



## Milford Haven Port Authority

Annual Report Business Review & Accounts 2008



50  
years

of vision  
and  
progress

tomorrow



**“2008 as well as being our Golden Jubilee year was also the busiest in the 50 years of our existence in respect of tonnage as we handled 52.8 million gross tons of shipping”**





# yesterday

The Milford Haven Waterway in 1957, prior to the arrival of the oil industry and the establishment of the Milford Haven Conservancy Board in 1958.



# today

**“Whilst the operating profit increased by a healthy 81% to £764,000, we recognise that the larger part of the pre-tax profit (£3.555m) is a non-cash item... our prime objective thus remains to improve the financial performance of our core business.”**



# Chairman's Report



I am pleased to report another successful year with Group turnover increasing by 4% to £18,488m and pre-tax profit improving by 41% to £4,682m. This is the third year running for which the Group has shown a year on year increase in profit.

Whilst the operating profit increased by a healthy 81% to £764,000, we recognise that the larger part of the pre-tax profit (£3,555m) is a non-cash item arising from our investment in our associate companies of Ledwood Mechanical Engineering and Williams Marine & Port Services. Our prime objective thus remains to improve the financial performance of our core business.

2008 as well as being our Golden Jubilee year was also the busiest in the 50 years of our existence in respect of tonnage as we handled 52.8 million gross tons of shipping, a 2.8% increase on the previous year. The year also showed a slight increase in the cargo carried through the port to 36 million tonnes from the 2007 level of 35.6 million tonnes which makes us the 6th largest port in the UK in throughput terms.

I must also acknowledge the successful achievement of our very challenging safety targets which had been set at a level more than twice as rigorous as that exhibited for the UK's Port industry as a whole. I believe that this illustrates that all 197 staff employed in the Authority recognise that safety is a key priority of the business and that the systems and procedures therefore in place serve to monitor and support that priority.

This port, like all others in the UK, operates under the requirements of the Port Marine Safety Code which is monitored by the Maritime & Coastguard Agency on behalf of the Government. I am pleased to confirm on behalf of the Board as the Duty Holder under the Code, that we continue to comply with all its requirements. Indeed at MHPA we go one step further in embracing the risk assessment and safety

management system approach of the Code, not only to our marine activities but to all our shore-based operations as well.

2008 provided for many significant developments in the port, not least being the final planning and preparations for the arrival of LNG shipping into the port which took place in March 2009. This brings the possibility of very significant further growth and development of our business and that of many others based around the Haven. We have also been actively seeking other trades for Pembroke Port and discussions are taking place with the builders of the new Pembroke Power Station, with European ferry companies and with importers of animal feed.

2008 also saw the sale of our share of Phoenix Bowl, and the purchase from the Ministry of Defence of the previous RMAS site in Pembroke Port was concluded with a negotiated bank facility. This is a significant step forward for the future strategic direction of the port as it gives an opportunity for the establishment of a marine base for a major tug customer in the port and also the ability for our ship repair division to increase our capability as a result of the two slipways on this site.

Our capital expenditure program of over £5m supported this purchase and the construction of our latest pilot vessel the "Picton" delivered from Mustang Marine, another tenant in Pembroke Port and which has come into service in the early part of 2009 - the third such vessel to be built for us by Mustang.

Our responsibility for maintaining our marine infrastructure is always a priority and in 2008 we spent £1.3m in maintaining, repairing and refurbishing infrastructure in Milford Docks, the ferry terminal, our own Port Authority jetty and a number of the navigation facilities which we maintain and operate.

The Board has initiated a review of the various pension schemes in place throughout the business, with a view to coming up with more equitable arrangements for many staff that can reasonably be supported by the cash that the business generates.

We are working with the owners of the Blackbridge site, Pembrokeshire County Council, to develop a marine use for this "brown field" waterfront area, the last such site of size around the Haven.

We celebrated our Golden Jubilee by staging an open day at our Port Control Centre in Gorsewood Drive in conjunction with the Maritime & Coastguard Agency. We welcomed Seafair in conjunction with many local communities around the Haven, and also staged very successfully the British Ports Association annual conference at Bluestone.

We plan to spend almost £300,000 this year on projects in the local community. Continued expenditure at this level will depend on the financial performance of the port and prudent expenditure on maintenance to secure the port for future generations.

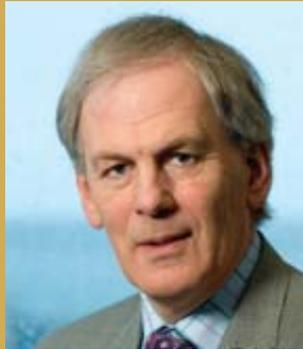
Finally, I would on behalf of the Board, thank all the staff of the Authority for the hard work put in during 2008 in what was a successful year and which augers well for the port's continued growth and development. We are entering a new era with LNG shipping and renewable energy becoming part of the activities in and around the port, and it is now up to all of us to show we can properly manage these new challenges.

**David Benson**  
Chairman

## tomorrow

“We are entering a new era with LNG shipping and renewable energy becoming part of the activities in and around the port, and it is now up to all of us to show we can properly manage these new challenges.”

# Planning for our future



2008 was a very successful year in many respects not least for the continued improvement in financial performance as part of our strategic objective of increasing profitability to ensure our ability to invest for the future. In part this came from our busiest year ever in our 50 year

history with 53 million gross tons of shipping being handled in the port, as well as undertaking the business disciplines of controlling and reducing costs where appropriate and building on individual business activities.

We also exceeded the business targets that we had set for safety; turnaround times for our major customer, Irish Ferries; the availability of navigation facilities; and the maintenance of the major channels and marine infrastructure. Areas where we failed to meet our targets included delays to shipping through the provision of pilots and launch services for which an improvement plan was implemented.

## **Business Strategies**

The perception of Milford Haven is that it is very much seen as an oil port and certainly this remains an important element of our current and anticipated long term future business although we widen that view in taking into account the extent of the activities and opportunities open to us.

Thus, our current performance and our future success will continue to be dependent upon the way in which we support the energy sector in the port. Prospects for our two oil refineries Chevron and Murco are very good with both operating at or near full capacity and each with a large scale and committed investment programme that will increase the shipping using their terminals.

During 2008 the future of our other oil customer SemLogistics, who operate the largest tank facility in the UK, was under review but with the benefit of detailed

investment proposals which are understood to be of significant interest to potential purchasers. This supports our view that shipping use of this facility will also continue and expand in the future.

The advent of LNG into the port during 2009 following many years of planning is the largest and most obvious expansion of the energy based future for the port with the South Hook and Dragon terminals capable of supplying up to 30% of the UK's gas requirements for decades to come.

In line with Europe's and the UK's climate change commitments the expansion of renewable energy production is a significant business opportunity, particularly with the growing realisation that for a variety of reasons most realistic significant delivery is likely to come from the offshore marine sector. We have positioned our existing businesses at Pembroke Port to support the more immediate opportunities for a number of pilot projects being located around the Pembrokeshire coast and as a transshipment facility for some of the land based wind farms being created in Pembrokeshire. Pembroke Port will also serve as a support base for the RWE Pembroke Power Station which will commence construction activity in Spring 2009 and require a significant amount of equipment and construction material to be brought in by sea during the 3 year period of construction.

Pembroke Port continues as a base for the fabrication engineering companies serving the oil, LNG and potentially large scale renewable industry. MHPA has additional interests in this sector through the strategic investment in one such company Ledwood Mechanical Engineering Ltd. based in Pembroke Dock.

One of the advantages of the increased shipping activity supporting the LNG developments has been the greatly increased marine support activities with tugs and other service vessels which themselves provide opportunities for expansion of MHPA Ship Repairers facilities. Investment is being made both at

Pembroke Port and in the dry dock in Milford Docks to support a long term commitment and partnership with such operators.

The other more traditional port related strategies are those supporting our major customer Irish Ferries using our ferry terminal at Pembroke Port. In addition there are real opportunities which are being explored to attract other users of this facility both on a one off and on a regular service basis.

Whilst energy is one of the largest industries in the County, others of significance include agriculture and tourism which being in the immediate hinterland of the Port offer other business opportunities. Thus, Pembroke Port will continue to import aggregate, timber and fertiliser products for local use, and develop new import cargoes to serve the needs of the farming industry of South West Wales.

The acquisition in early 2008 of the former Moorings & Salvage Depot at Pembroke Port was a major fillip to Quayside Estates our property division as well as providing other marine facilities for Pembroke Port.

Thus, despite the increasing strictures of the recession in the last part of 2008, the expanding energy sector has enabled us to buck the trend for some aspects of our property portfolio as well as bringing to fruition long term negotiations in servicing the public sector with the anticipated opening of the new library in Cedar Court, Milford Docks by the Summer of 2009.

The other major industry of South West Wales is that of tourism in which MHPA has a direct interest through the Marina in Milford Docks in which investment continues to be made and added value services offered. The Authority also manages over 1200 moorings in the 60 square miles of waterway mostly through voluntary controlled bodies and both in the Marina and for such moorings demand continues to be at a high level despite the current recessionary bite.

The Authority also works with the tourism industry in marketing Pembrokeshire for cruise ship calls for which the major attractions are the culture and heritage of Pembrokeshire and of course the efficient port operation and the warm welcome that the passengers receive on their day trips ashore.

### **Stakeholders**

As a Trust Port with no shareholders MHPA seeks to play a leading development role in the local economy. The priority here is that such support comes primarily from operating a profitable and successful business generating sufficient levels of profit so as to be able to invest to meet existing and as importantly potential future stakeholder requirements in the waterway.

Following that, the Authority provides support in a variety of other ways, including increasingly, forging partnerships with voluntary and other organisations seeking to work with them over a period of time to enable community initiatives to be developed into sustainable activities. This is the preferred route to that of just providing cash hand outs although direct financial support is and will remain important for some activities as evidenced by the work of the MHPA's Community Support Committee in which members of staff working on that committee have a budget and which is applied to meeting the many and various requests that we get for financial support.

### **The External Framework**

All ports are influenced by a variety of public and private policies, interests and actions.

Thus, trust ports such as Milford Haven Port Authority are expected to comply, and we do, with standards laid down by the Department for Transport which give expectations of performance, investment strategy, governance and transparency. The recent consultation on revising such standards resulting in the publication Modernising Trust Ports 2 (MTP2) provides one of the benchmarks against which we measure and report our progress. Another is the Port Marine Safety Code on which the

Chairman confirms our continuing compliance in his report.

A summary of current issues including our relationship with government and agencies at all levels is given overleaf. On a more local development level the major opportunity for future business growth is the way in which the Blackbridge site is developed. This is owned by Pembrokeshire County Council. The Authority is working closely with the Council and the Welsh Assembly Government to maximise the economic value of the site and the way in which it is developed, with a particular focus for large scale marine renewable developments, and on top of this as an alongside cruise ship berth.

The above are examples of the way in which MHPA needs to engage with the public sector at UK national, Wales and County level to ensure the efficiency of current operations and also to maximise the future potential of the port.

That future in fact looks extremely bright as the stimulus given from our existing customer base and new customers coming on stream in 2009 provide the springboard for further internal and external developments in the port in the years to come.



### **Ted Sangster**

Chief Executive

## Our Influences

To paraphrase John Donne, no port is an island and our ability to operate effectively depends on a variety of influences, not least the political backdrop against which we operate and are measured.

As reported elsewhere, ports are not a devolved responsibility and therefore Milford Haven Port Authority has a relationship with UK Government at Westminster through the Department for Transport. Of course in addition Welsh Assembly Government, Pembrokeshire County Council and indeed Pembrokeshire Coast National Park have varying levels of interest and influence on us. What follows is a list of the way in which a number of currently critical issues are being tackled through this strata of relationships.

- **Public Corporation Status** A HRO to remove this classification undertaken by the Office of National Statistics is currently suspended. It is expected that this will be resumed during the middle of 2009 with the Department for Transport's support to bring about the necessary changes and remove this status which potentially restricts our financial borrowing to limits set by the Treasury.
- **Ports Policy** Once the results of the recent consultation are published in the spring of 2009, the revised standards for trust ports, probably titled "Modernising Trust Ports 2" will be in place and MHPA will make use of them in reporting on the management, governance and performance of our business.
- **Master Planning** Again this is an expectation of the Department for Transport for large ports such as MHPA and as reported on elsewhere will be progressed during 2009.
- **Common Travel Area Restrictions** The proposed changes from the new UK Border Agency to move away from the free movement between the Republic of Ireland and the UK that has existed since the 1920s, by requiring passport or other similar ID, poses not only political problems for others to deal with but more practically a number of operational difficulties for the ferry companies and ports involved. The current representation and operational debate with Government and also with the UK Border Agency will continue during 2009.
- **Port Rating System** The massive and unheralded increase in rates for ports and more particularly tenants in ports, imposed without adequate consultation or notice by the Valuation Agency will continue to be a priority area for representation with Government during 2009.
- **Marine Bill** As a port and indeed an industry there is full support for the principles of the Marine Bill through the application of spatial planning to the coastal environment and also the establishment of the Marine Management Organisation (MMO) to bring into one centre of expertise and processes, all the consents for the variety of activities required to be undertaken by ports. There is concern however that Welsh Assembly Government are not taking full advantage in turning their backs on the MMO for devolved responsibilities of these changes which will confuse, obfuscate and build in extra delay and expense for ports in Wales compared with their England counterparts.
- **Water Framework Directive** This is being driven by the Environment Agency as part of the UK's compliance with the Water Framework Directive and as a port we have been fully involved in the West Wales River Basin District Liaison Committee. In planning and working with colleagues in other ports we have also been able to represent the points of view of the ports industry. 2009 will see the rolling out of the first draft of the plans for consultation.
- **Welsh Ports Group** Will be established during 2009 following discussions on a number of issues, some of them touched upon above, with Welsh Assembly Government and be a means whereby ports in Wales can have a direct dialogue with those parts of Welsh Assembly Government with which there is a common interest.
- **Local Development Plans** MHPA has contributed to the establishment of LDPs by both Pembrokeshire County Council and the Pembrokeshire Coast National Park and will continue to do so as they roll through their consultation during 2009.
- **Wales Spatial Plan** Following participation in the Wales freight strategy, MHPA will continue to be involved on both a Wales national and local Pembrokeshire business level in the development of the spatial plan as it fuels the development of the strategies and policies across Wales, to meet the requirements of Welsh Assembly Government.



# Our Organisation

## Corporate Governance

The governance arrangements for trust ports such as Milford Haven Port Authority are identified by government in "Modernising Trust Ports 2" which was published for consultation at the end of 2008. This is an update on an earlier version following a detailed review of trust ports in 2000, and the current update forms part of a review of overall government policy on ports.

## The Milford Haven Port Authority Board

The Milford Haven Port Authority Act 2002 provides for a Board consisting a non-executive Chairman and up to 9 other non-executive members and up to 3 executive members (the Chief Executive and currently the Harbourmaster and Finance Director). At present all the non-executive appointments are made by the Secretary of State after a competitive selection process although the Authority is currently pursuing a Harbour Revision Order that will retain the appointment of the Chairman as being with the Secretary of State but provide that all the other non-executive member appointments be made by the Authority direct.

Under both the present and proposed regimes (post HRO), two non-executive positions are filled by competitive selection following consultation with Pembrokeshire County Council; two after consultation with our major customers; and one after consultation with organised labour (currently taken to be the TUC for Wales). The revised standards identify that such consultative links are not in accord with best practice however and once the current HRO is obtained the board will seek to promote further changes in removing such links, and probably also to reduce the size of the board, to comply with the new guidelines - although retaining as essential criteria in the mix of skills and experience on the board relevant customer and local authority understanding.

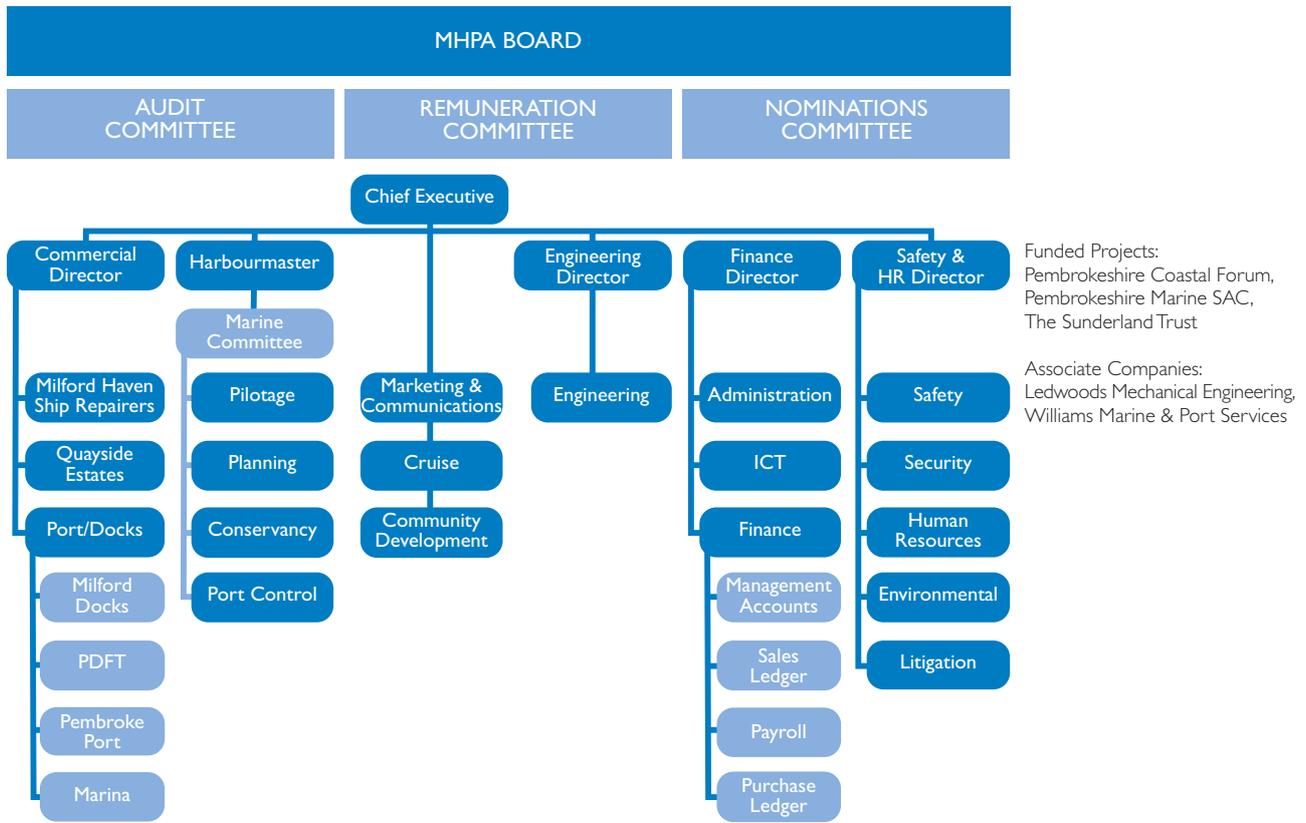
In addition to the above the Board has the power to appoint an additional member if at any time there is insufficient experience of marine affairs (navigation) represented on the Board.

In line with the competitive selection following consultation route as indicated above the other five non-executive members, including the Chairman are selected after wide and open advertising and against an appropriate job description. The selection panel for all non-executive positions includes an independent member sitting alongside the Chairman and (currently) a representative of Ports Division. The terms of reference of a Board Nominations Committee are in place as once the HRO is obtained all non-executive appointments other than the Chairman will be undertaken by this committee.

Non-executive members in all categories are sought so as to provide a mix of experience on the Board including, but not exclusive to, port management, shipping, navigation, environmental conservation, finance, commercial, legal, water related leisure, local government and organised labour. The current mix is evident in the biographies of members given elsewhere in this report. Each appointment is normally for a three year term, extendable for a further three years and whilst in office members owe duty solely to the Authority and do not in any way represent the interests of other parties. Board members are required to formally accept this duty before appointment. The means of selection of members is in accord with guidelines laid down by the Government for all trust ports and follows what are commonly termed "Nolan principles". The duties of a Board Member are akin to those of a director of a company, in particular to be accountable for the proper exercise of the Authority's statutory functions, the identification and setting of business policies, its delivery of port and harbour services, and to provide proper oversight and direction in relation to the safety of operations and the financial performance of all Authority activities.

The Board meets regularly (at least six times a year) and most members are also involved in committee work or serve in other capacities which require a similar time commitment. Whilst the board has not appointed a senior independent director as recommended by the Higgs report the Vice Chairman is appointed by





the board itself to serve a similar purpose (provide sufficient challenge to the chairman and act as a focus for the views of non-executive members to be fully taken into account). The non-executive members do meet together on a regular (but not frequent basis) without the executive members and on occasion without the Chairman to review general workings of the board and the performance of members.

A register of Members' interests is maintained including landholdings, shareholdings and other responsibilities and appointments together with the requirement to identify any issues that could be perceived as a conflict of interests. The Authority also maintains a hospitality register for all board members and managers. These are made available to our auditors and also are available for public inspection by contacting the Chief Executive. The board has within its procedures a requirement to declare and a means of dealing with any conflict of interests with members.

All members participate in a detailed induction programme and are required to participate in other relevant training. Members, including the chairman are also required to accept performance monitoring and appraisal and this is undertaken on an annual basis.

**Board Committees**

Whilst the board operates a number of committees to support its functions as identified below this is through an identification of those matters reserved for the board alone and those that can be delegated to a relevant committee. There is also a clear statement of the different responsibilities of the executive (SMT) as being accountable to the board for managing the business in accordance with the policies determined by the board and the responsibilities of the latter in determining those policies, monitoring performance, ensuring the necessary support framework but not becoming involved in the management of the business itself. These are contained in a comprehensive set of governance documents which are reviewed and



updated on a regular basis or as required by other initiatives (such as new guidelines from government).

Copies of the terms of reference of the board committees, the job descriptions of board members and the matters reserved for the board are available on request from the Chief Executive.

### **The Audit Committee**

The Audit Committee comprises three non executive members of the Board with the Chief Executive and Finance Director in attendance. The Chairman during 2008 was Gareth Lynn

Its terms of reference allow it to consider any matter relating to the financial affairs of the Authority and include the monitoring of financial reporting, accounting policies, matters relating to the auditors, the adequacy of the Authority's internal financial controls and at the request of the board to review and monitor the Authority's risk management systems.

At its meetings the Finance Director and external auditors are requested to report on various matters, and in 2008 this has principally meant the annual financial statements together with a review and updating of a risk register for subsequent approval by the board.

### **The Remuneration Committee**

The Remuneration Committee consists of not less than 3 non-executive Members including the Chairman and Vice Chairman with up to two other non-executive Members. The Chief Executive acts as Secretary to the Remuneration Committee.

Members during 2008 are identified in the table on page 14.

The primary duties of the Remuneration Committee are to determine the remuneration of the senior managers in the Authority and the fees and emoluments of non-executive members and non-executive directors of any subsidiary companies. No member of the committee takes part in the decision making process about his/her own remuneration or other benefits.

The Committee is also charged with ensuring that senior remuneration policies facilitate the employment and motivation of senior personnel and that such administration operates on a best practice basis, and to ensure that levels of Board remuneration and expenses claimed should be detailed in the Annual Report.

The Committee is also able, at the request of the Board, to advise or act on its behalf in a senior management appointment within the Authority and, at the request of the executive, as a wages and salaries committee, being the final referral body in pay and conditions negotiations within the Authority.

### **Nominations Committee**

This board committee was set up during 2005 in anticipation of the Harbour Revision Order which will transfer the responsibility of the appointment of non-executive members (other than the Chairman) from the Secretary of State to the Authority itself.

The purpose of the Nominations Committee is to undertake a formal process of reviewing the balance and effectiveness of the board, identifying the skills needed and those individuals who might best provide them. In particular the committee must assess the time commitments of the board posts and ensure that the individual has sufficient available time to undertake them. It will meet as appropriate to consider whether or not non-executive members coming to the end of their term of office should be put forward for re-appointment, and to review the statement in the annual report concerning its activities.

