

|   |   |
|---|---|
| <b>Title:</b><br>Impact Assessment for the Ports of: Barrow, Cardiff, Clyde (Glasgow), Falmouth, Hull, Goole, Immingham and Grimsby, Liverpool, the Manchester Ship Canal, Newhaven, Southampton, Sullom Voe and Swansea ("the Listed Ports")<br><b>IA No:</b> DfT00168<br><br><b>Lead department or agency:</b><br>Department for Transport<br><b>Other departments or agencies:</b> | <b>Impact Assessment (IA)</b>   |
|   | <b>Date:</b> 12/03/13   |
|   | <b>Stage:</b> Final   |
|   | <b>Source of intervention:</b> EU   |
|   | <b>Type of measure:</b> Secondary legislation   |
|   | <b>Contact for enquiries:</b> Caroline Wall<br><b>Tel:</b> 020 7944 6251<br><b>E-mail:</b> caroline.wall@dft.gsi.gov.uk |
| <b>Summary: Intervention and Options</b>  | <b>RPC:</b> RPC Opinion Status  |

| Cost of Preferred (or more likely) Option |                            |  |   |
|---|----------------------------|--|---|
| Total Net Present Value                   | Business Net Present Value | Net cost to business per year (EANCB on 2009 prices) | In scope of One-In, Measure qualifies as One-Out? |
| -£2.19m                                   | -£2.19m                    | £0.24m   | No  |
|   |                            |  | NA  |

**What is the problem under consideration? Why is government intervention necessary?**

The terrorist incidents in the US (2001), Madrid (2004) and London (2005) highlighted the vulnerability of, and threat to, transport systems world-wide. The UK port industry is an important part of the UK economy, and an essential node between transportation modes. Therefore a security incident involving the maritime transport system may have impacts falling beyond the immediate risks and consequences faced by port owners, such as the cost of human injury. As such effects are unlikely to be faced directly by port owners they may under-invest in security measures. Government intervention by way of implementation of Directive 2005/65/EC is therefore required to ensure a consistent, proportionate port security regime across the UK.

**What are the policy objectives and the intended effects?**

The policy objective is to enhance security at the Ports of: Barrow, Cardiff, Clyde (Glasgow), Falmouth, Hull, Goole, Immingham and Grimsby, Liverpool, the Manchester Ship Canal, Newhaven, Southampton, Sullom Voe and Swansea ("the Listed Ports"), to complement measures to help prevent maritime terrorist incidents. The intended effect is to designate a Port Security Authority for each Listed Port, which will be responsible for the preparation and implementation of security plans, based on the findings of security assessments at each Listed Port and for co-ordinating security within each port for which that Port Security Authority is designated.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

Option 1. Do nothing.

**PREFERRED** Option 2. Introduce Statutory Instruments (one for each Listed Port) defining Port Security Authority boundaries for each of the Listed Ports designating the 'Port of [Listed Port] Security Authority' as the Port Security Authority for the Port of [Listed Port], for the purposes of Directive 2005/65/EC as transposed by the Port Security Regulations 2009. Preferred option as it puts in place at the Listed Ports new security measures, not covered by the current regime, which apply beyond the immediate ship/port interface to the wider port area. This will contribute to reducing the UK's vulnerability to maritime terrorist incidents. The Directive is being implemented progressively at the 40+ ports considered in-scope, the Listed Ports in this IA being the second batch of ports to go through the process. Please see evidence base, para 4 for option development.

**Will the policy be reviewed?** It will be reviewed. **If applicable, set review date:** 12/2018

|  |                     |                       |                     |                         |                     |
|--|---------------------|-----------------------|---------------------|-------------------------|---------------------|
| Does implementation go beyond minimum EU requirements?   |                     |                       | No                  |                         |                     |
| Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.                       | <b>Micro</b><br>Yes | <b>&lt; 20</b><br>Yes | <b>Small</b><br>Yes | <b>Medium</b><br>Yes    | <b>Large</b><br>Yes |
| What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent) |                     |                       | <b>Traded:</b><br>0 | <b>Non-traded:</b><br>0 |                     |

*I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs.*

Signed by the responsible Minister:  
STEPHEN HAMMOND

..... Stephen Hammond ..... Date: 03/07/2013 .....

# Summary: Analysis & Evidence

# Policy Option 2

Description:

## FULL ECONOMIC ASSESSMENT

|                         |                         |                          |                                       |                |                      |
|-------------------------|-------------------------|--------------------------|---------------------------------------|----------------|----------------------|
| Price Base<br>Year 2013 | PV Base<br>Year<br>2013 | Time Period<br>Years: 10 | Net Benefit (Present Value (PV)) (£m) |                |                      |
|                         |                         |                          | Low: Optional                         | High: Optional | Best Estimate: -2.19 |

| COSTS (£m)    | Total Transition<br>(Constant Price) Years | Average Annual<br>(excl. Transition) (Constant Price) | Total Cost<br>(Present Value) |
|---------------|--|---|-------------------------------|
| Low           |  |   |                               |
| High          |  |   |                               |
| Best Estimate | 0.261                                      | 0.22  | -2.19                         |

### Description and scale of key monetised costs by 'main affected groups'

Port Security Officer estimated to cost £300,960 in start-up year and £150,480 per annum thereafter  
 Port Security Risk Assessment estimated cost £170,062 in the 1st year and £68,025 per annum thereafter  
 Port Security Plan estimated to cost £14,472 in the 1st year and £5,784 per annum thereafter  
 The extra costs of £261,201 in the 1st year have been presented as transition costs.

### Other key non-monetised costs by 'main affected groups'

There are no other key non-monetised costs

| BENEFITS (£m) | Total Transition<br>(Constant Price) Years | Average Annual<br>(excl. Transition) (Constant Price) | Total Benefit<br>(Present Value) |
|---------------|--|---|----------------------------------|
| Low           | 0  | 0   | 0                                |
| High          | 0  | 0   | 0                                |
| Best Estimate | 0  | 0   | 0                                |

### Description and scale of key monetised benefits by 'main affected groups'

There are no key monetised benefits

### Other key non-monetised benefits by 'main affected groups'

Improved security measures will reduce the chances of successful maritime terrorist incidents – bringing benefits of a prevented terrorist incident such as saved human injuries and no disruption of the movement of goods and people that could have a material impact on the UK economy. These measures will also lead to better co-ordination and support between various security institutions such as the police and the government by combining existing activities into a single regime.

### Key assumptions/sensitivities/risks

Discount rate (%) 3.5%

(i) The figures for the Listed Ports are based on the Department's evaluation of cost information supplied by UK ports. For a breakdown of costs per Listed Port, please see Tables 2, 2a and 2b in the Evidence Base and Annexes A - L.

## BUSINESS ASSESSMENT (Option 2)

|   |             |            |                   |                      |
|---|-------------|------------|-------------------|----------------------|
| Direct impact on business (Equivalent Annual) £m: |             |            | In scope of OITO? | Measure qualifies as |
| Costs: 0.24                                       | Benefits: 0 | Net: -0.24 | No                | NA                   |

## Evidence Base (for summary sheets)

### 1. Title of Proposal

1.1 The Port Security (Port of Barrow, Port of Cardiff, Port of Clyde, Port of Falmouth, Port of Hull, Goole, Immingham and Grimsby, Port of Liverpool, Manchester Ship Canal, Port of Newhaven, Port of Southampton, Port of Sullom Voe, and Port of Swansea (“**the Listed Ports**”) Designation Orders 2013.

1.2 The Consultation Stage IA also included the following Ports. However, since the consultation the following has changed:

Port of Lerwick: originally, Lerwick was to have been combined with Sullom Voe to form a single Port Security Authority at Shetland. However, during informal consultations the ports asked to be treated separately which is permitted by the Directive. Since then, and subsequent to the carrying out of the Impact Assessment (**IA**), Lerwick requested to merge its port facilities to take account of business changes at the port. These facilities have since been merged. This has resulted in a facility boundary that covers the port, that is to say, the port boundary is co-extensive with the port facility boundary. This means that the relevant provisions of Regulation (EC) 725/2004 on enhancing ship and port facility security (“the EC Regulation”) take precedence over Directive 2005/65/EC on enhancing port security (“the Directive”), effectively exempting the port from the requirements of the Directive (by virtue of article 2(4) of the Directive). Accordingly, Lerwick was withdrawn from the consultation

Port of Poole: subsequent to the carrying out of the IA, the Department is revisiting the port security assessment for Poole to determine if the EC Regulation takes precedence over the Directive in the case of Poole. Poole was, therefore, withdrawn from the consultation and its costs withdrawn from the summary tables 2,2a and 2b and its Annex itemising the costs.

Port of Rosyth: Rosyth was, in the event, not included in the consultation and it will be included in the next consultation. The standard costs table for Rosyth has, therefore been removed from this Final Stage IA. The Port of Newhaven has replaced the Port of Rosyth as the illustrative port example in the evidence base.

1.3 Port of Liverpool: Liverpool was one of the Listed Ports in an IA (DfT00137) concerning an initial batch of Listed Ports consulted on. Subsequent to that consultation Peel Ports, the owners of both the Port of Liverpool and the Manchester Ship Canal, has confirmed a preference for a combined Port Security Authority (“PSA”) for the two ports. Consultees for the Listed Ports in this IA were invited to comment on the merits of two separate PSAs, or a single PSA combining the two as requested by Peel Ports. The standard costs table for Liverpool from the earlier IA has, therefore, been incorporated into this IA for ease of reference and into the totals in Tables 2, 2a and 2b).

1.4 The removal of the cost estimate schedules for the Ports of Lerwick, Poole and Rosyth, and the inclusion of the Port of Liverpool’s schedule has required the overall totals in this IA to be amended. However, the Standard Costs on which they are based remain the same as no respondent commenting on the cost estimates provided alternative cost estimates for any of the Listed Ports.

1.5 Ports of Cardiff and Barrow: The Department issued an Addendum to the Consultation on the Listed Ports on 18 December 2012 to the effect that replacement boundary plans would be issued for the Ports of Newport (included with the Ports of Cardiff and Barry in the draft Cardiff Designation Order) and Barrow. This was sent by e-mail to all consultees marking it as of particular concern to relevant parties at Newport and Barrow as well as being uploaded on the Department’s area on the [www.gov.uk](http://www.gov.uk) website alongside the other consultation documentation. As a consequence, Cardiff and Barrow require to be consulted upon further and will be included in the next batch of ports to be consulted on regarding the implementation of the Directive. Their cost estimate schedules will be annexed to that consultation along with those of the other ports to feature as “Listed Ports” in that consultation. Any comments received in relation to Cardiff and Barrow from the next consultation will be considered alongside those received in response to the consultation on the Listed Ports in this IA going forward.

## 2. Purpose and intended effect of measure

2.1 The Port Security [Listed Ports] Designation Orders 2013 aim to introduce a set of new EU measures to enhance security at the Listed Ports which will contribute to an improvement in the level of port security in the UK to prevent terrorist incidents and in fulfilment of UK's EU obligation to implement the Directive (as transposed by S.I. 2009/2048, the Port Security Regulations 2009 – hereafter “the PSRs”) in the UK. The orders will designate a Port Security Authority for each of the Listed Ports which will be responsible for the preparation and implementation of security plans based on the findings of security assessments at each of the Listed Ports, along with co-ordinating security within the Listed Port for which that Port Security Authority is designated. These measures will extend the existing port security regime in place under the EC Regulation beyond the immediate ship/port interface to the wider port area.

## 3. Background

3.1 The terrorist incidents in the US (2001), Madrid (2004) and London (2005) highlighted both the vulnerability of, and threat to, transport systems world-wide.

3.2 The International Maritime Organization (“**IMO**”) responded by developing new security requirements for ships and port facilities to counter the threat of acts of terrorism. These requirements are set out in amendments to the Convention on the Safety of Life at Sea 1974 (“**SOLAS**”) and an International Ship and Port Facility Security Code (“**ISPS Code**”). The SOLAS amendments and the ISPS Code were formally adopted by contracting governments in December 2002 and came into force on 1 July 2004. The measures related principally to ships and the interface between ships and ports but not to wider port activity as this was not within the jurisdiction of the IMO.

3.3 At European level, the Council and European Parliament adopted the EC Regulation which provided the legal basis for the implementation of the ISPS Code requirements in all EU Member States. They also examined the parallel issue of wider port security (which was beyond the IMO jurisdiction) and this led to the Directive. The Directive defines “port” as “any specified area of land and water, with boundaries defined by the Member State in which the port is situated, containing works and equipment designed to facilitate commercial maritime transport operations”.

### Rationale for government intervention:

3.4 In the UK 95% by volume and 77% by value of international trade is carried in ships and 7% of domestic freight tonnage moves by water. In addition, 15% of UK international passenger movements are by sea and two thirds of passenger vehicles between the UK and other countries go by sea. This makes the UK port industry an important part of the UK economy, as well as an essential node between other modes of transportation. A serious security incident involving the maritime transport system could therefore have impacts that go beyond the immediate risks and consequences faced by port owners.

3.5 Such wider impacts could include considerable reduction in the ability to move goods and people that could have a material impact on the UK economy and/or wider social impacts such as the cost of human injury. As such effects are unlikely to be faced directly by port owners they may under-invest in security measures and thus government intervention is justified to ensure that consistent and proportionate port security measures are in place across the UK.

