



Appendix 4

Outcomes from the Future Trends Workshop

APPENDIX 4 – OUTCOMES FROM THE FUTURE TREND WORKSHOP

A4.1 This appendix provides a detailed summary of the Mega Trends Workshop conducted on 5 July 2007 at the Hotel Marriott in Portsmouth. The aim of the event was to identify potential global economic, environmental and land use changes (or future scenarios) that could arise over the next 10 - 20 years and to assess the potential economic implications for the marine industry.

A4.2 The identified trends were used as part of the evidence base to develop realistic and robust growth scenarios for the industry along with appropriate recommendations for economic and spatial policies to address the future strategic needs of the marine industry.

A4.3 Approximately 70 people were approached to participate in the day's events out of which 22 people responded positively and attended. Representatives from across the full spectrum of organisations involved in the marine sector industry including commercial interests, the leisure industry, manufacturers, local government and other marine organisations were targeted for their input. The knowledge of the marine industry and expertise available on the day enabled a high quality discussion and debate on the future prospects for the marine industry within the Solent. A list of delegates is provided in Table A4.1.

A4.4 There were three short presentations (copies of which are provided at Appendix 3) looking at future trends in the Study Area in relation to:

- the commercial port and shipping sector;
- the leisure industry;
- consents, legislation and land use issues.

A4.5 Each presentation was followed by a facilitated debate to discuss these topics in further depth. The delegates were broken into three small groups of between 7 – 8 people and were led in discussion by independent facilitators provided by SEEDA. The facilitators were provided with a pack of information by the consultant team, setting out key issues and questions that might be covered by the groups, whilst being mindful of the need to avoid stifling discussion or leading the debate.

A4.6 The programme of the day's events is provided below along with the delegates in the respective groups in Table A4.1. The remainder of the appendix provides the notes of the respective groups taken by the independent facilitators.

Programme for The Mega Trends Workshop

12 Noon	Arrival, registration and lunch
12.45	Introductory Presentation, Martin Hendry, Adams Hendry Consulting Ltd.
1.00	Presentation on 'The Commercial Port and Shipping Sector', Steve Young, Associated British Ports (ABP)
1.15	Breakout Workshop Discussion

2.00	Feedback
2.15	Presentation on 'The Leisure and Recreation Sector' Sally Banham, British Marine Federation (BMF)
Tea Break	
2.30	Breakout Workshop Discussion
3.15	Feedback
3.30	Presentation on 'Planning Regulation, Legislation and Environmental Change', Martin Hendry, Adams Hendry Consulting Ltd.
Tea Break	
3.45	Breakout Workshop
4.30	Feedback and closing discussion
5.00	Close

Table A4.1 - Future Trends Workshop Delegates and Groups

Group 1	Group 2	Group 3
Mark Merritt – Formula Yacht Spars Ltd	Malcolm Hearnden – Hamble Yacht Services	Brian May – Berthon Boat Company Ltd
Doug Sutton – Southampton Yacht Services Ltd	Paul King - RYA Southern Region	John Eads – Marina Developments Ltd
Paul Karas – Fleet Support Ltd	Tracy Hewitt – Solent Forum	Alan Cole – Hampshire County Council
Neil Miller – New Forest District Council	Jeff Walters – Southampton City Council	Linda Dine – Gosport Borough Council
Nicola Coutts – SEEDA	Sally Banham – British Marine	Kathy Slack – SEEDA
Steven Young – ABP	John Cervenka – Premier Marinas Ltd	Authur Monk – Solent Enterprise Hub
Trevor Moore – SEEDA	Tim Stansfield – SEEDA	Stephen Fry – Fry Samuels and Associates (Lymington) Ltd
Tony Burch – Environment Agency	Commander Andrea Crook – Portsmouth Naval Base	

NOTES MADE FROM FEEDBACK SESSIONS

Presentation on 'the Commercial Port and the Shipping Sector'

Steven Young presented on 'the commercial port and the shipping sector', defining the different port related activities and providing an overview of the economics, growth, opportunities and future potential of the Port of Southampton.

