

South Hams Salcombe Harbour Board



Title:	Agenda								
Date:	Monday, 17th September, 2018								
Time:	2.30 pm								
Venue:	Main Hall, Cliff House, Salcombe								
Full Members:	<p style="text-align: center;">Chairman Cllr Brazil</p> <p style="text-align: center;">Vice Chairman Mr H Marriage</p> <p><i>Members:</i></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Ms A Jones</td> <td style="width: 33%;">Mr M Taylor</td> </tr> <tr> <td>Mr M Long</td> <td>Cllr Pearce</td> </tr> <tr> <td>Mr M Mackley</td> <td>Cllr Wingate</td> </tr> <tr> <td>Mr I Stewart</td> <td>Cllr Wright</td> </tr> </table>	Ms A Jones	Mr M Taylor	Mr M Long	Cllr Pearce	Mr M Mackley	Cllr Wingate	Mr I Stewart	Cllr Wright
Ms A Jones	Mr M Taylor								
Mr M Long	Cllr Pearce								
Mr M Mackley	Cllr Wingate								
Mr I Stewart	Cllr Wright								
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.								
Committee administrator:	Member.Services@swdevon.gov.uk								

- 1. Apologies for Absence**
- 2. Minutes** **1 - 8**
to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Board held on 16 July 2018
- 3. Urgent Business**
brought forward at the discretion of the Chairman
- 4. Division of Agenda**
to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information
- 5. Declarations of Interest**
Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests, they may have in any items to be considered at this meeting
- 6. Public Question Time**
a period of up to 15 minutes is available to deal with questions from the public
- 7. Feedback from Harbour Community Forums**
to receive verbal reports from Board Members who attend the Harbour Community Forums on behalf of the Board
- 8. Harbour Office/Workshops - Presentation Update**
- 9. 2019/20 Fees and Charges** **9 - 12**
- 10. 2019/20 Budget** **13 - 24**
- 11. Water Quality - Verbal Update**
- 12. Harbour Master's Report - Standing Agenda Item** **25 - 34**

**MINUTES OF THE MEETING OF
THE SALCOMBE HARBOUR BOARD
HELD AT CLIFF HOUSE, SALCOMBE ON MONDAY, 16 JULY 2018**

Members in attendance			
* Denotes attendance		∅ Denotes apology for absence	
*	Cllr J Brazil (Chairman)	*	Ms A Jones
*	Cllr J A Pearce	*	Mr M Long
∅	Cllr K R H Wingate	*	Mr M Mackley
∅	Cllr S A E Wright	*	Mr H Marriage (Vice-Chairman)
		∅	Mr I Stewart
		*	Mr M Taylor

Item No	Minute Ref No below refers	Officers in attendance and participating
All agenda items		Salcombe Harbour Master; Deputy Monitoring Officer; Finance Community Of Practice Lead; and Senior Specialist - Democratic Services
9	SH.7/18	Community Of Practice Lead Assets; and Senior Specialist Assets

SH.1/18 WELCOME

On behalf of the Board, the Chairman welcomed Cameron Sims-Stirling to his first Board meeting since recently being appointed to the role of Salcombe Harbour Master.

SH.2/18 MINUTES

The minutes of the meeting of the Salcombe Harbour Board held on 6 November 2017 were confirmed as a correct record and signed by the Chairman.

SH.3/18 CODE OF CONDUCT DISPENSATIONS

The Deputy Monitoring Officer reminded the Board of the implications under the adopted Code of Conduct. She went on to advise that having a mooring or payment of harbour dues constituted a contract with the Council, and therefore should be declared as a Disclosable Pecuniary Interest (DPI). In the event of declaring a DPI, a Member would have to update their Register of Interest forms immediately.

As a number of Board Members were in this position, the Deputy Monitoring Officer granted a dispensation to all Members to enable them to take part in the meeting, (as stated in Paragraph 8.1 (c) of the Members Code of Conduct) as otherwise the meeting would be inquorate. This dispensation would be in force until the next Annual Council meeting in May 2019.

SH.4/18 **DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be considered during the course of the meeting, and the following were made:

Ms Jones, Mr Mackley, Mr Marriage and Mr Taylor each declared a disclosable pecuniary interest in all related agenda items by virtue of having moorings or paying harbour dues to the Council. As a result of the Solicitor granting each Board Member a dispensation, they were all able to take part in the debate and vote on any related matters (Minute SH.3/18 above refers).

Cllr J Brazil and Mr Taylor both declared a personal interest in agenda item 12: 'Update on the Egremont' (Minute SH.10/18 below refers). Cllr Brazil declared his interest by virtue of having previously been employed by the Island Cruising Club (ICC) and remained in the meeting and took part in the debate and vote thereon. Mr Taylor declared his interest by virtue of being a member of the ICC Committee and also remained in the meeting and took part in the debate and vote thereon.

SH.5/18 **PUBLIC QUESTION TIME**

In accordance with the Procedure Rules, the following members of the public addressed the Board:

(a) Tim Tucker (South Sands Ferry)

Mr Tucker stated his concerns over the recent dinghy races and the fact that the Harbour had been closed for a 50 minute time period. Whilst accepting that it was inappropriate for the Board to consider this matter further at this meeting, Mr Tucker asked that consideration be given in the future to implementing alternative measures rather than closing the Harbour (e.g. by imposing staggered start times).

(b) Dick Martin (Egremont)

Mr Martin highlighted agenda item 12 (Minute SH.10/18 below refers) and read a statement in support of the Egremont retaining its mooring. In urging the Board to reconsider its current stance on the return of the Egremont, Mr Martin's statement made specific reference to:-

- (i) the local economic benefits arising from the Egremont's return;
- (ii) the intention of the Egremont to offer sailing and other watersport opportunities to disadvantaged children. Mr Martin asked that the Board give consideration to the wellbeing of these children before making a final decision;

- (iii) his confidence that the Egremont would not become a noisy party ship. It was confirmed that the intention would be for a well-managed, tightly controlled facility to be created that would not be a nuisance in the Harbour;
- (iv) the intended corporate hospitality events would ensure the financial wellbeing of the business;
- (v) these proposals not constituting a new business start-up;
- (vi) the contents and tone of the Board letter having caused a crisis in confidence amongst the financial backers who were supporting the business venture. Furthermore, Mr Martin questioned whether it was fair for the Egremont to lose its rightful home especially when considering that £300,000 had already been spent on its restoration;
- (vii) the Egremont's Moorings having been paid up to and including March 2018. In addition, Mr Martin clarified that no further payments had been made since he had not received an invoice for payment beyond this period;
- (viii) the ship having previously been an eyesore and an embarrassment. Mr Martin reassured the Board that the returning ship would come back to the Harbour in an excellent condition;
- (ix) his guarantees that all aspects of the returning ship would be fully compliant with the safe running of the Harbour. Moreover, the ship would be an environmentally friendly vessel;
- (x) the Rivermaid. For clarity, Mr Martin informed that the viability of the Rivermaid was an important part of the overall project and its operation was financially unsustainable without the Egremont;
- (xi) it being his wish to present the financial modelling that underpinned the project to a future Board meeting. When questioned, Mr Martin reiterated that he had no reason to doubt the veracity of the finance that supported this project.