Membership of the Committee is determined by the board but will be made up of least 3 members including the Chairman and Chief Executive, the majority of whom should be independent non-executive members.

### **The Executive**

The Chief Executive and the Senior Management Team (SMT) are accountable to the Board for the implementation of board policy and the management of the business and affairs of the Authority. The SMT meet regularly as a group.

# Our Board of Directors



**David Benson**  
Chairman

Taking on the role of non-executive Chairman during 2007, David Benson has brought to the Authority a wealth of experience and expertise that spans all aspects of the global transportation industry. With particular knowledge of technical, marketing and operational facets of port, train and ferry services at multi-national levels, David's stewardship of the Authority is underpinned by a strong sense of commercial realism, together with an approachable management style.

David has held senior positions in a number of internationally recognised companies including Director Virgin Atlantic Airways, Vice President Tourist Trains & Cruises for Sea Containers Ltd, Passenger Marketing Director for P&O Ferries Ltd and Chairman of train operating company, GNER. More recently, David was Senior Vice President Passenger Transportation for Sea Containers Ltd where he retired from his professional career in 2006. He has since worked as Ferry Advisor to Macquarie European Infrastructure Fund, where he sits on the risk and audit committee of Wightlink Isle of Wight Ferries. He has also advised the French container shipping company CMA CGM on their acquisition of the Moroccan ferry company COMANAV and also recently assisted Go Ahead Rail Ltd on their rebid for the South Central passenger rail franchise.

Currently living near Devizes in Wiltshire, David is not a native of Pembrokeshire, but through his role as Chairman is focused on achieving improved financial results, combined with the economic and social improvements that follow from these to benefit the stakeholders of Milford Haven Port.

Non-executive Directors:



**Dan Fellows, OBE, DL**

Currently Vice Chairman of the Authority, Dan Fellows was appointed to the Board in 1997. He retired a few years ago as Branch Officer of the Transport & General Works Union in West Wales and lives in Milford Haven.

He is Founder and Chairman of Investing In Pembrokeshire society, Vice Chairman of Pembrokeshire College, a former Member of the Welsh Development Advisory Board and a Member of the Objective One Pembrokeshire Partnership Management Board and in May 2008 he was elected as a County Councillor.

Dan is also Chairman of the Authority's Remuneration and Marine Committees, and a Trustee of one of the organisation's Pension Schemes.

**Jan Reed, OBE**

Jan Reed retired from the post of National Manager for Wales in 2005 after 33 years in the Gas Industry. Previous appointments include Non-Executive Director of the Welsh Development Agency, Council Member and Chair of the Wales Confederation of British Industry and Board Member of Business in the Community.

Current posts include Vice Chair of the Wales Committee of the BIG Lottery Fund and a Trustee of the Welsh Scout Council. She is also MD of R & R Consultancy. Jan was awarded the OBE for services to



Economic Development in Wales and is committed to aiding the growth and development of the Port, having become a member of the Board in September 2007.

Jan also has a keen interest in encouraging companies to be active in the community and to be aware of their corporate responsibility.

**Gareth Lynn**

Gareth is the founder of one of Wales' leading firms of independent accountants. Living in Cardiff, he is a Director of Audit and Assurance services at KTS Owens Thomas Limited, a firm of chartered accountants, auditors and business advisers based in the city.

He trained and qualified with Ernst & Young before setting up his own practice in 1990 with two colleagues. They have grown the firm over 19 years into one of Wales' leading independent accountancy and business advisory practices. He provides financial and commercial advice to a diverse range of private sector clients and works closely with a number of large public bodies in both Wales and England in respect of audit assurance and risk management.



Gareth joined the Authority's Board in July 2008 and is the Chairman of the Authority's Audit Committee.

**Fiona Birt-Llewellyn**

Fiona joined the Authority's Board in July 2008, bringing with her significant experience as a senior HR professional.

Having joined a small recruitment consultancy in London in the mid 1980s, Fiona was quickly promoted to the board, helping to develop the company into a plc which was sold in 2000. She moved



to global consultancy TMP Worldwide, working with them for two years, and took on a number of consultancy assignments before joining the British Horseracing Board as Recruitment and Training Director in 2003. Fiona then went on to join Capital Consulting in London a year later, and was HR Director there until 2007.

She has 18 years experience at board level, and is a member of both the Authority's Audit and Remuneration committees. Fiona lives in Pembrokeshire.



**John Allen-Mirehouse**

John Allen-Mirehouse is one of the two members appointed through a competitive selection process after consultation with Pembrokeshire County Council, for which he has been a Councillor for a number of years and is currently Deputy Leader.

He was re-appointed to the Port Authority Board in 2006 and lives in the village of Angle on the southern shores of the Haven, where he is honorary secretary for the Angle Lifeboat Station branch.

John was High Sheriff for the County of Dyfed for 1998/99, is also a Justice of the Peace, a member of Pembrokeshire Coast National Park Authority, and a Deputy Lieutenant for the county of Pembrokeshire.

**Ray Rankmore**

Ray Rankmore was appointed to the Authority's Board in December 2005. Having started his career as a marketing professional over forty years ago, Ray has undertaken every role possible in marketing - from being a FMCG Salesman to Group Marketing Director for a number of blue-chip multinationals.

After a successful career in marketing, he made the transition into general management, but continued his key focus on business development, having developed a wide range of products, businesses, companies and markets. His experience covers a diverse range of markets, products & services, companies, business environments and cultures both internationally and within the UK.

Companies for whom Ray has worked during his career include Kimberly Clark (Kleenex), Xerox, BT and the Thomas Cook Group. Ray is currently Chairman of the Bedford Hospital NHS Trust, Chairman of Ledwood Mechanical Engineering, as well as a member of the Authority's Remuneration Committee.



**Anne Hughes**

Having been an elected Councillor of Milford Haven Town Council for over fifteen years, including two periods of office as Mayor of the Town, and as a current County Councillor, Anne has a clear understanding of the local context in which the Authority operates.

Anne's close link with the waterway goes back to her family connection and ties to its former fishing industry, which commenced with her great-grandfather and his five sons bringing the first steam trawler 'the Sybil' into Milford Haven's new docks.

Anne has now retired from a professional career spanning positions at both local government and health sectors, encompassing managerial and financial responsibility. Throughout her various roles, Anne has gained enormous respect from peers and colleagues for her ongoing community support and active guidance. As a member of various voluntary and community committees, Anne brings to the Board empathy and a detailed knowledge of how the Authority's commercial remits continue to interact with community groups across Pembrokeshire. Anne is from Milford Haven and continues to live in the Town.



**Tom Kovar**

Tom Kovar joined the Board in April 2008, having taken on the role of General Manager for Chevron's Pembroke Refinery and is also a Director of Chevron UK.

Tom began his career as a Designs Engineer at the Chevron Chemical plant in Oak Point, Louisiana in 1978 and since then has held various positions in engineering, operations, superintendent and managerial sectors in Chevron Refineries across the States and overseas, including Canada and Kuwait. Immediately prior to his current role, Tom was General Manager of the Hawaii Refinery. He is a native of Detroit, Michigan.

Tom received his BS degree in Mechanical Engineering at the University of Tulsa in 1978. He is married with one son and two daughters and is a fluent Spanish speaker.



### Board appointments during 2009:



#### Paddy Walsh

Paddy was appointed as a non-executive member of the Authority's Board in March 2009.

Paddy has worked for Irish Ferries for over 35 years, in a number of ports on the West Coast of Wales and England, working in Ship and Port Operations Management since 1980.

He was responsible for managing Irish Ferries investment in and re-development of their UK port operations in Holyhead and Pembroke Dock in the 1990's, which was required to suit the latest generation of superferries and a substantial increase in business and throughput.

Following a restructuring of the Company in the late 1990's, Paddy also served as the General Manager for the vessel "Isle of

Inishmore" and their operations in Pembroke Dock and Rosslare.

Paddy re-located to Pembrokeshire in 1998 and is currently working as the UK Ports Manager for Irish Ferries, with responsibility for their operations in Pembroke Dock and Holyhead. He is also responsible for HR, for all of Irish Ferries UK based staff, including the Call Centre in Liverpool.

Born in Birkenhead, of Irish parents, Paddy was educated by the Christian Brothers at St Anselm's College, Birkenhead, before starting his career in shipping in Liverpool in 1973.

Paddy lives in the village of St Florence with his wife Maria and two of their four children.

#### Members who resigned/retired during 2008:

Brian Charles, OBE  
Geoffrey Philipps  
Nigel Tranter

#### Attendance at Board and Committee Meetings in 2008

	MHPA Board	Audit Comm	Remuneration
<b>Total No of Mtgs</b>	<b>6</b>	<b>2</b>	<b>2</b>
John Allen-Mirehouse	5		
Mark Andrews	6		
David Benson	6*		2
Fiona Birt-Llewelin	3 of poss 3		
Brian Charles	2 of poss 3	1 of 1	
Dan Fellows	5		2
Anne Hughes	5		
Tom Kovar	3 of poss 5		
Gareth Lynn	3 of poss 5	1 of 1	
Geoffrey Philipps	3 of poss 3		2
Richard Pugh	5	2**	
Ray Rankmore	5		2
Janet Reed	6	2	
Ted Sangster	6	2**	2**
Nigel Tranter	3 of poss 4		

\* Attendance by telephone conference for part of one meeting.

\*\* In attendance



LNG carrier Tembek berthed at the South Hook Jetty, March 2009

## Our Senior Management Team



**Ted Sangster** Chief Executive

Ted has been Chief Executive of the Authority since September 1998. Immediately prior to this, he was Director General of the British International Freight Association based in London. His previous career has covered different aspects of transport, including a period as Operations Director for Caledonian MacBrayne, and over twenty years with British Rail, Sealink and its successors Stena, working in a variety of locations including Holyhead, London and Portsmouth/Southampton where he was Route Director.

Ted is a Trustee of the Authority's Pension Schemes, a Director of Ledwood Mechanical Engineering Ltd and the Chairman of Williams Marine and Port Services Ltd. Ted was elected Chairman of the British Ports Association between 2006 and 2008, and is currently a Council member; is a past Chairman and current Vice Chairman of Pembrokeshire Business Initiative. Ted is also Chairman of the Darwin Centre for Biology and Science, Chairman of the Ports and Shipping Partnership; Chairman of the Wales Ports Group, a member of the Pembrokeshire Partnership Management Board, the Bank of England's SME panel for West Wales, and of the CBI Council for Wales. He is currently Chairman of the Pembrokeshire Business Group for WAG's Spatial Plan and a non executive Director of Braemar Howells.



**Captain Mark Andrews** Harbourmaster

Mark is a Yorkshireman by birth who went to sea at 17 with Houlder Brothers, serving in a wide variety of vessels from reefers (refrigerated cargo) to tankers, but specialising ultimately in LPG (Gas) Carriers. Having obtained his Master's Certificate, he came ashore in 1983 to commence a career within the port industry with the Medway Ports Authority at their Port Control based at Sheerness in Kent. He subsequently transferred into pilotage and was authorised to pilot vessels in the Thames Estuary and Medway up to 100 metres in length. In 1990 he took up a shore appointment with the Medway Ports Authority as Assistant Harbourmaster, being promoted to Deputy Harbourmaster in 1993.

In 1995 Mark took up his duties as Harbourmaster with Milford Haven Port Authority. He is a past President, but current council member of the UK Harbourmaster Association, a member of the International Harbourmasters Association, as well as the Nautical Institute and the Energy Institute. Mark also chairs the BPA Marine & Pilotage Committee, and the Milford Haven Waterway Environmental Surveillance Group.



**Richard Pugh** Finance Director

Currently Finance Director, Richard was appointed the Finance Manager in March 1995 from the public services industry, becoming a Board Member in February 2003. He is a member of the Institute of Chartered Accountants in England and Wales, and was previously a partner in Llewellyn Davies Chartered Accountants, responsible for the Authority's audit in the period 1982-87. Richard has also been the Finance Director of an Unlisted Securities Market company and worked in most regions of the UK, with responsibilities in France and Germany. Born in Pembrokeshire and a social Welsh speaker, Richard served in the Territorial Army for 17 years. Richard is Secretary to two of the Authority's pension schemes, a director of Ledwood Mechanical Engineering Ltd and Williams Marine & Port Services Ltd, the Authority's two associate companies and a Director of the Pilots National Pension Scheme. He is Chairman of the Investment Panel of the Pembrokeshire Lottery and a Director of Haven Credit Union. Richard who recently served as District Society President of the South Wales Society of Chartered Accountants, is also the Chairman of the Strategy Board for Wales for the ICAEW, a member of the Institute of Welsh Affairs and Chairman of the Mid and West Wales group of the Reserve Forces Cadet Association.



**Andrew Brown** Engineering Director

Andrew's career started with British Rail in 1970 in the Chief Civil Engineers' Office, Euston, gaining design and site experience through various BR departments. In 1976 he gained a BSc degree in Civil Engineering, and in 1979 joined Pynford Ltd as Structural Surveyor specialising in foundation engineering. As Technical Sales Manager, he was subsequently responsible for developing and marketing innovative structural repair technologies. Following this, Andrew worked in the works departments of Preseli and South Pembrokeshire District Councils before joining the Authority as Port Engineer in 1990. He managed the Milford 2000 Dock Redevelopment project and was appointed as General Manager of The Milford Docks Company in 1991, and then as Group Development Manager, he project managed the extension and refurbishment of Pembroke Dock Ferry Terminal. Following seven years as Managing Director of The Milford Docks Company, with responsibility for the Authority's commercial operations, Andrew was appointed to Engineering Director in 2005.

He is a Trustee of one of the Authority's Pension Schemes and a Governor of Pembrokeshire College and has recently been appointed to the Maritime Panel of the Institution of Civil Engineers.



**Joe Besch** Commercial Director

Joe Besch was appointed Commercial Director in March 2008 and joined the Authority from MDS Transmodal Ltd, the independent ports and shipping consultancy where he was responsible for port development projects, port marketing studies and freight transport projects for Port Authorities, Property Developers and Local Authorities in the UK and overseas.

Joe's career started as a Deck Cadet with the Pacific Steam Navigation Company serving in general cargo ships, bulk carriers, tankers and refrigerated ships. Previous appointments include Assistant Port Manager/Dock and Harbour Master for Associated British Ports in Goole. He has also held Operations Manager and Commercial Manager positions at the Port of Newport.

Joe is a member of the Institute of Chartered Shipbrokers and a Fellow of the Chartered Institute of Logistics and Transport. He is a graduate of the University of Wales and holds an MBA from Cardiff Business School.



**Alan Furlong** Safety & HR Director

Currently Safety & HR Director, Alan was appointed Personnel & Safety Manager in September 1996. Previous appointments have included twenty three years in the Electricity Supply Industry at several locations including Pembroke Power Station, Heysham 1 and 2 Nuclear Power Stations, Sizewell and Transfynydd Nuclear Power Stations. He also spent several years in the manufacturing and construction industries, in a variety of posts including Senior Executive Projects, Site Manager and Safety Adviser. He is a member of the Ports Skills & Safety group, a recognised trade association within the Port Industry. Alan was born in Pembrokeshire, being a native of Milford Haven, and is currently Chairman of Governors at a local primary school.

# Our Developments and Master Planning

With a remit to identify and secure a prosperous future for the port, high priority is given to working with partners on putting in place the groundwork for future development.

This is being given further impact with the Government's recent urging of large ports, such as Milford Haven to develop Port Master Plans which can firmly establish the role of the port within the economic and planning framework for the region.

The Authority has embarked upon the Master Planning process by engaging professional engineers to identify and draw together all of the information and links that exist, into a programme that will enable the Authority during 2009 to prepare, publish and start consultation on the port of Milford Haven's Master Plan.

Whilst also embracing the need to support the Port's existing customers in their own business developments and expansion, the Master Plan will include amongst others the following specific developments and opportunities.



## **Martello Quays**

The Authority leads a client group consisting of Pembrokeshire County Council, Welsh Assembly Government and the Crown Estate, who have contracted with a developer Martello Quays Ltd for this development. Planning consent was obtained in February 2008 and the way in which the development agreement will bring about this project of up to 400 housing units supported by over 340 marina berths, together with opportunities for hotels, cinemas, tourism centres and heritage activities has been finalised and the developers funding confirmed.

Given the current economic situation, it is unlikely that the initial phases of creating the land and marine defences for the housing and marina development will start for at least another couple of years, but once the economy has started to improve then everything is in place for this development to physically commence and serve its purpose of regeneration of this area of Pembroke Dock and the delivery of related economic benefits including supporting marine tourism.

## **Gelliswick**

Agreement has been reached between Pembrokeshire County Council, Milford Haven Town Council and Milford Haven Port Authority for the establishment of a development trust into which will be put the asset of land currently owned by Pembrokeshire County Council at the back of Gelliswick Bay. The purpose of the trust will be to deliver to the needs of the community as identified in work commissioned several years ago from consulting engineers Atkins to pragmatically meet the aspirations and development needs of a variety of organisations with a vested interest in the area.

It is expected that the transfer of the land and the establishment of the development trust will take place during the second part of 2009.

## **Milford Waterfront**

After competitive tender, a detailed feasibility study was undertaken for a long term visionary development to extend the Milford Docks, supporting the Authority's policy of planning for the long term.

The chosen consultants Gifford's Ltd led others in providing a comprehensive review of financial, environmental and the market factors in this vision which would provide operational facilities for work boats and tugs, dedicated berths for cruise ships and other commercial vessels as well as an increase in residential accommodation and high quality tourism facilities.

This was undertaken with support from Welsh Assembly Government and provides a platform on which the Port Authority can engage with others in participating in the identification of the future development of the town of Milford Haven as well as the future for port and related water based activities and is entirely in line with the expected master planning process.







## yesterday

Esso Pembrokehire c. 1960 – Arriving at the Haven's former Esso Jetty (now South Hook LNG)



## today

With 25% of the country's petrol and diesel requirements, and up to 30% of its gas being handled at the port, Milford Haven is the Energy Capital of the UK. During 2008, the port handled 3m gross tons of shipping, which amounted to almost 36m tonnes of cargo.



The average size Crude Carrier using Milford Haven during 2008 was 88,500 DWT.



The average size Product Carrier using Milford Haven during 2008 was 16,000 DWT.



The average size Gas Carrier (LPG) using Milford Haven during 2008 was 5,000 DWT.

# tomorrow

Building on a growing Energy Capital status, the Port will intergrate renewables into its existing portfolio.



# Milford Marina and Docks

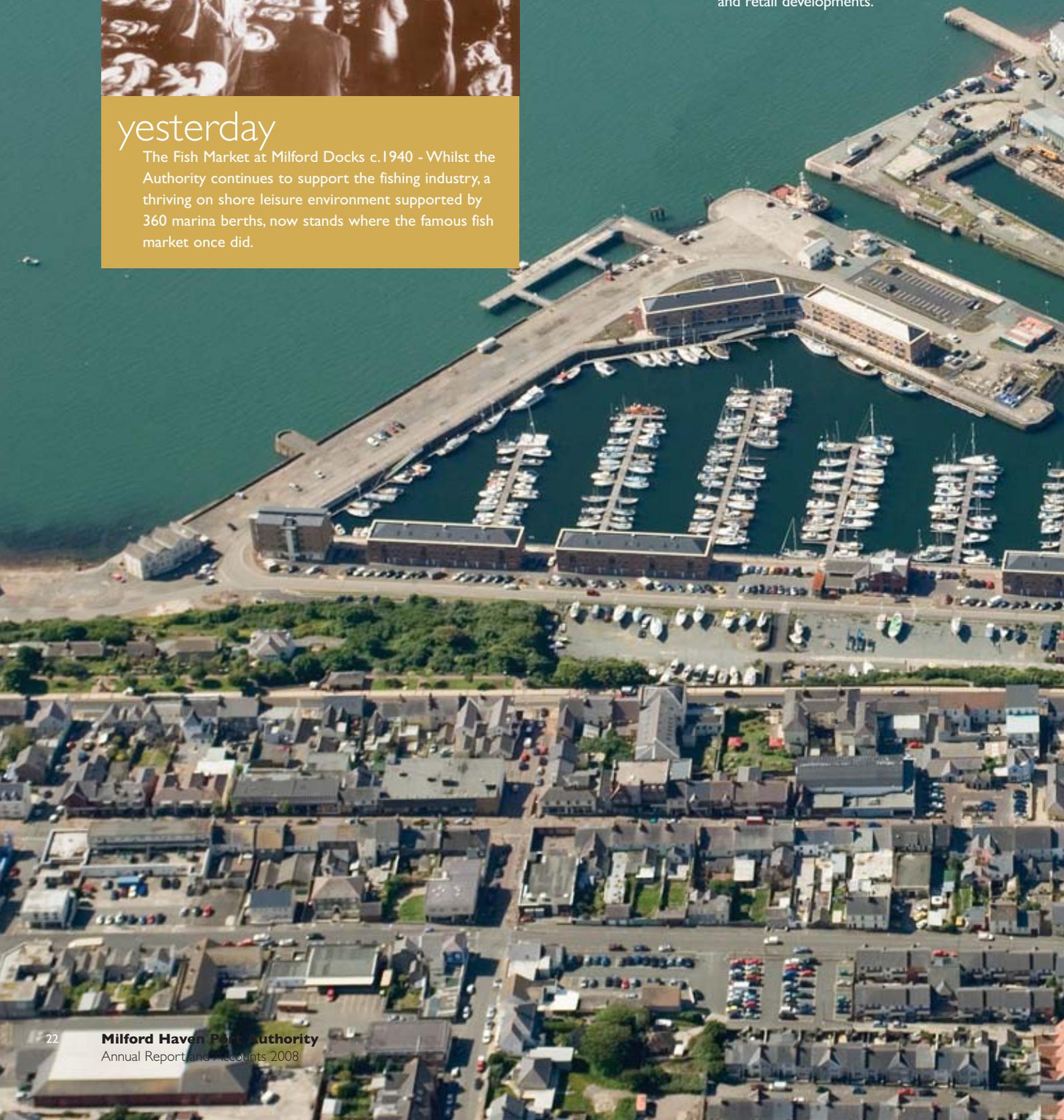
# today

Milford Docks and Marina is a successful blend of commercial facilities and leisure attractions. Still the largest fishing port in Wales, and home to a successful ship repair facility, Milford Docks has also emerged as a thriving leisure environment with a 360 berth marina supplemented with residential, leisure and retail developments.



# yesterday

The Fish Market at Milford Docks c.1940 - Whilst the Authority continues to support the fishing industry, a thriving on shore leisure environment supported by 360 marina berths, now stands where the famous fish market once did.



# tomorrow

An expansion of leisure opportunities  
will be balanced with a diversification  
of marine facilities.



# Pembroke Port



## yesterday

The Pembroke Dock Ferry Terminal was brought into operation in 1978 with the sailing of the MV 'Connacht', owned and operated by the B & I Line. The Connacht was the most expensive vessel in the company's fleet and was considered to be the most luxurious vessel on the Irish Sea at the time.

## today

Pembroke Port is a successful specialised cargo and ferry port.

