



**MARITIME UK
SOLENT**

Charting the course to a brighter future:

Maritime UK Solent
Recovery Plan

May 2021



Foreword



Perfectly positioned as a global gateway to lead growth and prosperity, the Solent has, in the past year, demonstrated the critical importance of maritime to the country. The last 12 months have been unprecedented; and the maritime sector is now looking to the future with recovery underway.

As a global maritime hub, the Solent is leading the way with new innovation in clean maritime and green shipping and we look forward to using our collective voice to help shape the future of enterprise in our maritime cluster, pioneering a low carbon return to growth which is fit for the future.

As part of the Maritime UK family, Maritime UK Solent is the sector's leading regional cluster, championing the maritime sector in the Solent and connecting with Maritime UK and wider stakeholders including HM Government, Local Councils and academia. This has proved invaluable during the pandemic in keeping the maritime community informed and involved, while continuing to showcase our world-leading assets, ready for recovery and growth. This was very much in evidence in the collaborative work undertaken to ensure that the Solent was one of eight freeports announced by Government in March 2021.

The sector is a catalyst for economic recovery and MUK Solent is committed to fast tracking this recovery. This is clearly demonstrated by looking at the role maritime continues to play in supporting the visitor economy in the Solent. In the past few weeks, we have seen significant milestones reached in the restart of the cruise industry: the arrival of P&O's flagship Iona – the largest cruise ship built for the UK market – in Southampton; Viking's newest ship, Viking Venus, sailing into Portsmouth; and MSC Cruise's new Virtuosa, making history as the first UK cruise ship to set sail from a British port in more than a year. Virgin Voyages has also announced that its first ever commercial passenger sailing, Scarlet Lady, will take place from Portsmouth, and work is underway by ABP to install a second Shore Power connection at the Port of Southampton, with investment from the Solent LEP.

The Maritime UK Solent Economic Recovery Plan is being published at a time when we look towards new opportunities and it seeks to chart a course to success for the regional maritime sector, showcasing the Solent's position as a global maritime hub and supporting the UK's ambitions for global trade and green growth. It sets out a strong plan – placing the Solent maritime cluster, which represents 20% of the area's economic output, firmly at the helm of the region's future.

The Plan identifies key opportunities and activities, and complements the wider [Solent LEP Economic Recovery Plan](#). It highlights our focus for continued economic recovery and growth in key areas where we can add significant value:

- Maritime Trade and Investment
- Business Support and Innovation
- Maritime Skills

We know that achieving these ambitions for our outstanding maritime cluster needs everyone on board, bringing the Solent maritime community together. Such collaboration is reaping benefits, as we can see from the development of the Solent Freeport and the trade and investment potential it brings whilst supporting prosperity in our coastal communities. We are also working with our outstanding universities and industry to stimulate wider innovation in decarbonisation and digitalisation, and we are looking to maritime to trailblaze new approaches in skills delivery. This includes working with Solent University to establish a maritime-led Institute of Technology, enabling us to look to the future and secure the pipeline of talent Solent maritime businesses need.

This is, undoubtedly, a new beginning for the Solent maritime sector; and we are determined to use the opportunity to inspire world class, innovative maritime businesses to grow, to attract new investment into the region and to collaborate with partners to deliver regional and national impact. Maritime UK Solent has a clear commitment to play a full part in ensuring that the maritime sector in the Solent prospers and continues to provide a world-leading maritime offer. Through this recovery plan we will be driving forward an ambitious agenda for growth and working with the Solent maritime community to meet the challenges of today and tomorrow.



Anne-Marie Mountifield

MUK Solent Board Member and MUK National Council Board Member



Introduction

This Plan details how Maritime UK Solent working with other local partners will support the Solent's marine and maritime sector through recovery from the Covid-19 pandemic.

