



Rt Hon Liam Byrne MP  
Chair, Business and Trade Committee  
House of Commons  
SW1A 0AA

17<sup>th</sup> May, 2024

Dear Mr Byrne,

Thank you for your letter dated 10<sup>th</sup> May 2024. I am grateful for the opportunity to provide further context about our operations.

As I explained to the Committee on 7<sup>th</sup> May, as a maritime business operating in international waters, we use an international crewing model. This model is used by most companies in the international maritime industry, many of which regularly visit UK and European ports.

Our industry is highly regulated both domestically and internationally. P&O Ferries complies with, and always will comply with, all necessary domestic and international laws and regulations. We also work with relevant national and international authorities to maintain regulatory compliance.

As a company transforming for the future, we welcome a regulatory rising tide that will align working conditions for all seafarers operating in British and French waters while maintaining a level playing field for all businesses.

It is important to emphasise that crewing in the international maritime industry is not a one-size-fits-all operation and international seafarers can choose to work anywhere in the world. Our crew choose to work for us rather than others because of the combination of pay, seafarer welfare and flexibility. Our retention and recruitment rates back this up conclusively.

Much of the information you have requested in your letter relates to crewing arrangements across all of our routes, and we have provided this for you below. Previous lines of enquiry have focused on the Dover-Calais route and we provided responses and clarifications in line accordingly.

Finally, P&O Ferries is responsible for operating the ships. Our crew management agency recruits and employs seafarers on our behalf. Therefore, we consulted the agency to help us compile the information you requested.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Hebblethwaite'.

Peter Hebblethwaite  
CEO, P&O Ferries

### **Continuous working days and when leave is taken**

P&O Ferries complies with, and always will comply with, all necessary domestic and international laws and regulations relating to the number of continuous working days, rotation lengths, and leave. We are subject to frequent monitoring of this by both UK and international maritime regulators.

The information you requested about seafarer days at sea and leave is recorded on-board each ship. It is made available to both UK and international maritime regulators, including the Maritime and Coastguard Agency, during their on-board inspections. However, P&O Ferries does not hold this data centrally on-shore. As is common in the maritime industry, on-board records are often paper-based, with information manually recorded and subsequently transferred in to digital files. This format does not allow us to extract the specific data you have requested in the time available. We are assessing the feasibility of digitalising this process.

Regarding the frequency of rest days, the Maritime Labour Convention (MLC) 2006 does not specify a set number of days after which a rest day is required. However, it does regulate hours of rest. It stipulates that seafarers must receive a minimum of 10 hours of rest in any 24 hours and 77 hours in any seven days. I confirm that P&O Ferries complies with the MLC requirements and all necessary domestic and international laws and regulations relating to hours of rest.

Over and above MLC requirements, seafarers working longer than one month on the Dover-Calais route are expected to take one paid day off per month during their rotation (not at the end of their contract). This is due to the high frequency and intensity of sailings on the route.

Dover-Calais is materially different from any other route with different requirements to manage seafarer welfare. Therefore, our expectation of one day off per month is specific to Dover-Calais. Our assessment is that our other routes offer greater opportunity for rest, over and above MLC requirements due to their lower intensity. Seafarers on the Hull-Rotterdam route can disembark the ship every day when it is in port (there is only one overnight crossing per 24 hours), and those on the domestic Larne-Cairnryan route have shorter rotations of lower intensity.

While we expect seafarers on Dover-Calais to take the additional day of paid leave available, it is ultimately at the discretion of the individual whether they take it and if so how they choose to spend it. This can either be as shore leave or on-board the ship.

The day of paid leave is arranged with the agreement of on-board line managers. There are occasionally circumstances when - for safety, absence/illness of colleagues or other operational reasons - a seafarers' preferred leave might not be possible, as is



common in most industries. Priority is also usually given to seafarers in the middle of their contracts.

Our crew management agency employs a port agent to liaise directly with local authorities to ensure all requests for shore leave are managed in line with local and international laws (e.g. visa requirements). This measure came into effect following the change of crewing model and reflects the high-frequency nature and rotation patterns on the Dover-Calais route.

