



House of Commons
Welsh Affairs Committee

**Ports in Wales:
Government Response
to the Committee's
Fifteenth Report of
Session 2008–09**

**Third Special Report of Session 2009–
10**

*Ordered by the House of Commons
to be printed Tuesday 26 January 2010*

HC 308
Published on 1 February 2010
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Welsh Affairs Committee

The Welsh Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Office of the Secretary of State for Wales (including relations with the National Assembly for Wales).

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Third Special Report

The Committee published its Fifteenth Report of Session 2008-09 *Ports in Wales* on 6 November 2009. The Government response was received on 13 January 2010 and is published as an appendix to this Special Report.

Appendix

The Department for Transport welcomes the Committee's report on Ports in Wales and is pleased to make this response on behalf of all United Kingdom Government departments with an interest, including the Wales Office.

The Welsh Assembly Government

We note that a number of the conclusions and recommendations in the report are addressed to the Welsh Assembly Government. The demarcation of responsibilities under the devolution settlement was set out in the Department for Transport Memorandum. It is therefore for the Welsh Assembly Government to comment on matters on which they lead, but where appropriate we have also commented.

The Wales Office

Several recommendations invite the Wales Office to facilitate collaboration between the Welsh Assembly Government and Whitehall departments including in particular the Department for Transport. The Government accepts such recommendations. We believe, however, that this reciprocal relationship is already working well and delivering positive results for Wales.

Response to specific Conclusions and recommendations (pp. 51-58)

(numbers are as in Report)

The cruise market/ barriers/challenges

1. The relevant authorities must work together in Wales to ensure that the passengers who currently visit Wales on cruise liners spend their money in the hinterlands of the particular port of call. If improved facilities are developed in Wales, it will be essential that this co-operation continues. (Paragraph 22)

2. Cruise based tourism can bring significant benefits to local economies. A limited number of cruise liners already visit Welsh ports but their frequency is constrained by the lack of appropriate facilities for them to berth safely. This could be resolved at relatively little cost compared to the economic benefit that might accrue from putting Wales on the cruise map. There is a significant opportunity for Wales to capitalise on the growth of the cruise market and demand for new cruise destinations, but co-ordinated work and investment will be required to deal with existing constraints and enable Wales to benefit from the projected growth of the cruise market. (Paragraph 26)

3. Cruise companies need a long lead time to plan their itineraries and advertise these to customers. Work to develop the jetty at Holyhead should start as soon as possible, and efforts will need to be made to quickly find ways of overcoming problems associated with state aid. (Paragraph 32)

Response

This is principally a matter for the Welsh Assembly Government and stakeholders in the travel and tourism industry. The growth of cruise holidays has opened up new opportunities for tourism as operators appear to look for new and varied destinations. In most cases these locations are interdependent with facilities at sea ports but as the Committee will have heard, the facilities are not necessarily major.

In Wales, ports policy (except in respect of small fishery harbours) is not devolved and it is based on non-intervention. Ports are expected to operate in a competitive market without subsidy. The issue of State Aid can be complex and, if it arises with plans for developments in Wales that affect Welsh ports, the Department for Transport is ready to discuss with the Welsh Assembly Government.

4. The lack of quayside facilities for ships mean that, at the moment, other ports in the UK and Ireland are more attractive to cruise companies than those in Wales. Investment is needed to develop these facilities; *the Department for Transport should assist the Welsh Assembly Government's efforts to ensure that this happens as soon as possible.* The Welsh Assembly Government should continue to work with the cruise companies through Cruise Wales to ensure that any facilities developed in Wales meet their requirements in the medium to long term. (Paragraph 33)

Response

The Department for Transport considers that availability of quayside facilities is matter for the ports to address in the light of their business plans. We recognise the benefits to be got from cruise calls and would be pleased to work with the Welsh Assembly Government to help ports on the same basis as for elsewhere in the UK. We cannot, however, provide funds to invest in ports and would point out that it would serve no good purpose if different regions of the United Kingdom were to raid each other's business by subsidising local ports.

