

# Welsh Government Response to ETRA Committee Report

Holyhead Port storm damage and closure: Initial findings.

Set out below are the Welsh Government's responses to each of the Committee's recommendations and conclusions from the April 2025 report: Holyhead Port storm damage and closure: Initial findings.

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The Welsh Government must undertake a lesson learned review from the Port closure and publish the findings. This should include lessons from the acute response to the closure but also any overarching lessons from the ongoing incident.

# Response: Reject

- 1. Firstly, we would reemphasise that the ports in Wales handling Irish Sea traffic are commercial entities either privately owned and operated or operate on a Trust basis.
- 2. We are committed to the delivery of the Taskforce on the resilience of sea connectivity between Wales and Ireland following the temporary closure of Holyhead Port.
- 3. The second taskforce meeting will focus on contingency planning. Lessons identified will be an integral part of the discussion in this meeting and each respective member will be given an opportunity to consider the contribution they can make in the event of any future port closure and how we can work together to minimise its impact.

The Committee believes the incident may have been better managed if there had been a specified Cabinet Secretary leading Welsh Government's response. In any future incidents of this scale or complexity Welsh Government should agree a Ministerial lead who will oversee and be held accountable for management of the response.

# Response: Reject

- 4. Whilst recognising that there are always improvements that can be made to incident response arrangements, we reject the assertion that this incident was not well managed. The outcome speaks for itself.
- 5. Through the leadership of both the Welsh and Irish Governments and effective collaboration between sector stakeholders, people and goods were able to cross the Irish Sea ahead of the Christmas holiday. We believe very strongly that the Welsh Government response benefitted from the capabilities and sector expertise of both Cabinet Secretaries.

Members feel they still do not have a clear picture of how the Welsh Government's response to the incident and port closure unfolded. The Welsh Government should set out a timeline of internal actions it took in response to the closure from the first collision on 6 December 2024. This should include steps taken to obtain the most up to date trade data from HMRC.

# Response: Partial Acceptance

- 6. From 06 December, the closure of the Port of Holyhead was dealt with as part of the Welsh Government's Civil Contingency arrangements as part of the wider Storm Darragh response. Civil Contingency teams have well established procedures and practices which were implemented as part of this response. Situation reports were completed daily which recorded all updates.
- 7. The Welsh Government, the North and Mid Wales Trunk Road Agency, alongside Cyngor Sir Ynys Môn, had activated their wellestablished stacking arrangements for ports closure.
- 8. On 07 December, the situation report confirmed the Port of Holyhead was closed until at least Monday 09 December due to structural damage at the port.
- 9. On 11 December an email from the Operations Manager at Stena Line Ports indicated that the diving inspections "had been encouraging......and that they had a high level of confidence in opening on 12 December."
- 10. On 12 December an email from Stena Line Ports indicated further inspections were required, and they would push back re-opening another 24 hours. Stena Line Ports also indicated that they were liaising with freight customers and were running additional services to Fishguard and Birkenhead. Again, both ferry operators continued to take bookings for future sailings. On 12 December, given the

emerging situation in terms of significant HGV traffic on Ynys Môn, Welsh Government officials strongly suggested to the port operator that communications setting out the port was closed until further notice would be more appropriate, in order to avoid potential welfare issues for those travelling to the area.

- 11. In late afternoon on 12 December, CSTNW met with Stena Line Ports and Cyngor Sir Ynys Môn to discuss the ongoing closure of the port, and the steps Stena Line Ports were taking to resume services. The Port Authority indicated to the Cabinet Secretary and the Leader of the local authority that the port would remain closed until 19 December. The Welsh Government offered to support the Port Authority, but this offer was rejected.
- 12. On 12 December, the Port of Holyhead closure was no longer considered a civil contingencies matter, as HGVs began to move to other ports, lessening the immediate impacts on Ynys Môn, but increasing the pressures elsewhere (Birkenhead and Cairnryan). Within Welsh Government, the matter was moved to be under the remit of the Transport Divisions.
- 13. On 14 December, a Written Statement was issued: <u>Written Statement: Port of Holyhead Closure (14 December 2024)</u>.
- 14. On Sunday 15 December, the Cabinet Secretary for Transport and North Wales met Irish Ministers to discuss the situation at Holyhead port and to identify actions to mitigate the temporary closure which at that stage, and on the basis of the information provided by the Port Authority itself, was expected to last until 19 December. On 17 December, Stena Line Ports convened a meeting with Irish Government Ministers, the Cabinet Secretary for Transport and North Wales and the Cabinet Secretary for Economy, Energy and Planning. The Port Authority in updating its position of the 12 December confirmed the Port of Holyhead would now be closed until 15 January at the earliest. Stena Line Ports informed both governments at the same time as it informed the sector and general public via a press release. The Welsh Government issued a Joint Communique with

the Irish Government on that day: <u>Joint Communique from the Welsh</u> Government and the Irish Government - Port of Holyhead (17 December 2024)

