



Wednesday, 30 May 2012

HARBOUR COMMITTEE

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

Monday, 11 June 2012

commencing at **5.30 pm**

The meeting will be held in the Berry Head Hotel, Berry Head Road, Brixham,
TQ5 9AJ

Members of the Committee

Councillor Amil
Councillor Baldrey
Councillor Ellery
Councillor Faulkner (J)
Councillor Hytche
Councillor James
Councillor McPhail

Mayor Oliver
Councillor Richards
Mr Buckpitt
Mr Butcher
Capt. Curtis
Ms Hayes
Mr Jennings

Working for a healthy, prosperous and happy Bay

For information relating to this meeting or to request a copy in another format or language please contact:

Kay Heywood, Town Hall, Castle Circus, Torquay, TQ1 3DR
01803 207064

Email: governance.support@torbay.gov.uk



HARBOUR COMMITTEE AGENDA

1. **Election of Chairman/woman**
To elect a Chairman/woman for the 2012/13 Municipal Year.
2. **Apologies**
To receive apologies for absence, including notifications of any changes to the membership of the Committee.
3. **Election of Vice-Chairman/woman**
To elect a Vice-Chairman/woman for the 2012/13 Municipal Year.
4. **Minutes** (Pages 1 - 5)
To confirm as a correct record the Minutes of the meeting of the Committee held on 8 March 2012.
5. **Declarations of interest**
 - (a) To receive declarations of personal interests in respect of items on this agenda
For reference: Having declared their personal interest members and officers may remain in the meeting and speak (and, in the case of Members, vote on the matter in question). If the Member's interest only arises because they have been appointed to an outside body by the Council (or if the interest is as a member of another public body) then the interest need only be declared if the Member wishes to speak and/or vote on the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
 - (b) To receive declarations of personal prejudicial interests in respect of items on this agenda
For reference: A Member with a personal interest also has a prejudicial interest in that matter if a member of the public (with knowledge of the relevant facts) would reasonably regard the interest as so significant that it is likely to influence their judgement of the public interest. Where a Member has a personal prejudicial 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 Democratic Services or Legal Services prior to the meeting.)
6. **Urgent items**
To consider any other items that the Chairman decides are urgent.

7. **Harbour Committee Terms of Reference** (Pages 6 - 7)
To note the Harbour Committee's Terms of Reference as set out in the Council's Constitution.
8. **Appointment of Harbour Appointments Sub Committee** (Page 8)
To appoint a Harbour Appointments Sub-Committee for the 2012/13 Municipal Year.
9. **Harbour Asset Review Working Party** (Page 9)
To appoint the Harbour Asset Review Working Party for the 2012/13 Municipal Year.
10. **Harbour Budget Review Working Party** (Page 10)
To appoint the Harbour Budget Review Working Party for the 2012/13 Municipal Year.
11. **Pilotage Review Working Party**
To appoint a Pilotage Review Working Party with the following Terms of Reference.

To review the Pilotage arrangements for Tor Bay Harbour and to recommend amendments to the Pilotage direction as and when appropriate.
12. **Presentation by Torquay Rowing Club**
10 minute presentation to Harbour Committee by Torquay Rowing Club.
13. **Exemption 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.
14. **Application for Grant** Circulated separately
To consider an application for a grant.
15. **Funding for Extension to Torquay Harbour (Third Harbour)** (Pages 11 - 14)
To consider a feasibility study into an extension of Torquay Harbour.
16. **Tor Bay Harbour Authority Revenue Outturn 2011/12** (Pages 15 - 21)
To note the Report on the Harbour Authority Outturn for 2011/12.
17. **Torquay/Paignton and Brixham Harbour Liaison Forums** (To Follow)
To note the minutes of the above Harbour Liaison Forums.
18. **Tor Bay Harbour Authority Budget Monitoring 2012/13** (Pages 22 - 30)
To receive a Report on the Harbour Authority Budget Monitoring for 2012/13.

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|------------|---|----------------------|
| 19. | Harbour Authority Performance
To consider the Report on the performance of the Harbour Authority. | (To Follow) |
| 20. | Tor Bay Harbour Authority Audit Plan - 2012~2017
To approve the Audit Plan for the Tor Bay Harbour Authority for 2012/13. | (Pages 31 -
38) |
| 21. | Tor Bay Harbour Enforcement and Prosecution Policy
To approve Tor Bay Enforcement and Prosecution Policy. | (Pages 39 -
54) |
| 22. | Marine Economy Action Plan
To note the Marine Economy Action Plan. | (Pages 55 -
132) |
| 23. | Torquay Inner Harbour Pontoon Berthing Project
To approve the Torquay Inner Harbour Pontoon Berthing Project. | (Pages 133 -
144) |
| 24. | Old Fish Market - Brixham Harbour
To note the accounts of the Arts and Crafts Market located on the Old Fish Market, Brixham. | (Pages 145 -
152) |



Minutes of the Harbour Committee

8 March 2012

-: Present :-

Councillor Ellery (Chairman)

Councillors Amil, Faulkner (J), Hytche, McPhail, Richards and Stringer

External Advisors: Mr Buckpitt, Mr Butcher, Capt. Curtis, Ms Hayes and Mr Jennings

589. Apologies

An apology for absence was received from Councillor Matthew James.

590. Minutes

The Minutes of the meeting of the Harbour Committee held on 30 January 2012 were confirmed as a correct record and signed by the Chairman.

591. Torquay/Paignton and Brixham Harbour Liaison Forums

The Committee noted the minutes of the Torquay and Paignton Harbour Liaison Forum meeting on 21st February 2012 and the Brixham Harbour Liaison Forum meeting on 22nd February 2012.

External Advisor William Butcher raised the point that in the Torquay and Paignton Harbour Liaison Forum minutes more points had been discussed than appeared in the minutes relating to the 200 year anniversary of the Torbay Royal Regatta and congestion at Beacon Quay which was endorsed by the Committee. The External Advisor was requested to send an e-mail with the details so that the Harbour Master can amend the Forum Minutes.

592. E.U Funding Bid for Tor Bay Harbour

The Committee considered a report on the E.U Funding Bid Report for Tor Bay Harbour and the proposals and recommendations to submit a funding bid to the Channel Interreg IVa programme.

Mike Marsh on behalf of MMA Limited spoke to the Committee concerning the potential for Interreg Funding. He advised that Tor Bay Harbour was an ideal candidate for the funding and would sit alongside 6 or 7 Ports in the United Kingdom and France.

The projects identified for Tor Bay Harbour funding were:

- i) Improve the Quality of Management of the Port with the development of a Port Master Plan for Tor Bay Harbour.
- ii) Promote Innovation in Ports and Ports Diversification with integrated Transport System and Maritime E-training programme with South Devon College.
- iii) Improve resource efficiency of Ports with integrated Renewable Management Systems including a new electrical recharge system and photovoltaic solar panel.

MMA Ltd advised that Tor Bay Harbour could also be an eligible partner in new cross border projects, which would bolster the sharing of knowledge with neighbours in the UK and France.

The Executive Head of Tor Bay Harbour Authority informed Members that the projects being put forward for funding were projects that the Harbour Authority would have undertaken in any event, therefore these projects would not result in additional money being spent.

Resolved:

- i) That the Harbour Committee supports the submission of a bid for Tor Bay Harbour to be part of the French and English Partner Harbours FLIP master bid to the Channel Interreg Programme;
- ii) That the Executive Head of Tor Bay Harbour Authority, in consultation with the Chairman of the Harbour Committee, be asked to use his delegated authority to approve final details of the bid to the Channel Interreg Programme;
- iii) That in accordance with Council minute 535/02/12(v), the Executive Head of Tor Bay Harbour Authority be asked to seek approval for the submission of the Channel Interreg Programme funding bid from the Chief Executive in consultation with the Mayor, Executive Lead for Finance and Chief Finance Officer;
- iv) That subject to approval in iii), the Council be asked to vary the Capital Plan accordingly to reflect the capital elements of the Channel Interreg Programme funding bid; and
- v) That the Executive Head of Tor Bay Harbour Authority be asked to use his delegated authority to appoint specialist European funding consultants, to prepare the detailed bid on behalf of the Council at an estimated cost of £3,800 + VAT.

593. Tor Bay Harbour - Operational Moorings and Facilities Policy

The Committee considered a report to amend the Harbour Authority's operational moorings and facilities policy. The Committee were advised that the policy sought to ensure a consistent, fair and equitable approach was applied to new, existing and potential facility customers that use Tor Bay Harbour and the harbour estate.

The Executive Head of Tor Bay Harbour Authority informed Members that on this occasion only minor changes had been made to the policy.

Resolved:

That the Tor Bay Harbour Operational Moorings and Facilities Policy – Version 6 as set out in appendix 1 to the submitted report be approved.

594. Annual Review of the Tor Bay Harbour Authority Asset Management Plan

The Committee considered a report to review and approve the Tor Bay Harbour Authority Asset Management Plan.

The Executive Head of Tor Bay Harbour Authority advised the Committee that the Asset Review Working Party had reviewed the Asset Management Plan in accordance with their terms of reference.

Resolved:

That the Tor Bay Harbour Authority Asset Management Plan 2012/13 as set out in Appendix 1 to the report be approved.

595. Tor Bay Harbour - Port Master Plan

The Committee considered a report outlining the production of a Port Master Plan (PMP) for Tor Bay Harbour.

The Executive Head of Tor Bay Harbour Authority explained that PMP's were first introduced by airports, but have since been followed by the larger UK ports. Now smaller harbours and ports were being encouraged to have their own PMP.

He advised that the PMP was included in the Channel Interreg Programme bid for funding but the Committee noted that the PMP had been in the Business Plan for the past four years and it was considered vital for Tor Bay Harbour to have one and the sooner the better.

The Committee noted that it would be beneficial to look at other similar sized ports to see how they had delivered their PMP to look at how it had been achieved and who they had used to ensure the best value for money.

Resolved:

- i) That Tor Bay Harbour Authority be approved to commence the process of obtaining a Port Master Plan; and
- ii) That the Torbay Development Agency be asked to assist in the production of a Port Master Plan and that the Executive Head of Tor Bay Harbour Authority, in consultation with the Chairman of the Harbour Committee, be authorised to amend the harbour revenue budget as required to fund such a plan.

596. Tor Bay Harbour Business Plan 2012/2013

The Committee considered a report which sought agreement of the Business Plan for the Tor Bay Harbour Authority business unit.

Resolved:

- i) That the draft Tor Bay Harbour Business Plan 2012/2013 as set out in appendix 1 to the report be approved; and
- ii) That subject to the views of the Harbour Committee, the Executive Head of Tor Bay Harbour Authority and the Chairman of the Harbour Committee agree the final detail of the Tor Bay Harbour Business Plan 2012/2013, and sign the Acceptance Statement in Section 9.

597. Tor Bay Harbour Authority Income - Internal Audit Report - November 2011

The Committee noted a report which provided an overview of the Tor Bay Harbour Authority Income – Internal Audit Report - November 2011.

It was noted that the audit was undertaken based on key risk areas which had been tailored to ensure the audit programme was relevant to the Tor Bay Harbour Authority business unit.

The Executive Head of Tor Bay Harbour Authority advised that progress against the action plan will be reported to the Harbour Committee.

598. Tor Bay Harbour Authority Budget Monitoring 2011/12

The Committee noted a report on the quarterly Budget Monitoring.

The Committee noted the Harbour Master's use of delegated powers to waive certain harbour charges which this year amounted to £18,333.16 excluding VAT, most of which related to tugs sheltering in Tor Bay who had negotiated a lower rate than larger ships.

599. Review of Delegated Powers

The Executive Head of Tor Bay Harbour Authority informed the Committee that harbour customers would expect the harbour authority to be fit for purpose and to regularly review the Delegated Powers of the Executive Head of the Tor Bay Harbour Authority. The Committee noted that some of the generic powers had been moved as they applied to all Executive Heads.

Resolved:

That having reviewed the powers delegated to the Executive Head of Tor Bay Harbour Authority, as set out in Appendix 1 to the report, the Harbour Committee finds no reason to refer any proposed changes to the Council for determination.

600. Performance of the Harbour & Marine Services Business Unit

The Committee noted a report outlining the performance of the Tor Bay Harbour Authority Business Unit. The Executive Head of Tor Bay Harbour Authority informed Members that there were no red indicators and income was reported up by 12.77%. The development of the website was below target due to IT issues as was the live weather link.

601. Harbour Committee Work Programme - 2012/2013

Resolved:

That the Harbour Committee work programme for 2012/2013 be approved.

Chairman

Agenda Item 7

Harbour Committee – Terms of Reference

Terms of Reference:	Membership	Members
<p>To determine all matters relating to the strategic management of the Council's function as a Harbour Authority, in line with the Tor Bay Harbour and Maritime Strategy, the Council's Policy Framework. Specifically the Committee will:-</p> <ol style="list-style-type: none"> 1. manage all of the Harbour's financial matters in accordance with approved financial procedures and the Council's aspirations for the harbour to be self financing as outlined in the Harbour and maritime strategy and including (but not limited to): <ol style="list-style-type: none"> (a) the setting of harbour charges from time to time (including in-year changes to the schedule) normally following consultation with the relevant Harbour Liaison Forums; (b) approving the annual revenue budgets within the ring-fenced harbour accounts; (c) receiving quarterly budget monitoring reports and to approve variances as appropriate; and (d) monitoring the harbour reserve funds and to seek to ensure that the funds are kept above an appropriate minimum contingency level and ensure the harbour remains self-financing; 2. providing that no decision by the Harbour Committee shall impact adversely on the Council's general fund or capital budget. 3. to act as Duty Holder for the purposes of the Port Marine Safety Code; 3. approve and monitor a business plan for Tor Bay Harbour, in line with the Council's policy framework, and address any issues relating to performance; 	<p>9 members of the Council plus up to five external non-voting advisors appointed by the Committee on a four year term and one non-voting advisor who is a private sector representative of the Board of the Torbay Economic Development Company</p> <p>(Group Leaders will be asked to take account of the geographical spread of members in making appointments to the Committee)</p> <p>Conservative (6):</p> <p>Liberal Democrat (2):</p> <p>Non-Coalition Group (1)</p>	<p>Councillors Amil, Hytche, James, McPhail, Richards and Mayor Oliver</p> <p>Councillors Faulkner (J) and Baldrey</p> <p>Councillor Ellery</p>

	<ol style="list-style-type: none"> 4. review these terms of reference annually and request the Council to make any necessary amendments and/or additions; 5. review annually the powers delegated to the Executive Head Tor Bay Harbour Authority – Tor Bay Harbour Master and refer any proposed changes to the Council for determination. The Committee itself shall not authorise any changes; 6. consider any other matters referred to the Committee by the Executive Head Tor Bay Harbour Authority; 7. establish any sub-committee or working parties as the Committee sees fit, in particular a Harbour Appointments Sub-Committee for the recruitment of advisors; 8. recommend the format, composition and governance of the Harbour Liaison Forums and keep the arrangements under review; 9. to provide strategic direction to the Executive Head Tor Bay Harbour Authority and the Mayor in relation to those assets within Tor Bay Harbour and the harbour estate that are managed by Tor Bay Harbour Authority; and 10. appoint advisors following receipt of recommendations from the Harbour Appointments Sub-Committee and the Board of Torbay Economic Development Company Ltd. Appointments will be merit based and be in accordance with the Local Protocol for members of the Harbour Committee. 	