5. The Cruise Wales partnership works hard to raise the profile of the whole of Wales as a cruise destination, and to gain a better understanding of the needs of both the cruise lines and their customers. We welcome the recent announcement of £1.2 million in European Funding for the Celtic Wave which will enable the ports of Holyhead, Milford Haven and Swansea to work with their counterparts in Dublin, Waterford and Cork to market the region as a cruise destination. However, more ambition must be shown in order to exploit the full potential of the cruise market. Promoting Wales as a destination along with other Celtic/Irish Sea ports must be a priority so that the cruise lines can include Wales in their itineraries as soon as possible. *The UK Government should support this work so that the UK as a whole can offer a more diverse range of itineraries to cruise companies.* (Paragraph 34)

6. Developing the cruise market in Wales will benefit the whole of the UK. By improving the facilities in Wales, more UK based cruise itineraries can be created but this will require public investment. We are concerned that the lack of clarity from the Department for Transport about the scope and availability of public funding for cruise facilities could affect ambitions to develop Wales as a cruise destination. The Department's policy of non-intervention in port development should not apply in this context. The market will not invest in a capital scheme for developing cruise facilities because of the low rate of return to the port operators from cruise operations. *We are concerned that the Department for Transport has not given sufficient consideration to the benefits to local and regional economies from cruise tourism.* (Paragraph 36)

Response

The Department for Transport is not responsible for tourism but is supportive of the aspirations that Wales has to improve its economy through transport measures than can, in turn, help tourism. It is for cruise operators and for the tourism industry to promote the destinations but we recognise the importance of good passenger transport facilities. We are willing to talk to relevant authorities and stakeholders to provide help in Wales or elsewhere in the UK but cannot provide financial support.

Cruise Wales has representation within CruiseBritain which has been in existence since March 2008. CruiseBritain is run under a joint initiative with the Passenger Shipping Association with a financial contribution from government through VisitBritain.

Logistics / short sea shipping

7. Ports are a key link in the supply chains in the UK. Overseas manufacturers and freight forwarders will look at the total supply chain from the point of origin to the final destination. *The UK and Welsh Assembly Governments need to be aware of the relationship between logistics and supply chains and the location of jobs.* Furthermore, the Welsh Assembly Government should ensure that it understands what the market requires by undertaking demand forecasting to inform policy development and assist the Welsh ports to increase their business. (Paragraph 44)

8. We recommend that the Welsh Assembly Government undertakes a review of spare capacity at Welsh ports. This would help identify the transport and infrastructure improvements needed to facilitate more freight movements through Welsh ports. The freight sector needs a long lead-time to plan operations. We suggest that this activity should, therefore, start as soon as possible. (Paragraph 45)

9. Whilst a large scale container development in Wales would not be viable, we would support the industry's view that Wales should be developing short sea shipping or feeder services to and from the main container ports in the UK and North West Europe. This would provide business opportunities for the ports and would reduce the environmental impact of the freight sector. We would encourage the Welsh Assembly Government to assess the scope to develop business in this area with the aim of increasing the volume of goods being transported to Wales by sea. (Paragraph 51)

Response

We recognise that Welsh ports may have potential to participate in movements where goods are transhipped at larger ports. We fully agree with the analysis and importance of the supply chain. The Department for Transport has been particularly focused on this since the Eddington Report and within its current work programme of Developing a Sustainable Transport System. We are aware that the Welsh Assembly Government is currently undertaking studies in this area.

Energy Sector

11. The Welsh Assembly Government is well placed to assist the Welsh ports to take advantage of the growth of the renewable energy sector, both in terms of servicing the industry and as a location for energy installations. Welsh Assembly Government Ministers should work together to identify where these opportunities exist and communicate them to the UK Government. The Wales Office has a role in making sure this direct liaison happens. (Paragraph 57)

Response

DfT are working with the Department for Energy and Climate Change on aspects of renewable energy including the role of ports in supporting the relevant industries. Both departments would be interested in the views of the Welsh Assembly Government.

