of Liverpool and Sefton



The story of one community and how it benefits from a thriving port

No.1

By turnover, Peel Ports is the largest company registered in the borough

33%

of the Port of Liverpool workforce live within the Borough of Sefton

80%

of the workforce live in the Liverpool City Region

37%

of the total apprenticeships across the port live within the borough

£7.5m

in business rates payable to Sefton Council in 2019

£750m+

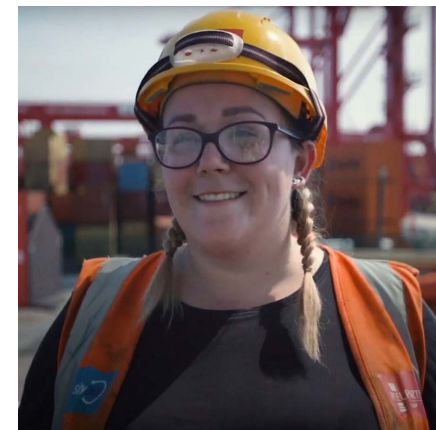
in total investments, helping bring new jobs and business opportunities to the local area

£300k+

contributed to the offsite planting of trees, open space improvements and cycleways within the Sefton area



Apprenticeship Case Study



**Jade Creighton
Mersey**

After achieving her A levels in college, Jade decided that an apprenticeship was the next step in her career journey. She studied at North West Training Council whilst working as an Electrical Apprentice. Jade has now been with Peel Ports as an Electrical Engineer for nearly two years.

“My career in the maritime sector has changed my life. It’s allowed me to see things that people don’t see every day as well as meet good people and expand my knowledge and experience. Peel Ports have supported my career development by allowing me to do on the job training and on the job learning, allowing me one day a week to go to college to further my education.”



**Scott Duncan
Clydeport**

Scott Duncan is an apprentice electrician at Peel Ports’ Clydeport cluster of facilities. Scott decided to follow this path after leaving school because he believed it would provide a good grounding in the workplace and allow him to develop core skills as an engineer.

A typical week for Scott at the port can consist of many different jobs, from maintaining cranes and straddle carriers to carrying out installation work. Scott completed his Higher National Certificate and Higher National Diploma at college and regards this as one of the highlights of his apprenticeship.

Scott’s ambition is to build a long-term career with Peel Ports, progressing his skills and ultimately taking on his own apprentice.

Cargo flows and impact on regional economies and sustainability

The economic and social imbalances that levelling-up is intended to address are reflected in the unequal distribution of freight across the UK.

A bias towards the South East has created an artificial centre of gravity bringing extensive problems in those communities (such as disproportionately high costs for land, property and labour) while also stifling the UK's general productivity by not maximising the capacity available in other parts of the country.

Levelling-up means looking at the most efficient way to transport goods to and from all parts of the UK, using the full stretch of the country to create quicker, easier and more reliable supply chains. In doing so it will benefit over-heated parts of the country while adding much-needed jobs and business opportunities to regions outside of the South East.

Previously, the general approach from successive Governments has been to invest in relieving congestion at existing bottlenecks.

This relatively short-term fix has failed to address the bigger structural challenge – and opportunity – of how to use regional ports that can offer capacity and capability to accommodate additional volumes through handling direct vessel calls or diverted vessel calls away from well-reported congestion at southern ports.

A nationwide approach would result in a more sustainable supply chain, delivering cargo closer to the centres of economic activity, and greener use of the local logistic sector.

Smarter Infrastructure Investment

Until recently, there was an in-built bias that favoured public spending on road and rail transport projects in the congested South East. National transport policy and transport strategy white papers were based on an outdated model with the South East as the pivotal point for any future development and funding – all aimed at addressing congestion in that part of the country.