In conclusion, Mr Martin thanked the Board for enabling him the opportunity to make his address and he hoped that he could work with the Board to bring the Egremont back to Salcombe.

(c) Stephanie Danby

Ms Danby informed the Board that she had previously been an ICC instructor and had started a petition in support of the Egremont just five days before this meeting. At the time of this meeting, Ms Danby advised that the petition had already obtained 983 signatures and she urged the Board to support the project.

(d) Martin Jenkins

Mr Jenkins highlighted the Harbour's adopted Strategic Business Plan and emphasised that a number of facets within this document (e.g. supporting a thriving local economy, the importance of taking stakeholder engagement seriously and employment in the marine industry) were relevant to the Egremont project. Mr Jenkins proceeded to urge the Board to support the project.

(e) Phil Pritchard

Mr Pritchard expressed a contrary view to the previous speakers and questioned where the Board would stand in the event of the Egremont returning and the business not succeeding. In addition, Mr Pritchard made reference to the proposed future hospitality uses for the vessel and asked the Board to think very carefully before making its decision.

(f) Martin Beck

Mr Beck acknowledged that there was an emotional connection with the Egremont and was aware that vast amounts of money had been loaned and/or gifted to support it. Having taken a keen interest in the project, Mr Beck had not seen a Business Plan and was still to be convinced that the proposals would be financially viable. In order to generate revenue, Mr Beck emphasised the need for the operation to be highly commercial and a training school would not go far enough in this respect. Whilst expressing the view that times were changing, Mr Beck felt sorry for the Board and Mr Martin alike but remained of the view that, in the absence of a robust Business Plan, the vacant Egremont mooring should be reallocated. Finally, Mr Beck recognised that, despite there remaining a demand for a sailing school, the ICC required a new vision.

(g) William Tucker (local landowner)

Mr Tucker handed a letter to the Chairman that stated that, as a local landowner, he would not enter into any easement for services with any party without having previously consulted the Harbour Authority.

SH.6/18

FEEDBACK FROM HARBOUR COMMUNITY FORUMS

The Board received verbal update reports from those Members who attended the Harbour Community Forums. The updates were given as follows:

Salcombe Kingsbridge Estuary Conservation Forum (SKECF)

The representative advised that an issue had been raised regarding water quality that had consequently been addressed by the Environment Agency in September.

South Devon & Channel Shellfishermen

It was noted that Mr Stewart (the newly appointed Board Member) would become the Board representative on the Forum.

Kingsbridge and Salcombe Marine Business Forum

The Forum had welcomed the appointment of the new Harbour Master and it was noted that dialogue between him and the local marine businesses was frequent.

Kingsbridge Estuary Boat Club (KEBC)

The representative advised that he had no issues to report to this meeting.

East Portlemouth

The representative advised that he had no issues to report to this meeting.

SH.7/18 UPDATE OF BATSON MASTERPLAN

The Senior Specialist (Assets) conducted a presentation that made reference to 7 key elements:-

- A multi-deck car park at Shadycombe;
- New units being created alongside the south Quayside;
- The construction of a new Harbour Depot;
- The proposal for permanent boat parking to the north;
- The proposal for seasonal boat and car parking to the south;
- Exploration of community housing being built on Croft Hill; and
- The potential for buildings to be constructed on the back of the Quay for commercial units with residential use above.

In conclusion, the Senior Specialist (Assets) advised of the intention for a further community stakeholder event to be held in September.

In the ensuing debate, the following points were raised:-

- (a) With regard to the proposed commercial units, a Member questioned the apparent lack of parking provision in that area;
- (b) Some Members expressed their deep reservations over the loss of boat, car and trailer parking that would result from the current proposals. Indeed, such were the extent of these concerns, that some Board Members stated the need for these issues to be resolved before they would be able to support these proposals;
- (c) In respect of the multi-deck car park proposals for Shadycombe, a Member highlighted the detrimental visual impact and the extensive engineering works that would be required in order to achieve this element;
- (d) The Board reiterated its wish for some form of incentivised scheme to be in place to ensure that the proposed new commercial units be allocated to genuine local marine businesses. Furthermore, a Member requested that construction costs be kept as low as possible to ensure that the units remained affordable for such local businesses.

In conclusion, it was noted that an officer meeting was to take place in the upcoming weeks to discuss these matters further and the Harbour Master was asked to reflect the Board's concerns at this meeting.

SH.8/18 **2017/18 YEAR END FINANCIAL REPORT**

Members were presented with a report that advised of the Harbour's final trading position in 2017/18 together with brief details of the main variations from the original Budget.

In discussion, reference was made to:-

- (a) the new environmental projects. A Member expressed his disappointment that only £1,893 of the £5,000 funding for environmental projects had been used in 2017/18;
- (b) the schedule of loans. Officers advised that there was one loan currently outstanding which the Board may deem appropriate to repay earlier than was required. Also, the Board noted the potential for an additional loan to be taken out to construct some new pontoons towards the end of 2018;
- (c) the security patrol fees. Whilst acknowledging that the contract ran for a further three years, some Members expressed their scepticism that the current security patrol was providing adequate value for money to the Authority.

It was then:

RESOLVED

1. That the income and expenditure variations for the 2017/18 Financial Year be noted;
2. That the overall trading surplus of £33,784 be noted; and
3. That the surplus (as referred to at 2 above) be allocated to the Harbour's General Reserve Fund.

SH.9/18 **HARBOUR MASTER'S REPORT**

A report was considered that summarised a number of topical issues that affected the Harbour.

In the ensuing discussion, reference was made to:-

- the Board being supportive of the intention to publish the Annual Report in September 2018;
- the Moorings Policy. The Board agreed the suggestion in the published agenda report to establish a Working Group to review the current Moorings Policy.

