



HAVEN GATEWAY PARTNERSHIP  
ANNUAL REPORT

2009-2010



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## OUR VISION

To deliver a high-quality environment for the Haven Gateway's residents, workers and visitors by:

- Capitalising on its location as a key gateway;
- Realising its potential for significant sustainable growth;
- Addressing its needs for economic regeneration;
- Creating an additional focus for growth in high-tech, knowledge-based employment; and
- Enhancing its high-quality, attractive and natural assets.

## PARTNERS

Associated British Ports – Ipswich

Babergh District Council

BT

Colchester Borough Council

Essex County Council

Harwich Haven Authority

Harwich International Port

Ipswich Borough Council

Jean Dickinson

Lynda Chase-Gardener

Mid Suffolk District Council

Port of Felixstowe

Suffolk Chamber of Commerce

Suffolk Coastal District Council

Suffolk County Council

Tendring District Council

University of Essex

## KEY CONTACTS

**Patron** The Earl of Cranbrook

**President** George Courtauld

**Chairman** George Kieffer

**Chief Executive** David Ralph

**Project Director** Richard Morton

**Interim Development Director** Steve Clarke

**Office Manager and Executive Support** Lisa Brazier



## CHAIRMAN'S FOREWORD

The compilation of our Annual Report is normally a time when we look back at what we have achieved during the past year. If I need reassurance about the Haven Gateway Partnership's achievements, all I need to do is drive to our office, passing the A12 Cuckoo Farm junction for which the Partnership was a strong advocate. Community Infrastructure Funding was secured because the Haven Gateway is a Growth Point, and the Partnership is also making a capital contribution.



Work is in progress for all to see and the junction will be open to traffic in Spring 2011. This is not, I must emphasise, the achievement of any one party; it is an excellent example of partnership in action. It will make North Colchester much more accessible, boost occupancy at Colchester Business Park and show, to use the Chancellor's words, that Colchester is open for business.

The private sector, too, has continued to invest in major infrastructure projects. The Port of Felixstowe is on target to complete its Felixstowe South expansion next year and on my way to Harwich it is easy to see the enormous towers and blades stored at Harwich International Port, ready for installation as offshore wind farms off our coast. There is major construction work under way at the University of Essex, another of our partners, and the university has committed itself to the development of the Knowledge Hub.



We have made significant progress on the skills agenda, to ensure that our businesses have access to the trained and skilled workforce they need. With our partners Essex County Council and Suffolk County Council, and the Suffolk Chamber of Commerce, we have promoted apprenticeships in the construction as well as in the maritime and logistics sector.

These achievements should be viewed against the background of the worst recession for over 60 years and I hope it is not too immodest to claim that they represent one factor which has preserved our area from the worst ravages of the slump.

The coming year will bring new challenges, particularly with the Government's objective of reducing the deficit; inevitably this will lead to public expenditure cuts, tax rises and a greater 'value for money' drive in the delivery of public services.

It is therefore right to look at the cost-effectiveness of our own delivery. Based on the total overheads of the Partnership, including staff and premises costs as well as the provision of certain central services by Essex County Council, it costs us less than three pence to deliver £1 of Growth



Point funding. That is efficient and cost-effective delivery which would challenge many organisations.

In addition, we have gained funding for our involvement in two further European Union projects – *Cruise Gateway* and *Port Integration* – to add to the successful *Dryport* project already under way and now extended to June 2012. The Haven Gateway Partnership is recognised as a 'Maritime Centre of Excellence' by the European Union and is much sought after as a partner by other European regions. These EU projects have brought €278,300 of European funding into the Haven Gateway area.

It says much for the commitment of our small team that so much has been accomplished at so little cost. The Board owes thanks to David Ralph, Lisa Brazier, Steve Clarke and Richard Morton, as well as Helen French, the Senior Regeneration Manager of Essex County Council, who works on Haven Gateway projects one day per week. The administrative and financial support provided by Essex County Council is delivered most effectively by Lance Wosko, whose suggestions and recommendations are unfailingly helpful.

Our Partners from the private and the public sectors give freely of their time and the robust discussions we have had on occasion means that the Partnership is a vibrant organisation which challenges itself as well as its Partners. I owe a debt of gratitude to them for all their continued support as well as for the openness with which they have embraced partnership working.

Last year we lost a great civic leader through the untimely death of James Hehir, one of the principal architects of the Haven Gateway Partnership. He was a great support to me personally with his advice and often pithy views in my early days as Chairman and always made himself readily available to discuss any issues that arose. He was a doughty champion of Ipswich and also a valued and active supporter of the Partnership, and is greatly missed.