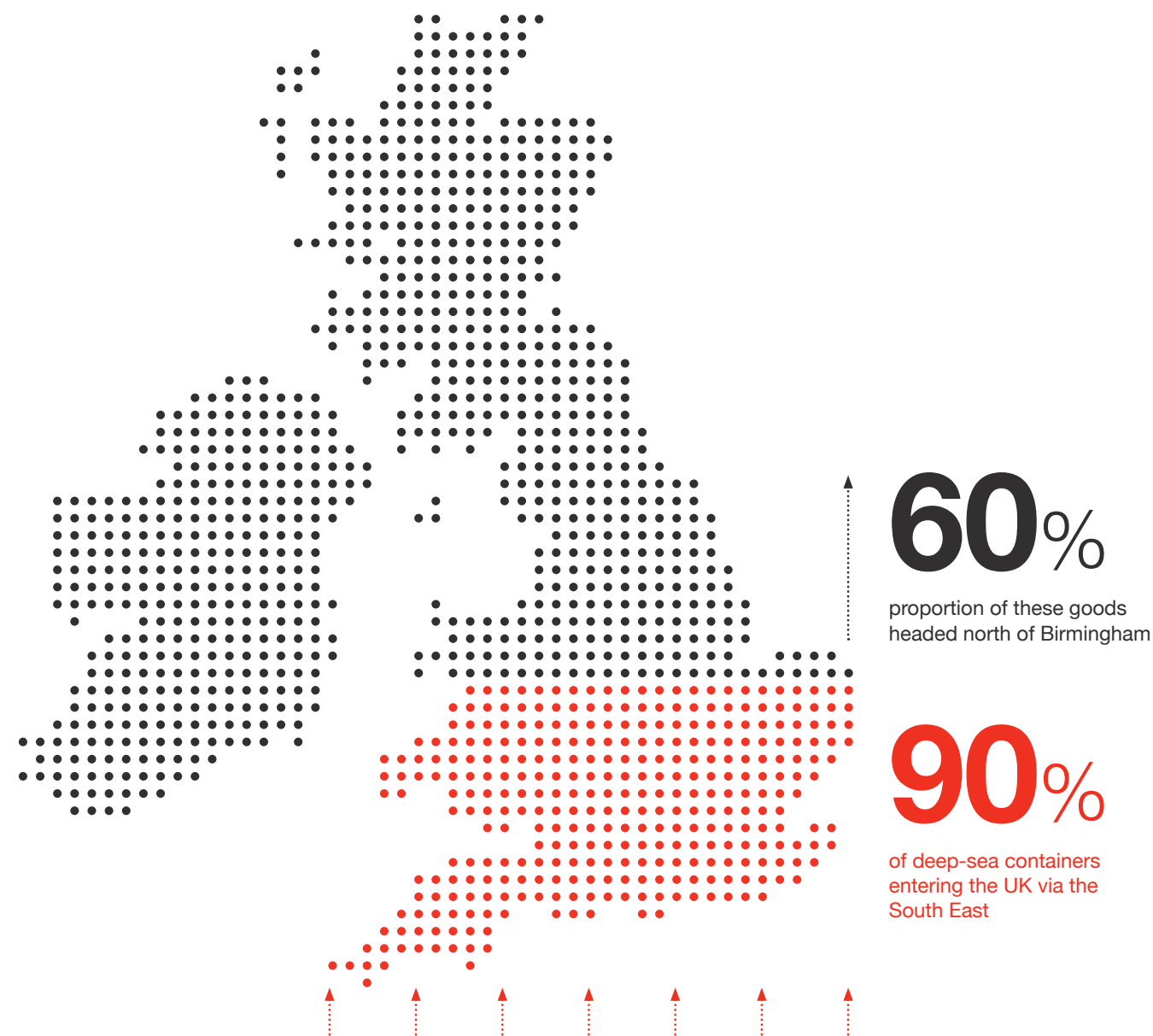
In November 2020, the Government confirmed it was reforming how it assesses the value for money of big spending projects. The new rules have been widened beyond the previously narrow definition of benefit compared to cost, which has tended to favour areas (particularly around London) due to the influence of existing high property prices in the calculations.

The commercial sector has not necessarily been any smarter in its thinking. The convention has arguably been to look for the shortest sea crossing, driven understandably by shipping lines looking to make best use of their assets. However, this approach disregards more integrated solutions that could be exploited by different parts of the supply chain working together.

After all, the port is not the beginning or the end of the journey for any cargo. It is vital to think about the entire process of, for example, a finished product leaving the factory to arrive on the consumer's doorstep.

A properly strategic and equitable investment programme across the country is not the only lever available to the partnership of Government and industry, but it is one of the most important.

It could facilitate an increase in direct vessel calls to a wider range of regional ports that can provide the capacity, resilience and sustainability required to overcome current challenges and support UK plc for decades to come.



Case study: DFDS London Medway



A new freight-only ferry service connecting Sheerness and Calais from award-winning operator, DFDS launched in 2021.

It offers daily sailings in each direction between the two ports, carrying unaccompanied freight units - which are trailers without drivers.

The new route expands DFDS's existing network of services between the UK and Europe and comes in response to growing demand for unaccompanied freight services from cargo owners, hauliers and shipping lines alike. Most of the unaccompanied freight carried today by DFDS on the two Dover Strait routes - Dover-Calais and Dover-Dunkirk - is expected to be transferred to the new route.

The partnership between DFDS and Peel Ports has created around 100 new jobs in the region, with recruitment already underway for many of these roles.

Sustainable supply chains

An approach that makes the best use of the whole nation's facilities and talents is almost the definition of levelling-up.

Few sectors can offer as much potential in this rebalancing as the ports sector. In doing so, there is also the potential for a major Net Zero benefit, so achieving two public policy objectives at once.

Port traffic analysis by the British Ports Association, quoted by Maritime UK, makes the case for improved transport connectivity in local regions through better efficiency of freight movement.

Using regional ports rather than southern hubs shortens the journey from the port to the next stop, often by hundreds of miles. A cargo load travelling from Felixstowe to Leeds, or from London to Warrington, will embark on a journey of five or six hours, usually along the M1, the M6 or already constrained A roads. A much shorter and more efficient journey can be made on the roads by using local ports as an entry point.

70% of port throughput is facilitated by road haulage for its onward journey, for which significant investment is needed to reduce congestion and HGV hours. While road transport will remain an essential element of the mix, there are significant growth opportunities in rail freight and coastal shipping – 10% and 20% respectively of onward cargo transport.