In terms of timescales, it was felt that this should be undertaken during the winter with the Group recommendations then being considered by the Board at its meeting on 25 February 2019. With regard to its membership, it was agreed that Cllr Brazil, Ms Jones, Mr Long and Mr Marriage would serve on this Working Group;

- the Board supporting the proposal, as part of the retention policy, for the Harbour Authority to request a current copy of the Council Tax bill of the facility holder;
- the noting of the appointment of the new 'Designated Person';
- amending the date of the 2019 Harbour Board Inspection. The Board agreed that the Inspection (and subsequent Board meeting) should be held on Monday, 24 June 2019;
- the creation of a one page performance report. In the future, the Board asked that a performance report be included in the Harbour Master report that included the latest statistical information relating to: yacht visitor nights; the number of launches from Batson; and the number of harbour dues paid at Batson.

It was then:

RESOLVED

1. That the proposal to publish the Annual Report in September be supported;
2. That a Moorings Policy Review Working Group (comprising of Cllrs Brazil, Ms Jones and Messrs Long and Marriage) be established with the intention of reporting its findings to the Board meeting on 25 February 2019;
3. That the Board support, as part of the retention policy, the proposal for the Harbour Authority to write to every facility holder requesting a current copy of their Council Tax bill;
4. That the appointment of the new 'Designated Person' be noted;
5. That the 2019 Annual Harbour Inspection (and subsequent Board meeting) be held on Monday, 24 June 2019; and
6. That a one page performance report be included in future published editions of the Harbour Master's report to the Board.

SH.10/18 **EGREMONT UPDATE**

A report was considered that presented the options for the Board in light of the publicity regarding the Egremont's return to a future mooring in Salcombe.

In discussion, the following points were raised:-

- (a) A number of Members made reference to the eloquent points that had been made during the Public Forum (SH.5/18 above refers) and recognised that this was a very emotive (and difficult) issue for the Board to determine. In particular, Members wished to put on record their gratitude to Mr Martin, who had worked tirelessly on this project;
- (b) One of the major issues for the Board to weigh up was the potential liability and risk implications that would be placed on the harbour should the vessel return. A Member also reminded the Board that the vessel was yet to become compliant with a number of regulations (including fire and rescue matters). In addition, it was the adopted policy of the Board that any application for a 'hotel vessel' in the Harbour would be refused and there was a consequent need to maintain the integrity of the Moorings Policy;
- (c) A further cause for concern was felt to be the continued absence of any due diligence or a robust business plan that was able to provide sufficient confidence to the Board that the project would be financially viable;
- (d) Some Members expressed the view that the vast majority of operational difficulties associated with the project would be resolved if the vessel was berthed alongside a Quayside;
- (e) To counter some of the local comments that had been expressed, Board Members emphasised that the argument that the primary reason for the recommendation was to enable for additional moorings to be placed in the Harbour was simply not true;
- (f) Whilst incredibly regrettable, a number of Members felt that they had no option other than to withdraw the vacant Egremont mooring for reallocation.

It was then:

RESOLVED

That, having considered the current business case information available, the Egremont Trust be advised that the vacant Egremont mooring is to be withdrawn and reallocated.

(Meeting commenced at 1.30 pm and concluded at 3.55 pm)

Chairman

Agenda Item 9

Report to: **Salcombe Harbour Board**
Date: **17 September 2018**
Title: **Proposed Charges 2019-2020**
Portfolio Area: *Commercial Services*
Wards Affected: **All**
Relevant Scrutiny Committee: Overview & Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **N**

Date next steps can be taken: **N/A**
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **C Sims-Stirling** Role: **Harbour Master**
P Goodhead **Assistant Harbour Master**

Contact: **01548 843791**

Recommendations:

That the Harbour Board RECOMMENDS the proposed charges to Council for implementation from 1 April 2019.

- 1. Executive summary.** This report proposes the fees and charges that ensure the Harbour achieves a 'break even' revenue budget.
- 2. Background.** The Harbour's enabling legislation empowers the Harbour Authority to levy fees and charges to meet running costs, repay any capital debts and establish reserves to renew, extend or improve the Harbour. The 2019/20 budget gap is £28,200. Proposals to offset this are set out below.
- 3. Proposed Way Forward.** Mooring hire is increased relatively across the board to cover the increased cost in running the harbour. Resident harbour dues are also increased at a similar percentage. Visitor harbour dues are held so as to retain a uniform pricing structure, these were raised last year to £1 per metre. Town landing overnight charges have also been increased so as to provide a uniform uplift in price in comparison to the standard seasonal rate, regarding the facilities available.

Item	Proposed amendment	Comment
Harbour Dues: Casual dues (visitors) Annual dues (residents)	0 4.0%	Reflects rising costs of undertaking statutory duties
Mooring Hire: Annual Deep Water (residents) Casual Deep Water (visitors) Annual Foreshore (residents) Casual Foreshore (visitors) Store Boxes at Ditch End Overnight - Town Landings	4.0% 0 (rounded) 4.0% 6.0% 0 16.0%	Reflects rising costs of undertaking statutory duties Rounded up, £80 per week To standardise the uplift for facilities offered, + £1 per metre on normal facility
Pontoons: Shadycombe Creek V Quay, Batson & Kingsbridge Whitestrans Licence Fees Whitestrans Pontoon July/August Pontoon for Fishermen, the Spur	4.0% 4.0% 0 0 0	Reflects rising costs of undertaking statutory duties

4. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	The Pier and Harbour (Salcombe) Confirmation Order 1954
Financial	Y	The proposals raise a cumulative £28,200 in 2019-20 to cover the revenue budget gap
Risk	Y	Fees and charges may be insufficient if fewer than expected vessels use the Harbour or if costs rise more than anticipated
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	None
Health, Safety and Wellbeing	N	No adverse impacts
Other implications	N	

Supporting Information

Appendix:

Proposed fees and charges

Background Papers:

None

VISITORS MOORINGS & DUES - 2019/20							
Length		October to March		April, May, September		June, July, August	
		ANCHORAGE		Daily Moorings & Dues	Weekly Moorings & Dues	Daily Moorings & Dues	Weekly Moorings & Dues
		Daily Dues	Weekly Dues				
m	ft	£1.00	£5.00	£1.50	£7.50	£2.00	£10.00
6	19.7	£6.00	£30.00	£9.00	£45.00	£12.00	£60.00
7	23.0	£7.00	£35.00	£10.50	£52.50	£14.00	£70.00
8	26.2	£8.00	£40.00	£12.00	£60.00	£16.00	£80.00
9	29.5	£9.00	£45.00	£13.50	£67.50	£18.00	£90.00
10	32.8	£10.00	£50.00	£15.00	£75.00	£20.00	£100.00
11	36.1	£11.00	£55.00	£16.50	£82.50	£22.00	£110.00
12	39.4	£12.00	£60.00	£18.00	£90.00	£24.00	£120.00
13	42.6	£13.00	£65.00	£19.50	£97.50	£26.00	£130.00
14	46.0	£14.00	£70.00	£21.00	£105.00	£28.00	£140.00
15	49.2	£15.00	£75.00	£22.50	£112.50	£30.00	£150.00
16	52.5	£16.00	£80.00	£24.00	£120.00	£32.00	£160.00
17	55.8	£17.00	£85.00	£25.50	£127.50	£34.00	£170.00
18	59.0	£18.00	£90.00	£27.00	£135.00	£36.00	£180.00
19	62.3	£19.00	£95.00	£28.50	£142.50	£38.00	£190.00
20	65.6	£20.00	£100.00	£30.00	£150.00	£40.00	£200.00
21	69.0	£21.00	£105.00	£31.50	£157.50	£42.00	£210.00
22	72.2	£22.00	£110.00	£33.00	£165.00	£44.00	£220.00
23	75.5	£23.00	£115.00	£34.50	£172.50	£46.00	£230.00
24	78.8	£24.00	£120.00	£36.00	£180.00	£48.00	£240.00
25	82.0	£25.00	£125.00	£37.50	£187.50	£50.00	£250.00