Feedback and key issues from the discussion

Group 1

- Unavailability of land for future expansion of the commercial port is a hindrance;
- There is resistance to further development from environmental lobby groups;
- There is continuing loss of employment land due to pressure from housing development;
- There must be sensible balance between meeting future commercial and housing requirements;
- High land value for residential use is likely to be a short term phenomena;
- A large number of small marine businesses do not have a voice in an increasing complex and competitive economic environment;
- Environment issues especially sea level rise and flooding are a major concern.

Group 2

- Dialogue between Environment Agency, English Nature and other environmental organisations with the developers, planners and local and regional planning agencies needs to be conducted at an early stage to resolve conflicts between development and environmental protection;
- Environmental concerns (flooding, sea level rise and climate change);
- Role of the Port at Portsmouth in the Solent region. The Port faces major problems of poor rail connections, lack of land for expansion and flood risk;
- Preparation of a plan to handle the exceptional rate of growth of the commercial port;
- Need to revisit the Dibden proposal to accommodate further growth at the Port of Southampton;
- Greater involvement of the Environment Agency and other environmental organisations is required to find solutions to accommodate development?

Group 3

- Economic value of the industry is not captured locally;
- There should be a focus on the cruise and container sectors in the region and a comparison with other ports in the UK;
- The study should assess the marine industry's impacts on the supply chain;
- Better coordination amongst the different authorities (EA, DEFRA, LPAs, English Nature) and the marine businesses is required. Key issue – role of public sector agencies (Local Authorities, Environment Agency, Defra, English Nature) needs to change to one of partnership. Public sector need to act as enablers of economic opportunity. Public sector and industry need to speak with one voice. At present any success in the industry is in spite of public sector, rather than because of it;

- Port is nationally important, its contribution should not be underestimated;
- Lack of awareness and appreciation locally (particularly amongst young people) of opportunities and contribution that Port presents;
- Concern over availability of land to sustain expansion of Ports – danger of becoming secondary;
- Although some transport improvements planned these will not be enough;
- Bureaucracy is dissuader of investment – needs to be easier;
- Historic lack of awareness of Port's contribution/importance to local economy by both local authority and local community – need to educate to redress this;
- Additional value derives from business co-location to Port.

One of the common issues raised across the groups was the need for government organisations to be facilitators rather than regulators.

Presentation on 'the Leisure and Recreational Sector'

Sally Banham presented on the leisure and recreational sector giving an overview of the major events, marinas, boatyards, manufacturing and the design sector in the Solent Region; and an overview of future areas for innovation and possible new technologies in the sector.

Feedback and key issues from the discussion

Group 1

- With a pessimistic view, in 20 years time, there will be no manufacturing left in the area;
- The marine sector is very fragile and jobs follow capital (work follows capital and jobs follow work);
- Strategic investment in and backing of the marine sector needs to be carried out in the UK along similar lines to that taking place in mainland Europe;
- The profile and importance of the marine sector should be raised and promoted;
- Government agencies need to take decisions more rapidly. There is too much bureaucracy.

Group 2

- Demand is outstripping supply for berthing and mooring. Additional land is likely to be required to expand the recreational and leisure market;
- Businesses face problems with expansion, especially due to the Habitat Regulations. Natural England and the Environment Agency need to work closer together to find solution;
- One solution to the shortage of space is to increase dry stacking;
- There is scope to expand current niche markets such as the power and luxury boat sectors;
- Handling facilities and other infrastructure to enable super yachts to be serviced along the Solent area is required and this could be a significant economic growth area. Presently, yachts go to Holland or mainland Europe for servicing and repairs;
- Demand is for marina related development with associated facilities and services (restaurants, B&B, hotels, bars). These are magnet's for the yachting community but are also attractive leisure destinations within Hampshire.

Improving these centres will bring wider economic benefits, for example if the Solent can continue to host and stage major yachting/boating events;

- More emphasis is needed on vocational training courses linked to schools to address the current skills shortage and attract the young generation into the marine industry.

Group 3

- “Wake up Solent to what you have here” – the industry is a big boost to the economy and needs to be promoted and recognised as such;
- There is a need to set up new markets and to attract the super yacht sector. This would also help to support the existing markets;
- Something urgently needs to be done to protect skilled labour from migrating to other industries;
- There is lack of understanding of the enormous talent and knowledge in the area and failure to capitalise on this strength.

The overall message is to manage space effectively, improve leadership and decision making processes and boost the image of the marine industries.