Agenda Item 8

Appointment of Harbour Appointments Sub Committee

The Terms of Reference for the Harbour Committee state that the Committee membership will be :-

“9 members of the Council plus up to five external non-voting advisors appointed by the Committee on a four year term and one non-voting advisor who is a private sector representative of the Board of the Torbay Economic Development Company. Appointments will be merit based and be in accordance with the Local Protocol for members of the Harbour Committee”

The Committee is asked to consider appointments to the Harbour Appointments Sub Committee (previously three Councillors). Members are advised that the Appointments Sub-Committee was formed in 2007 with the following Terms of Reference :-

“to consider ad hoc applications for external advisor positions on the Harbour Committee and recommend to the Harbour Committee the persons who should be appointed to those posts as and when vacancies arise. And to determine the rolling programme for advisors tenure”

Although not specifically stated in the Terms of Reference for the Harbour Committee it is a Harbour Committee recommendation that External Advisers should be limited to two 4-year terms, which is in line with good governance best practice. The table below shows the current position in respect of External Advisers :-

Advisor	Appointing Body	Date Appointed	4 year term ends
William Butcher	Harbour Committee	18 Sept 2007	End of Sept 2012
Robert Curtis	Harbour Committee	18 Sept 2007	End of Sept 2014
Elaine Hayes	Harbour Committee	18 Sept 2007	End of Sept 2015
Gordon Jennings	Harbour Committee	18 Sept 2007	End of Sept 2013
David Buckpitt	Harbour Committee	5 Dec 2011	End of Dec 2015
Vacant	EDC	N/A	N/A

June 2012

Harbour Asset Review Working Party

The Terms of Reference for the Harbour Committee state that the Committee should :-

“determine all matters relating to the strategic management of the Council's function as a Harbour Authority..... and provide strategic direction to the Executive Head of Tor Bay Harbour Authority and the Mayor in relation to those assets within Tor Bay Harbour and the harbour estate that are managed by Tor Bay Harbour Authority”

The Committee is asked to consider appointments to the Harbour Asset Review Working Party (three Councillors plus two External Advisors). Members are advised that the Harbour Asset Review Working Party currently has the following Terms of Reference :-

- a) *to review all assets within Tor Bay Harbour and the Harbour Estate;*
- b) *to establish how each asset is performing; and*
- c) *to identify any assets that are surplus.*

June 2012

Agenda Item 10

Harbour Budget Review Working Party

The Terms of Reference for the Harbour Committee state that the Committee should :-

“manage all of the Harbours financial matters in accordance with approved financial procedures and the Council’s aspirations for the harbour to be self financing as outlined in the Harbour and Maritime Strategy and including (but not limited to):

- (a) the setting of harbour charges from time to time (including in-year changes to the schedule) normally following consultation with the relevant Harbour Liaison Forums;*
- (b) approving the annual revenue budgets within the ring-fenced harbour accounts;*
- (c) receiving quarterly budget monitoring reports and to approve variances as appropriate; and*
- (d) monitoring the harbour reserve funds and to seek to ensure that the funds are kept above an appropriate minimum contingency level and ensure the harbour remains self-financing”*

The Committee is asked to consider appointments to the Harbour Budget Review Working Party (two Councillors plus the Chairman plus two External Advisors). Members are advised that the Harbour Budget Review Working Party was formed in 2009 with the following Terms of Reference :-

“to scrutinise the draft Tor Bay Harbour Authority budget prior to presentation to the Harbour Committee and to review the full range of harbour charges, including commercial customers using the Torquay Harbour Town Dock and other harbour facilities”

It is recommended that Harbour Budget Review Working Party Terms of Reference should be amended to the following :-

“to scrutinise the draft Tor Bay Harbour Authority budget prior to presentation to the Harbour Committee and to review the full range of harbour charges. Also, to assist officers to monitor and review the budget ahead of each quarterly Harbour Committee meeting”

June 2012



Title: **Funding for Extension to Torquay Harbour (Third Harbour)**

Public Agenda Item: **Yes**

Wards Affected: **All wards in Torbay**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **No**

Change to Budget: **Yes** Change to Policy Framework: **No**

Contact Officer: **Charles Uzzell**
Telephone: **Ext. 7701**
E.mail: **Charles.Uzzell@torbay.gov.uk**

1. **What we are trying to achieve and the impact on our customers**

1.1 This report is seeking approval to fund the procurement of outline feasibility studies (including a preliminary business plan), in support of plans to extend Torquay harbour.

1.2 Potentially there are enormous benefits to the Harbour Authority and the community at large, in the context of wider regeneration of Torbay, should this scheme become deliverable.

2. **Recommendation(s) for decision**

2.1 **That the Harbour Committee give consideration to this request for funding.**

3. **Key points and reasons for recommendations**

3.1 It is expected that the community would benefit from a clear understanding of the viability or not of a "Third Harbour" for Torquay.

3.2 The Local Economic Partnership (LEP) were approached to find the money and commission the feasibility report but this approach was not productive.

3.2 Given the clear relationship of this project to the potential massive improvement to Torquay Harbour and the Harbour Authority business unit, the Harbour Committee are now requested to give consideration to funding the project from the harbour reserve fund.

For more detailed information on this proposal please refer to the supporting information attached.

**Charles Uzzell
Director of Place and Resources**

Supporting Information

A1. Introduction and history

A1.1 The Torbay Development Agency (TDA) produced a document "Initial Scoping Report – The Third Harbour Torquay" in February 2012. This document sought to:

- (i) outline the economic benefits;
- (ii) provide an initial draft business case;
- (iii) suggest how the proposal could be progressed and identify the likely key issues;
- (iv) provide estimated budgets for future actions.

A copy of the Executive Summary to the Report is attached as Appendix 1

A1.2 It will be noted that the report recommended that an outline feasibility report (including preliminary business plan) with clear milestones be commissioned at an estimated cost of £150,000 to £250,000.

A1.3 Given the scale of expenditure OJEU procurement procedures will be necessary and a draft notice has been prepared.

A1.4 Although the Commission will be packaged as one, and procured via single European Union compliant advertisement, there are five Lots to the work, and bids can be submitted for all or individual Lots. The five Lots are:-

- 1) Assessment and ratification of TDA's Initial Scoping Report;
- 2) Appraisal and assessment of the financial viability of the project;
- 3) Design feasibility study (by a marine architect);
- 4) Knowledge of the legal process and procedure in the above project;
- 5) Environmental Study as to impact and assessment of the project.

A1.5 The project will need to be overseen and controlled by a Project Board comprising leading officers in planning, the harbour authority and regeneration, leading Council Members, including the Mayor and Executive Leads for Finance and Planning and Regeneration, the Chair of the Harbour Committee together with such other representatives as the Board may see as appropriate.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

A2.2 The principal risk in this investment is that a substantial outlay on the cost of the further detailed feasibility studies will not deliver a viable and fundable scheme. The potential benefits to the regeneration of Torbay should the scheme finally be delivered could however be enormous. Furthermore, the five parts of the study can be procured separately and progressively so that expenditure can be controlled incrementally should early challenges present themselves which seem incapable of resolution.

A2.4 Remaining risks

A2.5 The findings of the advice is not conclusive and further work, and expenditure, is required.

A3 Other Options

A3.1 Do not undertake any further feasibility work.

A3.2 Explore further external funding options for the feasibility study.

A4 Summary of resource implications

A4.1 The estimated cost for all five elements of the feasibility work is £150,000 to £250,000.

A5 What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 There are environmental implications in the sea area identified for extending Torquay harbour. One element of the feasibility work will be to undertake a desk top Environmental Study to assess the impact of the project.

A6 Consultation and Customer Focus

A6.1 The concept of a “Third Harbour” for Torquay has been in the public domain for a number of years. The Harbour Committee has previously received a presentation about this project and the Royal Torbay Yacht Club has supported the concept.

A7 Are there any implications for other Business Units?

A7.1 The Torbay Development Agency will procure this work and a Project Board will oversee the delivery.

Appendices

Appendix 1 Executive Summary, Initial Scoping Report – The Third Harbour, Torquay – Feb 2012. (To follow).

Documents available in members’ rooms

Initial Scoping Report – The Third Harbour, Torquay – Feb 2012.

Background Papers:

The following documents/files were used to compile this report:

Initial Scoping Report – The Third Harbour, Torquay – Feb 2012



Title: Tor Bay Harbour Authority Revenue Outturn 2011/12
Public Agenda Item: Yes
Wards Affected: All Wards in Torbay
To: Harbour Committee **On:** 11th June 2012
Contact Officer: Kevin Mowat Pete Truman
Telephone: 292429 7302
E.mail: Kevin.Mowat@torbay.gov.uk Pete.Truman@torbay.gov.uk

1. Key points and Summary

1.1 This report provides Members with the details of the Tor Bay Harbour Authority final expenditure and income figures against budget targets for 2011/12.

2. Introduction

2.1 The Tor Bay Harbour Authority budget for 2011/12, based on a 2.5% increase in harbour charges, was approved by Council on 6th December 2010.

2.2 Subsequent amendments to the budget and variation to the Reserve Account have been noted by the Harbour Committee throughout the year.

2.3 The final outturn against the revised budget is summarised below:

	Original Budget 2011/12 £000	Revised Budget 2011/12 £000	Outturn 2011/12 £000
Torquay and Paignton Harbours Surplus	0	56	63*
Brixham Harbour Surplus/(Deficit)	(50)	121	145*

*Pursuant to Harbour Committee Minute 398 (December 2011) the Executive Head of Tor Bay Harbour Authority has applied the operational surpluses to making additional repayments against financing charges for capital projects. These measures will generate ongoing revenue savings of £6k for the Torquay/Paignton account and £9k for Brixham.

2.4 Details of expenditure and income with explanations of material variances are provided at Appendix 1. The outturn figures form part of the Council's Statement of Accounts which is currently being prepared for audit.

- 2.5 The Committee is asked to note the Harbour Master's use of delegated powers to waive certain harbour charges, which at the end of this financial year amounted to £18,333.16 (excl VAT) and which were spread across both Harbour accounts.
- 2.6 For the sake of clarity the Committee is asked to note that the capital receipt in respect of the Old Market House development has not been applied to the Brixham harbour reserve fund but it has instead been passed to the funding budget for the new Fish Quay regeneration project, in accordance with the terms of the funding letter from the Regional Development Agency. However, the ongoing revenue income is being credited to the Brixham harbour account.

Kevin Mowat
Executive Head of Tor Bay Harbour Authority

Appendices

Appendix 1 – Harbour Revenue Accounts Outturn 2011/12

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

None

HARBOUR REVENUE ACCOUNTS - OUTTURN 2011/12

TORQUAY and PAIGNTON HARBOURS

	2011/12 Original Budget £ ,000	2011/12 Revised Budget £,000	2011/12 Outturn £ ,000	Notes
Expenditure				
Operations and Maintenance :-				
Harbour Attendants Salaries and Wages	138	138	137	
Repairs and Maintenance	152	157	150	1
Rent Concessions	2	2	1	
Other Operating Costs	108	77	82	2
Town Docks Costs	23	7	8	3
Management and Administration :-				
Salaries	181	176	174	4
Internal Support Services	117	116	118	
Other Administration Costs	45	40	42	5
Capital Charges	169	168	167	
Depreciation charge contribution	0	16	16	6
Contribution to Bad Debt Provision	5	0	0	7
Contribution to Patrol Boat Operation	2	2	2	
	942	899	897	
Income				
Rents and Rights :-				
Property and Other Rents/Rights	246	252	246	8
Marina Rental	228	222	222	9
Operating Income :-				
Harbour Dues	60	61	64	10
Visitor and Slipway	50	47	48	11
Mooring fees	59	64	65	12
Town Dock	240	234	234	13
Boat and Trailer parking	31	31	32	
Other Income	28	39	44	14
Contribution from Reserve	0	5	5	15
	942	955	960	
Operating Surplus	0	56	63	
Contribution to Reserve for Repayment of Prudential Borrowing	0	0	63	16
Net Surplus To Reserve	0	56	0	
RESERVE FUND				
Opening Balance as at 1st April 2011			617	
Interest Receivable			9	
Net Surplus / (Deficit) from Revenue Account			0	
Contributions from Revenue			63	16
Withdrawals			(5)	15
Repayment of Borrowing			(63)	16
Closing Balance as at 31st March 2012			621	

Note: The recommended minimum level for the Torquay and Paignton Harbours Reserve fund at year-end 2011/12 is £436,000 based on 20% of budgeted turnover together with a cash figure of £250k.

HARBOUR REVENUE ACCOUNTS - OUTTURN 2011/12

TORQUAY AND PAIGNTON HARBOURS

NOTES

- 1 Work on the Torquay Harbour Bridge & Cill, originally planned for 2010/11 was undertaken this year. Provision was made from the previous years budget with the corresponding funding coming back from the Reserve (see note 15).
- 2 A decision by the Valuation Office to delete the rateable liability for the Harbour Master's offices at both Torquay and Paignton has resulted in a reduction and rebate totalling £19k with an ongoing budget saving of £4.3k.
Further savings anticipated over a number of headings were not fully realised.
- 3 The rating liability for the Town Dock is now combined within the overall Torquay Harbour assessment.
- 4 Employee costs are reduced due to the waiving of superannuation contributions by some employees.
- 5 Savings have been achieved over a number of headings as a result of strict management control on spending. These savings were partially offset by expenditure on professional fees incurred in achieving the rating reductions identified in note 2.
- 6 Contribution to General Fund asset depreciation charges.
- 7 The current level of bad debt provision is sufficient based on the existing aged debt analysis. A contribution this year is therefore not required.
- 8 Anticipated increased income from rent reviews at Paignton Harbour and the letting of empty units have been offset by a duplication of scheduled rent for one property and shortfalls at Torquay.
- 9 As expected the income from Torquay Marina has reduced due to the continuing difficult economic conditions.
- 10 Income from commercial craft exceeded target.
- 11 Visitor and slipway income is slightly down compared with previous years levels.
- 12 Mooring fees at Torquay Harbour were above target.
- 13 Town Dock earning targets were reduced to reflect 2010/11 income levels.
- 14 General income levels have been boosted by fish landings at Torquay harbour and the sales of arrested boats.
- 15 Funding for the Torquay Harbour Bridge & Cill work (see note 1) provided for from the 2010/11 revenue budget.
- 16 Minute 398 approved the use of harbour reserve funds to make additional payments against the financing charges of capital projects. The Executive Head of Tor Bay Harbour Authority has applied the Outturn surplus for this purpose.