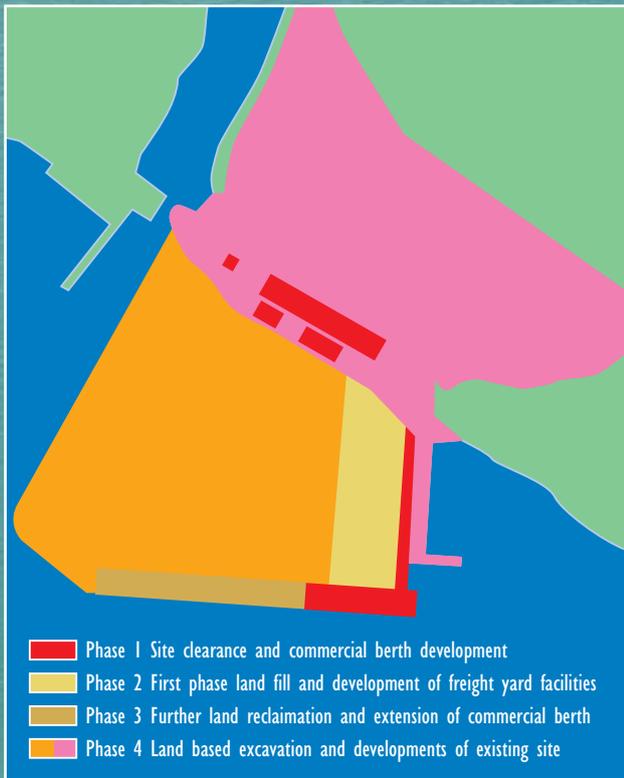


# tomorrow

The Port will continue its strategic importance as a general cargo facility, develop new Ro-Ro services and build a further reputation in support of the renewable energy sector.



# Blackbridge



Plan indicates potential development opportunities



## Blackbridge

As the last remaining large site with water access in the waterway, the future development of the Blackbridge site is of major significance for the Authority. Owned by Pembrokeshire County Council and with recognised interest from Welsh Assembly Government, MHPA is working closely with these partners to identify appropriate investment and development in this site to make use of its strategic position on the waterway. In particular as reported elsewhere in this report it is expected that the focus on Pembrokeshire's participation in the rapidly growing marine renewable energy industry will be the basis on which this development starts to take place during 2009.



# LNG - Liquefied Natural Gas

Here at last after 7 years of planning and working with the developers of South Hook LNG and Dragon LNG. The first LNG carrier, the "Tembek" entered the port to berth at the South Hook Terminal on Friday 20th March 2009. Opening up a new era in the development of the port.

The reasons why Milford Haven was chosen for these developments is that we are an existing deep water port skilled at handling oil and gas (LPG) tankers with the supporting engineering, marine and supply chain network necessary for not only the

construction but then the running of such terminals. Another reason evidenced by both developers is the welcome they received and the way in which Milford Haven Port Authority and many other bodies and agencies involved were prepared to work alongside these developments and draw in their contribution to the Pembrokeshire economy.

With the eyes of the world focused on the port of Milford Haven and Pembrokeshire from all the attention given to LNG, this positive economic and public perception

will be further built on with the spin off developments that access to this new source of energy will bring about.

Thus, the decision to confirm the build of a new gas fired power station, the way in which access to the extended National Grid gas pipeline will provide benefits to other industrial processes around the Haven and the spur given to renewable energy developments as a result of the increasing energy focus of West Wales are of significant value in shaping a positive and expanding future economy.



However, whilst extremely welcome from a port development and economic point of view the fundamental elements of our planning have been focused on the way in which we can assure ourselves, the terminal operators, other agencies and all stakeholders that LNG ships can be handled safely and efficiently amongst the mix of shipping in this port. Our conclusion is that they certainly can.

The way in which we have reached this view through risk assessment, scenario testing

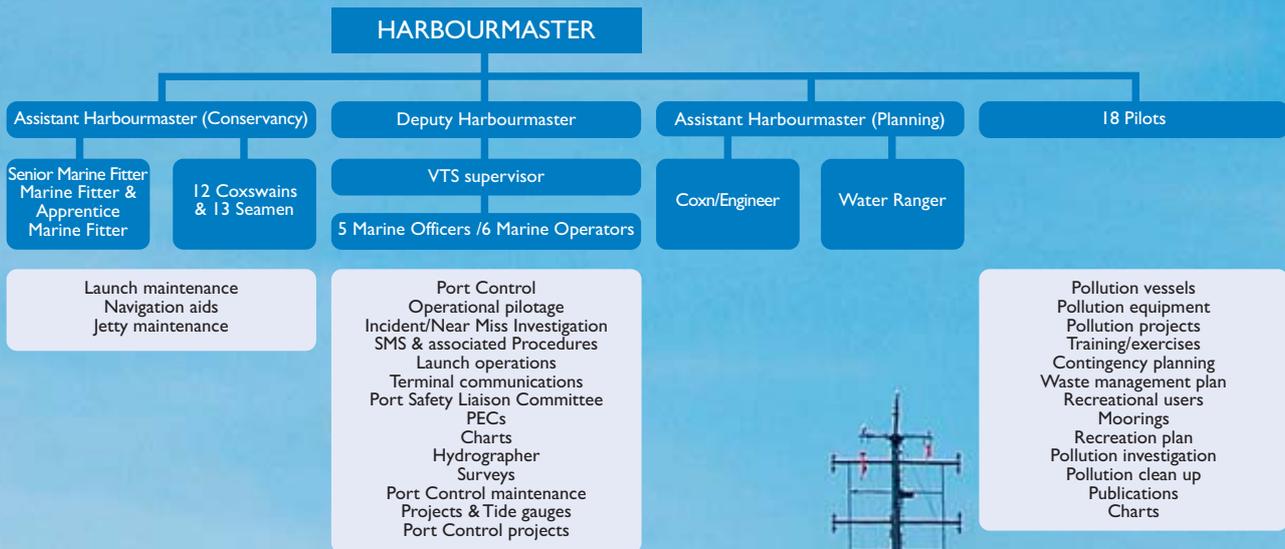
and proactive use of simulation has been described in detail in previous annual reports, on our website and in over 140 presentations that the Senior Management of the Authority have given to meetings both publicly and with particular interest groups.

It has also been demonstrated to the courts in rebutting allegations made by a protest group seeking a judicial review against the processes and decisions by us as a Port Authority which were considered and rejected by the Courts and the Appeal Court on at least 5 occasions.

It is not often that a port has the opportunity to participate in such a step change in the level of activity of its customers. That these two LNG terminals have been planned, permitted, constructed and brought into production in a relatively short space of time is an apt demonstration of both the value of the port of Milford Haven to the economy of West Wales (indeed the UK) and also a clarion call to other large scale developments to build even further on this success. We look forward to working with them in so doing.



**“With the eyes of the world focused on the port of Milford Haven and Pembrokeshire from all the attention given to LNG, this positive economic and public perception will be further built on with the spin off developments that access to this new source of energy will bring about.”**



# Marine Division

2008 was a successful year for the Marine Division which continued to focus on preparation for LNG traffic. Delays at the construction sites, both at Las Raffan and Milford Haven prevented LNG vessels arriving until 'Tembek' which entered the port on 20th March 2009 for the South Hook facility.

Mustang Marine were contracted to construct a new pilot launch during 2008 with delivery in January 2009. 'Picton' is the third of the Camarc-designed 20 metre vessels built by Mustang since 1999.

### Port Marine Safety Code

The Port Marine Safety Code was published in 2000 and introduced as a means to establish a national standard for every aspect of marine safety. The Code applies to all Harbour Authorities that have duties and powers with regard to marine safety. The main thrust of the Code is to establish risk assessments and safety management systems across marine operations. At Milford Haven we have adopted this across all our operations, not just marine. In 2007 a formal third party risk review of our marine operations was conducted, the next being due in 2012 and our safety management system is externally audited on an annual basis.

On 27th March 2009 the Board, as 'Duty Holder' authorised the issuing of a letter to the Maritime and Coastguard Agency confirming continued compliance with all Port Marine Safety Code requirements.

### Traffic

During 2008, some 3,022 vessels called at the port, some 36 less than the previous year. This continues the steady decline from 3,516 vessels recorded in 2005.

However, the reduction in the number of ships has been largely offset by the fact that the vessels themselves are getting larger (see graph).

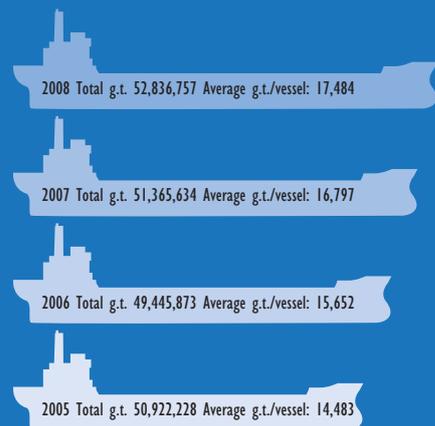
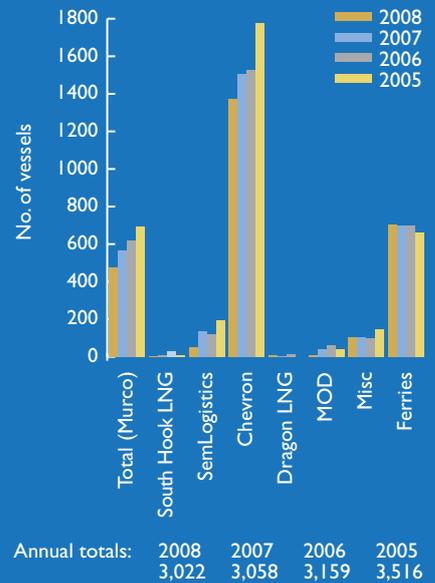
### Delays

Delays to shipping have been identified as the main Key Performance Indicator (KPI) after safety. During 2008 delays were recorded as 5.56% of our total number of movements against a target of 4.6%. Eleven categories of delays are used to produce the annual figure. However, weather and pilot availability are the largest causes of delays. A target for 2009 has again been set at 4.6% for delays under the Authority's own control. At the time of publication, the results are delays of 4.34% (under the Authority's own control) against 7.68% for all delays (1st quarter 2009).

### Personal safety

The Marine Division suffered one lost time accident during 2008 when a seaman injured his arm whilst moving around the vessel in a sea way. This served as a reminder to us all that care needs to be exercised in all circumstances not just when transferring pilots to and from vessels. The Authority is committed to reducing accidents, ultimately to eliminate them altogether, through appropriate task risk assessments, job design and training, in accordance with the Safer Ports Initiative II.

The breakdown by terminal was:



## yesterday

A major oil port handling vessels up to 300,000 deadweight supplying the refineries around the Haven

## today

The UK's energy capital handling 25% of refined product needs and up to 30% of the country's gas

## tomorrow

An integrated, sustainable energy logistics and manufacturing centre of excellence

## Incidents

2008 saw 31 Port Incidents and 122 Near Misses. This is an increase over the 26 Incidents and 89 Near Misses in 2007. The KPI of 2.2 is based on the number of incidents per thousand ship movements. The actual figure was 3.46. The categories of incidents are as follows:

Fire	2
Grounding	4
Allision (collision with a fixed object)	9
Foundering	6
Personal Injury	1
Collision	4
Manoverboard	3
Breakout	1
Misc	1

Types of vessels and place:

Ferry	1
Tankers	4
Fishing vessels	4
Leisure	9
Work boats/barges/lineboats	5
Pilot Boats	2
Tugs	4
Misc	2

## Environment

There were 17 pollutions in 2008, 11 within the Haven and 6 within Milford Docks. The quantity spilt amounted to 82 litres in total (out of 34m tons of oil cargoes in the Port), a very welcome decline on the 1,251 litres spilt in 2007. The target KPI for pollutions was 2 per month. The actual was 1.4 per month.

The sources of pollution within the Haven amounted to 2 from ships, 2 from fishing boats, 2 from LNG contractors, 2 from jetties and 3 unattributable. Within the Docks, 3 were from fishing vessels and 3 unattributable.

No prosecutions were undertaken during 2008.

The Authority has a dedicated oil spill response in compliance with the OPRC Regulations as well as Port Waste Management Plans.

## Jurisdiction

The jurisdiction of the Authority extends to a sea area bounded by:

(a) an imaginary line commencing at the western extremity of Studdock Point and drawn in a south-easterly direction to the point of intersection of latitude 51° 36' 15" N. with longitude 05° 03' 00" W., thence in a westerly direction to the point of intersection of latitude 51° 36' 15" N. with longitude 05° 16' 00" W., thence in a northerly direction to the point of intersection of latitude 51° 40' 48" N. with longitude 05° 16' 00" W. and thence in an easterly direction to the south-western extremity of St Anne's Head; and

(b) the level of high water on the shores of Milford Haven and the approaches thereto within the line aforesaid, including all the bays, creeks, pools, inlets and rivers as far as the tide flows other than a creek, pool or inlet into which the tide flows only through a culvert or pipe and other than a dock which is normally tidally enclosed;

In practice, this extends to approximately 4 miles to seawards up to Haverfordwest and the weir on the Western Cleddau and Blackpool Mill on the Eastern Cleddau.

## Conservancy

The Authority has powers and duties under the Milford Haven Conservancy Act 1983 and the Milford Haven Port Authority Act 2002 to regulate the safe utilisation of the Haven by all users. Such users may range from swimmers and yachtsmen to fishing vessels, tankers and Very Large Crude Carriers (VLCCs) up to 300,000 tonnes dwt.

The UK operates what is known as an "open port policy". Under this, ships have a right to "free" i.e. (unhindered) passage to terminals within the port. However, the cost of providing such access is recouped by levying conservancy dues.

Conservancy may be split into four main areas, firstly the surveying of the Haven to identify the deep water channels, secondly to mark such channels with navigation aids such as buoys, beacons and transits. Thirdly, to dredge the channels both to maintain

their depth (maintenance dredging) or deepen them (capital dredging). Fourthly, to remove any wreck or obstruction that could interfere with safe navigation within those channels.

## Port Control/VTS

The undoubted heart of the marine operations lies within Port Control. Perched on top of the main offices at Gorsewood Drive, manned 24 hours a day, 365 days a year, by two operators. The Marine Officer on watch is authorised as a Harbourmaster and is in charge of the harbour at any given time.

Port Control is an example of a Vessel Traffic Services (VTS). The history of VTS can be traced back to World War II and the need to organise convoys. After the war, the increasing availability of radar and VHF led to the recognition that more direct information exchange and monitoring was possible which would improve navigational safety, efficiency and assist in protecting the marine environment. A concept that has spread rapidly around the world.

The system falls into two main categories:

- Coastal VTS concerned with traffic passing through a specific sea area (eg The Dover Strait); or
- Harbour VTS for vessels entering, departing and navigating within a specific port area.

For VTS to be effective a comprehensive understanding and the traffic image is necessary. This requires comprehensive radar CCTV and VHF coverage as well as all relevant vessel information on top of the weather and tidal situation. Port Control then plans and organises the sequence of movements within the harbour and monitors those movements until completion, if necessary, intervening to avoid any dangerous situations developing. In emergency situations where an incident has occurred, Port Control provides the focus for activation of the Port's Emergency Plans. Such is the importance of VTS today that operators can gain internally recognised professional qualification and accreditation through the VI03 certification

structure devised by the International Association of Lighthouse Authorities. All Port Control staff and a number of managers hold such a qualification.

**Policy for Port Control is:**

All traffic movements over 20 metres in length are co-ordinated by Port Control which has been declared a 'Traffic Organisation Service'.

From its superb vantage point over looking the harbour adjacent to Gelliswick, Port Control is the main hub of the Port. As a traffic organisation service the centre plans, programs and monitors shipping movements, allocates pilots, liaises with agents, terminals, tugs, lineboats, Customs, Port Health, Immigration, Maritime & Coastguard Agency, chandlers, MoD, divers, fishermen, yacht clubs and members of the public.

The Centre is equipped with state of the art equipment including radar from six remote sites around the Haven, CCTV and communications and control equipment. At the heart of the service is a computerised system known as iMAP (Integrated Management Application for Ports). The system, supplied by Denbridge Digital, has been designed to be able to grow and develop together with the needs of the Port. The intention is to allow direct access via a webpage to facilitate vessel booking remotely by the customer. This has two main advantages, firstly it minimises the chance of entering incorrect data into the system and, secondly, to enable the operators within Port Control to concentrate more fully on shipping movements rather than being distracted by unnecessary telephone calls. During 2008 the following enhancements were made or planned for over the forthcoming couple of years:

- Several additional modules functions, which allow information to be more accessible and timely. These include generation of incident, escorting and daily scheduling reports.
- Shipping Agents are now able to make bookings on-line and applications for PEC's (Pilotage Exemption Certificates) can also be made in the same way.
- The legal CERS (Consolidated European Reporting System) requirements are

provided to the MCA direct from the IMAP system.

- Development of OLAP (On line Analytical Processing), allowing any historical information, from cargo statistics to individual jetty operational times, to be generated in report format at the touch of a button.

**Pilotage**

Pilotage is compulsory within the Haven for all ships of 50 metres or more in length overall except:

- (a) General Lighthouse Authority tenders;
- (b) Ships which are moving from one berth to another within a dock;
- (c) HM ships and certain vessels owned or controlled by HM Government.

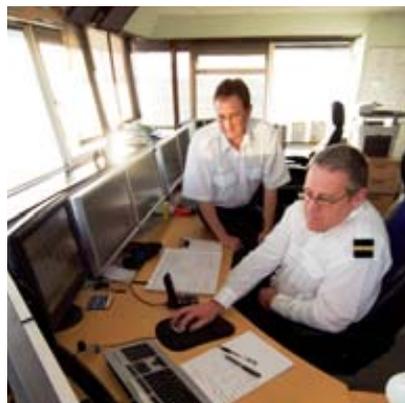
Other such vessels are to be provided with either a pilot or have on board a holder of a Pilotage Exemption Certificate.

Certain vessels over 65,000 gt and all vessels over 80,000 gt are provided with 2 pilots. The charge pilot conducts the navigation of the vessel and is responsible to the ship's master. The second pilot is provided to brief the bridge team on the information that they need to communicate the vessel's passage plan and handle the communications with the ship, Port Control, tugs, line boats and terminal. In view of the large quantities of oil carried in these sized vessels, a further benefit of this system is that it is both a valuable training tool and also provides a back up in the event of either a mistake by the bridge team or sudden illness occurring to the charge pilot.

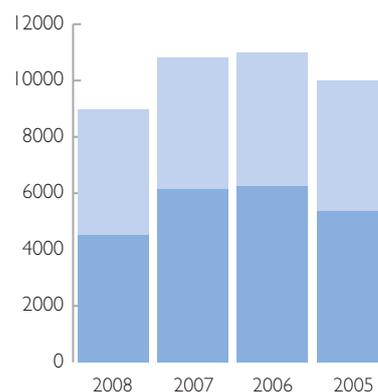
An additional service is offered whereby certain ports are suitable for our pilots to be overcarried to. These ports are currently:

Falmouth, Lynas (Liverpool), Dublin, Breaksea (Bristol Channel), Cork, Belfast, Holyhead and New Ross.

The Authority employed 15 pilots during 2008. In view of existing demand and forthcoming LNG shipping, 3 additional pilots have been recruited and are undergoing training.



Shipping Movements and Acts of Pilotage



The figures for 2006/7 include construction traffic associated with the 2 LNG terminals of Dragon and South Hook.

Legend: Movements (light blue), Acts (dark blue)

### Leisure

The Authority is responsible for ensuring that all users of the waterway do so safely and efficiently. It applies equally to dinghy sailors as it does to a Very Large Crude Carriers (VLCC).

In 2005 we introduced the latest Milford Haven Waterway Recreational Plan. We are the lead body responsible for the production of this formal advisory document, in partnership with Pembrokeshire County Council, Countryside Council for Wales, Environment Agency Wales, Maritime and Volunteer Service, Milford Harbour Users Association and particularly the Pembrokeshire Coast National Park Authority who jointly fund the Water Ranger with us. The Plan contains a set of actions to be followed during the document's life span and these continue to be worked through on a systematic basis.



Our policy for leisure is to provide zones within the Waterway for specific usage as well as identifying areas that are environmentally sensitive to recreational use. Further, to encourage compliance through information, education and advice before using enforcement and prosecution, where necessary.

### Infringements and Offenders

Once again, the behaviour of most users of the Waterway was exemplary throughout the 2008 season. Response to contact with the Water Ranger remained very positive, both on and off the water, with a great deal of information being offered by those who witnessed an infringement. Experience has shown that peer pressure often turns out to be the most immediate and effective deterrent in many situations although letters were sent to some users to remind them of the zoning and the possible consequences of continued breaches of port byelaws. Close liaison with staff at both marinas, Lawrenny Yacht Station, Rudders Boat Yard, Pembrokeshire Watersports, West Wales Windsurf and Sail, Neyland Yacht Club and the Authority's Port Control allowed swift and appropriate action to be taken when required. Conflicts were minimal, although inevitably there was occasion of conflict between individuals and user groups.

Persistent offenders were few and far between this season. This was likely to be due to the exceptionally poor weather experienced during the season and the greatly increased cost of fuel. The majority of infringements logged were again concentrated around the few good days in July/August and organised events such as Beating of the Bounds. Disappointingly again there were occasions where helms/vessels owners of various craft were fully aware of the zoning, yet still chose to 'chance it'. 2008 saw an increase in incidents of sailing vessels impeding commercial traffic whilst involved in racing and general sailing activity. These incidents were addressed with individuals and yacht clubs throughout the season.

During 2008 53 infringement records were filed by the Water Ranger; compared to 47 in 2007, 43 in 2006, 59 in 2005, 68 in 2004 and 65 in 2003. Of the 53 records 26.4% (14) were mooring failures which had not been recorded in previous years.

### Maritime Volunteer Service

The Maritime Volunteer Service (MVS) provides additional patrols in support to the Water Ranger and in 2008 their patrols were generally manned by 2 members, for both safety and operational reasons.

The general behaviour and attitude of the majority of the waterway leisure users was once again more than acceptable. There were a few isolated instances where infringements of the Bye-Laws did take place. These were usually a "1st time" infringement and, after advice was given, the offender was both apologetic and co-operative. There were still those locals who believed it their right to contrive the Bye-Laws, simply because they have either always done it or were determined to make a nuisance of themselves. Unfortunately all they succeed in achieving is a bad name for the organisation that they represent.

Sail power appeared to be more active than in previous years and on occasion was more noticeable in the upper reaches. The activity of Pembrokeshire Watersports Centre was down and the number of incidents were minimal.





Again the signage around the Waterway would appear to have been reasonably well received although those who launched for the first time did not fully appreciate the significance of the boards at the launch sites.

During 2008, apart from the support given to the Water Ranger, the MVS were heavily involved with the Seafair Haven event which was attended by members from Swansea and Anglesey. Those who were attending for the first time were impressed by the overall organisation, the beauty of the Waterway and visitors to the event. In spite of the weather everyone enjoyed the experience.

2008 also saw the local MVS unit helping with NARC (Neptune's Army of Rubbish Cleaners) cleanups at Hobbs Point and it is hoped that this involvement will continue in the future. One other event was the annual Beating of the Bounds which included probably one of the worst evenings (weather-wise) of the season.

### Marine Committee

The Marine Committee is an advisory body supporting the executive and is led by the Authority's vice-chairman, Dan Fellows. The committee comprises a mixture of members drawn from the board, management, employees' representatives from the launches, Port Control and pilots. The Committee Minutes are available for the Board at each meeting.

The duties are set out in the terms of reference and include: enhancing safety within the Haven by providing a forum to discuss marine matters, making recommendations on request on marine standards and ensuring marine operations reflect best practice, giving advice on strategic planning issues including marine capital expenditure and changes to port user patterns, as requested to review established marine systems to ensure aims, targets and objectives of all marine operations on the Haven are carried out efficiently and safely. The committee also makes recommendations on standards of training, recruitment, professional development and will consider any other marine matters at the Harbourmaster's request.

Topics covered in 2008 include:

- Navigation aids
- Incidents and Near Misses
- Launches and launch crew training
- Conservancy
- Marine Operations
- Port Control policy
- CHIRP reporting
- LNG
- Maritime & Coastguard Agency Safety Notices
- Leisure
- Pollutions
- Oil Pollution response
- Pilotage procedures
- Marine infrastructure
- Dredging

### Port Regulation

The 2002 Milford Haven Port Authority Act widened the regulatory powers available to the Authority by enabling the formulation of General Directions in addition to the powers to make byelaws and enforce Merchant Shipping legislation.