Let me conclude by anticipating more troubled skies as the storm clouds of public expenditure cuts gather. We must be rigorous in demonstrating to Government that a pound invested in the Haven Gateway will generate leverage of considerably more for the Exchequer from the private sector; we need to be innovative in our approach in order to squeeze additional return on investment from Growth Point funding.

Conservatively estimated, and excluding the longer-term economic benefits, we have calculated that £14.7 million of Growth Point funding has attracted further investment of about £90 million into the area – a leverage ratio of 1:6. The Haven Gateway covers the UK's most important ports cluster and is itself part of the Greater South East, comprising London, the Home Counties and East Anglia, the economic driver of the UK which contributes more to the Exchequer than the sum of public expenditure in its area.





Starving that economic powerhouse of public investment will not only make the UK internationally less competitive but will also in time reduce the surpluses available for the rest of the UK, which is more reliant on public expenditure for its economic wellbeing.

*George Kieffer*

**George Kieffer**  
**Chairman**





## THE HAVEN GATEWAY INVESTMENT PLAN AND NEW GROWTH POINT (NGP) FUNDING

The Haven Gateway Investment Plan, launched in April 2009, demonstrated the Partnership's efforts to link investment priorities to an evidence-based assessment of local need. This assessment was provided by the Haven Gateway Integrated Development Programme (IDP), published in December 2008. The Investment Plan also sought to take a longer-term perspective on the needs of the sub-region, with a five-year prioritised programme of targeted interventions.

In round terms, the IDP set out the case for public sector interventions costing circa £100 million to enable the adopted Regional Spatial Strategy (RSS) housing and job growth targets to be met. However, with rapid changes in the economy and public sector finances, the eventual Investment Plan could only be based upon an award of New Growth Point funding of £16,741,290 for a three-year period 2008/09 to 2010/11. The Partnership has since been managing the programme against the backdrop of increasing economic and financial uncertainty.

Despite this, 2009/10 has seen a solid period of delivery after the initial set-up and planning phases undertaken in 2008/09. By 31 March 2010, 25 projects had completed out of a total of 55 programmed for 2008/09 and 2009/10 and a further nine were very close to completion. Two projects were aborted and the funding reallocated.

Highlights for the year included:

- Completion of Hythe Station improvements, Colchester (£600,000). These were part of a project to provide greatly enhanced passenger environment/facilities and train services to London from this regeneration area.
- Commencement and substantial progress of work on the A12 junction (£350,000). The previous delay to this project has caused a block to major housing and employment growth in the North Colchester area and prevented the delivery of a long-awaited Park & Ride scheme to serve Colchester town centre.
- Continuation of work on the Ipswich Flood Defences (£1,200,000). Phase 2 involved the creation of raised river walls downstream of the site of the proposed flood barrier.
- Major delivery of the Bent Hill/Hamilton Road 'Shared Space' works in Felixstowe (£300,000). This project is transforming the environment and safety of the town's retail heart and creating greatly improved links between it and the seafront.
- Substantial enhancements to the Green Infrastructure of the Haven Gateway, with works at Belstead Brook Park (£76,000) and the River Gipping path (£25,000) engaging large numbers of volunteers from the local community.

This progress has been reflected in the amount of grant claimed. There were concerns last year that forecasting had been poor, as by 31 March 2009, only 38% of available grant for 2008/09 had been claimed. This year the Partnership has made a determined effort to ensure that the programme is more actively managed and in December 2009 it reallocated £850,000 of grants from projects that were not performing. This has helped to increase the level of 2008/09 grant claimed to 70% (£3,721,008 out of £5,281,957 allocated) and ensured that the level of 2009/10 grants claimed has reached 54% (£3,000,915 out of £5,601,986 allocated). All projects are now on



course to complete and claim their grants by 31 March 2011, which was the ultimate target set by the Board.

Going forward, the delivery of the remaining projects is less certain. A consultation exercise conducted by the Government late in 2009 suggested that all grant awards to New Growth Point areas would be reduced by 43%. As a result, the Haven Gateway Board developed a contingency plan to prioritise those projects which were essential for delivery in 2010/11. So far, however, even the reduced award has not been confirmed by the new Coalition Government. This delay is bound to have an impact on project delivery but is being managed.

Beyond that, the prospects for New Growth Point funding being available beyond 2011 remain uncertain until the outcome of the new Government's Comprehensive Spending Review. Work on updating the Haven Gateway Investment Plan, to ensure that the investment needs of the sub-region are clearly evidenced and co-ordinated with regional bodies such as the Homes and Communities Agency, Arts Council, Environment Agency and Natural England, will feed into this review through to the autumn.

