

**PROPOSED LIVERPOOL CRUISE TERMINAL EXTENSION  
HARBOUR REVISION ORDER 2019**

**HARBOURS ACT 1964**

**MARINE MANAGEMENT ORGANISATION**

**STATEMENT IN SUPPORT OF APPLICATION BY THE  
MERSEY DOCKS AND HARBOUR COMPANY LIMITED**



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### **Appendix 1**

### **Appendix 2**



## 1 Introduction

- 1.1 This statement has been prepared in support of an application for the proposed Mersey Docks and Harbour Company (Liverpool Cruise Terminal Extension) Harbour Revision Order 2019 (“**HRO**”) by The Mersey Docks and Harbour Company Limited (“**MDHC**”) and Liverpool City Council (“**LCC**”).
- 1.2 MDHC is the statutory harbour authority for the Port of Liverpool (“**the Port**”) and is promoting this HRO application. LCC is funding the HRO application and, if confirmed, will construct, operate and maintain the works for which it makes provision, on terms to be agreed between MDHC and LCC.
- 1.3 This application is for a HRO under section 14 of the Harbours Act 1964 (“**the 1964 Act**”) to authorise the construction and maintenance of works within the Port, including:
  - 1.3.1 the demolition of the existing timber and concrete decked jetties (known as Princes Jetty);
  - 1.3.2 the construction of a reinforced concrete suspended deck together with the creation of a new terminal building, with a gross floor area of approximately 10,000m<sup>2</sup>, for use as a baggage hall, passenger lounges and other associated facilities;
  - 1.3.3 the construction of a vehicular and pedestrian linkspan bridge approximately 85 metres in length connecting the new terminal building with the existing landing stage;
  - 1.3.4 the construction of a new floating pontoon approximately 20 metres in length connecting the new linkspan bridge with the existing landing stage;
  - 1.3.5 modifications to the existing landing stage, including the removal and relocation of the existing pilot boat launch facility, works to the existing walkway cover, the existing lower terminal buildings and the existing linkspan bridge; and
  - 1.3.6 the removal of existing and the construction of new steel mono pile mooring dolphins, together “**the Proposed Development**”.
- 1.4 A hybrid planning application was submitted by LCC on 8 November 2017 in respect of the Proposed Development and further development and was approved in outline by the City Council Planning Committee on 3 April 2018 (“**the Planning Permission**”).
- 1.5 The application was screened by the Marine Management Organisation (“**MMO**”) who concluded that the proposed works relate to a project which falls within Annex I or Annex II of European Directive 2011/92/EU and therefore constitutes development requiring an Environmental Impact Assessment. The application was consulted upon and a Scoping Opinion subsequently issued by the MMO on 16 March 2018.
- 1.6 This statement explains why the proposed works described in the HRO are needed and how the requirements of the 1964 Act have been met.

## 2 Documents

- 2.1 This HRO application comprises the following documents:
- 2.1.1 a draft of the proposed HRO;
  - 2.1.2 accompanying plans and drawings including a location plan for the works, works plans and sections;
  - 2.1.3 this statement including appended schedules summarising the powers sought under the HRO;
  - 2.1.4 an Environmental Statement (October 2017) comprising three volumes:
    - (a) Volume 1: Main Report;
    - (b) Volume 2: Figures; and
    - (c) Volume 3: Appendices.
  - 2.1.5 an Environmental Statement Addendum (March 2019) which has been informed by comments received from the MMO and its statutory consultees;
  - 2.1.6 a Marine Policy Assessment; and
  - 2.1.7 the application fee in the sum of £10,000.
- 2.2 Although not part of this application, copies of the Planning Permission and related application documents are available on LCC's website.

## 3 The Port and MDHC

- 3.1 Liverpool's port heritage dates back to the beginning of the eighteenth century. In 1709, the original port authority, Liverpool Common Council's Dock Committee, was authorised to construct Liverpool's first enclosed ship basin, the Old Dock, which was the world's first commercial wet dock.
- 3.2 From those origins, Liverpool built its international reputation as a gateway to the new world. Ships from Cunard, White Star and Empress Lines carried passengers and goods to the Americas and beyond. These ships brought great cultural wealth to the City, making it the hub of creativity and culture that it is today.
- 3.3 In 2007, the opening of a cruise terminal off Princes Parade ("**the Existing Terminal**")<sup>1</sup> and associated passenger facilities along Princes Parade ("**the Existing Passenger Facilities**") heralded a resurgence in cruises to and from Liverpool. During the summer 2016 season, the Existing Terminal hosted sixty-three cruise ships, welcoming 80,759 passengers and 33,917 crew in the process.

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<sup>1</sup> Constructed under powers conferred by the Mersey Docks and Harbour Company (Liverpool Landing Stage Extension) Harbour Revision Order 2004 (S.I.2004/1280).

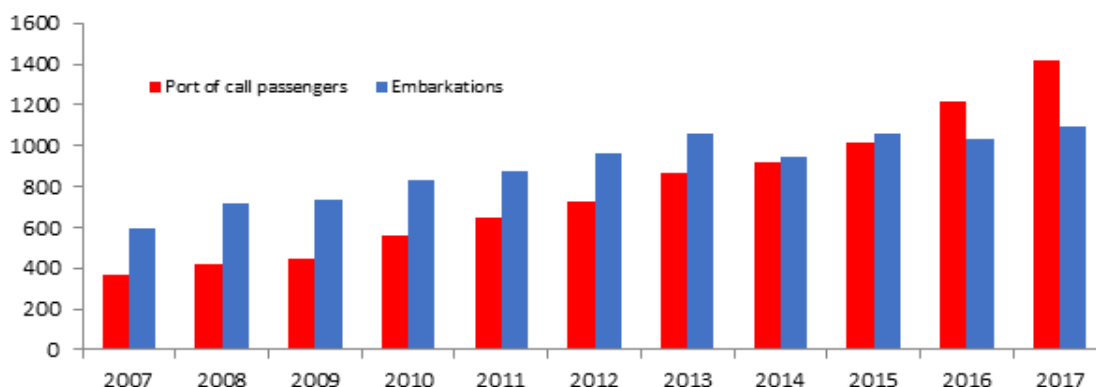
- 3.4 Liverpool is a destination much coveted by the cruise industry, providing access to a vibrant international city. The visitor experience at the Existing Terminal is award winning, voted the best 'UK Port of Call' by Cruise Critic Awards for 2013, 2014 and 2016. In 2015, it was awarded 'Destination of the Year' by Seatrade Global, the key cruise industry media and marketing organisation.
- 3.5 MDHC succeeded the Mersey Docks and Harbour Board as statutory harbour authority for the Port following the enactment of the Mersey Docks and Harbour Act 1971. MDHC is a limited company and, in 2005, became a wholly owned subsidiary of Peel Ports Group.
- 3.6 MDHC owns and administers the dock facilities within the Port, including the Existing Terminal. The limits of the Port are defined by the Mersey Docks and Harbour Act 1971, to include the area comprising all the sea and channels leading to the River Mersey from the Redstones at Hoylake to Warrington Bridge.