The General Directions set out the requirements for certain classes of vessels with respect to navigation and operations upon the Waterway. In broad terms, they set out the 'do's' whilst byelaws set out the 'don'ts'.

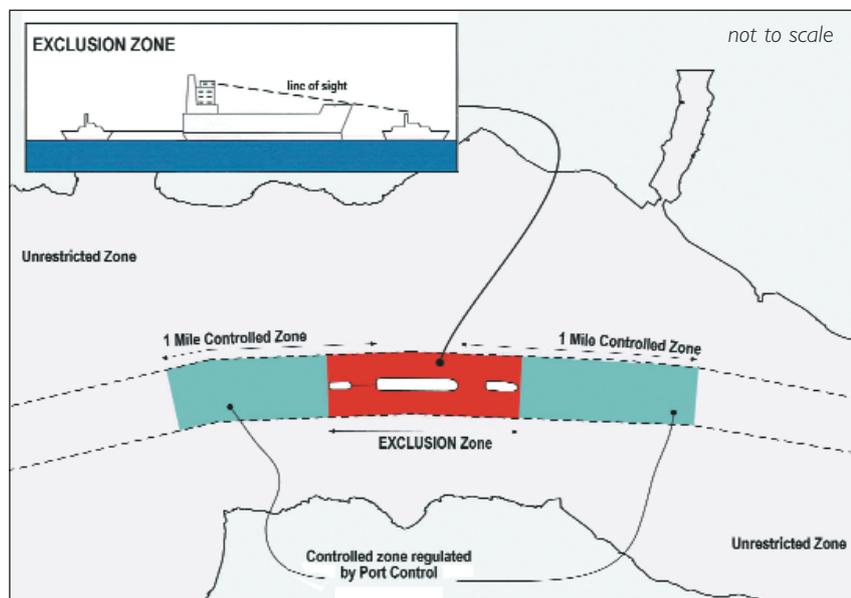
The 2006 General Directions were approved by the Authority at its meeting in November 2005 and came into force on 1st January 2006 after statutory consultation with the Chamber of Shipping, the Royal Yachting Association and the Ports Advisory Committee.

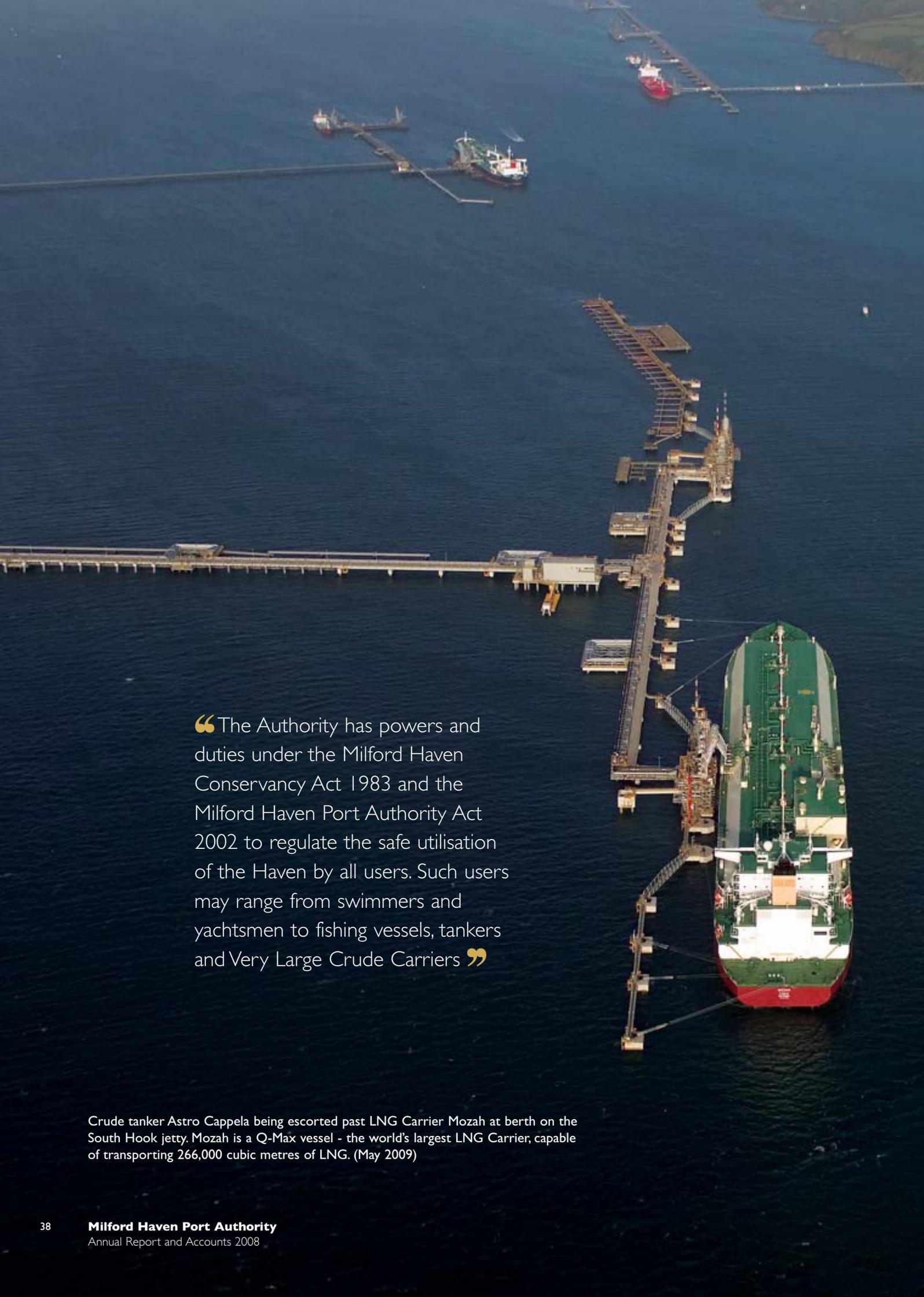
Included within them are a number of new requirements - eg. The definition of a reporting vessel as 'means every vessel which is required by these General Directions to report its position, intentions or movements, and includes:

- (a) Vessels of more than 20 metres in length overall; and
- (b) Vessels engaged in towing.
- (c) Perhaps one of the more significant changes is the requirement for every reporting vessel over 50 metres or more in length to require 2 persons to be present on the bridge, irrespective of whether or not a pilot is on board.

The Directions are legally enforceable through the Courts in the same way that byelaws are, but are much more straightforward to introduce or modify than the latter.

*In welcoming LNG shipping into the Port, the Authority has made provision for the enhancement of safety with controlled and exclusion zones being enforced. The accompanying chart details these zones. Further information can be found at the Authority's website in Notice to Mariners No 118 of 2008.*



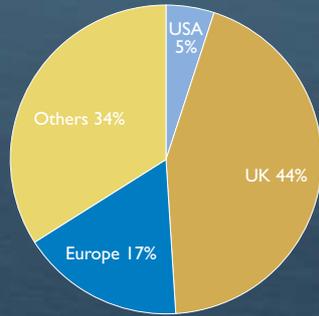


“The Authority has powers and duties under the Milford Haven Conservancy Act 1983 and the Milford Haven Port Authority Act 2002 to regulate the safe utilisation of the Haven by all users. Such users may range from swimmers and yachtsmen to fishing vessels, tankers and Very Large Crude Carriers”

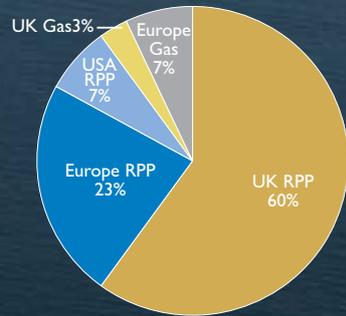
Crude tanker *Astro Cappella* being escorted past LNG Carrier *Mozah* at berth on the South Hook jetty. *Mozah* is a Q-Max vessel - the world's largest LNG Carrier, capable of transporting 266,000 cubic metres of LNG. (May 2009)



Cargoes imports from (2008):

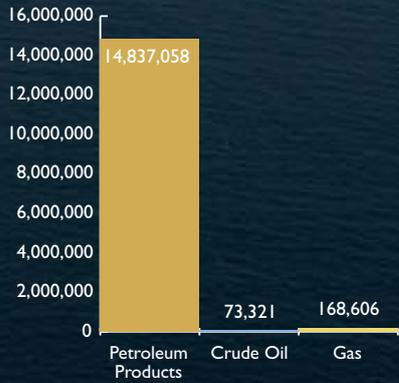


Cargo exports to (2008):

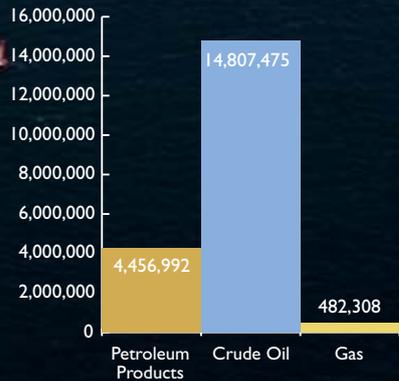


RPP: Refined Petroleum Products

Cargoes from Milford Haven 2008



Cargoes into Milford Haven 2008





ROSAIRE A. DESGAGNÉS

ROSAIRE A. DESGAGNÉS

P&O

# Commercial Division

## At a glance (based on 2008)

### Pembroke Port

Ferry Passengers: 344,000      Ferry Freight: 86,000 Ro-Ro units      Cargo handled at Pembroke Port (Quay 1): 56,000 tonnes

### Milford Docks and Marina

Fish landed: 3,100 tonnes      Marina Berths: 360      Marina accreditations: 4 Gold Anchors (Yacht Harbour Association)

### Quayside Estates

Total Property Portfolio: 619,000 sq ft      External Lets: 410,000 sq ft      Internal Lets: 208,000 sq ft

### Milford Haven Ship Repairers

Dry Dockings: 18      Vessels Serviced: 158 (alongside repairs)

Jetty or Quay	Quay Length	Max. Length of Vessel	Max. Draft
Pembroke Quay 1	180m	168m	8.1m
Quay 2	100m	96m	6.1m
Quay 3	60m	30m	2.0m
Pembroke Dock Ferry Terminal	190m	185m	6.8m
<b>Milford Docks</b> (Lock Entrance 21m Beam)			
Dry Dock	180m	(19m beam)	3-7.5m
Slipway 1	78m	(18.5m Beam)	
Slipway 2 (cradle) Max tonnes 150	88m	(9m Beam)	
Carr Jetty	2 berths	151m	5.2-9.7m

The most significant event for the Authority's Commercial Division during 2008 was the purchase of the former RMAS base at Pembroke Dock. The inclusion of this site into the Division's existing portfolio has created a number of important opportunities - both afloat and ashore.

With the acquisition came the chance to redefine the Authority's operational portfolio on the south side of the Haven,

extending its marine infrastructure, on-shore property holdings and its strategic partnerships. Having been instrumental in the economic revival of Pembroke Dock in recent years, 2008 marked the beginning of a further enhancement of the Authority's vision. The additional 22 acres, the marine facilities and over 110,000 sq ft of warehouse and other property will bring new business opportunities and consolidate the Authority's presence in the south of the county.

# yesterday

Naval Dockyard



## **Pembroke Port and Pembroke Dock Ferry Terminal**

Much of Pembroke Port's activity in recent years has been characterised by the support given to construction of the Haven's LNG terminals. 2008 saw the end of an 18 month programme of shipments and construction work for South Hook's main contractor; however the port continued to be of strategic importance to many of the Haven's other commercial users. The quays, the lay-down areas and the variety of storage facilities serviced many of the port's existing customers, including ongoing shipments of sand, timber and aggregates.

The growth in Pembrokeshire's renewable energy sector saw the port being used for the delivery of large-scale wind turbines. Having been used previously to support the exploration of tidal energy projects in the Irish Sea and wave powered electricity generation off the South Pembrokeshire coast, the port is well placed to further its reputation in this sector.

# today

Successful specialised cargo and ferry port

# tomorrow

General cargo and renewable energy



The port's newly established 'Gate 4' (the former RMAS site) has opened up around 110 metres of additional quay space and allowed the opportunity to strengthen relationships with two of the Haven's most prominent marine contractors. Both Smit International and Svitzer have been able to strengthen their operations on the Haven through long-term partnership agreements with the Authority.

The first quarter of 2009 has seen a solid start to the year, with the export of a large-scale engineering project. The former Gulf Refinery on the North shore of the Haven was dismantled on site, shipped to Pembroke Port, where the cargo was loaded onto Beluga vessels and shipped to Pakistan.

The prospects for continuing growth are excellent given the developments currently taking place on the Haven. During 2009, negotiations will also focus on the renewable energy sector and the potential in the bio-fuel and agri-product markets.

## **Pembroke Dock Ferry Terminal**

Despite global economic difficulties in 2008, Ferry Terminal throughput maintained expectations until the latter part of the year, when a slight downturn in freight and passenger traffic was apparent.

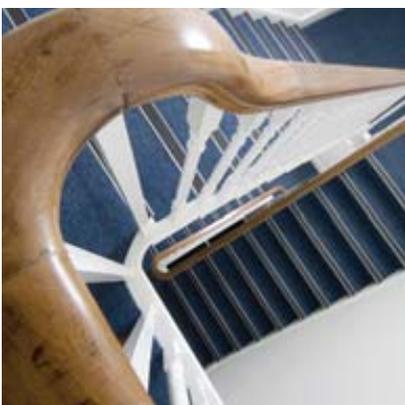
For the first time, the annual re-fit break of the Irish Ferries' 'Isle of Inishmore' was replaced by the 'Oscar Wilde', with the twice daily service between Pembroke Dock and Rosslare maintaining Irish Ferries' demanding schedule.

## **Quayside Estates**

Through the purchase of Gate 4, the Authority extended its existing commercial property portfolio by almost 20%. This significant gain has given Quayside Estates further opportunities to meet growing demand for light industrial units and storage facilities. New tenants include Ledwood Mechanical Engineering, Svitzer and the Authority's own Ship Repair division, whose occupancy of the two slipways has given increased competitiveness to their operation.

The business community at the Royal Dockyard continued to flourish during the year, with a number of small commercial businesses joining the existing complement of voluntary organisations already based there.

Pier House, the Grade II Listed building that the Authority refurbished in 2007 was able to capitalise on early interest from the SME market, and has become a thriving centre of business, and now includes accountants, insurers, printers and Shipping Agents as tenants. Its position close to the land earmarked for the Martello Quays development continues to be of significance to businesses seeking accommodation in the heart of Pembroke Dock's commercial quarter.



On the north side of the Haven, negotiations with Pembrokeshire County Council have resulted in Cedar Court becoming the new home of the amalgamated Milford and Hakin libraries. The Authority is continuing to work closely with Pembrokeshire County Council to ensure the smooth transition of services. Cedar Court was the ideal choice for the repositioning of such a vital public service, given its location close to a thriving retail centre and mainline railway and bus stations. It is anticipated that the new library facility will be opened later this year.

2008 saw a strong emphasis on fulfilling a number of compliance issues. Particular emphasis was given to energy matters, in line with 2007 legislation that requires all buildings to have up to date Energy Performance Certificates. Cedar Court is the most energy efficient building in the Authority's estate, due largely to the quality of both design and build.

With current yield above the national average, Quayside Estates is looking forward to a bright future. A more aggressive marketing approach coupled with an increased focus on private and public sector partnerships will consolidate the Authority's position as the premier commercial property provider in West Wales.

### **Milford Docks and Marina**

The Authority's commitment to the facilities provided at the historic Milford Docks was strengthened in 2008 with a programme of major infrastructure works, particularly to enhance the integrity of the Dock walls.

As the largest fishing port in Wales, the Authority continues to service the requirements of a mixture of both international and local vessels. Loyal to the famed fishing roots of Milford Haven, the Authority is committed to assisting the modern industry. Spanish, Belgian and a variety of local boats continue to land white fish and shell fish at Milford Docks, with over 3,000 tonnes being handled during 2008.

A fishermans' pontoon was installed in mid 2008, just outside the Dock in order to provide an unrestricted, dedicated landing facility, enabling the provision of a 24 hour service.

The value of the Authority's contribution to the UK fishing industry will be further enhanced in 2009 by the Docks Manager's participation in the British Ports Association Fishing Ports Working Group, and at a local level, initiatives delivered through the South & West Wales Fishing Association.

The potential of Milford Docks for diverse cargoes is being developed. In conjunction with Pembroke Port it offers a range of facilities especially for customers on the North side of the Haven.

This was ably demonstrated with M.V Liberty, a specialised heavy lift vessel, when she docked at the beginning of this year. Three 60 tonne boilers were discharged over the quay and then transported with multi-functional road vehicles to one of the neighbouring refineries.

### **Milford Marina**

Reorganisation of the boat yard in 2008 saw increased utilisation of storage facilities and the ability for customers to carry out works in a more efficient working environment. The creation of a new Marina office and reception area has also enhanced customer comfort and allowed an improvement in the facilities provided.

The environment ashore has continued to flourish, with retail outlets, coffee shops and restaurants benefiting from an Authority-led promotional campaign and the many events hosted at the Marina. From the opening day of Pembrokeshire Fish Week and the



## yesterday

One of the largest fishing ports  
in the UK

## today

Still the largest fishing port in  
Wales, but now home to a  
growing marine leisure market

## tomorrow

Further expansion of leisure  
opportunities and diverse  
commercial marine facilities



Authority's own Seafair Haven festival to the Pembrokeshire County Car Run and the RNLI Safety Road Show, the Marina played host to a number of community based events. Current upgrades in the on-shore infrastructure will secure the Marina's status as a much sought after backdrop for such events.

### **Milford Haven Ship Repairers**

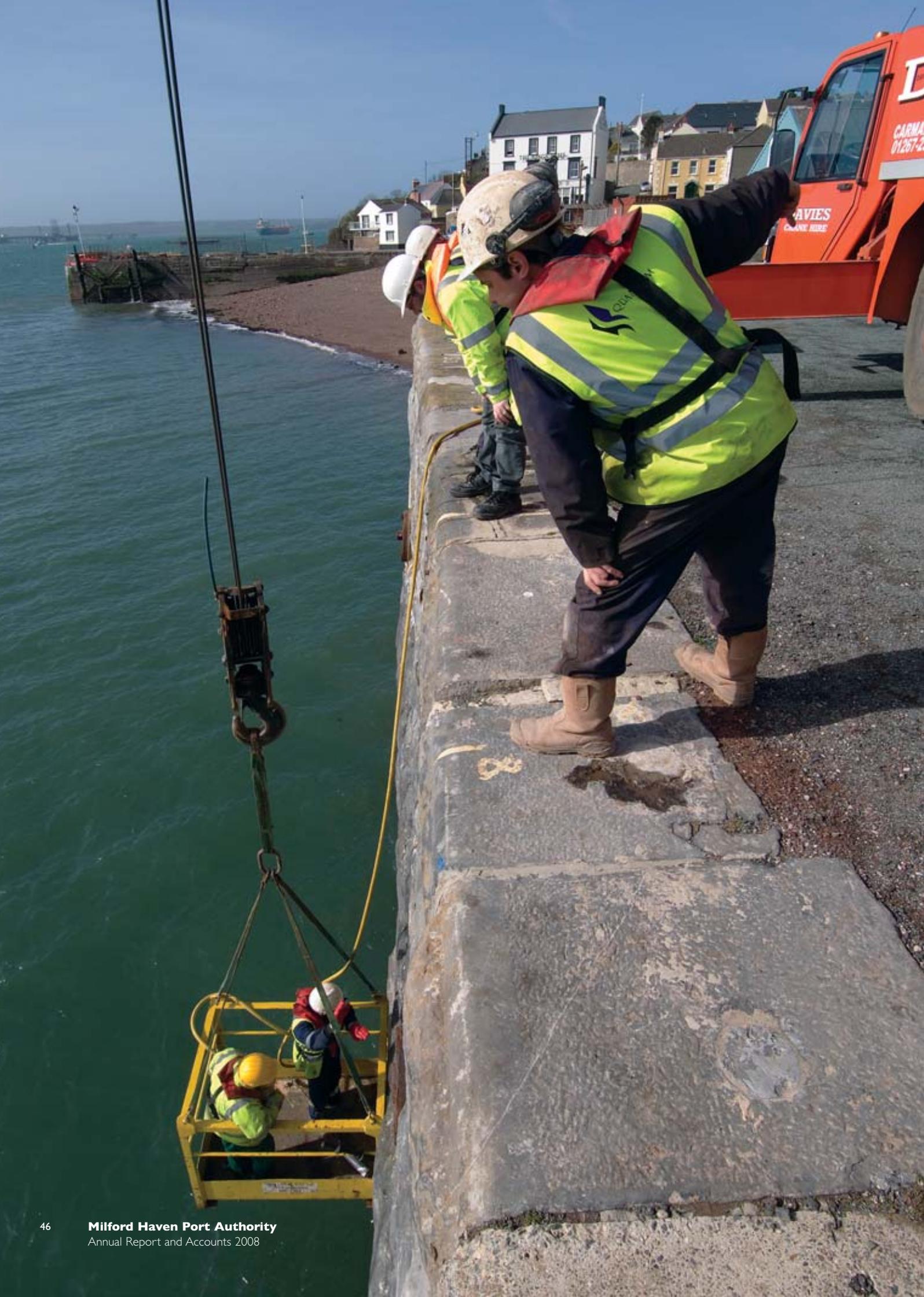
Despite the ongoing economic downturn and difficult trading conditions in 2008, expectations have been exceeded in the first quarter of 2009. The acquisition of the Gate 4 site and the refurbishment of the slipways has opened up a new sector of the market to MHSR, which is proving to be highly successful in the work boat and Pilot cutter market.

Work undertaken in 2008 included 18 dry dockings, survey and refit work, as well as alongside/afloat repairs. A modernisation of dry docking facilities including new blocking systems and a planned cover will provide a more efficient and environmentally sound service.

The vehicle repair workshop continued to thrive during 2008, increasing its profile in the local area - particularly amongst independent operators.

The appointment of a new Assistant Manager late in the year has enabled the division to increase the focus and level of commercial marketing activity. This includes strengthening links with major customers like Svitzer, Trinity House, James Fisher Everard, Clipper Marine, the MoD, Qinetiq and the Jubilee Sailing Trust, as well as establishing relationships with new clients.







## Safety & Security

The Authority's operations continued to maintain accreditation by Transec under the International Ship and Ports Facility Security (ISPS) code during 2008. Announced and unannounced visits by Transec officers proved an ongoing commitment by the Authority to maintain a high level of security procedures, meeting all of the necessary legislation. A deficiency notice was issued following a Transec inspection in August 2008. Measures were immediately put in place to rectify the lessons learnt, with the notice subsequently being rescinded following a further visit. Training of security staff continued throughout 2008, in line with the requirements of the ISPS code.

2008 saw a continuation of the downward trend of all accidents across the Authority. Only nine accidents occurred throughout the year, with only two causing any lost time. The Authority's accident target rate for 2008 was 1 accident per 100 employees - beating that target with an actual rate of 0.97 also meant that a lucky

member of staff won £1000 of holiday vouchers!

Much of the Authority's low accident rate during 2008 can be attributed to a raised level of Health & Safety awareness. The ongoing involvement of line managers, safety representatives and use of the staff newsletter helped reinforce key safety messages and maintain accident levels below the industry norm. The effectiveness of these systems was highlighted in an external Audit of the Authority's Safety Management System, by Highgate Management Services. The consultants commented on the ability of the Authority's Senior Management Team to demonstrate a good understanding of key Health & Safety issues, as well as a commitment to continuous improvement. No corrective action was found necessary as a result of the Audit - only a couple of observations by the consultants that have served to improve existing systems. A programme of continuous improvement will continue during 2009.

## People Excellence

During 2008, an average 197 people were employed throughout the Authority, with an ongoing commitment to the professional development of staff being a key focus during the year. The diversity of activities in which the Authority is involved demands a broad range of skill sets and in recognising this, the Authority has, and continues to pursue a programme of strategic development for employees.