### **Partnership with Groundwork East of England**

At last year's AGM it was announced that a Memorandum of Understanding had been signed between the Haven Gateway Partnership and Groundwork to assist with the delivery of the Green Infrastructure Strategy. This relationship has proved highly beneficial, with additional resources being made available to support delivery and the successful bid for a grant of £4,000 from Natural England to enable Groundwork to commission a new section of the Haven Gateway website devoted to Green Infrastructure (see [www.haven-gateway.org](http://www.haven-gateway.org)).



## EUROPEAN PROJECTS

### Dryport



Working with Babergh District Council as joint partners in the EU Dryport project, the Haven Gateway has begun to gather significant evidence in support of the sub-region's ports

and logistics sector. Dryport started in earnest in June 2009 once the lead partner, Sweden's Västra Götaland region, received the subsidy contract from the Interreg IVB Secretariat in Viborg, Denmark.

A key task for the Haven Gateway in the initial stages of the project was to develop a preliminary assessment of the ports and logistics land available in and around the Haven ports. The resulting Ports and Logistics Employment Land Study has been followed by a more detailed Employment Land Review aimed at identifying all employment land and its potential uses. This will enable us to eliminate sites that are not suitable for a dryport operation and confirm those that have potential for this use.

To improve our detailed knowledge and understanding of the sub-region's ports and logistics sector, including specifically in relation to dryport opportunities, a major Economic Impact Study was carried out. The results show that the sector has a significant impact on the local economy, over and above that which was previously thought.

In parallel with this work, two tenders were issued: one for an Origin and Destination Study and the other for a Containerised Cargo Carbon Calculator. The first of these was subsequently put on hold, as a potential opportunity emerged to use data from an existing source. The options are being discussed with the data holders, and the consultants appointed for the study will support in the development of this data if and when it becomes available.

The Carbon Calculator project is well under way. Our consultants are working with a number of major hauliers and businesses who will pilot this web-based tool, which enables users to compare and contrast different modes of containerised transport and their associated carbon emissions. The system should be ready and live by September 2010.

The Haven Gateway and Babergh have attended and played an active role in all of the Dryport project's workshops and seminars and benefited from direct communication with partners, developing and exchanging knowledge on the development of dryports.



