

Friday, 30 August 2024

**HARBOUR COMMITTEE**

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

**Monday, 9 September 2024**

commencing at **5.30 pm**

The meeting will be held in the Banking Hall, Castle Circus entrance on the left corner of the Town Hall, Castle Circus, Torquay, TQ1 3DR

**Members of the Committee**

Councillor Strang (Chairman)

Councillor Carter

Councillor Twelves (Vice-Chairman)

Councillor Fox

Councillor Fellows

Councillor Penny

**External Advisors**

Mr Day and Mr Young

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**A Healthy, Happy and Prosperous Torbay**

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

Email: [governance.support@torbay.gov.uk](mailto:governance.support@torbay.gov.uk) - [www.torbay.gov.uk](http://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 5 - 6)  
To confirm as a correct record the Minutes of the meeting of the Committee held on 18 March 2024.
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. **Brixham Harbour Inner Mooring Chain Replacement** (Pages 7 - 30)  
To consider a report outlining Brixham Harbour Inner Mooring Chain Replacement.
6. **Tor Bay Harbour Authority quarterly Budget Monitoring Report** (Pages 31 - 38)  
To consider the Tor Bay Authority quarterly Budget Monitoring Report.
7. **Exclusion of the Press and Public**  
To consider passing a resolution to exclude the press and public from the meeting prior to consideration of the following item on the agenda on the grounds that exempt information (as defined by the Local Government (Access to Information) Act, 1985) is likely to be disclosed.

**8. Staffing Update**

To receive a verbal update from the Harbour Master and Divisional Director Maritime, Torbay Council.

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**Minutes of the Harbour Committee**

**18 March 2024**

**-: Present :-**

Councillor Amil (Chairwoman)

Councillors Carter, Fox, Penny, Twelves (Vice-Chair), Bye and Strang

External Advisors: Mr Day

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**50. Minutes**

The Minutes of the meeting of the Harbour Committee held on 4 December 2023 were confirmed as a correct record and signed by the Chairwoman, subject to Minute 48 being amended to read 'Members were concerned about the risk 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 review by the Committee'.

**51. Review of Delegated Authority**

Members noted the Review of Delegated Authority report as presented by the Tor Bay Harbour Master.

**52. Budget Monitoring 2023/2024**

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

Members were concerned about the pressures on the harbour budget, and particularly the Tor Bay Harbour Masters concerns regarding staff retention.

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 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; and
- iv. the Harbour Master's use of delegated powers to waive certain harbour charges (not exercised in the current year to date).

Chairman

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**Meeting:** Harbour Committee

**Date:** 9<sup>th</sup> September 2024

**Wards Affected:** All

**Report Title:** Brixham Harbour Inner Mooring chain replacement

**When does the decision need to be implemented?** Immediate

**Cabinet Member Contact Details:**

Councillor Chris Lewis  
[Chris.Lewis@torbay.gov.uk](mailto:Chris.Lewis@torbay.gov.uk)

**Chair of Harbour Committee**

Councillor Andrew Strang  
[Andrew.Strang@torbay.gov.uk](mailto:Andrew.Strang@torbay.gov.uk)

**Head of Tor Bay Harbour**

Rob Parsons  
[Rob.Parsons@torbay.gov.uk](mailto:Rob.Parsons@torbay.gov.uk)

**Director Contact Details:**

Alan Denby.  
Director of Pride in Place;  
[Alan.Denby@torbay.gov.uk](mailto:Alan.Denby@torbay.gov.uk)

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### 1. Purpose of Report

The purpose of this report is to seek a decision for the expenditure of reserves for the replacement of Brixham Harbours inner mooring chains.

### 2. Reason for Proposal and its benefits

Brixham Harbour provides a significant number of moorings, and the inner harbour is the prime facility due to its customer facing location. Tor Bay Harbour has a contract for the maintenance of all seaward mooring chains (due to the exposure), but the inner mooring chains have been omitted from this contract due to the protected position, seabed type and ability to visually inspect on a regular occurrence.