**Rotations**

The Maritime Labour Convention 2006 states that the maximum continuous period that a seafarer should serve on-board a vessel (tour of duty) without leave is 11 months. All our rotations are far shorter than this.

Rotation lengths may vary by contract, but as is standard practice across the industry, these are usually between one to six months, depending on seafarer rank and route. The flexibility of our contract durations is a crucial aspect of our employment offering and attracts seafarers who want to work with P&O Ferries.

As requested, below is the longest, average and median rotation for the three routes.

Route	Dover-Calais	Hull-Rotterdam	Cairnryan-Larne
<b>Longest rotation</b>	17 weeks	26 weeks	8 weeks
<b>Average rotation</b>	13.5 weeks	24.1 weeks	6 weeks
<b>Median Rotation</b>	17 weeks	26 weeks	8 weeks

Based on our experience, these rotation lengths are substantially lower than those in other parts of the international maritime sector, such as the cruise, container and bulk shipping industries, where seafarer rotations can be up to nine months.

**Short contracts**

We have defined a ‘short contract’ for seafarers as being fewer than four weeks.

Route	Dover-Calais	Hull-Rotterdam	Cairnryan-Larne
<b>% seafarers on contracts of &lt;4 weeks</b>	3%	8%	33%
<b>Average length of contracts &lt;4 weeks</b>	2.3 weeks	2.9 weeks	2 weeks

### **Length of hours worked**

The Standards of Training, Certification, and Watchkeeping (STCW) Convention and the Maritime Labour Convention (MLC) 2006 specify that the maximum hours of work undertaken by a seafarer shall not exceed: (i) 14 hours in any 24-hour period; and (ii) 72 hours in any seven-day period. Actual hours worked will depend on operational requirements within these limits.

All staff on P&O Ferries work hours compliant with all applicable domestic and international laws and regulations, including the STCW and the MLC. All of our ships are inspected by regulatory authorities from multiple jurisdictions (including the Maritime Coastguard Agency for the UK, and Affaires Maritimes for France) at a frequency of at least six months. In the UK, MLC records are checked as part of these inspections.

The information you requested on hours worked by seafarers in a week is recorded on-board vessels. P&O Ferries does not hold this data centrally on-shore, and it is recorded on-board in a format that does not allow us to extract the specific data you have requested in the time available.

### **Voluntary Seafarers Charter**

P&O Ferries has publicly committed to signing the Voluntary Seafarers' Charter.

We are engaging constructively with officials at the Department for Transport to sign the Charter. This includes adhering fully to the UK National Minimum Wages legislation when it comes into force this summer.

We are keen to accelerate our path to signing and are working to submit the supporting evidence for our application for review as soon as possible, in accordance with the Department's required processes.

The Charter involves an application process which all operators who have indicated their willingness to sign are currently working through. As I explained to the Committee, a firm timeline for signing cannot be provided. However, I expect that P&O Ferries will be able to sign in the coming months.

### **Crew numbers**

As of 19 March 2024, 381 agency crew were working on the Dover to Calais route, of which 73% were from outside Europe.

P&O Ferries complies with, and always will comply with, all necessary domestic and international laws and regulations, including the recent new French seafarer legislation.

We are working closely with our crew management agency to understand the operational implications of the legislation before it comes into effect in the summer,

and to ensure we retain as many crew as possible who understand our ships and want to continue working with P&O Ferries.

## Welfare

Seafarer welfare is crucial for the success of our business and is a critical regulatory requirement that is subject to inspection by regulators. For example, the Maritime and Coastguard Agency meets seafarers as part of its regular programme of inspections. For a satisfactory inspection to be completed, the inspector will likely perform visual observations of crew, hold general discussions with seafarers and interview seafarers privately. Regulators in other jurisdictions (for example Affaires Maritimes in France) undertake similar and frequent checks on seafarer welfare.

As prescribed by the Maritime Labour Convention 2006, we provide measures including adequate rest and on-board recreational facilities, to support our seafarers' mental health and well-being. We also maintain on-going monitoring of seafarer well-being, led by officers on-board our ships.