### Management Competencies

2008 saw the roll out of a Management Competency Framework across the Authority. Having identified 9 core competencies that outline the desired skills of all managers and supervisors, the Authority launched the framework with a view to underpinning the aim of becoming the 'most highly regarded port in the UK'. The framework has been incorporated into the appraisal and recruitment processes and is now used to help recruit and develop managers/supervisors at all levels within the Authority. Managers' appraisals now take the form of a

360 degree assessment which involves direct reports, line manager, peers and external stakeholders providing anonymous feedback on the manager's performance.

### Investors in People (IIP)

During the year, the Authority's HR action plan was implemented, ensuring that all activities continued to maintain the IIP standard. An assessment in March, conducted by an external IIP assessor confirmed that the Authority continues to meet the objectives of the standard, utilising the benchmark as a means of improving the organisation's performance through its people.

### HR system

2008 was also spent preparing for the roll out of our HR system to the Authority's managers and nominated administrators. The roll out means managers can have direct access to information regarding their team members to aid their decision making. The system also allows the administrators to record employee data such as training records and sickness rates, as a

### yesterday

Providing administrative and welfare support

### today

Building skills and improving provision of Management Information

### tomorrow

Developing talent to raise business performance, whilst striving to be an employer of choice

means of improving the Authority's reporting capabilities. The system was successfully rolled out in March 2009. The longer term plan is to roll out the system to all employees.

**Sickness**

Sickness absence rates continue to act as the main Key Performance Indicator (KPI) for the Authority's HR team during the year. In 2008, a target was set of no more than 3% sickness absence. The actual sickness absence rate for the year was 2.9% which as well as meeting the target, set the Authority below the national average sickness rate of 3.5% (as reported by CIPD, 2008).

**Communications**

The diversity of the Authority's portfolio coupled with a mix of operational locations has presented many challenges in terms of successful communications. A focus on internal communications continued during 2008 with team briefing sessions, regular email updates and bi-monthly editions of the staff newsletter The Informer, ensuring a high level of communication across the Authority. One of the main tools used to promote openness and involvement of employees is that of the annual Staff Briefings - an event that took on a new format during 2008 as a result of feedback gained through the Staff Survey.

Organised through the Authority's Communication Action Learning Group

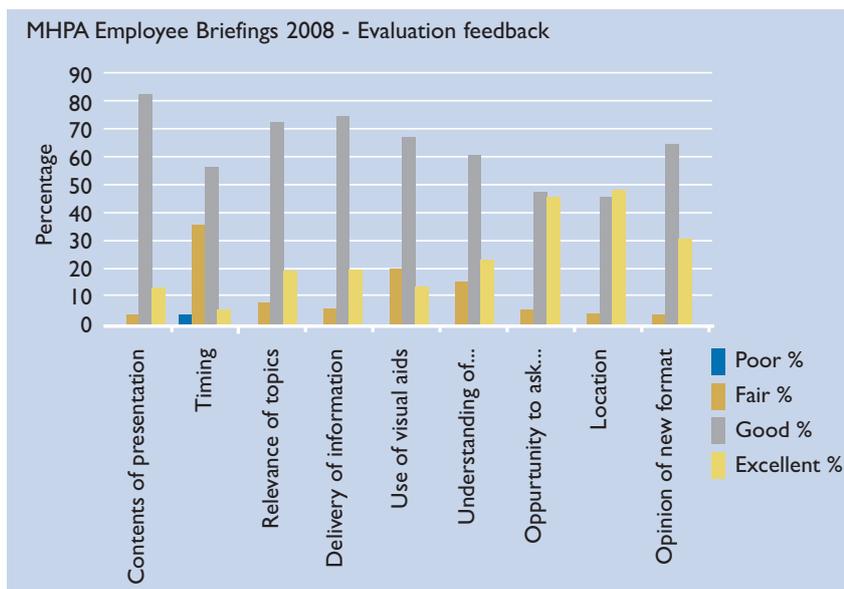
(CALG), the event saw greater levels of interaction amongst all staff and Senior Managers. Positive evaluation of the Briefings has given CALG an excellent basis on which to plan the 2009 event.

**Employee Engagement**

Through various Action Learning Groups and Committees, the Authority encourages all employees to become involved in assisting the development of different business areas. Membership of such groups is also provides a number of opportunities for both professional and personal development. Groups include:

- The Communication Action Learning Group
- The Management Competency Action Learning Group
- The Social Committee
- The Community Support Committee
- The Environmental Group
- The Safety Representatives Group

In addition, the Authority encourages staff to bring forward ideas and suggestions that seek to improve the business environment. The 'Port Eureka' scheme rewards ideas that have the ability to enhance existing procedure and practices - from safety and environmental matters to commercial and financial benefit.



“Really, really brilliant - a lot to build on. Great opportunity for staff to meet and learn about other areas of the business, as well as their own.”



**List of current employees by Division**

**Senior Management Team - Ted Sangster**

Mark Andrews	Harbourmaster
Joe Besch	Commercial Director
Alan Furlong	Safety & HR Director
Andrew Langlands-Brown	Engineering Director
Richard Pugh	Finance Director
Ted Sangster	Chief Executive

Numbers employed: 6

**Accounts & IT - Richard Pugh**

Joe Beavis	Team Leader - Payroll
Nicola Cargill	Team Leader - Sales Ledger
Pauline Coyle	Accounts Assistant Sales Ledger
Clare Evans	Accounts Assistant - Purchase Ledger
Phil Evans	Management Accountant
Karen Fawcett	Accounts Assistant - Payroll
Laura Furlong	Accounts Assistant Sales Ledger
Caroline Griffiths	Accounts Assistant - Purchase Ledger
Suzanne Horton	Accounts Assistant - Purchase Ledger
Louise Howard	Assistant Management Accountant
Dave Robinson	Team Leader - Sales Ledger
Alex Langlands-Brown	Technical Systems Administrator

Numbers employed: 12

**Engineering - Andrew Langlands-Brown**

Lynn Holloway	Assistant Engineer
Kristian John	GIS/ IT Technician
Jason Lay	Maintenance Assistant
Grayham Passmore	Maintenance Supervisor

Numbers employed: 4

**MHPA General Office & Executive Administration - Richard Pugh**

Emma Frearson	Senior Administrator
Judith Laxton	Administration Assistant
Kim Phillips	Office Supervisor
Helen Sage	CE's Secretary/ Office Supervisor
Helen Scourfield	Receptionist/ Administration Assistant

Numbers employed: 5

**Marketing - David Griffin**

Sue Blanchard-Williams	Cruise & Events Co-ordinator
David Griffin	Marketing Manager
Diana Harries	Project Administrator - Sea Fair Haven
Stella Hooper	Project Development Officer
Richard James	Maritime Heritage Project Officer
Anna Malloy	Web and Marketing Co-Ordinator
Mariam Moazzen	Head of Public Relations
Claire Palmer	Head of Community Development

Numbers employed: 8

**Safety, HR and Environment - Alan Furlong**

Vikki Holmes	HR Assistant
Carole Langford	HR Assistant
Dave Levell	Environment Manager
Vidette Howells	HR Manager

Numbers employed: 4

**Marine - Mark Andrews**

**Marine Management - Mark Andrews**

Mike Burgoyne	VTS Supervisor
Bill Hirst	Deputy Harbourmaster
Tom Lester	Assistant Harbourmaster - Planning
John Littleton	Assistant Harbourmaster - Conservancy

Numbers employed: 4

**Conservancy - John Littleton**

Iain Andrew	Leading Seaman
Paul Coe	Leading Seaman
Malcolm Connolly	Senior Marine Fitter
Robert Davies	Coxswain
Steve Doughty	Coxswain
Robert Evans	Coxswain
Glyn Evans	Leading Seaman
Barrie Gale	Senior Coxswain
John Hannaford	Seaman
Peter Harteveldt	Coxswain
John Hawkings	Coxswain
Paul Jenkins	Marine Fitter
Andrew Johnson	Leading Seaman
Brian Johnson	Leading Seaman
Gwyn Jones	Apprentice
Andrew Kerrison	Coxswain
Robert Nichols	Coxswain
William Owens	Leading Seaman
Glyn Phillips	Leading Seaman
Nicky Picton	Leading Seaman
Phil Scale	Coxswain
Sammy Simpson	Senior Coxswain
Jeff Sinnett	Leading Seaman
Robert Smith	Leading Seaman
Gary Solomon	Leading Seaman
Billy West	Senior Coxswain
Graham Wood	Jetty Hand/ Relief Seaman
Frank Yeomans	Senior Coxswain

Numbers employed: 28

**Pilotage - Mark Andrews**

Will Allen	Pilot
Neil Bevan	Pilot
Andy Darlington	Pilot
Mike Davies	Pilot
Richard Evans	Pilot
Chris Harding	Pilot
John Haughey	Pilot
Andy Hillier	Pilot
Gareth Jones	Pilot
Ed Neale	Pilot
Phil Owen	Pilot
John Owens	Pilot
John Pearn	Pilot
Dave Phillips	Pilot
Paul Pullen	Pilot
Ian Swales	Pilot
Mark Szymura	Pilot
Trevor Woods	Pilot

Numbers employed: 18

**Planning, Pollution & Leisure - Tom Lester**

Chris Tambling	Assistant Water Ranger (Temporary)
Phil Thomas	Coxswain/Engineer
John Warneford	Water Ranger

Numbers employed: 3

**Port Control - Bill Hirst/Mike Burgoyne**

Mike Arnold	Marine Officer
John Clark	Marine Operator
Tim Gardener	Marine Officer
Ian Jenkins	Marine Operator
Paul Mensink	Marine Officer
Karen Smith	Marine Operator
Brian Stewart	Marine Officer
Julian Walker	Marine Operator
Keith Walker	Marine Operator
Ian Yeomans	Marine Officer

Numbers employed: 10



**Commercial - Joe Besch**

**Milford Docks & Marina - Mike Ashworth/ Emma Lewis**

Dave Barrett	Marina Operative
Wayne Busby	Marina Operative
David Clark	Senior Marina/ Docks Operative
John Davies	Marina Operative
Daniel Devine	Marina Operative
Melanie Durney	Administration Assistant
David Elliott	Docks Operative
Andreas Filz	Marina Operative
Eira Griffiths	Marina Administrator
Kevin John	Marina Operative
Ryan Jones	Marina Operative
Roger Leay	Senior Dock Chargehand
Ronnie Lee	Marina Operative
Malcolm Lewis	Docks Operative
Emma Lewis	Assistant Port Manager
Richie Morgan	Marina Co-ordinator
Mark Nicklin	Marina Operative
Robert Whitthouse	Maintenance & Safety Chargehand
Huw Williams	Marina Operative

Numbers employed: 19

**Milford Haven Ship Repairers - Tudor Symmonds**

Geoff Barrett	Skilled Ship Repairer - Mech. Fitter
Steven Barrett	Senior Supervisor
Simon Brown	Foreman
David Codd	Skilled Ship Repairer - Crane Driver
Neil Cross	Assistant Manager - MHSR
Mark Davies	Chargehand
Richard Devonald	Skilled Ship Repairer - Fitter/Turner
Richard Eastop	Skilled Ship Repairer - Mech. Fitter
David Evans	Dockmaster/ Fitter
Ivor Goffin	Semi Skilled Ship Repairer
Russell Heaton	Quality Systems & Buyer Assistant
Peter Jones	Skilled Ship Repairer - Crane Driver
Gemma Jordan	Administration/ Invoicing Clerk
Barrie Lewis	Semi Skilled Ship Repairer
David Ling	Workshop Foreman
David Oughton	Semi Skilled Ship Repairer
Stuart Panton	Chargehand
Paul Phillips	Trainee Estimator
Tudor Symmonds	Manager - Milford Haven Ship Repairers

Numbers employed: 19

**Pembroke Port inc. Pembroke Dock Ferry Terminal - Mike Ashworth**

Gareth Adams	Gatehouse Operative
Mike Ashworth	Port Manager
Craig Asparassa	Freight Searcher
Nigel Brace	Port Operative
Kevin Brown	Port Operative
Paul Bevan	Team Leader
Craig Bunyan	Terminal Operative
Mark Burke	Freight Operative
Kath Butland	Cleaner
Clive Butland	Rampman/Assistant Supervisor
Brenig Cook	Freight Operative
Alan Dando	Terminal Operative
Gwei Darbyshire-Robert	Security Operative
Glynn Davies	Gatehouse Operative
Geoffrey Davies	Security Operative
Jonathan Davies	Freight Operative
Andy Edmundson	Port Operative
Jim Elford	Security Operative
Stephen Elliott	Security Operative
Tony Frost	Freight Operative
Erika Gazzard	Search Team Operative
William Goodridge	Gatehouse Operative
Suzanne Graham	Search Team Operative
Sheila Hallett	Terminal Operative
Denis Hough	Security Operative
Gordon Jackson	Security Operative

Dennis James	Security Operative
Winston John	Senior Supervisor
Pamela John	Terminal Operative
David Jones	Security Operative
Brian Kelly	Freight Operative
John Kenniford	Assistant Rampman
David Kidd	Security Operative
Peter Kitts	Freight Operative
Anna Kral	Freight Searcher
Mike Lewis	Assistant Supervisor/ Ramp Man
Dale Lewis	Terminal Operative
Robert McDonald	Freight Operative
John Mitchell	Terminal Operative
Stephen Nicholls	Freight Operative
Richard Oldham	Freight Operative
Paul Paddock	Security Operative
Colin Phillips	Freight Operative
Val Phillips	Administration Assistant
David Pinkess	Search Team Operative
Graham Reynolds	Transport Manager
Dean Reynolds	Port Operative
Martin Roberts	Freight Operative
Michael Rowlands	Freight Searcher
Keith Russant	Port Operative
Tom Russell	Search Team Operative
Jonathan Strand	Freight Operative
Emma Talman	Freight Searcher
Lesley Varley	Search Team Operative
Paul Williams	Port Operative
Sherell Williams	Security Operative
Trystan Williams	Freight Operative
George Worrall	Operations Supervisor

Numbers employed: 58

**Quayside Estates - Jeff Teague**

Lee Davies	Projects Co-ordinator
Clare Stowell	Estates Assistant
Peter Swales	Caretaker
Jeff Teague	Development and Property Manager

Numbers employed: 4

**Supported Projects - Ted Sangster:**

**Pembrokeshire Coastal Forum - Tonia Forsyth**

Tonia Forsyth	Coastal Facilitation Manager
David Jones	Recreation Audit Officer
Tom Luddington	Activities Liaison Officer
Daryl Walsh	Coastal Forum Officer

Numbers employed: 4

**Pembrokeshire Marine SAC**

Blaise Bullimore	Pembrokeshire Marine SAC Officer (Maternity cover)
Sue Burton	Pembrokeshire Marine SAC Officer

Numbers employed: 2

**Sunderland Trust - John Evans**

Judith Davies	Project Administrator
John Evans	Project Manager

Numbers employed: 2

Total Number employed within Company: 210

Data as at 26/05/2009

# Marketing

A year of celebration, anticipation, reflection and forward planning.

In 2008, the Port Authority celebrated its Golden Jubilee and to mark the occasion a series of special events of national and international significance took place throughout the year.

Events that would run in parallel with the preparation and planning for undoubtedly the most significant occurrence in the Port's history – the arrival of LNG that would potentially elevate The Haven onto the world's media stage and mark the beginning of another chapter in the Authority's history.

One event being the culmination of years of preparation and planning that would single out the Port as arguably one of the most strategic energy Port's in northern Europe and position it as the UK's new energy Capital and whilst doing so provide a wealth of further opportunities in coming years.



An opportunity for the marketing department to work alongside LNG partners to prepare and stage manage a potential global media event and whilst doing so to effectively manage the increasing media interest that built up over the year alongside further media interest stimulated by the voices of protest from pressure groups.

Whilst event management played a significant role in terms of utilisation of resource within the department during 2008 in planning for the first open day for several years in the spring, an



## Open Day

The sun shone and the crowds turned up in their thousands as Port headquarters in Gorsewood Drive played host for the first Open Day in several years. Partnered by The Maritime and Coastguard Agency a varied programme of entertainment was provided both shoreside together with exciting on-water activities.

expanded SeaFair Haven during the summer as well as hosting and staging the national BPA (British Ports Association) Annual Conference in October it was by no means all that was being undertaken as the department made plans to better support the commercial and corporate needs of the Authority.

Plans that included updating and strengthening central database management and developing the necessary IT skills and software within the department, to embark upon and effectively utilise digital marketing as well as keeping the Authority's website updated.

A review of Community marketing resulted in the community team being based at Milford Docks, working alongside yet independently of marketing, affording the team at Gorsewood Drive to focus more on corporate and commercial activities once the 50th celebrations were completed.

Furthering the Port's aspirations as a cruise port-of-call, significant work was undertaken alongside Pembrokeshire County Council tourism and Visit Wales. The Authority became chair of Cruise Wales during 2008, an appointment that will last two years. The Authority also partnered Anglesey County Council, helping to prepare "Celtic Wave - the Sea of Smiles" a European Intereg bid to launch a new initiative in 2009 alongside four Irish ports to promote short steam multi-destination cruising across the Irish Sea.

### Seafair Haven 2008

In June and despite some very unkind weather a record number of traditional vessels made their way from all over the UK and overseas into The Haven to celebrate SeaFair 08 – a festival of the waterway for traditional craft and mariners. Ten host ports and communities opened their doors to visiting crews and tourists alike and showed off the very best of Pembrokeshire’s hospitality.

Milford Docks played host to an array of magnificent tall ships that entertained thousands of schoolchildren while in complete contrast the second leg of the Round GB Power boat race visited Pembroke Port affording national TV coverage of the waterway. International guests from the famous Semaine du Golfe joined us at SeaFair and invited us to form a strategic ‘Celtic triangle’ partnership with Ireland to secure the festivals future and for SeaFair Wales to be guests of honour at the SdG in 09.

### BPA Conference

Over six months of planning and preparation in partnership with the County’s newest tourist venue Bluestone culminated with the national BPA Conference being hosted by MHPA for the first time in Pembrokeshire and Wales. Industry peers representing Ports throughout the UK attended an extended conference that was opened by Andrew Davies Finance Minister for the Welsh Assembly Government and closed by Rhodri Morgan, First Minister. The event also included the first ever Cruise forum held in Wales and attracted many overseas delegates as well as a Safer Ports forum and Fishing Ports meeting. Three days of conference was rounded off at a gala dinner where Falklands Veteran Simon Weston made an inspiring speech. Attended by a record number of delegates and with the help of Bluestone a very successful and memorable conference was achieved.

Two publications marked our Golden Jubilee -‘More than an Oil Port’ depicted the variety of vessels that use The Haven and was perhaps the surprise hit of the year receiving complimentary reviews in a host of industry and trade publications. Whilst in collaboration with Celtic Maritime Connections The Hidden Haven a rewrite and update of the famous Secret Waterway depicting the delights of the upper Haven was published towards the end of the year.

In all 2008 was an interesting year having successfully stage managed two very large scale national events that showed off both our industrial and commercial face as well as the softer recreational use of the waterway. Whereas LNG did not appear during the year it did generate an enormous amount of press interest that was professionally handled. Reorganisation within the department positioned us to better serve our community needs in 09 as well as being prepared to meet the demands of our commercial divisions and corporate remits. Our digital marketing capability and expertise was also established, ready for the new year along with the arrival of LNG.



# Cruise

A continuing emphasis was placed on the strategic value of Cruise during 2008. Not only an important means by which the Authority meets its Trust Port responsibilities bringing just under 6,000 visitors ashore during the year, Cruise also plays a vital role in developing strategic partnerships.

During 2008, the Authority welcomed the largest Cruise ship to have ever entered the Haven. The 219m Holland America ship 'Maasdam' brought with her an opportunity for the Authority to highlight the strategic importance of the industry to the Pembrokeshire economy. Partners from Pembrokeshire County Council joined the Authority, representatives from the Welsh Assembly Government, including the First Minister, for an on-board reception during Maasdam's call. A partnership approach to developing Pembrokeshire's Cruise opportunities is being progressed, including the potential for stronger links with Ireland.

During 2008, the Authority took on the chairmanship of Cruise Wales, actively supporting the promotion of Wales as a desirable destination in the itineraries of world-class companies. Involvement in Cruise Europe also continued with attendance at Cruise conventions in both Miami and Venice.

A total of six Cruise ships visited the Haven during 2008 from lines including Saga, Holland America and Peter Deilmann. 2009 will see five planned visits, including two new vessels - the 'Amadea' and 'Athena' - both carrying German passengers. The Authority is also delighted to be welcoming the Fred Olsen line back to Pembrokeshire with the arrival of 'Black Watch' in May.

With enquiries and bookings being received as far ahead as 2011, the Authority will continue to actively promote both the Haven and Pembrokeshire as a desirable and professional port of call.

Image: Fred Olsen



# Community Programme and Stakeholder Benefits

As a trust port, the Authority has a responsibility to reinvest its profits for the benefit of its stakeholders - not only in terms of supporting community groups and voluntary organisations - but by investment that generates economic activity, employment and recreational opportunities. Trust Ports offer a wider range of services to those benefiting from their 'Stakeholder Dividend' as opposed to Private Ports, which usually only pay financial dividends to their shareholders. Building on this, 2008 saw the start of a transition for the community programme within the Authority. The phased introduction of a dedicated community team has seen a more structured approach to the Authority's ongoing community

work. The team began working towards generating added value for the organisations that the Authority had existing relationships with, re-visiting and formalising partnerships whilst looking for additional opportunities. The team also began offering a more holistic service to organisations and projects, working with partners to identify avenues for project development, profile raising and with an increased emphasis on sustainability.

## Partnership working

As well as building on existing partnerships and developing new ones, the Authority's community programme led or participated in a number of key projects and events during 2008.

### Havenlink Waterbus Pilot.

During the summer, the Authority commissioned a three month water transport pilot project. Working with partners Pembrokeshire Greenways, Pembrokeshire Coast National Park Authority, PLANED and South West Wales Tourism Partnership, a three day-a-week waterbus service was developed, linking seven communities along the waterway. Despite some cancellations in operation of the service due to poor weather conditions, just under 250 passengers used the service during the pilot. The project was met with such a positive response that the Authority is continuing to work with partners in order to expand the Havenlink pilot service in 2009, subject to funding.



Waterway Schools Project - As part of the Authority's 50th Anniversary celebrations, the community team worked with the PEASAT co-ordinator at the Darwin Centre in order to develop a programme of waterway projects for local primary schools. Pembroke Dock Community School, St Francis Roman Catholic School and Haverfordwest VC School all participated in a series of field trips along the waterway, led by Sid Howells (Countryside Council for Wales). The field trips examined the geology, geography, history, environment and usage of the waterway at different locations, and were followed by class-based projects and workshops. The scheme proved so successful that it is being offered to more schools during 2009.



### Voyage of a Lifetime

This scheme was set up as part of the Authority's 50th Anniversary celebrations, enabling young people from Pembrokeshire to experience a voyage on board a Tall Ship. The aim of the scheme was to promote confidence and team work in young people, whilst generating an interest in the waterway. Seven young people aged 16-25 yrs participated in the voyages through the Authority's partnerships in 2008.

During 2009, the scheme will allow a wider age range and more opportunities for sailing on shorter voyages on locally based traditional vessels, as well as our Tall Ship partners.

### Torch Theatre

A further project established in celebration of the Authority's Golden Jubilee was the partnership with the newly refurbished Torch Theatre. The Authority committed to a five year sponsorship of the Torch's Studio Theatre with plans to utilise the space in 2009, developing the partnership and providing opportunities for youth development.



### Community investment

Over the course of 2008, the Community programme honoured its existing commitments to organisations, as well as continuing to respond to new requests for funding and expanding additional support mechanisms. A total of £250,000 was re-invested back into the community in the 50th Anniversary year; alongside an array of 'in-kind' support, advice and assistance.