BRIXHAM HARBOUR

Expenditure	2011/12 Original Budget £ ,000	2011/12 Revised Budget £,000	2011/12 Outturn £ ,000	Notes
Operations and Maintenance :-				
Harbour Attendants Salaries and Wages	250	177	177	1
Repairs and Maintenance	111	156	215	2
Rent Concessions	4	4	4	
Other Operating Costs	224	310	313	3
Management and Administration :-				
Salaries	156	134	135	1
Internal Support Services	92	98	103	4
Other Administration Costs	39	45	43	5
Capital Charges	268	290	290	6
Depreciation charge contribution	0	10	10	7
Leased Properties	0	0	20	8
Contribution to Patrol Boat Operation	2	2	2	
	1,146	1,226	1,312	
Income				
Rents and Rights :-				
Rents and Rights	189	184	179	9
Marina Income	169	167	162	10
Operating Income :-				
Harbour Dues	76	86	90	11
Visitor and Slipway	15	13	13	12
Mooring fees	125	138	142	13
Fish Tolls income	474	650	739	14
Other Income	49	92	115	15
Contribution from General Fund	0	17	17	16
	1,097	1,347	1,457	
Operating Surplus /(Deficit)	(50)	121	145	
Contribution to Reserve for Repayment of Prudential Borrowing	0	0	145	17
Operating Surplus /(Deficit)	(50)	121	0	
RESERVE FUND				
Opening Balance as at 1st April 2011			553	
Interest Receivable			8	
Net Surplus / (Deficit) from Revenue Account			0	
Contributions from Revenue			145	17
Withdrawals			(17)	16
Repayment of Borrowing			(145)	17
Closing Balance as at 31st March 2012			544	

Note: The recommended minimum level for the Brixham Harbour Reserve fund at year-end 2011/12 is **£503,000** based on 20% of budgeted turnover together with a cash figure of £250k.

HARBOUR REVENUE ACCOUNTS - OUTTURN 2011/12

BRIXHAM HARBOUR

NOTES

- 1 Employee costs are reduced due to the waiving of superannuation contributions by some employees.
The Outturn for Harbour Attendants reflects a vacant Dockmaster post (see also note 3) and reduced hours for one member of staff.
Savings were also achieved on overtime costs.
- 2 Work on various schemes, originally planned for 2010/11 were undertaken this year. Provision was made from the previous year budget with the corresponding funding coming back from the Reserve (see note 16).
Mooring maintenance costs for the year has included a late invoice for preliminary costs relating to the previous mooring contract in 2010/11 which contributed to an overall overspend.
- 3 Contract security costs were incurred in place of one Dockmaster post but are offset by the savings in salaries (see note 1).
The Valuation Office determined that the rating liability for the New Fish Market rests with Brixham Trawler Agents and this represents a saving to this account. Increased water charges within the new development have increased the outturn but water users have been recharged (see note 15).
Significant additional costs in utilities were incurred on the fish market operation but fortunately these were offset by the significant increases in fish tolls (see note 14.)
- 4 The Outturn reflects a reduction in property management costs now charged by the Torbay Economic Development Company which was offset by additional charges for Engineers costs.
- 5 Work originally planned for 2010/11 was undertaken this year. Provision was made from the previous year budget with the corresponding funding coming back from the Reserve (see note 16).
External legal costs were incurred to help successfully defend a third party mooring claim and contractual liability.
- 6 Adjustments to financing of the Brixham Regeneration capital scheme resulted in a slight increase in capital charges.
- 7 Contribution to General Fund asset depreciation charges.
- 8 Expenditure on leased premises is being recognised in the current year. Service charge income recovering these costs will be raised in 2012/13.
- 9 Rent income was below forecast due to some rent free periods for new lettings and one new unit remaining unlet.
- 10 As expected the income from Brixham Marina has reduced due to the continuing difficult economic conditions.
- 11 Additional income has been generated from charges for Private and Commercial craft.

- 12 Visitor and slipway income was down slightly compared with 2010/11.
- 13 Additional Mooring income was generated from charges for Private Craft.
- 14 The new Fish Market facilities have helped to generate a substantial increase in fish toll levels in 2011/12.
- 15 General income levels were boosted by the sale of boats and include recharge of water services (see note 3).
- 16 Funding for various works (see notes 2 & 5) provided for from the 2010/11 revenue budget.

- 17 Minute 398 approved the use of harbour reserve funds to make additional payments against the financing charges of capital projects. The Executive Head of Tor Bay Harbour Authority has applied the Outturn surplus for this purpose.

Agenda Item 18



Title: **Tor Bay Harbour Authority Budget Monitoring 2012/13**

Public Agenda Item: **Yes**

Wards Affected: **All Wards in Torbay**

To: **Harbour Committee** On: **11th June 2012**

Contact Officer: **Kevin Mowat** **Pete Truman**

☎ Telephone: **292429** **7302**

✉ E.mail: Kevin.mowat@torbay.gov.uk Pete.Truman@torbay.gov.uk

1. Key points and Summary

- 1.1 This report provides Members with projections of income and expenditure for the year 2012/13 compared with approved budgets.
- 1.2 This report identifies the overall budgetary position for Tor Bay Harbour Authority as at end of April 2012 to enable appropriate action to contain expenditure and maintain reserves at appropriate levels.
- 1.3 The Committee is asked to note any amended outturn positions of the two harbour accounts and the resulting change in reserve movements.
- 1.4 The Committee is asked to note the Executive Head of Harbour Tor Bay Harbour Authority's use of delegated powers to make decisions in relation to the budget allocated to Tor Bay Harbour.
- 1.5 Both Harbour accounts have benefitted from lower Capital Charges following a partial repayment of borrowing. However, Brixham Harbour is showing an increased deficit due to anticipated reductions in Marina and rental income.
- 1.6 The Committee is asked to note the Harbour Master's use of delegated powers to waive certain harbour charges, which this financial year amounts to £337.66 (ex VAT) and which have been spread across both harbour accounts. No additional charges have been levied.

2. Introduction

- 2.1 The Tor Bay Harbour Authority budget was approved by the Harbour Committee on 5th December 2011.
- 2.2 This is the first budget monitoring report presented to the Harbour Committee for the financial year 2012/13.

2.3 The projected outturn at Appendix 1 reflects amendments to the budget made within the Executive Head of Tor Bay Harbour Authority's delegated powers. Details of each amendment can be found in the associated note.

2.4 The performance against budget is summarised below:

	Original Budget 2012/13 £000	Projected Outturn 2012/13 £000
Torquay and Paignton Harbours Surplus/(Deficit)	(35)	(28)
Brixham Harbour Surplus/(Deficit)	(34)	(39)

2.5 The current progress of Harbour capital schemes is detailed below:

	Total Budget £000	Actual to Date (including prior years) £000	Projected Outturn £000	Notes
Torquay Harbour – Haldon & Princess Piers [General Fund element]	1,200 [600]	1,200 [600]	1,200 [600]	(i)
Brixham Harbour – Various Repairs	640	647	649	(ii)
Brixham Breakwater Repairs	150	0	150	(iii)
Fish Market Roof – PV Panels	48	0	48	(iv)

- (i) An initial application for external funding from the Environment Agency was successful and the grant of approximately £1.3m is currently being used for Phase 2 which commenced in the autumn of 2011 with further work to follow this winter. Work towards a further bid of approximately £7m of external funding from the Environment Agency is now underway and is expected to be submitted later this year.
- (ii) Further repair work is required to the ladders and fenders. Funding for this spend has been approved from the Brixham Harbour reserve but is not currently reflected in the Capital Plan
- (iii) The Environment Agency approved a grant of £40,000 to produce a more detailed structural report of the breakwater. Officers have now evaluated this new report and work has started on a bid for further Environment Agency funding from their medium-term capital plan. Unfortunately, the additional wave modelling results and economic appraisal has been delayed by new modelling data. A bid for external funding from the Environment Agency is now expected to be submitted later this year. In the meantime the approved £150k capital work has been postponed

- (iv) Approximately £48k has been earmarked from the Brixham Harbour reserve to fund a 10kw Photovoltaic solar energy system on the new Fish Market roof. This capital spend has already been approved by Torbay Council but the recent announcement regarding a significant reduction in the feed-in tariff rate has meant that the scheme may no longer be viable. Further evaluation is now required to determine a clear business case.

2.7 The Harbour's liability for prudential borrowing is detailed in the following table :-

Capital Scheme	Amount Borrowed	Start of Repayments	Principal outstanding at 1st April 2012
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£1,144,601
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£920,515
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£4,526,876
Total	£7,090,000	Total	£6,591,992

2.8 The Tor Bay Harbour Authority debt position at the end of April 2012 is set out in the table below :-

	Corporate Debtor System		Harbour Management System (HMS)	
	Unpaid by up to 60 days	Unpaid over 60 days	2012/13 Debt	Previous Years Debt
Debt at 30 th April 2012	£19,000	£7,000	£228,664	£35,425
Bad Debt Provision	£17,000		N/A	N/A

The Harbour Management System (HMS) debt does not have a separate bad debt provision because the income is not credited until it is received. However, following the recent internal audit report the Executive Head of Tor Bay Harbour Authority has determined that the overall debt position should be shown to the Harbour Committee on each budget monitoring report. The HMS debt figure is expected to be high at this time of the year as the harbour accounting period only commenced on 1st April.

2.9 Under the Council's Scheme of Delegation the Harbour Master can vary (by addition or waiver (in full or as to part)) the approved Schedule of Harbour Charges in such manner as shall be considered reasonable. However, the Harbour Master shall maintain a proper written record of all variations approved using the delegated powers and shall, at least twice a year, report to the Harbour Committee the total value of the additional charges levied and the total value of the charges waived (see paragraph 1.6).

Kevin Mowat
Executive Head of Tor Bay Harbour Authority

Pete Truman
Principal Accountant

Appendices

Appendix 1 Harbour Revenue Accounts 2012/13

Documents available in members' rooms

None

Background Papers:

None

Agenda Item 18

Appendix 1

Appendix 1

HARBOUR REVENUE ACCOUNTS 2012/13

TORQUAY and PAIGNTON HARBOURS

Expenditure	2012/13 Original Budget £ ,000	2012/13 Profiled Budget £ ,000	2012/13 Actual to Date £ ,000	2012/13 Projected Outturn £ ,000	Notes
Operations and Maintenance :-					
Harbour Attendants Salaries and Wages	136	10	10	136	
Repairs and Maintenance	153	10	33	153	
Rent Concessions	2	0	0	1	
Other Operating Costs	117	29	14	117	
Town Dock Costs	10	0	0	10	
Management and Administration :-					
Salaries	178	15	15	178	1
Internal Support Services	119	12	12	100	2
External Support Services	0	0	0	19	2
Other Administration Costs	46	4	3	46	
Capital Charges	184	0	0	178	3
Contribution to Patrol Boat Operation	3	0	0	3	
Dividend to General Fund (based on 2.5% of total income)	23	0	0	23	
	971	80	87	964	
Income					
Rents and Rights :-					
Property and Other Rents/Rights	246	51	47	246	
Marina Rental	222	20	20	222	
Operating Income :-					
Harbour Dues	61	26	33	61	
Visitor and Slipway	41	3	3	41	
Mooring fees	68	35	37	68	
Town Dock	241	191	184	241	
Boat and Trailer parking	34	19	29	34	
Other Income	23	10	13	23	
	936	355	366	936	
Operating Surplus /(Deficit)	(35)	275	279	(28)	

RESERVE FUND	
Opening Balance as at 1st April	621
Interest Receivable	8
Net Surplus / (Deficit) from Revenue Account	(28)
Withdrawal	0
Expected Closing Balance as at 31st March	601

Note: The current recommended minimum level for the Torquay and Paignton Harbours Reserve fund is **£437,000** based on 20% of budgeted turnover together with a cash figure of £250k

HARBOUR REVENUE ACCOUNTS 2012/13

NOTES

TORQUAY & PAIGNTON HARBOURS

- 1 It is anticipated that there will be a reduction in employee costs due to the waiving of superannuation contributions by some employees. However, this has not been reflected in the projected outturn at this stage as employees are entitled to join the scheme at any time.
- 2 Estates Management and Property Services are now provided by the Torbay Economic Development Company.
- 3 Capital borrowing charges have reduced following early repayment of £63k of principal from the 2011/12 operational surplus.

HARBOUR REVENUE ACCOUNTS 2012/13

BRIXHAM HARBOUR

Expenditure	2011/12 Original Budget £ ,000	2011/12 Profiled Budget £ ,000	2011/12 Actual to Date £ ,000	2011/12 Projected Outturn £ ,000	
Operations and Maintenance :-					
Harbour Attendants Salaries and Wages	209	19	13	209	1
Repairs and Maintenance	120	3	6	120	
Rent Concessions	4	0	0	4	
Other Operating Costs	260	11	39	279	2
Management and Administration :-					
Salaries	144	12	11	144	1
Internal Support Services	107	4	4	88	3
External Support Services	0	0	0	19	3
Other Administration Costs	44	7	9	44	
Capital Charges	300	0	0	291	4
Contribution to Patrol Boat Operation	3	0	0	3	
Dividend to General Fund (based on 2.5% of total income)	29	0	0	29	
	1,220	56	82	1,230	
Income					
Rents and Rights :-					
Rents and Rights	213	57	30	204	5
Marina Income	167	20	20	162	6
Operating Income :-					
Harbour Dues	84	47	55	84	
Visitor and Slipway	13	2	2	13	
Mooring fees	134	82	93	134	
Fish Tolls income	525	36	60	525	
Other Income	50	4	7	69	7
	1,186	248	267	1,191	
Operating Surplus /(Deficit)	(34)	192	185	(39)	

RESERVE FUND	
Opening Balance as at 1st April	543
Interest Receivable	7
Net Surplus / (Deficit) from Revenue Account	(39)
Withdrawal	0
Closing Balance as at 31st March	511

Note: The current recommended minimum level for the Brixham Harbour Reserve fund is **£487,000** based on 20% of budgeted turnover together with a cash figure of £250k.