SALCOMBE TOWN LANDINGS - 2019/20							
Length		October to March		April, May, September		June, July, August	
		Daily	Weekly	Daily	Weekly	Daily	Weekly
m	ft	£2.00	£10.00	£2.50	£12.50	£3.00	£15.00
6	19.7	£12.00	£60.00	£15.00	£75.00	£18.00	£90.00
7	23.0	£14.00	£70.00	£17.50	£87.50	£21.00	£105.00
8	26.2	£16.00	£80.00	£20.00	£100.00	£24.00	£120.00
9	29.5	£18.00	£90.00	£22.50	£112.50	£27.00	£135.00
10	32.8	£20.00	£100.00	£25.00	£125.00	£30.00	£150.00
11	36.1	£22.00	£110.00	£27.50	£137.50	£33.00	£165.00
12	39.4	£24.00	£120.00	£30.00	£150.00	£36.00	£180.00
13	42.6	£26.00	£130.00	£32.50	£162.50	£39.00	£195.00
14	46.0	£28.00	£140.00	£35.00	£175.00	£42.00	£210.00
15	49.2	£30.00	£150.00	£37.50	£187.50	£45.00	£225.00
16	52.5	£32.00	£160.00	£40.00	£200.00	£48.00	£240.00
17	55.8	£34.00	£170.00	£42.50	£212.50	£51.00	£255.00
18	59.0	£36.00	£180.00	£45.00	£225.00	£54.00	£270.00
19	62.3	£38.00	£190.00	£47.50	£237.50	£57.00	£285.00
20	65.6	£40.00	£200.00	£50.00	£250.00	£60.00	£300.00
21	69.0	£42.00	£210.00	£52.50	£262.50	£63.00	£315.00
22	72.2	£44.00	£220.00	£55.00	£275.00	£66.00	£330.00
23	75.5	£46.00	£230.00	£57.50	£287.50	£69.00	£345.00
24	78.8	£48.00	£240.00	£60.00	£300.00	£72.00	£360.00
25	82.0	£50.00	£250.00	£62.50	£312.50	£75.00	£375.00

This page is intentionally left blank

Report to: **Salcombe Harbour Board**

Date: **17 September 2018**

Title: **2019/20 Budget**

Portfolio Area: *Commercial Services*

Wards Affected: **All**

Relevant Scrutiny Committee: Overview & Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **Cameron Sims-Stirling** Role: **Harbour Master**

Contact: **01548 843791** cameron.sims-stirling@swdevon.gov.uk

Recommendations:

That the Board RECOMMENDS to Council that the proposed 2019/20 budget set out within the report is approved.

1. Executive summary.

This report proposes the Salcombe Harbour Authority budget for 2019/20 and provides a forecast for 2018/19.

2. Background.

1) The Salcombe Harbour Strategic Business Plan 2017-2022 sets out the challenges and opportunities facing the Harbour over the coming years, and the proposed budget – attached to this report – is based on the assumptions and strategic direction contained within the Business Plan. Key drivers for the proposed budget include:

- continuing to absorb the costs of collecting monies by credit card rather than passing them on to the customer
- providing for increased costs in chain, materials and tool age
- providing additional cleaning for shower facilities
- taking out a £230,000 capital loan to fund the replacement of deteriorating pontoons at Whitestrand (remote), Dentridge and those in the East bag (ex-houseboat moorings). The proposed extensions to Batson and Shadycombe pontoons were evaluated not to be a primary concern at this stage
- continuing to fund reserves and cater for projected capital expenditure
- making a final payment on the existing loan.

3. Outcomes/outputs

The preparation of a detailed and balanced harbour budget ensures that adequate resources are in place to deliver the services identified in the business planning process, and that the Harbour remains financially viable and sustainable in the medium to long term.

4. Issues for consideration:

1) Forecast 2018/19

Gross expenditure is set at £1.13 million in the 2018/19 balanced budget. As at 17 August 2018 a small deficit of £10,200 (0.9%) is forecast for 2018/19 as detailed in Appendix A. This is mainly due to an increase in the cost of chain (£8,900), increases in employee costs (£9,000) and a saving on the loan repayment for the Pontoons project, due to a delay in the start date, now scheduled for 1 October 2018 (£5,700). A detailed budget monitoring report will be brought to the Board in November.

2) Budget 2019/20

The forecast position for 2019/20 is shown at Appendix A, with the 2018/19 budget used as a baseline position. Variations from this baseline, both in terms of the additional resource requirements and identified efficiencies are discussed in detail below, grouped by category of budget head.

3) **Employee costs**

Staff costs are the single largest area of expenditure. The 2019/20 budget is based on the new staffing structure detailed below:

- Bringing the boatmen into line with industry standards, adjusting the shift pay to match duty responsibility and promote self-management
- Removing an assistant harbour master post, sharing duties between the remaining two (office and workshop), increased level of compliance and duties, seasonal responsibility for the boatmen passed between the two
- Redistributing the expenditure on the boat park attendant, shared with SHDC
- Recognising additional responsibility for the senior moorings officer technical/appointed person during winter lifting operations
- Making temporary senior case manager permanent.

It assumes:

- a 2% pay increase
- movement of staff through spinal column points where appropriate

	£	£
Staffing Budget 2018/19		414,500
Additional requirements & inflationary pressures:		
Salaries and wages	24,900	
NI and superannuation	6,000	
Overtime	1,000	
Total additional requirements		31,900
Savings:		
Recharge to Headquarters	(4,300)	
Total savings		(4,300)
Net additional requirements/(savings)		27,600
Staffing Budget 2019/20		442,100

4) **Premises related expenditure**

Following a budget increase in transport R & M last year and a corresponding reduction in tools and materials, the budget has been re-aligned in 2019/20 to reflect actual expenditure levels. In addition the cost of chain has increased along with transport charges. Premises cleaning charges have also risen due to taking on the responsibility of the showers in an effort to improve facilities.

