

Written evidence submitted by GPS Marine (MAR0004)

Introduction

GPS Marine is pleased to submit evidence to this important inquiry.

The Maritime 2050 Strategy claimed to set out “the government’s vision and ambitions for the future of the British maritime sector”.

It is, however, our experience, and that of others in the rivers and inland waterways sector, that the Strategy has made no impact on our part of the maritime sector.

This means that rather than the Strategy capitalising on the UK’s strengths, it is ignoring part of the maritime sector that can help deliver on the economic and environmental challenges we face.

In this submission, we cover:

- GPS Marine and its background
- The ambitions of Maritime 2050
- Finance
- European examples
- Skills
- Planning
- Concluding remarks

About GPS Marine

GPS Marine is the largest multi-cargo intra port barge operator on the Rivers Thames and Medway. The company has over 50 years’ unrivalled experience in the maritime industry. It also operates in ports and harbours throughout Europe.

GPS Marine promotes innovation and cost-effective solutions for the sector and its clients, including the protection of the environment through its BS EN 14001 environmental policies and operational health and safety through voluntary ISM accreditation.

The company has, for instance been involved in many high-profile infrastructure projects including the Elizabeth line (London Crossrail), the Northern Line Extension and the Thames Tideway Tunnel.

These schemes required GPS Marine to manage the safe movement of millions of tonnes of excavated material and the delivery of hundreds of thousands of tonnes of construction materials. This approach has helped to reduce the amount of emissions from the more traditional approach of using heavy good vehicles (HGVs).

Just from these three projects, GPS Marine secured:

1. A carbon reduction of 7179 tonnes compared to conventional lorry movements.
2. 3915 accident-free barge movements.
3. Removal of approximately 358,000 lorry movements from UK roads.
4. Approximately 7,500,000 miles on public roads mitigated.
5. Reduced road wear and traffic congestion
6. Improved kerbside air quality due to reduction in vehicle journeys

This is an illustration of what can be achieved using inland waterways, in 2019, GPS Marine transported 2.25m tonnes of cargo on the rivers Thames and Medway. Since delivering the significant achievements set out above, GPS Marine has transitioned its entire Thames based tug fleet to renewable fuel, thereby reducing net CO₂e emissions by 92%.

It also demonstrates why, in failing to adequately consider inland waterways, Maritime 2050 has so far been a missed opportunity.

Whether and how the ambitions and objectives described in Maritime 2050 support the maritime sector?

There was little or no engagement in the development of Maritime 2050 with individual companies, such as GPS Marine or our main membership bodies, such as the CBOA.

There may have been engagement with the likes of the Freight Transport Association, now Logistics UK, but they, very understandably, have a range of interests to consider.

This appears to have led the Strategy to largely ignore the contribution and benefits of the rivers and inland waterway sector. There is some consideration

of port connectivity but not of the contribution that can be made to freight transport.

The Strategy says:

“Additional research has been commissioned on the barriers and opportunities for coastal shipping, as recommended by the PCS (Port Connectivity Study). This will also look at the market potential for increased inland waterway freight on our major rivers and estuaries”.

The reference is fleeting and many of us are completely unaware of the research, if it was commissioned, whether it concluded and what its findings were, if completed.

If it was completed then, as one of the largest inland waterway companies, it is hoped that there would have been outreach to us either directly or through the likes of the CBOA. This has not been the case.

The effect of Maritime 2050 on Government policies and regulation, maritime sector decision making and economic and environmental outcomes?

Given the lack of recognition for rivers and inland waterways in Maritime 2050, it is difficult to make an assessment about the effect on Government policies and regulations.

However, it is clear that the current policy position is failing the sector and is failing to support innovation which would bring benefits to communities, across the whole of the country.

Finance

For instance, support for the private sector comes primarily through Mode Shift Revenue Support (MSRS). The MSRS is, however, only short term – three years maximum. This is simply not long enough. HGVs with a life of approximately seven years can be leased but this option is not open for barges which can have a life span three to five times longer. Environmentally barges are the better option, both due to their longevity and their emissions per tonne kilometre, which are only 25% of those generated by HGVs, but this is not reflected in the support available.

MSRS only helps with revenue costs. Water freight is generally more labour efficient than road however, handling costs can be more. So, help is needed

with buying cranes etc. Whilst they can be hired (making it a revenue cost), that seldom makes financial sense on a longer-term basis. In addition, wharves may need to be built or renovated – not a revenue cost.