The Covid-19 pandemic and associated restrictions on daily life have caused a major economic shock to the global economy. During this time, the Solent's international gateways have been playing a critical role acting as a lifeline to receive and distribute essential supplies and keeping important passenger connections operational. However, many of our marine and maritime assets face unprecedented challenges as a result of the disruption to global trade, reduced passenger and freight volumes, and the wider economic uncertainty that continues. Coming into the pandemic, we were proud to support a thriving marine and maritime sector cluster underpinned by six key features of maritime excellence: our Ports, academic and research capabilities, leisure marine, defence, and training, as well as a rich tapestry of heritage, visitor economy and cultural assets. It's overriding economic influence places the sector at the heart of the Solent's recovery response.

Maritime UK Solent is the regional body within the Maritime UK national network that brings together the Solent's maritime strengths and assets and champions the region as a globally significant maritime cluster. Supported by the Solent Local Enterprise Partnership (LEP), we have developed this Recovery Plan to help the Solent's marine and maritime sector adjust to the economic realities we now face and to realise the opportunities ahead.

Looking further ahead, we also want to support the sector in charting a new course which can provide added resilience and adaptability, expand opportunities for global trade, and foster innovation and creativity. As the UK's global gateway, enhanced by the designation of Solent Freeport, the Solent region has an important role to play in underpinning trade resilience and enabling our businesses to respond to, and take advantage of, new trading relationships. Our sector is uniquely placed to drive an innovative, green, export-led recovery in the Solent and beyond, whilst also supporting an economic renaissance of our coastal communities which we know have been disproportionately impacted by Covid-19. Working closely to support national priorities for recovery identified by Maritime UK, this Recovery Plan sets out an initial set of actions for how our sector community will work together across the Solent.



Our economic contribution

The maritime sector makes a significant economic contribution to the Solent, and therefore supporting its swift recovery and long-term growth is essential to the overall recovery of the region.

The Solent's natural coastal geography and strategic position means the region offers a unique marine and maritime sector proposition. We are the UK's premier international gateway, being the first port of call on the key Shanghai-Rotterdam shipping superhighway, and home to the UK's biggest export port at Southampton, and the UK's most successful municipal port at Portsmouth. The region also has significant assets within the defence, leisure, academic and research sectors that all contribute to a world-renowned marine and maritime cluster in the Solent.

The economic contribution of this cluster is significant, contributing nearly £6 billion GVA each year, accounting for one fifth of the Solent LEP economy. Our two Ports in particular represent key economic assets in this regard, and have a critical role to play in maintaining the UK's post-Brexit resilience and competitive advantage on a global stage. Supporting our marine and maritime sector through these challenging times, and helping it to thrive in the future, is therefore critical to the overall economic success of the Solent and UK.



£390m GVA generated for the national economy each year, £189m of which is retained in the local economy



The Port supports nearly 5,600 jobs, just under half of these are in the local area

For every £1m of GVA generated, a further £1.9m is stimulated elsewhere in the economy



4m tonnes of cargo pass through the Port each year, with a non-EU trade value of £700m



The Port of Southampton is one of the world's leading cruise ports and a major economic generator in the Solent



The Port typically handles over 500 cruise ship calls a year and over 2 million passengers

Some 85% of UK cruise embarkations are through the Port of Southampton, facilitating 14,000 jobs in the Solent region



Each cruise vessel call is worth on average £2.7m to the economy through passenger and line spend, with more than half of these benefits remaining in the Solent

Source: Based on data from [Portsmouth Port's Economic Impact \(2019\)](#) and [Associated British Ports: Port of Southampton Fifth Cruise Terminal Full Business Case](#)

Supporting national recovery

Maritime UK Solent is working at a local level to closely support the national-level priorities developed by Maritime UK and Government that are a key part of the Recovery Plan for the sector.

