Twitter Thread by Peter Foster



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BREAK: ■■■■■■■■■■■■■■■■■■■■■■■■■■■■ The UK rejects Dover funding bid to double French passport booths via @FT - long queues ahead...as other ports also don't get money they asked for to build #brexit border. Stay with me/1 thread

@FT So what is this all about? Well back in October the govt announced a £200m Port Infrastructure Fund - details below - for ports to get ready for the new trade processes for #Brexit border. Dealing with those 215m extra customs decs etc.. /2

https://t.co/aFzelRLlEX

@FT Today we find out what everyone got - but it turns out that 54 ports asked for more than £450m - so a LOT have been bitterly disappointed. Not just Dover (on which more in a second)...they are furious the government is not willing to fully fund the very borders they mandated /3

@FT So here is the list of what everyone got - 41 ports had winning bids totaling just over £194m - but you'll note that Dover got...wait for it...£33k. No, that is not a type. Thirty-three thousand pounds. They asked for £33m!! Why? Well to build new passport lanes. /4

Port Name	Mode	Allocated Funding
Aberdeen	Sea	£509,619
Barking	Rail	£322,421
Boston	Sea	£1,014,961
Brightlingsea	Sea	£78,871
Bristol	Sea	£1,751,433
Channel Tunnel (Eurotunnel)	Rail	£1,679,249
Clyde	Sea	£4,177,875
Corporation Wharf	Sea	£0
Doncaster	Rail	£0
Doncaster Sheffield	Air	£0
Dover	Sea	£33,000
East Midlands International	Air	£317,892
Edinburgh	Air	£0
Felixstowe	Sea	£13,109,090
Fishguard	Sea	£1,269,243
Grangemouth	Sea	£5,703,390
Harwich	Sea	£22,945,428
Heathrow	Air	£0
Heysham	Sea	£4,925,795
Holyhead	Sea	£253,061
Hull	Sea	£9,854,997
Immingham	Sea	£13,495,494
Inverness	Sea	£0
Killingholme	Sea	£23,161,992

@FT Why? Because as an @NAOorguk report warned in November the Govt's 'reasonable worst case scenario' for delays at Dover for passenger traffic was "one to two hours" and "much longer" in the summer. Eeek. Happy hols everyone! /5

https://t.co/K77Is5tfxk

Passenger readiness

2.46 At the end of transition, freedom of movement will end for people travelling between the UK and the EU. Passports with at least six months validity will be required for travel to the EU and all passports will be checked crossing the UK–EU border. BPDG recognises that passengers might not be prepared for changes to controls, for example if forms of ID are no longer accepted, EU pet passports are no longer valid, or people can no longer pass through e-gates. As at 21 October 2020, BPDG rated amber the risk that changes to border policies could disrupt passenger flows and cause queues to form. The government's reasonable worst-case scenario assumptions suggest that passenger queues could last up to one to two hours at Dover or Eurotunnel in January 2021. However, the same modelling indicates that in a worst-case scenario, as the year progresses, with an increase in the number of passengers travelling in the summer months, the queues and delays could become much longer.[56]

@FT @NAOorguk So here is @PortOfDover EU Exit boss Tim Reardon explaining to the Lords EU Cmme why they needed to double the number of French kiosks from five to 10 - because we'll soon be facing intrusive new checks; stamps in passport etc. Oh joy. /6

https://t.co/6989KZPHqQ

Tim Reardon: There are lots of elements there. The short answer is, yes, we have identified what we need to put in the port to accommodate new border controls and new processes. We would be delighted to show you what we build once we have built it, when the port is once again open for visitors. That is a general invitation to the whole Committee.

The new infrastructure at the port is needed to accommodate the element of the port-based processes that are changing; those are the outbound border controls, where two new elements are coming in. Inbound border controls will operate as they do now in the existing infrastructure, with no practical change. Inbound flows are not an issue. It is the outbound flow where changes will occur and, as I said, they are twofold.

First, French passport control processes will change. They will become more intrusive, and therefore slower, for holders of UK passports. That means we need more French kiosks in order to maintain the rate of flow. Secondly, there will be a new element, associated with French customs, built into the ferry operator's check-in. When a lorry checks in for its ferry crossing, it will need to demonstrate that the goods in the back have been pre-declared to French customs. That will add a bit of time, but more importantly it will need to take place before the lorry presents for its passport check.

We have a scheme that does all those things. We have put in an application to the Government's port infrastructure fund to provide funding to enable those works to happen. We are hopeful that we will get a positive response from that application. We have not had a response yet.

The timing for when each element needs to be in place varies slightly. The key element for part of the French passport process and for the French customs process is 1 January next year, as it is for the thing that arises out of both of those, which is to provide an opportunity for lorries that have been rejected physically to leave the port. Other elements of the French passport process will change again at the start of 2022, and we need to be ready for those as well.

@FT @NAOorguk @PortOfDover The Cabinet Office have yet to explain their thinking fully on why Dover didn't get the money - or why they didn't fine more cash when it was clear the Fund was more than twice over-subscribed. But ministers have explained how they whittle down the field. See this:/7

The PIF received 53 port applications totalling £450 million which materially exceeded the amount available in the Fund (HMT having allocated up to £200 million). We explored different options on oversubscription to ensure that we disburse funds in a way that is fair and equitable, whilst also being consistent with the principles and objectives of the PIF.