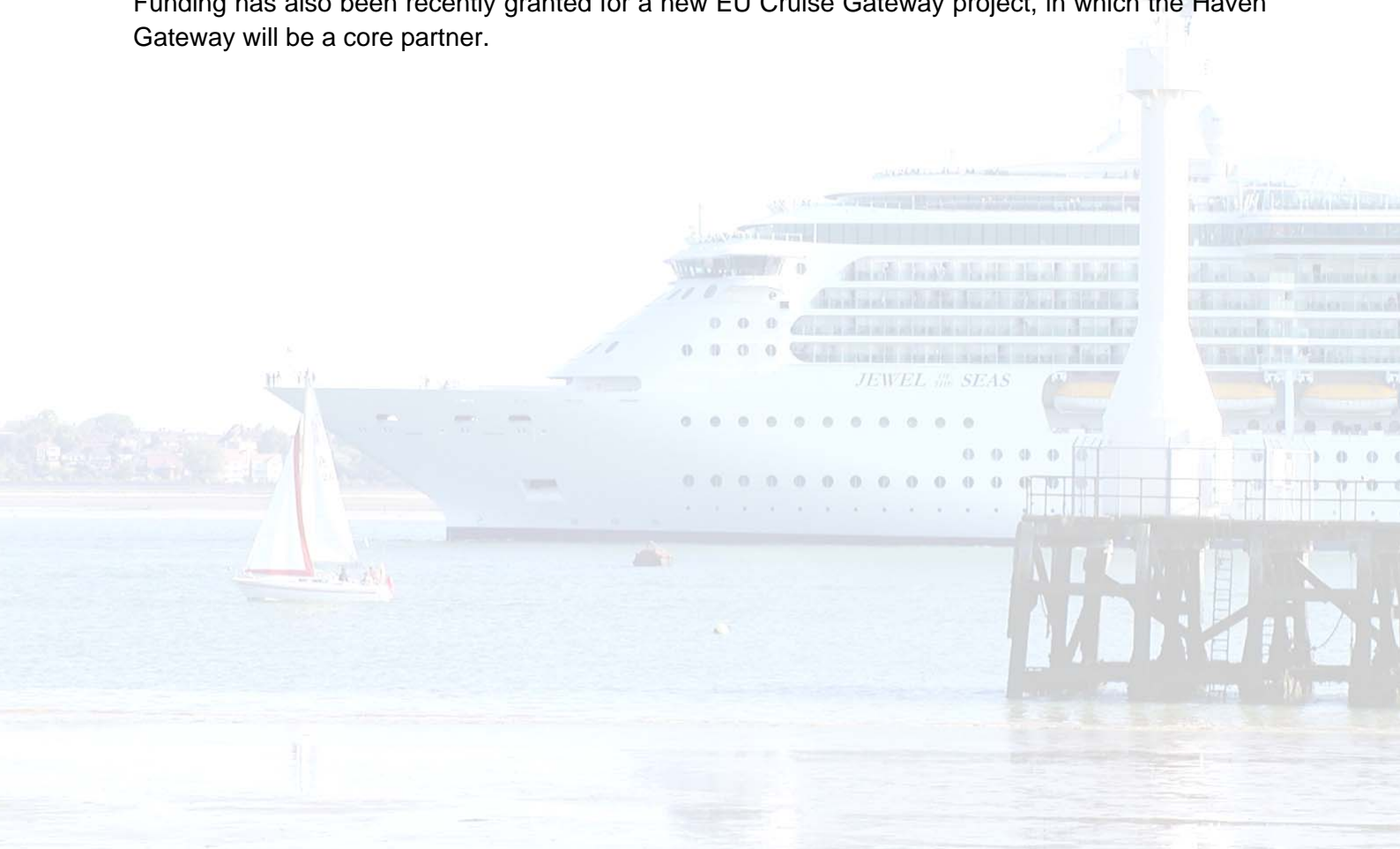


## European Funding

Following the success of the earlier EU-funded Port-net project and of the ongoing Dryport project, the Haven Gateway has looked to Europe to identify further funding to support key sectors, with a particular focus on ports and logistics.

As a result, the Haven Gateway is one of the core partners in a new project entitled Port Integration, which will focus on ports and their hinterlands. Approved by Europe and starting this year, this project will provide further valuable opportunities to promote the Haven Gateway as a European centre of maritime excellence.

Funding has also been recently granted for a new EU Cruise Gateway project, in which the Haven Gateway will be a core partner.





## HAVEN GATEWAY INTELLIGENCE AND ADVOCACY PLAN

The Haven Gateway has successfully delivered its Intelligence and Advocacy Plan with the support of a grant from the East of England Development Agency. This funding was provided to help secure more detailed information on the current 'state of the sub-region'.

Specifically the Haven Gateway focused on Economic Intelligence, Business Engagement and Advocacy.

To deliver the Economic Intelligence workstream, four quarterly reports and an annual report were issued. These focused on key factors affecting the sub-region, ranging from employment rates, earnings and housing through to sector-specific analysis in core sectors, including Ports and Logistics, Marine Leisure, Construction, IT and Tourism.

Business Engagement was delivered in collaboration with the Suffolk and Essex Chambers of Commerce – which organised business breakfast and dinner events, attended by the Haven Gateway, and worked to highlight key aspects of the sub-region and its position as a centre of business excellence.

A monthly e-bulletin was issued, through the Haven Gateway website – to businesses that had taken part in a survey commissioned to identify business issues, as well as to those previously registered for information on the Haven Gateway.

In Construction, the focus was on identifying key issues for the sector. The Haven Gateway, supported by Board member Jean Dickinson, held a discussion with construction leaders; problems raised ranged from public sector tendering to availability of skills. The Haven Gateway agreed to look at where it could have influence and how it could support the sector.



The Advocacy workstream was key to achievements within the sub-region, with the Partnership's Chief Executive and Chairman actively promoting the sub-region at local, regional and national events and the Projects Director highlighting key aspects of the sub-region's ports and logistics sector at international conferences.

The Haven Gateway will build upon the success of its Intelligence and Advocacy framework for 2010/11.



## HAVEN CRUISE

The Haven Gateway Partnership works in partnership with Harwich International Port to raise the profile of the port and area for cruise and ferry passengers.

Although the focus for 2009/10 has been primarily on the cruise sector, where we have stepped up our activities, we also supported a marketing campaign with East of England Tourism and DFDS.

In September 2009, a reception held on board the *Costa Atlantica*, on a transit call at Harwich, highlighted the size of ships handled by the port and the major impact that the cruise industry can have on the local economy.

Shortly after this, the Partnership attended the Seatrade Hamburg exhibition, with significant support from local business including Adnams Brewery and Birketts LLP. This exhibition showcased the sub-region and its wide range of attractions and opportunities for cruise and ferry passengers.



In March, Haven Cruise had a major stand at Cruise Shipping Miami 2010; this very large event is considered the most important of the year for the industry and is attended by all the top cruise executives. The exhibition provided an excellent opportunity to support the sub-region's cruise sector in recovering its pre-economic crisis position, and to build on that success moving forward. Financial support was received from EEDA, Essex County Council and Suffolk County Council.