The marine and maritime industries across the UK come together through Maritime UK to make progress on shared priorities. Throughout the Covid-19 pandemic, industry has been working proactively to mitigate the immediate consequences on our sector. In recent years, industry and government have been working closely, resulting in [Maritime 2050](#): the first long-term strategy for the sector in a generation. Drawing on this, the [Maritime UK Sector Recovery Plan](#) identifies five key priorities (see box right) where the sector's collective priorities lie based on engagement with trade associations, regional clusters and other partners.

These priorities are consistent with our local objectives in the Solent. For example, one of the seven priorities of the emerging Solent 2050 Economic Strategy is to be a world-leading marine and maritime economy that builds on our existing assets and global competitive advantages, that can increase productivity and support our communities to prosper in a fast-changing world. Overleaf we set out how this translates into our local priorities for recovery.

The recent designation of the Solent as one of eight Freeports in England provides a once in a generation opportunity to level up the Solent and build back better.



Source: Maritime UK Sector Recovery Plan, June 2020

Our priorities for recovery

Our Recovery Plan is framed around four locally-significant priorities for the marine and maritime sector, each with a series of supporting future actions to guide a return to prosperity.



International Gateway

For centuries the Solent has flourished as the UK's coastal powerhouse, strategically located as a trading gateway of international significance. Today, as the country positions itself for economic recovery from Covid-19 and we look ahead to establishing new trading relationships with the rest of the world, these unique economic credentials and strengths remain more important than ever before.

Our marine and maritime cluster is exceptionally placed to lead the way in strengthening UK competitiveness on a global stage, in turn levelling up prosperity and opportunity so that all parts of our population and business base can contribute towards economic success. The sector's economic influence is significant and supports world class assets, a thriving supply chain as well as a rich tapestry of heritage, visitor economy and cultural assets. We need to leverage these assets and support our international gateways to build back their productive capacity to spearhead UK trade and investment in a post-Covid and post-Brexit world.



Our Action Plan

1. **Deliver Solent Freeport:** following the announcement in the March 2021 Budget that Solent has been designated as one of eight Freeports in England, Freeport partners will work with Government to rapidly move Solent Freeport to operation enabling benefits to flow to the Solent economy.
2. **Position our cruise industry for a return to growth** through expanding capacity and state-of-the-art passenger facilities at our Ports. This includes a new fifth Cruise Terminal at the Port of Southampton, providing world class infrastructure to safeguard its role as the largest cruise port in Europe, and securing agreement for delivery of a new passenger terminal annex at Portsmouth International Port. This investment will also play a major role in **boosting the Solent's visitor economy** as we develop a new Visitor Economy Strategy and seek to secure Tourism Zone status here in the Solent.
3. Support our Ports to **recalibrate to the new trading relationship with the EU** through new infrastructure such as Border Control Facilities.
4. Establish a **UK Transition Trading Hub** for businesses seeking to develop new business relationships on an international basis.
5. Maximise the Solent's role as a leading player within the **GREAT maritime marketing campaign**, including our critical role as the UK's international gateway.
6. Continue to **signpost support and practical guidance from government** to help those businesses re-entering the international export market following lockdown, as well as broader guidance on implementing social distancing measures as these change.
7. Work with Maritime UK to **lobby government to extend employment subsidy schemes and other financial support** for those parts of the sector facing particular challenges including ferry operators, leisure operators and education/training providers.