#### 4 Need and justification for the Proposed Development

##### *The UK cruise market*

- 4.1 The cruise sector across the UK and Europe is expanding, with the emphasis shifting to larger cruise ships capable of transporting greater numbers of passengers and crew. Globally, the number of passengers cruising each year is rising by an average of 4.2 per cent per annum. The UK is the third most important cruise market after the US and Germany, with nearly two million people in the UK taking cruises each year, an increase of more than 57 per cent over the past decade.
- 4.2 More passengers are choosing to travel from UK ports. In 2017, there was a 6% growth in the number of cruise passengers embarking at UK ports, which was accompanied by a 17% increase in port of call transit passengers through 68 UK cruise ports. A further 125,000 overseas passengers flew to the UK to embark on cruises from the UK in 2017. The graph below illustrates the increase in UK cruise port passengers in the period from 2007 to 2017, which was compiled by IRN Research, a travel and tourism market research consultancy and published in Cruise Britain, Cruise Port Statistics, on 1 March 2018.

**UK Cruise Port Passengers (000s) 2007-2017**



- 4.3 The number of port of call passengers to UK ports has therefore increased consistently over the period in question. In 2017, the number of port of call passengers was more than four times the levels recorded in 2007. With the exception of 2014, the number of embarkations at UK ports has also increased consistently across the 2006 to 2017 period and, having dropped slightly in 2014, returned to more than one million embarkations in 2015.
- 4.4 The growth observed across UK ports is replicated at Liverpool. Since the opening of the Existing Terminal in 2007, the number of cruise ships, passengers and crew arriving at or departing from the Existing Terminal grew consistently year on year to 2015. The number of passengers and crew in 2016/17 was marginally lower than the previous two years, however still significantly higher than those levels reported in 2014. Passengers and crew numbers are forecast to be significantly higher for 2019 and 2020, as the number of *confirmed* cruise ship visits increases from 58 in 2018 to 89 in 2019 and 109 in 2020. The table at Appendix 1 to this statement sets out the annual growth in cruise ships, passengers and crew at the Existing Terminal across the 2007 to 2017 period.
- 4.5 The number of cruise ships berthing at the Existing Terminal is expected to grow in the years to come. To keep pace with demand, Liverpool therefore needs to enhance its position in this important marketplace. However, the size, location and condition of the Existing Passenger Facilities along Princes Parade mean that this objective is at risk of being frustrated. Action therefore needs to be taken now in order to safeguard Liverpool's medium to long-term position in the cruise market.

#### *The Existing Passenger Facilities*

- 4.6 The Existing Passenger Facilities are not capable of accommodating the increased passenger and crew throughput associated with the movement to larger cruise ships. The development of a larger, more permanent facility is therefore essential if the Existing Terminal is to continue to deliver a high quality offering to the cruise sector and to attract more cruise ships and visitors to Liverpool and the surrounding region.

#### *Size/capacity*

- 4.7 The internal floor area of the Existing Passenger Facilities is just 800m<sup>2</sup>. The Existing Passenger Facilities can support daily "turnaround" operations of up to 900 passengers, far below the levels required to cater for larger cruise ships carrying approximately 3,600 passengers.
- 4.8 Any operation beyond these existing thresholds would present a significant constraint to servicing cruise ships with the supplies they need, particularly within the critical time periods required for "turnaround" operations. Continuing to provide customers with the high standard of service that the Existing Terminal is currently renowned for would be extremely challenging. A significant increase in waiting times would be expected at both check in and baggage collection, as well as delays at security, border control and the local road network in the vicinity of Princes Dock.

#### *Lifespan*

- 4.9 The Existing Passenger Facilities were also designed and built as a temporary, not a permanent facility. The Existing Passenger Facilities are reaching the end of their lifespan and so it is becoming increasingly difficult to provide a high quality offering to the paying passenger. If the



Existing Terminal is to continue to attract the number of cruise ships that it currently does –and more – and to retain its hard-earned reputation as an award winning destination for visitors, this vital upgrade to the existing infrastructure must be implemented.

#### *The Proposed Development*

- 4.10 The proposed new terminal building is approximately 10,000m<sup>2</sup> in net floor area, and will be constructed into the River Mersey via a suspended deck structure, with a new vehicular linkspan bridge and floating pontoon, as well as modifications to the Existing Terminal required in order to support the construction of the new terminal building.
- 4.11 The Proposed Development will enable expansion of the Existing Passenger Facilities to accommodate daily “turnaround” operations of up to 3,600 passengers plus crew. This represents an improvement on current capacity of 2,700 passengers, thus unlocking the potential for continued growth in Liverpool’s cruise market and the ability to attract more cruise ships and passengers each year. The Proposed Development will also:
- 4.11.1 contribute to economic growth within Liverpool and the surrounding regions, by attracting more tourists to the area, providing the means for local businesses to grow and generate more employment opportunities. The economic benefits generated by the Existing Terminal and the Existing Passenger Facilities are estimated to be in the order of £6 million per year, which rises to around £11.8 million in 2019, with around 178,000 passengers and crew estimated to be calling into Liverpool;
  - 4.11.2 provide an enhanced passenger and crew experience, with the introduction of new reception and baggage hall facilities;
  - 4.11.3 enable direct links to be created to existing and proposed new road infrastructure; and
  - 4.11.4 potentially allow for the introduction of new and former cruising routes, including Trans-Atlantic routes.
- 4.12 The Proposed Development forms part of a suite of development proposals in the vicinity of Princes Dock, not all of which form part of this HRO application. In addition to the construction of the new terminal itself, the development of a new hotel on an adjacent site and delivery of a nearby multi-storey car park, are both key to supporting the operation of the new terminal and the revenue funding strategy for the Proposed Development. LCC will construct and operate the Proposed Development along with these associated facilities.