HARBOUR REVENUE ACCOUNTS 2012/13

NOTES

BRIXHAM HARBOUR

- 1 It is anticipated that there will be a reduction in employee costs due to the waiving of superannuation contributions by some employees. However, this has not been reflected in the projected outturn at this stage as employees are entitled to join the scheme at any time.
- 2 The new fish market development has significantly increased water and sewerage charges. It is anticipated that the additional cost will be recovered (see note 7).
- 3 Estates Management and Property Services are now provided by the Torbay Economic Development Company.
- 4 Capital borrowing charges have reduced following early repayment of £145k of principal from the 2011/12 operational surplus.
- 5 The Projected Outturn has been adjusted to reflect more realistic income levels from new facilities.
- 6 Income at Brixham Marina continued to fall in 2011/12 due to the difficult economic conditions. As a prudent measure the projected rental for 2012/13 has been reduced.



Title: **Tor Bay Harbour Authority Audit Plan – 2012~2017**

Public Agenda Item: **Yes**

Wards Affected: **All Wards in Torbay**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **No**

Change to Budget: **No** Change to Policy Framework: **No**

Contact Officer: **Kevin Mowat**
Telephone: **01803 292429**
E.mail: Kevin.Mowat@torbay.gov.uk

1. **What we are trying to achieve**

- 1.1 Tor Bay Harbour Authority is a function of Torbay Council and all local authorities and other relevant bodies are subject to the Local Government Act 1972 Section 151 and the Accounts and Audit Regulations 2003 (as amended 2006). Consequently the Council must maintain an adequate and effective system of Internal Audit of its accounting records and of its system of Internal Control in accordance with the proper practices in relation to internal control.
- 1.2 Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Internal auditing is a catalyst for improving an organisation's effectiveness and efficiency by providing insight and recommendations based on analyses and assessments of data and business processes.
- 1.3 The key objective of the Audit Plan is to deliver a framework of audit tasks that will provide the Harbour Committee with the assurances outlined in 1.2 above. By adopting a systematic approach to internal auditing the Harbour Committee will be able to assist the Tor Bay Harbour Authority business unit to meet the overall objectives of the service. Furthermore it will also provide assurance to Torbay Council that the strategic management of Tor Bay Harbour, undertaken by the Harbour Committee, meets their aspirations for their harbour authority function.

- 1.4 The Tor Bay Harbour Audit Plan attached as Appendix 1 has been prepared with the help of the Devon Audit Partnership using a risk based approach and priority assessment including consultation at both strategic and operational levels to ensure that the content of the plan is aligned to the Harbour Authority's needs, goals and objectives and satisfies the statutory assurance requirements. The number of Audit Days for each audit entity will vary depending on risk, available resources and previous audit reports.
- 1.5 Internal auditors are not responsible for the execution of harbour authority activities but through a robust Audit Plan they can provide advice to harbour management and the Harbour Committee about how to better execute their responsibilities. As part of its governance role the Harbour Committee will receive copies of all internal audit reports relating to Tor Bay Harbour.

2. Recommendation(s) for decision

- 2.1 That the Committee consider and agree in principle the amended Tor Bay Harbour Audit Plan for 2012~2017 shown in Appendix 1.**

3. Key points and reasons for recommendations

- 3.1 To inform the Harbour Committee of the arrangements and work plan for the Audit of the Tor Bay Harbour Authority business unit between 2012 and 2017.
- 3.2 To ensure key issues are communicated to and actioned by the Committee to ensure risks are managed and the Internal Control Framework is sound.
- 3.3 To ask the Committee to endorse the outline Audit Plan for 2012~2017 and advise of any areas of concern they feel would benefit from Audit input.
- 3.4 The Devon Audit Partnership will undertake the majority of the audits and their work will be in accordance with auditing standards contained within the CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom. Audits are planned and performed so as to obtain all the information and explanations considered necessary to gain assurance as to the level of control within the business unit. Audit findings and recommendations are however based on restricted samples of transactions / records and discussions with relevant officers.

For more detailed information on this proposal please refer to the supporting information attached.

**Captain Kevin Mowat
Executive Head of Tor Bay Harbour Authority
Tor Bay Harbour Master**

Supporting Information

A1. Introduction and history

- A1.1 The Council's Audit Committee deals with the local authority's corporate responsibility under the Accounts and Audit Regulations 2006 (amended) to include in their annual statement of accounts an Annual Governance Statement. This Statement also requires an annual review of the Internal Control Environment and an annual review of Internal Audit. The statement is wide ranging and includes an assessment of risks, Corporate Governance and the delivery of the Council's functions. Internal Audit work forms an element of the evidence required but it is the management of the organisation that is responsible for the internal control framework and for providing the assurance required.
- A.1.2 As part of Torbay's commissioning model, Internal Audit provision is commissioned from Devon Audit Partnership. The Partnership is a shared service between Torbay, Plymouth and Devon County Councils which delivers Internal Audit services to the partner authorities and it replaced the previous three separate internal audit sections with effect from 1 April 2009. The commissioned service is expected to deliver improved efficiencies, productivity and performance, economies of scale and shared best practice.
- A.1.3 On 22nd June 2009 the Harbour Committee received report number 147/2009 which provided detailed results of the Internal Audit Report of the Harbour and Marine Services business unit concluded in May 2009. The key objective of the 2009 audit was to provide assurance to the Council's Audit Committee that the strategic management of Tor Bay Harbour, undertaken by the Harbour Committee and delivered by the Harbour & Marine Services business unit (now the Tor Bay Harbour Authority business unit), met the overall objectives of the service. However, at the time it was considered entirely appropriate that the Harbour Committee should also receive and note the Internal Audit of the Harbour & Marine Services business unit.
- A.1.4 In 2009 it was the Audit Report's opinion that the administrative, financial and risk management systems and controls within the Harbour Authority were generally well managed. The 2009 Audit Report did not find any area requiring urgent improvements in controls or in the application of controls and none of the recommendations were considered as being an immediate or high priority. The Council was found to be meeting its legal responsibilities and obligations as a Harbour Authority.
- A1.5 The scope and content of the May 2009 Audit Report was of necessity wide ranging and this led the Executive Head of Tor Bay Harbour Authority to consider a more systematic and targeted approach to future internal audits. In June 2011 the Harbour Committee approved the first formal Audit Plan specifically for Tor Bay Harbour Authority.
- A1.6 As part of the previous Audit Plan an Audit Report of Harbour Authority Income was concluded in November 2011 and an overview of the results was presented to the Harbour Committee in March 2012. This audit is now shown as completed although some recommendations are still being implemented.

A2. Planned Audit Coverage 2012~17

A2.1 The audit plan for 2012~17 (Appendix 1) has been prepared and identified, with the help of Devon Audit Partnership, by :-

- Adopting a risk based priority audit planning tool to identify those areas where audit resources can be most usefully targeted. This involves scoring a range of systems, services and functions across the whole of the business unit using a number of factors/criteria e.g. materiality, control environment, sensitivity, time since last review etc. The final score, or risk factor for each area, together with a priority ranking, then determines a schedule of priorities for audit attention.
- Discussions and liaison with Devon Audit Partnership and harbour staff regarding the risks which threaten the achievement of the service objectives, including the introduction of new systems and corporate initiatives.
- Taking into account results of previous internal audit reviews.
- Taking into account Internal Audit's knowledge and experience of the risks facing the Harbour Authority.
- Consideration of risks identified in the Harbour Authority's strategic and operational risk registers.

A.3. Risk assessment of preferred option

A3.1 Outline of significant key risks

A3.1.1 The report is predominantly for information and therefore there are no risks associated with the recommendations.

A3.1.2 The adoption of a clear Harbour Authority Audit Plan will enhance the Council's reputation for transparency and accountability in respect of its delivery of its harbour authority function. It also reflects best practice.

A.3.2 Remaining risks

A3.2.1 Although the plan has been matched to available resources, if those resources are stretched or unavailable there remains a risk that audit reviews could slip thereby increasing the future risk to the Harbour Authority. Such situations will be managed within the overall audit resources available to the Devon Audit Partnership with audit resources being moved between client Councils to better manage the risk and to address the issue identified. Conversely the impact of such an event on the other client Councils could necessitate resources being moved away from Torbay but it is hoped that allowing a contingency will help to manage this.

A3.2.2 It should be recognised that ultimately it is the responsibility of management to establish systems of internal control to ensure that activities are conducted in a secure, efficient and well-ordered manner. It does not matter how good the systems of internal control are, it is not possible to guarantee that a fraud will not occur, although it is hoped any irregularity would be quickly identified and

resolved. However the work undertaken by Internal Audit should give the business unit, and the Harbour Committee, assurance that with the testing undertaken, no fraud was found and that all systems were operating effectively within the limitations reported at the time. Only by constant appliance of the Council's Standing Orders, Financial Regulations and operating instructions can this risk be fully minimised.

A4. Other Options

A.4.1 The issues raised in this report are predominantly for information and as such there is no requirement to consider alternative options.

A.4.2 There is a statutory requirement for a continual internal audit of the Council's processes and internal controls. Whilst there are options surrounding the risk assessments, those being used are the accepted approaches for this style of risk assessment and may vary from those which are applied to the Council's services generally but in certain cases there are no alternative options if the Council is to meet external requirements.

A.4.3 Internal Audit reports provide one element of assurance to the Harbour Committee but the Tor Bay Harbour Authority management team provide another source of assurance and should provide evidence to support the view that Internal Controls and wider corporate governance are adequate. External reviews provide another source of assurance.

A5. Summary of resource implications

A.5.1 The audit plan is matched to available resources and should be delivered within the budget available.

A.5.2 Resource implications are related to staff time both within the service and within departments who may be required to make officers available to answer audit queries and provide information in respect of any audit review or investigation. The Port Marine Safety Code compliance audit requires the procurement of an external "Designated Person".

A6. What impact will there be on equalities, environmental sustainability and crime and disorder?

A.6.1 Members and employees, in their roles and responsibilities, are asked to be vigilant in preventing and detecting fraud, corruption and irregularity. In addition, Members and employees have a responsibility to lead by example in ensuring adherence to legal requirements, Standing Orders, Financial Regulations and all procedures and policies including both Members and Officers Codes of Conduct.

A.6.2. The Devon Audit Partnership has due regard for section 17 of the Crime and Disorder Act 1998, ensuring that they consider crime and disorder reduction and community safety in the exercise of all of their duties and activities. Part of their role includes being one of the major contacts within the Council's Fraud & Corruption and Whistle-blowing Policies that detail how potential irregularities and frauds will be investigated and reported.

A.6.3 Services from the Devon Audit Partnership will support equality and diversity ensuring inclusion, fairness and equality of access. The key actions for the Partnership in relation to equality and diversity are as follows: -

- Equality Impact Assessments of all audit related policies and procedures
- All correspondence etc. can be made available in different languages and formats as required – Audit subscribe to the National Interpreting Service
- Equalities is included as a standing agenda item in management team meetings and is included in job descriptions.

A7. Consultation and Customer Focus

A7.1 The draft audit plan has been subject to consultation with the Executive Head of Tor Bay Harbour Authority and the Harbour Administration Officers.

A.8. Are there any implications for other Business Units?

A.8.1 There are no significant implications for other business units but staff time maybe required within other departments who may be required to make officers available to answer audit queries and provide information in respect of any audit review or investigation.

Appendices

Appendix 1 Tor Bay Harbour Authority Audit Plan – 2012~2017

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

Report 147/2009 Harbour and Marine Services Internal Audit Report - May 2009

Report 90/2010 Torbay Council's Internal Audit Plan 2010/11

Report June/2011 Tor Bay Harbour Authority Audit Plan – 2011~2017



Appendix 1 **Rolling Audit Plan for Tor Bay Harbour Authority – 2012 ~ 2017**

Audit Entity (Name)	Audit Entity Description (Coverage)	Audit Type	Priority Score (linked to risk assessment)	Last Audited	Next Scheduled Audit
IT System Administration & Security	Harbour Management Software (HMS); IT Audit; IT Security; Security of IT Infrastructure and Disaster Recovery; Information Governance including CCTV.	Material System	45.28	See Note 3	2012/13 Jun – July 2012
Port Marine Safety Code	Compliance with the Code – audit undertaken by independent “designated Person” (not Devon Audit Partnership)	Operational Risk	63.13	November 2011	November 2012 2 – 3 days
Asset Management	Harbour Estate and Asset Management; Capital Project planning, management and evaluation; Accommodation Planning.	Operational Risk	67.05	See Note 3	2013/14
Risk Management	Risk Management – Operational & Business; Insurances; Health & Safety; Business Continuity / Contingency Planning.	Operational Risk	60.60	See Note 3	2015/16
Business Unit Management	Business Unit Management; Procurement and Payments; Financial Planning and budget setting, monitoring and forecasting; Performance Management; Staff Development; Personnel and Establishment; Sickness Absence; Quality Management; Fundamental Financial Accounting and Asset controls; Equality and Diversity.	Operational Risk	44.90	See Note 3	2015/16

Cont.....

Audit Entity (Name)	Audit Entity Description (Coverage)	Audit Type	Priority (linked to risk assessment)	Last Audited	Next Scheduled Audit
Strategic Management	Governance (includes significant partnerships); Harbour Committee Terms of Reference & Roles and Responsibilities; Strategic Management; Long Term Planning; Government Policy Response; Energy Management; Sustainability; Value for Money; Harbour Bye Laws.	Strategic Risk	56.69	May 2009	2016/17
Income	Harbour Charges; Other Income including Rents and Fish Tolls; Cash Handling; Re-charges; Debt Management.	Material System	46.63	Sept – Dec 2011	Not yet agreed

Note 1

For all audit entities the associated risks and controls related to the coverage areas examined will be determined including any risk / control issues relating to fraud and corruption.

Note 2

Reactive fraud and corruption investigation will be undertaken in the event of an incident at the Tor Bay Harbour Authority or where routine audit activity uncovers a potential irregularity.

Note 3

Prior to 2008/09 the audit of harbours was undertaken by harbour location covering the financial controls in that location.



Title: **Tor Bay Harbour Authority - Enforcement and Prosecution Policy**

Public Agenda Item: **Yes**

Wards Affected: **All wards in Torbay**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **No**

Change to Budget: **No** Change to Policy Framework: **No**

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1. **What we are trying to achieve and the impact on our customers**

1.1 Tor Bay Harbour Authority has an Enforcement and Prosecution Policy. The Harbour Committee is asked to review and endorse the Enforcement and Prosecution Policy. Our customers will benefit from a clear and concise Enforcement and Prosecution Policy that is regularly reviewed by the Harbour Committee

2. **Recommendation(s) for decision**

2.1 **That the Enforcement and Prosecution Policy shown in Appendix 1 to this report is approved.**

3. **Key points and reasons for recommendations**

3.1 Torbay Council, acting in its capacity as Tor Bay Harbour Authority, has the powers to make harbour Byelaws. The current Tor Bay Harbour Byelaws came into force in November 1994.

3.2 Byelaws empower harbour authorities to regulate activities for specific purposes, reflecting local circumstances and enabling the business of the harbour to be conducted efficiently and safely.