### Port Security Directive and Regulation:

3.6 The consultation<sup>1</sup> on the Ship and Port Facility (Security) Regulations 2004 (S.I. 2004/1495) and the Ship and Port Facility (Security) (Amendment) Regulations 2005 (S.I. 2005/1434) provides background to the development of the EC Regulation as does the consultation<sup>2</sup> on the Port Security Regulations 2009 (S.I. 2009/2048, “**the PSRs**”), on options for implementing the Directive.

3.7 Six options were identified for implementing the Directive in the UK. All but Option 1 entailed introducing secondary legislation to designate port boundaries, appoint port security authorities (**PSAs**) and port security officers (**PSOs**), and establish port security risk assessments (**PSRAs**) and port

<sup>1</sup> <http://webarchive.nationalarchives.gov.uk/+/http://www.dft.gov.uk/consultations/archive/2004/regfsf/consultationpaper.doc>

<sup>2</sup> <http://webarchive.nationalarchives.gov.uk/+/http://www.dft.gov.uk/consultations/archive/2008/portsecurityregulations/consultationdoc>

security plans (**PSPs**). Legislation would also create compliance offences for industry and criminal offences to support port security. The options were as follows:

Option 1: Do nothing and therefore do not implement the Directive: Continue with the Aviation and Maritime Security Act 1990 (**AMSA**) and EC Regulation security regimes.

Option 2: Implement a centralised regime, where the PSA is the Secretary of State, separate from the industry; a single PSP is developed for the entire UK port industry covering baseline measures and response, which would have to be adopted by all ports.

Option 3: Implement a regionalised regime, establishing 12-15 centrally funded PSAs with statutory powers, but separate from the industry.

Option 4: Implement a localised regime, with around 150 designated “ports” and each with its own PSA made up of industry representatives, based upon recognisable port or estuary areas, or other identifiable structures such as police force areas, Maritime and Coastguard Agency (MCA) areas, geographical boundaries or unitary authorities.

Option 5: Build on existing measures – with significant ports being designated in their own right and with a number of strategic PSAs covering other port areas (originally estimated 100 PSAs in total but now estimated to be up to around 40). Existing lead Port Facility Security Officers (**PFSOs**) are likely to become PSOs, and existing security/response port facility plans become a part of an overall port security plan.

Option 6: ‘Direct carry over’ of existing measures; all facilities to which the EC Regulation apply (400 approx) which would be regarded as a ‘port’ in their own right and have their own designated PSA, with their existing Port Facility Security Plans (“PFSP”s) becoming PSPs.

3.8 A public consultation<sup>3</sup> on these six options was held in 2008. Following responses it was decided that Option 5 was the best way to implement the Directive, which was then transposed into UK law by the PSRs. Option 5 was chosen as it minimised the bureaucratic and administration changes required to achieve the level of port security required to help prevent terrorist incidents by building on existing security measures that had already been put in place.

### **Implementing Port Security Regulations 2009:**

3.9 The PSRs were made under powers contained in section 2(2) of the European Communities Act 1972, to transpose the port security measures in the Directive which have general application across all UK ports. It was not considered practicable to include, in the PSRs, the provisions required to apply those general measures at every relevant port in the UK. The provisions in question relate to the delineation of the boundaries of each port and the designation of a PSA for each port. To attempt to include these specific provisions for all the relevant ports in the Regulations themselves would have resulted in an impracticably long instrument containing numerous schedules of maps.

3.10 The possibility of including in the PSRs a power for the Secretary of State to, at a later stage, delineate the boundaries of each port, and to designate a PSA for each port was considered. This option was rejected however because it was considered that this would constitute unlawful legislative sub-delegation to the Secretary of State. Under paragraph 1(1)(c) of Schedule 2 to the European Communities Act 1972 it is unlawful to include in an instrument made under section 2(2) of the Act a provision that sub-delegates power to legislate to another individual or body. (A power to give directions as to administrative matters is not regarded as a power to legislate. However, on the basis that the delineation of port boundaries and the designation of port security authorities would give rise to legal effects it was considered that these would be regarded as legislative rather than administrative acts.

3.11 The identification of the port boundary in the Designation Orders for each of the Listed Ports takes into account information resulting from the port security assessment undertaken by the Department for Transport in accordance with Annex I of the Directive, and discussions with each Listed Port and will take into account any views expressed by other stakeholders during the consultation process. The boundary embraces the port facilities situated within the port, and the port areas that could have an impact on the security of the port. The Department’s port security compliance team has already been assisting some ports with the carrying out of the port security risk assessment (PSRA) and preparation of the port security plan (PSP) based on it. Question 14 in the consultation on the Listed Ports offered consultee ports this assistance and a number of ports have requested it. The

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<sup>3</sup><http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/consultations/archive/2008/portsecurityregulations/consultationdoc>

Department's port security compliance team has accordingly made contact with those ports requesting assistance. Once the PSP is in place, the PSA is responsible for its implementation and maintenance.

3.12 So essentially this means that in the UK we need to establish the PSA for each of the Listed Ports through the Designation Order process and define the relevant boundary for that Listed Port, before the PSA designated for that port can carry out a PSRA due to the additional legislative powers that come through defining the boundary.

**4. Port of (Listed Ports) Security Regime - Options**

4.1 Option 1. Do nothing. This option continues with the existing security regime based on the AMSA and the EC Regulation security regimes; it does not involve the incorporation of measures identified by the European Community to further improve port security to help prevent terrorist incidents which the UK has agreed to as an EU Member State is now legally-obliged to do. As this option is a continuation of the status quo it does not have any additional benefits or costs associated with it.

4.2 Option 2. Introduce a Statutory Instrument defining the boundary of the Port of [Listed Port] and designating the 'Port of [Listed Port] Security Authority' as the Port Security Authority for the Port of [Listed Port], for the purposes of the Directive as transposed by the PSRs. This option has the advantages of implementing changes to the security regime at the Listed Port such that it is consistent with those measures that have been identified as contributing to the removal of the existing vulnerability of port security to terrorist incidents and fulfils the UK's legal obligations under the Directive. It does however introduce additional costs to implement the required changes and measures.

4.3 Option 2 is the preferred option as it implements the requirements of the Directive as transposed by the PSRs at each of the Listed Ports. This will result in the ports having a security regime consistent with measures identified to remove existing vulnerability of port security to terrorist incidents and is in fulfilment of the UK's EU legal obligations under the Directive having agreed to these measures along with other EU Member States. This will contribute to reducing the UK's vulnerability to maritime terrorist incidents. The Directive is being implemented progressively at the 40+ ports considered in scope of the Directive, the Listed Ports in this IA being the second batch of in-scope ports to go through the process of introducing these new enhanced security measures which are not covered by security enhancement measures currently in place to comply with the requirements of the EC Regulation. To date 8 Designation Orders have been made all of which have come into force except the one for the Port of Milford Haven which comes into force on 1 May 2013. Those 8 orders are –

| Designation Order  | Coming into force date |
|--|------------------------|
| The Port Security (Avonmouth Dock and Royal Portbury Dock and Port of Bristol Security Authority) Designation Order 2010 | 19 March 2010          |
| The Port Security (Port of Dover) Designation Order 2011   | 31 January 2012        |
| The Port Security (Port of Aberdeen) Designation Order 2012  | 19 November 2012       |
| The Port Security (Port of Grangemouth) Designation Order 2012   | 19 November 2012       |
| The Port Security (Port of Portland) Designation Order 2012  | 19 November 2012       |
| The Port Security (Port of Tees and Hartlepool) Designation Order 2012   | 19 November 2012       |
| The Port Security (Port of Workington) Designation Order 2012  | 19 November 2012       |
| <i>The Port Security (Port of Milford Haven) Designation Order 2013</i>  | <i>01 May 2013</i>     |

**5. Port of [Listed Ports] Designation Orders - Costs and Benefits**

**Costs**

**5.1 Cost evidence from the UK ports industry**

5.2 In the public consultation held in 2008 on the six options identified for implementing the Directive in the UK, three respondents provided their own estimates of the potential cost of the regulations. Cromarty Firth Port Authority estimated further costs of between £5,000 and £40,000 per year, and Portland Harbour Authority Ltd and Poole Harbour Commissioners estimated further costs at £50,000 per year. However, these respondents were not willing to provide supplementary evidence to justify their calculations at that time as the information was regarded as commercially sensitive.

5.3 In order to ensure it provided robust and transparent evidence on the accuracy of its cost estimates, in May 2011 the Department approached Cromarty Firth Port Authority, Portland Harbour Authority Ltd and Poole Harbour Commissioners asking if they would be willing to comment further on the Department's original cost estimates. Furthermore, the Department also approached Forth Ports Limited<sup>4</sup>, the Port of Belfast, UK Major Ports Group (UKMPG) and the Port of Bristol which was in a unique position to comment as the only port at the time legally designated (the associated Designation Order came into force on 19 March 2010).

5.4 The exercise was successful in eliciting responses from the ports contacted. The detailed cost information provided by the ports has been evaluated alongside cost information provided by the Port of Dover. The estimates derived were used in the Impact Assessment for "the Port Security (Port of Dover) Designation Order 2011 and have informed the Standard Rates given below as well as the estimated resource required at each of the Listed Ports over the five year period for this impact assessment (see Annexes A - L for a break down of costs at each Listed Port). These Standard Rates have been used for all Listed Ports unless stated otherwise. The Department is of the view that the cost estimates are robust, transparent and based upon substantive evidence from the UK ports industry. However, as the Listed Ports may differ noticeably from those on which the estimates are based, consultees were specifically asked if they were content with the estimates and given the chance to comment. These Standard Rates were used in the consultation stage Impact Assessment for The Port of Portland, Port of Grangemouth, Port of Workington, Port of Milford Haven, Port of Liverpool, Port of Tees and Hartlepool and Port of Aberdeen Designation orders 2012, IA number 'DfT 00137' and again in the consultation on the current batch of Listed Ports. No contradictory views on these estimates were received from the ports concerned during the earlier public consultation held 26 March to 9 May 2012. A number of respondents to the consultation on the current batch of Listed Ports (19 November 2012 to 4 January 2013) expressed concerns that the implementation of the Directive would lead to increased costs and bureaucracy. The Department has always made clear that there is a cost associated with the implementation of the Directive, but the existence of Port Security Committees means that the projected cost is lower than if a port was starting from scratch in establishing and running a PSA. None of the respondents provided revised estimates to quantify the increased costs. We have therefore not amended the cost estimates consulted upon as we believe they represent the most realistic available projection of costs to ports for complying with the Directive.

Table 1: Standard Rates

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

## 5.5 Cost of the measures required under the Port of (Listed Port) Designation Order

5.6 The making of the Port of [Listed Port] Designation Order will require the following measures to be adopted at each Listed Port:

- The **appointment of a PSO** to act as a point of contact for port security related issues;
- The **establishment of a PSA**, which will be responsible for the completion of a Port Security Risk Assessment and the preparation, implementation and on-going review of a Port Security Plan based on the findings of the Port Security Risk Assessment;
- The **carrying out of a PSRA** – a comprehensive review and assessment of the port's security risks and issues that informs the development of the Port Security Plan; and
- The **creation of a PSP**, integrating all existing security plans and developed through the Port Security Risk Assessment.

5.7 The summary table below shows the Department's cost estimates of implementing these measures at the Listed Ports. Whilst a number of respondents to the consultation considered there was the likelihood of increased cost as a result of implementing the PSRs at their port(s), no amended cost estimates were put forward. This final stage IA therefore retains the original cost and resource estimates as the best available projection of the implementation cost. The costs shown for each Listed Port are based on an estimate of the total cost for the PSO, PSA, PSRA and PSP in the

<sup>4</sup> Forth Ports Limited ("Forth Ports") provides handling and logistic-related services to customers. It operates seven ports - Dundee on the River Tay, Tilbury on the River Thames and five ports on the Firth of Forth - Leith, Grangemouth, Methil, Burntisland and Rosyth.

first year (Table 2a) plus the total costs for the four years following (Table 2b). For a breakdown of costs for individual ports, please see Annexes A - L



**Table 2: Total estimated cost to Listed Ports for first five years**

| Port                              | Cost/port<br>1st 5 yrs |
|-----------------------------------|------------------------|
| Barrow                            | 109734                 |
| Cardiff                           | 125409                 |
| Clyde                             | 125409                 |
| Falmouth                          | 103465                 |
| Hull and Goole                    | 144219                 |
| Immingham and Grimsby             | 128544                 |
| Liverpool                         | 131679                 |
| Manchester                        | 109734                 |
| Newhaven                          | 97195                  |
| Southampton                       | 103465                 |
| Sullom Voe                        | 94060                  |
| Swansea                           | 109734                 |
| <b>Total estimated 5 yr costs</b> | <b>1382647</b>         |

**Table 2a: Total estimated costs for start up year**

| Port  | PSR activity  |          |               |              | Total 1st Yr cost £s |
|---|---------------|----------|---------------|--------------|----------------------|
|   | PSO           | PSA*     | PSRA          | PSP          |                      |
| Barrow  | 25080         | 0        | 12062         | 1206         | 38347                |
| Cardiff   | 25080         | 0        | 18091         | 1206         | 44376                |
| Clyde   | 25080         | 0        | 18091         | 1206         | 44376                |
| Falmouth  | 25080         | 0        | 9650          | 1206         | 35936                |
| Hull and Goole  | 25080         | 0        | 25325         | 1206         | 51610                |
| Immingham and Grimsby                                   | 25080         | 0        | 19296         | 1206         | 45582                |
| Liverpool   | 25080         | 0        | 20502         | 1206         | 46787                |
| Manchester  | 25080         | 0        | 12062         | 1206         | 38347                |
| Newhaven  | 25080         | 0        | 7239          | 1206         | 33524                |
| Southampton   | 25080         | 0        | 9650          | 1206         | 35936                |
| Sullom Voe  | 25080         | 0        | 6033          | 1206         | 32318                |
| Swansea   | 25080         | 0        | 12062         | 1206         | 38347                |
| <b>Total for 12 ports</b>                               | <b>300960</b> | <b>0</b> | <b>170062</b> | <b>14472</b> |                      |
| <b>Total estimated start up year costs for 12 ports</b> |               |          |               |              | <b>485494**</b>      |

\*The PSA costs have been zeroed as the PSAs will replace existing Port Security Committees so there is no additional cost incurred. Please see paragraph 5.23 for more detail.