A distinctive Welsh approach

12. *The Department for Transport and the Welsh Assembly Government have different views on the investment of public funds in ports. The former supports an approach that lets the market lead investment, whilst the latter supports greater government engagement. The Department for Transport's approach has worked for the larger English ports because the growth of the sector in England and Wales is skewed by their success, and boosted by their high population densities and high levels of economic activity. Most Welsh ports, however, are operating below capacity and face specific challenges which would justify a more strategic approach to their development. (Paragraph 64)*

13. Increasing the volume of freight being transported by sea would reduce the environmental impact of the freight sector. However, Welsh ports face specific challenges (such as poor connectivity with the transport network - see section 3), which shackle their ability to compete. For this reason, we welcome the Welsh Assembly Government's willingness to consider investing in Welsh ports. We believe there is merit in identifying where there is spare capacity at Welsh ports and opportunities for the future. (Paragraph 65)

14. The Department for Transport acknowledges that decisions on port development are best dealt with regionally or locally but maintains that investment in ports should be market-led. The different approaches of the Department for Transport and the Welsh Assembly Government could result in the lack of agreed and coherent strategic

objectives for Welsh ports, in the knowledge of which sound commercial investment decisions could be confidently made. Government at all levels must use its powers in a complementary and focused way to achieve agreed outcomes that will lead to an expansion in the port sector. In this context, we would expect the Department for Transport to follow through its stated commitment to local decision-making in the creation of locally relevant policy. It must be prepared to co-operate with the Welsh Assembly Government to consider public investment where local factors inhibit the exploitation of market forces to provide for investment in Welsh ports. We recommend that the Department for Transport and the Welsh Assembly Government develop a distinctive ports policy for Wales to identify where investment should be targeted to enable the sector to thrive. (Paragraph 66)

Response

The Department for Transport would like to see ports flourishing in Wales as much as anywhere in the UK but believe a policy of market-led investment and non intervention is the way to achieve these goals and that there is no justification for developing a different policy for Welsh ports.

We recognise nevertheless that, while port activity should be driven by the needs of local customers, there is scope for strategic collaboration provided that it is not anti-competitive and we are certainly not averse to the Welsh Assembly Government facilitating such collaboration.

There may also be circumstances where the Welsh Assembly Government provides economic support to another industry that has an impact on a port. Notwithstanding State Aid rules, this would not necessarily be seen as contrary to UK ports policy; but each case would be considered on its own merit.

We believe that in the above matters the policy is very clear and disagree with the Committee's view that it is not.

15. Given the administrative division of reserved and devolved matters relating to ports, we believe that the Wales Office should play a much greater and more proactive role in facilitating and encouraging co-operation between the Welsh Assembly Government and relevant central government departments. The Wales Office must ensure that it is doing everything possible to represent Welsh interests within Whitehall. The Wales Office does not have the technical expertise to deal with many of the specific issues involved, so, *a robust and direct working relationship must be established between the Department for Transport and the Welsh Assembly Government. It is essential that the Department of Transport should have a clear understanding of Welsh needs and priorities in order to ensure that the right support is on offer.* The personal role of the Secretary of State for Wales in particular—as well as the Wales Office as an institution—is crucial. He must make sure that in this area of policy such relationships are established, maintained and work well. This is, of course, the key role of the Secretary of State and his team across all areas of Government policy and interaction. (Paragraph 67)

Response

The Wales Office supports the Secretary of State for Wales in ensuring the smooth working of the devolution settlement in Wales, and representing Welsh interests within the UK Government and the UK Government in Wales, as well as being Wales' voice in Westminster and Westminster's voice in Wales. This means that the Secretary of State and his Wales Office staff are responsible for maintaining the relationship between UK Government and the Welsh Assembly Government, and addressing policy issues that have an implication for Wales.

The Wales Office continues to promote awareness of the devolution settlement amongst Whitehall Departments and maintains an ongoing programme of meetings that encompasses all Whitehall Departments. This has included a joint meeting held with the Welsh Assembly Government and the Department for Transport in July 2009 to try and increase understanding among the three bodies of their roles and how they can work to increase co-operation. A similar meeting was held in April 2009 with representatives of the Welsh Assembly Government and the Home Office.

The Government accepts the Committee's recommendations regarding the Wales Office's role in ensuring co-operation between Whitehall Departments and the Welsh Assembly Government. We believe that this reciprocal relationship is working well and delivering positive results for Wales. However the Wales Office will continue to work with other Whitehall Departments, including the Department for Transport and the Home Office, to ensure that they continue to interact with both the Wales Office and the Welsh Assembly Government to the benefit of the people of Wales.