Recent formal inspection by a contractor, Report to be found at Annex A, clearly indicates that these chains are at end of life and failure of these chains and associated moorings is at increased risk. The committee has committed funds in the region of £50k from reserves, however the cost of these chains looks to be significantly larger. Recent quotation to be found at Annex 2 has been submitted by MMC who conducted the survey. Quotation 2 found at Annex 3 has been submitted by a company who has collated the quotation by information passed to them in comparison to a company that has conducted the full survey. These quotes are submitted for comparison and the allocation of funds from reserve only as due to the cost of the contract procurement policy will have to be followed.

The reason for this proposal is to allocate a further £50k of reserves, subject to further quotations, so the Harbour Authority can proceed with the replacement of these chains.

### 3. **Case for approval**

Due to the report and present condition, the Harbour Authority have not allocated any further vessels to these chains which has resulted in 15 vacant moorings, which equates to a loss of £10,115 pa. With new chains it will be safe to return to full capacity which will return income, based upon present charges, to £34,000 pa.

To quantify the return on investment with an improvement of asset with a life in excess of 35 years based on losses only the ROI, will be circa 10 years.

### 4. **Recommendation(s) / Proposed Decision**

- 4.1 That the Harbour Committee approve the increased commitment from reserves for the inner mooring chain replacement from £50k to £100k. With this increase the total commitment from reserves for earmarked funding will increase from £366k to £416k. The total of the Harbours earmarked reserve as at 1/4/24 was £1.3m.

#### Appendices

Appendix 1 – Mooring chain condition report

Appendix 2 - Quotation 1 (MMC)

Appendix 3 - Quotation 2 (TMS)

## **Supporting Information**

### 5. **Options under consideration**

5.1 There are 2 options currently under consideration:

- a. **Do nothing (retain the status quo).** This option will see a further loss in income as when moorings are vacated, they will not be replaced due to the ever-increasing deterioration of the chains
- b. **Replace the chains.** Due to the requirement to provide affordable moorings, this option regardless of ROI, should be carried out. Due to the length of life of the asset, the ROI as stated above is a bonus and fits with the recommendation to replace these chains. Any residual value of the present chains will be factored into the price.

## Equality Impacts

6.	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people	Increased moorings for those on the waiting list		
	People with caring Responsibilities			No impact
	People with a disability			No Impact
	Women or men			No impact
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this community)</i>			No impact
	Religion or belief (including lack of belief)			No impact
	People who are lesbian, gay or bisexual			No impact
	People who are transgendered			No impact
	People who are in a marriage or civil partnership			No impact
	Women who are pregnant / on maternity leave			No impact

	Socio-economic impacts (Including impact on child poverty issues and deprivation)			No impact
	Public Health impacts (How will your proposal impact on the general health of the population of Torbay)	Improved happiness having a boat in the inner harbour		
<b>9</b>	<b>Cumulative Council Impact</b> (proposed changes elsewhere which might worsen the impacts identified above)	Failure to do this will add to reputational damage and further concerns, as to the allocation of funds as paid for by harbour users		
<b>10.</b>	<b>Cumulative Community Impacts</b> (proposed changes within the wider community (inc the public sector) which might worsen the impacts identified above)	Nil		



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**Meeting:** Harbour Committee

**Date:** 9<sup>th</sup> September 2024

**Wards affected:** All wards

**Report Title:** Tor Bay Harbour Budget Monitoring 2024-25

**Cabinet Member Contact Details:** Not a Cabinet function

**Director/Assistant Director Contact Details**

Rob Parsons, Harbour Master, [rob.parsons@torbay.gov.uk](mailto:rob.parsons@torbay.gov.uk)

Pete Truman, Principal Accountant, [pete.truman@torbay.gov.uk](mailto:pete.truman@torbay.gov.uk)

## 1. Purpose of Report

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- 1.1 This report updates the Committee on the overall budgetary position for Tor Bay Harbour Authority as at end July 2023 compared against the budget approved on 4<sup>th</sup> December 2023.

## 2. Reason for Proposal and its benefits

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- 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

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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 2024/25;
- 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 year to date).

### **Appendices**

Appendix 1: Harbour Revenue Account 2024-25

### **Background Documents**

DfT [Ports Good Governance Guidance](#)

<https://www.gov.uk/government/publications/good-governance-guidance-for-ports>

## Supporting Information

### 1. Introduction

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- 1.1 The 2024/25 Tor Bay Harbour Authority budget was approved by the Committee on 4<sup>th</sup> December 2023. This is the first monitoring report for the 2024/25 financial year.