Presentation on ‘Planning Regulation, Legislation and Environmental Change’

Martin Hendry presented on the trends in planning, legislation and environmental controls.

Feedback and key issues from the discussion

Group 1

- There is currently little planning distinction made between different types of employment in land-use plan allocations. Employment uses are often not defined which is not helpful to support marine industry;
- The profile of the marine industry must be raised;
- The different sectors of the marine industry need to act together and with one voice;
- Better coordination is required between different Local Planning Authorities (LPAs) and other agencies so that they act with common purpose and as essentially a single agency;
- The economic value of the marine industry must be assessed;
- Marine industries are the appropriate use for coastal or flood risk areas instead of housing or other commercial or retail uses.

Group 2

- We need to change the way we think – Strategic thinking;
- There is a need for a strong statement on the future economic potential of the marine industry;
- The role of government agencies must be to solve problems rather than simply regulating activity;
- The study should calculate the economic value and benefit of investments to the area from marine industry.

Group 3

- “Interpretation, Engagement, Information and Communication” are critical;

- Interpretation of European legislation is perceived to be more relaxed across Europe. The UK's 'strict interpretation' puts marine business here at a disadvantage;
- Better engagement in the development process is required by different government agencies like the Environment Agency and Natural England;
- Many marine businesses are not aware of changing regulations and legislation. There should be better sharing of this kind of information within the marine community and early on in the development process;
- Role of the public sector agencies in enabling development within the marine sector is very important;
- There is scope for a range of promotional events to be held across the Solent area to promote the marine sector once the Study is published.

Main conclusions

- The importance of PUSH and its approach for the future of marine industries;
- Redressing the balance between the environment and human activities;
- Retaining marine sites;
- Strategic thinking;
- Need for good leadership to steer the marine industry which is perceived as a declining industry and needs to be fixed;
- Co-ordination and common purpose across the Solent.

NOTES TAKEN DIRECTLY FROM THE FACILITATION OF THE GROUPS

Discussion One – Commercial Ports Sector

- Port of Southampton is nationally important, its contribution should not be underestimated;
- Lack of awareness and appreciation locally (particularly amongst young people) of opportunities and contribution that Port presents;
- Concern over availability of land to sustain expansion of Ports – danger of becoming secondary;
- Failure of previous expansion (ie Dibden Bay) but showed more could be achieved on existing land;
- Move from plc to private limited company seen as reducing accountability and transparency – not easy to access comprehensive data on Ports operations
- Cruise and container uses – should one go elsewhere?
- Key issue – need to take a strategic view about what uses go where, what generates most value for Southampton Port – think about whole supply chain, direct, indirect and induced effects on economy;
- Discussion regarding Felixstowe versus Southampton: Felixstowe has capacity and lower costs on site, Southampton is better located and offers transport cost savings;
- Although some transport improvements planned these will not be enough;
- Bureaucracy is dissuader of investment – needs to be easier;
- Need to be able to identify new market opportunities;
- Historic lack of awareness of Port's contribution/importance to local economy by both local authority and local community – need to educate to redress this
- Additional value derives from business co-location to Port;
- Problem of displacement – just moving jobs and skills from one place to another;
- Land values are rising – landowners/businesses can still make money if premises remain empty because its too difficult to get planning approval etc
- Key issue – role of public sector agencies (Local authorities, Environment Agency, Defra, English Nature) needs to change to one of partnership. Public sector need to act as enablers of economic opportunity. Public sector and industry need to speak with one voice. At present any success in the industry is in spite of public sector, rather than because of it;
- What do volume of traffic percentages given in presentation mean in terms of number of ships?
- In relation to expansion for logistics purposes need to look properly at whether Dibden is still on the agenda and how to go about it. Could it be repackaged to include logistics uses?
- Involve Environment Agency and other bodies more closely;
- Needs a mindset change, different thinking about the coast, it's not just a line where the land ends;
- There is a need to understand show stopping issues e.g. if climate change / sea level rise mean that further growth is not possible we need to understand this now, it's a different future to manage;
- Issue of economics, is the commercial port going to generate enough added value for the economy/ GVA for it to be worth safeguarding compared to the economic value of residential uses? Need regional and national statements of its worth to build up a case;
- Portsmouth Port's role also needs to be recognised;

- Will Portsmouth's lack of a rail terminal affect growth?
- Links between commercial shipping sector and rail need to be recognised.