As well as securing meetings were held with a good number of cruise line executives and excursion companies, Haven Cruise used the show to launch 'Gateway to the Games' and a postcard excursion campaign, highlight charter train opportunities, and develop familiarisation visits for shore excursion companies.

The Haven Gateway, with some high-profile European port partners, has recently received confirmation of EU Interreg funding to support the new Cruise Gateway project.

## CHIEF EXECUTIVE'S REPORT



Between 2001 and 2009, the Haven Gateway was the fastest growing sub-region in the UK, with both Colchester and Ipswich being among the fastest growing towns or districts. The Haven Gateway is an engine of UK plc, vital to its economic recovery.

As in many areas, the pace of growth has slowed in the face of the steep economic downturn – but, significantly, the sub-region remains ahead of its housing trajectory through to 2031. The expectation is that there will be some 100,000 additional people living in this sub-region by 2031 (on top of the 70,000 that have arrived since 2001).

However, job growth, which has previously been dependent on servicing housing demand, is not keeping pace with that demand. The sub-region's population is ageing, creating long-term implications for public services; gross value added remains fairly static; the infrastructure deficit is widening; there has to be a step change in skills.

We have delivered a significantly improved evidence base to support the development of the refreshed East of England Plan and our own planning policy, and have also delivered a successful Business Engagement and Economic Intelligence framework.

Refreshed jobs and housing targets to 2031 were set across the region during 2009/10. Although the Regional Spatial Strategy (RSS) is to be abolished, evidence suggests that the pace of growth does not slow; the delivery of integrated solutions and sustainable growth – with diminishing public sector resources – is an ever-increasing challenge. Indeed, the challenge to deliver jobs appears even greater.



However, this sub-region has absolutely world-class assets offering clear potential for creating jobs: its ports; its proximity to new and developing wind farms and to nuclear energy; its tourism, quality of place, landscape and Areas of Outstanding Natural Beauty; and its creative industries. Growth itself will deliver many service-related jobs, but capturing the economic value and developing the skills of our young people to support these world-class assets should be at the heart of our strategy. The Haven Gateway recognises that by working together – across public and private sectors – we are more likely collectively to punch above our economic weight.

In 2010/11 we will have to make the case both locally and nationally to Government for further funding for infrastructure and for the Haven Gateway Partnership as a mechanism that is cost-



effective and adds considerable value. We will also be lobbying on behalf of our ports and logistics sector – for example, through the DaSTS (Delivering a Sustainable Transport System) study and by promoting our expertise in offshore wind farm delivery. We will also lobby to secure the best possible franchise arrangements on the Greater Anglia rail network.

With inevitable cutbacks in public sector funding, we must become smarter in securing private sector leverage to support infrastructure improvements and investment. Effective use of tariffs, tax increment financing and asset-backed investment vehicles are likely to become increasingly important in delivering significant but sustainable growth.