#### *Economic and wider benefits*

- 4.13 The Proposed Development will make a fundamental contribution to the continuing transformation of Liverpool into one of the most attractive visitor destinations and business/enterprise cities in the UK. The key beneficiaries include:
- 4.13.1 the visitor economy sector: a wide range of small to medium sized enterprises and other businesses in the visitor economy sector, including hotels, restaurants, bars and retail shops will benefit as a result of increased visitor spending;

- 4.13.2 maritime economy sector: businesses in the maritime sector will benefit from additional cruise ships berthing at the Existing Terminal;
- 4.13.3 local residents: local residents will benefit from the additional employment opportunities generated by the Proposed Development, as well as the spectacle of more prestigious cruise ships visiting Liverpool; and
- 4.13.4 cruise passengers and crew: more cruise passengers and crew will benefit from the provision of first class facilities and being able to travel to and enjoy all that Liverpool has to offer.

## 5 Relevant policy and guidance

- 5.1 LCC has undertaken an assessment of this HRO application against the Marine Policy Statement (March 2011). A copy of this assessment accompanies the application. The remainder of this section of the statement focuses on key relevant policy and guidance in terms of the need for the proposed works.

*National Policy Statement for Ports (February 2012)*

- 5.2 The National Policy Statement for Ports (“**NPSfP**”) provides the framework for decisions on proposals for new, nationally significant port development proposals under the Planning Act 2008 (“**the 2008 Act**”). It is also a relevant consideration for the MMO and for local planning authorities in making decisions on other port development proposals (i.e. proposals which fall outside the 2008 Act regime), including the Proposed Development, and is a statement of Government policy for ports in general (NPSfP, paragraph 1.2.1).
- 5.3 NPSfP confirms that sea ports play an important role in the tourism and leisure industries, supporting many different forms of economic and social activity, including passenger cruise ships, channel ferries, sea going yachts and dinghies (NPSfP, paragraph 3.1.6). NPSfP also recognises that ports continue to play an important part in local and regional economies, further supporting our national prosperity (NPSfP, paragraph 3.1.7).
- 5.4 Section 4 of this statement explains that the Proposed Development is expected to support and contribute to economic growth and employment in Liverpool and the surrounding region and, by increasing operational capacity at the Existing Terminal, provide further opportunities for people to enjoy cruising to and from the City. The Proposed Development therefore complies with the Government’s objectives that new port infrastructure should:
  - 5.4.1 contribute to local employment, regeneration and development;
  - 5.4.2 enhance the access to ports and the jobs, services and social networks they create; and
  - 5.4.3 be an engine for economic growth

(NPSfP, paragraph 3.3.3).
- 5.5 As explained in detail in the Environmental Statement accompanying this application, the Proposed Development is also compliant with the Government’s objectives that port infrastructure should:

- 5.5.1 preserve, protect and where possible improve marine and terrestrial biodiversity;
- 5.5.2 minimise emissions of greenhouse gases from port related development;
- 5.5.3 ensure that ports are well designed, functionally and environmentally;
- 5.5.4 be adapted to the impacts of climate change; and
- 5.5.5 provide high standards of protection for the natural environment.

(NPSfP, paragraph 3.3.3).

*Liverpool City Region Growth Strategy (2016) (“the Growth Strategy”)*

- 5.6 The Growth Strategy is a statement of Liverpool’s strategy for economic growth over the next 25 years.
- 5.7 The Growth Strategy acknowledges that:
 

*“Our City Region is internationally renowned, with an outstanding physical environment, more listed buildings of architectural distinction than any other UK city outside London, and a waterfront recognised by UNESCO as a World Heritage Site.”*
- 5.8 The Growth Strategy also describes Liverpool as *“a port city with a rich cosmopolitan maritime history, bringing together diverse cultures, communities and assets”* (Growth Strategy, p. 60) and states that *“we are defined by the River Mersey”* (Growth Strategy, p. 60).
- 5.9 The Proposed Development aims to celebrate this unique setting by enabling the current award winning cruise ship operation to be enlarged and enhanced in a permanent location to accommodate the growth in the cruise market for larger cruise ships and increasing passenger numbers per ship.
- 5.10 The Proposed Development has a central role to play in the delivery of the Growth Strategy, building on Liverpool’s key assets as a global port and waterfront, and supporting the identified growth sectors in the maritime, logistics and visitor economy (Growth Strategy, Section 3).
- 5.11 The Proposed Development will also contribute to productivity, a key element of the Growth Strategy, by focusing on Liverpool’s existing sector strengths (the maritime and tourism sectors) and related assets (Princes Dock) to ensure that they are maximised to their full (Growth Strategy, p. 63). It will also contribute to the improvement of Liverpool’s transport infrastructure, and serve to project and enhance Liverpool’s cultural and environmental assets, further key elements of the Growth Strategy (Growth Strategy, p. 63).

*North Liverpool Strategic Regeneration Framework 2010 (“the North Liverpool SRF”)*

- 5.12 The North Liverpool SRF sets out a new approach to strategic regeneration, planning and place making for the area of North Liverpool and South Sefton. Within the boundaries of the North Liverpool SRF area, there are several plans for investment at varying stages of decision making. The Proposed Development will directly contribute to achieving the ambitions of the ‘Liverpool Waters’ transformational project, and is specifically identified within the North

Liverpool SRF as a core component of it. The North Liverpool SRF also recognises that the growing cruise ship market is a key opportunity for the City.