3.3 The safe and proper use of the harbour is also regulated directly via the Tor Bay Harbour Act 1970 and subsequent local harbour acts and/or Orders.

- 3.4 Occasionally marine incidents occur in the harbour. Such incidents may involve death, serious injury, pollution and other undesirable outcomes and they may involve breaches of national or local laws. There may be the need on the part of the harbour authority to initiate enforcement action that may lead to prosecution in their own right or through an agency of another authority such as the Police, the Environment Agency or the Maritime and Coastguard Agency.
- 3.4 It is therefore essential that Tor Bay Harbour Authority has a fit for purpose Enforcement and Prosecution Policy. Keeping such a policy under regular review reflects national best practice.

For more detailed information on this proposal please refer to the supporting information attached.

**Kevin Mowat
Executive Head of Tor Bay Harbour Authority
Tor Bay Harbour Master**

Supporting Information

A1. Introduction and history

A1.1 The original Enforcement and Prosecution Policy was published in 2004 and the current version was approved by the Harbour Committee on 13th June 2011. Appendix 2 shows the existing policy and Appendix 1 shows the revised and proposed policy. Changes are being recommended to the existing Policy to provide a more coherent document and give further clarity over when a decision to prosecute would be appropriate.

A1.2 The Harbour Authority has statutory powers to regulate the conduct of vessels in the harbour's jurisdiction and to assist in managing the risks of marine operations. To these ends, enforcement action will sometimes be appropriate.

A1.3 The Harbour Authority recognises that most harbour users want to comply with the law. Therefore, where it can, the Harbour Authority will help users to meet their legal obligations without unnecessary expense, while taking firm action – including prosecution where appropriate – against those who flout the law or act irresponsibly.

A1.4 The purpose of any enforcement action is to protect the safety of residents, harbour users and visitors to Tor Bay Harbour. The Harbour Authority has the options of negotiation, education and persuasion and, where a criminal offence has occurred, of cautioning or prosecuting the offender.

A1.5 The Enforcement and Prosecution Policy covers the following areas ;-

- Aims of the Policy
- Guiding Principles
- Clear Standards
- Consistency
- Targeting & Proportionality
- Monitoring

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

A2.2 There are no key risks associated with taking this decision.

A2.3 The adoption of a clearly stated Enforcement and Prosecution Policy will enhance the Council's reputation for transparency and accountability in respect of its delivery of its harbour authority function.

A2.4 Remaining risks

A2.5 There are no remaining risks.

A3 Other Options

A3.1 To take no action and continue using the existing Enforcement and Prosecution Policy without any further review.

A4 Summary of resource implications

A4.1 There are no resource implications.

A5 What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 Adoption of a clearly stated Enforcement and Prosecution Policy should help our community to understand our approach to crime and disorder within the limits of the harbour. Furthermore it should reduce or eliminate any unlawful discrimination, direct or indirect, regarding enforcement and prosecution action undertaken by the harbour authority.

A6 Consultation and Customer Focus

A6.1 The Enforcement and Prosecution Policy is a well-established policy that has been available to the public, via the website, for many years. As the latest amendments are only of a minor nature only limited consultation has been undertaken via the Harbour Liaison Forums and the Council's legal section.

A7 Are there any implications for other Business Units?

A7.1 This policy should have no impact on other Business Units.

Appendices

Appendix 1 Proposed Tor Bay Harbour Authority Enforcement and Prosecution Policy – June 2012

Appendix 1 Existing Tor Bay Harbour Authority Enforcement and Prosecution Policy – June 2011

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

Tor Bay Harbour Authority Enforcement and Prosecution Policy – June 2011

Torbay Council's Environmental Health and Consumer Protection Enforcement Policy

APPENDIX 1



TOR BAY HARBOUR AUTHORITY

ENFORCEMENT POLICY

Introduction

One of the functions of Tor Bay Harbour Authority is to act as a regulator and enforcer for a range of legal duties and powers contained in Acts of Parliament, Regulations and Orders (including various harbour byelaws).

The purpose of enforcement is to regulate the use of the harbour and harbour estate to enable business to be conducted efficiently and safely; thereby protecting harbour users, local residents and visitors to Tor Bay Harbour and safeguarding the environment. Enforcement is a very broad term which covers a large spectrum of work and includes offering advice and information through to bringing prosecutions for more serious offences.

The Tor Bay Harbour Authority team is responsible for a range of harbour and marine legislation. This policy details the standards and guidance that will apply when the harbour officers undertake their regulatory duties.

Aims

The Harbour Authority will :-

- Seek to achieve compliance in a fair, consistent, proportional, transparent and targeted manner
- Seek to be clear, open and helpful in its approach to enforcement
- Seek to target enforcement resources at areas of highest risk, including non-compliant businesses and individuals

In doing so it will act in accordance with national guidance and standards and any supplementary local policies.

Guiding Principles

The Guiding Principles that the Harbour Authority will have regard to when undertaking their regulatory and enforcement role are :-

- Any decision regarding enforcement action will be impartial and objective, and will not be influenced by race, gender, politics, sexual orientation, disability or religious beliefs of any alleged offender, victim or witness; such decisions will not be affected by improper or undue pressure from any source

- The Harbour Authority believes that the majority of individuals and businesses wish to comply with legal requirements, and should be assisted to do so
- We will give positive feedback, wherever possible, to encourage and reinforce good practices
- In dealing with any enforcement situation, the Harbour Authority's actions will be proportionate to the scale, seriousness and intention of any non-compliance
- There will be consistency of enforcement, whilst recognising that there are different, satisfactory solutions to each issue. We will refrain from being over-prescriptive whenever possible
- This policy is built around a process of escalation. Except in the most serious cases or where advice/warnings have not been heeded, adequate opportunity will be given to rectify non-compliance before formal legal action commences
- Prosecution will normally only be considered where it is in the public interest to do so and where there have been serious breaches or where other enforcement measures have failed
- Regard shall be had to the relevant legislation and codes of practice which protect the rights of the individual and guide enforcement action (e.g. Human Rights Act, Code for Crown Prosecutors, Regulators Compliance Code)
- Regard shall be had to the Harbour Authority's own policies in respect of Customer Care, Equal Opportunities, etc.

Clear Standards

- Matters relating to enforcement and regulation will be dealt with promptly
- Officers will announce themselves on arrival and show identification (unless they are already well known to the person). Officers will always explain the purpose of their visit/enquiry
- Officers will provide their name and contact details to those persons or businesses with whom they are in contact concerning a regulatory or enforcement matter
- Complaints relating to enforcement or regulatory matters will normally only be dealt with if the name and address of the complainant is given. Any such identification will be treated in confidence, but may need to be disclosed (with prior consent) should formal legal proceedings be taken against the person or business to which the complaint relates. Anonymous complaints may however be investigated if the matter relates to a serious health & safety or navigational issue etc.
- Officers will not be able to act as consultants or legal advisors to individuals or businesses, but will be available (by appointment if necessary) to discuss general issues or matters of specific enforcement with the aim of assisting or guiding compliance

- Officers will be professional, courteous and helpful in their conduct of regulatory or enforcement matters, and wherever possible will seek to work with individuals and businesses towards compliance
- Officers will endeavour to provide advice in a clear and simple manner and where any corrective action is necessary, an explanation will be given as to why it is necessary, and over what timescale it is required. Where non-compliance may result in further enforcement action or prosecution the matter will normally be confirmed in writing by way of a “Formal Warning”
- Where necessary, we will provide leaflets and other information in languages other than English to assist individuals in complying with our requirements and recommendations
- Officers will generally seek an informal resolution to cases of non-compliance except where immediate formal enforcement action is required (e.g. serious issues relating to the safety of the harbour or harbour estate, including the control of pollution, etc)
- Where there is known to be an involvement of any other enforcement agency, or any case involves joint enforcement arrangements, the Harbour Authority will consult and share intelligence with that other agency prior to taking any formal enforcement action
- Where any charges or fees are to be levied for a service, individuals and businesses will be informed of the cost or rate of charge prior to the service being provided
- Any dissatisfaction with the quality and/or advice given or any complaint concerning the harbour authority’s failure to comply with procedures, rules, statutory obligation or published service standards will be dealt with under the Council’s Corporate Complaint procedure. Copies of this procedure are available from offices of the Council, or by accessing the Council’s Website (www.torbay.gov.uk).

Consistency

Consistent enforcement action is desirable, but uniformity in approach would not always recognise individual circumstances. We will encourage consistency of approach by :-

- Providing appropriate training and supervision of officers
- Ensuring compliance with the standards set out in this policy
- Recognising that we should not normally take formal enforcement action or prosecution in the case of minor infringements
- Recognising that in some situations, we have no legal discretion but to pursue enforcement action
- Taking into consideration the guidance issued by Government Departments and other national agencies, e.g. Department for Transport, Maritime & Coastguard Agency, Health and Safety Executive, etc.

Targeting and Proportionality

We will not initiate formal enforcement procedures without a clear need to do so. We believe that through a positive, proactive approach, we can achieve higher compliance rates and better overall outcome than by using reactive enforcement action.

Any formal enforcement procedures will :-

- Aim to change the behaviour of the offender
- Aim to eliminate any financial gain or benefit to the individual or business from non-compliance
- Be responsive and consider what is the most appropriate sanction for the particular offender and regulatory issue
- Be proportionate to the nature of the offence and the harm caused
- Aim to deter future non-compliance

Our greatest enforcement effort will be where an assessment shows that both :-

- (i) A compliance breach or breaches would pose a serious risk
- (ii) There is a high likelihood of non-compliance

Monitoring

To ensure that this policy is effective, a number of monitoring and feedback mechanisms will be utilised :-

- Opportunities for businesses and members of the public to comment on the policy
- Periodic consultation with harbour stakeholders, e.g. the Harbour Liaison Forums
- Through open discussion with the public and elected members as part of the Council's Harbour Committee cycle of business.

June 2012



TOR BAY HARBOUR AUTHORITY

PROSECUTION POLICY

As stated above the decision to prosecute is a serious one, having implications for the defendant, for witnesses, sometimes for the Harbour Authority and wider still, for the consistent and effective maintenance of standards. Prosecution will be considered only when :-

- There is sufficient admissible and reliable evidence to provide a realistic prospect of conviction; and
- It is in the public interest to do so.

Prosecution will normally be in the public interest when one or more of the following criteria are satisfied :-

- a) Unlawful acts or omissions have seriously or repeatedly compromised the safe and efficient use of the harbour/harbour estate or the environment
- b) The offending created/posed a risk to public safety or to the environment
- c) Through blatant action or inaction risks causing pollution have been exacerbated
- d) Where there is disregard for safe practice
- e) The offence involves a failure to comply in full or in part with a statutory notice, including a Harbour Master's direction
- f) The offender has relevant previous convictions or has been cautioned for a relevant matter
- g) The offender has flagrantly breached harbour bye-laws or other harbour legislation and has ignored advice or requests to remedy breaches of such legal requirements
- h) The offender obstructs an Officer of the Harbour Authority carrying out statutory duties or where the offence involves the failure to supply information or the supply of false or misleading information upon lawful request
- i) The offence, whether or not serious in itself, is widespread in Tor Bay Harbour
- j) The Harbour Authority is under a statutory duty to enforce legislation

The above list is not exhaustive and the decision whether to prosecute will be taken having regard to the legal proceedings sheet and the individual circumstances of each case.

Regard will be had to the Code for Crown Prosecutors at all stages of proceedings.

June 2012

Legal Proceedings Decision Sheet

	For Prosecution (= -1)	Against Prosecution (= +1)	Score
1.	Serious Incident	Minor Incident	
2.	Deliberate act or potential to cause injury or damage through reckless disregard.	Unforeseeable/Accidental / Minor error of judgement	
3.	Inadequate control systems in place.	Adequate control systems in place.	
4.	Previous advice already given to the company / individual.	No precise information given by regulator previously.	
5.	Company/individual aware of the risk involved in their action.	Company/individual could not have been aware of the risk involved in their action.	
6.	Management/supervisor responsible for the incident.	Employee or supplier responsible for the incident.	
7.	Poor confidence in management / individual.	Good confidence in management / individual.	
8.	Previous prosecution for a similar offence.	First offence.	
9.	No remedial action taken / proposed.	Remedial action already taken.	
10.	Management / individual obstructive in the investigation.	Management / individual co-operative with the investigation.	
11.	Attempt to cover up the true facts.	Attitude open and honest.	
12.	Council reputation tarnished if prosecution is not pursued.	Prosecution may be seen as over zealous enforcement.	
13.	Prosecution will secure definite results, e.g. raise harbour safety standards	No obvious improvements in standards will result from prosecution.	
14.	Prosecution will resolve an important legal issue.	Prosecution will not clarify a legal issue.	
15.	Regulator identified problems on a previous occasion.	Regulator did not identify problems on a previous occasion.	
Total			

If statements in column 1 are true, score -1.

If statements in column 2 are true, score +1.

If neither statements are true, or not applicable, score nil.

A total minus score will favour a prosecution.

However, a prosecution must be justifiable by a logical argument, including such reasons as :-

- (i) the protection of employees or members of the public;
- (ii) to remedy deficiencies due to incompetent or irresponsible activities.



TOR BAY HARBOUR AUTHORITY

ENFORCEMENT POLICY

The Harbour Authority has statutory powers to regulate the conduct of vessels in the harbour's jurisdiction and to assist in managing the risks of marine operations. To these ends, enforcement action will sometimes be appropriate.

The Harbour Authority recognises that most harbour users want to comply with the law. Therefore, where it can, the Harbour Authority will help users to meet their legal obligations without unnecessary expense, while taking firm action – including prosecution where appropriate – against those who flout the law or act irresponsibly.

The Harbour Authority will provide information and advice in plain language on the rules that apply and will disseminate it as widely as possible. Also, the Harbour Authority will provide encouragement and support to ensure that their legal powers are used appropriately to improve and safeguard public health, public safety and the environment. The purpose of any enforcement action is to protect the safety of residents, harbour users and visitors to Tor Bay Harbour. The Harbour Authority has the options of negotiation, education and persuasion and, where a criminal offence has occurred, of cautioning or prosecuting the offender.

The Harbour Authority will minimise the costs of compliance for users by ensuring that any action it takes is proportionate to the risks. As far as the law allows, the Harbour Authority will take account of the circumstances of the case and the operator's attitude when considering action.

The Harbour Authority will carry out its duties in a fair, equitable and consistent manner. It will seek to be clear, open and helpful in its approach to enforcement. The Harbour Authority will seek to target enforcement resources where they are most needed and will be informed by its other Policies, Aims and Objectives. It will liaise with other authorities and enforcement bodies as appropriate.

Clear Standards & Consistency

- The Harbour Authority will distinguish in written correspondence those matters which the law requires must be dealt with from recommendations which provide advice on good practice but do not require compliance (notwithstanding that failure to comply may prejudice any defence which may be available should prosecution ensue).
- Where there is a shared enforcement role, such as with the Maritime and Coastguard Agency or other statutory bodies, the Harbour Authority will ensure that liaison takes place at an early stage to promote a consistent approach.