**David Ralph**  
**Chief Executive**





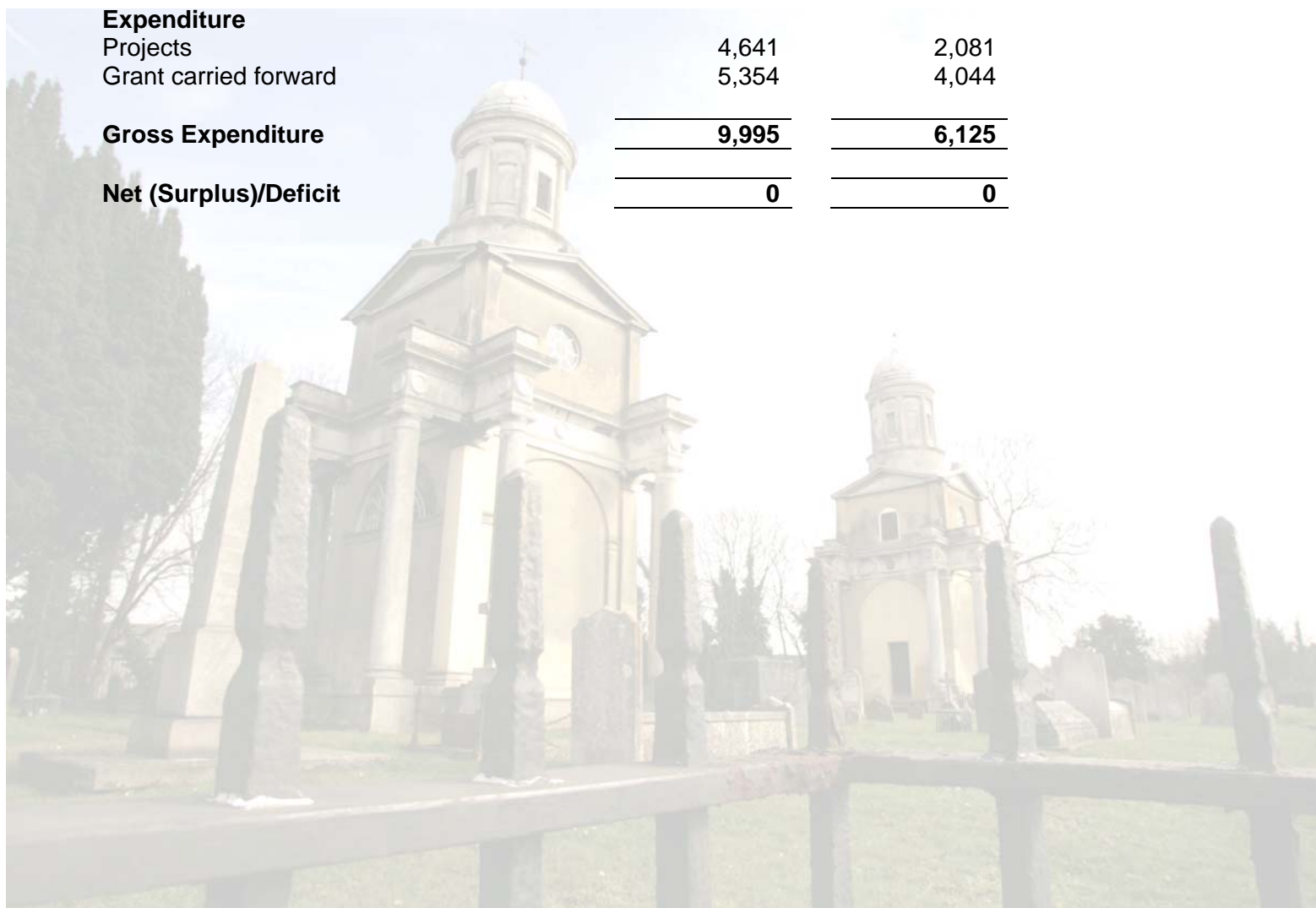
## FINANCE

Provisional Finance Report for the year ended 31 March 2010

	<b>2009/10</b>	<b>2008/09</b>	
	£'000s	£'000s	
<b>NON-PROJECT INCOME &amp; EXPENDITURE</b>			
<b>Income</b>			
Contributions received	(198)	(398)	
Interest	(29)	(146)	
Rental	(9)	0	
Growth Point Grant	(250)	0	
Other	(2)	(3)	
<b>Gross Income</b>	<b>(488)</b>	<b>(547)</b>	<b>-10.8%</b>
<b>Expenditure</b>			
Staff	191	229	
Premises	36	64	
Supplies & Services	58	63	
Transport	10	9	
Establishment & Other	19	97	
<b>Gross Expenditure</b>	<b>314</b>	<b>462</b>	<b>-32.0%</b>
<b>Net Non-Project (Surplus)/Deficit</b>	<u><b>(174)</b></u>	<u><b>(85)</b></u>	<b>104.7%</b>
<b>PROJECT INCOME &amp; EXPENDITURE</b>			
<b>Gross Income</b>	<b>(279)</b>	<b>(33)</b>	<b>745.5%</b>
<b>Expenditure</b>			
Staff	80	11	
Supplies & Services	123	74	
Transport	5	0	
Establishment & Other	104	29	
<b>Gross Expenditure</b>	<b>312</b>	<b>114</b>	<b>173.7%</b>
<b>Net Project (Surplus)/Deficit</b>	<u><b>33</b></u>	<u><b>81</b></u>	<b>-59.3%</b>
<b>HGP Total (Surplus)/Deficit</b>	<u><b>(141)</b></u>	<u><b>(4)</b></u>	



<b>GROWTH POINT GRANT</b>	<b>2009/10</b> £'000s	<b>2008/09</b> £'000s
<b>Income</b>		
Grant Received	(5,951)	(6,125)
Grant brought forward	(4,044)	0
<b>Gross Income</b>	<b><u>(9,995)</u></b>	<b><u>(6,125)</u></b>
<b>Expenditure</b>		
Projects	4,641	2,081
Grant carried forward	5,354	4,044
<b>Gross Expenditure</b>	<b><u>9,995</u></b>	<b><u>6,125</u></b>
<b>Net (Surplus)/Deficit</b>	<b><u>0</u></b>	<b><u>0</u></b>



## KEY ACHIEVEMENTS

The year 2008/09 was very much about establishing the Haven Gateway's priorities for investment and allocating funding. The following 12 months have been about getting these schemes and activities off the ground and delivered. I am therefore pleased to report the following key deliverables.

