

Scottish Government submission of 28 June 2023

PE2029/A: Nationalise Clydeport to bring the ports and harbours on the river Clyde into public ownership

Scottish ports operate in a commercial environment usually with no direct public funding, and compete in a market with 3 main types of port ownership models; private, trust and local authority. As independent statutory bodies, ports are governed by their own local legislation and run by independent boards.

Clydeport is an established port operator, which provides benefits for the local economies in which it operates and across the Scottish economy. Clydeport is the controlling Port Authority for 450 square miles of the River Clyde, giving their customers the space, facilities and expertise to store and process more than 15.4 million tonnes of cargo a year and assist them in handling thousands of passengers. The activities Clydeport facilitates, the employment which it provides for, and the investment made in recent years, are of significant importance to the Scottish economy.

With its origins on the Clyde going back to 1858 initially as Clyde Navigation Trust, Clydeport has been a mainstay of the maritime industry importing and exporting goods, growing to 1 million tonnes of cargo from its King George V facility to 60,000 containers moving through Greenock's Ocean Terminal, Scotland's second biggest container port. Clydeport has also placed a £17m order for two new cranes at Greenock Ocean Terminal, to help future-proof the freight port as it prepares to accommodate increased demand from cargo owners. It will be the largest single investment made at the container terminal since it opened in 1969.

From the cruise facilities at the Ocean Terminal in Greenock and the regeneration of the Inchgreen dry dock, to its plans for the former coal port at Hunterston, Clydeport's facilities are creating opportunities for investment, jobs and skills that will benefit the people and businesses of Scotland, especially in growth sectors such as renewables. Clydeport, along with their wider Peel Ports owners, also have plans in place to becoming net zero across all their sites by 2040.

The company reports that it remains a significant stakeholder in the development of the Clyde's industrial growth, providing not only the means to service local markets but to allow a global reach through in-house connectivity to other UK ports such as Liverpool and Medway. Clydeport have invested resources in various operations on the west coast, providing hundreds of direct and indirect jobs for Scotland over many years.

Clydeport announced it is set to experience its busiest year for cruise calls in 2023 – with 91 cruise liners booked into Greenock – a rise of over 25 per cent on last year. As many as 150,000 passengers and 38,000 crew members are expected to pass through the port over the course of this year, utilising a new £19.2million cruise ship visitor centre at the terminal. Inverclyde Council has estimated the development will provide a £26million boost to the Scottish economy.

Inchgreen is a strategically important asset to Clydeport and, as such, the Company has said that it will continue to market and promote the site for future port related ventures, including the use of the dry dock. Clydeport have said that they are willing to explore any fully costed, credible plan or project for the dry dock. However, it must be noted that viable projects which would make full use of the facility are limited, due to its size and the cost associated with maintaining it in its current fit-for-purpose state.

Instances of complaints about ports in Scotland are rare, despite many stakeholders regularly using a port or living in the vicinity of a port. Ports can bring huge economic and social benefits to their region. The ports sector in Scotland is deemed as an independent commercial sector and Scottish Ministers do not get involved in the day to day running of a port.

Anyone who feels a port (be it trust, private or local authority) is operating outside its powers, as set out in its legislation, should raise this with the port in the first instance, but ultimately has the option to consider a legal remedy via the courts. Anyone considering legal action is advised to take independent legal advice.

Ports are run on a commercial basis and are expected to be self-funding. Any government support for new or improved infrastructure at ports would need to consider the strategic importance of the works, the supporting investment from the port operator and subsidy control issues.

Scottish Ministers have powers to compulsorily acquire land under planning legislation, but that is only where the acquisition is “necessary

for the public service” or for planning or development purposes. The Scottish Government has no plans to explore compulsorily purchasing, revoking the powers of, or nationalising Clydeport.