Openness & Helpfulness

- We will provide information and advice in plain language.
- We will be open about how we set about our work, including any charges that may be set.
- We will consult with harbour users, other consumers and workforce representatives in our endeavours to be open and clear in our approach.
- We will discuss general issues, specific compliance failures or problems with anyone experiencing difficulties.
- We will offer you the opportunity to put your point of view forward before action is taken against you, unless immediate action is necessary.
- We will provide a courteous and efficient service and our staff will identify themselves by name.
- We will provide a contact point and a telephone number for further dealings with us and we will encourage harbour users to seek advice/information from us.
- We will ensure that, wherever practicable, our enforcement services are effectively co-ordinated to minimise unnecessary overlaps and time delays.

Targeting & Proportionality

- We will always make ourselves available to advise whenever our other priorities permit.
- We recognise that there are sometimes different satisfactory solutions to some problems and we will refrain from being over-prescriptive whenever we can.
- We support the principles of BATNEEC (Best Available Technology Not Entailing Excessive Costs) and recognise that our actions should be in the public interest.

Procedures and Appeals and Complaints against Tor Bay Harbour Authority

- Whenever possible we will make clear what the next action, if any, will be, for example a further warning or a notice of prosecution.
- In cases where immediate enforcement action is considered necessary then we will provide you with a written explanation as to why enforcement action has been taken against you. We will ensure that advice from an Officer is put clearly and simply and this will be confirmed in writing on request, and where remedial work is required, will explain why it is necessary.
- Where action is taken by another agency this may not preclude the Harbour Authority from pursuing its own action.
- Where statutory provisions exist for you to appeal against any action taken we will inform you of those provisions.
- If you are dissatisfied about the action taken by the Harbour Authority or where the Harbour Authority has not taken any action and you want a further response, a Corporate Complaints Procedure is available to you. Contact Torbay Council, Town Hall, Castle Circus, Torquay, Devon. TQ1 3DR. Telephone – 01803 201201.

June 2011



TOR BAY HARBOUR AUTHORITY

PROSECUTION POLICY

The Harbour Authority has statutory powers to enforce relevant legislation and in some circumstances prosecution will be appropriate. Prosecution is a serious step and must be regarded as the ultimate sanction. A prosecution will only be initiated when the alleged conduct has been such that the Harbour Authority cannot impose an appropriate sanction itself and the matter therefore deserves the attention of the Court.

The Harbour Authority is committed to assisting other enforcement agencies, including the Police, to pursue their statutory duties. The Harbour Authority will liaise with any enforcement agency that may also have an interest in any matter being considered for prosecution.

Officers will always explain the purpose of their visit or interview. Each case will be considered on its individual merits and a prosecution will only be initiated in accordance with this Policy together with the Harbour Authority's Enforcement Policy.

Having duly considered the Harbour Authority's internal policies due regard will be given to the Code for Crown Prosecutors. Any decision to initiate a prosecution will be recorded in writing and the reasons for initiating the prosecution will be given.

Any investigation carried out by the Harbour Authority will be conducted pursuant to the Police and Criminal Evidence Act 1984 with due regard to the applicable Codes of Practice. In addition, where applicable, best practice will be observed as set out in national guidance issued by bodies such as the Department for Transport (Ports Policy) and/or Maritime and Coastguard Agency.

As stated above the decision to prosecute is a serious one, having implications for the defendant, for witnesses, sometimes for the Harbour Authority and wider still, for the consistent and effective maintenance of standards. Prosecution will be considered only when:-

- There is sufficient admissible and reliable evidence to provide a realistic prospect of conviction; and
- It is in the public interest to do so.

Prosecution will normally be in the public interest when one or more of the following criteria are satisfied :-

- (i) Unlawful acts or omissions have seriously or repeatedly compromised safety of navigation, public safety or the environment;
- (ii) The offending created/posed a risk to navigation, public safety or to the environment;

- (iii) Through blatant action or inaction the risks of and/or actual pollution have been exacerbated;
- (iv) Where there is clear disregard for safe practice;
- (v) The offence involves a failure to comply in full or in part with a statutory notice;
- (vi) The offender has relevant previous convictions or has been cautioned for a relevant matter;
- (vii) The offender has flagrantly breached the law or has ignored advice or requests to remedy breaches of legal requirements;
- (viii) The offender obstructs an Officer of the Harbour Authority carrying out statutory duties or where the offence involves the failure to supply information or the supply of false or misleading information upon lawful request;
- (ix) The offence, whether or not serious in itself, is widespread in Tor Bay Harbour;
- (x) The Harbour Authority is under a statutory duty to enforce legislation.

The above list is not exhaustive and the decision whether to prosecute will be taken having regard to the legal proceedings sheet (Appendix 1) and the individual circumstances of each case.

Regard will be had to the Code for Crown Prosecutors at all stages of proceedings.

The Harbour Authority recognises that once a prosecution has been commenced control of the matter is ceded to the Courts and the Criminal Justice System.

June 2011

Appendix 1

Legal Proceedings Decision Sheet

	For Prosecution	Against Prosecution	Score
1	Serious Incident	Minor Incident	
2	Deliberate act or potential to cause injury or damage through reckless disregard.	Unforeseeable/Accidental / Minor error of judgement	
3	Inadequate control systems in place.	Adequate control systems in place.	
4	Previous advice already given to the company / individual.	No precise information given by regulator previously.	
5	Company/individual aware of the risk involved in their action.	Company/individual could not have been aware of the risk involved in their action.	
6	Management/supervisor responsible for the incident.	Employee or supplier responsible for the incident.	
7	Poor confidence in management / individual.	Good confidence in management / individual.	
8	Previous prosecution for a similar offence.	First offence.	
9	No remedial action taken / proposed.	Remedial action already taken.	
10	Management / individual obstructive in the investigation.	Management / individual co-operative with the investigation.	
11	Attempt to cover up the true facts.	Attitude open and honest.	
12	Harbour Authority reputation tarnished if prosecution is not pursued.	Prosecution may be seen as over zealous enforcement.	
13	Prosecution will secure definite results, e.g. protection of workforce.	No obvious improvements in standards will result from prosecution.	
14	Prosecution will resolve an important legal issue.	Prosecution will not clarify a legal issue.	
15	Regulator identified problems on a previous occasion.	Regulator did not identify problems on a previous occasion.	

If statements in column 1 are true, score -1.

If statements in column 2 are true, score +1.

If neither statements are true, or not applicable, score nil.

A total minus score will favour a prosecution.

However, a prosecution must be justifiable by a logical argument, including such reasons as:-

- the protection of employees or members of the public;
- to remedy deficiencies due to incompetent or irresponsible activities.



Public Agenda Item: **Yes**

Title: **Marine Economy Action Plan**

Wards Affected: **All Wards in Torbay**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **No**

Change to Budget: **No** Change to Policy Framework: **No**

Contact Officer: **Karen Whibley**
Telephone: **01803 207847**
E.mail: **Karen.Whibley@tedcltd.com**

1. What we are trying to achieve and the impact on our customers

1.1 This report is seeking approval for the Marine Economy Action Plan for Torbay. The Plan identifies the potential for development of the marine economy and outlines appropriate actions and the investment needed to deliver positive outcomes for Torbay. These include:

- increased full time employment
- improved rates of business growth
- development of new markets for Torbay businesses
- increased earnings
- Improved transport links to and within Torbay to facilitate movement of goods, services and people and to encourage investment.

2. Recommendation(s) for decision

2.1 That the Harbour Committee endorses the Marine Economy Action Plan.

3. Key points and reasons for recommendations

3.1 The current Economic Strategy identifies development of the marine economy as a key action for the future economic development of Torbay. It recognises there is potential to better support marine science, engineering and leisure in Torbay given that the area is ideally situated for marine industries. It is home to a cluster of entrepreneurial businesses while South Devon College delivers courses in marine engineering.

3.2 In the autumn of 2011 the Mayor requested that the TDA produce an action plan for the sector. In order to do this it was first necessary to identify what exists in

Torbay before researching the opportunities for growth. The actions identified within this plan will help to improve Torbay's economic performance which in turn will reduce child poverty, reduce the cost of deprivation to the public sector, improve job opportunities and encourage our young people to remain in the Bay. Specific community plan indicators that the project will contribute to include;

- Increase value and improve economic performance of key sectors
 - Encourage appropriate and sympathetic diversification of the economic base
 - Provide business and infrastructure support for economic growth and job creation
- 3.3 In order to capitalise on planned investment the Action Plan contains a number of projects which are, albeit at varying stages, already underway. Examples of this include the Third Harbour, Northern Arm and a watersports centre of excellence. This action plan makes no attempt to attribute costs to proposed projects, only to consider priority, benefits and potential lead/partners.
- 3.4 Outline benefits have been considered against each of the proposed actions in order to meet the aims and outcomes identified within the Economic Strategy. The intended outcomes of approving this action plan include:
- Increase the number of businesses operating in the marine economy;
 - Increase the number of people employed in the marine economy;
 - Increase the proportion of people employed all year round in the marine economy;
 - Improve the productivity of existing marine economy businesses;
 - Stimulate or identify new markets for marine businesses to provide goods and services for;
 - Attract new marine economy businesses into Torbay;
 - Enhance the existing tourism offer;
 - Enhance and sustain the environment and Tor Bay's natural assets; and
 - Enhance opportunities for disadvantaged people in Torbay.
- 3.5 Costings for individual actions within the Action Plan were not undertaken however the Plan does include a summary of potential funding sources that could be explored further as individual actions are developed.

For more detailed information on this proposal please refer to the Supporting Information.

**Karen Whibley
Regeneration Policy Officer
Torbay Development Agency**

Supporting information to Report

A1. Introduction and history

A1.1 The adopted Economic Strategy explores a number of potential opportunities for improving the economy in the Bay stating:

‘There is potential to support better marine science, engineering and leisure in Torbay given that the area is ideally situated for marine industries. It is home to a cluster of entrepreneurial businesses while the local South Devon College delivers courses in marine engineering.

Torbay is situated in one of the most attractive coastline locations in Britain with access to excellent seafood and fish stocks. The area has been home to a fishing industry for centuries with Brixham synonymous with the British fishing tradition. Building on this sea access, tradition and reputation there is scope for the development of fish and seafood farms and local value added processing which would support the aims of the tourism strategy in developing a higher value proposition for visitors.’

A1.2 During 2010 the TDA also produced an Inward Investment Strategy which supports the aims of the Economic Strategy 2010-15. This strategy prioritises industries that are attractive to inward investment. Sectors such as advanced electronics, healthcare and environmental science have all been identified for potential development in the Torbay economy. They are highly productive sectors, which to a lesser extent already exist, and with the right inward investment support could develop further and help build the Torbay economy for the future. Of relevance to this brief is:

- Environmental Science/Marine Technology - the Astra Zeneca laboratory in Brixham is world class. There is an opportunity to leverage the proximity to the high quality research in Plymouth (Marine Lab) and Exeter (University).
- Marine Engineering – currently the marine engineering industry in Torbay is a cluster of small businesses. However there appears to be a skills base which is supported by courses at South Devon College and there is anecdotal evidence of demand from local fishing and leisure users. That demand needs to be tested and planning position needs to be established.
- Fish/ seafood: Aquaculture and Processing - the Bay is a wonderful asset but local production and added value processing is limited. Opportunities for seafood and possible fish farming should be explored. Enhancement of the Brixham brand will be important.

A1.3 Development of the Action Plan was undertaken in stages. The first being to understand existing or planned activity and a review of the strategies relevant to this work.

Research on a sub sector level was then undertaken at both a local and national level in order to understand key trends, opportunities and barriers to growth. The sub sectors being:

- Commercial Fishing/Fish Farming – commercial fishing (catching), fish

- farming, wholesale/retail and transportation and fish processing
- Marine Engineering – naval, leisure, commercial and offshore renewables
- Maritime Leisure – recreational use of the marine environment including angling, sailing, boating, nature watching, scuba diving, surfing, kayaking and swimming
- Marine Science – oil and gas exploration, defence, renewable energy, environmental monitoring, academic research, security, oceanography, surveying and meteorology
- Renewable Energy – wind, wave, tidal stream and tidal range
- Short Sea Shipping, Cruise Ships and Ferries – movement of cargo and passengers by sea between ports.

This element also included identification of known businesses operating in the marine sector utilising knowledge gained from existing work and the TDA's access to business databases. Relevant skill provision in the Torbay area was assessed together with identification of marine related facilities and infrastructure.

A consultation exercise then followed contacting key businesses, agencies and stakeholders to ascertain the potential for growth, barriers to growth and ideas for growth in the sector. Consultation was undertaken through a mix of face to face and telephone conversations. A list of those consulted is included later in this report.

The results of the consultation were then reviewed in order to identify and test the key opportunities arising with project stakeholders. A prioritisation workshop was then held in order to:

- Test proposed ideas/actions in terms of feasibility and fit with other initiatives and environment/planning constraints
- Identify other potential actions/solutions
- Prioritise actions in terms of importance and timing
- Assign responsibility for proposed actions

The final stage was the production of the action plan detailing developments necessary to support the marine sector to the maximum benefit of the Torbay economy.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

The principal delivery risks relate to issues around funding and the use of other powers or freedoms to bring forward actions. Failure to deliver economic growth within Torbay and a failure to ensure that the benefits of growth are equally spread will result in a worsening of the disparities which exist within the Bay.

If this Plan is not approved and implemented there is a risk of the sector underperforming as identified opportunities are not exploited. This could lead to a reduction in business rates payable and increased need for intervention.

If the activities do not accrue the anticipated benefits there is a reputational risk to the Council.

The adoption of a Marine Economy Action Plan will enable the Council's to target resources effectively in order to gain maximum benefit.

A2.2 Remaining risks

There are no remaining risks.

A3 Other Options

A3.1 Not to develop a sector specific action plan: This option was discounted given the need to build on existing strengths in order to diversify the economy in Torbay.

Not to focus on the marine sector at all would leave the development of this sector lacking focus and credibility.

A4 Summary of resource implications

A4.1 There are no immediate resource implications resulting from approval of the action plan however delivery of the actions set out here will result in the commitment of Council and partners staff time to developing projects. The actions will also require investment from a variety of sources including the Harbour Authority and the Council to deliver. These cannot be assessed at this point.