\*\* The £261, 401 difference between the total first year start-up costs £485494- see Table 2a above) and total ongoing year cost (£224,293 ) - see Table 2b above) been presented as 0.261 (£m) transition costs in the Best Estimate box under Total Transition at the top of page 2 above.

**Table 2b: Estimated total ongoing annual costs after start-up year**

| Port   | PSR activity  |          |              |             | Total ongoing Yr cost<br>£s |
|--|---------------|----------|--------------|-------------|-----------------------------|
|  | PSO           | PSA*     | PSRA         | PSP         |                             |
| Barrow   | 12540         | 0        | 4825         | 482         | 17847                       |
| Cardiff  | 12540         | 0        | 7236         | 482         | 20258                       |
| Clyde  | 12540         | 0        | 7236         | 482         | 20258                       |
| Falmouth   | 12540         | 0        | 3860         | 482         | 16882                       |
| Hull and Goole   | 12540         | 0        | 10130        | 482         | 23152                       |
| Immingham and Grimsby                                    | 12540         | 0        | 7719         | 482         | 20741                       |
| Liverpool  | 12540         | 0        | 8201         | 482         | 21223                       |
| Manchester   | 12540         | 0        | 4825         | 482         | 17847                       |
| Newhaven   | 12540         | 0        | 2896         | 482         | 15918                       |
| Southampton  | 12540         | 0        | 3860         | 482         | 16882                       |
| Sullom Voe   | 12540         | 0        | 2413         | 482         | 15435                       |
| Swansea  | 12540         | 0        | 4825         | 482         | 17847                       |
| <b>Total for 12 ports</b>                                | <b>150480</b> | <b>0</b> | <b>68025</b> | <b>5784</b> |                             |
| <b>Total estimated ongoing annual costs for 12 ports</b> |               |          |              |             | <b>224293**</b>             |

\*The PSA costs have been zeroed as the PSAs will replace existing Port Security Committees so there is no additional cost incurred. Please see paragraph 5.23 for more detail.

\*\* The £261, 401 difference between the total first year start-up costs £485494- see Table 2a above) and total ongoing year cost ( £224,293) has been presented as 0.261 (£m) transition costs in the Best Estimate box under Total Transition at the top of page 2 above.

Note: The cost of the Port Security Officer includes any cost they may incur as a result of their attendance at Port Security Authority meetings.

For a detailed breakdown of costs at an example port, please see the IA for Port Security (Port of Dover) Designation Order 2011, and Annexes A - L for the Ports listed in this Impact Assessment.

5.8 **PSO:** Article 13 of the Port Security Regulations 2009 established the functions of the PSO as follows:

“13.-(1) A port security officer for a port -

- (a) is the point of contact for port security related issues; and
- (b) must co-operate with –
  - (i) port facility security officers of port facilities situated in the port;
  - (ii) directed parties of AMSA facilities (if any) situated in the port; and
  - (iii) security managers of port related areas (if any) for the port.

(2) A port security officer for a port may require a port facility security officer of a port facility situated in the port, a directed party of an AMSA facility situated in the port or a security manager of a port related area for the port, to furnish him with such information as he may consider necessary to carry out his functions.”

The tasks which the PSO for each of the Listed Ports will be required to undertake can be summarised as follows:

- the dissemination of security information from the PSA to PFSOs and other security personnel within the port; and
- responding to day-to-day queries on the Port Security Plan.

The PSO may also function as:

- chair of the PSA;

- An attendee of the PSA;
- Co-ordinator of drills and exercises under the PSP;
- Assist the PSA by creating, either in whole or in part, the Port Security Plan.

5.9 The Department estimated the costs of the PSO at the port of Dover as £34,216 in the start-up year (based on half a day of a Director's time per week at an annual salary of £140,000 including NI and Super Ann, plus one and a half days of a supporting security managers time per week at an annual salary of £57,000 including NI and Super Ann in 2013 prices) with a subsequent annual cost of £21,684 (based on half a day of a Director's time per week, plus half a day of a supporting security managers time per week). The estimates in this IA are based on those developed for the Port of Dover, which reflected views received during an information gathering exercise for the final stage IA conducted in May 2011. The same estimates were used for an assessment of the previous 7 Listed Ports in the first Multiport IA, consulted on during 26 March 2012 to 9 May 2012 which was not disputed by consultees. The same estimates were also used in the Consultation Stage version of this IA. Whilst a number of respondents had concerns about increased costs arising from the implementation of the PSRs at their port(s), no respondent quantified what they thought these increased costs might be. We have therefore retained the original cost estimates in this Final Stage IA as the best available projection of the cost of implementing the PSRs. Please see footnote for link to the first Multiport IA referred to above<sup>5</sup>.

5.10 For the Listed Ports it is the Department's view that the PSO function will be carried out by the PSO alone with no additional cost incurred by input at director level.

5.11 Based on two days of a PSO's time per week at an annual salary of £57,000 including NI and Super Ann in 2013 prices, the Department therefore estimates the sum cost of the PSO at the Listed Ports as £300,960 in the start-up year (sum of (104 days x 57,000/260(annual working days)) at each port), with a subsequent annual cost of £150,480 (based on one day of a PSO's time per week at each of the Listed Ports) for each of the following 4 years. Thus the estimated grand total cost over the first 5 years to the Listed Ports is £300,960 + (£150,480 x 4) = £902,880

At individual port level, to take the Port of Newhaven as an example:

#### First Year

For the PSO: (57,000 (average annual salary for PSO inc. NI etc)/260 (working days per annum) = daily rate)) x 1.1 (for 10% expenses) x 104 (number of days that PSO required in 1<sup>st</sup> year)

= £25,080 (Total estimated cost of PSO at Newhaven in the 1<sup>st</sup> year)

#### Annually for the next four years

[For the PSO: (57,000 (average annual salary for PSO inc. NI etc)/260 (working days per annum) = daily rate)) x 1.1 (for 10% expenses) x 52 (number of days that PSO required in 1<sup>st</sup> year)]

= £12,540 (estimated annual cost of PSO at Newhaven for each of the subsequent four years).

While the cost of the PSO is borne by the appointee's company/organisation, once the PSA is up and running, it is responsible for setting its own rules of procedure, and there is nothing to preclude members discussing and agreeing any sharing of the PSO costs. Additionally, as there are existing Port Security Committees (**PSC's**), there is the possibility of a member/chair of the PSC becoming the PSO, meaning no new financial burden on their employer.

For a detailed breakdown of costs for the Ports listed in this Impact Assessment at an example port, see annexes A - L.

5.12 **PSA:** Regulation 5 (1) of the PSRs defines the PSA as "*..... a body that has been designated as a Port Security Authority for a port.*" The Department's port security compliance team have been assisting ports (at no cost) with carrying out the PSRA and in preparing the PSP on its findings. The PSA is responsible for reviewing and maintaining the PSP..

<sup>5</sup> <http://www.dft.gov.uk/consultations/dft-2012-013/>

This will involve not only detailed knowledge of procedures and capabilities at grassroots level within a port, but also the executive capability to ensure that procedures are followed in the relevant port facilities. Individual members also retain their own areas of responsibility dependent upon their roles.

5.13 **The PSA must have at least 3 members** and will be made up of those who are responsible for regulated security matters in the constituent facilities of a "Port".

These are:

- PFSO's of port facilities in the port;
- AMSA directed parties (if applicable);
- Security managers of designated Port Related Areas - **PRAs** (if applicable);
- Possibly other parties with a security interest at the port e.g. shipping companies using the port.

It is desirable that the PSA is of a size sufficient to cover security issues across the port, including interaction with external agencies such as UK Border Agency, Maritime and Coastguard Agency etc, but at the same time the membership of the PSA needs to be of manageable size since it needs to be as close as possible to those practically responsible for the delivery of security in the constituent port facilities. In the case of a PSA for a large port or group of ports with a large number of facilities there is nothing in the PSRs to preclude the PSA from having an under-structure of sub-committees in the interests of efficiency. For example, at the Port of Thames, which will be the subject of a future consultation and IA, their current PSC is structured such that 10 individuals essentially represent the 52 port facilities to bring it down to a more manageable size. A PSA once established is responsible for its own running including the drawing up of Rules of Procedure.

5.14 Based on previous evidence supplied by the Port of Dover's final stage IA, figures for year 1 are higher than year 2 because, in their view, a PSA will normally need to meet for a maximum of four times per year, for one working day per meeting. They also commented that in the start-up year the PSA will need to meet for longer due to the requirement to conduct the PSRA. In the consultation on the 1<sup>st</sup> batch of Listed Ports, these estimates of PSA meeting days were not disputed, and only one respondent (out of 42) to the consultation on the implementation of the Listed Ports covered in this IA questioned the projected days required. The DfT has therefore continued to use this to inform calculations of cost estimates.

5.15 The Department does not agree that attendance at PSA meetings has to be at senior management e.g. Board Director-level. The PSRs only require the attendance of PFSOs or their nominated representative; AMSA directed parties (if applicable); Security Managers of designated PRAs (if applicable); and possibly other parties with a security interest at the port e.g. shipping companies using the port. This level of management is considered of a sufficient seniority to take appropriate decisions, and is the current level of seniority of attendees at the existing PSCs. In the case of Dover, in the unlikely circumstance where a decision by the Board of Directors is required, the Chair of the PSA could raise the matter with the Dover Harbour Board of Directors, which already incurs its own costs. In the public consultation of 26 March - 9 May 2012 for The Port of Portland, Port of Grangemouth, Port of Workington, Port of Milford Haven, Port of Tees and Hartlepool and Port of Aberdeen 9RPC11- DfT-1215) no responses were received indicating otherwise, nor in the recent consultation on the Listed Ports in this IA.

5.16 The Department considers that the Year 1 costs, during the setting up phase would be greater than for subsequent years and that costs should therefore be split into start-up and annual costs (and has done this for each of the measures specified at 5.6). The Department also agrees that the PSA cost needs to include the costs of administrative support e.g. for the facilitation of meeting arrangements and recording of meeting minutes and agreed actions, and the costs of the meeting room, heating, lighting and IT/Communications. Furthermore the Department agrees that in the start-up year the PSA will need to meet more often and/or for a longer duration due to the requirement to complete the PSRA. In the interests of transparency, the Department has chosen to include the cost of the PSA time needed to complete the assessment under a separate PSRA cost-heading. The PSA costs given in this section therefore reflect the cost of the regular PSA meetings, and exclude the PSA time needed to complete the assessment.

5.17 Based on the information supplied by the Port of Dover, the Department was of the view that **in the start-up year the PSA for the Port of Dover would meet four times a year with a maximum of 19 people in attendance** (five members, five advisers and up to 9 interested stakeholders), with each

meeting lasting one working day, with the cost of their attendance estimated at £13,504.40 calculated as follows:

**Daily rate PSO salary ( based on the average salary of a PFSO including Nat Ins and Superann)**  
£57,000 divided by 260 working days = £219.23 x 1.1 (for 10% expenses) = **£241.15**

The PSA costs (except those arising from carrying out the PSRA) are therefore:

14 attendees x 4 x £241.15 = **£13,504.40**

The costs of the 5 advisers were not included in the equation as they, as mentioned above, will have their costs met by their respective Government Departments and Agencies.

5.18 In addition the cost of administrative support needs to be included:

The administrative cost is based on a Departmental administrative support grade salary of £21,646.13 (inclusive of NI contributions and Superannuation) and on the assumption that a maximum of 8 working days per annum is required (a half-day for each meeting to make facilitation arrangements, 1 day per meeting to minute the meeting and a half-day to write-up and circulate the minutes).

For the port of Dover:

Daily admin rate = £21,646.13 divided by 260 working days x 1.1 (=10% for expenses) = £91.58

For the Port of Dover Start-up year admin costs are therefore estimated as : £91.58 x 8 days = **£732.64**

To this is added the costs of the hire of the meeting room including heating, lighting and IT

Having conferred with Departmental economists, we have assumed a figure of **£300 a day** (which is **£37.50 an hour** assuming an 8 hour day) for the **cost of meeting rooms, heating, lighting and communications and IT for the PSA meetings**. This is at the higher end of the typical range of such rooms one can find from a search on the internet.”

