

Committee(s):	Date(s):
Port Health & Environmental Services	30 April 2013
Subject: London Gateway Port update	Public
Report of: Director of Markets & Consumer Protection	For Decision

Summary

The purpose of this report is to advise your Committee of the progress made in preparation for the London Gateway Port that is due to open in the final quarter of 2013, and for which the City Corporation, as London Port Health Authority (LPHA), will have certain statutory responsibilities.

The following work-streams are underway:

- **Office accommodation**—an office is included as part of the inspection facility within the secure area of the port for the sole use of LPHA .The City Surveyor is exploring opportunities for additional office space in the main port office block (Manorway House) and outside the Port to meet other operational requirements.
- **Staffing** – in view of the uncertainties concerning the impact of the Port on staffing requirements at other ports, only temporary appointments are being made at this stage.
- **Information Systems** – arrangements are being made internally and externally to ensure adequate provision is made in the offices and inspection facility.
- **Finance** – in the first instance, costs will be met from the Products of Animal Origin Reserve.

Further reports will be made to your Committee as the project progresses to ensure that you are kept fully informed of the position.

Recommendations

Members are asked to:

- Note the progress made to date in preparing for the opening of London Gateway Port in the last quarter of 2013.
- Delegate authority to the Town Clerk, in conjunction with the Director of Markets & Consumer Protection and the City Surveyor, and in consultation with the Chairman and Deputy Chairman, to approve terms for any additional accommodation requirements, should an identified need arise before the next Committee meeting on 2nd July.
- Agree to the Comptroller and City Solicitor being instructed to complete a lease for any additional accommodation should the need arise.

Main Report

Background

1. The London Gateway container port is currently under construction on the site of the former Shellhaven Oil Refinery on the north bank of the Thames, close to the mouth of the estuary. The City Corporation, as London Port Health Authority (LPHA), has a statutory duty to enforce a range of legislation, notably the control of food and feed imported from outside the European Community.
2. As outlined in my report of 12 September 2012, it is anticipated that the Port will open during the last quarter of 2013. Although some projections have been provided, the actual throughput and type of cargo have still yet to be confirmed, which make it difficult to project the resources required.
3. Despite the uncertainties regarding the operation of the Port, different work-streams are already underway to ensure that the LPHA can meet its statutory responsibilities once the Port opens. The purpose of this report is to update your Committee on the progress made in preparation for the Port going 'live' later this year.

Current Position

Office Accommodation

4. In order to obtain European Commission approval to handle products of animal origin, the Port has to provide (at no cost to the LPHA) a Border Control Point to enable goods to be examined in a hygienic and safe manner. Plans for this have been approved by LPHA and Defra, and construction has now commenced. This includes an office which can accommodate up to eight people, which should provide sufficient space for LPHA staff when the Port opens.
5. There is an expectation that additional space will be required to accommodate those staff who undertake duties outside the products of animal origin regime. It is likely that there will be a substantial quantity of imported foods not of animal origin for which the LPHA has responsibilities. This is yet to be defined given the on-going uncertainties regarding the operation of this port and the impact this will have on other LPHA activities.
6. The City Surveyor has been exploring opportunities with London Gateway Port Ltd (LGPL) for further office accommodation and parking, in Manorway House, the main building outside the secure area of the Port. There is no other office accommodation located close to the Port, which is in an isolated location on the Thames Estuary. Therefore, this opportunity needs to be given careful consideration to ensure future requirements can be met.
7. If it is identified that the operational requirements will need additional accommodation, negotiations may need to be progressed rapidly to secure the desired space. Therefore Delegated Authority is requested to enable matters to proceed outside the normal Committee cycle should the need arise. There is a risk that if the City does not agree terms on the accommodation currently being offered at Manorway House, then LPHA may have difficulty in meeting its additional service requirements for London Gateway.

Staffing

8. A review of the Port Health organisational structure and staffing arrangements is currently underway in preparation for the opening of London Gateway. As agreed at

your last meeting, the intention is to redeploy existing staff to the port with new employees back filling the vacancies left by those transferring.

9. It is possible that London Gateway will have a detrimental effect on Tilbury and Thamesport, the other two container ports under LPHA jurisdiction, which may mean that fewer staff are needed there than at present. For this reason, together with the uncertainty about throughput levels, I am not recruiting permanent staff immediately but propose to appoint a Port Health Manager on a fixed term contract from within the existing Port Health establishment until the position is clearer. In addition, temporary staff will be employed and trained to an appropriate level to enable them to work at any of the three ports.
10. The Director of Human Resources is working closely with my officers to ensure that proper consultation is undertaken concerning any proposed changes regarding office location, terms and conditions, etc.

Information Systems (IS)

11. The Chief Information Officer of IS has already had considerable involvement in ensuring that LPHA requirements are considered at an early stage and factored into construction of the Border Inspection Post and redevelopment of Manorway House. External service providers have also been approached and are making changes to meet Port Health requirements.

Finance

12. The financial implications can still not be accurately quantified. However, as agreed at the September 2012 meeting of your Committee, the start-up costs will be met from the Products of Animal Origin Reserve in the first instance. The balance in the Reserve is currently £400k.
13. In addition, once the outturn position for 2012/13 is finalised, I may seek approval to carry-forward some or all of my underspend to be used to meet one-off costs of London Gateway during 2013/14.
14. Once the Port is fully functioning, charges will be levied for inspection services where the legislation allows, and the income from these charges should meet a proportion of the City's ongoing costs at the Port, depending on the nature of the trade. There will still be costs that have to be met from local risk budgets as fees cannot be levied for all types of controls. If these cannot be met from existing resources, this will be subject of a separate report.

Proposals

The main proposal at this stage is to give flexibility to the City Surveyor to identify appropriate accommodation to meet the needs of the service and secure a lease for this accommodation, when required. I therefore propose that should a need arise before the next committee meeting on 2nd July the Town Clerk, in conjunction with the Director of Markets & Consumer Protection and the City Surveyor, in consultation with the Chairman and Deputy Chairman, approve terms for the commercial lease of premises to meet this requirement.

Implications

15. As indicated above, many of the implications of the new port can still not be accurately quantified. Once further information is available, a more detailed assessment of the costs to the City Corporation, and the charges that can be levied, will be made.

16. The key risk is that the LPHA is not adequately resourced when the port opens and is unable to service the port and its customers. Officers will continue to progress negotiations with London Gateway Port Ltd to ascertain their detailed requirements, and ensure that sufficient resources are deployed to meet their demands.

Conclusion

17. The London Gateway Port is still due to open in the last quarter of 2013. Work-streams are underway to ensure that the Service is prepared for the opening date. Further reports will be made to your Committee as the project progresses to ensure that you are kept fully informed of the position.

Background Papers:

Report to Port & City of London Health and Social Services Committee, proposed role in reserve fund: Inspection of Products of Animal Origin, 25 April 2000

Report to Port Health & Environmental Services Committee, Shaping the Port Health Service, 24 July 2007

Report to Port Health & Environmental Services Committee, London Gateway Port, 12 September 2012

Jon Averts

Port Health & Public Protection Director

T: 020 7332 1603

E: jon.avers@cityoflondon.gov.uk