### **Significant improvements to major transport routes (for passengers and freight):**

- A12 Cuckoo Farm junction under way
- A14 improvements (TIF) being delivered
- F2N gauge and capacity clearance: TEN-T funding confirmed

### **Direct action in securing the provision of other key utilities:**

- Felixstowe Flood Prevention scheme
- Ipswich Flood Defence being delivered

### **Projects to deliver Town Centre and Coastal Town Renaissance:**

- Hythe Station works completed
- Giles Circus, Ipswich, under way
- Felixstowe Bent Hill/Hamilton Road 'Shared Space' scheme delivered

### **Closer working with private sector partners to deliver specific interventions in key economic sectors:**

- Felixstowe South Reconfiguration Phase 1 nearing completion
- University of Essex commitment to Knowledge Hub
- Harwich port wind farm hub offer
- Haven Cruise
- EU projects: Dryport, Port Integration and Cruise Gateway
- Innovation Martlesham



### Milestones 2009/10:

- Haven Gateway Five-Year Investment Plan approved
- Green Infrastructure event with Natural England
- Green Infrastructure brochure published
- Memorandum of Understanding signed with Groundwork East of England
- Publication of 'State of Sub-Region' report
- Opening of cruise passenger gangway at Harwich International Port
- Hamburg and Miami cruise exhibitions
- East Anglian Daily Times Awards – Haven Gateway sponsors International Trade Category
- Haven Gateway Investment Plan reviewed in anticipation of funding cut
- Growth Fund for 2010/11 confirmed (43% cut)