*Mersey Waters Enterprise Zone*

- 5.13 The Mersey Waters Enterprise Zone comprises two waterside projects on either side of the River Mersey, which together comprise the largest regeneration project in the UK. The zone includes two key projects being led by Peel Holdings: Liverpool Waters and Wirral Waters.
- 5.14 The Liverpool Waters vision involves the regeneration of a 60-hectare historic dockland site to create a world-class, high-quality, mixed use waterfront quarter in central Liverpool. The scheme, an investment exceeding £5.5 billion comprising over 1.3 million square metres of mixed use floor space, will take advantage of the site's cultural heritage and integrate it with exciting and sustainable new development.
- 5.15 The Proposed Development will help to deliver the ambitions for Liverpool Waters by contributing substantially to the wider growth and development of the City, and an increase in the number of visitors to the City. Moreover, the Proposed Development is expected to act as a catalyst for development in the Enterprise Zone.

*Liverpool's City Centre Strategic Regeneration Framework 2012 ("the LCC SRF")*

- 5.16 The LCC SRF highlights the importance of the Waterfront, and a potential cruise terminal, to Liverpool and the City Region.
- 5.17 The LCC SRF confirms that:

*"Supporting 29,000 full-time employees in Liverpool, with a majority located within the City Centre, the Culture and Visitor sector has become increasingly prominent over the past decade with the delivery of the most successful European Capital of Culture year ever staged."*

...

*"The Cruise Liner Terminal will reinforce the uniqueness of the Liverpool proposition, a world port city able to attract visitors from across the globe."*

- 5.18 The LCC SRF also acknowledges that:

*"Further transformation will continue to define Liverpool's World Class Waterfront. Liverpool's Waterfront is instantly recognisable, and massive both in scale and opportunity, stretching from the marina in the south to Liverpool Waters in the north. It has the potential to compete in the world premier league of destination waterfronts. This will be achieved through the delivery of a number of strategically important capital projects coupled with the necessary supporting infrastructure."*

- 5.19 The Proposed Development will therefore respond directly to these strategic aims of the LCC SRF.

*Liverpool City Region Visitor Economy Strategy and Destination Management Plan (2014) ("the VESDMP")*

- 5.20 The Proposed Development strongly supports the vision and strategy set out in the VESDMP. The VESDMP identifies the visitor economy as one of the four growth areas of the local economy. It recognises the importance of the visitor economy sector in driving growth and jobs across the region. The VESDMP sets out a number of key priorities, activities and projects that offer the best prospects to increase the competitiveness of the City Region and maximise the wealth that the tourism sector can create.
- 5.21 A strategic aim of the VESDMP is to ensure that "*the leading assets of the City Region continue to meet the expectations of new visitors, particularly those from growth markets*". The VESDMP also aspires for Liverpool to become one of the top UK cruise ports by 2025, calling for efforts to be made to continue to promote Liverpool as a cruise destination. The Proposed Development therefore reflects these important aims and objectives.

*Northern Powerhouse Strategy (November 2016)*

- 5.22 The Northern Powerhouse Strategy emphasises the importance of strengthening the North's transport connectivity and infrastructure, promoting trade and investment across the North, and strengthening its cross border economy. It emphasises the need to capitalise on the North's natural capital assets and recognises the importance of culture in place making and encouraging local growth. It commits the Government to "*working with local areas to do everything possible to promote the Northern Powerhouse abroad, and to support northern businesses to access foreign markets*".
- 5.23 The Proposed Development has international significance and as such presents one of a limited number of opportunities to promote the Northern Powerhouse abroad and to attract more visitors to Liverpool.

## **6 Need and justification for the HRO**

- 6.1 This application for a HRO meets the requirements of Section 14(1) of 1964 Act. Section 14(1) provides that:

*"Subject to the provisions of this section and to the following provisions of this Act, there may, in relation to a harbour which is being improved, maintained or managed by a harbour authority in the exercise and performance of statutory powers and duties, be made by the appropriate Minister an order (in this Act referred to as a "harbour revision order") for achieving all or any of the objects specified in Schedule 2 to this Act."*

- 6.2 A harbour includes any port (section 57(1) of the 1964 Act) and so an order is capable of being made in relation to the Port.
- 6.3 The Port is maintained and managed by MDHC pursuant to its existing statutory powers and duties and so this HRO application relates to a harbour which is being improved, maintained or managed by a harbour authority in the exercise and performance of statutory powers and duties, for the purposes of section 14(1) of the 1964 Act.
- 6.4 In addition, LCC is proposing to undertake certain works to the Port for achieving the objects under Schedule 2 to the 1964 Act set out below. This summary should be read alongside the schedule appended to this statement at Appendix 2, which provides an overview of the powers

sought under the HRO and specifies which of the objects contained in Schedule 2 of the 1964 Act each of these powers achieves.

### *Objects*

6.5 The HRO is proposed to achieve the following objects under Schedule 2 to the 1964 Act:

6.5.1 Paragraph 4 – *“imposing or conferring on the authority for the purposes aforesaid, duties or powers (including powers to make byelaws), either in addition to, or in substitution for, duties or powers imposed or conferred as mentioned in paragraph 3 above.”*

The HRO confers on MDHC additional powers for the purpose of improving, maintaining or managing the Port, so as to enable:

- (a) the demolition of Princes Jetty. Princes Jetty is in a derelict condition. Its demolition, as part of the package of development proposals which form part of this HRO application, will therefore serve to improve the Port. Provision is therefore made in the HRO for the demolition of Princes Jetty (article 3 of the draft HRO, Work Nos. 1A and 1B);
- (b) the construction of a new terminal building and modifications to the Existing Terminal in order to accommodate the new terminal building. These works will improve the Port by replacing a derelict structure with a modern, high quality structure. These works will also provide greater capacity for the reception of cruise ships, passengers and crew, which will generate some of the revenue required to improve, maintain and manage the Port into the future. Provision is therefore made in the HRO for the construction and maintenance of these works (article 3, Work Nos. 2 to 5, and article 5 of the draft HRO); and
- (c) the imposition of sanctions for the obstruction of the proposed works. The power to impose sanctions for these purposes is necessary to enable MDHC both to manage the Port and to regulate the carrying on by others of activities relating to the Port. Provision is therefore made in the HRO for the creation of an offence of obstructing the proposed works (article 7 of the draft HRO).