	£	£
Premises Budget 2018/19		330,100
Additional requirements & inflationary pressures:		
Tools and materials – <i>increase funded from general transport R & M budget below</i>	6,500	
Chains and shackles	4,000	
Utilities & Rates	1,100	
Cleaning charges	1,500	
Total additional requirements		13,100
Savings:		
Rents	(2,200)	
Total savings		(2,200)
Net additional requirements/(savings)		10,900
Premises Budget 2019/20		341,000

5) **Supplies and services**

	£	£
Supplies & Services 2018/19		77,700
Additional requirements & inflationary pressures:		
Miscellaneous - AONB Estuary Conservation Programme	300	
Total additional requirements		300
Supplies & Services Budget 2019/20		78,000

6) **Transport**

	£	£
Transport Budget 2018/19		55,100
Additional requirements & inflationary pressures:		
Car allowances	400	
Harbour van	2,000	
Total additional requirements		2,400
Savings:		
General R & M – <i>saving used to increase the tools and materials budget in premises related expenditure above</i>	(6,500)	
Total savings		(6,500)
Net additional requirements/(savings)		(4,100)
Transport Budget 2019/20		51,000

7) **Central support and HQ costs.**

	£	£
Central Support & HQ Budget 2018/19		44,100
Inflationary pressures	900	
Total additional requirements		900
Central Support & HQ Budget 2019/20		45,000

8) **Contributions to Harbour reserves**

The Harbour holds 3 reserves:

- **General Reserve** – comprising the accumulation of generated trading surpluses;
- **Renewals Reserve** – for the replacement of the Harbour’s infrastructure assets, excluding pontoons;
- **Pontoon Reserve** – for the replacement of pontoons;

The principle adopted in the Business Plan is that, wherever possible, sufficient funds are set aside on an annual basis to

provide for the replacement of harbour assets, augmented by borrowing if necessary. A summary of Harbour Reserve balances and proposed contributions for 2019/20 is shown in Appendix B.

9) **Contribution to Council reserve**

The Harbour contributes to the Council's Marine Infrastructure reserve. This is a contribution towards marine infrastructure (eg slipways and quay walls) which are not owned by the Harbour, but from which it benefits. The contribution to this reserve is proposed to continue at £58,000 in 2019/20.

10) **Capital charges**

Capital charges refer to the cost of servicing loans which have been provided by the District Council for the purchase of Harbour assets. In 2019/20 the Batson Pontoons loan is being repaid early. This final payment of £114,000 is being funded from the Pontoons Reserve and will result in a saving of £82,500 in future interest payments. Therefore the loan repayments for 2019/20 have been reduced to solely reflect the new Pontoons Project, with an annual repayment of £12,600 based on the current PWLB interest rate for a 25 year loan of 2.59%. Further details of these loans can be found in Appendix B.

11) **Items to be met from reserves.**

There are a couple of revenue items which have been earmarked to be funded from reserves in 2019/20 as follows:

- A Volvo D2-60 engine - £8,000
- Harbour van - £20,000

This expenditure is offset by a contribution from the renewals reserve shown in Appendix B.

12) **The overall expenditure position 2019/20**

	£
Total Expenditure Budget 2018/19	1,129,600
Net additional requirements/(savings)	26,600

Total Expenditure Budget 2019/20	1,156,200
---	------------------

13) **Income 2019/20**

	£
Total Income Budget 2018/19	(1,129,600)
Additional interest	(400)
Reduced contributions from reserves	2,000
Total Income Budget 2019/20	(1,128,000)

14) **Budget deficit 2019/20**

	£
Total Expenditure Budget	1,156,200
Total Income Budget	(1,128,000)
Budget Deficit	28,200

5. Proposed Way Forward.

It is proposed that the fees and charges are reviewed to reduce the deficit identified above to £0. This is the subject of a separate report.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Pier and Harbour (Salcombe) Confirmation Order 1954
Financial	Y	The report identifies a funding gap of £28,200, before any review of charges. It is anticipated that the shortfall can be met by various amendments to the existing charging structure, as identified in a further report to be considered at the 17 September meeting
Risk	Y	The Harbour maintains three different reserves, one for replacement of plant and vessels, one for the replacement of

		pontoons and a general reserve. In the event of the budget not balancing at the end of the Financial year any surplus is transferred into the General Reserve and any shortfall would be funded from this reserve.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	Y	The proposed budget includes a continuation of the Night Security Patrol, the aim of which is to reduce crime.
Health, Safety and Wellbeing	N	No adverse impacts.
Other implications	N	

Supporting Information

Appendix:

- A. Salcombe Harbour Budget 2019/20
- B. Salcombe Harbour Balances & Loans

Background Papers:

None

Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	Yes/No
SLT Rep briefed	Yes/No
Relevant Exec Director sign off (draft)	Yes/No
Data protection issues considered	Yes/No