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Innovation

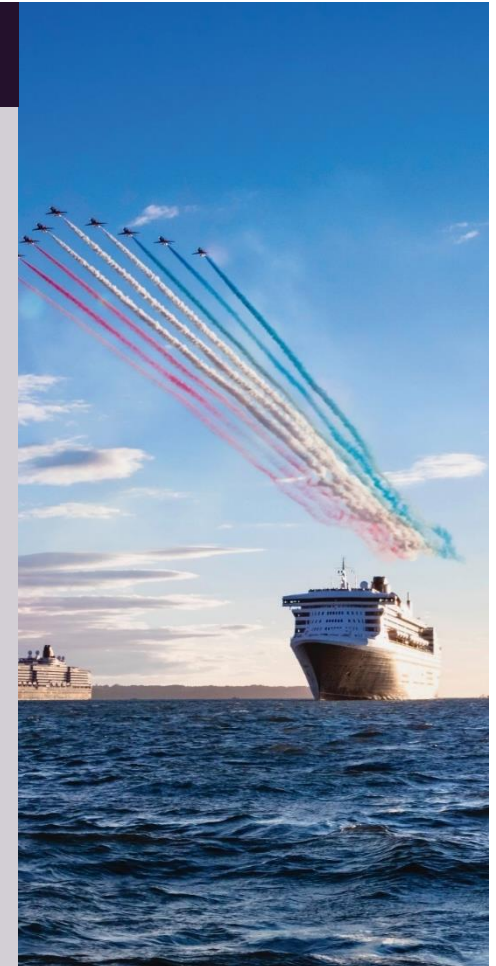
Our marine and maritime sector not only provides the industry and innovation base necessary to be at the leading edge of new growth opportunities, but also acts as a nationally recognised test-bed for a range of enabling and emerging technologies. For instance, the Solent region is pioneering research in marine and maritime autonomy and robotics, with cutting-edge projects including the application of emerging autonomous vehicle technologies, the development of hydrogen-powered water transport, and pioneering state-of-the-art shore-to-ship power solutions.

The presence of a world-leading research community, through its universities and research institutions which act as places of transformation, places the Solent at the forefront of pioneering marine and maritime-led innovation, with key assets including the Fareham Innovation Centre, University of Portsmouth's Future Technology Centre and the National Oceanography Centre. To support this continued innovation, we need to ensure that business, academia and other local partners have the tools and resources to collaborate.



Our Action Plan

1. Work with the south coast centre of excellence in satellite applications to **explore opportunities for satellite technology to support innovation** within the region's marine and maritime sector in key areas such as port operations (including through Solent Freeport), defence and security, leisure and transport, and autonomous vessels.
2. Fast track the sector's recovery by investing in a **Marine Innovation Hub** within a Solent port to support R&D into pioneering marine and maritime innovations. This forms part of **Solent Freeport** with a focus on creating a hotbed of environmental innovation within our world-leading marine and maritime economic cluster.
3. Maximise local innovation assets (such as clean maritime technologies) to **drive a green recovery** by identifying funding opportunities.
4. Via existing Maritime UK Solent and wider LEP networks, undertake a **maritime supply chain mapping exercise** to better understand its economic influence and significance, and support the further growth and resilience of local marine and maritime supply chains through awareness raising and targeted sector engagement.
5. Royal Navy to support the development of the **Solent Maritime Enterprise Zone (MEZ)** to provide a centre of excellence for maritime research, innovation, education, skills and training.



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Decarbonisation

The Solent is uniquely placed to support the move towards a greener, more sustainable maritime sector through pioneering new solutions to work towards zero carbon. In particular, we can play a leading role in supporting decarbonisation to reduce and mitigate the negative externalities associated with carbon emissions, for example through using cleaner electric power for water transport and exploring new ways to store carbon within marine ecosystems. Greener technology therefore must be at the heart of our investment plans.

The region's marine and maritime legacy provides a fertile ground for innovations in the clean growth arena, such as the development of the Wightlink hybrid ferry service – an environmentally friendly vessel that heralds a new, greener era of travel between the Isle of Wight and the mainland. Meanwhile, Portsmouth International Port has a clear ambition to become the first zero emission port under the Clean Maritime 2050 Plan. Linked to this, we also see a timely opportunity to pilot innovative solutions for green mobility – such as on-demand water taxi services and water-based goods transport – to support increased use of the Solent's waterways.