In addition to conferring on MDHC powers for the purpose of improving, maintaining or managing the Port, the HRO imposes duties on MDHC for the purpose of marking or lighting the Port or otherwise making safe the navigation thereof in accordance with paragraph 3(b) of Schedule 2 to the 1964 Act. These powers are necessary in order to allow MDHC to construct and maintain the Proposed Development in a safe manner. Provision is therefore made in the HRO for lighting to be placed on or near to the proposed works both during and after their construction (articles 10 and 14 of the draft HRO).

The HRO also imposes duties on MDHC to take measures for the prevention of danger to navigation as may be necessary in respect of the proposed works (article 11 of the draft HRO). These additional duties are necessary to preserve safe navigation within the Port for the purposes of paragraph 3(b) of Schedule 2 to the 1964 Act.

- 6.5.2 Paragraph 7B – *“extinguishing public rights of navigation for the purposes of the works described in the order or works ancillary to such works, or permitting interference with the enjoyment of such rights for the purposes of such works or for the purposes of works carried out by a person authorised by the authority to carry them out.”*

The construction of the Proposed Development will or will be likely to result in interference with the enjoyment of public rights of navigation over navigable waters in proximity to the Existing Terminal. The HRO therefore makes provision for interference with rights of navigation which would otherwise amount to an actionable public nuisance (articles 3, 5 and 6 of the draft HRO).

- 6.5.3 Paragraph 8A – *“enabling the authority to close part of the harbour or to reduce the facilities available in the harbour”.*

The HRO enables MDHC to demolish, or to authorise the demolition of, Princes Jetty (article 3 of the draft Order, Work Nos. 1A and 1B). This will give rise to a notional reduction in the facilities available at the Port, but is necessary in order to accommodate the construction of the Proposed Development in its place. Princes Jetty will also be replaced by a modern terminal facility and so there will be no permanent reduction in the physical infrastructure facilities available in the Port as a result of the Proposed Development.

- 6.5.4 Paragraph 11 – *“empowering the authority to levy at the harbour charges other than ship, passenger and goods dues or varying or abolishing charges (other than as aforesaid) levied by them at the harbour.”*

The HRO provides for the levying of fines for *inter alia* the commission of offences relating to the obstruction of works (article 7 of the draft HRO). It is a standard, precedented approach to include such provisions in HROs and similar statutory instruments.

- 6.5.5 Paragraph 16 – *“extending the time within which anything is required or authorised by a statutory provision of local application affecting the harbour to be done in relation to the harbour by the authority or fixing a time within which anything authorised by the order to be so done must be done (emphasis added).”*

The draft HRO provides for the completion of certain works within a specified time of the coming into force of the HRO (article 4 of the draft HRO). This is a standard, precedented approach in other made HROs.

- 6.5.6 Paragraph 17 – *“any object which, though not falling within any of the foregoing paragraphs, appears to the appropriate Minister to be one the achievement of which will conduce to the efficient functioning of the harbour.”*

Some of the provisions of the draft HRO, whilst not falling within any of the specific objects listed in paragraphs 1 to 16A of Schedule 2 to the 1964 Act, are nevertheless provisions which are deemed to be conducive to the efficient functioning of the Port. This includes *inter alia* the Secretary of State’s power to survey relevant works (article 13 of the draft HRO), which is necessary in the interests of preserving the safety of persons accessing the Existing Terminal.

- 6.6 Once the MMO and the Secretary of State are satisfied that the proposed HRO falls within one or more of the objects in Schedule 2 to the 1964 Act and provided the application has been made in writing by a person of sufficient standing, the MMO then needs to consider whether the HRO is desirable in accordance with the requirements of section 14(2)(b) of the 1964 Act. Section 14(2)(b) of the 1964 Act provides:

*“Subject to the next following section, a harbour revision order shall not be made in relation to a harbour by the appropriate Minister–*

*(b) unless the appropriate Minister is satisfied that the making of the order is desirable in the interests of securing the improvement, maintenance or management of the harbour in an efficient and economical manner or of facilitating the efficient and economic transport of goods or passengers by sea or in the interests of the recreational use of sea-going ships.”*

- 6.7 The application has been made in writing by MDHC which is the harbour authority engaged in improving, maintaining or managing the Port. This application therefore complies with the requirement in section 14(2)(a) of the 1964 Act.

#### *Desirability*

- 6.8 It is MDHC and LCC’s view that the Secretary of State can be satisfied that:

- 6.8.1 the making of the proposed HRO is desirable in the interests of securing the improvement, maintenance or management of the Port in an efficient and economical manner.

The powers conferred upon MDHC to construct and maintain the Proposed Development under the HRO will secure the long-term improvement of the Port. The derelict Princes Jetty will be replaced by modern facilities, capable of securing Liverpool’s long-term future as a leading UK cruise destination.

A rigorous approach to alternatives and feasibility was undertaken by LCC before alighting upon a preferred development option. The alternative options considered are summarised in Chapter 4 of the Environmental Statement: Alternatives and Design Evolution. LCC will fund and construct the Proposed Development, which is expected to cost in the order of £60m. LCC will also deliver the Proposed Development alongside other works in the vicinity of the Princes Dock, including a hotel and multi-storey car park, each of which is expected to contribute substantially towards the recovery of the upfront costs associated with the Proposed Development. The Secretary of State can therefore be satisfied that the HRO is desirable in the interests of securing the improvement, maintenance or management of the Port in an economical manner.

The Secretary of State can also be satisfied that the HRO is desirable in the interests of securing the improvement, maintenance or management of the Port in an efficient manner. The works described in the HRO will enable the construction and operation of a new, permanent terminal building and associated infrastructure and are not contingent upon MDHC seeking any further order(s) under the 1964 Act.

