

Friday, 8 March 2024

HARBOUR COMMITTEE

A meeting of **Harbour Committee** will be held on

Monday, 18 March 2024

commencing at **5.30 pm**

The meeting will be held in the Meadfoot Room, Town Hall, Castle Circus,
Torquay, TQ1 3DR

Members of the Committee

Councillor Carter
Councillor Fox
Councillor Penny
Councillor Twelves

Councillor Amil
Councillor Bye
Councillor Strang

External Advisors

Mr Day and Mr Young

Together Torbay will thrive

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Governance Support, Town Hall, Castle Circus, Torquay, TQ1 3DR

Email: governance.support@torbay.gov.uk - www.torbay.gov.uk

HARBOUR COMMITTEE AGENDA

1. **Apologies**
To receive apologies for absence, including notifications of any changes to the membership of the Committee.
2. **Minutes** (Pages 3 - 5)
To confirm as a correct record the Minutes of the meeting of the Committee held on 4 December 2023.
3. **Declarations of interest**
 - (a) To receive declarations of non pecuniary interests in respect of items on this agenda
For reference: Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda
For reference: Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.

(**Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
4. **Urgent items**
To consider any other items that the Chairman decides are urgent.
5. **Review of Delegated Authority** (Pages 6 - 7)
To consider a report on the above.
6. **Budget Monitoring 2023/2024** (Pages 8 - 15)
To consider a report on the above.

Minutes of the Harbour Committee

4 December 2023

-: Present :-

Councillor Strang (Chairman)

Councillors Brook, Carter, Fellows, Fox, Penny and Twelves (Vice-Chair)

External Advisor:

Mark Day

44. Apologies

An apology for absence was received from Mr Young, External Advisor to the Harbour Committee.

45. Minutes

The minutes of the Harbour Committee held on 4 September 2023 were confirmed as a correct record and signed by the Chairman, subject to minute 41 being amended to read 'It was noted that the new lighting installation at Brixham Harbour had not caused issues with navigation'.

46. Harbour Committee Work Programme 2024/2025

Members noted the work programme for 2024/2025.

47. Tor Bay Harbour Budget Monitoring 2023-24

Members considered a report which provided an update on the overall budgetary position for Tor Bay Harbour Authority as at October 2023 compared against the budget approved on 14 December 2022.

The Committee acknowledged the pressures on the Harbour Budget and were particularly concerned that the level of reserves were below the recommended levels.

The Harbour Committee noted:

- i. The amended revenue outturn projections and adjustments to the Reserve (set out at appendix 1 to the submitted report);
- ii. The change in projected level of the harbour reserved by end 2023/24 (below the Committee's recommended level);

- iii. The Head of Tor Bay Harbour Authority's use of delegated powers to make decisions in relation to the harbour budget;
- iv. The Harbour Master's use of delegated powers to waive certain harbour charges (not exercised in the current year to date).

48. Harbour Budget 2024/25 and Schedule of Fees and Charges

The Harbour Committee considered a report which set out the Harbour Budget for 2024/2025 and the Schedule of Fees and Charges. The Tor Bay Harbour Master advised that the Budget Review Working Party met on 21 November 2023 to consider the in-year financial position and the draft budget for 2024/2025. The working party also made recommendations for the 2024/2025 schedule of charges, dues and fees as set out in Appendix 1 to the submitted report which provided for an increase that reflected the current level of inflation at 4%.

The Tor Bay Harbour Master advised that the submitted report showed a balanced budget due to an amount of £109,000 from the Harbour Reserves that would be used to bridge the gap. The Tor Bay Harbour Master advised that forecasted Fish Toll and MDL Marina rental income would assist to replace the Harbour Reserve amount used.

Members acknowledged the risks associated with this and that the Fish Toll levels were volatile and subject to fluctuation in market forces, and this would need to be kept under regular review by the Committee.

Resolved (unanimously):

1. That the Tor Bay Harbour Authority Schedule of Charges, Dues & Fees for 2024/25 (in line with the current level of inflation and the views of the Budget Review Working Party) being a representative average increase of 4.0%, as set out in Appendix 1, be approved.
2. That the Cabinet be recommended to include the proposed balanced budget for the Harbour Authority 2024/25 as set out in this report and Appendix 2 in its draft budget proposals to Council.
3. The Cabinet be recommended to request the Director of Pride in Place and Director of Finance to undertake a review of Harbour Reserves to ensure appropriate levels of funding are maintained for future Harbour maintenance and other relevant issues and the outcome of this review to be reported to the next Harbour Committee meeting.