Our Action Plan

1. Lead the way in **pioneering 'shore power' technology** to deliver a zero-emissions cruise facility at the Port of Southampton, to become the first UK port to deliver shore power for a large commercial vessel, and supporting delivery of the government's Clean Maritime Plan in the Solent.
2. Work with Maritime UK to develop a **Greenprint for marine and maritime-led decarbonisation in the Solent**, pioneering new solutions towards zero carbon and contributing directly to government's Ten Point Plan for green economic recovery.
3. Launch the Solent as a **national pilot/test bed area to develop a Natural Solutions Hub** to trailblaze our green recovery and transition to a net zero carbon economy, bringing key assets and ideas together from marine, maritime and complementary sectors to pioneer innovation and application of green technology to drive longer term growth and productivity.
4. Establish a **world-leading centre for pioneering new and innovative solutions to the Greening of Maritime** to support the Government's ambition that the UK 'lead the way in taking action on clean maritime growth, enjoying economic benefits from being an early adopter or fast mover'.
5. Develop a new LEP-wide fund to invite applications to bring forward **low carbon solutions for the Solent's marine and maritime sector**, supported by wider skills development opportunities facilitated through a new Institute of Technology within the Solent.
6. Work with the Environment Agency, New Forest National Park Authority, and wider partners to **explore opportunities for blue carbon capture**.
7. Through Solent Freeport, **establish a Green Growth Institute**, to provide a pipeline of green innovators and entrepreneurs.



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Skills

As the Solent's marine and maritime cluster grows and embraces new technology as a way of enhancing productivity and to support innovation, the sector's skills needs will evolve. We need to ensure that future skills development opportunities within the areas of decarbonisation and natural capital keep pace with evolving technology and business requirements and are accessible to the local community.

The Solent is already a world centre for maritime training; the University of Portsmouth has opened a Future Technology Centre as a hub for higher-level qualifications in innovation engineering, while the Centre of Excellence for Composites, Advanced Engineering and Marine (CECAMM) on the Isle of Wight is a specialist training centre for engineering, including for marine and maritime businesses. The world-leading Warsash Institute of Maritime Science and Engineering, based at Solent University, boasts state-of-the-art facilities, as well as offering first class education, training, and commercial services to all maritime sectors worldwide. Our substantial contribution to the maritime skills agenda and innovation in careers education was recognised in the recent Maritime UK awards where the Solent won the Future Skills award.



Our Action Plan

1. Work in partnership with the Hampshire Chamber to establish a **Local Skills Implementation Plan (LSIP)** to place employers at the heart of a new skills system to provide the Solent with the technical skills employers need.
2. Undertake an analysis of **how the Covid-19 pandemic has impacted upon skills and future labour market requirements for the sector**, working in partnership with the Solent Skills Advisory Panel and Maritime Skills Commission.
3. **Establish an Institute of Technology within the Solent**, through the national bidding process later this year, to ensure employment and training opportunities are created within marine and maritime and associated advanced manufacturing and tech sectors over the medium to longer term.
4. Support and accelerate the **delivery of key skills and training infrastructure projects**, particularly those to support the short to medium term shift towards more remote and virtual learning, and equipping our marine and maritime talent base with essential post-Covid workforce skills including digital literacy.
5. Deliver world-class employer-led training facilities for our marine and maritime sector as part of **Solent Freeport**, which includes an ambition to **develop a Green Growth Institute**.
6. Develop a **dedicated online Skills Portal** to showcase and signpost the range of skills development opportunities available across the Solent's marine and maritime sector, supported by a high profile marketing campaign in 2021.
7. Working with the Solent Skills Advisory Panel, undertake a **strategic review of marine and maritime skills provision** and mix across the Solent to identify gaps and areas of under/over provision.
8. Solent Maritime Enterprise Zone to develop a **careers outreach programme for the maritime sector**.



Realising wider growth opportunities

These recovery activities are supported by ambitious development projects underway across the Solent to grow, diversify and boost the global competitiveness of our marine and maritime cluster.