The following calculations are based on new traffic through the Port of Liverpool container terminals since the opening of L2. By using Liverpool for container traffic originating in and destined for the North West, a container saves approximately 200 miles on its one-way road journey, compared to using southern ports. By using available rail capacity at Liverpool, extra boxes can travel via this mode, further reducing trucks on the roads, and associated emissions.



Benefits analysis of modal shift from road to rail of containers between Liverpool and Scotland/Midlands



	2018	2019	2020	2021
Containers through Liverpool (000s)	470.0	503.0	478.0	478.0
Road miles saved (millions)	13.0	19.5	14.6	14.6
Carbon savings in kg (millions)	18.2	27.1	20.3	20.3
Containers by rail rather than road (000s)	10.0	15.0	22.0	32.0
Road miles saved by rail (millions)	2.0	3.0	4.3	5.6
Carbon savings in kg (millions)	1.8	4.5	8.3	13.3

This is illustrative online and some figures have been rounded. It is assumed that all additional containers through Liverpool since 2016 would have gone through southern ports and would have travelled – to/from within the Liverpool hinterland – by road, due to rail capacity constraints at southern ports. Emissions calculations are based on DEFRA guidelines, and are landside only (i.e., do not include the small variations in CO2 emissions because of a different sea journey).

Case study: DKT Allseas

WE NEED IMAGERY FOR THIS CASE STUDY

DKT Allseas (part of the Allseas Logistics Group) recently announced it was adding a new multi-modal extension to complement its pioneering China Xpress liner service.

The new train service runs five days a week between Liverpool and Freightliner's Birmingham Terminal. It forms part of the China Xpress service evolution, moving from sea to land to provide a sustainable solution for cargo owners to get their goods to their end destination.

Darren Wright, Managing Director at DKT Allseas said: "The China Xpress service was the first of its kind to offer a direct service call, providing a gateway from the Far East direct into the heart of the UK's cargo-owning community."

As frustrations permeate the UK with the widely publicised HGV driver shortages, this new rail service further enhances the China Xpress by providing another tangible logistics solution to our customers"

Since the initial sailing in 2021, DKT Allseas has expanded its China Xpress service from one to three ports in China direct to Liverpool.

Case Study: Net Zero 2040



2020

First use of electric vehicles in place across all our ports. Lighting across the ports is undergoing transition to LED, much of which also incorporate controls and sensors, ensuring energy is only used when required.

2021

Peel Ports trialling use of electric power for plant machinery

2022

Diesel vehicles replaced with 100% electric and biodiesel

2025

Replacement to green electric use scheme which has an emissions factor of half the grid average

2030

67% reduction in fuel consumption

2035

Replacement of all gas usage and transition to electric or lower carbon fuel sources

2040

Net Zero Organisation

Ports and energy

Independent of ports' role as a focal point for the shipping of goods, they are also uniquely placed to combine levelling-up with tackling climate change. Ports are the natural location for developing new technologies, approaches, jobs and skills in greener energy industries.

The UK Government's new energy security policy paper sets out challenges that align with levelling-up aspirations and the role that ports can play in both spheres. Offshore wind is a major component of ensuring national energy resilience and reducing dependence on imports, especially of fossil fuels.

Maritime communities have been neglected in the decarbonisation debate, with the public and policy focus often on electrification of railways, zero-emission vehicles and other land-based initiatives.

That approach overlooks ports' long history of being at the forefront of the energy business, often literally when thinking about the shipment of fuels by pipe or other transfer, not to mention the very active role they have played in the offshore oil and gas industry, and more recently the offshore renewables sector.

As energy consumers and facilitators, ports are very well placed to continue with the evolution of the UK's energy sector, providing extensive scope for benefits from proven approaches, as well as being a testbed for innovation.

An initial priority must be a public-private partnership to increase the roll-out of greener vessel energy, through ship-to-shore electricity connections. This has the further advantage of improving local air quality by reducing emissions from onboard diesel generators, while also minimising background noise.

There are other policy areas where coastal communities and public bodies can work together in shared interests, for example, emerging opportunities in carbon capture or the growing floating wind sector.

According to Maritime UK, the cost of decarbonising global maritime is predicted to be almost \$2 trillion – more than the size of the global industry. This is not a burden that the sector can meet on its own.

Maritime UK has recently challenged the Government to provide co-investment into a £1bn fund to position the UK as a world leader in decarbonising the industry.

It estimates that such a programme could create more than 73,000 jobs throughout coastal communities, again combining social, economic and environmental benefits in the twin drive towards Net Zero and levelling-up.

We welcome further funding from the Government towards enabling growth in offshore renewables, creating greener maritime infrastructure and accelerating hydrogen use.



Reducing landside emissions by 70%

Peel Ports is to use greener alternative fuels for straddle carriers and plant equipment across most of its estate, in an industry-leading move.

The transfer to greener fuels will see 45% of Peel Ports' plant equipment fleet moved to hydrotreated vegetable oil (HVO), with 29% to electric throughout 2022. The group is working to move the remainder of its fleet to less polluting fuel alternatives as these become available.

