

Report to: **Salcombe Harbour Board**

Date: **28 June 2021**

Title: **Harbour Master's Report**

Portfolio Area: **Salcombe Harbour**

Wards Affected: **All South Hams**

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)

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Recommendations:

- 1. That the Board RESOLVES to note and endorse the content of the Harbour Master's report.**
- 2. That the Board SUPPORTS the payment of on-call payments to the Harbour Master and Assistant Harbour Masters from 1 April 2021, the proposed on-call payments will be funded from the General (Revenue Account) Reserve in 2021/22 and built into the base budget for 2022/23 onwards.**
- 3. That the Board SUPPORTS the formation of a working group to prepare for the Harbour Security procurement.**
- 4. That the Board SUPPORTS the request of a separate workshop session to be held to form the basis of the next 5-year Strategic Business Plan.**
- 5. That the Board SUPPORTS the proposed Fees and Charges workshop scheduled on Monday 16th August 2021.**

1. Executive summary

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

2. Performance Indicators

2.1 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).

As shown in **Appendix 1**, parameters representing an indication of how the season has begun are reported within the June Harbour Board Meeting. 2020 figures are not used due to the pandemic.

Harbour Dues from visiting craft appear above average but given a miscoding in previous years this is partially expected. With no visiting yachts before April 12th due to 3rd Covid-19 lockdown and consistent stormy weather in May this looks positive.

Mooring Fees from visiting yachts are slightly down but also expected due to the previous miscoding mentioned above.

Visitor foreshore bookings are above average as expected given the end of lockdown and staycations.

Town landing income is substantially down as no visiting yachts used the facility before April 12th due to lockdown and being on full shift from then resulted in only Whitestrand being bookable overnight.

Boat Park and Trailer Park bookings are both slightly above average again likely due to staycations.

3. Procurement update

3.1 Mooring Maintenance – Diving. The diving contract has been awarded for the next 3 years to a very competitive quote from our previous contractor. Additional elements have been included in the tender to enable the maintenance contract to include further infrastructure and beach and water safety tasking's.

3.2 Dredging. Despite a small delay in plant delivery from the continent Van Oord have delivered the required maintenance dredging to Batson and Lincombe Creeks. Works were completed within March and therefore had minimal impact upon other harbour operations, being prior to the main easing of Covid-19 restrictions. Maintained depths were all in accordance, if not exceeding charted data and independent survey supported this and With Kingsbridge basin showing little sedimentation and not having received any dredging during this campaign it can be

assumed that the next planned maintenance dredge in 2026 will need to be at a larger scale.

3.3 Harbour Security. The current security contract ends in September 2022. Before going to tender, and as referenced in the January 2021 Board minutes it is requested a working group is formed to discuss the future requirements of this contract in relation to potential developments in other surveillance techniques.

3.4 Stores and Materials. Covid again has introduced pressures on sourcing parts and materials for our normal operations. During 2020 it became very difficult to source parts and materials, with manufactures and suppliers short staffed due to lockdown restrictions. 2021 is still experiencing difficulties in sourcing materials however where items are available the costs of these goods have increased. One of our largest materials cost is our chain and shackle supply where the cost is estimated to increase by at least 20%. Shipping channels and manufacturers are hiking their prices and reducing their production, some harbours have been left in positions where they have not received their delivery of materials on time and consequently delayed their winter maintenance programs considerably. We have been in talks with our well established and reliable chain and shackle supplier, who has assured us they are doing everything they can to keep our supply channel open. However they have warned us that costs will increase this year, after holding our prices for several years this would be inevitable even outside of Covid. We have experienced delays with particularly rope and buoys/fenders where the suppliers simply cannot source raw materials. Ongoing concerns are with mechanical components to keep the fleet of vessels running where simply items like gear and control cables are on back order for several months.

4. Projects Update

4.1 Commercial Units.

Approval to proceed with the construction of the five new commercial units, in accordance with the existing planning approval 1505/19/FUL), was given at the Full Council meeting on the 25th March. Following completion of the tender evaluation the successful contractor was identified as a South West building company called Brady (<http://www.bradycs.co.uk/>). Brady's delivered our commercial units at Ermington and so we already have an established working relationship. A number of meetings have been held with the Contractor, and which have been attended by the Harbour Master, to keep the programme moving forward.

The contract is however currently unsigned whilst we work with the Contractor to overcome COVID related supply chain issues surrounding steel, cladding, insulation, and cement. This is a nationwide problem as opposed to a regional problem however we remain confident that this can be resolved and that we will be in a position to commence construction works in September 2021 as planned. The financial implication of the supply

chain issue has been estimated and we hope to be in a position to sign the contract within the next two weeks.

4.2 Harbour Depot

Approval to proceed with the construction of the new harbour depot, in accordance with the existing planning approval 1522/19/FUL), was given at both the Salcombe Harbour Board meeting on the 15th March 2021 and Full Council meeting on the 25th March. Despite this and the commercial units' projects being tendered separately Brady's were also the successful contractor for this development.