The welfare of our seafarers is reflected in the fact that P&O Ferries continues to operate an increasingly safe fleet of ships. Our annual health and safety statistics for lost time injuries have improved by 66% between 2021 and 2023 (verified by regulatory authorities such as the Maritime and Coastguard Agency).

In 2021, we commissioned an independent specialist in fatigue for seafarers to assess fatigue on the Dover-Calais route. The study concluded that fatigue is appropriately managed within a rotation of 12 hours on / 12 hours off because this allows for sufficient sleep patterns.

## Commitments made by Peter Hebblethwaite at the 7 May Committee session

### **1. Conditions on which a seafarer can or cannot leave the ship.**

The Maritime Labour Convention (MLC) 2006 ensures seafarers' rights to shore leave to enhance their well-being are protected. P&O Ferries complies with, and always will comply with, all necessary domestic and international laws and regulations, including the MLC.

While the MLC does not specify exact limits or durations for shore leave, it emphasises the importance of providing seafarers with shore leave whenever practicable, considering operational requirements, safety, security and country regulations. As a standard practice of good seamanship, the timing for shore leave is usually mutually agreed upon between the crew and the senior officers of the vessel.

Our crew management agency employs a port agent who liaises directly with local authorities to ensure all shore leave requests are managed in accordance with local and international laws (e.g. visa requirements).

## **2. Tender Process- Crewing Agency Recruitment**

The P&O Ferries procurement process with our crewing agency was conducted in accordance with our standard procedures. This includes thorough due diligence to verify compliance with relevant industry standards and regulations. The review confirmed agencies' adherence to applicable labour laws and good industry practices. Further information is below.

### **Overview of tender process**

The P&O Ferries procurement process enabled the business to evaluate potential crewing agencies and rigorously examine their ability to meet both its operational requirements as well as industry, domestic and international standards.

The process tested the available market of crewing agencies and identified three potential international partners. All were approached with a request for tender, and they all provided tender responses.

Due to the complex nature of the procurement requirements, the process ran over many months. As well as reviewing tender submissions, it included 1:1 meetings with each agency to interrogate and discuss their tender submissions in greater detail. Follow-up discussions were held as necessary to ensure tenders had been fully scrutinised.

### **Methodology criteria**

The potential crewing agencies' tenders were scored against criteria in our methodology. These included:

- Existence and continued provision of union representation to support seafarers.
- Legal compliance - to verify the agency's certifications, licenses, and accreditations from relevant industry and international bodies. For example, this included active certification to the Maritime Labour Convention.
- Ability to manage the transition to the new model safely and effectively while ensuring continuity of service to passengers and freight customers.
- Provision of adequate support and assistance to crew members throughout the recruitment process and during assignments, including proactive training of all seafarers.
- Assessment of costs, including the agency's ability to meet financial obligations such as payroll administration, insurance, and regulatory fees. This was broken down into sub-categories, including:
  - Management fee
  - Travel expenses for seafarers
  - Port agent costs and suitability of associated transport/accommodation
  - Miscellaneous cost
  - Training fee
  - Excluded costs
  - Cash payments to crew

### **Process conclusion**

The preferred bidder was identified as having:

- Demonstrated extensive knowledge and understanding of the international maritime industry, including legal and welfare requirements for seafarers.
- Demonstrated with examples of detailed reports that are required to ensure the safe and effective functioning of seafarers and vessels, crewing certification digital compliance reports, and budget reports.
- Provided a professional and reasoned answer to every scenario posed to them relating to crew operations, demonstrating knowledge and understanding of the international ferry industry.
- Presented a transparent approach to all aspects of crewing.
- Previous experience working with another international ferry operator, demonstrating a knowledge and understanding of the intricacies of the international maritime industry.
- Provided detailed and evidenced financial breakdowns and costings and could give a clear account and reasoning for each.
- Demonstrated best cultural fit between the organisations based on factors such as commitment to safety and compliance, communication styles, organisational values and commitment to ensure alignment and smooth collaboration.