SALCOMBE HARBOUR REVENUE BUDGET 2019/2020

APPENDIX A

Actual 2016/2017	Actual 2017/2018	Forecast 2018/2019 At 17/8/18		Budget 2018/2019 (At outturn prices)	Budget 2019/2020 (At outturn prices)	Variance Budget to Budget
£	£	£		£	£	£
385,762	398,285	423,500	Employees:-			
			Harbour	414,500	442,100	27,600
			Premises-Related Expenditure:-			
23,714	22,192	23,000	General Repairs and Maintenance	20,000	26,500	6,500
52,030	63,991	65,000	Security Patrol	65,000	65,000	0
78,952	70,015	79,400	Moorings	67,000	71,000	4,000
261	721	1,000	Insurances	1,000	1,000	0
23,485	22,816	22,900	Utility Charges	22,500	23,600	1,100
132,164	141,467	142,800	Rents	144,100	141,900	(2,200)
9,534	8,835	12,300	Refuse Collection /Cleaning	10,500	12,000	1,500
320,140	330,037	346,400		330,100	341,000	10,900
			Supplies and Services:-			
16,251	15,633	14,500	Equipment	14,600	14,600	0
9,386	10,082	9,800	Printing, Stationery and Advertising	9,300	9,300	0
5,940	9,203	8,100	Communications (Radios, Telephones, Postage etc.)	6,800	6,800	0
4,588	2,372	4,500	Protective Clothing	4,500	4,500	0
17,120	18,281	18,000	Credit Card Handling Charges	18,000	18,000	0
24,287	23,871	24,500	Miscellaneous	24,500	24,800	300
77,572	79,442	79,400		77,700	78,000	300
43,908	48,307	47,300	Transport-Related Expenses (Launches etc.)	55,100	51,000	(4,100)
43,500	43,800	44,100	Central Support Services	44,100	45,000	900
34,000	34,000	40,000	Contribution to Renewals Reserve	40,000	34,000	(6,000)
61,500	61,500	50,000	Contribution to Pontoon Reserve	50,000	61,500	11,500
46,300	58,000	58,000	Contribution to Marine Infrastructure Reserve	58,000	58,000	0
0	1,893	5,000	New Projects Funded From Revenue	5,000	5,000	0
37,985	69,480	14,100	Items Being Met From Reserves	30,000	28,000	(2,000)
24,800	13,100	19,400	Capital Charges (Net)	25,100	12,600	(12,500)
1,075,467	1,137,844	1,127,200	TOTAL EXPENDITURE	1,129,600	1,156,200	26,600
(278,492)	(285,733)	(295,900)	Harbour Dues	(295,900)	(295,900)	0
(482,143)	(479,333)	(468,000)	Mooring Hire	(466,500)	(466,500)	0
(166,579)	(167,730)	(171,300)	Small Boat Pontoon Systems	(169,800)	(169,800)	0
(36,404)	(36,703)	(36,000)	Water Taxi Service	(36,000)	(36,000)	0
(23,073)	(22,375)	(23,700)	Mooring Licences	(23,700)	(23,700)	0
(42,239)	(69,514)	(69,200)	Security Patrol Fees	(69,200)	(69,200)	0
(54,273)	(40,160)	(37,900)	Miscellaneous	(37,800)	(37,800)	0
(37,985)	(69,480)	(14,100)	Contribution from Reserves	(30,000)	(28,000)	2,000
(900)	(600)	(900)	Interest	(700)	(1,100)	(400)
(1,122,088)	(1,171,628)	(1,117,000)	TOTAL INCOME	(1,129,600)	(1,128,000)	1,600
(46,621)	(33,784)	10,200	(SURPLUS) / SHORTFALL ON TRADING ACTIVITIES	0	28,200	28,200

This page is intentionally left blank

Pontoons Reserve

	£
Balance 1st April 2018	161,666
ADD	
Contribution 2018/2019	50,000
Interest 0.6%	1,000
	<u>212,666</u>
Less anticipated expenditure	-

Estimated Balance as at 1st April 2019 212,666

ADD	
Contribution 2019/2020	61,500
Interest 0.6%	1,300
	<u>275,466</u>
Less anticipated expenditure	
Batson Pontoons final loan repayment	(114,000)

Balance as at 31st March 2020 161,466

Renewals Reserve

	£
Balance 1st April 2018	111,518
ADD	
Contribution 2018/2019	40,000
Interest 0.6%	700
	<u>152,218</u>

Less anticipated expenditure	
40HP Honda engine	(4,500)
20HP Honda engine	(2,066)
Rib engine*	(7,500)

**£23,000 was approved for the Rib and engine as part of the 2018/19 Budget, however only the engine is being replaced this year*

Estimated Balance as at 1st April 2019 138,152

ADD	
Contribution 2019/2020	34,000
Interest 0.6%	800
	<u>172,952</u>

Less anticipated expenditure	
Volvo D-260 engine	(8,000)
Harbour van	(20,000)

Balance as at 31st March 2020 144,952

General (Revenue Account) Reserve

	£
Balance 1st April 2018	143,236
LESS	
Deficit forecast as at 17/8/18	(10,200)
	<u>133,036</u>
Less anticipated expenditure	-

Estimated Balance as at 1st April 2019 133,036

Less anticipated expenditure -

Balance as at 31st March 2020 133,036

A summary of loans outstanding with SHDC

	Batson Pontoons	Pontoons Project
Start date	1.4.09	1.10.18
Repayment period	25 years	25 years
Maturity date	31.3.34	30.9.43
Original advance	£190,000	£230,000
Interest rate	4.75%	2.59%
Annual repayment		
Interest	£5,500	£3,400
Principal	£7,600	£9,200
Total	<u>£13,100</u>	<u>£12,600</u>
Total repayment due - Note 1	£327,500	£315,000
Total outstanding 31.3.2019 - Note 1	£114,000	£308,700
Total outstanding 31.3.2020	-	£296,100

Notes

- Batson Pontoons** - this loan will be repaid early in 2019/20, reducing the total repayment due from £327,500 to £245,000, saving £82,500 in interest payments. The amount outstanding at 31.3.19 of £114,000 excludes interest, due to the early repayment.
- Pontoons Project** - this project is anticipated to start on 1st October 2018. Therefore only half of the above annual repayment figures have been included in the latest forecast for 2018/19.

This page is intentionally left blank

Report to: **Salcombe Harbour Board**

Date: **17 September 2018**

Title: **Harbour Master's Report**

Portfolio Area:

Wards Affected: **All**

Relevant Scrutiny Committee:

Overview and Scrutiny Committee

Urgent Decision: **N** Approval and clearance obtained: **N**

Date next steps can be taken: **N/A**
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **C Sims-Stirling** Role: **Harbour Master**

Contact: **01548 843791**

Recommendations:

That the Board RESOLVES to note and endorse the proposed meeting dates, workshop proposals and performance recording mechanisms as outlined in the Harbour Master's report.

1. Executive summary

1.1 This report updates the board on a number of recent issues affecting the Harbour.

2. Capsize vessel

2.1 A 4.2m 40hp vessel hit 2 visiting moored yachts and subsequently capsized with 2 persons on board. Both were rescued unharmed after the emergency intervention of RNLI, Police and members of the public. Substantial damage occurred to 2x visiting yachts and the vessel itself. M.A.I.B were informed and note the incident. The owner of the vessel will have the mooring facility removed for 2019/2020 season and the case will be closely monitored regarding the insurance and repairs of the damaged vessels which the outcome will reflect when the facility will be reinstated. It is suggested that instances such as these are reported through the Harbour Masters report and appropriate action is taken by the board in line with marine or national legislation and local policy.

Where local policy needs to be reviewed full reports will be brought to the Board and subsequently to the Council.

3. Performance Indicators

The Harbour Board endorsed the introduction of a set of Performance Indicators (PIs) and to have them reported as a standing agenda item (SH 26/06).

Please see Appendix 1 + 2

As shown in Appendix 1 we have had a good season which is to be expected with the weather we have had this year. The only PI that has shown a reduction is Town Landings Overnight. This can be explained as for the past 2 years we have had a commercial charter yacht operating within the harbour but waiting for a commercial mooring so is using the town landing facility far more. This year a commercial mooring was granted so the need to berth alongside was reduced.