Start-up year office/heating/lighting costs for Dover therefore estimated as £300 x 4 days = **£1,200**

Estimated total **PSA cost** at the Port of **Dover** for the **start-up year** was:

£13,504.40 + £732.64 + £1,200 = **£15,437.04**

5.19 This gave a total PSA cost for the start-up year at the Port of Dover of £15,437.04. Average cost for the four years thereafter is £15,437.04 per annum, based on the PSA continuing to meet four times a year for one working day per meeting (and including the cost of administrative support, meeting rooms, heating, lighting, communications and IT shown above).

5.20 For the Listed Ports, the DfT view is that the PSA will normally need to meet for a maximum of four times per year, for one working day per meeting. However, it may be that in the start-up year the PSA will need to meet for longer due to the requirement to conduct the Port Security Risk Assessment. **The Department is, therefore of the view that the PSA will only need to meet on 2 days per year in the 4 subsequent years.** Listed Ports have advised that PSAs will comprise members, advisers (representatives of relevant Government Departments and Agencies, attending in their official capacity, where costs will be met from within existing Departmental and Agency budgets) and in some cases other stakeholders e.g. shipping companies using the port, attending PSA meetings on an ad hoc basis.

5.21 The cost of a PSA is calculated as a function of the annual salary (including NI etc) of the PSO (based as in the foregoing Dover example on and average PFSO salary of £57,000 per annum including National Insurance and Superannuation) , other members of the PSA and attending stakeholders (plus 10% for expenses incurred), the number of days the PSA will meet for, the cost of administrative support and the cost of accommodation, lighting etc. This figure does not include the costs of the advisers who, as mentioned above, will have their costs met by their respective Government Departments and Agencies. Thus, for example, at the Port of Newhaven the estimated cost of the PSA (based on the standard rates given above in the Dover example) is:

**Port of Newhaven 4 Members, 0 Stakeholders = 4 attending**

**PSA costs in start-up year**

|                                      |            |
|--------------------------------------|------------|
| PSA attendees (4 x £241.15) x 4 days | £ 3,858.40 |
|--------------------------------------|------------|

|   |                   |
|---|-------------------|
| Admin daily rate: £91.58 x 8 days         | £ 732.64          |
| Office/lighting/heating etc £300 x 4 days | £ 1,200.00        |
| <b>TOTAL</b>                              | <b>£ 5,791.04</b> |

**PSA costs per year for next 4 years**

|   |                            |
|---|----------------------------|
| PSA attendees (4 x £241.15) x 2 days      | £ 1,929.20                 |
| Admin daily rate: £91.58 x 4 days         | £ 366.32                   |
| Office/lighting/heating etc £300 x 2 days | £ 600.00                   |
| <b>TOTAL</b>                              | <b>£ 2895.52 x 4 years</b> |

For a detailed breakdown of costs at the Ports listed in this IA, see Annexes A – L (Newhaven is at Annex I).

5.22 Based on these two formulae this gives a total PSA cost for the start-up year at the Listed Ports of £147,626, and £73,813 per year for subsequent years. The estimated grand total cost for the listed ports over the first 5 years is, therefore:

$$£147,626 + (£73,813 \times 4) = £442,878$$

5.23 **At most of the ports which come under the scope of the PSRs, including at the Listed Ports, there are already Port Security Committees (PSC) in place. In practice therefore most ports will not be forming the PSA from scratch, and existing members of the PSC for a particular port will most likely form the core membership of that port's PSA (with the PSC most likely subsequently being disbanded). In such a scenario there will be no additional cost for the PSA, since the ports already fund their respective PSCs and the costs would simply be transferred over to the PSA. The costs in Tables 2, 2a and 2b above are therefore based on the following scenario – that there will be no costs incurred in establishing and running the PSA itself but that the PSA will be required to develop the Port Security Risk Assessment and Port Security Plan.**

5.24 **PSRA:** The Department's port security compliance team is assisting new PSA's (at no cost) with the carrying out of the PSRA, the findings of which will be discussed at PSA meetings.

5.25 For the Port of Dover final stage IA, the Port of Dover advised that it will take four working days for the PSA (with five PFSSO members, five advisers and five of the third party stakeholders) to create the PSRA for Dover using the intended Multi Agency Threat and Risk Assessment - **MATRA**-style methodology.

5.26 The cost of conducting the PSRA during the start-up year at the Port of Dover was therefore estimated at **£11,367.84**. This is based on a cost of £9,646 for five members of the PSA plus five stakeholders (as highlighted at paragraph 5.18, the cost of the advisers is borne by the parent Departments/Agencies) to meet for four days to conduct the assessment, plus costs of administrative support, meeting rooms, heating, lighting, communications and IT

$$10 \text{ (5 PSA members + 5 stakeholders)} \times 4 \text{ days} \times (219.23 \times 1.1 = £241.15) = £9,646.12$$

$$\text{(Admin)} \ 8 \text{ days} \times (£83.25 \times 1.1(10\%)) = £91.58 = £732.60$$

$$\text{(Accommodation/Utilities)} \ 8 \text{ hours} \times £37.50 = £300 \times 4 \text{ days} = £1,200$$

$$£9646.12 + £732.60 + £1,200 = £11,578.72$$

The annual cost thereafter of reviewing the PSRA is expected to fall to an **average annual cost of £5,789.36**. This allowed for up to 2 days of PSA time per annum to carry out amendments to the assessment (requiring 4 days admin time). In practice there may be no changes required to the assessment, and thus no annual cost. However, this cannot be assumed to be the case every year, hence the contingency. This cost is also likely to be absorbed within the annual running cost of the PSA itself, but has been shown here as a separate cost in the interests of transparency.

5.27 Based on the above and the Department's evaluation of cost information supplied by UK ports, (for a breakdown of costs per Listed Port, please see Summary table of Costs at 5.7 and Annexes A -L), it is estimated that it will take five working days in the start up year for a PSA (with members, advisers and third party stakeholders (as necessary)) to create the PSRA for each port for which that PSA is designated. Thus, for example, at the Port of Newhaven the estimated cost of the PSRA based on the standard rates is:

**Port of Newhaven: 4 Members, 0 Stakeholders = 4 attending**

**PSRA costs in start-up year**

|   |                |
|---|----------------|
| PSA attendees (4 x £241.15) x 5 days      | £ 4,823        |
| Admin daily rate: £91.58 x 10 days        | £ 916          |
| Office/lighting/heating etc £300 x 5 days | £ 1,500        |
| <b>TOTAL</b>                              | <b>£ 7,239</b> |

**PSRA costs per year for next 4 years**

|   |                          |
|---|--------------------------|
| PSA attendees (4 x £241.15) x 2 days      | £ 1,929                  |
| Admin daily rate: £91.58 x 2 days         | £ 366                    |
| Office/lighting/heating etc £300 x 2 days | £ 600                    |
| <b>TOTAL</b>                              | <b>£ 2,896 x 4 years</b> |

For a detailed breakdown of costs at the Ports listed in this IA, see Annexes A - L.

5.28 The total cost of conducting the PSRA for the Listed Ports during the start-up year is estimated at £170,062. Please see Annexes A – L for a breakdown of individual port data. Assuming up to two days of PSA time per annum for each PSA to review and carry out amendments to the assessment as necessary it is estimated the ongoing total annual cost for all Listed Ports will be £68,025 for each of the ensuing four years. This gives a total cost for the PSRA at the Listed Ports for the first five years of £442,162. In practice there may be no changes required to the assessment, and thus no annual cost. However, this cannot be assumed to be the case every year, hence the contingency. This cost is also likely to be absorbed within the annual running cost of the PSA itself, but has been shown here as a separate cost in the interests of transparency.

5.29 **PSP:** The Department's port security compliance team are also assisting new PSA's with the production of the PSP based on the findings of the PSRA. The PSP is intended to include a compilation of existing security and emergency response plans that exist within the wider port area. An approved Port Facility Security Plan (**PFSP**) is already required to be maintained for all UK commercial port facilities which fall under the EC Regulation (so each of the port facilities in the ports to be designated under the PSRs has a PFSP). The PFSPs for the Listed Ports already include comprehensive coverage of the most vulnerable port areas. Although a new document will need to be written setting out the roles and responsibilities of the PSA and listing the constituent plans and other documents that comprise the PSP, this is anticipated to be primarily based on already existing plans. The 'new' task will be to include areas of the port not covered under existing plans.

Under the information-gathering exercise conducted in May 2011, the Port of Bristol, Portland Harbour and Poole Harbour have all confirmed that the Department's original assumption and cost estimates for this activity were correct (£600, given as part of the Port Security (Port of Dover) Designation Order 2011). Cromarty Firth Port also agreed with the Department's cost estimate. They did however comment that an estuary Port with a number of private locations but small turnover may have a high set-up cost in preparing and administering the plan. Forth Ports have commented that it would cost £20,000 to produce the Port Security Plan (20 days x £1000 per day, a consultant's rate). The Port of Belfast has commented that in their view the PSP is a radical departure from the concept of the PFSP which was very local in its application and outcomes and, based on the assumption that it takes 4-8 weeks to co-ordinate MATRA responses and develop the new PSP, it would cost £5,580 (30 days work x £186).

5.30 The Department was advised by the Port of Dover that the task of completing the Port Security Plan for the Port of Dover is likely to be delegated to the PSO to complete. It is the Departments view this will also be the case for the Listed Ports.

5.31 The Department is of the view that 20 – 30 days work to produce the PSP is a significant over-estimate, based on the experience of the Port of Bristol that 5 working days was sufficient. Although the Port of Dover is larger than Bristol, the Port of Bristol was used as a pilot port for the PSR process and the lessons learnt from the pilot (which the Department will advise to all ports to be designated under PSR) will reduce the time required to produce the Port Security Plan. Moreover the majority of the PSP will consist of existing PFSPs, which are already approved by the Department and which are subject to regular update.

5.32 On the assumption therefore that it will take a maximum 5 working days to produce a consolidated Port Security Plan for the Port of Dover, the estimated cost for the start-up year was £2,959 (5 x (£538 x 1.1)=£2,959). This cost is based on the average of the Director and security managers salaries at the Port of Dover (An average annual salary figure based on the Director and Security Manager salaries with Super Ann and NI on top is £99,000) since in practice they are likely to divide the task between them (For the Listed Ports, the Department view is that this work will be the undertaken by the PSO alone). The average annual cost for the PSP thereafter was estimated to be £1,183.60 (2 x (£538\*1.1)=£1,183.60), which allows two working days per annum equating to 0.5 working days per quarter at the average of the Director and security managers salaries to keep the plan updated. This has been applied at the Port of Bristol since its inception in 2011. This allows for significant updates to the PSP, but in practice the time taken for updates is likely to be considerably less than this as there are unlikely to be major changes to port infrastructure every year (hence requiring a significant change to parts of the PSP year on year). However, the Department cannot assume this will be the case every year, hence the contingency. The start-up and annual costs are likely to be subsumed within the PSO cost figure, but have been shown separately here in the interests of transparency.

5.33 The Department view is that for the Listed Ports the PSP will be developed by the PSO (i.e. 1 member of the PSA) and therefore estimates, that for each of the Listed Ports, it will take a PSO five working days to develop the PSP for the port for which he is appointed and two working days per annum to review and amend the PSP over the following four years. Thus, for example, at the Port of Newhaven based on standard rates the estimated cost of the Port Security Plan is:

First year

$(57,000 \text{ (average annual salary inc. NI etc)}/260 \text{ (working days per annum)} = \text{daily rate for PSO}) \times 1.1 \text{ (for 10\% expenses)} \times 5 \text{ (number of days for PSO to complete Port security Plan)}$   
= £1,206 (estimated cost for PSP at Newhaven in the first year)

Annually for the next four years

$(57,000 \text{ (average annual salary inc. NI etc please)}/260 \text{ (working days per annum)} = \text{daily rate for PSO}) \times 1.1 \text{ (for 10\% expenses)} \times 2 \text{ (number of days for PSO to complete Port security Plan)}$   
= £482 (estimated cost for PSP at Newhaven for each of the subsequent four years)

For a detailed breakdown of costs at the Ports listed in this Impact Assessment, see Annexes A - L.

5.34 For Listed Ports the estimated total first year PSP cost will be £14,472 and the estimated total ongoing annual cost will be £5,784 giving a grand total cost over 5 years for the Listed Ports of £37,608. Please see paragraph 5.7 and Annex A -N for individual port data.

As in the case for the Port of Dover, start-up and annual costs are likely to be subsumed within the PSO cost figure, but have been shown separately here in the interests of transparency.

5.35 **ADDITIONAL SECURITY MEASURES AT THE LISTED PORTS:** A preliminary security assessment by the Department at the Listed Ports undertaken to determine whether or not each Port was in or out of scope of Directive 2005/65/EC, has not identified any additional security measures, beyond those already in place, which may be required at the ports once the Designation Orders come into effect. As highlighted above, the existing PFSPs at the ports already cover the most security-vulnerable areas and measures are already in place. A PSRA will need to be conducted at each port to verify the assumption that no additional security measures will be needed as a result of designation but, based on the available evidence, the Department believes this assumption to be correct.

5.36 It should be noted that the requirement for additional security measures at ports to be designated under the Port Security Regulations 2009 will differ from port to port, dependent upon the outcome of the Department's preliminary risk assessment and public consultation for the port in question. It is possible therefore that some other ports may require additional security measures as a result of the Port Security Regulations 2009.