In addition, some projects are long life projects. e.g., local authority owned waste authorities tend to award 15 years plus contracts. So only having an MSRS for the first three years and then finding it stops does not permit the investment timescale required. In addition, such projects are capex intensive and require the other main form of support, the Freight Facilities Grant (FFG).

The Department for Transport (DfT) which oversees the FFG became nervous in the past when some of the grants failed and they did not achieve the traffic movement off the roads that they expected.

One reason they like MSRS is that the grants are only paid if the traffic moves off the road. But this approach, moving away from FFGs for rivers and inland waterways, ignored steps that could easily have been taken in strengthening their assessment.

The FFG is, in reality, biased towards rail. There is an anomaly in the environmental net benefits as calculated by DfT, especially for motorways where they manage to arrive at a negative net benefit. This reflects an assessment of rail costs which does not apply to water. The net benefits are not separately assessed for water, and they absolutely should be.

Many rail grants are for moving containers from ports to inland terminals. As the mileage is fixed, this enables the benefits to be calculated – and published – in a way which is not possible for movements from A to B where both vary. For rail containers, it means no need for the convoluted assessment of saved road miles and rail and road costs – as the answer is already known.

We also have the additional problem that coastal shipping, moving containers around the coasts, was excluded from grants as part of the Brexit arrangements. In other words, we now have a position where containers go from Tilbury to Grangemouth by rail, not by sea, largely because of the artificial financial arrangements in place.

So, the financial arrangements in place facilitate neither growth nor change.

European examples

If we compare the position here in the UK with mainland Europe, we see what can be achieved. There are examples throughout mainland Europe of the

importance of inland waterway freight. The Netherlands, in particular use their network not just to connect to ports but to manage the delivery of goods to towns, cities, and individual businesses. It is now several years since the 'Beer Boat' service started operating in Utrecht. It is owned and run by the city authority using an electric powered craft and funded from the air quality budget. It has relieved pressure on the road network. Such has been the success that the city introduced another zero-emission boat for use in carrying other products including waste. Already large fully electric inland ships are routinely shipping containers between Rotterdam's container harbours and those in Antwerp.

On the Seine in Paris, a leading supermarket, Franprix, continues to use the river to make the initial part of the delivery to its central stores.

An excellent overview of some of examples across Northern Europe can be read at:

https://northsearegion.eu/media/17515/210521_avatar_wp4_market-review_v1_final.pdf

Skills

We also continue to encounter a skills gap. We are constantly looking to recruit skilled and experienced personnel to assist with our operations and enhance our services to clients. Sadly, as a result of Brexit, this position has been made worse and suitable training for UK nationals is almost non-existent.

The river and inland waterways industry continues to fail to attract the numbers necessary to ensure that sufficient trained crew will be available in future to meet demand. In the Thames market there has been a fall in the number of qualified watermen, both in towing and passenger vessel operations, not least because of retirements.

As a result of this gap, we established the Thames Marine Academy to deliver much-needed training to the river and inland transport and workboat industries. Too many young people were struggling to pass the MCA Oral assessment for the new Boatmaster Licence (BML) because they were not attending a professional programme of study accredited by an awarding organisation.

The Academy gained recognition in 2019 and immediately recruited its first group of 12 apprentices to begin training at the end of that year.

Having established the BML apprenticeship the Academy is now moving forward to deliver the Workboat Crewmember apprenticeship in support of the STCW Master II/3 <500GT near coastal certificate of competence.

We are proud to have established a training facility to deliver a government funded, professional programme of study in support of the internationally recognised licences required by those in the UK workboat sector.

The STCW (Standards of Training, Certification and Watchkeeping for Seafarers) Convention, to which the UK is a signatory, is an international agreement which states the education and training required for a Certificate of Competence (CoC) to be a member of crew in the merchant shipping industry.

Regulation II states three types of CoC to act as Master of a vessel according to its Gross Tonnage (GT – cargo carrying capacity) and area of operation; up to 150 nnm from the shore (near coastal) or unlimited (worldwide). For the workboat industry, which invariably operate in estuaries and coastal zones, the CoC is the II/3 Master <500GT near coastal.