49. Tor Bay Harbour Operational Moorings Policy 2024/25

The Committee considered a report which set out minor changes to the Tor Bay Harbour Operational Moorings and Facilities Policy for 2024/2025. The Harbour Master informed Members that the policy ensured a fair, consistent and equitable approach which applies to new, existing and any potential facility users.

Resolved:

That the Tor Bay Harbour Operational Moorings and Facilities Policy 2024/2025 be approved.

Chairman

Meeting: Harbour Committee

Date: 18th March 2024

Wards affected: All wards

Report Title: Review of Delegated Powers of the Head of Tor Bay Harbour and Harbour Master

Cabinet Member Contact Details: Not a Cabinet function

Director/Assistant Director Contact Details

Rob Parsons, Harbour Master, Divisional Director Maritime and Coastal Services 01803 208433,
rob.parsons@torbay.gov.uk

1. Purpose of Report

- 1.1 To review the delegated powers pertaining to the Torbay Harbour Master.

2. Reason for Proposal and its benefits

- 2.1 As required by the Port Marine Safety Code all duties and powers are to be reviewed and this requirement is as detailed within the Harbour Committee Work Programme.
- 2.2 The Terms of Reference for the Harbour Committee which form part of Torbay Council's Constitution require it to review annually the powers delegated to the Tor Bay Harbour Master and refer any proposed changes to the Council for determination. The Committee itself shall not authorise any changes.

3. Recommendation(s) / Proposed Decision

- 3.1 That having reviewed the powers delegated to the Tor Bay Harbour Master, the Harbour Committee finds **no reason to propose changes to the Council** for determination. **The Committee have been briefed on the proposed changes to the Port Marine Safety Code and any changes required will be brought to this committee next March.**

4. Action Needed

- 4.1 That the Constitution in particular Schedule 6 Officer Scheme of Delegation be included within any training delivered to the Duty Holder. .

5. Supporting Information

[Port marine safety code - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

[Ports Good Governance Guidance - Department for Transport \(March 2018\)](#)

[Good governance guidance for ports - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

[Torbay Council Constitution Schedule 6 - Officer Scheme of Delegation](#)

Meeting: Harbour Committee

Date: 18th March 2024

Wards affected: All wards

Report Title: Tor Bay Harbour Budget Monitoring 2023-24

Cabinet Member Contact Details: Not a Cabinet function

Director/Assistant Director Contact Details

Rob Parsons, Harbour Master, rob.parsons@torbay.gov.uk

Pete Truman, Principal Accountant, pete.truman@torbay.gov.uk

1. Purpose of Report

- 1.1 This report updates the Committee on the overall budgetary position for Tor Bay Harbour Authority as at end October 2023 compared against the budget approved on 14th December 2022.

2. Reason for Proposal and its benefits

- 2.1 As a standing agenda item, this report is presented to each Committee meeting to enable appropriate oversight and action to contain expenditure and maintain reserve at appropriate levels.

3. Recommendation(s) / Proposed Decision

The Committee is asked to note:

- i. the amended revenue outturn projections and adjustments to the Reserve (Appendix 1);
- ii. the change in projected level of the harbour reserves by end 2023/24 (below the Committee's recommended level);
- iii. the Head of Torbay Harbour Authority's' use of delegated powers to make decisions in relation to the harbour budget;
- iv. the Harbour Master's use of delegated powers to waive certain harbour charges (not exercised in the current year to date).

Appendices

Appendix 1: Harbour Revenue Account 2023-24

Background Documents

DfT [Ports Good Governance Guidance](#)

Supporting Information

1. Introduction

- 1.1 The 2023/24 Tor Bay Harbour Authority budget was approved by the Committee on 14th December 2022. This is the third and final monitoring report for the 2023/24 financial year.

2. Options under consideration

- 2.1 Appendix 1 to this report provides the Harbour revenue account statement with projected outturns and associated notes.

3. Financial Opportunities and Implications

- 3.1 There is a slight reduction in the latest projected deficit of the harbour revenue account against the original budget:

	Original Budget £000	Projected Outturn Dec Cttee £000	Projected Outturn Mar Cttee £000
Operational Surplus/(Deficit)	(44)	(37)	157

- 3.2 Increased expenditure on Repairs & Maintenance and Energy has been partially offset in-year by salary savings on vacant posts. Income levels remain generally on target with some additional revenue from licences and miscellaneous charges. Marina income has been enhanced by higher receipts than estimated for previous years.
- 3.3 Fish toll levels will exceed target although expectations for the final weeks of the year are being reigned in with the potential for forecast weather and sea conditions to limit catches.
- 3.4 The Harbour Reserve balance at the start of the year was £1,038k and is expected to remain at around that level after applying the projected surplus and earmarked funding. A breakdown of approved withdrawals from the Reserve for the year and planned schemes in 2024/25 is detailed in the table below.