5.37 **ENFORCEMENT:** The Department's Maritime Security Compliance Division will be responsible for ensuring that the Listed Ports comply with the new rules. Any additional costs to support implementation at the Listed Ports and compliance monitoring of the Regulations will be found from within existing resources, by re-prioritising work where necessary. There are therefore no direct additional costs arising. For details of enforcement measures please see later under paragraphs 9.1-9.6.



## 5.38 **Benefits:**

5.39 Having a Designation Order for each of the Listed Ports will lead to the Listed Ports having a co-ordinated security regime with a clear leadership structure that will take forward security plans drafted by relevant stakeholders. This is expected to lead to economies of scale by channelling existing activities into a single regime and better co-ordination and support between various security institutions such as the police and the government.

5.40 The Orders will introduce measures to improve the security of ports to terrorist incidents and will therefore also reduce the chances of successful maritime terrorist incidents – bringing along with them the benefits of a prevented terrorist incident such as saved human injuries and no disruption of the movement of goods and people that could have a material impact on the UK economy.

5.41 Designation Orders made under the PSRs are required as part of the process of implementing the Directive on enhancing port security in UK law. Failure to designate UK ports which fall under the scope of the EU Directive would therefore result in infraction proceedings by the European Commission, which would result in financial penalties on, and reputational damage to, the UK (considered a world leader in maritime security).

## 6. **Small Firms Impact Test**

6.1 Implementation of the Directive is likely to affect a number of small and micro-businesses based at, or working within, the designated Listed Ports. The port facilities based within the envisaged port boundaries are already regulated by the Department for Transport under the existing port security regime. Under the current regime these facilities also have in place PFSPs which are approved by the Department for Transport and these plans will feed into the wider Port Security Plans to be managed by the Security Authorities for the Listed Ports under the new legislation. As highlighted at paragraph 5.35, preliminary security assessments by the Department at the listed Ports have not identified any additional security measures which may be required at the port once the Designation Order for that port comes into effect (beyond those already in place).

6.2 The Port Security Regulations 2009 recognise the need to avoid overburdening smaller ports by allowing a number of port facilities to combine under the umbrella of a single port security authority, thereby taking advantage of economies of scale. None of the Listed Ports has advised us of small business costs at this stage. Consultees were specifically asked whether they considered that the implementation of the PSRs at their port(s) would affect a small or medium-sized enterprise (**SME**) Sixteen out of a total of 42 respondents gave a YES answer. Fifteen of the 16 felt that SMEs could be affected by increased costs arising out of the establishment and running of the PSA, though this was not confined to SMEs and could affect all businesses at a port. One of the 16 felt that with increased security at the port there could be “knock-on” benefits to SMEs though did not specify what these might be or quantify them. None of the 16 provided estimates of costs/benefits SMEs might face.

6.3 Micro-businesses at the Listed Ports have not been exempted from the requirements of the PSRs. As the proposed Designation Orders implement EU measures they fall outside the scope of One-in, Two Out (OITO). Were a microbusiness unable to meet any obligations on it arising from the PSRs and Designation Orders this would not impose a systemic financial risk to other businesses at any of the Listed Ports. To exclude any size of business from port security regulatory requirements governing that port would risk undermining security at the port and moreover would be contrary to the provisions of the Directive. The PSRs are being proportionately applied in each Listed Port irrespective of size of its constituent businesses. However, it is expected that large port-businesses, eg. port facility operators will, as now, be the major players in running the proposed PSA's, as they now are in the running of the Port Security Committee's which they will replace.

6.3 As highlighted at paragraph 5.28, the annual cost of updating the Port Security Risk Assessment is likely to be absorbed within the annual running cost of the PSA itself, but has been shown here as a separate cost in the interests of transparency.

6.4 As explained at paragraph 5.29, the task of completing the Port Security Plans at each of the Listed Ports is likely to be delegated to the PSO for that Listed Port; hence small businesses will not incur any costs from this activity unless the PSO is employed by a small or micro-business. None of the Listed Ports has advised that their PSO is likely to be employed by a small business.

## 7. **Competition Assessment**

7.1. The Directive aims to provide a consistent approach to maritime security across Europe, which would reduce the potential for trade and competition distortion. The requirements of the Directive to extend its provisions to domestic ports serving Class A passenger ships (i.e. ships which travel further than 20 miles from the coast) further neutralises the possibility of the Directive distorting the balance of commitments between those industries involved in international trade and those trading purely on a domestic basis.

7.2 Within the UK, the Directive is not expected to make a significant difference on modal and route competition. The approach in the UK is, and will continue to be, for the user to pay for security measures. Additional costs incurred by a port to meet the requirements of the Directive may be passed on in some form to their customers. We believe that this approach leads to the most efficient provision and operation of security measures.

7.3 The “user pays” approach for the port industry is consistent with previously adopted security methods in the maritime passenger sector, the aviation industry and the Channel Tunnel. As this approach is multilateral, there is not expected to be any change in the level of competition.

7.4 The costs of implementing the security requirements in the PSRs are likely to affect some firms more than others depending on how a port chooses to implement the Directive and therefore whether additional security measures are needed. Implementation of the Regulations is unlikely to affect the market structure, or change the size or number of firms in the ports industry. The Regulations are unlikely to lead to substantially higher set-up costs for new or potential firms, or lead to higher ongoing costs for new or potential firms, that existing firms do not have to meet.

7.5 There is a very small risk that through close collaboration on the relevant PSA, some commercially sensitive information may become known to competitors from other port facilities. The PSRs have provisions that seek to ensure confidentiality of information, as well as offences for misusing information and a system of declaration of PSA members’ interests. These measures are intended to protect port business from anti-competitive behaviour.

## 8. **Specific Impact tests**

8.1 Statutory equality duties - These proposals will apply to the security regime and not the general operations at the ports concerned. There are considered to be no age, disability, gender, ethnicity and race, religion or belief, sexual orientation, transgender, or pregnancy and maternity implications resulting from these proposals (For further detail see the screening pro forma table at Annex M).

8.2 Economic Impact – Respondents to the consultation said, in their view, SME’s could face increased costs, or in one case “knock-on” benefits as a result of the establishment and running of the PSA, though these costs/benefits were not confined to SMEs – see earlier under paragraphs 6.1-6.4.

8.3 Environmental Impact - The proposal will not affect general operations at the ports concerned. Therefore it is considered there will be no Environment or Greenhouse Gas implications resulting from these proposals.

## 8.4 **Social Impacts -**

1. Health and Well-being - As the proposal applies to the security regime and will not affect general operations at the ports concerned, there are considered to be no health and well-being impacts as a result of these proposals.

2. Human Rights - Article 8 of the European Convention on Human Rights (**ECHR**) guarantees the right to respect for private and family life, home and correspondence. Article 8, as incorporated by the Human Rights Act 1998, makes it clear that public authorities must not interfere with the exercise of this right except "such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime for the protection of health or morals, or for the protection of the rights and freedoms of others."

The secondary legislation that forms the subject of this impact assessment raises potential issues under Article 8 of the EHCR as it allows for the searching of persons and property. We believe however, that the potential interference with Article 8 rights falls within the exceptions set out within the same Article for the following reasons:

The potential interference is in accordance with the law for the following reasons:

- Some searches are already carried out under the Aviation and Maritime Security Act 1990;
- The searches which may be carried out are limited as specified in the Regulations;

The potential interference pursues a legitimate objective. It will mean that people, property, baggage, cargo and vehicles can be searched to ensure that articles capable of use for causing injury to or incapacitating a person or for destroying or damaging property, or intended for such use are not introduced into security sensitive areas of ports. The secondary legislation can therefore be said to be in the interests of national security, prevention of crime, public safety and economic well-being of the country and the potential interference with Article 8 rights can be justified on these grounds.

The potential interference can be said to be proportionate to that legitimate aim since the extent to which it will be applied will be dependent upon the security level applied to the port.

3. Justice System - PSA members are liable to an offence and penalty relating to conflict of interest. The Designation Orders will only apply to members of the relevant PSA, each of which will have limited membership, which means there is no requirement for a justice impact test for these proposals.

4. Rural proofing - As the proposal applies to the security regime and will not affect general operations at the ports concerned, there are considered to be no rural implications

8.5 Sustainable Development - As the proposal applies to the security regime and will not affect general operations at the ports concerned, there are considered to be no sustainable development implications as a result of these proposals.

## 9. Enforcement, sanctions and monitoring

9.1 The Directive (Article 17 – Penalties) requires that Member States put in place effective, proportionate and dissuasive sanctions for breach of the requirements of the security regime. Enforcement regimes for maritime security already exist under AMSA and the Ship and Port Facility (Security) Regulations 2004 (UK Regulations) which provides for the enforcement of the EC Regulation in the UK. Both security regimes are based on a stepped approach whereby administrative procedures and dialogue are entered into to try and secure compliance or rectification, before an Enforcement Notice is issued. Failure to comply with the Enforcement Notice would be followed by a criminal prosecution. However, depending on the particular circumstances, for example where a more serious non-compliance or offence has taken place, an Enforcement Notice could be issued immediately. This approach has been replicated in the PSRs (regulations 26-38):

### **PART 6 - Enforcement**

26. Enforcement notices

27. Objections to enforcement notices

28. Offences relating to enforcement notices

29. Offences relating to transport security inspectors

30. Offences in relation to prohibited articles

31. Offence of making a false statement in relation to baggage, cargo or stores

32. False statements in connection with identity documents

33. Interference with security measures

34. Unauthorised presence in a controlled building

35. Confidentiality of information

36. Defence of due diligence

37. Offences by bodies corporate

### *38. Designation of Secretary of State as focal point for port security*

9.2 Adopting the existing approach to enforcement will also ensure that the offences under all the maritime security regimes (i.e. AMSA, the EC Regulation/IMO regime and the Directive's port security regime) are consistent. The primary mechanism centres on failure to comply with an Enforcement Notice, and this will therefore be handled in the same way and with similar penalties being meted out. Although the ultimate sanction of a criminal prosecution exists, this stepped approach should mean that the vast majority of breaches will be resolved without recourse to the courts.

9.3 As is often the case when implementing EC obligations, section 2(2) of the European Communities Act 1972, ("ECA") is the enabling power that is expected to be used to implement the requirements of the Directive.

9.4 Responsibility for security matters has not been devolved to Scotland, Wales or Northern Ireland, so the Order will apply to the whole of the UK (although its subject matter obviously relates to port operations in the Listed Ports).

9.5 As under AMSA and the EC Regulation/IMO regime, the Department's Maritime Security Inspectors will be duly authorised to carry out compliance inspections of all UK ports under the Directive. In accordance with Article 13 of the Directive, the European Commission will commence a series of visits six months after the Directive comes into force to monitor compliance with the Directive.

9.6 Member States must ensure that a review of PSRAs and PSPs is carried out at least once every five years.

#### **10. Direct costs and benefits to business calculations (following One-in, Two-out – OITO) methodology)**

10.1 This proposal is not subject to OITO because it is necessary in order to comply with an EU requirement. The proposed Designation Orders would not go beyond the minimum required to comply with the Directive. Implementation of the PSRs at the Listed Ports would have an EANCB (equivalent annual net cost to business) of £-0.24 million.

10.2 Derivation of EANCB (Equivalent annual net cost to business) figure of -£0.24m cited on the summary sheets

**Calculation of Net Present Value**

|      | Ongoing annual cost |          |          | Transition cost <sup>**</sup> | Discounted Present Value <sup>*</sup> |       |       | Transition PV |
|------|---------------------|----------|----------|-------------------------------|---------------------------------------|-------|-------|---------------|
|      | PSO                 | PSRA     | PSP      |                               | PSO                                   | PSRA  | PSP   |               |
| 2013 | 0.15048             | 0.068025 | 0.005784 | 0.261201                      | £0.150                                | 0.068 | 0.006 | 0.261         |
| 2014 | 0.15048             | 0.068025 | 0.005784 | 0                             | £0.145                                | 0.066 | 0.006 | 0             |
| 2015 | 0.15048             | 0.068025 | 0.005784 | 0                             | £0.140                                | 0.064 | 0.005 | 0             |
| 2016 | 0.15048             | 0.068025 | 0.005784 | 0                             | £0.136                                | 0.061 | 0.005 | 0             |
| 2017 | 0.15048             | 0.068025 | 0.005784 | 0                             | £0.131                                | 0.059 | 0.005 | 0             |
| 2018 | 0.15048             | 0.068025 | 0.005784 | 0                             | £0.127                                | 0.057 | 0.005 | 0             |
| 2019 | 0.15048             | 0.06803  | 0.00578  | 0                             | £0.122                                | 0.055 | 0.005 | 0             |
| 2020 | 0.1505              | 0.068    | 0.0058   | 0                             | £0.118                                | 0.053 | 0.005 | 0             |
| 2021 | 0.1505              | 0.068    | 0.0058   | 0                             | £0.114                                | 0.052 | 0.004 | 0             |
| 2022 | 0.1505              | 0.068    | 0.0058   | 0                             | £0.110                                | 0.050 | 0.004 | 0             |
|      |                     |          |          |                               | 1.293                                 | 0.585 | 0.05  |               |
|      |                     |          |          |                               | Total: 1.93                           |       |       | Total: 0.26   |

\* HM Treasury applicable discount rate for 0-30 years = 3.5%

\*\* The £261,401 difference between the total first year start-up costs of £485,494 (see Table 2a on page 9 above) and the total ongoing year cost of £224,293 (see Table 2b on page 10 above) has been presented as £0.261 million transition costs in the Best Estimate box under Total Transition at the top of page 2 above