The following organisations are examples of those who were supported in 2008, through subsidy towards their ground rent as tenants of the Authority's property division, Quayside Estates and /or contributions towards their operations:

- Keep Wales Tidy
- The Waterfront Gallery
- Milford Haven Museum
- Maritime Volunteer Service
- Pembrokeshire Lottery
- Wales & West Coast Fishing
- Pembrokeshire Coastal Forum
- Marine SAC
- Haven Credit Union
- Celtic Maritime Connections
- The Sunderland Trust
- Milford Haven Sea Cadets
- Pembrokeshire Business Initiative

Other organisations benefited through the Authority's community programme in terms of direct funding and or 'in-kind' support. During 2008, these included:

- Milford Haven Round Table
- Milford Haven Plus
- Project Milford
- Pembrokeshire Cruiser Racer Club
- Pembroke Festival
- Pembrokeshire Tourism Awards
- Pembrokeshire Agricultural Society
- Pembroke Dock Midsummer Festival
- Chevron Team Challenge
- Dyfed Powys Polices' 'Not in my Neighbourhood' week
- Pembroke Dock Christmas Events
- Milford Haven Christmas Cracker
- Brunel/Ireland Art Project
- Cleddau FM
- Fair Trade County and Fair Trade Milford Haven Groups

### Grant assistance

As well as direct funding support, the Community Team, through its Project Development Officer successfully drew down £500,000 of grants for projects and organisations supported by the Authority. Following establishment of the Community Team during the latter part of the year, the Project Development Officer assisted 27 additional organisations in applications for grant funding. To further assist voluntary and community groups, the Authority gifted their grant finding service, 'Grantnet' to Pembrokeshire Association of Voluntary Services (PAVS) and worked closely with them to ensure that organisations receive support without duplication. The Community team will continue to develop these kinds of relationships with partner organisations during 2009 in order to provide and expand their support of the Authority's stakeholder groups.

### Community Support Committee

Under the auspices of the community dividend, the Community Support Committee (CSC) holds its own budget and offers smaller amounts of financial assistance to individuals, clubs and charities county-wide for one-off projects and events. The committee is made up of volunteer staff members from across the Authority. In 2008 the CSC allocated approximately £14,000 to around 83 organisations from football clubs and operatic societies to regattas and festivals. The funding also assisted 14 individuals to represent Pembrokeshire in a variety of ways.

### Scholarship Scheme

Some five years ago, the Authority established a Scholarship scheme that provides financial assistance and encouragement to local students pursuing higher education qualifications, especially those linked to the activities of the Authority.

In the last five years, the Authority has been overwhelmed by both the quantity and quality of applications received, and the 2008/09 awards were no exception.

In a change to the usual procedure of awarding four undergraduate scholarships of £1000 each and one postgraduate award of £2000, this academic year saw such a high calibre of undergraduate talent, that six such awards were given to some of Pembrokeshire's most hopeful students.



And the winners are:

Former Ysgol Preseli pupil, Nia Bell who is currently in her fourth and final year; studying theoretical physics at Durham University.

Owen Phillips, a former pupil of Ysgol Bro Gwaun who is in his first year of studying Mathematics at Cardiff University. Andrew Rees, a fourth year student at Harper Adams College studying Agriculture - formerly a pupil of Tasker Milward Comprehensive school.

Oxford Law student, Margaret Mathieson - another Tasker Milward pupil who is currently in the second year of her degree.

Former Sir Thomas Picton pupil Laura Walker, who is in her first year of an English Literature degree at Cardiff University.

Combined Social Sciences, second year student Catherine McNally who is now at Durham University, but is a former pupil of Pembroke comprehensive school.



# Our Environmental approach

## Environmental Management System

The Environmental Management System is applicable to all activities throughout the Authority and has been enhanced during 2008 with bimonthly Environmental Management Committee (EMC) and the Environmental Representatives Group (ERG) meetings. Standing items include imminent or new Environmental Legislation applicable to one or more aspects of the Authority's diverse activities, as well as addressing any Environmental Concern Reports that arise. During the latter part of the year EMC discussion and consultation with independent auditors, Arena Network drew the conclusion that future progression of the Green Dragon Accreditation process would be more effectively achieved if the present six individual site-based audits were amalgamated into a single audit of an integrated EMS for the Authority. This realignment will result, from 2009, in a single Green Dragon audit of the EMS.

## Environmental Liaison

External liaison is an important element in the activities of the Environmental Manager, with regular attendance at the Water Framework Directive, and Western Wales River Basin District Management Plan (RBDM) Liaison Panel meetings on behalf of the Ports sector. The draft RBDM plan was issued at the end of 2008 by the Environment Agency for the 6 month period of consultation. The Authority is also pro-actively involved in the British Ports Association Environmental Policy Group and the CBI Wales Environment and Safety meetings. Keeping abreast of the emerging Marine and Coastal Access Bill has also been an ongoing activity throughout the year.

The developing Maintenance Dredging Strategy for the port has required the close liaison both internally between Environment and the Engineering and Marine Divisions, but also externally with the Authority's dredging consultant and local CCW officers. This document continues to be progressed, with 2009 seeing the formation of the Milford Haven Dredging Panel, consisting of operators within the Haven, developing a more strategic and integrated approach to future maintenance dredging requirements.

## Internal developments.

During the course of the year the Marine (formerly River) Works Licensing procedures were reviewed and revised to ensure a more comprehensive processing and record keeping mechanisms were in place to address the obligations under the The Conservation (Natural Habitats, etc.) Regulations 1994. As Port Limits are predominately within the Pembrokeshire Marine SAC then the majority of Marine Works Licence applications have to undergo the Initial Screening and in many cases the full Appropriate Assessment process that is a requirement for any plan or project that is likely to have significant effects upon the SAC.

During July the Authority hosted a placement BSc (Hons) Coastal and Marine Environment Studies student project for Pembrokeshire College. The project involved the survey of Japanese knotweed (*Fallopia japonica*) across the MHPA Estate. The findings of the report were used as the basis for a subsequent herbicide spraying programme.



*Pembrokeshire College placement student Rhian Field surveying the occurrence of Japanese knotweed (*Fallopia japonica*) across the MHPA estate.*

## Low Carbon Economy

Finally, in a year where the attention and wider acceptance of climate change issues are reaching a heightened media and public profile, the Authority is making significant progress in understanding its own Carbon management priorities. The quantification of utilities consumption, fuel and energy management and the conversion to emissions related trends has taken a major step forward, when at the end of 2008 the Authority integrated a Carbon Footprint calculation module into the Accounting software. This enables the capture of such data at the invoice processing stage.

Waste paper and cardboard are segregated and recycled as part of the MHPA waste management procedures.

## The Water Ranger

Jointly funded by the Authority and Pembrokeshire Coast National Park Authority, the role of the Water Ranger has become integral to recreational assistance and safety on the waterway.

During 2008, the Water Ranger undertook regular patrols, providing information, advice and assistance to all waterway users. In addition, the role of the Water Ranger is to police the zoning systems and where necessary, enforce bye-laws that seek to protect the safe and enjoyable recreational use of the Haven. During winter months, presentations were given to local schools, yacht clubs and activity centres, encouraging safe use of the waterway.

Further information regarding the recreational use of the waterway, including tidal, weather and access details can be found in the leisure section of the Authority's website. There is also a useful Leisure Users Guide giving details of the zoning, bye-laws and other useful information available from local outlets or as a downloadable document on the website.

yesterday

external consultancy and contract support

today

dedicated environmental manager with responsibility for developing the Structured Environmental Management System

tomorrow

fully accredited EMS and stand alone environmental reporting

## Hosted Projects

### Celtic Maritime Connections

In the last quarter of 2008, the European Project, Celtic Maritime Connections, hosted by the Authority, drew to a close.

The project had run since 2006 and during that time it had not only achieved, but excelled its planned outcomes. Initially created as a tourism project using the theme of maritime heritage, elements also included the promotion of traditional and modern boat building skills and coastal and maritime awareness.

The Celtic Maritime Connections Project achieved the only International voyage of the Tall Ship Dunbrody, a vessel initially built as a visitor centre in New Ross County Wexford. This exemplified the partnerships and methodologies that have developed through the Authority's participation in the Interreg Project schemes; and that this prestigious voyage was attained, was of a significant and political importance to the European cross border strategy. As a result Milford Haven Port Authority, the John F Kennedy Trust and Pembrokeshire College Mitec, together with volunteer organisations have become highly regarded for their operation and development of such schemes.

Pembrokeshire College Mitec has become synonymous with the Dunbrody Tall Ship and its boat building courses have developed and increased in stature within the UK educational system. Student numbers have increased dramatically as a result, ensuring a stronger future for the College and for Pembrokeshire. This in turn has developed perceptions that future Projects should capitalise on this growing skill resource in order to create a very real marine leisure industry for the County, achieving economic growth and filling a market gap.

This project was the prime mover for the development of an agenda to put forward the suggestion for an all Wales unified approach to Maritime Heritage and the networks that were developed as a result of this have been far reaching.

One of the important legacies that Celtic Maritime Connections has left, is this agenda which is now a real target; it is ongoing, receiving support from all quarters and is perceived as a strategic opportunity for the Welsh coastal regions.

Celtic Maritime Connections achieved its goals, added value to those outcomes and completed within budget and within planned time scales. It was funded from the European Interreg IIIA cross border funding scheme and the name continues to be referred to in terms of strategic achievement and partnership working in the Celtic and Atlantic Arc areas.

### Pembrokeshire Marine Special Area of Conservation

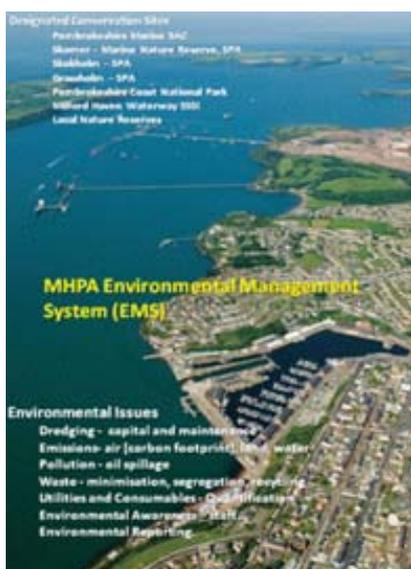
Thirteen years after west Pembrokeshire's coastal seas and the Milford Haven waterway were first proposed as a Special Area of Conservation (SAC) for marine habitats and wildlife of European importance, the Pembrokeshire Marine SAC's management scheme was launched in August 2008.

The scheme was published jointly by all those authorities with statutory duties to contribute to the SAC's conservation management, which includes the Port Authority - working together as the 'Relevant Authorities Group' (RAG), after the SAC officer had compiled the scheme, liaised with relevant partners and managed a wide public consultation.

Although development of the scheme began soon after the SAC proposal was first submitted to the European Commission in the late 1990s, no sooner had it begun than the goal-posts were moved when the EC asked for changes and additions to the UK's list of SACs which resulted in the scope of the work having to be increased to encompass the extended list of special wildlife features.

Following formal designation of the SAC in 2004, the obligation to manage the SAC for the conservation of its marine wildlife shifted from government policy to legal requirement. The Countryside Council for Wales (CCW) published conservation objectives advice in 2005 and the relevant authorities used this to both guide their management decision making and inform the development of the management scheme.

The management scheme is primarily a tool and reference source for the relevant authorities to help them both meet their obligations and work together. The full 180 page document is, not surprisingly





therefore, comprehensive, detailed and complex. But, of course, the conservation management of the SAC is also of considerable interest to all users and stakeholders in the SAC; consequently a user-friendly, bilingual, A5 format summary document has been published and is being widely distributed.

Following the launch, the watchword is implementation. Individual action plans have been produced for each of the authorities with management responsibilities for the SAC, providing a clear framework of their responsibilities and commitments, as well as recording and reporting mechanisms.

Accompanying the management scheme, the SAC's short video first published in 2004 was re-released as a bilingual DVD. Copies have been distributed to all schools and the main public libraries in Pembrokeshire, as well as to the relevant authorities and many stakeholders.

Copies of both the summary management scheme and the DVD are available on request by e-mail to SACofficer@PembrokeshireMarineSAC.org.uk or phone on 01646 696108. Both the summary and full management scheme documents can also be obtained as pdf documents from the downloads page on the SAC's website: <http://www.pembrokeshiremarinesac.org.uk/english/downloads/sitemandoc.htm>

### **The Sunderland Trust**

As part of its Community Programme, the Authority is hosting a unique and high profile project which links to the past use of the Haven Waterway by majestic flying boats that were once stationed at the Royal Dockyard, Pembroke Dock.

A large part of Pembrokeshire's flying boat legacy has been discovered on the seabed in 20 metres of water between Pembroke Dock and Neyland. The substantial remains of wartime Sunderland flying boat T9044 which sank at moorings in 1940, is the focus of a project aimed at its recovery and display. It is one of only four Sunderland flying boats remaining in the world .

The Authority is hosting the Sunderland Trust project as a means of protecting and promoting a legacy that is important to the history of the waterway. In wartime, RAF Pembroke Dock became the world's largest operational flying boat station. The Trust is currently working towards the opening of the 'Flying Boat Interpretation Centre and Workshop' during 2009, at Pembroke Port.

The Authority will host the centre in a building currently undergoing refurbishment, giving the Sunderland Trust the opportunity to tell some of the stories of military flying boat operations in the Haven and elsewhere, as well as their key contribution to the Battle of the Atlantic

in World War II. In aviation history, the most famous of the flying boat is the Short Sunderland which was based at Pembroke Dock for nearly 20 years up to 1957.

Parts already recovered from Sunderland T9044, the Haven survivor, will be displayed and the Workshop will allow volunteers to continue conservation work on the craft's Pegasus radial engine. The development of the centre marks an important step towards the wider interpretation of the remarkable history of Pembroke Dock which, uniquely, has links with all three Armed Services.

The project is funded through the Rural Development Plan for Wales 2007-2013 through the Welsh Assembly Government and the European Union, and administered locally by Pembrokeshire County Council.

The flying boat era was a short, but hugely important period and Pembroke Dock and Pembrokeshire's key contribution to that history will be reflected in this exciting and unique attraction for Wales.

*\*The Sunderland site is protected by a 100 metre exclusion zone by order of Milford Haven Port Authority. The site is marked by a buoy and sign placed there by the Pembroke Dock Sunderland Dive Group - dedicated divers who have formed a group in support of the Sunderland Project. The Flying Boat Interpretation Centre [www.pdst.co.uk](http://www.pdst.co.uk) 01646 623425*



### **Pembrokeshire Coastal Forum**

Pembrokeshire Coastal Forum (PCF) is a partnership organisation promoting a sustainable approach to all aspects of the coast, including the inland waters and maritime areas. The Forum currently has a membership base of around 1000.

The purpose of the Forum is to act as an unbiased, independent organisation, bringing together all the people who impact on the management of the Pembrokeshire coast to ensure that it is safe-guarded not just for now, but for future generations.

The forum acts as the catalyst to encourage open discussion and debate on current issues affecting the Pembrokeshire coast. An example is the 'Pembrokeshire Renewables' debate recently organised by the PCF, where talks on renewable energy projects and micro-generation brought together coastal managers, private companies and members of the public. In June 2008, PCF's 'No Take Zones' event also provided an opportunity for a range of stakeholders to hear about and have an input into, a sometimes controversial marine management issue. PCF also continued to hold regular coastal community days around the County, encouraging members of the public to share their views and raise awareness of the value of the Pembrokeshire coastal and

marine environment. During the year, the team visited Tenby, St Davids and St Brides.

The Pembrokeshire Outdoor Charter (POC) and Pembrokeshire Marine Code projects, which are managed by PCF continued to go from strength to strength during 2008, ensuring that adventure activities and wildlife watching tours in Pembrokeshire remain sustainable for the environment. All major activity centres operating within Pembrokeshire are now members of the POC group and all relevant businesses area signed up to follow the voluntary Pembrokeshire Marine Code.

The South West Wales Coastal Recreation Audit is another of the projects managed through the PCF. The development of a dedicated database system during 2008 will prove a valuable tool, allowing Coastal Managers from partner organisations such as Pembrokeshire Coast National Park Authority, Pembrokeshire County Council and the Tourism sector access to coastal recreation data.

Further information is available from the Forum team on 01646 696171, or from the websites:

[www.pembrokeshirecoastalforum.org.uk](http://www.pembrokeshirecoastalforum.org.uk)

[www.pembrokeshireoutdoors.org.uk](http://www.pembrokeshireoutdoors.org.uk)

[www.pembrokeshiremarinecode.org.uk](http://www.pembrokeshiremarinecode.org.uk)

## Associate Companies



### Ledwood Mechanical Engineering

Ledwood Mechanical Engineering is a specialist fabrication and engineering construction company based in Pembroke Dock in which the Authority continues to have Board representation following its investment in 1999.

During the year, LME has continued to steadily expand its client base in the Oil & Gas and Power Generation sectors.

2008 proved to be an exciting and busy year for LME in which significantly higher levels of activity involved employing in excess of 600 full-time staff, as well as numerous sub-contractors.

Major contracts performed in 2008 included construction projects on both the South Hook LNG and Dragon LNG import terminals, a refinery shutdown locally at Chevron and a significant EPC (Engineering, Procurement & Construction) contract for the Norwegian oil major, StatoilHydro.

The latter involved extensive use of the Hangars and quayside at Pembroke Port for fabrication and onward delivery before final erection at the client's refinery in Norway.

LME is now well positioned to benefit from some major construction projects both in the UK, notably the forthcoming Pembroke power station construction locally, as well as projects further afield.



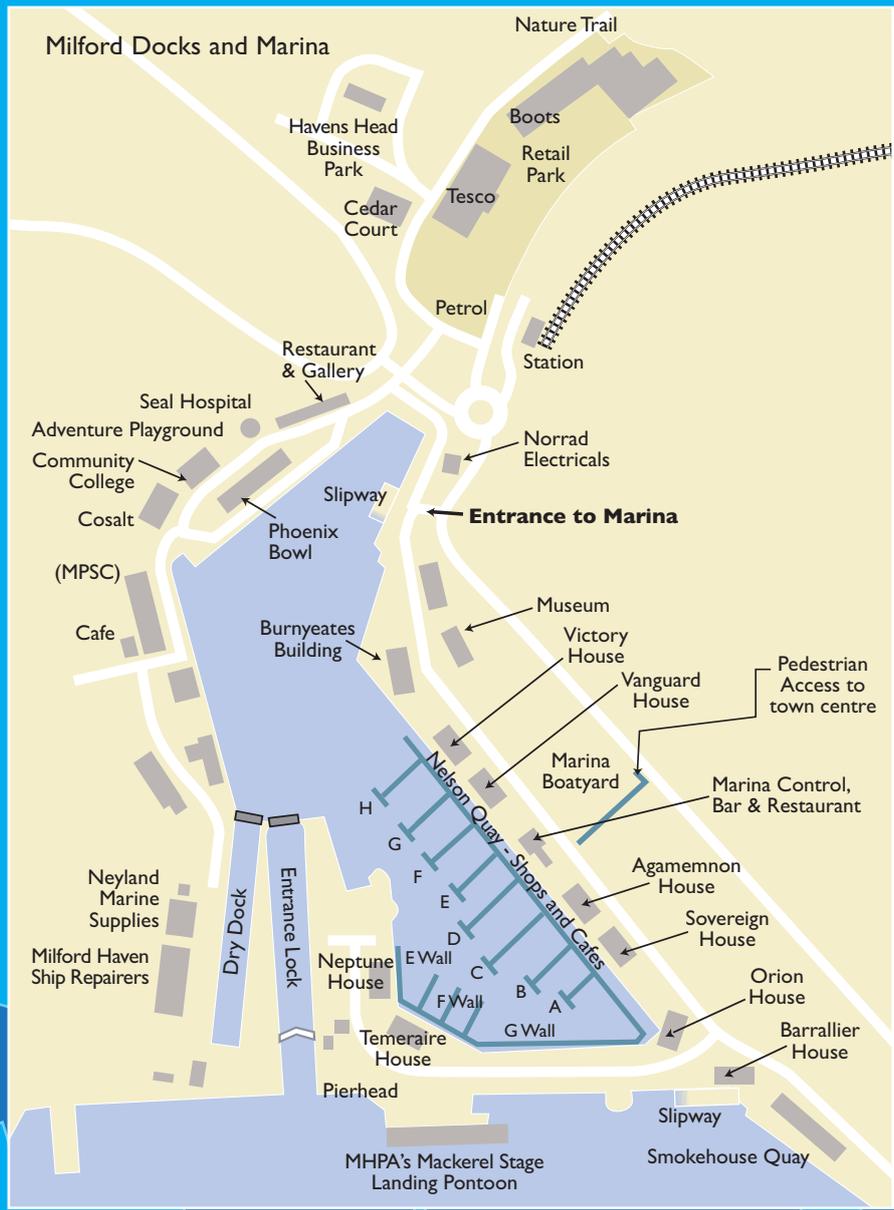
### Williams Marine & Port Services

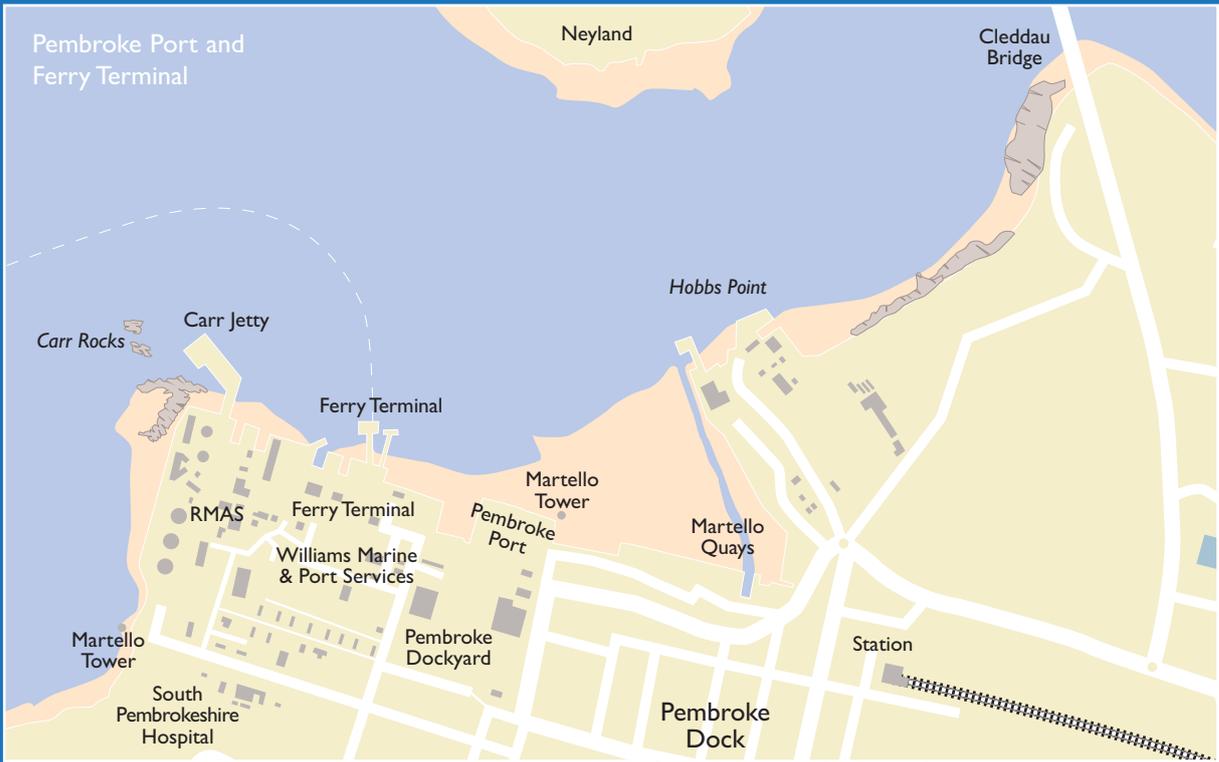
The Authority formed a partnership in 2004 with Williams Shipping, a company based in Southampton, and formed Williams Marine and Port Services (WMPS) which is located in Pembroke Port and provides tug, workboat, barge crane supply and a range of other services within the Port and increasingly South Wales and the East Coast of Ireland.

