

The Dover Society
Minutes of the Executive Committee, held on Thursday 09 JUNE 2011
at St Paul's Parish room, Dover

Present:

Derek Leach – chair, Jeremy Cope, Sheila Cope, Glyn Hale, Patricia Hooper-Sherratt, Alan Lee, Jean Marsh, Mike McFarnell, Georgette Rapley, Terry Sutton, Mike Weston, Jack Woolford

1. Apologies

William Naylor, Pat Sherratt, Alan Sencicle,

Neil Wiggins, Chair of the Dover Port People's Trust, attended this meeting to talk about the Dover Port People's Trust.

The regular agenda **had** been postponed in favour of a meeting devoted to the Dover Port People's Trust **and The Society's response to the revised criteria for the sale of Trust Ports proposed by the government.** The Executive Committee **had** had a meeting with the Dover Harbour Board on the subject, so it was appropriate to have the **views of DPPT.** DL welcomed Neil Wiggins, Chair of the Dover Port People's Trust, and asked him to address the Committee.

Dover Port People's Trust (DPPT) – NW

NW gave background to the current consultation, in particular the revised criteria regarding the community aspects, and outlined the DPPT position. DPPT seeks to strengthen the community aspects of the privatisation bid and wishes to drive the regeneration of the town/area through the generation of income from port activities. The DPPT feels the criteria on community, recently added to the privatisation process, is very important and that ports need to be able to access capital markets to fund projects against future revenue.

The DPPT bid is an alternative proposal to the one submitted by the DHB, which had been presented locally as the only option for the port of Dover. The DPPT bid came about to demonstrate there were alternatives. In the case of DPPT, the bid is based on a municipal model, with mass membership for authority. DHB **did** not wish to discuss other models, which is why the DPPT proceeded with its alternative proposal. It has built a business model based on the current public data available from DHB, but would be subject to due diligence. NW gave details of the funding options backing the proposal. He gave some details of the changing trading patterns across the world and the investments being undertaken in container technology in other ports.

DL asked how the DPPT can raise the amount of money to buy the port and afford to pay the interest on these loans, based on the current port revenues, as well as the projected capital spending required to develop the port. The capital raised to buy the port is effectively underwritten by the port users as a framework agreement for a given period of time. The business plan requires £250m held in long, medium and short term bonds. The current DHB masterplan would have to be revised if the DPPT were successful to ensure that the port was being developed for the future, rather than the past.

JC asked why the DPPT were offering £50m to the community, compared with the £15m offered by the DHB. NW indicated that the £50m would be largely made up of non-operational assets and would be set up as a regeneration vehicle, which would have local representation and would not be limited to port activities. Additional partners would be drawn in to this for joint ventures that would be of benefit to the community. However, until the final financials are confirmed, DPPT can not give details of any cash assets.

The Government has to achieve a “fair” price for the port and DPPT bid values the port at £200m, under present economic conditions. This value may rise or fall in future. The current Port Operations run very well, so this will stay in place and become the core for the new structure, running the port and implementing strategy. NW gave details of the board which would provide the strategic direction and management of the port. The regeneration vehicle will also have its own board. DPPT will provide the overall long-term strategy for the port and all the boards will be accountable to the DPPT Board.

JC asked what the affect would be of the legal action being taken by the ferry operators against DHB and the marked decrease **in** revenues from traffic through the port. NW gave details of the current situation and felt that the decrease was initially due to the recession and to a realignment of market share. He also gave details of the challenge by the ferry companies regarding tariff charge increases. He felt that the ferry companies would not win their challenge and that the charges at Dover were in line with other ports. Looking to the future, Dover needs to build links with other ports in the region to diversify its revenue, working with the European Seaports Authority. Currently, Dover’s revenue comes from only three streams and this is not a viable future.

DL asked what **single** point the DPPT would like the Dover Society to make in its submissions to the Minister of State? NW indicated the importance of ensuring the community criteria is not just a tick box in any bid, but that it is a clearly stated requirement for any successful bid.

JC asked if it would be possible to have a cash flow summary of the DPPT bid? NW will look at this **and** see if it is possible.

AL asked about the cruise terminal (loss of some liners back to Southampton) and the drop in berth holders due to the uncertainty of the current developments and the revised position of the marina.

The Committee thanked NW for attending the meeting and his contribution to the date. **NW then left.**

The Society's response to proposed criteria

DL gave an update on the recent meeting with Bob Goldfield, DHB, about their **scheme**. According to DHB, the community involvement has to be separate from the running of the port. If a private investor buys the port, it is essential that the community criteria are right for the town of Dover.

JC reported on the recent Port Consultative meeting, which he **attended** (09 June 2011) and Bob Goldfield’s presentation to the Rotary Club of Dover. DHB is recognising the importance of the Dover Society lobbying and taking part in the debate on the future of the Port. JC gave details of the PDCT proposals from the DHB bid. It is important that the Dover Society focuses on the definition of “community and area of benefit”.

The Executive Committee reviewed the draft response to the port privatisation consultation. It was agreed that the membership should be consulted and a small group will meet to organise this. A number of changes to the draft response were made and DL will now revise the response accordingly. The response was approved, subject to the **amendments** agreed. The revised **draft** will be circulated to the Society membership, giving 7 days to reply with comments by letter to DL or by email. **The group would consider members' comments before finalising the response to the Minister.** A timetable to meet the **deadline** was agreed.

Other urgent business

DL ~~had~~ been asked to attend a DHB seminar on the Port of Dover Community Trust on 16 June and asked the Committee for suggestions that should be included in his comments at the seminar. A number were given. DL will report back at the next Executive Meeting.

GR asked for a further leaflet to be added to the next magazine promoting the trip in September. AL agreed to do this.

There being no other business, the meeting closed at 21.34pm.