- 6.8.2 the making of the proposed HRO is desirable in the interests of facilitating the efficient and economic transport of passengers by sea.



The Proposed Development will provide the capacity required to accommodate larger cruise ships and greater numbers of passengers at the Existing Terminal. The Existing Terminal will be serviced by a high quality terminal building, which will enable passengers and crew to be processed efficiently at embarkation and disembarkation and reduce the likelihood of delays in cruise ships entering and leaving the Port.

- 6.8.3 the making of the proposed HRO is also desirable in the interests of the recreational use of sea-going ships.

The Proposed Development will enable larger cruise ships to berth at the Existing Terminal, without compromising the efficiency and safety of Port operations. The ability to embark and disembark passengers quickly will reduce the likelihood of delay and thus enable cruise ships to be used instead for the recreational purposes for which they are intended.

## **7 Conclusion**

- 7.1 In light of the above, the proposed HRO satisfies the requirements of section 14(1) of the 1964 Act as it relates to a harbour which is being improved, maintained or managed by a harbour authority in the exercise and performance of its statutory powers and duties for achieving certain objects under Schedule 2 to the 1964 Act.

- 7.2 The making of the proposed HRO is also desirable in the interests of:

- 7.2.1 securing the improvement, maintenance or management of the harbour in an efficient and economical manner;
- 7.2.2 facilitating the efficient and economic transport of passengers by sea; and
- 7.2.3 the recreational use of sea-going ships.

- 7.3 The Applicant therefore considers that the Secretary of State is entitled to make the HRO under section 14(1) of the 1964 Act.

**BDB Pitmans LLP**

**On behalf of the Mersey Docks and Harbour Company Limited**

**12 April 2019**



## APPENDIX 1

### Annual growth in cruise ships, passengers and crew at the Existing Terminal across the 2007 to 2020 period

Year	Transit vessels	Turnaround Vessels	Total vessels	Ship Calls Growth YoY +/-%	Passengers	Pax spend	Passenger Growth YoY +/-%	Crew	Crew spend	Total crew & Pax	Total crew & Passenger Spend
2007	6	0	6	50%	6,350	£ 444,500	107%	1924	£ 57,720	8,274	£ 502,220
2008	11	0	11	83%	18,502	£ 1,295,140	191%	8564	£ 256,920	27,066	£ 1,552,060
2009	14	0	14	27%	22,074	£ 1,545,180	19%	9426	£ 282,780	31,500	£ 1,827,960
2010	15	0	15	7%	23,974	£ 1,678,180	9%	10146	£ 304,380	34,120	£ 1,982,560
2011	15	0	15	0%	27,278	£ 1,909,460	14%	10897	£ 326,910	38,175	£ 2,236,370
2012	19	12	31	107%	38,656	£ 2,705,920	42%	15461	£ 463,830	54,117	£ 3,169,750
2013	21	13	34	10%	44,478	£ 3,113,460	15%	15864	£ 475,920	60,342	£ 3,589,380
2014	25	22	47	38%	57,844	£ 4,049,080	30%	25316	£ 759,480	83,160	£ 4,808,560
2015	32	22	54	15%	80,952	£ 5,666,640	40%	36683	£ 1,100,490	117,635	£ 6,767,130
2016	40	23	63	17%	80,759	£ 5,653,130	0%	33917	£ 1,017,510	114,676	£ 6,670,640
2017	41	21	62	-2%	75,512	£ 5,285,840	-6%	34431	£ 1,032,930	109,943	£ 6,318,770
2018	34	24	58	-6%	69,396	£ 5,412,888	-8%	33051	£ 1,322,040	102,447	£ 6,734,928
2019	54	35	89	53%	122,964	£ 9,591,192	77%	55942	£ 2,237,680	178,906	£ 11,828,872
2020	75	34	109	22%	143,159	£ 11,166,402	16%	68492	£ 2,739,680	211,651	£ 13,906,082

**APPENDIX 2**

**THE MERSEY DOCKS AND HARBOUR COMPANY (LIVERPOOL CRUISE TERMINAL EXTENSION) HARBOUR REVISION ORDER:  
SUMMARY OF PROVISIONS AND REASONS FOR INCLUSION**

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
1.	1	Citation and commencement	Provision common to all statutory instruments.	Confirms name of the Order and that the Order forms part of the statutory provisions which apply to MDHC.	N/A
2.	2	Interpretation	<p>Interpretation provision common to all statutory instruments.</p> <p>As to article 2(2) of the draft HRO, see for example the <b>draft Fishguard linkspan replacement HRO, article 2(2)</b>.</p>	<p>Provides definitions for key terms used throughout the Order.</p> <p>Article 2(2) defines any measurements as approximate, with the exception of the limits of deviation which represent the maximum limits of the proposed development. This ensures that if, upon construction of the works, it transpires that the distances are marginally different to those listed in the Order, there is no issue over</p>	N/A

