

## Bold vision for Liverpool docks

By Matt Smith

THIS is the £5.5 billion vision for a world class waterfront next to Liverpool's taxpayer funded cruise terminal that could help lure away cruise trade from [Southampton](#) and other UK ports.

And the giant port group that would be a major beneficiary if the Government gives the go-ahead for Liverpool to start and finish cruises at its £21m terminal is already planning a second terminal nearby, the Daily Echo can reveal.

The expansion of the lucrative "turnaround" cruise trade in Liverpool is part of a master plan drawn up by Peel Ports.

Opponents fear the move could drain tens of millions of pounds from rival cruise port economies in a threat to thousands of jobs.

The Department for Transport (DfT) is consulting on a deal to lift a ban it imposed on turnaround cruises at Liverpool's Pier Head terminal if the city council pays back just a quarter of the taxpayer cash it received to build it.

[Business](#) leaders and politicians from cruise ports around the country are fighting the deal as "unfair competition" and are demanding the public cash is paid back in full for a "level playing field".

The Peel Group, which owns Liverpool docks and has assets worth billions, would be one of the biggest winners if the DfT removes the "turnaround" restriction and said it "fully supported" the plan.

It operates the council owned Pier Head terminal.

The UK Cruise Port Alliance, an industry group that has launched a high-profile campaign to stop the controversial plan, estimates it would be worth millions in port fees and new cruise related [Business](#).

An investigation by the Daily Echo has revealed that the "turnaround" deal is part of Peel's vision for its Mersey ports.

A 20-year Peel Ports masterplan identifies "considerable opportunity to expand turnaround cruise activity" citing the proposals for "enhancements" to the Liverpool Cruise Terminal and the development of a brand new cruise liner terminal as part of an ambitious £5.5bn regeneration scheme, known as Liverpool Waters, bringing 20,000 new jobs.

Plans to go before Liverpool council in the autumn propose transforming 150 acres of central historic dockland next to the existing cruise terminal into a worldclass mile-long waterfront quarter with 9,000 new homes, hotels, office skyscrapers, shops, cafes, restaurants, leisure facilities and two parks to pull in tourists and cruise passengers.

A new 17,600 sq m cruise liner terminal is also planned next to a 55-storey "Shanghai tower" skyscraper to help grow Liverpool as a "prime northern tourist destination".

Peel told the Daily Echo the Liverpool Waters scheme and the world-famous Pier Head would be a "fantastic backdrop" for visiting cruise [liners](#).

Peel Group chairman John Whittaker, pictured, who is estimated to be worth around £2bn, hopes the massive regeneration project will help transform the Mersey into a Chinese business hub.

Peel is restricted in the use of its own cruise facilities at a commercial harbour in Langton Dock, next to a scrapheap, due to high winds and fast tides. The terminal which hosts around 30 cruises a year, was voted as one of the UK's worst by passengers.

Peel told the Daily Echo it wants to transfer its Langton turnaround cruises to the Pier Head terminal 2.5 miles away, although claims its revenues would fall in the short term.

The taxpayer cash for the Liverpool Cruise Terminal, including £9m from the European Union, was granted four years ago under a strict condition it could only be allowed to host visits by cruise [ships](#).

But internal North West Development Agency emails at the time suggest Liverpool had always planned to use the new terminal for turnaround traffic.

Liverpool City Council has already set aside £10m towards a £23m new passenger and baggage handling facility at the terminal, and Peel is expected to fund the balance if the council wins the "turnaround" status.

The firm said it had made no commitment but did not rule it out.

Southampton MP [John Denham](#) has written to the [shipping](#) Minister Mike Penning demanding to know why the additional £10m "public subsidy" was kept out of the public consultation, which runs until September 15.

And Southampton port owner ABP has questioned why Liverpool won't pay back its taxpayer grants in full if it can find money to upgrade facilities at its cruise terminal or build a new one.

Southampton port director Doug Morrison said: "There is absolutely no need to provide an unfair subsidy using a vast amount of taxpayers' money."

ABP has invested more than £40m in its Southampton cruise business to turn the city into the cruise capital of northern Europe with 360 ships expected this year.

The UK Cruise Port Alliance warns the Liverpool cruise terminal could strip up to £80m from the Southampton economy in the first year of turnaround operations, threatening thousands of jobs.

A petition to ministers urging them to ditch the plan has attracted more than 3,250 signatures - well exceeding the 2,500 name petition submitted to the shipping minister backing Liverpool's plans.

Jimmy Chestnutt, chairman of the UK Cruise Port Alliance, said: "Other ports and port operators have had to spend shareholders' money to build their turnaround facilities.

"This decision would allow Peel group, a private company, and the port to benefit from a gift of millions of pounds of hard-pressed taxpayers' money.

"All that we ask and all that Liverpool and Peel Group have to do is pay back all the subsidy and compete on level terms."

But Liverpool council leader Joe Anderson, who last month offered to hold peace talks with Southampton, claimed his offer had been snubbed because Southampton was "scared of the debate".

He labelled Southampton "greedy", "selfish" and "scared of losing their monopoly" of the cruise trade.

Southampton council leader Royston Smith called the proposed meeting a "publicity stunt" and vowed to fight to protect city jobs against unfair competition.

Hampshire MPs, including Chris Huhne, as well as south east Euro MPs have already lodged objections to Liverpool's plans, which do not include repayment on the EU grants.

#### **Peel Holdings said in a statement:**

"Princes Dock being located alongside the existing facility and the world-famous Pier Head would act as a fantastic backdrop for visiting cruise liners calling at Liverpool.

"The benefits to Liverpool of having a cruise liner terminal are spread throughout a range of businesses within the city.

"Peel Ports currently operates a turnaround facility at Langton Dock in Liverpool that could transfer to the Pier Head, if approval was obtained, this would see Ports revenues reduce, not increase in the short-term.

Therefore initially the number of vessels passing through the Port of Liverpool would not increase dramatically.

"Within the Liverpool Waters masterplan there are plans to build a cruise liner terminal at West Waterloo dock.

"The outline planning application for Liverpool Waters is progressing well and the proposed cruise liner terminal still clearly features within our plans and would complement the city council's proposals.

"With Peel owning most of the land around the existing cruise liner facility and also being the conservators of the River Mersey, clearly we will be working very closely with the city council to assist them with their turnaround cruise liner terminal on the Pier Head.

"Peel has made no commitment to the city council to financially contribute to the proposed terminal, but that does not mean we are ruling out such a partnership in the future."

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