Fawley Waterside Maritime Innovation Park



Fawley Waterside aims to create an 'Intelligent Merchant City' self-sustaining community at the former Fawley Power Station site. It will be the UK's first 'Smart Town' designed and built with technology from the ground up and developed with leading tech firms. The objective is to create 2,500 jobs in the new community and to strengthen the marine and digital economy of the Solent region. Fawley Waterside will focus on high-growth commercial, leisure and academic segments of marine and maritime, providing specialist marine infrastructure including a working harbour with direct access to Southampton Water, a 400m long canal, dry boat stack and wet berths.

Tipner West Maritime Quarter



Tipner West is being transformed into an exemplar maritime community; building on the traditions of Portsmouth's thriving maritime history, it will become home to a vibrant and innovative marine employment campus, reinforcing the Solent's position as a world-leading marine and maritime cluster. Focused on the main boatyard area, it will provide full tidal access and a range of flexible employment spaces for an extensive marine sector supply chain. Portsmouth City Council is also working with universities, colleges and private sector training organisations to expand the skills development and marine education element of the campus.

Venture Quays Isle of Wight



Venture Quays at East Cowes represents a flagship investment opportunity and prime waterfront site on the Isle of Wight, home to the historic Columbine building famous for its iconic Union flag doors. Following acquisition of a number of sites known collectively as Venture Quays, Isle of Wight Council is progressing plans for a mixed-use redevelopment to safeguard the Island's marine and associated industries and kick-start economic recovery. This includes opportunities for new marine training facilities and skills development provision.

Marchwood Port Redevelopment



The development of Marchwood Port will bring significant investment into one of the Solent's key ports. With its sea, rail and road connections, Marchwood is in a highly sustainable location and offers opportunities to significantly increase opportunities for cargo to be imported by sea. The proposals for the site will increase its capacity and operation to make more effective and efficient use of port land, making a substantial contribution to UK imports and exports. The upgraded Marchwood Port is expected to create c.1,100 new jobs onsite and in the supply chain, providing a key boost to local prosperity and economic recovery.

Mayflower Quarter Southampton



At 84 ha, Mayflower Quarter is one of the largest city centre regeneration opportunities in the UK, extending from Southampton train station to the Solent waterfront. Southampton City Council is leading exciting plans to transform this high profile area to provide world class facilities for business, homes, retail and leisure. The overarching ambition is to reconnect the city centre with the sea and one of the Solent's prime waterfront areas with its hub of cruise sector activity and other leisure opportunities. Completion of the masterplan coincides with the culmination of Mayflower 400 celebrations marking the journey of the Pilgrims on the Mayflower to the New World.



How we will deliver

Maritime UK Solent will lead a collaborative approach to deliver this Recovery Plan working with a range of private, public and third sector partners.

Maritime UK Solent will work with stakeholders across the marine and maritime sector to help support all parts of our industry through the challenging process of recovery and, importantly, building a platform to enhance the long-term growth and resilience of the sector as the UK seeks to establish new trading relationships with the EU and globally.

We have already made early progress (see box below) to secure new investments in the Solent. In doing so, we will not only sustain the future of one of the Solent's most significant industrial sectors but also the coastal communities in which the maritime sector supports significant economic activity. We will work with the support of our local network members, the Solent LEP, the wider Maritime UK organisation, and provide a link to government to help achieve these objectives. The Recovery Plan will be updated on an ongoing basis.

Investing to kick start economic recovery

Through the Solent LEP's £15.9m Getting Building Fund (GBF) funding package, we are investing in a series of 'shovel-ready' infrastructure projects to stimulate jobs and support economic recovery across our world-leading marine and maritime cluster.

This includes a **new fifth Cruise Terminal at the Port of Southampton** which will deliver an iconic wave inspired building complete with solar generation and 'shore power', ensuring a world leading zero emissions facility for cruise vessels in port. The additional terminal capacity and world class infrastructure will ensure that Southampton retains its place as the largest cruise port in Europe, can capture additional economic benefits and growth opportunities as the cruise sector rebounds, alongside making an important contribution to the transition to zero emissions in the maritime economy.



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