The conversion of 3 million litres of diesel fuel to HVO will mean an annual carbon emission reduction of at least 70%, or 5.5 thousand tonnes, equivalent to taking 4,500 cars off the local roads for the whole year, helping to improve air quality around the port.

Community potential: Great Yarmouth

Great Yarmouth is at the centre of the world's largest market for offshore wind, with massive, ongoing growth potential.

The sector has an ever-increasing capacity to deliver and innovatively respond to growing demand for cleaner energy, potentially delivering high-value growth and employment opportunities.

Currently, projects worth more than £39bn over the next 30 years are being delivered from the borough. The East Anglia One project alone is expected to encompass a series of construction projects over the next 15+ years, with each project followed by over 20 years of operations and maintenance activity.

The Great Yarmouth and Lowestoft Enterprise Zone comprises six sites across the coastal towns, supporting the clustering of energy businesses and creation of high-skilled jobs. The zone has the potential to create 18,500 new jobs over the next 25 years.

The Port of Great Yarmouth is a strategic hub for the offshore wind sector. Significant investment has been made in port infrastructure to support pre-assembly, construction, installation and operations and maintenance, with land available for further expansion.

Significant Offshore Opportunities



The UK is a global leader in offshore wind with over 10GW of installed capacity, and an aspiration of achieving 40GW by 2030 as part of the UK Offshore Wind Sector Deal.

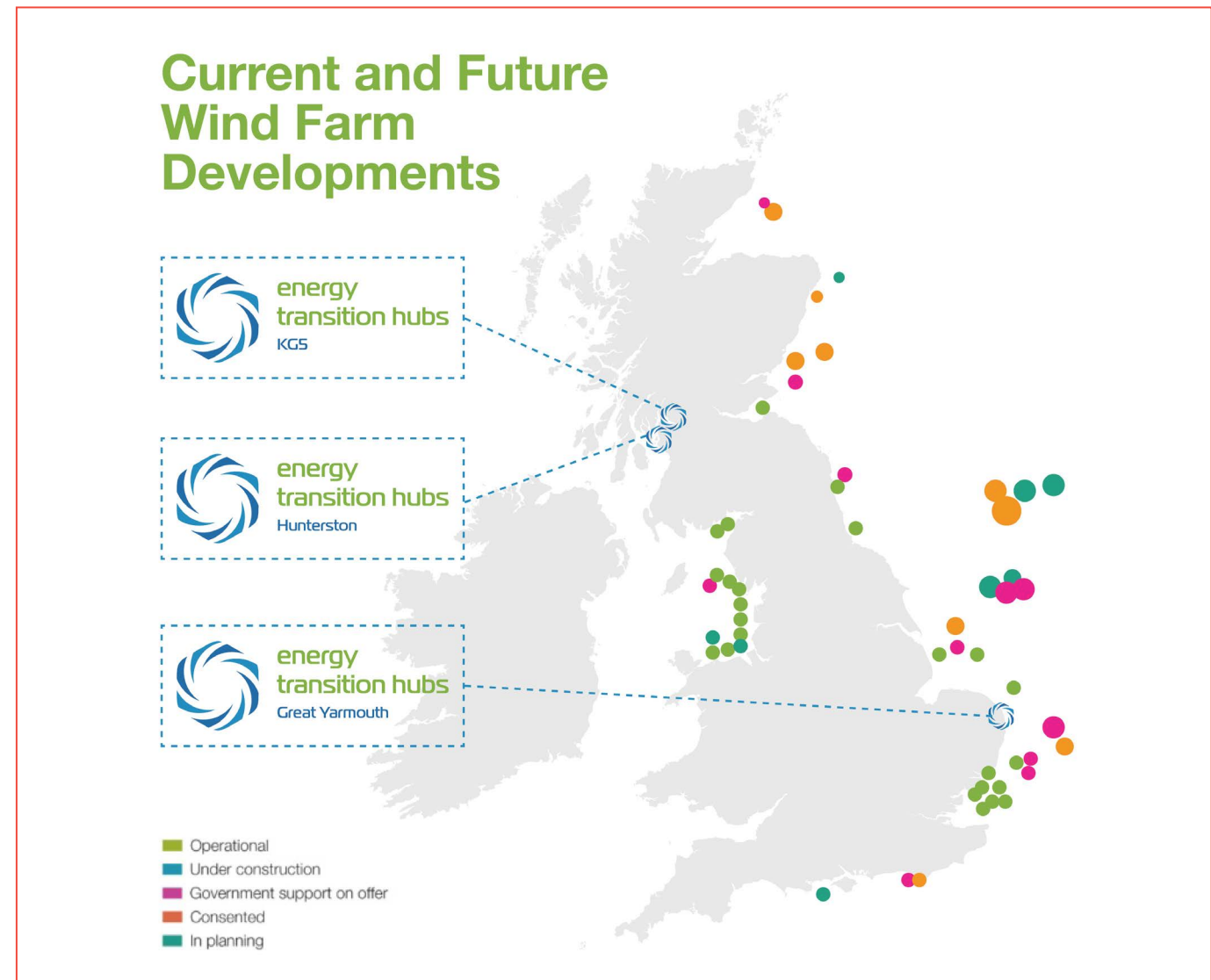
In the longer term, the UK could achieve 75GW by 2050, in line with the Government's commitment towards Net Zero.