At the Welsh Affairs Select Committee hearing on 15 December the Deputy First Minister acknowledged there is now a strong Ministerial steer.

Grant Funding

16. The Department for Transport and the Welsh Assembly Government should raise awareness of the eligibility of ports for the Freight Facilities Grant. (Paragraph 68)

Response

The Department of Transport is represented in the Wales Freight Group and is content to work with this group and the British Ports Association. We are also happy to facilitate, where relevant, in making stakeholders aware of the possibility of obtaining this grant. The Welsh Assembly Government in its report on Cross-border provision of public services for Wales (17 July 2009) concluded that the Wales Freight Strategy was a good example of a co-ordinated and inter-modal group created by key stakeholders.

17. The Department for Transport and the Welsh Assembly Government should do more to assist ports in Wales to access relevant EU funds where these are available. Witnesses told us, however, that in many instances the rules set by the European Commission mean that these funds are not available for Welsh ports. In these cases, the UK Government should lobby the EU for a fairer system. (Paragraph 71)

Response

The Department for Transport is prepared to help and facilitate in this matter in relation to EU transport funds. We know of no reason why Welsh Ports should not be eligible for funds in principle under both TEN-T Motorways of the Sea or the Marco Polo II funding programmes. An example would be modal shift funding. However, eligibility under both schemes is subject to strict conditions in relation to competition and potential distortion of the market and the competition for these limited funds is fierce. The Department for Transport and Welsh Assembly officials are meeting Welsh ports managers in early 2010 to brief them on these funding programmes.

Policy Framework

18. All levels of government must facilitate the development of Welsh ports by providing the right policy framework within which they can operate efficiently. Our evidence has demonstrated that at present these conditions do not exist. Many Welsh ports are disadvantaged because of inadequate road or rail links, or because of delays within the planning process. For Wales's ports to develop and increase their contribution to the economy, the *Department for Transport and the Welsh Assembly Government should put in place the right policy framework, which includes an integrated transport policy, land use planning and spatial planning across regions and borders*. The Wales Office should proactively encourage this process. (Paragraph 74)

Response

The Department of Transport's policy was clearly defined when it was set out in a Ports Policy Review (Interim Report) published in 2007 and re-stated in the UK National Policy Statement for Ports. This was issued for consultation on 9 November and DfT also hosted a consultation road show for stakeholders in Cardiff on 7 December.

19. We found no evidence of tension between the Department for Transport and the Welsh Assembly Government at present. However, we are concerned that a lack of dialogue at ministerial level could result in different levels of government moving in different directions on ports policy. Given the administrative division of reserved and devolved matters relating to ports, close co-operation will be needed in the future to ensure that policy remains joined up, and that all levels of government share ambitions and coherent objectives for the ports in Wales. The Wales Office should be central to this process. (Paragraph 77)

20. Government needs a thorough understanding of the needs and challenges facing the freight and ports sectors to be able to develop appropriate policies that can facilitate their growth. The Wales Freight Strategy is an example of a co-ordinated and inter-modal view of the freight sector which is supported by the Wales Freight Group and more recently the Ports sub-group, and is a model which could be used more widely by government. The Welsh Assembly Government will need to continue to work closely with the freight sector to understand logistics chains, the role of the Welsh ports in these and how government can facilitate their efficient operation by providing the right policy framework. Stakeholders such as the Welsh Freight and Ports Groups are being

used to ensure that relevant policies take account of the needs of this sector. This data should inform the Welsh Assembly Government's discussions with the Department for Transport on issues affecting Welsh ports. The existence of these stakeholder groups should therefore result in the ports having a more effective means of proactively engaging with both the Department for Transport and the Welsh Assembly Government. (Paragraph 84)

Response

The Department for Transport is represented in the Wales Freight Group and is content to work with this group and the British Ports Association.