\*\*\* rounded up to 2 decimal places

**Net Present Value (NPV) annual costs: £1.93 million**  
**NPV transition costs: £0.26 million**  
**Total costs NPV: £2.19 million**  
**Total benefits NPV: £0.00 million**

**NPV = Total benefits NPV less Total costs NPV (£0.00 million - £2.19 million) = £-2.19 million**  
**Using HM Treasury's EANCB calculator this translates to £-0.24 million deflated to 2009 terms**

### HM Treasury Green Book Annex 6 recommended discount rates

|               |   |  |
|---------------|---|--|
| 0-30 years    | - | 0.035 (used in this IA as 10 year time period) |
| 31-75 years   | - | 0.03   |
| 76-125 years  | - | 0.025  |
| 126-200 years | - | 0.02   |
| 201-200 years | - | 0.015  |
| 300+ years    | - | 0.01   |

### Department of Business, Innovation and Skills (BIS) EANCB calculator results

|  |                        |                                   |
|--|------------------------|-----------------------------------|
| Present Value Net Costs to Business    | <b>PVNCB</b>           | <b>-2.192<sup>(a)</sup></b>       |
| Time period                            | <b>T</b>               | <b>10</b>                         |
| Annuity Rate                           | <b>A<sub>t,r</sub></b> | <b>8.607686509</b>                |
| Equivalent Annual Net Cost to Business | <b>EANCB</b>           | <b>-0.254656114<sup>(b)</sup></b> |

<sup>(a)</sup> taken from page 1 of Summary Sheets

<sup>(b)</sup> £m in 2013 terms so -£0.24m arrived at by deflating figure to 2009 terms

**Annex A**

**Estimated Costs to Port of Barrow**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |       |          |
|---------------|-------|----------|
| PSO/PFSO      | 57000 | £s/annum |
| Admin         | 21646 | £s/annum |
| Accommodation | 37.5  | £s/hr    |

| Annual Salary | £s     |        |  |
|---------------|--------|--------|--|
| PSO/PFSO      | 57,000 | 241.15 | = PSO/PFSO salary divided by 260 working days per year x 1.1 to add 10% expenses |
| Admin         | 21646  | 91.58  | = Admin salary divided by 260 working days per year x 1.1 to add 10% expenses    |
| Accommodation | 37.5   | 300.00 | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|  | Start up     | Annual cost  |              |              |               |
|--|--------------|--------------|--------------|--------------|---------------|
|  |              | Yr2          | Yr3          | Yr4          | Yr5           |
| PSO                                    | 25080        | 12540        | 12540        | 12540        | 12540         |
| PSA                                    | 0            | 0            | 0            | 0            | 0             |
| PSRA                                   | 12062        | 4825         | 4825         | 4825         | 4825          |
| PSP                                    | 1206         | 482          | 482          | 482          | 482           |
| <b>Total</b>                           | <b>38347</b> | <b>17847</b> | <b>17847</b> | <b>17847</b> | <b>17847</b>  |
| Total estimated cost for first 5 years |              |              |              |              | <b>109734</b> |

**Port Security Officer**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| Annual cost         |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year                  |   | Totals      |
|--------------------------------|---|-------------|
| PSA                            |   |             |
| No. Members                    | 8 |             |
| No. Stakeholders               | 0 |             |
| No. of days PSA meets          | 4 | 7717        |
| Admin                          |   | 733         |
| Accommodation etc.             |   | 1200        |
| <b>Total PSA start up cost</b> |   | <b>9650</b> |

|                       |   |        |
|-----------------------|---|--------|
| Annual cost           |   |        |
| PSA                   |   | Totals |
| No. Members           | 8 |        |
| No. Stakeholders      | 0 |        |
| No. of days PSA meets | 2 | 3858   |
| Admin                 |   | 366    |
| Accommodation etc.    |   | 600    |
| Total PSA Annual cost |   | 4825   |

### Port Security Risk Assessment

|                          |   |        |
|--------------------------|---|--------|
| Start up year            |   |        |
| PSA                      |   | Totals |
| No. Members              | 8 |        |
| No. Stakeholders         | 0 |        |
| No. of days PSA meets    | 5 | 9646   |
| Admin                    |   | 916    |
| Accommodation etc.       |   | 1500   |
| Total PSRA start up cost |   | 12062  |

|                          |   |        |
|--------------------------|---|--------|
| Annual cost ongoing      |   |        |
| PSA                      |   | Totals |
| No. Members              | 8 |        |
| No. Stakeholders         | 0 |        |
| No. of days PSA meets    | 2 | 3858   |
| Admin                    |   | 366    |
| Accommodation etc.       |   | 600    |
| Total PSRA start up cost |   | 4825   |

### Port Security Plan

|                               |   |        |
|-------------------------------|---|--------|
| PSP Start up year             |   | Totals |
| No. members                   | 1 |        |
| No. stakeholders              | 0 |        |
| No. of days to complete plan  | 5 |        |
| Total PSP start up year costs |   | 1206   |
|                               |   |        |
| PSP Annual costs              |   | Totals |
| No. members                   | 1 |        |
| No. Stakeholders              | 0 |        |
| No days to review plan        | 2 |        |
| Total PSP Annual costs        |   | 482    |

Note: It is assumed resource developing a PSP will always include the PSO



**Estimated Costs to Port of Cardiff**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |       |          |
|---------------|-------|----------|
| PSO/PFSO      | 57000 | £s/annum |
| Admin         | 21646 | £s/annum |
| Accommodation | 37.5  | £s/hr    |

|               |        |        |  |
|---------------|--------|--------|--|
| Annual Salary | £s     |        |  |
| PSO/PFSO      | 57,000 | 241.15 | = PSO/PFSO salary divided by 260 working days per year x 1.1 to add 10% expenses |
| Admin         | 21646  | 91.58  | = Admin salary divided by 260 working days per year x 1.1 to add 10% expenses    |
|               | 37.5   | 300.00 | based on 8 hour day  |

|  | Start up | Annual cost |       |       |        |
|--|----------|-------------|-------|-------|--------|
|  |          | Yr2         | Yr3   | Yr4   | Yr5    |
| PSO                                    | 25080    | 12540       | 12540 | 12540 | 12540  |
| PSA                                    | 0        | 0           | 0     | 0     | 0      |
| PSRA                                   | 18091    | 7236        | 7236  | 7236  | 7236   |
| PSP                                    | 1206     | 482         | 482   | 482   | 482    |
| Total                                  | 44376    | 20258       | 20258 | 20258 | 20258  |
| Total estimated cost for first 5 years |          |             |       |       | 125409 |

**PSO Costs (£s)**

|                     |     |       |
|---------------------|-----|-------|
| Start up year       |     | Total |
| No. of working days | 104 | 25080 |
| Annual cost         |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

|                         |    |        |
|-------------------------|----|--------|
| Start up year           |    | Totals |
| PSA                     |    |        |
| No. Members             | 13 |        |
| No. Stakeholders        | 0  |        |
| No. of days PSA meets   | 4  | 12540  |
| Admin                   |    | 733    |
| Accommodation etc.      |    | 1200   |
| Total PSA start up cost |    | 14472  |

|                       |    |               |
|-----------------------|----|---------------|
| Annual cost ongoing   |    |               |
| PSA                   |    | <b>Totals</b> |
| No. Members           | 13 |               |
| No. Stakeholders      | 0  |               |
| No. of days PSA meets | 2  | 6270          |
| Admin                 |    | 366           |
| Accommodation etc.    |    | 600           |
| Total PSA Annual cost |    | 7236          |

### Port Security Risk Assessment

|                          |    |               |
|--------------------------|----|---------------|
| Annual cost start up     |    |               |
| PSA                      |    | <b>Totals</b> |
| No. Members              | 13 |               |
| No. Stakeholders         | 0  |               |
| No. days that PSA meets  | 5  | 15675         |
| Admin                    |    | 916           |
| Accommodation etc        |    | 1500          |
| Total PRSA start up cost |    | 18091         |

|                       |    |               |
|-----------------------|----|---------------|
| Annual cost on going  |    |               |
| PSA                   |    | <b>Totals</b> |
| No. Members           | 13 |               |
| No. Stakeholders      | 0  |               |
| No. of days PSA meets | 2  | 6270          |
| Admin                 |    | 366           |
| Accommodation etc.    |    | 600           |
| Total PSA Annual cost |    | 7236          |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| PSP Start up year             |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. stakeholders              | 0 |               |
| No. of days to complete plan  | 5 |               |
| Total PSP start up year costs |   | 1206          |

|                        |   |               |
|------------------------|---|---------------|
| PSP Annual costs       |   | <b>Totals</b> |
| No. members            | 1 |               |
| No. stakeholders       | 0 |               |
| No days to review plan | 2 |               |
| Total PSP Annual costs |   | 482           |

**Note: It is assumed resource developing a PSP will always include the PSO**

**Estimated Costs to Port of Clyde (formerly “Glasgow” in Consultation Stage IA)**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |   |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57000  | £s/annum                                    |  |
| Admin         | 21646  | £s/annum                                    |  |
| Accommodation | 37.5   | £s/hr                                       |  |
|               |        |   |  |
| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |               |
|---|-------|-------------|-------|-------|---------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5           |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540         |
| PSA   | 0     | 0           | 0     | 0     | 0             |
| PSRA  | 18091 | 7236        | 7236  | 7236  | 7236          |
| PSP   | 1206  | 482         | 482   | 482   | 482           |
| Total   | 44376 | 20258       | 20258 | 20258 | 20258         |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>125409</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year             |    | Totals |
|---------------------------|----|--------|
| <b>PSA</b>                |    |        |
| No. Members               | 10 |        |
| No. Stakeholders          | 8  |        |
| No. of days PSA meets     | 4  | 17363  |
| <b>Admin</b>              |    | 733    |
| <b>Accommodation etc.</b> |    | 1200   |
| Total PSA start up cost   |    | 19295  |

| <b>Annual cost</b>        |    |               |
|---------------------------|----|---------------|
| <b>PSA</b>                |    | <b>Totals</b> |
| No. Members               | 10 |               |
| No. Stakeholders          | 8  |               |
| No. of days PSA meets     | 2  |               |
| <b>Admin</b>              |    | 366           |
| <b>Accommodation etc.</b> |    | 600           |
| Total PSA start up cost   |    | 9648          |

### Port Security Risk Assessment

| <b>Start up year</b>      |    |               |
|---------------------------|----|---------------|
| <b>PSA</b>                |    | <b>Totals</b> |
| No. Members               | 10 |               |
| No. Stakeholders          | 3  |               |
| No. of days PSA meets     | 5  |               |
| <b>Admin</b>              |    | 916           |
| <b>Accommodation etc.</b> |    | 1500          |
| Total PSRA start up cost  |    | 18091         |

| <b>Annual cost</b>        |    |               |
|---------------------------|----|---------------|
| <b>PSA</b>                |    | <b>Totals</b> |
| No. Members               | 10 |               |
| No. Stakeholders          | 3  |               |
| No. of days PSA meets     | 2  |               |
| <b>Admin</b>              |    | 366           |
| <b>Accommodation etc.</b> |    | 600           |
| Total PSRA start up cost  |    | 7236          |

### Port Security Plan

| <b>PSP Start up year</b>      |   | <b>Totals</b> |
|-------------------------------|---|---------------|
| No. members                   | 1 |               |
| No. stakeholders              | 0 |               |
| No. of days to complete plan  | 5 |               |
| Total PSP start up year costs |   | 1206          |

| <b>PSP Annual costs</b> |   | <b>Totals</b> |
|-------------------------|---|---------------|
| No. members             | 1 |               |
| No. Stakeholders        | 0 |               |
| No days to review plan  | 2 |               |
| Total PSP Annual costs  |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

## Estimated Costs to Port of Falmouth

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

### Standard Rates

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

### Estimated PSR costs over 5 year period (£s)

|   |              | Annual cost  |              |              |               |
|---|--------------|--------------|--------------|--------------|---------------|
|   |              | Yr2          | Yr3          | Yr4          | Yr5           |
| PSO   | 25080        | 12540        | 12540        | 12540        | 12540         |
| PSA   | 0            | 0            | 0            | 0            | 0             |
| PSRA  | 9650         | 3860         | 3860         | 3860         | 3860          |
| PSP   | 1206         | 482          | 482          | 482          | 482           |
| <b>Total</b>                                  | <b>35936</b> | <b>16882</b> | <b>16882</b> | <b>16882</b> | <b>16882</b>  |
| <b>Total estimated cost for first 5 years</b> |              |              |              |              | <b>103465</b> |

### PSO Costs (£s)

| Start up year       | Total |       |
|---------------------|-------|-------|
| No. of working days | 104   | 25080 |
| <b>Annual cost</b>  |       |       |
| No. of working days | 52    | 12540 |