To support this the Government announced in January that floating offshore wind projects will receive more than £60 million in public and private investment to develop new technologies that will enable turbines to be in the windiest parts around the UK's coastline.

11 successful projects will each be awarded up to £10 million. The funding will enable further research and development in floating offshore wind with a focus on areas such as how turbines are moored to the seabed, undersea cabling and developing foundation solutions.

The UK is already home to the world's largest deployment of offshore wind, however floating turbines, which can be deployed in deeper waters than conventional turbines, will boost energy capacity even further by allowing wind farms to be situated in new areas around the UK coastline where wind strengths are at their highest and most productive.

None of this is possible without ports and the facilities in our network illustrate the capabilities, capacity and skills required to enable offshore wind. Renewables remains an idea sector for investment to support levelling-up.



King George V

Situated on the River Clyde, KGV – as it is known – offers vessel access to the centre of Glasgow. The dock is able to accommodate most vessels involved in offshore wind operations and maintenance as well as construction and installation.

With a track record in supporting the onshore wind industry through the import of onshore wind turbine components, the site has a significant laydown area for component staging for on and offshore wind.

Its proximity to Glasgow means KGV benefits from the Clyde's rich maritime history and local engineering expertise.

Great Yarmouth

Located on Norfolk's east coast, the Port of Great Yarmouth can accommodate most vessels involved in offshore wind and gas decommissioning projects.

The team and the port have extensive offshore wind experience, in both operations and maintenance as well as construction and installation of wind farms such as Dudgeon, Galloper and East Anglia ONE.

Hunterston

Earmarked as one of the UK's key investment sites for the development of the blue and green economy, Hunterston PARC offers unrivalled opportunities for the energy transition market.

Situated on the Firth of Clyde, Hunterston PARC has access to some of the deepest waters of any port in the UK and 300 acres of usable land.

With an extensive redevelopment pipeline now in place, Hunterston could easily become a global centre for offshore wind turbine fabrication and assembly.



Levelling-up and freeports



Freeports have the potential to support levelling-up by being focal points for economic development and job creation in regional hubs, spreading the opportunities and benefits they offer more equitably across the country.

Liverpool is one of eight initial sites approved by the Government and unlike the last Liverpool Freeport, which was largely focused on the dock estate, the new status as a freeport is a collaboration between the local combined authority, the Local Enterprise Partnership and the private sector, including Peel Ports.

This distinction is hugely important, underlining, as it does, how the freeport model is now designed to benefit the wider community.

All partners in Liverpool City Region (LCR) Freeport are forecasting a growth in inward investment, jobs and economic prosperity for the region.

The LCR Freeport's ability to optimise this infrastructure and import/export cost-effectively is key to its future growth.

A strategic strength of the LCR is the ability to combine multimodal port infrastructure with business capability and large population centres in proximity.



The core opportunities presented by the LCR Freeport are to:

- Increase trade through the Port of Liverpool and other LCR and North West gateways, improving the efficiency of cargo flows and driving employment growth
- Regenerate areas of deprivation and create sustainable job creation
- Develop a globally significant cluster of port, manufacturing, logistics and innovation activity
- Make a significant contribution in rebalancing UK freight and logistics
- Be a central tool in attracting inward investment
- Improve links to national, regional and LCR infrastructure assets
- Support the enablement of national and local ambitions for Net Zero

Many of these points are highlighted as key themes, or even missions, in the Government's white paper. At the time of writing, how freeports will succeed in practice is unclear, but it is vital that they do.



Regional enablement

Through public and private sector partnerships

Levelling-up can be best achieved when organisations work together, whether that is private and public partnerships or just between companies.

Bolder ambitions often require the expertise, scale, investment, insights or other attributes that single organisations may be unable to provide on their own.

The examples on this page show how the economy and communities can gain when organisations look for opportunities for shared success.

Case study: Clydeport & Hunterston PARC



At its Clydeport family of facilities, Peel Ports is working with local agencies to stimulate investment and job creation, in a genuine public and private sector partnership. Some of the communities where Clydeport operates are among the most deprived in Scotland.

Just west of Glasgow, work is now underway on a new Greenock cruise ship visitor centre as part of a £19m development, which will welcome passengers and crew from some of the world's largest and most luxurious vessels to Inverclyde.

The project, led by Inverclyde Council, is part of the £1 billion Glasgow City Region City Deal funded by the Scottish and UK Governments, with contributions from Peel Ports (£8m), operators of the existing Greenock Ocean Terminal, and the George Wyllie Foundation via the Dunard Trust (£1.5m).

The development is expected to increase visitor numbers to some 150,000 passengers a year and provide a £26m boost to the Scottish economy.

