



## Appendix 6

Summary of Main Points Raised in Face to Face Interviews

## **APPENDIX 6 – SUMMARY OF MAIN POINTS RAISED IN FACE TO FACE INTERVIEWS**

### **Introduction**

A6.1 The following appendix summarises the main points which were made to the consultant team during the face to face interviews. To allow interviewees freedom to express their thoughts and ideas it was made clear that the points and opinions raised would not be made attributable to specific individuals.

### **Identified problems**

A6.2 The problems identified by those interviewed can be summarised as:

- High labour costs, scarcity of skilled labour, a lack of proper training institutes and an informal process followed for recruiting labour. There are also problems with labour retention, lack of company loyalty and aging key workers in the industry with a lack of younger, new employees.
- High land values in part attributed to the functioning of the land-use planning system, businesses priced out of the market by residential development and difficulties faced by stakeholders in accessing information on alternative options.
- Majority of marine businesses are family run. High land values force small businesses to sell their land to other higher value uses, such as housing, which can be more profitable than continuing in the marine sector.
- Loss of shipbuilding in the area.
- Listing of dry docks in Southampton.
- Loss of marine industry skills base to other industries, especially the construction industry.
- No servicing and repair facilities for super yachts in the region.
- Commercial operators face huge difficulty in dealing with environmental groups and organisations on environmental issues. These organisations are concerned with eco rights but in turn have damaged marine industries.
- Marine industry is very diverse.
- The major environmental issues faced by marina operators are flooding and sea level rise, in addition to loss of cheap land and pressure from residential development.
- Operators face vehicular parking problems.
- Planning permission for extending development onto the foreshore and beyond is very difficult to attain. The main restriction is impact on the environment. There is a lack of political desire to support marine activities.
- The region also suffers from an acute shortage of skilled labour.
- Criticism of the Government's decision to increase housing without thinking of job creation.
- Marine industries are too small to have their voice heard by policy makers.
- There is a severe shortage of waterside facilities.
- The Port at Southampton has not reached its peak but there is already scarcity of land at the Port. Portsmouth Commercial Port site is limited

but still has capacity. However the Portsmouth has a limited market as it is unable to serve container trade. 'New' residential neighbours complain about various port activities which have been historically taking place.

- The marine industry is very diverse and hence difficult to define. Local Authorities find it difficult to obtain a co-ordinated marine industry view on matters.

### **Political / Institutional issues**

- Marine industries find it frustrating to recruit skilled labour and/or having to find money for training – no 'government' support given for this.
- SWERDA is offering large amount of money to marine industries based in the Solent to shift their base to South West England. The agency also proposes to provide better facilities and subsidies to the sector in their region.
- There should be more centralised administration to help identify stakeholders and assist marine businesses with access to information. Larger companies could assist smaller ones to work more efficiently and productively if linkages were improved within the industry.
- The economic importance of the marine industry is not recognised by the local electorate, which also 'controls' the local planning process.
- The industry feels that it is not adequately consulted and has no support from SEEDA or other local planning authorities.
- EA recently been given further responsibilities on guiding development in coastal areas by DEFRA.
- The government needs to provide a suitable mechanism to assist marine industries to grow.
- The planning system needs to safeguard marine sites for future development and save the industry from extinction.
- There is seen to be a lot of political interference in the planning system in the region, with strong resistance against economic growth.
- There is no guarantee that protection will be provided in flood risk areas. Detailed design is left to developers, having regard to the LPA and EA flood regulations.
- The Government needs to change their policy for the marine sector and need to strike a balance between marine industries and the environment. To bring the industry on track, central government must be motivated to supervise development in the Solent.
- The difference between mainland European countries and the UK is the proactive approach of Governments on mainland Europe in encouraging the marine sector. Marine sites have been safeguarded in these countries and heavy subsidies have been provided to marine businesses.
- Proactive decisions need to be made at national or regional level. Decisions on the marine industry development are too big for the small parish councils that exist at the local level.
- Organisational changes on the Isle of Wight over the last year have been positive for marine industries. It has been realised politically that marine industry plays an important role in the development of the island and the politicians are ready to make tough decisions in favour of marine industries – even though there is a lot of local resistance.