In addition to providing a wide range of services locally, the company has been successful in obtaining charters further afield. During the past 12 months the WMPS seahorse (pictured) has operated in Dielette, France, on the Clyde and is currently operating in Harwich. The company has plans to continue the development of this joint venture by adding to the fleet and expanding the range of services on offer.

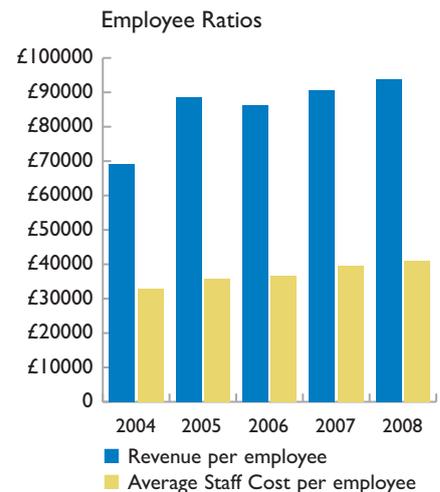
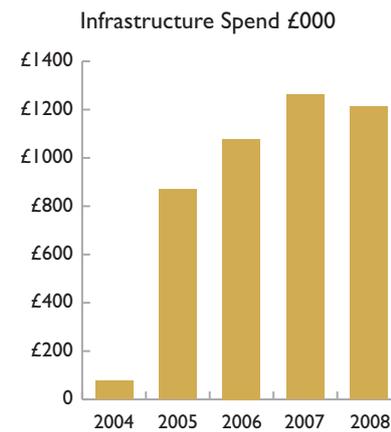
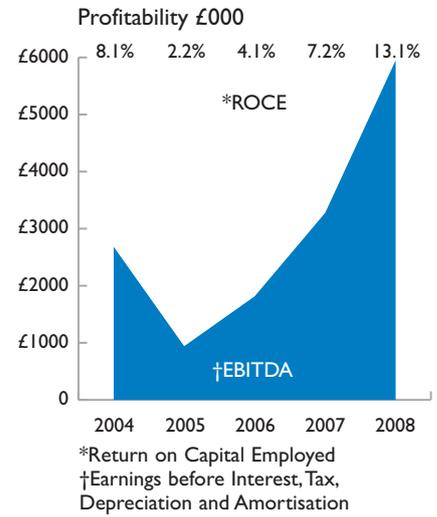
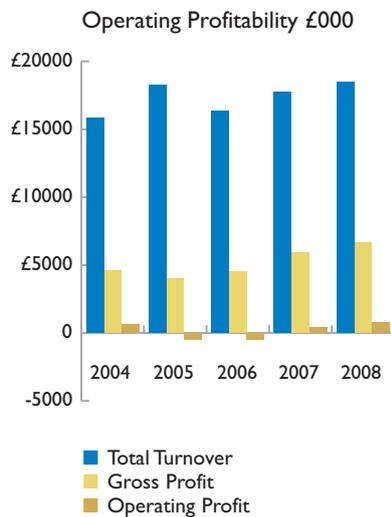
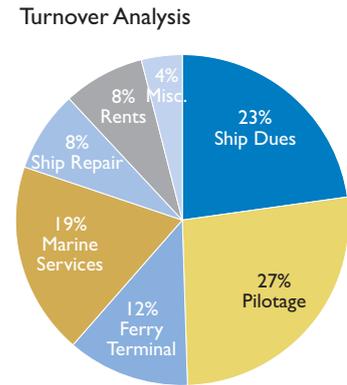
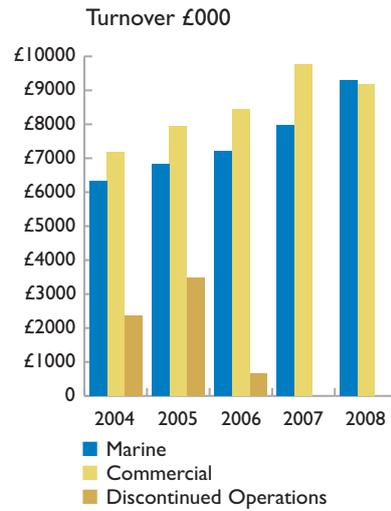
WMPS is actively managed through the Williams Shipping members if the partnership with the policies for strategic direction is provided through the Board of Directors for which there is an equal number from each partner.

*WMPS Seahorse whilst working on the river Clyde.*





# MHPA Group Statistical Information



Vessel descriptions		
	VESSEL (a)	VESSEL (b)
Type	Coaster	Crude carrier
GT	4,107	79,592
DWT	7,559	146,273
CARGO	6,600	123,000
	loading only	discharging only

Comparison of conservancy charges with other ports			
PORT:	TARIFF DATE:	VESSEL (a)	VESSEL (b)
Milford Haven	01/01/2009	422.61	18,605.03
London	01/01/2009	1,725.36	39,619.56
Sullom Voe	01/04/2009	2,833.83	54,918.48
Tees	01/01/2009	9,172.16	96,550.88

## **Authority Members**

### **Chairman**

D G Benson

### **Vice Chairman**

D Fellows

### **Members**

B H Charles (Retired 30th June 2008)

G M Philipps (Retired 31st May 2008)

R Rankmore

J Allen-Mirehouse

N Tranter (Retired 25th July 2008)

A Hughes

J Reed

T Kovar

F Birt-Llewelin (Appointed 1st June 2008)

G E Lynn (Appointed 1st July 2008)

P Walsh (Appointed 9th March 2009)

A E Sangster

Captain M C Andrews

R L Pugh

### **Chief Executive**

A E Sangster

### **Harbourmaster**

Captain M C Andrews

### **Finance Director**

R L Pugh

## **Statement of Authority Members' Responsibilities**

The Authority's members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Current law requires the Authority's members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority and of the profit or loss of the Authority for that period. In preparing those financial statements, the Authority's members are required to:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in business.

The Authority's members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority and to enable them to ensure that the financial statements comply with the Harbours Act 1964 as amended by the Transport Act 1981.

They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Authority's members are responsible for the maintenance and integrity of the corporate and financial information included on the Authority's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Authority Members' statement as to disclosure of information to auditors**

The Authority's members confirm that so far as they are aware, there is no relevant audit information of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as Authority members in order to make themselves aware of any relevant audit information and to establish that the Authority's auditors are aware of that information.

**D G Benson**  
**Chairman**

**27th March 2009**

## **Independent Auditors' Report to the Members of Milford Haven Port Authority**

We have audited the Milford Haven Port Authority (Group) financial statements for the year ended 31st December 2008 which comprise profit and loss accounts, balance sheets, statements of total recognised gains and losses, a cash flow statement and the related notes, which have been prepared under the historical cost convention, and the accounting policies set out in note 1.

### **Respective Responsibilities of Authority Members and Auditors**

The Authority members' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles) are set out in the Statement of Authority Members' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared only for the Authority's members as a body and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion, as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Harbours Act 1964 as amended by the Transport Act 1981. We also report to you if, in our opinion, the Authority Members' Report is consistent with the financial statements, if the Authority has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Authority members' remuneration and transactions with the Authority is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Authority members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Authority's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Authority's and the Group's affairs as at 31st December 2008 and of the Authority's and Group's profit for the year then ended;
- have been properly prepared in accordance with the Harbours Act 1964, as amended by the Transport Act 1981 and;
- the information in the Annual Report for the year ended 31st December 2008 is consistent with the financial statements.

### **Llewelyn Davies**

Chartered Accountants  
Registered Auditors  
Bank House  
Narberth

27th March 2009

## Profit and Loss Account

For the year ended 31st December 2008

	Notes	Group		Authority	
		2008 £000	2007 £000	2008 £000	2007 £000
<b>Turnover</b>					
Continuing Operations	2	<b>18,488</b>	17,740	<b>18,488</b>	17,740
Cost of sales		<b>11,806</b>	11,795	<b>11,806</b>	11,795
<b>Gross Profit</b>		<b>6,682</b>	5,945	<b>6,682</b>	5,945
Operating expenses		<b>5,918</b>	5,523	<b>5,918</b>	5,523
<b>Operating Profit</b>	3	<b>764</b>	422	<b>764</b>	422
Profit on sale of share of associate		<b>12</b>	-	<b>106</b>	-
Profit on disposal of tangible fixed assets		<b>9</b>	18	<b>9</b>	18
Share of operating profit in associates		<b>3,555</b>	1,167	-	-
Dividends received from associate		<b>223</b>	-	<b>223</b>	-
Dividend received from subsidiary		-	-	-	5,462
<b>Profit on Ordinary Activities before Interest</b>		<b>4,563</b>	1,607	<b>1,102</b>	5,902
Interest receivable & similar income	6	<b>143</b>	296	<b>65</b>	277
Other Finance Income		<b>91</b>	100	<b>91</b>	100
Reversal of provision for write down of investment in Ledwood Mechanical Engineering Limited	11	-	1,525	-	1,525
Provision for write down of investment in Milford Docks Company	11	-	-	-	(1,519)
		<b>4,797</b>	3,528	<b>1,258</b>	6,285
Interest payable & similar charges	7	<b>115</b>	208	<b>69</b>	67
<b>Profit on Ordinary Activities before Taxation</b>		<b>4,682</b>	3,320	<b>1,189</b>	6,218
Tax on profit on ordinary activities	9	<b>1,176</b>	402	<b>117</b>	191
<b>Profit on Ordinary Activities after Taxation</b>	19	<b>3,506</b>	2,918	<b>1,072</b>	6,027

^The notes on pages 74 to 87 form part of these financial statements.

## Statement of Total Recognised Gains & Losses

For the Year Ended 31st December 2008

	Notes	Group		Authority	
		2008 £000	2007 £000	2008 £000	2007 £000
Retained profit for financial year	19	<b>3,506</b>	2,917	<b>1,072</b>	6,027
Actuarial (loss)/gain on pension		<b>(1,909)</b>	1,241	<b>(1,909)</b>	1,241
Movement on deferred tax relating to pension liability	20	<b>428</b>	(422)	<b>428</b>	(422)
Unrealised gains on revaluation of fixed assets	19	<b>141</b>	-	<b>141</b>	-
<b>Total recognised gains and losses relating to the year</b>		<b>2,166</b>	3,736	<b>(268)</b>	6,846

## Note of Historical Cost Profits and Losses

For the Year Ended 31st December 2008

	Group		Authority	
	2008 £000	2007 £000	2008 £000	2007 £000
Reported profit on ordinary activities before taxation	<b>4,682</b>	3,320	<b>1,189</b>	6,218
Difference between historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<b>(344)</b>	(368)	<b>(344)</b>	(368)
Historical cost profit on ordinary activities before taxation	<b>4,338</b>	2,952	<b>845</b>	5,850
Historical cost profit on ordinary activities after taxation	<b>3,162</b>	2,550	<b>728</b>	5,659

^The notes on pages 74 to 87 form part of these financial statements.

## Balance Sheet 31st December 2008

	Notes	Group		Authority	
		2008 £000	2007 £000	2008 £000	2007 £000
<b>Fixed Assets</b>					
Tangible assets	10	46,006	42,617	46,006	42,617
Investment in subsidiaries	11	-	-	1,436	1,486
Investment in associates	11	2,765	2,109	140	1,920
		<b>48,771</b>	44,726	<b>47,582</b>	46,023
<b>Current Assets</b>					
Stocks	12	97	88	97	88
Debtors	13	3,720	4,816	3,720	4,816
Cash at bank & in hand		1,000	8	995	2
		<b>4,817</b>	4,912	<b>4,812</b>	4,906
<b>Creditors</b> - amounts falling due within one year	14	<b>3,178</b>	4,000	<b>3,146</b>	3,967
<b>Net Current Assets</b>		<b>1,639</b>	912	<b>1,666</b>	939
<b>Total Assets Less Current Liabilities</b>		<b>£ 50,410</b>	£ 45,638	<b>£ 49,248</b>	£ 46,962
<b>Creditors</b> - amounts falling due after more than one year	15	<b>2,068</b>	87	<b>3,567</b>	1,638
<b>Provisions for Liabilities and Charges</b>	17	<b>1,884</b>	1,969	<b>1,884</b>	1,969
<b>Accruals and Deferred Income</b>	18	<b>6,350</b>	6,880	<b>6,350</b>	6,880
<b>Pension Liability</b>	20	<b>3,402</b>	2,162	<b>3,402</b>	2,162
<b>Reserves</b>					
Revaluation Reserve	19	10,841	10,700	10,841	10,700
Profit and loss account	19	25,838	23,813	23,204	23,613
		<b>50,383</b>	45,611	<b>49,248</b>	46,962
Minority interests		27	27	-	-
		<b>£ 50,410</b>	£ 45,638	<b>£ 49,248</b>	£ 46,962

The financial statements were approved by the Authority members on 27th March 2009, and signed on their behalf by:

**D G Benson**  
Chairman

**A E Sangster**  
Chief Executive

^The notes on pages 74 to 87 form part of these financial statements.

## Consolidated Cash Flow Statement

For the Year Ended 31st December 2008

	Notes	Group	
		2008 £000	2007 £000
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		<b>764</b>	422
Depreciation charges (net of grants released)		<b>1,387</b>	1,671
(Increase)/Decrease in stocks		<b>(9)</b>	47
Decrease in debtors		<b>1,095</b>	2,935
(Decrease) in creditors		<b>(456)</b>	(2,218)
Difference between pension charge and cash contributions		<b>(150)</b>	(67)
<b>Net cash inflow from operating activities</b>		<b>2,631</b>	2,790
<b>Dividends received from associate</b>		<b>223</b>	-
<b>Returns on investments and servicing of finance</b>	23	<b>(7)</b>	207
<b>Taxation</b>		<b>(282)</b>	(59)
<b>Capital expenditure and financial investment</b>	24	<b>(5,155)</b>	(1,036)
<b>Acquisitions and disposals</b>	25	<b>116</b>	-
<b>Cash (outflow)/inflow before financing</b>		<b>(2,474)</b>	1,902
<b>Financing</b>	26	<b>3,917</b>	30
<b>Increase in cash</b>	27	<b>£ 1,443</b>	£ 1,932

^The notes on pages 74 to 87 form part of these financial statements.

## I. Accounting Policies

### a) Basis of accounting

The financial statements have been prepared in accordance with the Harbours Act 1964, as amended by the Transport Act 1981 and subsequent legislation, and in accordance with applicable Accounting Standards and under the historic cost convention. The principal accounting policies, which the Authority's members have adopted, are listed below.

### b) Basis of consolidation

The consolidated financial statements include the financial statements of the parent Authority and its subsidiary company for the year to 31st December 2008, together with the Group's share of its associate companies results accounted for under the equity method for the accounting period.

An associate is an undertaking in which the Group has a long term participating interest and over which it exercises significant influence.

### c) Asset Revaluation

As permitted under FRS 15 'Tangible Fixed Assets' the Authority has adopted a policy of revaluation in respect of its investment/owner occupied property assets and specialised marine assets. Interim valuations are undertaken in year 3 with full valuations undertaken every 5 years by independent qualified valuers.

### d) Depreciation

The provision for depreciation has been computed as follows:

#### Capital dredging

The policy of the Authority is to depreciate capital dredging on a straight-line basis over a 20 year term.

#### Investment property

In accordance with SSAP 19 the policy of the Authority is not to depreciate investment property.

#### Owner occupied property

The cost of buildings is being depreciated on a straight-line basis over a period of 10 – 50 years.

#### Freehold land

Freehold land is not depreciated.

#### Other assets including specialised marine assets

Other assets are depreciated on a straight-line basis at rates between 2% and 33.3%

### e) Investments in subsidiary undertakings and associates

In the Authority's financial statements, investments in subsidiary undertakings and associates are stated at cost less any provision for impairment.

### f) Leases

Rentals payable under operating leases are charged to the profit and loss account as incurred.

### g) Grants

Grants on capital expenditure are credited to a deferred revenue account and credited to the profit and loss account over the life of the asset. Grants relating to revenue expenditure are credited to the profit and loss account in the year to which the expenditure relates.

### h) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal. Cost is based on purchase price plus attributable overhead if appropriate.

### i) Deferred taxation

In accordance with FRS19, full provision is made for deferred taxation in respect of all material timing differences. Deferred taxation assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred taxation assets and liabilities are not discounted.

**1. Accounting Policies (continued)**

**j) Pension Costs**

The Group operates a number of pension schemes providing benefits for its employees. Contributions in respect of the Group's defined contribution scheme are charged to the profit and loss account for the year in which they are payable. Costs in respect of the Group's defined benefit schemes are accounted for in accordance with FRS 17 'Retirement Benefits' (note 20).

**2. Turnover**

Turnover comprises the invoice value of goods and services supplied by the Group within its ordinary activities exclusive of value added tax and intra-group transactions. The analysis of turnover is as follows:

	<b>Group &amp; Authority</b>	
	<b>2008</b>	2007
	<b>£000</b>	£000
Ship, passenger and goods dues	<b>6,492</b>	5,334
Marine services	<b>4,982</b>	6,459
Pilotage services	<b>4,966</b>	4,446
Rents	<b>1,388</b>	1,117
Miscellaneous income	<b>660</b>	384
	<b>£ 18,488</b>	£ 17,740

**3. Operating profit is stated after charging/(crediting):**

	<b>Group &amp; Authority</b>	
	<b>2008</b>	2007
	<b>£000</b>	£000
Staff costs (note 5)	<b>8,067</b>	7,773
Depreciation of tangible fixed assets (note 10)	<b>1,942</b>	2,066
Deferred revenue (note 18)	<b>(555)</b>	(396)
Hire and operating leasing charges	<b>39</b>	30
Auditors' remuneration		
- audit of Authority and consolidated accounts	<b>33</b>	32
- audit of Authority pension scheme	<b>2</b>	2
- other services – Authority	<b>1</b>	1
- audit of Milford Docks Company pension scheme	<b>1</b>	1

#### 4. Authority Members' Remuneration

	Group & Authority	
	2008	2007
	£000	£000
Fees	77	75
Other emoluments (including pension contributions)	370	372
	<b>£ 447</b>	£ 447

The number of Authority members to whom retirement benefits are accruing under defined benefit schemes is 3 (2007 – 3).

The Authority members' remuneration disclosed above (excluding pension contributions) included amounts paid to:

	Group & Authority	
	2008	2007
	£000	£000
Chairman	21	24
Highest paid member	131	131

The emoluments of other Authority members (excluding pension contributions) were in the following ranges:

	Group & Authority	
	2008	2007
	Number	Number
£Nil	3	2
£1 to £5,000	4	4
£5,001 to £10,000	4	4
£10,001 to £55,000	1	1
£55,001 to £80,000	1	-
£80,001 to £85,000	-	1
£85,001 to £90,000	1	1

Two Authority members waived their entitlement to board fees in the year (2007 - 2) and are included in the above table in the £Nil band.

#### 5. Staff Costs

	Group & Authority	
	2008	2007
	£000	£000
Wages and salaries	6,193	5,894
Social security costs	569	553
Other pension costs	1,305	1,326
	<b>£ 8,067</b>	£ 7,773

This includes amounts paid to Authority members as disclosed in note 4.

The average monthly number of employees during the year was as follows:

	Group & Authority	
	2008	2007
	Number	Number
Operational staff	132	132
Office staff	65	64
	<b>197</b>	196

Notes to the Financial Statements - 31st December 2008 (continued)

**6. Interest Receivable and Similar Income**

	Group		Authority	
	2008 £000	2007 £000	2008 £000	2007 £000
Interest receivable from associates	63	267	63	267
Share of associates interest receivable	78	19	-	-
Other interest received	2	10	2	10
	<b>£ 143</b>	£ 296	<b>£ 65</b>	£ 277

**7. Interest Payable and Similar Charges**

	Group		Authority	
	2008 £000	2007 £000	2008 £000	2007 £000
Bank overdraft and loan	69	41	69	41
Interest on Inter-Company Loans	-	17	-	17
3.5% debenture stock	3	3	-	-
Share of associates interest payable	43	138	-	-
Interest due on late payment of tax	-	9	-	9
	<b>£ 115</b>	£ 208	<b>£ 69</b>	£ 67

**8. Pilotage**

The revenue and expenditure relating to pilotage can be summarised as follows:

	2008 £000	2007 £000
<b>TURNOVER</b>		
Providing pilotage services	4,928	4,405
Issue and use of pilotage exemption certificates	38	41
	<b>£ 4,966</b>	£ 4,446
<b>EXPENDITURE</b>		
Providing the services of a pilot	1,929	2,023
Providing, maintaining and operating pilot boats	1,710	1,224
Administration and other costs	157	164
	<b>£ 3,796</b>	£ 3,411

**9. Tax on Profit on Ordinary Activities**

**a) Analysis of charge in period**

	Group		Authority	
	2008 £000	2007 £000	2008 £000	2007 £000
Current tax				
UK corporation tax on profit for the year	<b>204</b>	233	<b>204</b>	233
Adjustment relating to previous years	<b>(2)</b>	52	<b>(2)</b>	52
Share of associates' UK corporation tax	<b>1,059</b>	211	-	-
Total current tax charge	<b>1,261</b>	496	<b>202</b>	285
Deferred tax				
Origination and reversal of timing differences	<b>(85)</b>	(94)	<b>(85)</b>	(94)
Tax on profit on ordinary activities	<b>£ 1,176</b>	£ 402	<b>£ 117</b>	£ 191

**b) Factors affecting tax charge for period**

Group/Authority

The tax charge (excluding share of associates' tax) for the current and prior periods is lower than the corporation tax rate applicable to the Authority.

The differences are explained below:

	Group		Authority	
	2008 £000	2007 £000	2008 £000	2007 £000
Profit on ordinary activities before tax (excluding share of associates operating result)	<b>967</b>	2,273	<b>1,189</b>	6,218
Profit on ordinary activities multiplied by the applicable Group /Authority rate of corporation tax of 28.50% (2007 – 27.95%)	<b>276</b>	635	<b>339</b>	1,738
Depreciation in excess of capital allowances	<b>27</b>	104	<b>27</b>	104
Pension cost relief in excess of pension cost charge	<b>(69)</b>	(47)	<b>(69)</b>	(47)
Permanent differences	<b>(30)</b>	(459)	<b>(93)</b>	(1,562)
Adjustment in respect of previous periods	<b>(2)</b>	52	<b>(2)</b>	52
Share of associates' tax	<b>1,059</b>	211	-	-
Current tax charge for the period	<b>£ 1,261</b>	£ 496	<b>£ 202</b>	£ 285

**c) Factors that may affect future tax charges**

The Group/Authority has tax allowances available to claim against future profits. The standard rate of corporation tax in the UK changed from 30% to 28% with effect from 1 April 2008. Accordingly, the Group's/Authority's profits for this accounting period are taxed at an effective rate of 28.5% and will be taxed at 28% in the future.

Deferred taxation is disclosed in note 17.

**10. Tangible Fixed Assets****Group & Authority**

	Investment/owner occupied property assets and specialised marine assets £000	Plant & Equipment £000	Dredging Works £000	<b>Total £000</b>
<b>Cost or Valuation</b>				
at 1 January 2008	40,436	9,097	2,038	<b>51,571</b>
Additions	3,585	1,643	-	<b>5,228</b>
Disposals	-	(126)	-	<b>(126)</b>
Revaluation	(3,627)	-	-	<b>(3,627)</b>
Reclassification	50	(50)	-	<b>-</b>
At 31 December 2008	£ 40,444	£ 10,564	£ 2,038	<b>£ 53,046</b>
<b>Depreciation</b>				
at 1 January 2008	2,513	5,399	1,042	<b>8,954</b>
Charge for the year	1,255	585	102	<b>1,942</b>
Disposals	-	(88)	-	<b>(88)</b>
Revaluation	(3,768)	-	-	<b>(3,768)</b>
At 31 December 2008	-	£ 5,896	£ 1,144	<b>£ 7,040</b>
<b>Net book value</b>				
<b>At 31 December 2008</b>	<b>£ 40,444</b>	<b>£ 4,668</b>	<b>£ 894</b>	<b>£ 46,006</b>
At 31 December 2007	£ 37,923	£ 3,698	£ 996	£ 42,617

Included in the net book value of investment/owner occupied property assets and specialised marine assets is £184,000 (2007 - £189,000) in respect of long leasehold property.