Further down the coast, the ambitious plans for Hunterston, which forms a key part of the Ayrshire Growth Deal, have taken significant steps forward this year.

An initial focus for the partners on the project will be developing a business incubator space within the existing buildings on the site, providing facilities for local firms to grow and collaborate.

The ambition is to create a centre for innovation to support both the blue and green economies, including research and development facilities.

The development of Hunterston PARC - which is one of Scotland's largest brownfield sites, and its largest

deep-water port - is a key site in the Ayrshire Growth Deal, to which the UK Government has committed £18 million over 10 years.

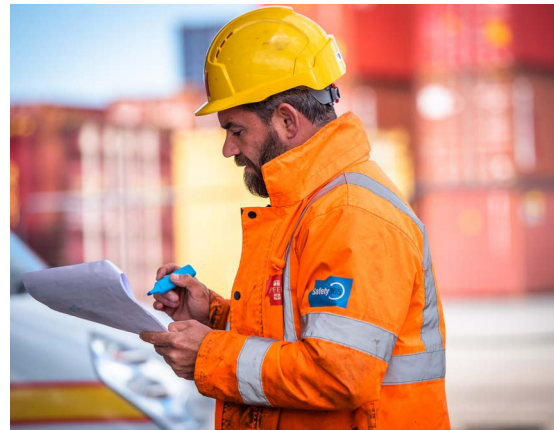
Hunterston PARC is seen as a key economic region in Scotland with huge potential by providing high-value jobs and innovation capacity in the green, blue and circular economies to realise Hunterston's national potential as a contributor to Net Zero.



Commercial partnerships

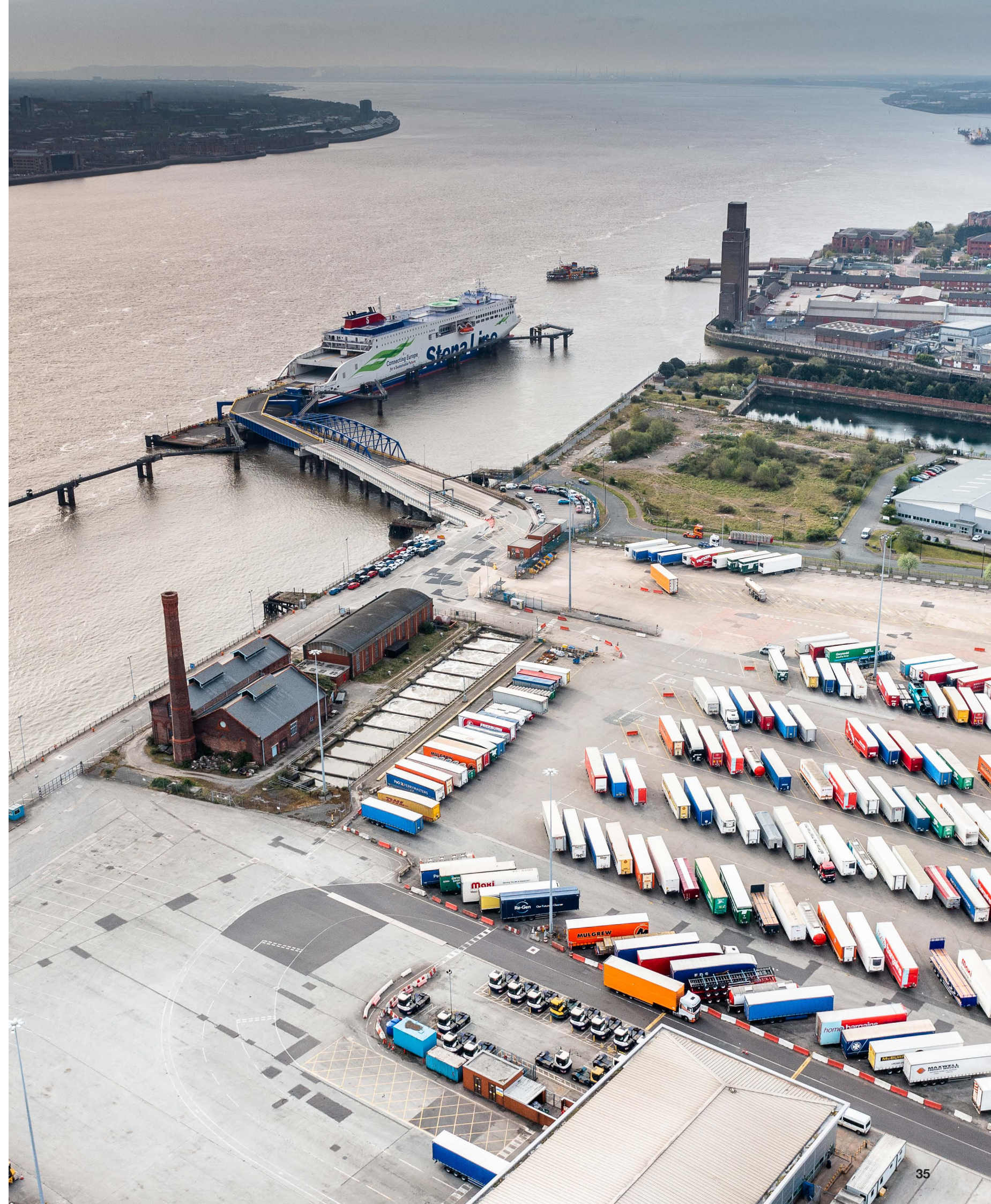
There are many examples of companies coming together, independent of the public sector, to invest in facilities and create opportunities for jobs and business growth.

