



**SOLENT  
LOCAL  
ENTERPRISE  
PARTNERSHIP**

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**Sent by email only to [sotonemail@abports.co.uk](mailto:sotonemail@abports.co.uk)**

25<sup>th</sup> November 2016

Dear Sir / Madam,

**Re: Solent LEP Response to the Consultation Draft Port of Southampton Master Plan 2016-2035**

The Solent Local Enterprise Partnership (LEP) is pleased to respond to the Consultation Draft Port of Southampton Master Plan 2016-2035, recognising the significant contribution the Port makes to the Solent economy.

The Solent Local Enterprise Partnership (LEP) is a partnership organisation between the business community, the Higher Education sector, three unitary authorities, eight district councils and one county council, all of whom are actively working together to secure a more prosperous and sustainable future for the Solent area. These make up a fully-elected Board of 15 directors.

LEPs have been asked to provide a strategic role as the lead bodies for economic development in their areas. Accordingly, the Solent LEP is the key interface and lead for economic development in the Solent, and has set out its evidence-based strategy to deliver

transformational economic growth within the area in its [Strategic Economic Plan](#) (SEP), published in 2014.

The mainland Solent LEP area is the most urbanised area in the south of England, outside of London. It has a complex geography, significantly influenced by the coastal interface, which, whilst giving the area its unique character, provides both opportunities and challenges with regard to local economic growth.

Overlaid on this complex geography the Port of Southampton and Port of Portsmouth (including the Commercial Port and Naval Dockyard) provide the anchor points for our globally leading marine and maritime sector, which is one of the largest and most productive in the Solent economy, contributing 20.5% of our GVA and 5% of our private sector jobs.

ABP Port of Southampton is a major private sector contributor to the Solent economy, and plays a critical role in UK trade - which is expected to become more pronounced following the decision of the UK to leave the European Union (EU), with Southampton the closest UK port to the major shipping lanes linking Europe to the rest of the world, and in particular the key Shanghai to Rotterdam route. The Port supports 15,000 local jobs, contributes £1bn to the UK economy and handles over £71 billion of international trade each year. Southampton is the most productive Port in Europe and benefits from the natural advantages of a double-hide tide and sheltered berthing.

The Port performs a critical role within the UK supply chain, handling 900,000 vehicles in 2015, including around 520,000 for export, making Southampton the leading UK Port for car exports. The Port is the largest and primary cruise Port in the UK, handling 1.77 million passengers in 2015, and is the UK's second largest container Port.

The significant role of the Port of Southampton in relation UK trade is clear. Moreover, within the context of the decision of the UK to leave the EU, the combination of geographic location and the markets the Port is engaged in (most notably automotive exports and as the Port handles over one quarter of the UK's seaborne trade with non-EU countries, including 45% of the UK's container traffic with the Far East), the Port is strategically positioned to perform an increasingly important role for the UK economy within a new international trade landscape.

It is recognised that ABP has invested significantly in Port infrastructure and that this has both underpinned its rapid growth as well as the growth experienced by their customers. This includes investment in SCT5, dredging, multi-deck facilities and cruise terminals. This has enabled the cruise, automotive and container flows to grow and support ABPs commercial partners in the UK. Investment has enabled the Port to accommodate the largest container vessels and cruise liners in the world, within the context of increasing length and tonnage of vessels operating in both markets.

The Solent LEP is seeking to support the growth of the Port through its investment programme and through its engagement with strategic transport infrastructures providers. The [Solent Strategic Transport Investment Plan](#) (TIP) has identified a range of proposals that directly aim to strengthen access to / from the Port of Southampton. These include schemes that are committed (for example: M3 Junction 9 / A34; M27 Smart Motorways; M3 Smart Motorways; Redbridge Roundabout) as well as proposed schemes, for which funding is required. Of the latter, these include Millbrook Roundabout at Dock Gate 20, which the LEP is seeking funding for through round three of the Local Growth Fund. The LEP is also promoting schemes that will indirectly strengthen access to the Port. For example the TIP proposes the delivery of a Solent Metro service, which will provide an integrated public transport solution to support mode shift away from the highway, and in so doing, free-up highway capacity. In the vicinity of Southampton Solent Metro may free up rail capacity for freight journeys, recognising the aspiration of the Port to increase rail mode share. More generally, the TIP recognises that it will be imperative that reliable road access to the port of Southampton is a primary consideration, given its economic impact and value chain.

The Draft Port of Southampton Master Plan outlines planned growth forecasts in table 6.1 and it is noted that in relation to cruise and automotive, the forecasts in the previous Master Plan for 2020 (for cruise) and 2030 (for automotive) have already been outperformed. It is also recognised that the new forecasts may be conservative and have been tempered by constraints on land and berthing availability.

Following on from this, it is noted that the Port has invested heavily and restructured accommodation to intensify use and support its growth segments and that the Master Plan sets out plans to further intensify land use within the existing Port estate. However, a central and pervading message within with Master Plan is that despite significant efforts to intensify and optimise Port operations within the existing Port estate, there is expected to be a need to expand the Port within the lifetime of the Master Plan, and accordingly, ABP is proposing to undertake feasibility work to consider options to provide for growth.

As stated earlier in this letter, the Port of Southampton plays an important role within the Solent economy, providing jobs and contributing to our GVA. The Port also performs an important role within the wider UK economy and supports the growing UK automotive manufacturing sector. It is important that the Port is able to continue to perform these roles within the local and UK economies, and that the Port continues to maintain competition in the UK ports market to improve competitiveness. In addition, and recognising the proximity of the Port of Southampton in relation to the Europe to Far East trade route, the ability of the Port to provide for growth will ensure that the UK can continue to compete with competitor ports in mainland Europe.

Within this context and recognising that the [National Policy Statement for Ports](#) states that Government policy is to 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 capable of meeting the needs of importers and exporters cost effectively and in a timely manner, and that there is a compelling need for substantial additional port capacity over the next 20 to 30 years, the Solent LEP believe that ABP is right to begin to consider feasibility work in relation to port expansion.

The Solent LEP recognises that there will be a range of views on Port expansion, particularly in relation to expansion on to the Strategic Land Reserve but it is clear that the Port plays an important role within the Solent economy, and that investment in opportunities for intensification of activity on the existing Port estates may be fully optimised within the Master Plan period and that this may result in the inability of the Port to grow and enhance its contribution to the Solent and UK economies.

I hope that the above is helpful to informing the development of the Port Master Plan and should you wish to discuss any of the contents of this letter, I would be happy to do so.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Gary Jeffries', written in a cursive style.

Gary Jeffries  
Chairman  
Solent Local Enterprise Partnership