- 15. Officials from across Welsh Government were working across the various aspects of the closure. This work included preparing daily situation reports with input from the Welsh Government's Dublin Office, UK Government, Irish Government, Stena Line Ports, Stena Line Ferries, Irish Ferries, ports across Wales and Liverpool, Local Government and freight companies.
- 16. We took steps to identify, facilitate and deliver increased capacity at Welsh Ports, encouraging ports and operators to add additional routes, identified and managed potential stacking issues at ports where capacity was being added, and monitored daily the numbers of all freight and passengers making the crossings against the capacity.
- 17. We ensured alternative transport provision was put in place such as extra capacity on trains and replacement bus services to enable passengers to reach alternative ports.
- 18. We focussed on communication with the public with a range of written statements and social media updates, as well as speaking directly to media outlets. This complemented the updates being provided directly by the Port Authority and ferry operators.
- 19. On 19 December, we issued a Written Statement indicating the progress that was being made: Written Statement: Welsh Government Update Following the Temporary Closure of Holyhead Port (19 December 2024).
- 20. Work continued throughout the Christmas period with officials having near daily meetings with stakeholders.

- 21. On 7 January 2025, the Cabinet Secretary for Transport and North Wales issued a statement during Plenary, as well as taking part in a plenary discussion on the closure: Statement by the Cabinet Secretary for Transport and North Wales: Port of Holyhead (7 January 2025) Item 5.
- 22. Officials were in regular discussions with Stena Line Ports to confirm the re-opening date of 16 January and ensure the consistency of communications about the port's re-opening.
- 23. On the 16 January we issued a Written Statement following the reopening of Holyhead Port: <u>Written Statement</u>: <u>Welsh Government</u> Statement Following the Reopening of the Port of Holyhead (16 January 2025)

The Welsh Government should urgently decide what financial and other support it will provide to local businesses affected by the closure and publicly communicate the reasons for its decision.

# Response: Reject

- 24. We draw the Committees' attention to the fact that the port of Holyhead is not owned by the Welsh Government: it is a privately owned and operated port. As such, Welsh Ministers are not responsible for the infrastructure that failed.
- 25. Notwithstanding the above, both the Cabinet Secretary for the Economy, Energy and Planning and the Cabinet Secretary for Transport and North Wales have consistently stood ready to support businesses affected by the Port's closure, subject to confirmation and discussion of requirements by Cyngor Sir Ynys Môn. This is consistent with the approach taken when the Menai Suspension Bridge had to be closed urgently in October 2022, impacting on businesses operating in Menai Bridge and its surrounding areas.
- 26. In terms of the timeline, on the 20 December, Welsh Government officials and counterparts in Cyngor Sir Ynys Môn agreed on the following joint approach to assessing and understanding the impacts of the port's closure on businesses:
  - that the Council and WG continue to work closely together;
  - we learn from our experiences (lessons learned) from the closure of Menai Suspension Bridge to gathering information from local businesses (Holyhead and the Island);
  - an online portal will be launched soon in January for businesses to share evidence of the impacts of the Port closure;
  - we are keen to capture the economic, employment and chain of delivery – as well as community impacts;
  - Business Wales stood ready to respond to business enquiries on case by case basis.

- 27. The Holyhead Port Closure: Impact Survey Results Summary Report was submitted to us by Cyngor Sir Ynys Môn on the 14 February. This work was carried out alongside a case study, funded by the Welsh Government's Smart Towns Programme. The 'Trefi Smart Cymru Case Study' measured the impact of the port closure on Holyhead High Street, between 6 December 2024 and 15 January 2025.
- 28. An initial meeting with the Chief Executive was held on the 19
  February to consider the findings of the reports and consider
  potential responses. This was followed up by email on 21 February
  confirming the potential to develop tailored business support and
  inviting an indicative timeline, and by a subsequent email on 5 March
  outlining two potential non-domestic rates (NDR) options for the local
  authority to consider which could provide direct financial support for
  affected businesses
- 29. Cyngor Sir Ynys Môn wrote to the Welsh Government on 10 April formally outlining their proposed package of business support. Initial appraisal of the wide range of activities suggests that they would help address the challenges that threaten the vibrancy of Holyhead's town centre and wider visitor economy. On that basis, the Welsh Government has responded positively and will work quickly with Cyngor Sir Ynys Môn to develop and agree funding so that these actions can be implemented as swiftly as possible.