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
				<p>whether the works are permitted by the Order. This provision allows for a small tolerance with respect to any distances and points, although all works must take place within the limits of deviation. It is commonplace to include such a provision in an Act or instrument authorising linear infrastructure.</p>	
3.	3(1)	<p><b>Power to construct and maintain works</b></p> <p>Grants MDHC powers to construct and maintain certain works in the port, within the limits of deviation, as shown on the plans and sections and described in the Order.</p>	<p>The approach to the drafting of these works powers is well preceded in made HROs. See for example the <b>Poole HRO 2015/1390, article 3(1)</b>.</p>	<p>This provision is required in order to enable MDHC to undertake all works required in connection with the Proposed Development.</p> <p>Provision is made under this article for the demolition of Princes Jetty (Work Nos 1A and 1B).</p> <p>In addition to the construction of a new terminal building on a concrete suspended deck (Work No. 2), the Order makes provision for the construction of a vehicular link span bridge and floating pontoon, in order to connect the new terminal building</p>	<p>Paragraph 4, as set out at paragraph 6.5.1 of this statement.</p> <p>Paragraph 7B, as set out at paragraph 6.5.2 of this statement.</p> <p>Paragraph 8A, as set out at paragraph 6.5.3 of this statement.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
				<p>with the existing landing stage at (Work Nos. 3A and 3B).</p> <p>The Order also provides for various modifications to the existing landing stage constructed under the Mersey Docks and Harbour Company (Liverpool Landing Stage Extension) HRO 2004/1280, which are required to accommodate the new terminal building and for the removal of two existing mooring dolphins and the construction of two new mooring dolphins in proximity to the new terminal building.</p>	
4.	3(2)	Grants MDHC powers to alter, replace, relay, reconstruct, extend and enlarge works within the limits of deviation.	See <b>Poole HRO 2015/1390, article 3(3)</b> .	This provision is required in order to enable MDHC to alter, replace, relay etc. the Proposed Development or works forming part of the Proposed Development, once built. This might be necessary where, for example, there are physical or environmental constraints which mean that part of the Proposed Development needs to	<p>Paragraph 4, as set out at paragraph 6.5.1 of this statement.</p> <p>Paragraph 7B, as set out at paragraph 6.5.2 of this statement.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
				<p>be relocated or repair works are required.</p> <p>This article is subject to the proviso that the works, once altered, replaced, relayed or reconstructed, must be located within the limits of deviation.</p>	
5.	4	<p><b>Period for completion of works</b></p> <p>Confirms that if any works are not substantially completed within 10 years from the coming into force of the HRO, then the powers to construct works will cease to have effect.</p> <p>This time limitation:</p> <ul style="list-style-type: none"> <li>• is subject to MDHC's ability to apply to the Secretary of State for an extension of time;</li> <li>• does not apply to the powers granted to MDHC</li> </ul>	<p>See <b>Lymington HRO 2014/17, article 6</b>, <b>Poole HRO 2015/1390, article 6</b> and <b>Folkestone HRO 2017/60, article 6</b>.</p>	<p>This provision is required in order to provide certainty as to the period within which works must be completed.</p> <p>The 10 year period specified is considered to provide the necessary balance between ensuring that the time limits for implementing works powers are not open ended and that there is some flexibility as to when the works, or any stages thereof, are carried out.</p> <p>It is expected that all construction works will be completed within the specified 10 year period.</p>	<p>Paragraph 16, as set out in paragraph 6.5.5 of this statement.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		<p>under article 3(2) (power to alter, replace, relay or reconstruct the works) or article 5 (subsidiary works); and</p> <ul style="list-style-type: none"> <li>• does not apply to so much of the works as, at the end of the 10 year period from the coming into force of the Order, are then substantially commenced.</li> </ul>		<p>It is not considered that this 10 year period is excessive. A much longer period has been approved in other made HROs. See, for example, article 6 of the Lymington HRO 2014/17, where a 50 year period was approved.</p>	
6.	5(1)	<p><b>Power to make subsidiary works</b></p> <p>Grants powers to carry out all subsidiary works in connection with or incidental to the construction, maintenance and use of the Proposed Development.</p>	<p>The approach to the drafting of this article reflects numerous made HROs. See for example <b>Lymington HRO 2014/17, article 5(1)</b>.</p>	<p>This provision is necessary in order to allow MDHC to undertake works which, whilst not so substantial as to justify their inclusion at article 3(1) of the Order, are still necessary in order to construct and maintain the Proposed Development.</p>	<p>Paragraph 4, as set out at paragraph 6.5.1 of this statement.</p> <p>Paragraph 7B, as set out at paragraph 6.5.2 of this statement.</p>
7.	5(2)	<p>Grants powers to carry out construction activities, including the temporary placing of plant and</p>	<p>See <b>Lymington HRO 2014/17, article 5(2)</b>.</p>	<p>It may be necessary to undertake some construction works outside the limits of deviation, which relate to the</p>	<p>Paragraph 4, as set out at paragraph 6.5.1 of this statement.</p>



No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		equipment, within the waters adjoining the limits of deviation.		<p>permanent location of the works themselves and not the area within which the construction of those works may be undertaken.</p> <p>This provision is therefore required in order to allow those construction activities to be undertaken, subject to the proviso that temporary works in waters outside the limits of deviation must nevertheless take place in waters which <i>adjoin</i> the limits of deviation (<i>emphasis added</i>).</p>	Paragraph 7B, as set out at paragraph 6.5.2 of this statement.
8.	6	<p><b>Power to deviate</b></p> <p>Grants powers, in constructing the authorised works, to:</p> <ul style="list-style-type: none"> <li>deviate laterally from the lines or situations shown on the works plans to the extent of the limits of deviation shown on those plans; and</li> </ul>	<p>Reflects drafting adopted in numerous made HROs.</p> <p>See, for example, the <b>Lymington HRO 2014/17, article 4.</b></p>	<p>This provision is required to provide flexibility to deal with problems encountered during construction, such as engineering constraints or adverse ground conditions, as well as the inevitable differences that arise between what is shown on the plan and what is constructed in practice. Without this flexibility, there would be a risk that the works could not be constructed in practice, as</p>	<p>Paragraph 4, as set out at paragraph 6.5.1 of this statement.</p> <p>Paragraph 7B, as set out at paragraph 6.5.2 of this statement.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		<ul style="list-style-type: none"> <li>deviate laterally from the levels shown on the sections plan to any extent not exceeding 3 metres upwards or to any extent downwards.</li> </ul>		<p>they would be confined to the precise positions shown on the plans.</p> <p>Care has been taken to ensure that the authorised lateral and vertical deviations are no greater than those required to give effect to the Proposed Development and are not such as to give rise to any materially adverse environmental impacts to those assessed and recorded in the Environmental Statement.</p>	
9.	7	<p><b>Obstruction of works</b></p> <p>Creates the offences of:</p> <ul style="list-style-type: none"> <li>intentionally or recklessly obstructing any person in setting out the lines of the works; and</li> <li>interfering with, moving or removing equipment for the purposes of setting out,</li> </ul>	<p>See <b>Folkestone HRO 2017/60, article 10</b> and <b>draft Fishguard linkspan replacement HRO, article 7.</b></p>	<p>This provision ensures that MDHC has the means to ensure that works can be carried out unhindered.</p> <p>The level of fine specified in the draft HRO reflects modern drafting conventions (see Folkestone HRO 2017/60, article 10) and complies with section 14(3)(a)(ii) of the 1964 Act.</p>	<p>Paragraph 11, as set out at paragraph 6.5.4 above.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		<p>without lawful authority.</p> <p>Persons guilty of either offence shall be liable on summary conviction to a fine not exceeding level 3 on the standard scale and liable to repay to the company as a debt any expenses incurred in making good any damage resulting from the obstruction.</p>			
10.	8	<p><b>Effect of existing Acts upon works</b></p> <p>Confirms that works shall be deemed for all purposes to be part of MDHC's undertaking and subject to the existing byelaws, directions, rules and regulations in force relating to the port.</p>	<p>See <b>Lymington HRO 2014/17, article 3(4)</b> and <b>draft Fishguard linkspan replacement HRO, article 14.</b></p>	<p>This provision is required to ensure that there is no doubt that the works, once constructed, form part of MDHC's undertaking and are therefore subject to the same duties and powers as any other works or property belonging to MDHC.</p>	<p>Paragraph 17, as set out at paragraph 6.5.6 of this statement.</p>
11.	9	<p><b>Works not to be altered, etc. without the approval of the Secretary of State</b></p>	<p>See <b>Mersey Docks and Harbour Company (Liverpool Landing Stage</b></p>	<p>This provision is required to ensure that any alteration, replacement, relaying or reconstruction of a relevant work is subject to the scrutiny of the Secretary of State and</p>	<p>Paragraph 17, as set out at paragraph 6.5.6 of this statement.</p>