Companies need a supportive regulatory environment in which to make such plans with confidence. These developments illustrate the potential that is on offer to communities across the country.



- Glasgow's King George V terminal is to have an expanded deep-sea dock for metals recycling in a joint project with EMR and McLaughlin & Harvey worth £10m.
- In Great Yarmouth, Peel Ports and ScottishPower Renewables jointly invested £5m in facilities to support East Anglia ONE offshore wind farm.
- At London Medway there is a new £500k treatment facility on the former Thamesteel site for forest products for Rowlinson Timber
- Cargill is just completing a significant extension to the company's crush plant in Seaforth, a multi-million pound project.
- MSC is one of the largest shipping lines in the world. MSC and Peel Ports Group have agreed to jointly invest millions of pounds creating a new container and trailer depot in the heart of the Port of Liverpool. MSC has also launched a new, regular train service moving containers from the Port of Liverpool to the East Midlands.

- In 2019, Jenkins and PPG spent more than £19m to create new facilities at the Port of Liverpool. The facilities enable around 20,000 containers to be de-vented and returned to the container terminal without ever having to leave the boundary of the port.
- In 2019, shipping line ACL signed a 15-year contract extension in Liverpool, and Peel Ports Group is installing two new ship-to-shore cranes to handle the additional volumes over the contract's life.
- Stena Line operates daily ferry services between Birkenhead and Belfast. In 2019, Stena and Peel Ports Group spent more than £17m to upgrade the linkspan at Birkenhead to enable more capacity to be deployed on these services.
- Working with third parties engaged with providing lower carbon construction materials, Ecocem, Stema and Hercules, will potentially present a £40 million investment opportunity into infrastructure projects.



Where next?



As the Government white paper repeatedly highlights, no single organisation or sector can do this alone. Government, its agencies and other bodies including local Government need to work with industry.

We are happy to play our part in achieving outcomes that provide shared benefits. There are some points where we feel the white paper falls down. In our response we are constructively challenging the Government to take a different approach. We have structured these points using the Government's framework of six 'capitals'.

These are the priorities that we believe the public sector should focus on that will enable the private sector to maximise its contribution to levelling-up.



Physical

As a logistics business, operating across road, rail, canal and sea, we are naturally very interested in transport infrastructure. There is one significant and welcome mention around freight and rail investment. Beyond that, there is scope for the Government to be much more ambitious in this area. It is imperative for the public sector to invest in realistic and deliverable transport infrastructure that addresses the historical imbalances of passengers over freight, and south over north.

We set out above the huge opportunities there are in the maritime sector to reduce our carbon footprint and improve productivity in this area. The white paper indicates that the DFT will use some of a £299m research and development fund to invest in maritime emissions reductions.

This is to be welcomed. We would further want to see co-funded developments between Government, industry and utility companies for ship-to-shore power, allowing docked vessels to be powered by green electricity rather than running on diesel engines.

The white paper correctly cites a strong planning system as being vital to levelling-up communities across the country. UK ports serve as international gateways with their importance manifest in the National Policy Statement for Ports (January 2012). We welcome the Government's commitment in

terms of Local Plans being made simpler and shorter with the objective being to improve upon the rate of only 39% of local authorities having an adopted plan within the last five years.

The ports sector now benefits from enhanced 'permitted development rights' (which came into effect April 2021) so that certain projects can be implemented without requiring planning permission in England only. We suggest there should be further streamlining within the devolved administrations to ensure a consistent planning approach. We also consider there to be further opportunities for Local Planning Authorities to roll out Local Development Orders and Simplified Planning Zones so that 'deemed' planning consent can be expedited for certain types of qualifying development.

Housing receives a significant level of attention in the paper, which is welcome, although there is no clear link to housing and related issues in coastal communities. We also note that the modest Coastal Communities Fund (£230m over nine years) no longer exists.

Although not directly related to our business, we urge the Government to create more (and more affordable) high-quality housing so that the next generations of workers remain in – or are attracted to – coastal communities.



Intangible

Although there are 170 mentions of ‘innovation’ in the white paper, it is not clear how the Government’s plans align with the potential of the maritime sector.

That said, there is already the Government’s 5-year plan for ‘promoting the UK’s world-class global maritime offer’ (published 2019) which highlights the country’s considerable opportunities with innovative products and services.

There is also the Maritime 2050 vision document, an industrial strategy, an innovation strategy, an R&D roadmap and doubtless several other publications produced by the Government, some of which are cited in the levelling-up white paper.

Our stance is that innovation relies on investment and informed risk-taking. This in turn depends on having an operating environment that provides the clarity, consistency, stability and predictability to give businesses the confidence to take the necessary steps into the unknown that innovation entails.