21. We note that the Welsh Assembly Government Minister for the Economy and Transport does not see a role for the Wales Ports Group in liaising with the Department for Transport. *Nevertheless, despite the reassurances from the Department for Transport that they regularly liaise with the ports, we are concerned that there is little consultation with the sector on relevant policy areas at a UK or England and Wales level.* We recommend that the Department for Transport should use the Wales Ports Group as a means of consulting with the ports industry in Wales to gain a better understanding of their collective concerns regarding relevant government spending decisions. We also recommend that Department for Transport officials should participate in the Wales Freight Group, if the group believes this would enhance the Department's understanding of the challenges facing the Welsh ports and wider freight sector. (Paragraph 85)

Response

The Department for Transport and Welsh Assembly Government consult regularly through officials on matters that concern both England and Wales. The Department for Transport is represented in the Wales Freight Group and is content to work with this group and the British Ports Association.

Cross border co-operation

22. The Department for Transport and the Welsh Assembly Government must work together to address cross-border rail and road issues affecting ports. Decisions on investment in the wider transport infrastructure have affected the efficient movement of goods and people in and out of the Welsh ports and the competitiveness of the Welsh ports. A lack of co-ordination has resulted in inadequate landside access to some Welsh ports in the past. Greater cross-border co-operation on this issue is essential and should form part of an integrated transport policy that covers all modes of transport. The Wales Office should facilitate and encourage this process. (Paragraph 91)

Response

The Department for Transport is fully aware the Committee's tenth Report of Session 2008-09 *Cross-border provision of public services for Wales: Transport* on 17 July 2009. The Government response was received by the Committee on 28 October and was published as

an Appendix to its Ninth Special Report. Subsequently, Department for Transport and the regional Minister for the South West gave further oral evidence on 15 December 2009.

23. Both levels of government should ensure improvements and construction work on the Strategic National Corridors and the Welsh Trunk Roads Forward Programme are closely co-ordinated. We urge the Welsh Assembly Government and the Department for Transport to keep the whole supply chain in mind when considering transport infrastructure improvements and to consult fully with each other before commissioning such improvements. (Paragraph 93)

Response

Infrastructure, particularly the operation of the National Trunk Roads Network in England and Wales, is constantly monitored, reviewed and improved by the Department for Transport (through the Highways Agency) and the Welsh Assembly Government. We agree that consideration of the Welsh Trunk Roads Forward programme is essential to ensure that links to ports meet the needs of the shipping and whole supply chain industry. It is taken into account in the context of routine cross border liaison as referred to in the Government response to the Cross Border report mentioned above.

Roads

24. The lack of a dual carriageway serving the important ports in Pembrokeshire causes traffic congestion and longer journey times for vehicles and passengers using these ports. This issue impacts on their attractiveness to freight businesses. We acknowledge that there needs to be a sufficient justification for expenditure to dual this route and that the Welsh Assembly Government's current approach allows for duelling in the future, should this be justifiable financially. The Welsh Assembly Government should keep this issue under review so as to ensure that ports in Pembrokeshire are not disadvantaged by an inadequate road connecting them to the main motorway network. (Paragraph 98)

Response

This is a matter for the Welsh Assembly Government as responsibility for highways is a devolved matter. The Welsh Assembly Government is responsible for motorways and trunk roads in Wales. Local authorities are responsible for the remainder of the road network.

25. The Welsh Assembly Government's consultation on the National Transport Plan proposes improvements that will address the capacity issues on the A55 across the Menai Strait. We welcome these proposed improvements and urge the Welsh Assembly Government to ensure they take place as soon as possible. (Paragraph 101)

Response

This is a matter for the Welsh Assembly Government.

New links from the ports

26. Where expanding a port's operations requires investment in road and rail infrastructure, it is right that the developer should pay a proportion of the cost. However, our evidence suggests that existing guidance is unclear about the extent of public funds which may be available to assist development. Both governments should provide more clarity on the contribution they are willing to make to such developments and within a timeframe that enables ports to plan their future business activities and investments. (Paragraph 106)

Response

The Department's guidance on *Funding transport infrastructure for strategically significant developments*, issued last year, sets out the circumstances in which Government will consider co-funding infrastructure which benefits both developers and third parties, and the ways in which funding shares should be calculated and negotiated. It is never possible to be certain, many years in advance, what budget constraints will apply at the time of such negotiation, but every effort will be made to engage with developers at an early stage to determine funding availability from all interested parties.