Discussion Two – Leisure Marine

- Marinas are a key driver of the industry = boats needing servicing, refit etc and have numerous leisure spin-offs, eg. accommodation, restaurants etc
- Marinas need to be in right location;
- Efficiency of space – use dry stacking for sports/motorboats;
- Lack of marina expansion restricts supply chain growth and ancillary services
- Environmental regulation – interpretation in UK disadvantages industry. Competition issue – greater flexibility elsewhere in Europe where onus is on environmental bodies to prove development will have negative impact. In UK onus is on industry to prove development will not have negative impact;
- Regulatory requirements take excessive amount of time and costs of developing proposals are high in developing proposals that may not succeed;
- Economic benefit generated by visiting sailors is 5 x that of visitors to/from land-based locations – latter also more detrimental to environment as often involves travelling by car etc;
- Need to address training needs. Unequal playing field at moment – businesses that invest often find staff are then poached by other companies. Issue of displacement - danger of SEEDA investment in one site drawing businesses and/or staff from another in area. Lack of funding for adult education;
- Perception of industry needs to improve to attract more young people;
- Needs to be public sector investment to support apprenticeships across the board;
- Need to think big and attract new markets eg. superyacht. Investment needs to be in big buildings, heavy lifting equipment (where not already provided) and deep water sites to support superyacht market. Supply chain links and spin off that follows important benefit for existing companies and local economy;
- No subsidy for companies – invest in infrastructure needed and businesses will follow;
- Perception that 'leisure' not that important, lack of awareness about commercial impact/benefits and links to sporting excellence;
- There is a moratorium on marina development at the moment;
- Very difficult to get consent for marinas due to habitats directive;
- Is there demand – yes;
- Port Solent could be a case study – total environment of a marina with spin-off restaurants and shops;
- Situation is currently profitable for marina owners as scarcity increases charges that can be made however its making boating appear more expensive and elitist which is not an image wanted;
- Information / Communication flow between market/business and planners/authorities is slow;
- Need to get planners, EA, EN, BMF and marina companies all sitting down together with a map and plotting out where marinas could go;
- More use of dry stacks;
- Why has manufacture gone elsewhere – costs of skills and space/ facilities;
- UK/ Solent has niche markets – power boats and luxury should these continue to be a focus of efforts;

- Most super yachts are exported;
- Revenues involved in servicing super yachts need to be quantified – what is the impact of super yachts, are more service yards required?
- Promote Solent as centre of excellence try to host more events, as these bring economic benefits;
- Should the Boat show move to Portsmouth, Naval base facilities to accommodate events;
- Lack of skills;
- Need to encourage young people into boat building, encourage them to take up a trade.

Discussion Three – Planning and Environmental Regulation

- Interpretation of directives – currently creates disadvantage and makes UK industry less competitive;
- Needs to be balance between industry and environmental needs;
- Need engagement with environmental agencies/bodies and commitment to finding a solution;
- Issue of early notification and information on new regulations and potential impact on marine industry so that can seek to influence/lobby before too late – businesses often not aware;
- Trade Associations have information/lobbying role but environmental agencies need to be encouraged to consult and share information with them
- Education of public sector bodies re. business contribution and issues affecting industry;
- Communication with key councillors – perhaps a series of promotional information events on site to demonstrate importance and improve understanding;
- Need to work collectively to seek protection for businesses against flood risk
- Lots of land-use aspirations to consider and balance - feels like a pressure cooker;
- Need to think about priorities, can't give everything equal weighting;
- Need some big priorities we can get behind delivering, perhaps around the triangle of assets - port, defence, and leisure;
- Idea of land-banking could have merit;
- Strategic coastal management with input from all sectors is needed. Really need to raise the game and change way of thinking;
- Needs leadership;
- Is the leisure marine sector able to justify its importance economically? It is very fragmented, is the data there for the Solent?
- We need to make a statement about how much economic growth the marine sector can contribute so that planners / agencies take notice. Need to increase its profile;
- Agencies should be given the remit and flexibility to act as problem solvers rather than regulators;
- Leadership is needed, a shared vision for the marine industry is not there;
- The marine industry is an immature, mature industry.