Earmarked Funding from Reserve 2023/24	£k
New Humberside Rib	78
Torquay Harbour truck replacement	22
Conservancy – Phase I spend	10
Total	110
Earmarked Funding from Reserve in future years	£k
Brixham Harbour Concrete pads	1
Brixham Harbour Chillers	160
Brixham Town Pontoon Fendering	40
Brixham Harbour moorings replacement	50
Brixham Offices Fire Alarm	63
Conservancy (balance)	140
Total from Reserve	454

3.5 Prudential Borrowing

The Harbour's outstanding borrowing liability is:

Capital Scheme	Amount Borrowed	Start of Repayments	Principal outstanding 01/04/23	Principal outstanding 31/03/24
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£358,087	£292,508
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£736,384	£688,639
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£3,433,307	£3,305,224
Torquay Inner Harbour pontoons (Inner Dock)	£800,000	2014/15	£607,581	£581,012
Brixham Harbour Jetty	£840,000	2020/21	£807,392	£795,809
TOTAL			£5,942,751	5,663,192

3.6 Debt Position

The aged debt position is set out below.

	Corporate Debtor System		Harbour Charges	
	< 60 days	> 60 days	< 60 days	> 60 days
Debt outstanding	£29k	£215k	£39k	£71k
Bad Debt Provision	£27k			

4. Legal Implications

- 4.1 The Harbour finances are currently not being run in accordance with the DfT's Ports Good Governance Guidance (March 2018). While not a statutory publication this is considered national 'best practice' for the ports industry.

5. Engagement and Consultation

- 5.1 Feedback from harbour users and liaison forums
Feedback from Committee members
Feedback from fishing industry leaders
Previous Harbour Committee reports

6. Purchasing or Hiring of Goods and/or Services

- 6.1 Not applicable

7. Tackling Climate Change

- 7.1 Not applicable

8. Associated Risks

- 8.1 With the harbour reserve at a low level there is a risk that the Harbour will require a General Fund precept to retain a balanced budget.
- 8.2 If quayside facilities and services do not remain aligned with user need/requirements then there is a risk that incomes will decline.

9. Identify the potential positive and negative impacts on specific groups

- 9.1 Not applicable

10. Cumulative Council Impact

- 10.1 Not applicable

11. Cumulative Community Impacts

- 11.1 Not applicable

HARBOUR REVENUE ACCOUNTS 2023/24 - BUDGET MONITORING

NOTES

- 1 Vacancy savings have accrued throughout the year.
- 2 Additional expenditure over budget has been incurred on improvement to a leased asset at Paignton Harbour. The budget has overspent by approved work carried forward from 2022/23. This was originally to be funded from sums earmarked within the Reserve but can now be met from the current year operations.
- 3 Energy price pressures continue but have been partially offset by reductions in Water usage.
- 4 Marine insurance policy premiums have been impacted by recent claims history.
- 5 Security ANPR system installed at Brixham Harbour.
- 6 The Council maintained Internal recharges at 2022/23 level.
- 7 Borrowing costs of various Harbour schemes:

	£k
Torquay Town Dock	81
Torquay Inner Harbour pontoons	54
Torquay Haldon Pier	81
Brixham Harbour Regeneration	282
Brixham Harbour Jetty	38
Harbour Light	16
	<u>552</u>

- 8 First phase of Conservancy works across the three harbours. Earmarked funding of £150k forms part of the current Reserve balance.
- 9 Figures received for Marina operations from prior years has exceeded estimates leading to a windfall in the current period.
- 10 User facilities have substantially achieved target over the Harbour estate.
- 11 Income from Boat and Trailer Parking and advertising has exceeded budget expectations.
- 12 A reduced level was budgeted for Fish Buyer Licences pending a review which is ongoing. Charges have been invoiced for 2023/24.
- 13 Earmarked funding for the Conservancy spend at note 8.
- 14 Earmarked funding for capital expenditure in the current year

	£
New Humberside Rib	78
Tqy Harbour truck replacement	22
Conservancy - Phase 1 spend	10
Total funding 2023/24	<u>110</u>

Earmarked funding for capital and other expenditure to be met from Reserve in future years:

	£
Brixham Harbour Concrete pads	1
Bxm Harbour Chillers	160
Bxm Town Pontoon Fendering	40
Brixham Harbour moorings replacement	50
Brixham Offices Fire Alarm	63
Conservancy (balance)	140
Total future funding	<u>454</u>