Rail

27. Upgrades of the rail network would be required if rail were to contribute fully to the transport of goods to/from Welsh ports. We welcome the UK Government's recent announcement on the electrification of the line from London to south Wales, which will provide more capacity for goods on the railway, therefore more opportunity to move goods by train. *The Department for Transport should clarify whether there will be benefits for freight as a result of this development.* (Paragraph 112)

Response

There will be no immediate direct benefits for freight as the scheme is for high speed passenger transit. However, electric locomotives would eventually be able to be used instead of diesel to haul freight services and Network Rail is working with the freight operators to evaluate the feasibility of 'wiring' freight yards and terminals on this route.

Strategic and land use planning

28. The level of importance afforded to the ports as economic drivers varies across local authority areas in Wales. This can have an impact on not only policies within the area, but also policies that cross local authority boundaries, such as transport. The Welsh Assembly Government has a central role to play in ensuring that local authorities recognise the potential of ports and that the planning system and transport infrastructure operate ways that benefit the ports, or will be able to benefit the ports in the future. *The Department for Transport must play its part and the Wales Office must ensure that different levels of government are joined-up and that cross-border co-operation takes place.* We reiterate the importance of considering the whole freight supply chain in policy and planning decisions, both locally and nationally. (Paragraph 117)

Response

The Draft National Policy Statement for ports addresses this by providing the framework for future decisions on proposals for new port development. Major projects will be considered by the Infrastructure Planning Commission (IPC). In addition regular cross-border co-operation between the Department for Transport and Welsh colleagues does take place.

Land use conflicts/ Environment

29. Land suitable for use as harbours or ports is a valuable resource, and in urban settings is non-renewable: once given over to other purposes it cannot be easily replaced. The port operators are best placed to understand the requirements of their business and to identify land which is surplus but they should do this in close consultation with the business and local community. Whilst disposing of land for non-port related functions, such as housing, might provide the ports with higher financial returns in the short term, the local authorities should work closely with the port operators to ensure that it does not compromise any future development at the ports that might lead to job creation in the local area. Where necessary, local authorities should use their planning powers to restrict use of land to port-related functions and secure it for the future. (Paragraph 121)

Response

Planning guidelines for the protection of port land against irreversible development are set out in the Interim Report on the ports policy review, issued by the Department in July 2007. This states that there should be a strong presumption in favour of safeguarding where there is at least a reasonable likelihood of restitution to significant operational use within fifteen years and where the alternative use in contemplation is one, such as residential development, which will be difficult to reverse.

30. Renewable energy developments in the Severn Estuary could significantly impact on the tidal regime in the estuary, which in turn could affect the operations of the ports in Cardiff and Newport. Provided that adequate locking facilities are built in, not all these implications would necessarily be negative. *The UK and Welsh Assembly Governments should give careful consideration to the potential impact of any development in this area on the South Wales ports, together with the Wales Freight Group.* (Paragraph 126)

Response

We can assure stakeholders that all interested parties including the South Wales ports and the Wales Freight Group will be considered in any impact analysis. The Government consulted on a short list of potential Severn Tidal Power projects in January last year. Following the receipt of public representations we announced in July that studies of all the impacts of the shortlisted schemes would be undertaken including those on the estuary ports. A further public consultation on our conclusions will be undertaken later this year.

Threats

31. We heard in evidence that joint assessments of all of the risks between different authorities do not happen at present and that there may be scope for greater coherence between the different arrangements. This lack of coherence could lead to differing priorities over the allocation of resources for security. Witnesses reassured us that this area is kept under review, but we recommend greater harmonisation of risk assessment methodologies to ensure consistency. We further recommend that the proposed Joint Committee on the National Security Strategy examine this aspect of national security at an early opportunity. (Paragraph 135)

Response

Security risk assessment work is undertaken on a collaborative basis by the police and by HM Government departments and agencies. The fullest opportunities are taken to share the information available. The existing police led strategic management groups ("portals") have a regional focus and are multi agency forums which promote joint working and information sharing. In addition Department for Transport will shortly facilitate the establishment of Port Security Authorities (PSAs) in Wales to ensure the requirements of The Port Security Regulations 2009 are fully implemented. These PSAs will provide assistance in the co-ordination of security planning and an opportunity for information from existing security risk assessments to be used in the completion of port wide security risk assessments. These local PSAs will liaise closely with the existing regional Police Portal Groups.