A5 What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 There will be no negative impacts for equalities and crime & disorder as a result of this report being taken forward. The project is expected to contribute to the growth of businesses and increasing demand for employment which in turn will have a positive impact on equalities in line with other Council and TDA activities to support businesses and people gaining employment

A6 Consultation and Customer Focus

A6.1 The development of this action plan was undertaken in consultation with key stakeholders within the maritime community including:

- Astra Zeneca
- Babbacombe Corinthians Sailing Club
- Blue Sea Food
- British Marine Federation
- Brixham Trawler Agents
- Brixham Yacht Club
- Devon Maritime Forum
- English Riviera Tourism Company
- International Sailing School
- Living Coasts

- Marina Developments Ltd
- Marine & Towing Services
- RegenSW
- Royal Navy
- Royal Torbay Yacht Club
- Sea Food Kitchen
- South Devon College
- South Devon Marine
- Tor Bay Harbour Committee
- Tor Bay Harbour Master
- Torbay Business Forum
- Torbay Coast & Countryside Trust
- Torbay Sports Council
- Torbay Town Centres Company
- Wreck the World

A7 Are there any implications for other Business Units?

A7.1 Implications on other business units will need to be assessed on an action by action basis. It is likely that there will be an impact on the Harbour Authority, Resident & Visitor Services and potentially activities directly relating to waterside development could impact on the function of emergency planning.

Sanctioning increased activity on, in or near the water could potentially lead to an impact on legal services in terms of litigation.

Appendices

Appendix 1 Marine Economy Action Plan

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

Torbay Economic Strategy



Marine Economy Action Plan

Final Report



This document can be made available in other languages and formats. For more information please telephone 01803 208973

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Introduction

The purpose of this report is to assess the potential for development of the marine economy in Torbay and specifically to identify the opportunity and appropriate actions needed to deliver outcomes linked to the economic strategy for Torbay.

This report highlights a range of exciting opportunities for development of the marine economy in Torbay and identifies the key actions needed to take those opportunities.

The Story So Far

Over the past decade, the Council and partners have been successful in delivering a series of projects around Torquay Harbour working with its partners:

- A new pedestrian bridge has opened to popular acclaim;
- The Townscape Heritage Initiative has revitalised tired and neglected buildings that form part of Torbay's historic legacy;
- Additional facilities have opened for Harbour users such as the Town dock;
- Beacon Quay has been extended and refurbished to provide an attractive new public space with marine related businesses;
- New eating and cafe facilities and Living Coasts have been opened; and
- Rock walk has been re-opened and given a fresh look for the 21st Century.

In Brixham, the opening of a brand new fish market – equipped with the latest modern technology has allowed the port of Brixham to be sustained and thrive – with an excellent reputation for the quality of catch, enabling better prices for the sale of fish.

In terms of learning and skills, South Devon College has led the way, with the establishment and further development of the Noss Marine Academy as a centre of excellence for water-based outdoor education, training, and marine engineering.

And planned...

There are a number of initiatives which are currently being developed or investigated by the Torbay Development Agency (TDA), Tor Bay Harbour Authority or partners including:

- **Development of a 3rd Harbour for Torquay** –, development of a 3rd harbour for Torquay would provide opportunities for cruise ships to dock, as well as marine leisure operators (such as diving, fishing trips, kayaking etc);
- **Brixham Harbour Northern Arm Breakwater** – The construction of a Northern Arm Breakwater in Brixham would enclose the open water area of the outer harbour to provide calmer wave conditions and a safer harbour in all weather conditions, this would allow for increased use by existing users and development of further leisure opportunities (including additional marina facilities);
- **Development of a Watersports Centre of Excellence** – Providing world class facilities for a range of watersports including better land based facilities and parking for events. Potentially at Broadsands;
- **Re-development of Goodrington beach and area inland** – The proposed re-development of the Goodrington beach area is currently out to tender via the Official Journal of the EU;
- **Pontoon Moorings for Torquay's Inner Harbour** – to create additional space for visitors/residents to moor yachts;
- **A temporary boatyard in Brixham** – the Harbour Authority is currently preparing to issue a 10year lease for land for a boat yard in Brixham;

- **Development of a seafood processing park** – The TDA is currently investigating the development of a seafood processing estate;
- **Provision of fast ferry infrastructure facilities** – Torbay Council are currently preparing a bid to the Department of Transport for Local Sustainable Transport Funding to support the provision of fast ferry infrastructure;
- **2nd Stage of the Torquay Townscape Heritage Initiative** – To continue to make improvements to the visitor environment within Torquay; and
- **Sinking a Ship as a Diving Destination** - A local charity is planning to buy a ship from the MOD to sink as a diving destination in Tor Bay.

As well as physical infrastructure, there are a number of groups working towards the improvement of the marine economy and environment, including the Tor Bay Harbour Committee, Sea Torbay and South Devon Marine.

The Marine Opportunity

This research shows that there are notable opportunities to develop the marine economy in Torbay in order to make significant contributions to the economic development and wider strategic objectives of the council.

Torbay's marine environment is an important natural asset, but it also underpins the whole marine sector either directly or indirectly. Therefore protecting and enhancing this asset is fundamental to the success of further developing the marine economy – the environmental impact of any proposed actions is an important consideration.

The fishing sector is a mature sector and vitally important to the port of Brixham. The new fish-market has helped consolidate Brixham's position as one of the most important ports in England with an excellent reputation for the quality of its fish. Opportunities exist to provide better fish processing facilities in Torbay – thus improving the productivity of existing processors and potentially attracting inward investment. The fishing sub-sector represents an important opportunity for further product development, added value and promotion.

The marine tourism and leisure sector is important to the economy of Torbay directly, but also (through maritime events, marinas and boats on the water) forms part of Torbay's overarching tourism product and visitor experience. However, the sector is currently considered to be immature and investment to ensure Torbay's marine leisure product is able to compete with strong competition from around the UK and rest of the world. Opportunities such as that put forward by local charity to sink a ship off Torbay for use by divers and plans to develop a water sports centre of excellence will do much to improve the current offering.

The marine engineering sector is closely linked to the marine leisure sector and existing businesses provide an important service to boat owners, marina's and fishing boats in Torbay. South Devon College's marine academy at Noss is ensuring that marine engineering skills are available in Torbay and wider sub-region. The college's strong connections to local marine engineering businesses mean they serve the needs of local businesses as well as students. The lack of existing boat building facilities provides a barrier to growth of this sector

The opportunity in relation to marine renewable energy is limited for Torbay – Torbay does not have a marine renewable business base at this current time. However, it does have strengths in the hi-tech sector and marine engineering sectors which could be directed towards opportunities associated with the newly designated Marine Energy Park. It is recommended that TDA continue to engage with the Marine Energy Park partners to further understand and respond to opportunities and work with the area's advanced manufacturing sector to identify opportunities for these businesses.

Torbay's port infrastructure includes deep water harbours in Torquay and Brixham, which with investment in the necessary infrastructure, could provide an opportunity to support the Marine Energy Park. The infrastructure and facilities necessary (and any potential economic benefit) to support this sector should be explored further in the development of a Port Masterplan, already sanctioned by Tor Bay Harbour Authority.

Despite Torbay's limited cargo and port facilities, the Bay is an important staging post for ships travelling up the English Channel, its sheltered conditions means that ships often call

into the Bay to await further instructions or take on provisions. Supporting are businesses such as Marine and Towing Services, who provide ships with provisions, crew, charts and arrange servicing works if necessary. The nature of this work means that this sort of work has an important multiplier effect on the Torbay economy. The long term need to protect Paignton from rising sea levels may present an opportunity to examine the role of Paignton Harbour and its potential for use in relation to cargo handling, giving its close proximity to the rail network.

Torbay has also established a strong pleasure boat/cruises market, with several operators providing fishing trips, wildlife watching and other boat excursions. It will be important to ensure that any fast ferry services proposed do not displace activity from these established businesses.

Torbay currently attracts a number of visiting cruise ships each year which anchor in Tor Bay and transport passengers ashore to visit local attractions. Torbay Council is working to attract more cruise ships to the Bay. A third harbour for Torquay may provide the facilities required to attract more cruise ships as well as provide other facilities in relation to marine leisure.

Marine Science is not currently an established sector in Torbay. The development of knowledge infrastructure such as field stations and higher education provision may help create the conditions for the emergence of a marine science sector in the future – perhaps in relation to fisheries. Astra Zeneca is an important company in Torbay and their bio-medical work may present an interesting opportunity for development in relation to the ‘health corridor’ running from Exeter through Torbay to Plymouth and encompassing the Peninsula Medical school and Devon’s two universities.

However, whilst a sub-sectoral approach was adopted for the study an important finding from the consultation process were perceived opportunities from forming linkages between sub-sectors building on existing high quality products and services to create new niche products. The bringing together of people from different backgrounds to ‘mix-up’ ideas was thought to be an important part of this process.

Similarly, some actions had relevance to all sub-sectors, such as the need for a port masterplan to ensure an integrated coastal/sea zone.

Consultees also felt it was important that in moving the action plan forward, it was important to look beyond Torbay’s boundaries to the wider sub-region to identify further opportunities and collaboration potential.

Marine Economy SWOT

The analysis above and the evidence presented in the interim report highlight the following strengths, weaknesses, opportunities and threats.

Table 1: Over arching SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Strong marine tourism offer including <ul style="list-style-type: none"> ○ Many watersports events ○ Private sector operators and South Devon College ○ Excellent Bay for watersports ▪ Strong mainstream tourism offer ▪ Geopark status ▪ Living Coasts ▪ Strong pleasure boat/cruises market ▪ Unique bio-diversity and marine environment ▪ Strong advanced manufacturing sector ▪ Fishing science expertise ▪ Largest Fishing port in England (by value) ▪ Diverse, high value, quality catch ▪ Brand new state of the art fish market ▪ A small cluster of marine engineering businesses ▪ South Devon College – marine engineering provision 	<ul style="list-style-type: none"> ▪ Immature marine leisure sector ▪ Improvements needed in shoreside facilities (e.g. toilets, car-parking, showers, food outlets etc.) ▪ Lack of integration between maritime operators and mainstream tourism operators ▪ Improvements needed in launching facilities ▪ Current poor transport infrastructure into Torbay ▪ No marine science educational infrastructure ▪ Few marine science businesses ▪ Lack of boat building/repair facilities ▪ Relatively small fish processing sector ▪ Lack of fish processing units & cold storage facilities ▪ Limited marine renewable energy opportunities ▪ Lack of facilities/infrastructure for handling cargo/freight
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Integration of maritime leisure activities into generic brand/marketing activity ▪ Sinking a ship as an Artificial Reef ▪ Increase marina style mooring capacity ▪ Fast ferry service between Torquay and Brixham ▪ Attract more cruise ships ▪ Create watersports centre in Broadsands ▪ Torbay Week regatta ▪ Shell-fish farming ▪ Local fish supply chains and links with restaurants ▪ Marine clusters in Plymouth ▪ Marine biodiversity as a draw for divers and tourists ▪ CFP reform & MCZ 	<ul style="list-style-type: none"> ▪ Competition for watersports events from other destinations that have better facilities and are prepared to 'pay more and provide more for free' ▪ Recession impacting on demand for boats ▪ Significant fish processors in Cornwall who have benefitted from European investment ▪ Common Fisheries Policy reform ▪ Marine Conservation Zones? ▪ Better equipped ports for shipping in Plymouth and Teignmouth ▪ SAC

Marine Economy Strategy

Strategic Direction

In order that the Marine Economy Action Plan fits within the overarching context of the Economic Development Strategy, the **vision** for the marine economy action plan is that identified for Torbay as a whole

'To bring about the physical and economic regeneration of Torbay and deliver the benefits to the local community'

With the following **aim** for the marine economy to help fulfil the vision:

For Torbay to have a vibrant, strong and successful marine economy, which sustains the marine environment and provides employment opportunities for people of all ages and backgrounds.

The **strategic objectives** for the marine economy are therefore in line with the economic strategy themes:

- **To stimulate and attract investment** - Improving infrastructure and facilities across the marine economy in Torbay to stimulate business growth and investment.
- **To improve business performance** - Increasing marine business formation and survival rates, encourage increases in productivity, help businesses develop and access new markets and support key sectors such as commercial fishing and aquaculture, marine tourism and leisure and marine engineering.
- **To raise skills and improve opportunities** - Addressing the barriers to working in the marine sector in Torbay, improving skills and employability and stimulate continued development of the workforce.

Complementing these strategic objectives are three **key principles** that stakeholders identified as important in moving forwards:

- **Capitalising on recent and planned investment** – Ensuring that new actions complement and add value to recent investments;
- **Cross sector development and collaboration for added value** - Creating an externally facing culture where businesses look to work with businesses from other parts of the marine economy, Torbay's wider economy and the South West;
- **Addressing specific sub-sectoral needs and opportunities** – The consultation process revealed a number of sector specific needs and opportunities and it is important that these are addressed to maximise opportunities within each sub-sector.

The **outcomes** to be achieved from this plan are:

- Increase the number of businesses operating in the marine economy;
- Increase the number of people employed in the marine economy;
- Increase the proportion of people employed all year round in the marine economy;
- Improve the productivity of existing marine economy businesses;
- Stimulate or identify new markets for marine businesses to provide goods and services for;
- Attract new marine economy businesses into Torbay;
- Enhance the existing tourism offer;
- Enhance and sustains the environment and Tor Bay's natural assets; and

- Enhance opportunities for disadvantaged people in Torbay.