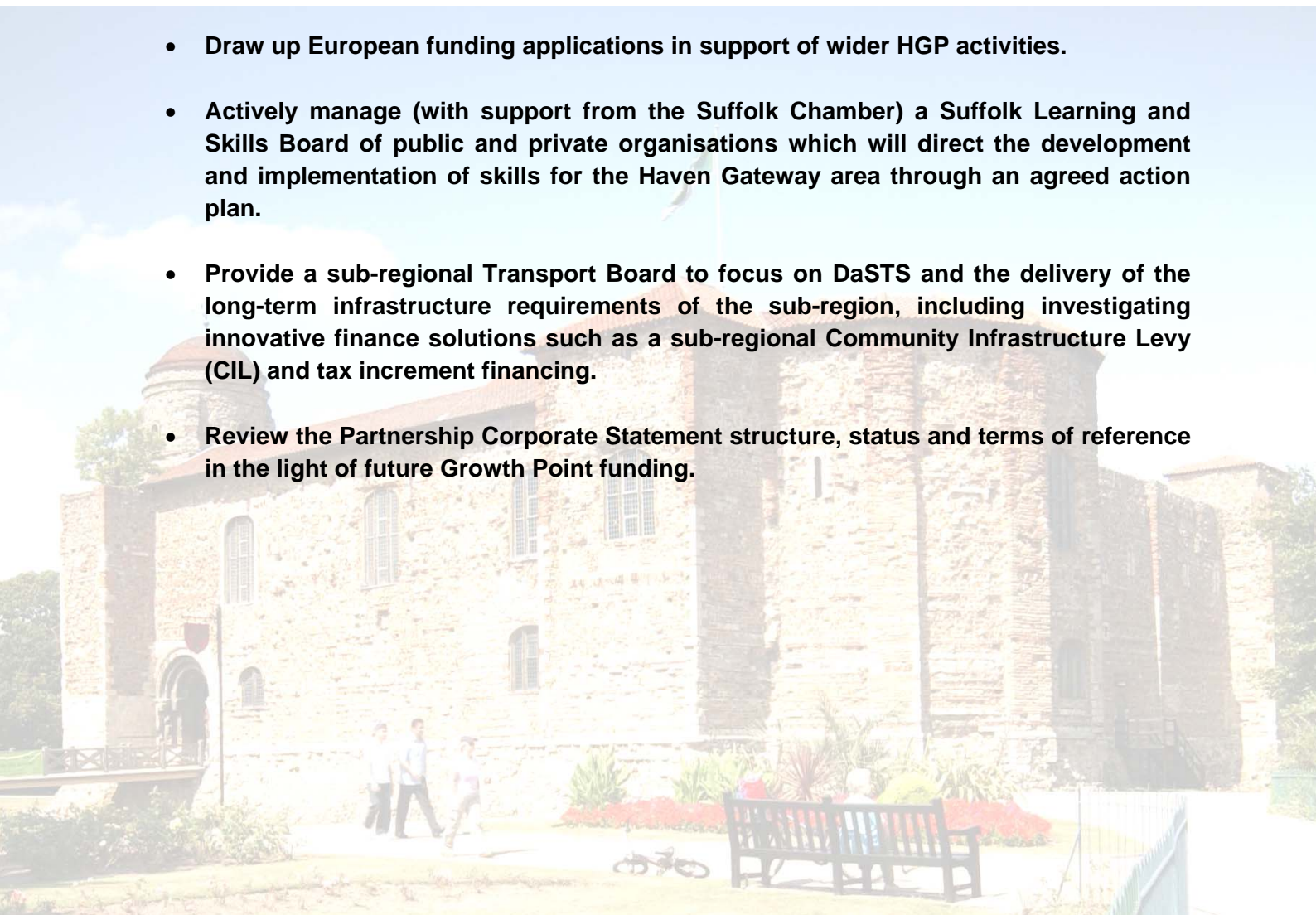
## LOOKING AHEAD: 2010/11

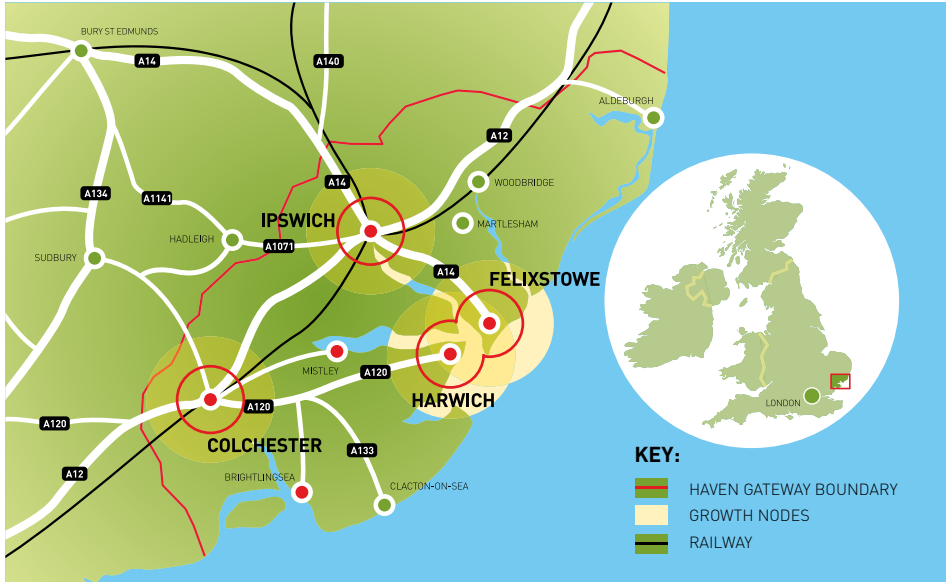
- **Deliver the Growth Fund programme and secure additional funding for key infrastructure:**
  - Support the delivery by partners (largely local authorities) of key growth-related projects;
  - Convene the Ipswich Policy Area group;
  - Make clear the links between housing and employment targets within a spatial planning context; identify key sites and constraints, including transport infrastructure; identify key investment schemes and create intervention packages in order to seek Government funding;
  - Influence the strategic planning and delivery of key infrastructure projects affecting the growth of the sub-region.
- **Provide increased economic intelligence, business engagement and advocacy at a sub-regional level.**
- **Publish a sub-regional economic strategy to support Local Area Agreements and economic assessments with proposals for the key growth sectors of:**
  - New Industries New Jobs – particularly clean technology (nuclear, wind and solar);
  - Port and Logistics;
  - Tourism – particularly cruise, ferry and marine leisure and including ‘Gateway to the Games’;
  - Creative Industries – creative hubs and Festival of Culture 2013;
  - ICT and Innovation.





- **Implement the Memorandum of Agreement (MoA) with Business Link to increase targeted business support.**
- **Work closely with EEDA Invest, Choose Suffolk and Invest Essex to increase the effectiveness of the inward investment and international trade service 'agile manufacturing' proposition within the sub-region; monitor and evaluate this work.**
- **Draw up European funding applications in support of wider HGP activities.**
- **Actively manage (with support from the Suffolk Chamber) a Suffolk Learning and Skills Board of public and private organisations which will direct the development and implementation of skills for the Haven Gateway area through an agreed action plan.**
- **Provide a sub-regional Transport Board to focus on DaSTS and the delivery of the long-term infrastructure requirements of the sub-region, including investigating innovative finance solutions such as a sub-regional Community Infrastructure Levy (CIL) and tax increment financing.**
- **Review the Partnership Corporate Statement structure, status and terms of reference in the light of future Growth Point funding.**





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