Appendix 2 highlights the demand for various SHA and SHDC facilities, given the possible development at Batson this will form a good base towards our requirements and development of demand.

3.1 Outcomes/outputs.

The Harbour Authority have created a far more accurate way of obtaining "logged" information, this has been reviewed in Appendix 3. Are aim is to now build a robust monitoring system that can form a far greater insight into incidents throughout the harbour which will intern highlight areas for future consideration regarding running a safe and efficient harbour.

3.2 Options available and consideration of risk.

Monitor and report; periodically review PIs for their utility.

3.3 Proposed Way Forward.

Continue monitoring PIs with regular reports back to the Board.

4. Future Harbour Board Meetings.

4.1 19th November 2018

Currently this is due to be a formal Harbour Board meeting however it is requested that this date is used to allow Board members to explore through a workshop session the Moorings Policy and our current Fees and Charges structure. This can be re-instated if there is any urgent business for the Board to consider.

4.2 25th February 2019

It is requested that the Board bring this meeting forward to either the 28th Jan 2019 or 04th Feb 2019 to inform the full council meeting that will be held on the 21st Feb 2019 so that any decisions made at the meeting can

be approved on the 21st Feb 2019 and therefore not delay the work of the harbour.

4.3 01st April 2019

To remain as planned.

4.4 24th June 2019

This is the new date for the annual inspection followed by the meeting.

11. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	Where appropriate, reference to legal implications is referenced in the report
Financial	N	
Risk	N	
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing		
Other implications	N	

Supporting Information

Appendices:

Appendix 1: Performance Markers 2018;

Appendix 2: Wait List 2018;

Appendix 3: Review of Incident Log.

Background Papers:

None.

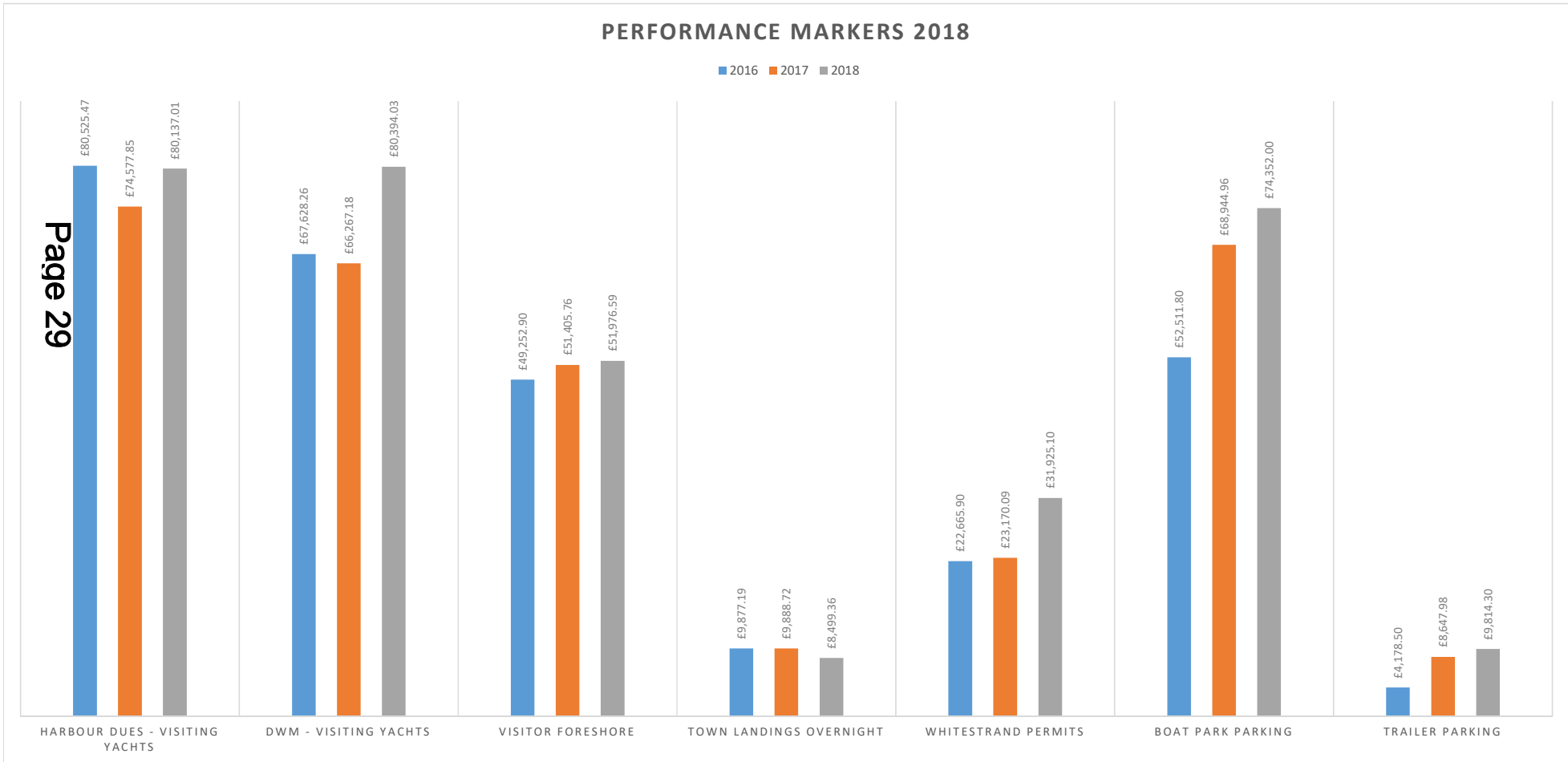
This page is intentionally left blank

Performance Markers 2018 - Appendix 1

All Including VAT	15/12/15 - 01/09/16	15/12/16 - 01/09/17	15/12/17 - 01/09/18	3 Year Average	Variance for 2018
Harbour Dues - Visiting Yachts	£80,525.47	£74,577.85	£80,137.01	£78,413.44	£1,723.57
DWM - Visiting Yachts	£67,628.26	£66,267.18	£80,394.03	£71,429.82	£8,964.21
Visitor Foreshore	£49,252.90	£51,405.76	£51,976.59	£50,878.42	£1,098.17
Town Landings overnight	£9,877.19	£9,888.72	£8,499.36	£9,421.76	£-922.40
Whitestrans Permits	£22,665.90	£23,170.09	£31,925.10	£25,920.36	£6,004.74
Boat Park Parking	£52,511.80	£68,944.96	£74,352.00	£65,269.59	£9,082.41
Trailer Parking	£4,178.50	£8,647.98	£9,814.30	£7,546.93	£2,267.37