The employment and training (E&T) required for this licence is the internationally recognised SQA Level 3 Diploma in Maritime Studies. An EU Directive permits the use of an alternative CoC for any type of vessels that operate in the coastal zone which is called the BML. This is not an STCW CoC and within the UK is limited to Category D waters (<2m wave height). Unlike STCW this licence requires specific endorsements for the type of vessel. The E&T for this licence is the SQA Level 2 Diploma.

Article IX of the Convention permits Flag States to write alternative licences for specific operations in the near coastal zone, but the E&T must conform to the standards of STCW. An example of this would be the catamarans that service wind farms around the UK coast. The BML is not valid due to the distance offshore and it is reasonable to argue that the II/3 requires a greater degree of E&T than is required to act as the Master of such a vessel. In this case a lesser licence would be written that has the requisite elements of the SQA Level 3 Diploma appropriate to these operations. Should the holder wish to progress to the STCW II/3 then they would simply have to undertake the additional Units required to gain the Diploma.

This all leads to a problem within the UK that during the past 20 years (post-STCW 95), the Maritime and Coastguard Agency (MCA) has allowed the workboat industry to avoid compliance with the standards of the STCW Convention by writing licences using a liberal interpretation of Article IX.

Examples of this include the RYA Offshore (Power) Certificate and Master Workboat <200GT CoC which have no E&T accredited by an awarding organisation such as the SQA. This has allowed a host of training providers to establish a lucrative business where a company is permitted to operate avoiding the quality assurance processes required by Ofqual resulting in a proliferation of sub-standard CoCs that have no validity outside of the UK.

In an attempt to address this situation rather than comply with the E&T for the STCW II/3 <500GT near coastal the workboat industry has simply used Article IX to also write alternative licences for larger vessels using a combination of SQA Units and International Association of Maritime Institutions (IAMI) accredited certificates many of which were specifically written for large private yachts.

This has been brought to the fore post-Brexit where EU countries are no longer prepared to accept non-STCW compliant licences. It could be argued that those that have suffered the most from this flawed policy for training are the crew who have invested large sums of money to progress their careers only to gain worthless pieces of paper.

Planning

The inland waterways sector suffers because of the unequal competition for wharf land. Rather than being protected, not least in planning terms, as wharves for commercial use they are simply sold for residential or office development. The finances will always favour such development, but this fails to consider the importance of the wharves in operational terms and the benefits that could be delivered for the environment, air quality etc.

Without very clear planning guidance, commercial freight operations are simply not competing on a level playing field for necessary land close to waterways. The rationale is always that money can be made more quickly by developing and selling a site for development than ever it can be by using it to facilitate sustainable, low carbon transport which would be of greater benefit to the local community.

Of course, planning sits outside of the responsibilities of the DfT but it provides another example of why a lack of a joined-up approach across government is causing problems.

Overall

The Transport Select Committee has previously recommended that the rivers and inland waterways sector be taken more seriously by Government. In the report, 'The Ports Industry in England and Wales' (2007), it said:

“The commercial inland waterways are part of the country’s strategic transport network, and they deserve better. We recommend that the Department for Transport take over responsibility for them, giving the waterways a higher priority in its freight strategy”.

Sadly, this recommendation was not adopted but it is no less relevant today than it was then.

We continue to encounter issues across funding and skills, as highlighted, but also in our engagement with regulatory bodies and local authorities, for instance in relation to the protection of wharves and how they can appropriately be brought into use. A large issue remains that we are using 19th century infrastructure to solve 21st century problems. Unless the public and private sectors can work together it will be difficult to unlock the significant potential benefits.

We have also encountered difficulties with operating in the European Union following Brexit not least due to not being able to use UK nationals as crew members in several EU countries. We have attempted to raise these issues with Government but have been told that it is unlikely to be rectified until 2030-2035.

These are all areas where a unified approach, with a single point of contact in Government would help.

If the rivers and inland waterways and the workboat sector continue to be ignored by government, then the potential economic and environmental benefits these sectors can deliver, through sustainable low carbon freight transport and, in the case of the workboat sector, its contribution to the construction and maintenance of renewable energy systems will not be delivered. Not only can workboats, rivers and inland waterways help reduce emissions by shifting traffic off the congested road networks, but this too helps improve air quality (a major issues for cities across the country).

It can only be assumed that because of the lack of a single point of focus in Government that the opportunities for rivers and inland waterways to help deliver across climate change, economic development and levelling up are being missed.

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