Border control

32. We urge ports and carrier companies to work more closely with the UK Border Agency to ensure that correct and timely passenger and crew information is provided. This would help the authorities to develop an accurate picture of movements in and out of the UK from the Common Travel Area. (Paragraph 138)

Response

The current arrangement of the Common Travel Area (CTA) continues to present a significant risk to the border security of the UK and this risk is likely to grow as the border is strengthened elsewhere through UK Border Agency initiatives such as the e-Borders system, new visa regimes and biometric borders. UKBA remains committed to reduce the risk associated with the CTA and strengthen the UK and wider CTA border.

UKBA engages actively with all sectors of industry that will be impacted by e-Borders. It recognises that there is great diversity in the carrier community in terms of information technology infrastructure and business process and UKBA is committed to working with carriers to minimise the impact upon them.

The information gathered on all travellers, passengers and crew entering or leaving the country by air or sea will allow UKBA to identify passengers who are a potential risk and alert the relevant authorities.

UKBA aims to roll-out e-Borders in partnership with the carriers on air and sea routes between the UK and Republic of Ireland in 2010 allowing it to target its operational activity effectively.

Although it is principally for the ports industry to deal with the UK Border Agency, the Department for Transport recognises the importance of developing an accurate picture of movements across borders. This will greatly assist in the intelligence based approach to controlling the traffic which is the least disruptive to ports and travellers. Department for Transport is prepared to work with the ports and the Agency to find mutually acceptable solutions.

Police and border control staffing at ports /Milford Haven /Co-operation

33. In light of conflicting evidence, the Welsh Assembly Government, Wales Office and the *Home Office* should ensure the engagement of SOCA (the Serious Organised Crime Agency), Special Branch and the Security Service (MI5) in identifying, categorising and tackling the threat, in liaison with other law enforcement and order protection agencies. (Paragraph 143)

34. We emphasise that witnesses did not state that specific threats to Milford Haven had been identified. However, we did hear concerns about the risk of a threat and the specialist capability of the local police force, Dyfed Powys Police, to respond in the necessary time, as defined by the *Home Office*, to deal with any incidents at such a site. Milford Haven is a vital port and has expanded rapidly. Dyfed Powys Police must be adequately resourced to deal with the demands they now face in this area. We recommend that additional resources be made available to Dyfed Powys Police to enable it to undertake these activities. These resources must be proportional to its additional responsibilities and must reflect the importance of Milford Haven to the whole of the UK. (Paragraph 146)

35. There is considerable co-ordination between agencies within Wales, with relevant bodies across the border, and nationally, on issues of ports security. Co-operation between the police and authorities dealing with control of the borders is particularly efficient and avoids duplication and overlap. (Paragraph 152)

36. However, we are concerned that the evidence we received suggested there were gaps in existing arrangements and that relationships could be improved. Minimising the threats to the ports and their hinterlands requires all the relevant players to co-operate effectively. The authorities and the private sector will need to work closely to facilitate this. The ports and ferry operators must play their part in ensuring that the authorities, such as the *UK Border Agency*, have adequate information on passengers travelling into the UK. (Paragraph 153)

Response

Welsh ports are policed by local police forces and this policing is funded through business rates. Local forces do not provide a dedicated port service but respond to incidents when called. If necessary, they would be supplemented or overseen by Special Branch resources.

The Home Office recognises that Milford Haven is home to a number of Critical National Infrastructure assets and is a factor that would be taken into account when allocating additional funding to support police activities at this key port.

Security provision at Welsh ports is a reserved matter and is part of the UK-wide maritime security policy. The security measures applied at UK ports are proportionate to the assessed security threat and in accordance with international and EC requirements. The balance has to be found between facilitating the travelling public and trade, and providing protection through a range of deterrent, detection and preventative measures.

Transport Security Inspectors conduct a regular programme of inspection activity throughout the UK to ensure that the right resources, plans and procedures are in place, and ports in Wales are regularly inspected.