### 2. Options under consideration

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

### 3. Financial Opportunities and Implications

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- 3.2 Expenditure on critical repairs & maintenance is likely to exceed the budget and further costs have been incurred on empty leased units. User charges are expected to be below target. Fish toll levels are generally as expected, but it remains too early in the season to safely forecast whether the target will be achieved. Windfall income is expected from higher than anticipated marina rentals from previous years.
- 3.3 The harbour revenue account is now projected to make a deficit at year end:

	<b>Original Budget £000</b>	<b>Projected Outturn £000</b>
Operational Surplus/(Deficit)	(109)	(79)

- 3.4 The Harbour Reserve balance at the start of the year was £1,310k but is expected to fall back to £806k by year end once all earmarked spends are completed.

<b>Earmarked Funding from Reserve</b>	<b>£k</b>
Brixham Harbour Concrete pads	1
Paignton – leased property upgrade	12
Brixham Harbour Chillers	160
Brixham Town Pontoon Fendering	40
Conservancy (balance)	40
Brixham Harbour moorings replacement	50
Brixham Offices Fire Alarm	63
<b>Total from Reserve</b>	<b>366</b>

### 3.5 Prudential Borrowing

The Harbour's outstanding borrowing liability is:

Capital Scheme	Amount Borrowed	Start of Repayments	Principal outstanding 01/04/24	Principal outstanding 31/03/25
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£292,508	£273,007
Town Dock (Torquay Harbour) - replacement	£1,201,000	2024/25	£1,201,000	£1,132,797
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£688,639	£638,767
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£3,305,224	£3,171,404
Torquay Inner Harbour Pontoons (Inner Dock)	£800,000	2014/15	£581,012	£553,226
Brixham Harbour Jetty	£840,000	2020/21	£795,809	£783,850
<b>TOTAL</b>			<b>£6,864,192</b>	<b>6,553,051</b>

### 3.6 Debt Position

The aged debt position is set out below. The outstanding Harbour Charges debt largely reflects payment of user charges by instalments and the overall figure will reduce throughout the year.

	Corporate Debtor System		Harbour Charges	
	< 60 days	> 60 days	< 60 days	> 60 days
Debt outstanding	£96k	£236k	£40k	£256k
Bad Debt Provision	£50k			

## 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

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- 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

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- 6.1 Not applicable

## 7. Tackling Climate Change

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- 7.1 Not applicable

## 8. Associated Risks

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- 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

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- 9.1 Not applicable

## 10. Cumulative Council Impact

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- 10.1 Not applicable

## 11. Cumulative Community Impacts

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11.1 Not applicable



## HARBOUR REVENUE ACCOUNTS 2024/25 - BUDGET MONITORING

### NOTES

1 Additional expenditure over budget has been incurred at Brixham Harbour.

2 Rating costs have been incurred on vacant harbour units.

3 Financing costs of various Harbour schemes:

	£k
Torquay Town Dock	20
Torquay Town Dock - replacement	95
Torquay Inner Harbour pontoons	54
Torquay Haldon Pier	81
Brixham Harbour Regeneration	282
Brixham Harbour Jetty	38
Harbour Light	14
	<u>584</u>

4 A programme of works will be implemented by the Head of Tor Bay Harbour Authority funded by the specific amount set aside within the Reserve (see also note 8).

5 Provisional figures received for outstanding rentals indicate a windfall income over the rental levels accrued in the Harbour Account for the 2022/23 and 2023/24 financial years.

6 Income from user charges is expected to be below target over all three Harbours.

7 Specific funding of the Conservancy programme at note 4.

8 Earmarked funding for various schemes identified in previous years:

	£
Brixham Harbour Concrete pads	1
Bxm Harbour Chillers	160
Paignton - leased property upgrade	12
Bxm Town Pontoon Fendering	40
Brixham Harbour moorings replacement	50
Brixham Offices Fire Alarm	63
Conservancy (balance)	40
<b>Total future funding</b>	<u><b>366</b></u>