The team analysed all the bids rigorously and in accordance with the criteria set out in the PIF Prospectus. Non eligible bids were rejected. We also reviewed bids to ensure they are the minimum necessary to meet current trade volumes with the EU, as the PIF was not intended to support developing wider commercial opportunities. This led to some bids being rejected and others scaled back.

Finally, a series of 'deep dives' were conducted by teams with significant expertise in port infrastructure. The deep dives were designed to examine specific areas of concern, for example on the scope of parts of the bid, or to understand costs where these seemed high. These deep dives led to targeted reductions on some bids.

Together, these measures were sufficient to reduce the gap between the bids and the funding available, but not to eliminate it. **Ministers then decided that all bids which are recommended to be supported will be funded to 66% of the net amount after the adjustments outlined above.**

The outcome is that 41 ports were successful in receiving funding totaling £194,334,631 and the applications from 12 ports were unsuccessful. The details of allocated funding can be viewed in the table below. These proposed grants are subject to due diligence checks and

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Grand Funding Agreements being signed. The FAA may also vary the proposed grant at any time up to execution of the Grant Funding Agreement.

@FT @NAOorguk @PortOfDover But none of that explains really why a government that is merrily building borders doesn't appear to want to pay for them to be built...surely in the case of Dover, when everyone is sitting fuming in queues this summer...the extra five booths might have paid off?! /8

@FT @NAOorguk @PortOfDover But his is MUCH bigger than Dover. This is about booting up port infrastructure across the UK to deal with those extra 215m customs declarations, the new processes Ireland-GB, the expected increase in 'short sea' crossings to Harwich and the Humber. It's #Brexit made flesh! /9

@FT @NAOorguk @PortOfDover It's fair to say there is a LOT of grumbling out there today as these awards were circulated.

Portsmouth got £17.1m - which is about £8m short of what they asked for, I am told. /10

@FT @NAOorguk @PortOfDover Their MP @StephenMorganMP is fuming. He says the money falls "far short" of what they need and is less than "the money mandated by the government's own border operating model" - I can see the Govt getting some heat on all this in coming days/weeks. /11

> Those warning of being underfunded included Portsmouth, which received £17.1m — a figure which the city's Labour MP Stephen Morgan said still fell "far short" of what was required.
>
> "The funding awarded is not enough to cover the major infrastructure work mandated by the government's own border operating model, and without additional contingency funding it cannot be completed in time," he said.
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> Port of Dover and the cabinet office did not immediately reply to a request for comment.

@FT @NAOorguk @PortOfDover @StephenMorganMP This leaves ports facing a real dilemma as the July 1 2021 deadline approaches...do the go ahead and build scaled back, inadequate infrastructure...or seek more money or what? See this from @mikesellersPIP the boss of @PortsmouthPort /12

Mike Sellers, Portsmouth International Port's director said: "As the UK's second busiest cross-channel port, we submitted a bid to government to prepare for the most significant changes to customs and health check imports in a generation.

"Ports must have new infrastructure in place by July 2021 to meet the government's Border Operating Model. This includes a Border Control Post to carry out government checks on specific imports.

"The government allocated £200m to the fund. This was substantially oversubscribed, so bids were cut and then allocated only 66% of the reduced amount to each qualifying port. While we appreciate the allocation, this leaves Portsmouth with an £8m shortfall to implement the most critical changes, and omits significant parts of our proposals.

"Prior to the delays in determining the bid, we were already concerned about the timescale required to make sure we were ready by July. We have now been delayed by a further two weeks and are without any contingency and few options to secure additional funding.

"It's vital that we maintain our role as a key port, providing critical routes for UK-EU trade serving the western Channel and providing resilience against the challenges of the short crossings in Kent.

"We hope to continue this conversation and explore options to secure the necessary funding.

"Ports are integral to the economic recovery of the country as we face the outcome of the global pandemic. Budgets are stretched but it is essential ports are suitably supported to manage the most significant changes to imports in a generation."

@FT @NAOorguk @PortOfDover @StephenMorganMP @mikesellersPIP @PortsmouthPort And I can tell you that dilemma is NOT confined to Portsmouth.

Humber ports like Purfleet & Killinghome that deal with 'trailer' freight from the EU on short-sea crossings also have lots to do. Holyhead must deal with huge new Irish freight issues etc. /13

@FT @NAOorguk @PortOfDover @StephenMorganMP @mikesellersPIP @PortsmouthPort Some got nothing, others took an across the board haircut 33% haricut on what they did get.

@timgmorris Chief Exec UK Major Ports Group says they're "very disappointed that the allocations of funding are so late in the day and significantly short of what many ports require."/14

@FT @NAOorguk @PortOfDover @StephenMorganMP @mikesellersPIP @PortsmouthPort @timgmorris His group is now calling on the Government "to work urgently with the sector to review funding levels and timings"...because tickety-tock the new border hurtles towards us (exact details still tbc...checks date...16 Dec...mops brow) /15

The point is that everyone, I think, knows it is going to be pretty choppy logistically few months - and then again, with a 'second cliff-edge' in July 1 2021 for goods coming EU-GB, so it seems odd to me Govt isn't chucking sufficient wedge at this one. /16

Because if & when the blame game begins over port congestion, I think I have a fair bet about where the finger will be pointing - at least from the point of view of a pretty sore UK ports industry today. ENDS