- The IoW council is trying to safeguard sites and make them available to marine industries but due to strict environmental legislation this has been difficult.
- In terms of skills development, the council has been successful in training labour but are also losing it to the larger companies.
- The Government needs to invest, as companies are not willing to pay for infrastructure development.

## **Location**

- The RAF Hythe site is not environmentally sustainable. It has no boat launching facilities and the water here is not deep.
- Waterside facilities are scarce and commercial operators have limited options for physical expansion.
- Larger marine businesses often sublet their sites to other marine businesses to create a 'one-stop shop'.
- Environment will play an important role in shaping development in the future. Portsmouth lies in a high flood risk zone with areas of high population density located on low-lying coast. In addition to Portsmouth, there are certain high flood risk pockets in Southampton.
- Water quality in the Solent area is a major problem due to high levels of nitrates in the water as a result of a number of wastewater works in the area. The poor water quality has a negative impact on wildlife at a small scale and in specific areas. There are however inadequate facilities to meet the effluent discharge requirements of boating activities.
- Marine leisure industries are attracted to the Solent due to the proximity to the Isle of Wight, sailing waters of the Solent and connectivity by road and railways to the rest of the UK. The success of the Solent in attracting the marine sector lies in its location, which is close to the economic centre of the country and has good transportation links with other parts of the UK.
- Proposals for residential development at Woolston have squeezed the site, decreasing the area available for marine use. The Halmatic site in Porchester and the Daedalus site are not favourable options for expansion as they both lack infrastructure and would require huge investment.
- It is important for the marine sector to have a cluster of ancillary and like-minded marine sector industries in the area, as they all depend on each other to a certain extent.
- VT have decided to sell the Porchester site as it was expensive for them to retain. Halmatic will be shifted to Portsmouth naval base.
- Woolston Site: There are two parts to the development at Woolston, 1300 dwellings and 40000 square metres of employment floor space, some of which is marine related. Woolston is ideal for the marine sector and should be developed only for the marine industries. However, the presence of 1300 houses is a real problem for marine industries if they shift to Woolston.
- Other sites on the river Itchen need huge investments to develop infrastructure.
- Portsmouth commercial port has the advantage of good accessibility to the motorway. The motorway however in addition to the Naval Base limits the physical expansion of the port.

- Any scope of expansion for the commercial port at Portsmouth would be possible only if the Naval base operations shrinks in size.
- Marine industries on the Isle of Wight are attracted by the advantages of a pool of cheap labour (cheap labour when compared to that on the mainland). Many customers are based in the Solent, including many other small marine clusters. The Island is close to Southampton and international trade routes.

## **Other**

- Need to analyse what world leaders are doing right and bench mark ourselves (Britain) with companies like Hiswa (Dutch) and Super Yacht (New Zealand).
- 2012 Olympics will help to boost international business in the region.
- Environment
  - Any development in the future will need to have an assessment for flood risk and sea level rise.
  - There will be different flooding and protection standards for commercial, leisure and residential uses.
  - Marine businesses will need to take their own decision as to whether to locate along the coast and should be aware that there is no guarantee of protection from Local Planning Authorities (LPAs) and Environment Agency (EA).
  - It will be advantageous for marine industries to locate near residential areas, due to higher protection standards for residential development when compared to commercial and retail uses.
- Most operators in the region are recognising the physical limitations of site expansion and are intensifying activities on existing sites.
- Southampton will suffer a continuing pressure from leisure, commercial and retail development.
- Changes in technology will enable larger ships, which may lead to Southampton's downfall, reducing its status of a hub to more of a satellite port. Also, European ports will tend to take away business from British ports in the future.
- Support infrastructure for the leisure industry needs to be developed. Motorised boat market should be attracted to the area.
- The industry needs to raise its profile by attracting more media coverage of the large number of yachting events that take place in the region.
- Solent has three pillars of strength, the commercial port in Southampton, naval port in Portsmouth and the leisure industry based in Cowes, Hamble and Chichester.
- Cities need to compete in niches – this niche could be lost if nothing is done about it now.
- Poole is the main competitor to Portsmouth, however in terms of business Portsmouth fairs better than Poole. Newhaven is now emerging as another competitor to Portsmouth. Even though its location is not ideal, businesses in Newhaven are highly subsidised to operate from there.