PERFORMANCE MARKERS 2018

■ 2016 ■ 2017 ■ 2018



This page is intentionally left blank

Wait List 2018 - Appendix 2

<u>Location</u>	<u>Number Waiting</u>	<u>Total No of berths</u>	<u>% of demand</u>
Deepwater Mooring	205	360	57
Foreshore Mooring	134	1200	11
Foreshore Pontoon	336	396	85
Residents Compound	124	147	84
Dingy Racks/Ground Spaces	64	170	38

Current Available Moorings

Frogmore	21
Kingsbridge	1
Newbridge	6

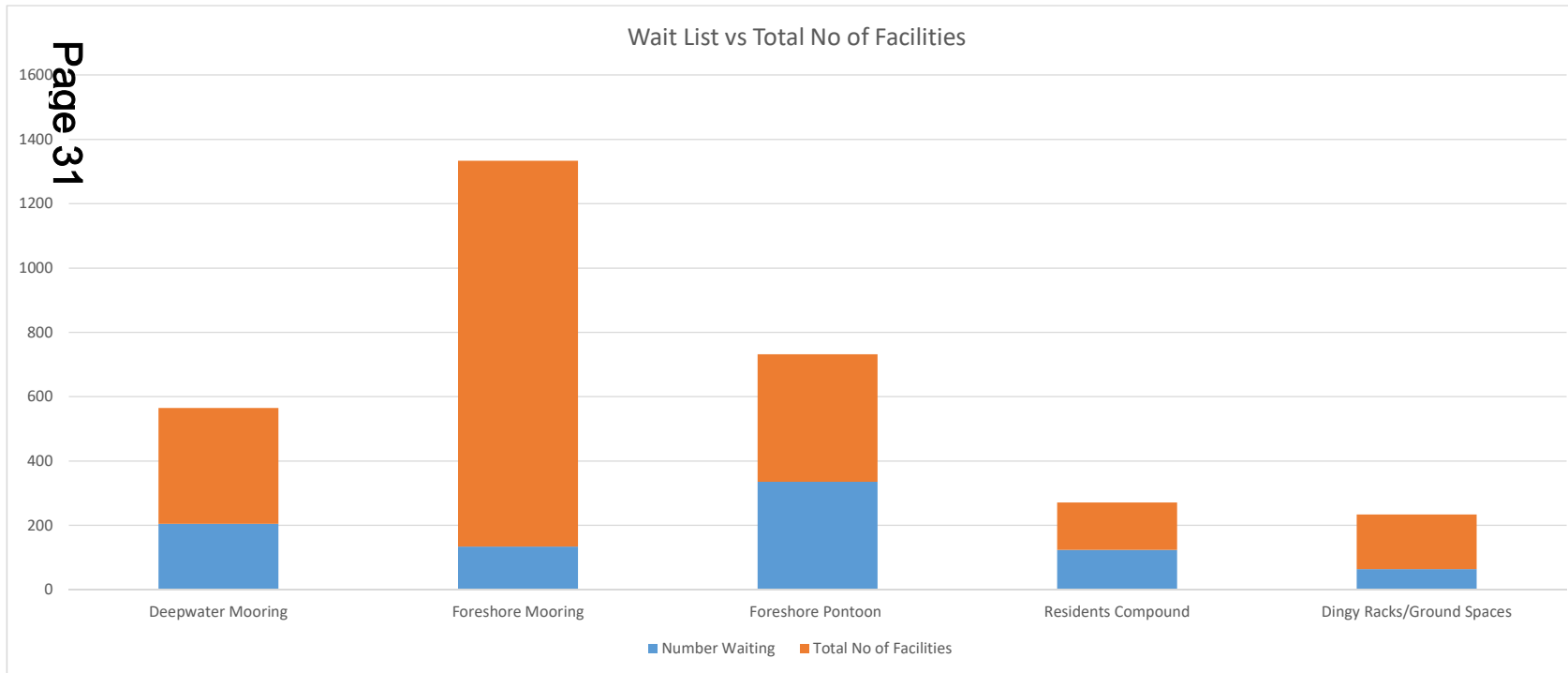
<u>Location</u>	<u>Berths</u>
Batson	257
Shadycombe	63
Victoria Quay	76

Total: 396

Batson Dingy Rack	36
Kingsbridge Slip	15
Newbridge (Both)	102
Whitestrand (Both)	17

Total: 170

Residents Compound 147



This page is intentionally left blank

Review of Incident Log

2018 01/04/2018 - 25/08/2018 - Harbour Board Appendix 1 Sept 2018

Type of Incident	Frequency	Comments
Abusive Customer	1	Passenger on-board the water taxi - intoxicated.
Accident / Collision	21	Majority being incidents involving sailing dinghy's.
Breakdown (Towed in from Harbour Limits)	7	RNLI deal with any other incidents from sea.
Capsize / Sunk	2	1x Dart 16 Dingy - 1x Canoe
Complaint	5	Majority being excess wash within the Harbour.
Compliment	16	50% increase from last year.
Damage to customers Boat	5	Mainly visiting yachts manoeuvring.
Fire	1	Commercial fishing boat - electrical fire.
Harbour Truck	1	Harbour truck hit parked land rover. Owner called to say that there was no damage and would take no further action.
Illegally Moored and Towed	62	1st offense tow's are not logged just invoiced for over night - the 62 listed are the seconded offence tow's that were invoiced for overnight and then charged a tow away fee.
Lost Boat	8	The only outstanding boat is a paddle board that had been left on Whitstrand slipway for 3 weeks.
Medical Emergency	5	The most major being a cardiac arrest of which after the use of the defib mounted at the Harbour Office the casualty has made a good recovery.
MOB	2	Commercial hire boat staff fell when crossing between boats at Whitstrand pontoon / M.A.I.B Incident "Hotdog"
Navigation Incident	1	Nav Pole No 8 was reported missing - it had been struck overnight and snapped off at the base. This was replaced within 48 hrs.
Near Miss	3	Most serious being a 30ft yacht departing Normandy whilst the fuel barge was transiting out from the fish quay. 5 Short blasts and avoiding action taken. Letter sent to owner.
Pollution	1	Winters marine boat hoist had a pipe failure whilst engaged in lifting ops. Hoist was recovered by winters other crane - all relevant compliance paperwork requested and received from Winters.
Speeding	21	Many more minor speeding issues occur each year however these were deemed serious enough for further action.
Swimmers	3	We have had a huge increase of swimmers this year. We have concentrated on educating most of the incidents however these 3 were deemed dangerous enough to need further action.
Theft	3	2x minor fuel thefts from pontoons - 1x Cool box reported missing .
Vessel Adrift	20	All from either Whitstrand or overflow pontoon.

This page is intentionally left blank