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		Confirms that works must not be altered, replaced, relaid or reconstructed except in accordance with plans and sections approved by the Secretary of State, who may approve the same subject to conditions.	<b>Extension) HRO 2004/1280, article 9.</b>	undertaken in accordance with any conditions imposed by him.	
12.	10	<p><b>Lights on relevant works during construction</b></p> <p>Requires lighting to be exhibited at or near a relevant work during the whole time of the construction, alternation, replacement, relaying or reconstruction of the same and the taking of such steps for the prevention of danger to navigation as the Secretary of State may direct.</p>	See <b>Poole HRO 2015/1390, article 14.</b>	This provision is required in the interests of preserving safety in the Port during the construction of the Proposed Development.	Paragraph 4, as set out at paragraph 6.5.1 of this statement.
13.	11	<b>Provision against danger to navigation</b>	See <b>Folkestone HRO 2017/16, article 7.</b>	This provision is required in the interests of preserving safety in the Port in the event that any work(s) forming part of the Proposed	Paragraph 4, as set out at paragraph 6.5.1 of this statement.

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		Obliges MDHC to notify Trinity House in the case of injury to a tidal work and to take steps to prevent danger to navigation as Trinity House may direct.		Development is destroyed or falls into decay.	
14.	12	<p><b>Abatement of works abandoned or decayed</b></p> <p>Enables the Secretary of State to serve written notice requiring the repair, restoration or removal of works which have been abandoned or which have fallen into decay.</p>	See <b>Poole HRO 2015/1390, article 11.</b>	This provision is required in the interests of preserving safety in the Port in the event that that work(s) forming part of the Proposed Development is abandoned or fall into decay.	Paragraph 4, as set out at paragraph 6.5.1 of this statement.
15.	13	<p><b>Survey of relevant works</b></p> <p>Enables the Secretary of State to order a survey and examination of a relevant work or of the site upon which it is proposed to construct the work.</p>	See <b>Poole HRO 2015/1390, article 12.</b>	This provision is required to enable the Secretary of State to satisfy himself that the works, or the location of any proposed works, are both safe and appropriate.	Paragraph 17, as set out at paragraph 6.5.6 above.

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
16.	14	<p><b>Permanent lights on relevant works</b></p> <p>Obliges MDHC to exhibit lights at the outer extremity of every work from sunset to sunrise, and to take any such other steps for the prevention of danger to navigation as Trinity House may from time to time direct.</p>	See <b>Poole HRO 2015/1390, article 13.</b>	This provision is required in the interests of preserving safety in the Port following construction of the Proposed Development.	Paragraph 4, as set out at paragraph 6.5.1 of this statement.
17.	15	<p><b>Crown Rights</b></p> <p>States that nothing in the Order affects prejudicially any estate, right, power (etc.) of the Crown.</p>	See <b>Poole HRO 2015/1390, article 16.</b>	This is a standard provision which serves to clarify the legal position in respect of interests in land held by the Crown.	Paragraph 17, as set out paragraph 6.5.6 of this statement.
18.	16	<p><b>For the protection of the Environment Agency</b></p> <p>Confirms that nothing in the Order affects the operation of the Environmental Permitting</p>	See <b>Poole HRO 2015/1390, article 18.</b>	This provision is required in order to make clear that consent to construct works under the HRO does not affect or replace any requirement to obtain consent from the Environment Agency, for example under the Environmental Permitting Regulations 2016, where the nature	Paragraph 17, as set out at paragraph 6.5.6 of this statement.

No.	Provision number	Summary of provision	Precedent provision	Why this provision is required	Object in Schedule 2 to the Harbours Act 1964 which this provision achieves
		(England and Wales) Regulations 2016 or similar legislation.		of works or activities to be undertaken requires such further consent.	
19.	17	<b>Saving for Trinity House</b>	See <b>Poole HRO 2015/1390, article 17.</b>	This is a standard provision confirming that nothing in the Order prejudices or derogates from any rights, duties or privileges of Trinity House.	Paragraph 17, as set out at paragraph 6.5.6 of this statement.





**PROPOSED LIVERPOOL CRUISE TERMINAL EXTENSION  
HARBOUR REVISION ORDER 2019**

**HARBOURS ACT 1964**

**MARINE MANAGEMENT ORGANISATION**

**STATEMENT IN SUPPORT OF APPLICATION BY THE  
MERSEY DOCKS AND HARBOUR COMPANY LIMITED**