Financial Implications: managed within existing budget

The Welsh Government should expedite its work to implement the recommendations in the Committee's A New Direction for HGV Drivers and to bring forwards the maritime and ports strategy and freight plan as a matter of urgency once the task force has completed its work.

# Response: Partial Acceptance

- 30. The Welsh Government will expedite work on the Freight and Logistics Strategy. This work will take place alongside the work of the Taskforce.
- 31. As part of the strategy, driver welfare and safe parking will be considered. We will also learn from what others are doing in this space.

The Committee intends to monitor the work of the Irish Sea Task force. To assist with this, the Welsh Government must set out full details of its terms of reference, membership and tasks including timescales. The Task force should regularly update the Committee. The Irish Sea Task force's objectives should include:

- Understanding the causes of the events at Holyhead to understand whether there are any implications for the wider ports sector or ports policy;
- Ensuring the future safety of the Port;
- Improving facilities for drivers at / en route to Holyhead
- Assessing the resilience of, and improving transport links, to Holyhead including consideration of rail connections;
- Supporting the long-term viability of the Port and avoiding trade diversion; and
- Ensuring there is a strong contingency plan for any future closure at Holyhead in particular and Welsh ports in general. This should include traffic management, communications, implementation of alternative maritime routes and support for local businesses.

# Response: Partial Acceptance

- 32. The Terms of Reference (TOR) for the Taskforce outlines the key areas it will focus on. The TOR can be found here: <u>Taskforce on sea</u> connectivity between Wales and Ireland: terms of reference | GOVWALES
- 33. During the Taskforce's first meeting, members agreed that future meetings of the Taskforce will include: contingency planning; a Holyhead focused meeting; a southern routes specific meeting; and the future developments of ports. A final meeting will review each thematic session and members of the Taskforce will agree to key actions that they will take forward. Progress against these actions will be monitored with a commitment to review after 6 months.
- 34. The ETRA Committee will be kept informed, along with other members of the Contact Group, with a note following each meeting.

- 35. As the port of Holyhead is privately owned and managed, the safety of the port, alongside the long-term viability of the Port is a matter for Stena Line Ports.
- 36. Port and maritime safety is a reserved matter for the UK Government. Following the ETRA committee on 06 March we have submitted further information on the regulations of ports to the Committee.

# 2. Conclusions

Despite our best efforts, the lines of Ministerial accountability and responsibility are unclear to the Committee and to key stakeholders involved in the response and recovery efforts. Members believe this confusion may have exacerbated issues with Welsh Government's response to this emergency.

- 37. As set out previously in our response to Recommendation 2, whilst recognising that there are always improvements that can be made to incident response arrangements, we reject the assertion that this incident was not well managed.
- 38. Ministerial accountability and responsibility were explained to the Committee. The Cabinet Secretary for Transport and North Wales initially led on the response to the closure of Holyhead Port as it was initially a North Wales related issue. Both the Cabinet Secretary for Economy, Energy and Planning and the Cabinet Secretary for Transport and North Wales used their respective expertise to inform the Welsh Government's response.
- 39. The response to an incident of this nature benefits from the collective expertise of all those involved.

The Committee was dismayed by the apparent lack of speed and urgency in the Welsh Government's response to the closure of Wales' busiest ferry port along a crucial European trade route. The Committee has seen limited evidence that the Welsh Government has adequately addressed the closure in the past three months. Members believe it was local action and collaboration between ports that prevented Holyhead's closure from being a true disaster for Welsh trade and the economy.

- 40.As set out previously in this response, the port of Holyhead is privately owned and managed.
- 41. During the closure, Welsh Government convened a group of officials who co-ordinated a structured response that enabled discussions between Governments and key stakeholders to take place. The Welsh Government published regular clear communications via Written Statements and Press Notices.
- 42. We worked with UK Government departments to deliver additional passenger and goods capacity by them consenting to additional sailings from Dublin via Fishguard and Pembroke Dock, as well as additional freight capacity via ports in England. With the Department for Transport, to implement temporary and limited relaxation of the enforcement of rules for drivers of vehicles affected by the closure of the Port of Holyhead which had caused queues and delays at surrounding ports. In addition, working with our key partners including Cyngor Sir Penfro, Transport for Wales and our Strategic Road Network team, we ensured that road, rail and bus transport links to these new services would operate smoothly, with the necessary capacity over the holiday period and there was suitable provisions for cars and HGV's parking up across Pembrokeshire.
- 43. Since the closure, Welsh Government have continued to support the industry by setting up an Irish Sea taskforce. We will ensure that the committee is updated following each meeting.