Financial

The white paper discusses plans to simplify and improve the funding landscape, focussed particularly on better productivity, encouraging private sector investment and strengthening communities. This is a critical aspect of the proposals.

In our experience, the Government will find businesses are enthusiastic about adopting ways of working or opportunities that enhance productivity and facilitate investment. Businesses have a natural interest in both already and tend to make progress despite – not because of – the approach of some parts of the public sector.

A better approach to funding, which is also more informed by the role that the private sector can play, is welcome.

A vital, related issue is the importance of maintaining a stable tax regime that allows businesses to plan and creates incentives for investment. This should especially reward infrastructure or initiatives that help to reduce carbon emissions. The white paper is silent on further changes to how taxation can support levelling-up. We must see concrete proposals so that businesses can plan for investment.



Social

Much of the white paper is given over to the reasons why a new approach is needed. We welcome the UK Government setting out the comprehensive evidence that should act as a rallying call and which justifies the interventions required.

The paper explains the Government will work with stakeholders to agree performance measures against which to gauge the success of levelling-up. These should include business-related activities such as job creation, regeneration and investment to help better understand the impact of the private sector to wider societal goals, including improved health and well-being.



Human

There are ambitious targets in the white paper with more detail than most other themes as to where the Government will focus its efforts. As set out above, ports and other maritime businesses provide a wealth of benefits in job creation and personal progression.

We wish to see a strengthening of the provision of vocational education and training opportunities, recognising the wide range of talents and skills required in the modern logistics sector. These should also include ‘green’ jobs.



Institutional

A great deal of the Government’s white paper deals with institutional issues. There are recommendations on stakeholder engagement, devolution and mechanisms for strengthening delivery of levelling-up in communities.

These are all laudable in principle, especially the notion that local decision-makers, including the private sector, should have greater freedom to implement solutions that work for their area.

However, we caution that these approaches must be real and beneficial rather than tokenistic or burdensome. It is too easy to imagine new layers of bureaucracy or extra ‘talking shops’ appearing that will hinder the ambitions of the levelling-up agenda.

We are happy to contribute stronger partnerships between the public and private sectors where these will make a meaningful, positive difference.



About Peel Ports

We view ourselves as a game-changer for the companies that we serve as customers, the businesses that operate from our estates, and the regional communities we support.

We are enablers for economic development, acting as a catalyst, and inciting development in locations near our ports and within our hinterlands, bringing new business into the region and helping to kick-start wider redevelopment.

Our investment of around £1.2bn in the last 10 years has helped to future-proof our operations and open up new trade opportunities locally, bringing business to the regions in which we operate.

This investment - enabled by average 10% annual compound growth year on year over the past 10 years - has resulted in 1000s of new, high-quality, skilled job opportunities for people living in coastal communities across the UK.

We are one of the largest port operators in the UK, handling nearly 70 million tonnes of cargo per year and welcoming 15% of the UK's total port traffic through our waters.

Our facilities include Port of Liverpool, Manchester Ship Canal, Heysham Port, Clydeport, Great Yarmouth, London Medway and Marine Terminals Ltd container terminal in Dublin. This network handles a diverse range of cargoes including bulk liquids, bulk solids, automotive, energy products, agribulks and containers.

Our investments go beyond just ports. To help provide future-proofed sustainable connectivity, we are increasing the number of rail connections and multimodal services we operate.

The group's port operations are complemented by a shipping line, BG Freight, providing short-sea container services between the UK, Ireland and mainland Europe, and feeder services between the UK and Ireland.

Peel Ports Logistics provides a comprehensive portfolio of services by land and sea. PPL provides chartering and a range of port services including freight forwarding, customs clearance, ships agency, container haulage, warehousing, storage, and distribution services.

We employ around 2000 staff directly and supports an estimated 4000 roles indirectly. Thousands of skilled workers from different backgrounds thrive in their careers at our ports. We provide training, development and apprenticeship opportunities for many roles, from stevedores and pilots to HR advisers and accountants.

Our resilience, agility and visionary thinking is helping to ease supply chain pressure and bring new global trading opportunities to the UK and Ireland.

In doing so, we are also facilitating progress towards the country's Net Zero aspirations, with investment in science and research to future proof and decarbonise our operations, and help businesses reduce costs, congestion and carbon emissions.

Further reading

www.porteconomicsmanagement.org
www.britishports.org.uk
www.ukmajorports.org.uk
www.maritimeuk.org

Sources:
Maritime UK / CEBR, Maritime UK, British Ports Association



Group locations

Clydeport

Clydeport Head Office
16 Robertson Street
Glasgow
G2 8DS

Dublin

South Bank Quay Container Terminal
Pigeon House Road
Ringsend
Dublin 4

Great Yarmouth

Vanguard House,
S Beach Parade,
Great Yarmouth
NR30 3GY

Heysham

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Liverpool

Port of Liverpool Head Office
Maritime Centre
Liverpool
L21 1LA

London Medway

London Medway Head Office
Archway House
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In line our with our sustainability
commitment, this document uses carbon
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