As with the commercial unit project the financial implication of the supply chain issue has been estimated and we hope to be in a position to sign the contract within the next two weeks. This has been agreed in principle with the Contractor and we hope to be in a position to sign the contract within the next two weeks and as such ensure that the project can still be delivered on time.

4.3 Harbour Crane.

Acquired in December 2019, with an original plan to refurbish the crane over a 24-month period in quieter times of the year. Covid actually freed up some workshop time which enabled our team to have the crane in the workshop for an unexpectedly longer period of time in 2020. The team began the refurbishment initially with an inspection from Allianz (our compliance insurer), this produced an essential list of work which had to be done to bring her up to a safe and compliant standard. The workshop team began the slow process of stripping her back to bare bones. Over the last 12 months the team have repaired where possible or replaced where essential the majority of her working assembly. A new "Wylie" control system was purchased and installed by an external contractor. The Hydraulic system has been refreshed and renewed with a lot of the pipe work and several rams being replaced due to unserviceability. A new set of load bearing tyres have been fitted, the electric system has been re wired and brought up to standard. The driver cabin turned out to be salvageable and was removed for refurbishment which included cutting out an amount of rusty areas and welding in new panels. The whole crane has been repainted put back together and is now ready for its lifting inspection by Allianz (booked for Tuesday 15th June). Once in service she will enable our teams to operate in a much safer environment and enable us to undertake previously unmanageable lifting jobs, which ultimately brings funds into the SHA purse.

With the majority of the labour consuming work being carried out in house we have managed to save a considerable amount of money in the refurbishment process and are within budget. Ongoing costs of maintenance are similar to the old crane and will be funded through our normal working budget.

We will need to purchase (from our tools and materials budget) some new lifting tackle to allow us to lift heavier items which we are currently in the process of sourcing.

5. Training / Staff

5.1 Covid has played havoc with our normal schedule of training over the course of 2020/21. We have a requirement to revalidate some of the team for Oil Spill Response this was booked for Jan 2021 but rescheduled until Sept 2021. In addition some members need revalidating on our lifting equipment also rescheduled for Sept or Oct 2021.

The new crane will require the lifting team to have a conversion / update on their training as our old machine was operated on a plant specific ticket, which needs reviewing.

Advanced engineering courses have been arranged for some of our workshop team including welding and hydraulics to support our continued maintenance on existing plant and the refurbishment of additional projects. These, along with more generic marine engine courses planned, will reduce our outgoing costs in future, providing some knowledge and skills in house.

6. Port Waste Management Plan

6.1 In compliance with the Port Marine Safety Code our Port Waste Management Plan has been updated and submitted to the MCA.

7. Trinity House Audit

7.1 Trinity House intend to survey our aids to navigation on June 16th, normally we receive a full bill of health and there is nothing to suggest any non-compliance this year.

8. Strategic Business Plan 2022-2026

8.1 Salcombe Harbour Authority's current 5-year Strategic Business Plan expires in 2022. It is requested a separate workshop is scheduled to look at the challenges that are anticipated over the next 5 years and what can be achieved to meet future stakeholder needs before going out to consult with those groups and members of the public.

9. On-Call Proposal

9.1 In conjunction and in line with the District Council's on-call payments made to particular staff it is seen appropriate to propose a similar on-call

payment for those responsible in dealing with events outside standard operating practices 24/7-365 days a year, as described by the Port Marine Safety Code. Please see Appendix 2 for further details of the proposal. It is recommended that the Board supports the payment of on-call payments to the Harbour Master and Assistant Harbour Masters from 1 April 2021. Once an agreement has been reached the cost of the proposed on-call payments will be funded from the General (Revenue Account) Reserve in 2021/22 and built into the base budget for 2022/23 onwards.

10. Fee and charges workshop

10.1 In September a report will be presented to the Board showing the latest financial position for 2021/22 and this will be used to inform the budget for 2022/23 in advance of District Council sign off later in the autumn. In previous years the suitability for the Board to be presented with and sign off on the proposed fees and charges within one meeting has been questioned. It is therefore suggested, if the Board so desire, to arrange a workshop on Monday 16th August to look at the options available to meet budget shortfalls based on the latest expectations for 2022/23.

11. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The Pier and Harbour Order (Salcombe) Confirmation Act 1954 (Sections 22-36). Sec 40 of the Harbours Act 1964 as amended by the Marine Navigation Act 2013. Salcombe Harbour Byelaws 2008
Financial implications to include reference to value for money	Y	It is recommended that the Board supports the payment of on-call payments to the Harbour Master and Assistant Harbour Masters from 1 April 2021. Once an agreement has been reached the cost of the proposed on-call payments will be funded from the General (Revenue Account) Reserve in 2021/22 and built into the base budget for 2022/23 onwards.
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.

Supporting Corporate Strategy		Salcombe Harbour is part of the 'Enterprise Theme', creating places for enterprise to thrive and business to grow, contributing to the marine and tourism economy.
Climate Change – Carbon / Biodiversity Impact		None directly arising from this report.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	Y	None
Health, Safety and Wellbeing	N	No adverse impacts.
Other implications	N	

Supporting Information

Appendices:

1: Performance Markers 2021.

2: On-Call Proposal.

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
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	Yes/No