### Breakdown of PSA Costs

| Start up year                  | Totals      |      |
|--------------------------------|-------------|------|
| <b>PSA</b>                     |             |      |
| No. Members                    | 5           |      |
| No. Stakeholders               | 1           |      |
| No. of days PSA meets          | 4           | 5788 |
| <b>Admin</b>                   | 733         |      |
| <b>Accommodation etc.</b>      | 1200        |      |
| <b>Total PSA start up cost</b> | <b>7720</b> |      |

| <b>Annual Cost</b>        |   |               |
|---------------------------|---|---------------|
| <b>PSA</b>                |   | <b>Totals</b> |
| No. Members               | 5 |               |
| No. Stakeholders          | 1 |               |
| No. of days PSA meets     | 2 | 2894          |
| <b>Admin</b>              |   | 366           |
| <b>Accommodation etc.</b> |   | 600           |
| Total PSA Annual Cost     |   | 3860          |

### Port Security Risk Assessment

| <b>Start up year</b>      |   |               |
|---------------------------|---|---------------|
| <b>PSA</b>                |   | <b>Totals</b> |
| No. Members               | 5 |               |
| No. Stakeholders          | 1 |               |
| No. of days PSA meets     | 5 | 7235          |
| <b>Admin</b>              |   | 916           |
| <b>Accommodation etc.</b> |   | 1500          |
| Total PRSA Start up cost  |   | 9650          |

| <b>Annual Cost</b>        |   |               |
|---------------------------|---|---------------|
| <b>PSA</b>                |   | <b>Totals</b> |
| No. Members               | 5 |               |
| No. Stakeholders          | 1 |               |
| No. of days PSA meets     | 2 | 2894          |
| <b>Admin</b>              |   | 366           |
| <b>Accommodation etc.</b> |   | 600           |
| Total PSRA Annual Cost    |   | 3860          |

### Port Security Plan

| <b>PSP Start up year</b>      |   | <b>Totals</b> |
|-------------------------------|---|---------------|
| No. members                   | 1 |               |
| No. stakeholders              | 0 |               |
| No. of days to complete plan  | 5 |               |
| Total PSP start up year costs |   | 1206          |

| <b>PSP Annual costs</b> |   | <b>Totals</b> |
|-------------------------|---|---------------|
| No. members             | 1 |               |
| No. Stakeholders        | 0 |               |
| No days to review plan  | 2 |               |
| Total PSP Annual costs  |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Port of Hull & Goole**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

**Estimated PSR costs over 5 year period (£s)**

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |              | Annual cost  |              |              |               |
|---|--------------|--------------|--------------|--------------|---------------|
|   |              | Yr2          | Yr3          | Yr4          | Yr5           |
| PSO   | 25080        | 12540        | 12540        | 12540        | 12540         |
| PSA   | 0            | 0            | 0            | 0            | 0             |
| PSRA  | 25325        | 10130        | 10130        | 10130        | 10130         |
| PSP   | 1206         | 482          | 482          | 482          | 482           |
| <b>Total</b>                                  | <b>51610</b> | <b>23152</b> | <b>23152</b> | <b>23152</b> | <b>23152</b>  |
| <b>Total estimated cost for first 5 years</b> |              |              |              |              | <b>144219</b> |

**PSO Costs (£s)**

| Start up year       | Total |       |
|---------------------|-------|-------|
| No. of working days | 104   | 25080 |
| <b>Annual cost</b>  |       |       |
| No. of working days | 52    | 12540 |

**Breakdown of PSA Costs**

| Start up year                  | Totals       |       |
|--------------------------------|--------------|-------|
| <b>PSA</b>                     |              |       |
| No. Members                    | 16           |       |
| No. Stakeholders               | 6            |       |
| No. of days PSA meets          | 4            | 21221 |
| <b>Admin</b>                   | 733          |       |
| <b>Accommodation etc.</b>      | 1200         |       |
| <b>Total PSA start up cost</b> | <b>23154</b> |       |

| <b>Annual cost</b>        |    |               |
|---------------------------|----|---------------|
| <b>PSA</b>                |    | <b>Totals</b> |
| No. Members               | 16 |               |
| No. Stakeholders          | 6  |               |
| No. of days PSA meets     | 2  | 10611         |
| <b>Admin</b>              |    | 366           |
| <b>Accommodation etc.</b> |    | 600           |
| Total PSA start up cost   |    | 11577         |

### Port Security Risk Assessment

| <b>Annual cost start up</b> |    |               |
|-----------------------------|----|---------------|
| <b>PSA</b>                  |    | <b>Totals</b> |
| No. Members                 | 16 |               |
| No. Stakeholders            | 3  |               |
| No. days that PSA meets     | 5  | 22909         |
| <b>Admin</b>                |    | 916           |
| <b>Accommodation etc</b>    |    | 1500          |
| Total PRSA start up cost    |    | 25325         |

| <b>Annual cost on going</b> |    |               |
|-----------------------------|----|---------------|
| <b>PSA</b>                  |    | <b>Totals</b> |
| No. Members                 | 16 |               |
| No. Stakeholders            | 3  |               |
| No. of days PSA meets       | 2  | 9164          |
| <b>Admin</b>                |    | 366           |
| <b>Accommodation etc.</b>   |    | 600           |
| Total PSA start up cost     |    | 10130         |

### Port Security Plan

| <b>PSP Start up year</b>      |   | <b>Totals</b> |
|-------------------------------|---|---------------|
| No. members                   | 1 |               |
| No. stakeholders              | 0 |               |
| No. of days to complete plan  | 5 |               |
| Total PSP start up year costs |   | 1206          |

| <b>PSP Annual costs</b> |   | <b>Totals</b> |
|-------------------------|---|---------------|
| No. members             | 1 |               |
| No. Stakeholders        | 0 |               |
| No days to review plan  | 2 |               |
| Total PSP Annual costs  |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO



**Estimated Costs to Port of Immingham & Grimsby**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |               |
|---|-------|-------------|-------|-------|---------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5           |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540         |
| PSA   | 0     | 0           | 0     | 0     | 0             |
| PSRA  | 19296 | 7719        | 7719  | 7719  | 7719          |
| PSP   | 1206  | 482         | 482   | 482   | 482           |
| Total   | 45582 | 20741       | 20741 | 20741 | 20741         |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>128544</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year           |    | Totals |
|-------------------------|----|--------|
| PSA                     |    |        |
| No. Members             | 11 |        |
| No. Stakeholders        | 5  |        |
| No. of days PSA meets   | 4  | 15434  |
| Admin                   |    | 733    |
| Accommodation etc.      |    | 1200   |
| Total PSA start up cost |    | 17366  |

|                       |    |        |
|-----------------------|----|--------|
| Annual cost           |    |        |
| PSA                   |    | Totals |
| No. Members           | 11 |        |
| No. Stakeholders      | 5  |        |
| No. of days PSA meets | 2  | 7717   |
| Admin                 |    | 366    |
| Accommodation etc.    |    | 600    |
| Total PSA Annual      |    | 8683   |

### Port Security Risk Assessment

|                          |    |        |
|--------------------------|----|--------|
| Annual cost start up     |    |        |
| PSA                      |    | Totals |
| No. Members              | 11 |        |
| No. Stakeholders         | 3  |        |
| No. days that PSA meets  | 5  | 16881  |
| Admin                    |    | 916    |
| Accommodation etc        |    | 1500   |
| Total PRSA start up cost |    | 19296  |

|                       |    |        |
|-----------------------|----|--------|
| Annual cost on going  |    |        |
| PSA                   |    | Totals |
| No. Members           | 11 |        |
| No. Stakeholders      | 3  |        |
| No. of days PSA meets | 2  | 6752   |
| Admin                 |    | 366    |
| Accommodation etc.    |    | 600    |
| Total PSA Annual cost |    | 7719   |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| <b>PSP Start up year</b>      |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. stakeholders              | 0 |               |
| No. of days to complete plan  | 5 |               |
| Total PSP start up year costs |   | 1206          |

|                         |   |               |
|-------------------------|---|---------------|
| <b>PSP Annual costs</b> |   | <b>Totals</b> |
| No. members             | 1 |               |
| No. Stakeholders        | 0 |               |
| No days to review plan  | 2 |               |
| Total PSP Annual costs  |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Port of Liverpool**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |               |
|---|-------|-------------|-------|-------|---------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5           |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540         |
| PSA   | 0     | 0           | 0     | 0     | 0             |
| PSRA  | 20502 | 8201        | 8201  | 8201  | 8201          |
| PSP   | 1206  | 482         | 482   | 482   | 482           |
| Total   | 46787 | 21223       | 21223 | 21223 | 21223         |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>131679</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| Annual cost         |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year           |    |  | Totals |
|-------------------------|----|--|--------|
| PSA                     |    |  |        |
| No. Members             | 13 |  |        |
| No. Stakeholders        | 4  |  |        |
| No. of days PSA meets   | 4  |  | 16398  |
| Admin                   |    |  | 733    |
| Accommodation etc.      |    |  | 1200   |
| Total PSA start up cost |    |  | 18331  |

|                       |    |        |
|-----------------------|----|--------|
| Annual cost           |    |        |
| PSA                   |    | Totals |
| No. Members           | 13 |        |
| No. Stakeholders      | 4  |        |
| No. of days PSA meets | 2  | 8199   |
| Admin                 |    | 366    |
| Accommodation etc.    |    | 600    |
| Total PSA Annual cost |    | 9165   |

### Port Security Risk Assessment

|                          |    |        |
|--------------------------|----|--------|
| Annual cost start up     |    |        |
| PSA                      |    | Totals |
| No. Members              | 13 |        |
| No. Stakeholders         | 2  |        |
| No. days that PSA meets  | 5  | 18086  |
| Admin                    |    | 916    |
| Accommodation etc        |    | 1500   |
| Total PRSA start up cost |    | 20502  |

|                        |    |        |
|------------------------|----|--------|
| Annual cost on going   |    |        |
| PSA                    |    | Totals |
| No. Members            | 13 |        |
| No. Stakeholders       | 2  |        |
| No. of days PSA meets  | 2  | 7235   |
| Admin                  |    | 366    |
| Accommodation etc.     |    | 600    |
| Total PSRA Annual cost |    | 8201   |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| PSP Start up year             |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. Stakeholders              | 0 |               |
| No days to complete plan      | 5 |               |
| Total PSP Start up year costs |   | 1,206         |

|                              |   |               |
|------------------------------|---|---------------|
| PSP Annual costs             |   | <b>Totals</b> |
| No. members                  | 1 |               |
| No. Stakeholders             | 0 |               |
| No days to review plan       | 2 |               |
| Total PSP Start Annual costs |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Manchester Ship Canal**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |               |
|---|-------|-------------|-------|-------|---------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5           |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540         |
| PSA   | 0     | 0           | 0     | 0     | 0             |
| PSRA  | 12062 | 4825        | 4825  | 4825  | 4825          |
| PSP   | 1206  | 482         | 482   | 482   | 482           |
| Total   | 38347 | 17847       | 17847 | 17847 | 17847         |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>109734</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year           |   |        |
|-------------------------|---|--------|
| PSA                     |   | Totals |
| No. Members             | 5 |        |
| No. Stakeholders        | 3 |        |
| No. of days PSA meets   | 4 | 7717   |
| Admin                   |   | 733    |
| Accommodation etc.      |   | 1200   |
| Total PSA start up cost |   | 9649   |

|                         |   |        |
|-------------------------|---|--------|
| Annual cost             |   |        |
| PSA                     |   | Totals |
| No. Members             | 5 |        |
| No. Stakeholders        | 3 |        |
| No. of days PSA meets   | 2 | 3858   |
| Admin                   |   | 366    |
| Accommodation etc.      |   | 600    |
| Total PSA start up cost |   | 4825   |

### Port Security Risk Assessment

|                          |   |        |
|--------------------------|---|--------|
| Annual cost start up     |   |        |
| PSA                      |   | Totals |
| No. Members              | 5 |        |
| No. Stakeholders         | 3 |        |
| No. days that PSA meets  | 5 | 9646   |
| Admin                    |   | 916    |
| Accommodation etc        |   | 1500   |
| Total PRSA start up cost |   | 12062  |

|                         |   |        |
|-------------------------|---|--------|
| Annual cost on going    |   |        |
| PSA                     |   | Totals |
| No. Members             | 5 |        |
| No. Stakeholders        | 3 |        |
| No. of days PSA meets   | 2 | 3858   |
| Admin                   |   | 366    |
| Accommodation etc.      |   | 600    |
| Total PSA start up cost |   | 4825   |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| PSP Start up year             |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. Stakeholders              | 0 |               |
| No days to complete plan      | 5 |               |
| Total PSP Start up year costs |   | 1,206         |

|                              |   |               |
|------------------------------|---|---------------|
| PSP Annual costs             |   | <b>Totals</b> |
| No. members                  | 1 |               |
| No. Stakeholders             | 0 |               |
| No days to review plan       | 2 |               |
| Total PSP Start Annual costs |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Port of Newhaven**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 2,1646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |              |
|---|-------|-------------|-------|-------|--------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5          |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540        |
| PSA   | 0     | 0           | 0     | 0     | 0            |
| PSRA  | 7239  | 2896        | 2896  | 2896  | 2896         |
| PSP   | 1206  | 482         | 482   | 482   | 482          |
| Total   | 33524 | 15918       | 15918 | 15918 | 15918        |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>97195</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year           |   | Totals |
|-------------------------|---|--------|
| PSA                     |   |        |
| No. Members             | 4 |        |
| No. Stakeholders        | 0 |        |
| No. of days PSA meets   | 4 | 3858   |
| Admin                   |   | 733    |
| Accommodation etc.      |   | 1200   |
| Total PSA start up cost |   | 5791   |

|                         |   |        |
|-------------------------|---|--------|
| Annual cost             |   |        |
| PSA                     |   | Totals |
| No. Members             | 4 |        |
| No. Stakeholders        | 0 |        |
| No. of days PSA meets   | 2 | 1929   |
| Admin                   |   | 366    |
| Accommodation etc.      |   | 600    |
| Total PSA start up cost |   | 2896   |