- 44.It is disappointing that the Committee's report does not recognise the response and efforts of not only the Welsh Government, but also the Irish Government, in convening partners and actors to mitigate the impact of Holyhead's closure on both sides of the Irish Sea.
- 45. We believe in the principle of subsidiarity in the response to such incidents. Incidents should be managed as locally as possible, with higher tiers of government intervening only when requested and/or as needed. We expect ports and local stakeholders to take the lead in managing such incidents ensuring that Government is kept up to date with reliable and timely information, with central governments intervening to ensure national and international levels of coordination. We would also remind the Committee that these ports are commercial entities

Whilst the Committee was broadly satisfied that the work the Isle of Anglesey County Council undertook gave a clear view of how business were affected by the closure, Members are concerned about the lack of understanding of how the consequences of the closure impacted the workforce. For example, the Committee would like to have a clearer picture of the effects of job losses and lost working hours on households. For this, and any similar future incidents, the Welsh Government should examine how it can work with partners to directly understand the impact on workers as well as businesses.

- 46.As set out previously in this response, Welsh Government Cabinet Secretaries and their officials were in regular contact with counterparts in Cyngor Sir Ynys Môn. In the case of the impact on businesses, this was via the council's Economic Development Team and the approach set out in response to Recommendation 4 above, thereby respecting the principle of subsidiarity in that the council was best placed to source details on the local economic impacts.
- 47. Whilst our agreed approach with the council noted that we would seek to "capture the economic, employment and chain of delivery as well as community impacts", we acknowledge that there is a gap in the data on this point. Furthermore, it is difficult to obtain an accurate understanding of the impacts as the survey was open for a week whilst the port was still closed and two weeks when reopened. Initial respondents may have based their answers on the assumption that there would a reduced number of daily sailings, whereas upon reopening of the port, the number of sailings has been maintained from a single jetty, albeit with an amended timetable which itself may impact local trade.
- 48.We will consider this recommendation as part of our ongoing engagement with Cyngor Sir Ynys Môn and other local stakeholders, in addition to the Holyhead-themed Taskforce meeting.

The Committee outlined concerns about trade diversions in its report, the Border Target Operating Model: A view from Wales report. The Welsh Government must use all available levers to ensure Holyhead remains an attractive choice to avoid trade diversions.

- 49. Since Brexit, there has been a substantial increase in direct ferry traffic between Rosslare and the continent, avoiding the "land bridge" route across Wales and England. This was an inevitable result of creating two regulatory regimes for food, animals and plants where there used to be one. Welsh Ministers support the UK Government's discussions with the European Commission aimed at securing a new agreement which could supersede the need for Borders Target Operating Model (BTOM) controls, which have already been implemented on the south and east coasts of England.
- 50. Welsh Ministers continue to have discussions with the UK and Scottish Governments to ensure that implementation of the BTOM in ports facing the island of Ireland is done in a way which maintains a level playing field for all ports, makes an effective contribution to securing human, plant and animal health across Great Britain, and minimises costs and the risk of delays to businesses. All of this is essential to maintaining the competitiveness of Welsh ports. A further announcement on this is scheduled for the summer, subject to agreement with other administrations.

The Welsh Government has shown a lack of attention to both ports and freight during this Senedd. Members believe that if there had been greater engagement with the Ports and freight sectors, and the recommendations set out in the Committee's A New Direction for HGV Drivers report had been implemented, then Welsh Government would have been in a better position to respond to this crisis. We believe that the delays to both the maritime and ports strategy and freight plan illustrates a lack of engagement with these sectors may have placed the Welsh Government at a disadvantage now.

- 51. The Welsh Government are aware and have fully acknowledged the importance of the Ports and Freight sector to the economy of Wales.
- 52. We meet both the freight and the ports sector on a regular scheduled basis and ensure that they have the support of officials and Cabinet Secretaries across a range of projects and business as usual requirements. Our attention to both these sectors can clearly be seen in our engagement, site visits, attendance at formal events and our clear commitment to setting up the taskforce.
- 53. We had continuous engagement with our ports throughout the Holyhead closure and whilst we could always improve engagement with some sectors, we do not believe this would have placed us in a better position to respond. Our positive engagement with stakeholders continues. This will include the future publication of a ports plan and freight strategy.