On 31 December 2008 an interim valuation was undertaken in respect of the Authority's investment/owner occupied property assets and specialised marine assets. Investment/owner occupied property assets were valued by DTZ on the basis of market value in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Standards. Atkins valued specialised marine assets on the basis of depreciated replacement cost in accordance with industry specific indexes and guidelines. Both DTZ and Atkins are suitably qualified external valuers. The last full valuation was on 31 December 2005.

These valuations have been incorporated into the financial statements and the resulting revaluation adjustments taken to the revaluation reserve. The revaluations during the year ended 31 December 2008 resulted in a revaluation surplus of £141,081 (note 19).

If the revalued assets were stated on the historical cost basis, the net book value of those assets would be £27,942,053.

**11. Fixed Asset Investments****Group**

a) Subsidiary companies

<b>Name</b>	<b>Proportion</b>	<b>Nature of business</b>	<b>Country of incorporation</b>
Milford Marine Services Limited	100% owned by Milford Haven Port Authority	Marine contractor	Great Britain
Milford Docks Company	98.2% owned by Milford Haven Port Authority	Dock operator	Great Britain

The above holdings consist of ordinary shares. Neither subsidiary traded through the year and Milford Marine Services Limited was dissolved on 24th March 2009.

b) Associate companies

The associated companies are:

<b>Name</b>	<b>Nature of business</b>	<b>Shareholding</b>
Ledwood Mechanical Engineering Limited	Mechanical Engineering	26.6%
Williams Marine and Port Services Limited	Marine Services and Vessel Hire	50%

During January 2008 the Group (and Authority) sold its shares in Phoenix Bowl Limited.

**11. Fixed Asset Investments (continued)**

	<b>2008</b>	2007
	<b>£000</b>	£000
<b>Share of net assets of associates</b>		
At 1 January	<b>2,109</b>	494
Share of retained profit for the year	<b>2,532</b>	837
Disposal of investment in associate	<b>(106)</b>	-
Write back provision on investment in associated companies	-	(717)
Reversal of provision in investment in Ledwood Mechanical Engineering Limited	-	1,525
Redemption of preference shares	<b>(200)</b>	-
Repayment of loan stock	<b>(1,570)</b>	(30)
At 31 December	<b>£ 2,765</b>	£ 2,109

The following information has been extracted from the financial statements of the associated companies:

	<b>2008</b>	2007
	<b>£000</b>	£000
Share of turnover	<b>19,904</b>	12,755
Share of profit before tax	<b>3,715</b>	1,047
Share of taxation	<b>1,058</b>	211
Share of profit after tax	<b>2,656</b>	837
Share of fixed assets	<b>884</b>	1,127
Share of current assets	<b>5,121</b>	3,736
Share of current liabilities	<b>(2,875)</b>	(3,364)
Share of liabilities due after more than one year	<b>(384)</b>	(1,199)

**Authority**

a) Subsidiary companies

	<b>2008</b>	2007
	<b>£000</b>	£000
Investment in group companies		
At 1 January	<b>1,486</b>	5,773
Repayment of preferred redeemable ordinary shares	-	(2,768)
Provision against subsidiary investment in Milford Docks Company	-	(1,519)
Write off of investment in Milford Marine Services Limited	<b>(50)</b>	-
At 31 December	<b>£ 1,436</b>	£ 1,486

b) Associate companies

	<b>2008</b>	2007
	<b>£000</b>	£000
Investment in associate companies		
At 1 January	<b>1,920</b>	425
Repayment of loan stock	<b>(1,570)</b>	(30)
Reversal of provision for write down in investment in Ledwood Mechanical Engineering Ltd	-	1,525
Redemption of Preference Shares	<b>(200)</b>	-
Disposal of ordinary shares	<b>(10)</b>	-
At 31 December	<b>£ 140</b>	£ 1,920

## Notes to the Financial Statements - 31st December 2008 (continued)

### 12. Stocks

	Group & Authority	
	2008	2007
	£000	£000
Work in progress	53	70
Stock of fuel and goods for resale	44	18
	<b>£ 97</b>	£ 88

The replacement cost of the stock is not considered to be less than the amounts shown above.

### 13. Debtors

	Group & Authority	
	2008	2007
	£000	£000
Trade debtors	2,967	3,601
Other debtors	264	220
Grants receivable	-	11
Amounts owed by associated undertakings	-	585
Prepayments and accrued income	489	399
	<b>£ 3,720</b>	£ 4,816

No amounts fall due after more than one year.

'Other debtors' include £224,000 (2007 - £191,000) in respect of taxation.

### 14. Creditors - amounts falling due within one year

	Group		Authority	
	2008	2007	2008	2007
	£000	£000	£000	£000
Bank overdrafts	19	470	19	470
Trade creditors	942	1,081	942	1,081
Amounts owed to associated undertakings	-	5	-	5
Social security	184	168	184	168
Other creditors	12	30	-	17
Accruals and deferred income	1,652	1,963	1,632	1,943
Secured bank loan	166	-	166	-
Corporation tax	203	283	203	283
	<b>£ 3,178</b>	£ 4,000	<b>£ 3,146</b>	£ 3,967

### 15. Creditors - amounts falling due after more than one year

	Group		Authority	
	2008	2007	2008	2007
	£000	£000	£000	£000
Amounts owed to group undertakings	-	-	1,586	1,638
3.5% debenture stock	87	87	-	-
Secured bank loan:				
- between one and two years	176	-	176	-
- between two and five years	591	-	591	-
- after five years	1,214	-	1,214	-
	<b>£ 2,068</b>	£ 87	<b>£ 3,567</b>	£ 1,638

The 3.5% debenture stock is secured on the undertakings of Milford Docks Company and is not subject to repayment. In accordance with section 3 of The Milford Docks Act 1972, the 3.5% debenture stock can be purchased and cancelled by Milford Docks Company at the discretion of the directors.

### 16. Loans & Borrowings

a) The Authority was authorised as at 31 December 2008 to borrow sums not exceeding £50 million.

The Authority has provided a guarantee by way of general debenture to its bankers over all its assets.

Secured bank loan

The Authority entered into a loan agreement secured on the property known as Pembroke Port Gate 4 in Pembroke Dock.

b) Under The Milford Docks Act 1981, The Milford Docks Company is empowered to raise finance by the creation and issue of share capital, or by loans or mortgage of the undertaking, or by the creation and issue of debenture stock, or wholly or partly by one or more of those modes up to a maximum of £20 million. The amount raised by the company at 31 December 2008 under these provisions was made up as follows:

	£000
Ordinary shares - paid up amount	1,463
3.5% debenture stock	87
	<b>£ 1,550</b>

In addition to its power to raise finance by the issue of capital and loans, the company is also empowered by The Milford Docks Act 1981 to incur temporary loans not exceeding £5 million.

### 17. Provisions for Liabilities and Charges

	Group & Authority £000	
Provision for Deferred Taxation:		
Balance as at 1 January 2008		1,969
(Credit) to profit and loss account		(85)
Balance as at 31 December 2008		<b>1,884</b>

The components of deferred taxation are as follows:

	Group & Authority	
	2008	2007
	£000	£000
Accelerated capital allowances	1,884	1,969
	<b>£ 1,884</b>	£ 1,969

As regards the Group and the Authority, deferred taxation unprovided for amounted to £ Nil (2007 - £ Nil).

### 18. Accruals and Deferred Income

Deferred capital grants

	Group & Authority	
	2008	2007
	£000	£000
Balance brought forward	6,880	7,244
Grants received/transferred in year	25	21
Released to profit and loss account	(555)	(396)
Grants receivable	-	11
	<b>£ 6,350</b>	£ 6,880

## 19. Statement of Reserves

	Group		Authority	
	Profit & Loss Account £000	Revaluation Reserve £000	Profit & Loss Account £000	Revaluation Reserve £000
Balance brought forward	23,813	10,700	23,613	10,700
Profit for the financial year after taxation	3,506	-	1,072	-
Revaluation gain in the year	-	141	-	141
Actuarial loss on pension schemes	(1,909)	-	(1,909)	-
Movement in deferred tax on pension	428	-	428	-
Balance carried forward	25,838	10,841	23,204	10,841

## 20. Pension Commitments

The Group/Authority operates a number of pension schemes providing benefits for its full-time employees as follows:

- A defined contribution scheme where the assets of the scheme are held separately from those of the company in an independently administered fund. Pension contributions payable to the fund amounted to £87,000 (2007 - £74,000). There were no outstanding contributions payable to the fund at the end of the year (2007 - £nil).
- A defined benefit scheme (MDCSBS) on the same basis as that of the Milford Haven Port Authority scheme (MHPARBS). The most recent actuarial valuation on this scheme was as at 1st July 2005. The assumptions, which have the most significant effect on the results of the valuation, are those relating to the return on investments, the rate of increase in salaries and the rate of mortality. It was assumed that the investment returns would be 6% per annum, that salary increases would average 4% per annum and that the rate of mortality be based on the A67/70 and PA90 mortality tables.

The pension charge for the year was £19,000 (2007 - £29,000). There were no outstanding contributions payable to the fund at the end of the year (2007 - £nil).

The most recent actuarial valuation showed that the scheme's assets were likely to meet in full the liabilities of the scheme as they fall due. The Authority expects to contribute £22,000 to this scheme during the year to 31 December 2009.

- A defined benefit pension (MHPARBS) scheme providing benefits based on final pensionable pay for its full-time staff. The assets of the scheme are held separately from those of the Authority, being invested in unitised pension scheme investment companies. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Authority. The contributions are determined by a qualified actuary on the basis of triennial valuations. The most recent valuation was as at 1st January 2007. The assumptions which have the most significant effect on the results of the valuation are those relating to the return on investments and the rate of increase in salaries and pensions. It was assumed that the investment returns would be 8% per annum, that salary increases would average 5% per annum and that pension increases would average 3% per annum.

The pension charge for the year was £1,127,000 (2007 - £1,075,000). There were no outstanding contributions payable to the fund at the end of the year (2007 - £nil).

The most recent actuarial valuation showed that the value of the scheme's assets amounted to 91% of the value of the liabilities of the scheme. The Authority expects to contribute £668,000 to this scheme during the year to 31 December 2009.

- In addition to the above schemes some operational pilots are members of the Pilots National Pension Fund (PNPF). Contributions payable to the PNPF amounted to £71,000 (2007 - £147,000).

This is a multi employer defined benefit scheme and the Authority is unable to identify its specific share of the scheme's assets and liabilities. In accordance with FRS 17, this scheme may be accounted for as a defined contribution scheme, the amounts being charged in the financial statements being the contribution payable to the scheme in respect of the year.

### FRS 17 Retirement Benefits

The most recent actuarial valuations of the Authority and Milford Docks Company defined benefit schemes have been updated to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 31 December 2008. Scheme assets are stated at their market value at 31st December 2008.

## 20. Pension Commitments (continued)

The main assumptions used to calculate scheme liabilities under FRS 17 are:

	2008		2007	
	MHPARBS	MDCSBS	MHPARBS	MDCSBS
Inflation rate	2.7%	2.7%	3.3%	3.3%
Discount rate for scheme liabilities	6.4%	6.4%	5.6%	6.0%
Rate of increase in salaries	4.2%	4.2%	4.8%	4.8%
Rate of increase for deferred pensions and pensions in payment	2.7%	2.7%	3.1%	3.2%

The mortality assumptions used were as follows:

Longevity in years at age 65 for current pensioners:				
- Men	22.0	17.3	19.9	17.3
- Women	25.1	21.7	22.8	21.7
Longevity in years at age 65 for future pensioners:				
- Men	23.1	17.9	19.9	17.9
- Women	26.1	22.4	22.8	22.4

Reconciliation of present value of scheme liabilities

	2008		2007	
	MHPARBS £000	MDCSBS £000	MHPARBS £000	MDCSBS £000
1 January	23,598	1,217	23,154	1,299
Current service cost	930	32	951	43
Members contribution	13	-	7	-
Interest cost	1,331	73	1,216	68
Benefits paid	(617)	(68)	(528)	-
Actuarial loss/(gain)	(3,049)	(170)	(1,202)	(193)
31 December	22,206	1,084	23,598	1,217

The value of the assets in the scheme were:

	Value at 31st December 2008		Value at 31st December 2007	
	MHPARBS £000	MDCSBS £000	MHPARBS £000	MDCSBS £000
Equities	10,995	269	15,371	281
Bonds	2,380	1,078	1,731	1,124
Cash	3,560	-	2,714	-
Annuity Contracts	365	-	421	-
Property	69	-	84	-
Total market value of assets	17,369	1,347	20,321	1,405
Present value of scheme liabilities	(22,206)	(1,084)	(23,598)	(1,217)
(Deficit)/Surplus in the scheme	(4,837)	263	(3,277)	188
Unrecognised surplus	-	(183)	-	-
Related deferred tax	1,378	(23)	983	(56)
Net pension (liability)/asset	£ (3,459)	£ 57	£ (2,294)	132

The overall expected long term rates of return on the scheme assets are 6.73% (MHPARBS) and 6.4% (MDCSBS).

The overall expected return on assets has been derived by considering the long expected rate of return for each asset class and taking the average of these rates weighted by proportion invested in each asset class at the year end.

## 20. Pension Commitments (continued)

Reconciliation of market value of scheme assets

	2008		2007	
	MHPARBS £000	MDCSBS £000	MHPARBS £000	MDCSBS £000
1 January	20,321	1,405	18,458	1,498
Expected return on scheme assets	1,411	84	1,303	81
Actuarial gains/(losses)	(4,849)	(96)	46	(200)
Benefits paid	(617)	(68)	(528)	-
Members contribution	13	-	7	-
Contributions paid by employer	1,090	22	1,035	26
31 December	17,369	1,347	20,321	1,405
Actual returns on scheme assets in the year	(3,438)	79	1,349	119

### Analysis of amounts charged to the Group and Authority's profit and loss account:

	2008		2007	
	MHPARBS £000	MDCSBS £000	MHPARBS £000	MDCSBS £000
Current service costs	967	32	991	43
Past service cost	-	-	-	-
Expected return on pension scheme assets	(1,411)	(84)	(1,303)	(81)
Interest of pension scheme liabilities	1,331	73	1,216	68
Total	887	21	904	30

Current service costs are included within operating expenses.

### Actuarial gains and losses

The cumulative amount of actuarial losses recognised in the Group statement of recognised gains and losses is £3,245,000.

### Amounts for current and previous four years (MHPARBS and MDCSBS):

	2008 £000	2007 £000	2006 £000	2005 £000	2004 £000
Defined benefit obligations	(23,290)	(24,815)	(24,453)	(22,945)	(17,268)
Plan assets	18,716	21,726	19,956	18,344	15,599
Surplus/(deficit)	(4,574)	(3,089)	(4,497)	(4,601)	(1,669)
<b>Experience adjustments on plan assets:</b>	<b>(4,854)</b>	43	432	1,711	325
<b>Experience adjustments on plan liabilities:</b>	<b>(218)</b>	(46)	75	(961)	143
<b>Total actuarial gains and losses recognised in the statement of total recognised gains and losses:</b>	<b>(1,909)</b>	1,241	383	(2,748)	(212)

## 21. Capital Expenditure

Capital expenditure contracted for as at 31 December 2008 but not provided for in the financial statements amounted to £ nil (2007 - £ 4,067,000).

## 22. Related Party Transactions

The following summarises the Group's transactions, all of which were on an arms length basis, to its associated undertakings:

	<b>2008</b>	2007
	<b>£000</b>	£000
Services provided to associated undertakings	<b>279</b>	330
Services received from associated undertakings	<b>104</b>	131
Interest payable to associated undertakings	<b>-</b>	17
Interest receivable from associated undertakings	<b>63</b>	267
Preference dividend receivable from associated undertakings	<b>98</b>	-
Dividend receivable from associated undertakings	<b>125</b>	-
Dividend receivable from subsidiary undertakings	<b>-</b>	5,461

Details of investments in associated undertakings and of amounts owed by associated undertakings are set out in notes 11, 13, 14 and 15.

## 23. Returns on Investments and Servicing of Finance

	<b>2008</b>	2007
	<b>£000</b>	£000
Interest received	<b>65</b>	277
Interest paid	<b>(72)</b>	(70)
	<b>£ (7)</b>	£ 207

## 24. Capital Expenditure and Financial Investment

	<b>2008</b>	2007
	<b>£000</b>	£000
Payments to acquire tangible fixed assets	<b>(5,228)</b>	(1,223)
Receipts from sales of tangible fixed assets	<b>48</b>	155
Grants received thereon	<b>25</b>	32
	<b>£ (5,155)</b>	£ (1,036)

## 25. Acquisitions and Disposals

	<b>2008</b>	2007
	<b>£000</b>	£000
Receipts from sale of interest in associate	<b>116</b>	-
	<b>£ 116</b>	-

## 26. Financing

	<b>2008</b>	2007
	<b>£000</b>	£000
Repayment of preferences shares by associate	<b>200</b>	-
Repayment of loan stock by associates	<b>1,570</b>	30
Bank loan introduced	<b>2,160</b>	-
Capital repayments in respect of bank loan	<b>(13)</b>	-
	<b>£ 3,917</b>	£ 30

## Notes to the Financial Statements - 31st December 2008 (continued)

### 27. Analysis of Changes in Net Debt

	At 1 January 2008 £000	Cash Flows £000	At 31 December 2008 £000
Cash at bank and in hand	8	992	1,000
Bank overdraft	(470)	451	(19)
Net cash	(462)	1,443	981
Debt due within one year - bank loan	-	(166)	(166)
Debt due after one year - bank loan	-	(1,981)	(1,981)
Debt due after one year - 3.5% debenture stock	(87)	-	(87)
Net debt	£ (549)	£ (704)	£ (1,253)

### 28. Reconciliation of Net Cashflow to Movement in Net Debt

	2008 £000	2007 £000
Increase in cash in the year	<b>1,443</b>	1,932
Cash inflow from increase in debt – bank loan	<b>(2,160)</b>	-
Cash outflow from decrease in debt (capital repayment)	<b>13</b>	-
Change in net debt resulting from cash flows	<b>(704)</b>	1,932
Net debt at 1 January	<b>(549)</b>	(2,481)
Net debt at 31 December	<b>£ (1,253)</b>	£ (549)

### 29. Contingent Liability

The Authority, in common with other competent harbour authorities, has been made aware of a significant deficit in the Pilots National Pension Fund (PNPF). There is currently ongoing litigation in respect of the recovery of this deficit, the outcome of which is uncertain.

### 30. Comparatives

Certain corresponding figures have been amended to make them consistent with current year disclosure policies.



HRH Princess Marina, Duchess of Kent performing the opening ceremony of the Milford Haven Conservancy Board Offices on 19th May 1964. Also in the photograph are JA Sullivan the Conservancy Board's first General Manager (1959 - 1983) and The Rt Hon R Hanning Philipps, Chairman of the Board (1963 - 1976).



## Milford Haven Port Authority

### Contact us:

Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3ER  
Tel: +44 (0)1646 696100  
Fax: +44 (0)1646 696125  
E-mail: [enquiries@mhpa.co.uk](mailto:enquiries@mhpa.co.uk)  
[www.mhpa.co.uk](http://www.mhpa.co.uk)

### Divisions:

#### Marine Division

Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3ER  
Tel: +44 (0)1646 696100  
Fax: +44 (0)1646 696125  
Email: [marine@mhpa.co.uk](mailto:marine@mhpa.co.uk)

#### Engineering Division

Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3ER  
Tel: +44 (0)1646 696100  
Fax: +44 (0)1646 696125  
Email: [engineering@mhpa.co.uk](mailto:engineering@mhpa.co.uk)

#### Commercial Division

Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3ER  
Tel: +44 (0)1646 696100  
Fax: +44 (0)1646 696125  
Email: [commercial@mhpa.co.uk](mailto:commercial@mhpa.co.uk)

#### Milford Marina

Cleddau House, Milford Haven SA72 3AF  
Marina: Tel: +44 (0)1646 696312  
Fax: +44 (0)1646 696314  
Email: [marina@mhpa.co.uk](mailto:marina@mhpa.co.uk)

#### Milford Docks

Cleddau House, Milford Marina, Milford Haven, Pembrokeshire SA73 3AF  
Docks: Tel: +44 (0)1646 696300  
Fax: +44 (0)1646 696302  
Email: [docks@mhpa.co.uk](mailto:docks@mhpa.co.uk)

#### Quayside Estates

Suite 4B, Cedar Court, Milford Haven, Pembrokeshire SA73 3LS  
Tel: +44 (0)1646 696380  
Fax: +44 (0)1646 696381  
Email: [estates@mhpa.co.uk](mailto:estates@mhpa.co.uk)

#### Milford Haven Ship Repairers

The Docks, Milford Haven, Pembrokeshire SA73 3DJ  
Tel: +44 (0)1646 696320  
Fax: +44 (0)1646 696321  
Email: [mhsr@mhpa.co.uk](mailto:mhsr@mhpa.co.uk)

#### Pembroke Port and Ferry Terminal

Port Office, The Royal Dockyard, Pembroke Dock, Pembrokeshire SA72 6TD  
Tel: +44 (0)1646 623420  
Fax: +44 (0)1646 623439  
Email: [pembport@mhpa.co.uk](mailto:pembport@mhpa.co.uk)

#### Marketing & Communications Department

Gorsewood Drive, Milford Haven, Pembrokeshire SA73 3ER  
Tel: +44 (0)1646 696100  
Fax: +44 (0)1646 696125  
Email: [marketing@mhpa.co.uk](mailto:marketing@mhpa.co.uk)

### Joint Venture Partnerships and Associated Companies

Published by Milford Haven Port Authority and produced in Pembrokeshire with the grateful assistance of our staff.

Design: [rockpooldesign.co.uk](http://rockpooldesign.co.uk)

Print: Forrest (DWW) Print

Photography: Mike Crutchley, Rohan Holt, Aurora Imaging, MHPA staff, Fred Olsen, Roger Paice Associates, Welsh Sailing Venture.

Special thanks to John Evans and Ted Goddard for use of their photographic archives.

This publication is printed on paper from sustainable forests using vegetable based inks.

**Ledwood**

MECHANICAL ENGINEERING

Tel: 01646 623600 Fax: 01646 623699  
Email: [wales@ledwood.co.uk](mailto:wales@ledwood.co.uk)  
[www.ledwood.co.uk](http://www.ledwood.co.uk)



Main ops: Tel: 01646 692418 24hrs/  
01646 684169 24hrs  
Fax: 01646 687153  
Email: [bob@wmmps.co.uk](mailto:bob@wmmps.co.uk)  
[www.wmmps.co.uk](http://www.wmmps.co.uk)



#### **Chairman**

- 1958** The Lord Dynevor, CBE MC  
**1963** The Hon R Hanning Philipps, MBE  
**1976** T S Roberts  
**1982** Raymond Cory, CBE  
**1994** R C Hastie, CBE  
**2000** D R S Clarke  
**2007** D G Benson

#### **General Manager**

- 1959** J A Sullivan, OBE  
**1983** R C Livesey, CBE  
**1987** M J Hyslop MBE  
**1998** A E Sangster

#### **Chief Executive**

- 2003** A E Sangster

#### **Harbourmaster**

- 1959** Capt G Dudley, OBE  
**1986** Capt J E Frost, MBE  
**1995** Capt M C Andrews