### Port Security Risk Assessment

|                          |   |        |
|--------------------------|---|--------|
| Annual cost start up     |   |        |
| PSA                      |   | Totals |
| No. Members              | 4 |        |
| No. Stakeholders         | 0 |        |
| No. days that PSA meets  | 5 | 4823   |
| Admin                    |   | 916    |
| Accommodation etc        |   | 1500   |
| Total PRSA start up cost |   | 7239   |

|                         |   |        |
|-------------------------|---|--------|
| Annual cost on going    |   |        |
| PSA                     |   | Totals |
| No. Members             | 4 |        |
| No. Stakeholders        | 0 |        |
| No. of days PSA meets   | 2 | 1929   |
| Admin                   |   | 366    |
| Accommodation etc.      |   | 600    |
| Total PSA start up cost |   | 2896   |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| PSP Start up year             |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. Stakeholders              | 0 |               |
| No days to complete plan      | 5 |               |
| Total PSP Start up year costs |   | 1,206         |

|                              |   |               |
|------------------------------|---|---------------|
| PSP Annual costs             |   | <b>Totals</b> |
| No. members                  | 1 |               |
| No. Stakeholders             | 0 |               |
| No days to review plan       | 2 |               |
| Total PSP Start Annual costs |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO



**Estimated Costs to Port of Southampton**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |               |
|---|-------|-------------|-------|-------|---------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5           |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540         |
| PSA   | 0     | 0           | 0     | 0     | 0             |
| PSRA  | 9650  | 3860        | 3860  | 3860  | 3860          |
| PSP   | 1206  | 482         | 482   | 482   | 482           |
| Total   | 35936 | 16882       | 16882 | 16882 | 16882         |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>103465</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**PSO Costs (£s)**

| Start up year           |   | Totals |
|-------------------------|---|--------|
| PSA                     |   |        |
| No. Members             | 4 |        |
| No. Stakeholders        | 2 |        |
| No. of days PSA meets   | 4 | 5788   |
| Admin                   |   | 733    |
| Accommodation etc.      |   | 1200   |
| Total PSA start up cost |   | 7720   |

|                       |   |        |
|-----------------------|---|--------|
| Annual cost           |   |        |
| PSA                   |   | Totals |
| No. Members           | 4 |        |
| No. Stakeholders      | 2 |        |
| No. of days PSA meets | 2 | 2894   |
| Admin                 |   | 366    |
| Accommodation etc.    |   | 600    |
| Total PSA Annual cost |   | 3860   |

### Port Security Risk Assessment

|                          |   |        |
|--------------------------|---|--------|
| Annual cost start up     |   |        |
| PSA                      |   | Totals |
| No. Members              | 4 |        |
| No. Stakeholders         | 2 |        |
| No. days that PSA meets  | 5 | 7235   |
| Admin                    |   | 916    |
| Accommodation etc        |   | 1500   |
| Total PRSA start up cost |   | 9650   |

|                        |   |               |
|------------------------|---|---------------|
| Annual cost on going   |   |               |
| PSA                    |   | <b>Totals</b> |
| No. Members            | 4 |               |
| No. Stakeholders       | 2 |               |
| No. of days PSA meets  | 2 | <b>2894</b>   |
| Admin                  |   | <b>366</b>    |
| Accommodation etc.     |   | <b>600</b>    |
| Total PSRA Annual cost |   | <b>3860</b>   |

### Port Security Plan

|                               |   |               |
|-------------------------------|---|---------------|
| PSP Start up year             |   | <b>Totals</b> |
| No. members                   | 1 |               |
| No. Stakeholders              | 0 |               |
| No days to complete plan      | 5 |               |
| Total PSP Start up year costs |   | 1,206         |

|                              |   |               |
|------------------------------|---|---------------|
| PSP Annual costs             |   | <b>Totals</b> |
| No. members                  | 1 |               |
| No. Stakeholders             | 0 |               |
| No days to review plan       | 2 |               |
| Total PSP Start Annual costs |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Port of Sullom Voe**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|   |       | Annual cost |       |       |              |
|---|-------|-------------|-------|-------|--------------|
|   |       | Yr2         | Yr3   | Yr4   | Yr5          |
| PSO   | 25080 | 12540       | 12540 | 12540 | 12540        |
| PSA   | 0     | 0           | 0     | 0     | 0            |
| PSRA  | 6033  | 2413        | 2413  | 2413  | 2413         |
| PSP   | 1206  | 482         | 482   | 482   | 482          |
| Total   | 32318 | 15435       | 15435 | 15435 | 15435        |
| <b>Total estimated cost for first 5 years</b> |       |             |       |       | <b>94060</b> |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs**

| Start up year             |   | Totals |
|---------------------------|---|--------|
| <b>PSA</b>                |   |        |
| No. Members               | 3 |        |
| No. Stakeholders          | 0 |        |
| No. of days PSA meets     | 4 | 2894   |
| <b>Admin</b>              |   | 733    |
| <b>Accommodation etc.</b> |   | 1200   |
| Total PSA start up cost   |   | 4826   |

| <b>Annual cost</b>        |   |               |
|---------------------------|---|---------------|
| <b>PSA</b>                |   | <b>Totals</b> |
| No. Members               | 3 |               |
| No. Stakeholders          | 0 |               |
| No. of days PSA meets     | 2 | 1447          |
| <b>Admin</b>              |   | 366           |
| <b>Accommodation etc.</b> |   | 600           |
| Total PSA Annual cost     |   | 2413          |

### Port Security Risk Assessment

| <b>Annual cost start up</b> |   |               |
|-----------------------------|---|---------------|
| <b>PSA</b>                  |   | <b>Totals</b> |
| No. Members                 | 3 |               |
| No. Stakeholders            | 0 |               |
| No. days that PSA meets     | 5 | 3617          |
| <b>Admin</b>                |   | 916           |
| <b>Accommodation etc</b>    |   | 1500          |
| Total PRSA start up cost    |   | 6033          |

| <b>Annual cost on going</b> |   |               |
|-----------------------------|---|---------------|
| <b>PSA</b>                  |   | <b>Totals</b> |
| No. Members                 | 3 |               |
| No. Stakeholders            | 0 |               |
| No. of days PSA meets       | 2 | 1447          |
| <b>Admin</b>                |   | 366           |
| <b>Accommodation etc.</b>   |   | 600           |
| Total PRSA Annual cost      |   | 2413          |

### Port Security Plan

| <b>PSP Start up year</b>      |   | <b>Totals</b> |
|-------------------------------|---|---------------|
| No. members                   | 1 |               |
| No. Stakeholders              | 0 |               |
| No days to complete plan      | 5 |               |
| Total PSP Start up year costs |   | 1,206         |

| <b>PSP Annual costs</b>      |   | <b>Totals</b> |
|------------------------------|---|---------------|
| No. members                  | 1 |               |
| No. Stakeholders             | 0 |               |
| No days to review plan       | 2 |               |
| Total PSP Start Annual costs |   | 482           |

Note: It is assumed resource developing a PSP will always include the PSO

**Estimated Costs to Port of Swansea**

Note: Please see evidence base for derivation of Standard Rates

All costs are in £s

Where pence are not shown cost is rounded to nearest pound.

**Standard Rates**

|               |        |          |
|---------------|--------|----------|
| PSO/PFSO      | 57,000 | £s/annum |
| Admin         | 21,646 | £s/annum |
| Accommodation | 37.5   | £s/hr    |

| Annual Salary | £s     | Daily Rate including overheads and expenses |  |
|---------------|--------|---|--|
| PSO/PFSO      | 57,000 | 241.15                                      | = PSO/PFSO salary divided by 260 working days per year x 1.1 for +10% expenses |
| Admin         | 21646  | 91.58                                       | = Admin salary divided by 260 working days per year x 1.1 for +10% expenses    |
| Accommodation | 37.5   | 300.00                                      | based on 8 hour day  |

**Estimated PSR costs over 5 year period (£s)**

|       |       | Annual cost                            |       |       |        |
|-------|-------|--|-------|-------|--------|
|       |       | Yr2                                    | Yr3   | Yr4   | Yr5    |
| PSO   | 25080 | 12540                                  | 12540 | 12540 | 12540  |
| PSA   | 0     | 0                                      | 0     | 0     | 0      |
| PSRA  | 12062 | 4825                                   | 4825  | 4825  | 4825   |
| PSP   | 1206  | 482                                    | 482   | 482   | 482    |
| Total | 38347 | 17847                                  | 17847 | 17847 | 17847  |
|       |       |  |       |       |        |
|       |       | Total estimated cost for first 5 years |       |       | 109734 |

**PSO Costs (£s)**

| Start up year       |     | Total |
|---------------------|-----|-------|
| No. of working days | 104 | 25080 |
| <b>Annual cost</b>  |     |       |
| No. of working days | 52  | 12540 |

**Breakdown of PSA Costs (£s)**

| Start up year           |   | Totals |
|-------------------------|---|--------|
| PSA                     |   |        |
| No. Members             | 8 |        |
| No. Stakeholders        | 0 |        |
| No. of days PSA meets   | 4 | 7717   |
| Admin                   |   | 733    |
| Accommodation etc.      |   | 1200   |
| Total PSA start up cost |   | 9649   |

| Annual cost           |   |        |
|-----------------------|---|--------|
| PSA                   |   | Totals |
| No. Members           | 8 |        |
| No. Stakeholders      | 0 |        |
| No. of days PSA meets | 2 | 3858   |
| Admin                 |   | 366    |
| Accommodation etc.    |   | 600    |
| Total PSA Annual cost |   | 4825   |

### Port Security Risk Assessment

| Annual cost start up     |   |        |
|--------------------------|---|--------|
| PSA                      |   | Totals |
| No. Members              | 8 |        |
| No. Stakeholders         | 0 |        |
| No. days that PSA meets  | 5 | 9646   |
| Admin                    |   | 916    |
| Accommodation etc        |   | 1500   |
| Total PRSA start up cost |   | 12062  |

| Annual cost on going  |   |        |
|-----------------------|---|--------|
| PSA                   |   | Totals |
| No. Members           | 8 |        |
| No. Stakeholders      | 0 |        |
| No. of days PSA meets | 2 | 3858   |
| Admin                 |   | 366    |
| Accommodation etc.    |   | 600    |
| Total PSA Annual cost |   | 4825   |

### Port Security Plan

| PSP Start up year             |   | Totals |
|-------------------------------|---|--------|
| No. members                   | 1 |        |
| No. Stakeholders              | 0 |        |
| No days to complete plan      | 5 |        |
| Total PSP Start up year costs |   | 1,206  |

| PSP Annual costs             |   | Totals |
|------------------------------|---|--------|
| No. members                  | 1 |        |
| No. Stakeholders             | 0 |        |
| No days to review plan       | 2 |        |
| Total PSP Start Annual costs |   | 482    |

Note: It is assumed resource developing a PSP will always include the PSO

## Annex M

### EqlA Screening Proforma

**Name of the function, policy or strategy** - The Port Security (Port of Barrow, Port of Cardiff, Port of Clyde (Glasgow), Port of Falmouth, Port of Hull, Goole, Immingham and Grimsby, Port of Liverpool, Manchester Ship Canal, Port of Newhaven, Port of Southampton, Port of Sullom Voe, and Port of Swansea ('the Listed Ports')) Designation Orders 2013. **Current or Proposed:** Proposed

**Person completing the assessment:** Caroline Wall

**Date of assessment:** 15/02/13

**Purpose of the function, policy or strategy:** The policy objective is to enhance security at the Listed Ports to complement measures to help prevent successful maritime terrorist incidents. The intended effect is to designate a Port Security Authority for each of the Listed Ports which will be responsible for the preparation and implementation of security plans, based on the findings of security assessments at each of the Listed Ports, along with co-ordinating security within each Listed Port.

Questions - Indicate Yes, No or Not Known for each group

|   | Age | Disability | Gender | Ethnicity and race | Religion or Belief | Sexual Orientation | Transgender | Pregnancy and Maternity |
|---|-----|------------|--------|--------------------|--------------------|--------------------|-------------|-------------------------|
| Is there any indication or evidence that different groups have different needs, experiences, issues or priorities in relation to the particular policy?                                     | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Is there potential for, or evidence that, this policy may adversely affect equality of opportunity for all and may harm good relations between different groups?                            | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Is there any potential for, or evidence that, any part of the proposed policy could discriminate, directly or indirectly? (Consider those who implement it on a day to day basis)?          | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Is there any stakeholder (staff, public, unions) concern in the policy area about actual, perceived or potential discrimination against a particular group(s)?                              | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Is there an opportunity to better promote equality of opportunity or better community relations by altering the policy or working with other government departments or the wider community? | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Is there any evidence or indication of higher or lower uptake by different groups?  | No  | No         | No     | No                 | No                 | No                 | No          | No                      |
| Are there physical or social barriers to participation/access (e.g. language, format, physical access/proximity)?   | No  | No         | No     | No                 | No                 | No                 | No          | No                      |

If you have answered "no" to all the questions, an EqlA is not required.