Strategic Actions

Objective Principle	To stimulate and attract investment	To improve business performance	To raise skills and improve opportunities
Capitalising on recent and planned investment	<ul style="list-style-type: none"> ▪ Feasibility study into the creation of a third harbour/pier and supporting infrastructure ▪ Improve infrastructure and facilities to allow and encourage fast ferry services and visiting cruise ships ▪ Create Northern Arm Breakwater in Brixham ▪ Create centre of excellence for water sports or water sports/maritime centre ▪ Building on investment in fishing sector, develop fish processing park: <ul style="list-style-type: none"> ○ Identify and develop sites for fish processing, ○ Test feasibility of (1) cold storage facilities, (2) High pressure pasteurisation plant and ○ Encourage start up/inward investment. 	<ul style="list-style-type: none"> ▪ Establish one group to bring together maritime leisure stakeholders and businesses, to represent the needs of the sector and develop maritime leisure products ▪ Develop brand and marketing of the fish processing sub sector: <ul style="list-style-type: none"> ○ Develop brand for home and international market; ○ Promote local sustainably caught fish (local campaign, accreditation, marketing materials, fish market tours); and ▪ Encourage more local fishmongers/stalls selling local fish in Torbay. ▪ Research new uses for waste from fish processing or fish meal plant 	<p>Building on investment by South Devon College in developing marine based provision, develop marine centre of excellence to support all sub sectors (this would link with other key developments such as the planned centre of excellence for water sports).</p>
Cross sector development and collaboration for added value	<ul style="list-style-type: none"> ▪ Development of a port master plan which draws together maritime and coastal activity and planning to ensure an integrated coastal zone. ▪ Develop a fishing museum or heritage attraction linking history, life at sea, food, art, culture. 	<ul style="list-style-type: none"> ▪ Develop business forum bringing together all sub-sectors to find creative solutions. Provide business advice and facilitate business to business funding. ▪ Develop off season events and events that link fishing and tourism e.g. trawler race or 'fishstock'; ▪ Create tourism products that (1) link diving/fishing/boating and marine science (e.g. eco- holidays) and (2) link fishing and eating opportunities e.g. links with local restaurants; ▪ Identify niche opportunities to explore marine science in relation to fisheries. 	<p>Encourage employer driven approach and partnership with funders/providers to:</p> <ul style="list-style-type: none"> ▪ Clarify needs and demands for employment and skills - through research/survey; ▪ Employer influence on future provision, ▪ Promote sector attractiveness and employment pathways for young people and members of the local community (inc. those not in work); and ▪ Promote and encourage workforce development inc. apprenticeships.
Addressing specific sub-sectoral needs and opportunities	<ul style="list-style-type: none"> ▪ Protect existing marine engineering facilities close to the water from re-development in non-marine uses ▪ Provide boat yard land in Brixham and research and understand demand for facilities in the wider area. ▪ Encourage scientific research (and data collection) of Torbay's marine environment/fisheries ▪ Sink a ship as a diving destination ▪ Improve the waterfront tourism offer 	<ul style="list-style-type: none"> ▪ Explore how South Devon Marine might be sustained, Working with other marine cluster groups such as Maritime Plymouth ▪ Encourage advanced manufacturing sector to explore opportunities within marine science ▪ Develop specific events (Torbay Week as the English Riviera's flagship maritime event) and water based packages. ▪ Create innovative promotional material and integrate into central destination marketing 	<ul style="list-style-type: none"> ▪ Encourage marine businesses to take on apprentices ▪ Test feasibility of a marine science field station. ▪ Establish marine biology courses ▪ Promote Geopark marine environs ▪ Encourage work based diplomas ▪ Create greater community involvement in watersports through support for volunteering.

Detailed Evidence Base

This section reviews the evidence collected as part of the marine economy action planning process to present a clear picture of the current situation within Torbay's marine economy.

Torbay

Torbay has a beautiful coastline, and was recognised as a Global Geopark in 2007. Torbay consists of three towns, Torquay, Paignton and Brixham, which together make up a diverse and lively resort. Traditionally a tourism driven resort, declining visitor numbers have required a re-evaluation of Torbay's identity in order to take the economy forward. Torbay's environment is its biggest selling point for both visitors and residents alike. Key to this are the 18 sandy beaches and the 22 miles of coastline which make up Torbay. Coupled with seafront gardens, Victorian and Georgian architecture and two country parks at Cockington and Berry Head. The total population of Torbay is currently estimated to be 134,000, making it one of the larger urban economies within the South West.

The enclosed harbours, the Bay and coastal waters around Tor Bay are vitally important to the sustainable future of the local community. Our coast and adjacent seas are an obvious resource and the Bay itself is a valued but under-utilised asset. The harbour areas are used for commercial activities as well as many smaller craft, with numerous tourism and recreational opportunities, as well as sites of cultural and historic interest, which meet many of our economic and social needs. Brixham is the most important fishing port in England and Wales measured by the value of catch landed. The harbour provides areas for the safe and efficient conduct of the fishing industry, including the provision of fish landing facilities and a fish market [for the conduct of fish auctions] for which the Harbour Authority are responsible for the upkeep and maintenance.

At the same time the Bay contains distinctive and important habitats and these support a diverse range of species, which we need to protect and conserve. Integrating socio-economic and environmental/ecological factors is crucial to our long-term sustainability and already features in several sectoral strategies of relevance to the Harbour and our coast.

The Marine Environment

Tor Bay has a natural environment of high significance with internationally and nationally important habitats and species. An area within the Bay is now designated a candidate marine Special Area of Conservation which, through the EU habitats and Species Directive protects Tor Bay's submerged and partially submerged sea caves and rocky reefs from damaging activity. An area of the Bay has also been recommended by the 'Finding Sanctuary' Stakeholder Group to be a Marine Conservation Zone. An area of coastal waters off Berry Head National Nature Reserve is designated an Area of Special Protection for seabirds during the nesting season. Tor Bay also has nationally important seagrass beds which are a UK priority Biodiversity Action Plan habitat and protected species including seahorses, which are protected under the Wildlife and Countryside Act 1981. The coastline also has a high level of nature conservation designated sites and the whole of Torbay administrative area is designated a Global Geopark Site. (Source, Torbay Coastal Zone Management Plan)

Marine Infrastructure and Facilities

This report has examined the existing maritime infrastructure and facilities present in Torbay and sought to understand what additional infrastructure and facilities are required from discussion with stakeholders.

Sub-Sector	Existing Infrastructure & Facilities	Infrastructure and Facilities required
Commercial Fishing/Fish Farming	<ul style="list-style-type: none"> ▪ Brand new fish-market in Brixham ▪ Fish Farm off Elberry 	<ul style="list-style-type: none"> ▪ Additional fish processing units ▪ Cold storage ▪ Pasteurisation plant
Marine Engineering	At the current time, Torbay's Marine Engineering businesses service customers' boats either on the water or through hauling out onto hard standing – there are no dedicated facilities for repair work.	<ul style="list-style-type: none"> ▪ Boat building/repair facilities
Maritime leisure	<ul style="list-style-type: none"> ▪ Leisure mooring facilities - Torquay (850), Brixham (800) and Paignton (250) ▪ Harbour Launching facilities ▪ Exceptional beaches (most Blue flag and coastal award beaches in England 2011) ▪ Multi-access dinghy launching facilities 	<ul style="list-style-type: none"> ▪ Improvements to parking and launching infrastructure especially for maritime events ▪ More visitor mooring facilities ▪ Re-fuelling facilities ▪ Winter hauling out/storage facilities ▪ Large area to support major ground base required by national sailing events and festivals ▪ Improvements to shore side facilities (e.g. toilets, car parking, showers etc.)
Marine Science	As yet, Torbay does not have any specific marine science infrastructure or facilities.	<ul style="list-style-type: none"> ▪ Development of a marine science field station/study centre.
Renewable Energy	Established harbour infrastructure in Torquay and Brixham in particular and sheltered deep water anchorage for ship repairs and inspections. Torbay's harbours are supported with excellent stevedore and ship agent's services and offer easy access to the road network (especially when the South Devon Link Road is complete).	Further investment in the harbour infrastructure and marine engineering facilities could put Torbay in a strong position to support the marine energy park.
Short Sea Shipping, Cruise Ships and Ferries	<ul style="list-style-type: none"> ▪ Little shipping/cargo handling infrastructure. ▪ Cruise ships currently anchor in the Bay and ferry passengers ashore using tenders. ▪ There are a number of pleasure craft operators in the Bay. 	<ul style="list-style-type: none"> ▪ Improved infrastructure to encourage more visiting cruise ships ▪ Infrastructure to allow fast ferry service to operate ▪

A key consideration of any proposals to provide new infrastructure or facilities is where such facilities should be located. Some of the infrastructure and facilities listed above could be located anywhere within Torbay; other facilities need to be located alongside the water or close to it. Some of these facilities align well with existing land uses and economic activity, whereas others may present a threat to existing activities (because they are noisy, smelly or present another nuisance). Development of a **port masterplan** (within the context of the Local Development Framework/Neighbourhood plan) to work through these competing priorities is therefore a priority action.

Marine Business Activity

Torbay has a strong history of marine business activity, with long established businesses from family businesses and self employed individuals to multi-national companies.

Whilst making exact comparisons between sub-sectors is difficult, the most significant sub-sector is the fish/aqua-culture which is a mature sector of the Torbay economy and especially important to the port of Brixham. Similarly the marine engineering sub sector is relatively mature, if small in size. There is evidence of an emerging cluster of maritime leisure businesses serving traditional and newer marine leisure markets. However, with the exception of Astra Zeneca, marine science and marine renewable have a limited existing presence in Torbay.

Sub-Sector	Business Activity
Commercial Fishing/Fish Farming	<p>Brixham has 216 vessels in its administration. The fleet has a higher proportion of larger vessels than average for England with 75% of the fleet being 10m or under compared to 82% of the English fleet.</p> <p>A report by Ekos Consulting and Nautilus consultants in 2003¹ showed that 23% of the workforce of Brixham were dependent on fishing.</p> <p>There is an emerging aquaculture sector farming mussels on ropes in the Bay.</p> <p>Similarly there is a small processing sector.</p>
Marine Engineering	<p>A search of Experian's database showed 30 businesses operating in this sector in Torbay.</p> <p>Consultations suggest that the leisure sector is the most important market for marine businesses operating in Torbay. Attendance at the SW British Marine Federation Annual General Meeting revealed that marine leisure businesses in the South West are feeling the impact of the recession with less people buying boats and existing owners attempting to minimise the cost of owning a boat.</p> <p>Despite this, there is continued demand for berthing facilities within Torbay and any expansion of these would increase demand for marine engineering services.</p> <p>Some marine engineering businesses in Torbay now operate on a 'mobile' basis to reduce overheads and enable them to travel to clients around the country.</p>
Maritime Tourism and leisure	<p>A search of the Experian business prospector database found 43 companies operating in Torbay</p>
Marine Science	<p>Identifying marine science businesses is a difficult process as there are no business classification systems which directly cover such a niche area. A search on Experian's database for companies which participate in marine surveying, oil and gas or research into natural sciences brought up less than 5 businesses.</p> <p>One notable company is Astra Zeneca, which has a world leading facility in Brixham. The laboratory is principally a bio-medical facility which tests drugs and other chemicals for their impact on the environment. One element of this is testing on sea water.</p>

¹ A socio-economic study of the fishing industry in the South West of England – Ekos Consulting (UK) Ltd and Nautilus Consultants. 2003.

Renewable Energy	<p>A search of the RegenSW marine energy supply chain directory found 79 companies in Devon. One (a PR company) was based in Torbay.</p> <p>However, Torbay's strong advanced manufacturing sector may be in a position to capitalise on low carbon opportunities in the wider renewable energy sector and the absence of South Coast ports that can serve the proposed Marine Energy Park presents an opportunity for Torbay to become involved in servicing the offshore renewable industries.</p>
Short Sea Shipping, Cruise Ships and Ferries	<p>Torbay has a long established passenger pleasure craft industry, mainly transporting visitors on local trips, connecting the 3 towns and linking to neighbouring destinations. There are a number of local ferry and excursion businesses operating in the Bay providing marine transport links, excursions, ferry services, fishing trips, wildlife watching as well as boat hire.</p> <p>Marine Towage Services (MTS) has been operating in Brixham since 1920 and primarily provides support services to ships anchored or passing through or by Tor Bay. This includes supporting the ships with any new provisions, equipment, changing/supporting the crew, piloting services, using divers to survey hulls and salvage operations.</p>

Marine Skills Provision

South Devon College is the main training provider in the area and it offers a number of marine courses through its Marine Academy at Noss Marina. The academy provides a centre of excellence for water based outdoor activity and marine engineering. There are currently plans to expand this facility at Noss.

The college is also planning to start providing marine biology courses which would build capacity within the marine science area. In terms of renewable energy, the college has courses in Building Services and Renewables and is building a new Energy Centre. No courses were identified in relation to shipping or commercial fishing. The nearest 'seafish' accredited training courses are provided by Western Training Association in Plymouth.

Sectoral Perspective

This section provides a brief overview of the six sub-sectors listed above to provide:

- A description of the subsector;
- National trends, issues and opportunities;
- The situation in Torbay:
 - The size, value and key businesses operating in Torbay;
 - Existing facilities & infrastructure;
 - Skills provision;
 - Existing or planned projects and initiatives; and
 - SWOT analysis.

Commercial Fishing including Fish Farming

Description of Sub-Sector

This sub-sector relates to the value chain around the fishing industry, which includes:

- Commercial fishing (catching)
- Fish farming
- Wholesale/Retail and transportation
- Fish processing

Ancillary activities include businesses directly dependent upon such activities such as fishing boat construction and maintenance, and the manufacture and repair of fishing gear.

Secondary activities include the processing of catches for human consumption or animal feeds and the retailing of the products.

Table 2: Business Classification Codes – Commercial Fishing and Fish Farming

SIC codes	Thompson codes	Yell Codes
03:1 Fishing	Fishermen	Fishermen
10:20 Processing and preserving of fish, crustaceans and molluscs	Fish Smokers & Curers Fish Farms & Hatcheries	Fish Salesmen Fish Farms
03:2 Aquaculture	Fish Merchants - Wholesale	Fish Wholesalers
13:94 Manufacture of cordage, rope, twine and netting	Fisheries' Consultants	Fisheries Consultants Fisheries Authorities

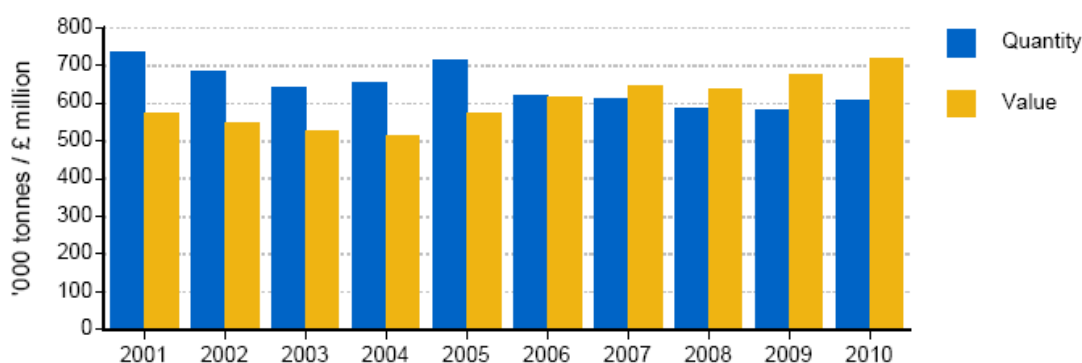
National Trends, Opportunities and Constraints

The Marine Management Organisation is the organisation responsible for compiling sea fishing statistics, all data presented in this section of the report has been drawn from the UK Sea Fisheries Statistics 2010, unless otherwise stated.

Fishing is an important part of the economy, accounting for 5.9% of the GVA for the agriculture, forestry and fishing sector, more in coastal areas and ports with fishing fleets. However, it is an industry which has been in long term decline – reflecting changes in fish stocks, management through quotas, technical measures and conservation activities. In recent years, the decline in the number of vessels has continued with a fall from 7,721 in 2001 to 6,477 in 2010 (16% fall) and a similar fall in the number of fishermen, with 12,700 in 2010, down 15% since 2001. As well as a reduction in the number of vessels, the average size of vessels has become smaller, both in terms of capacity and power (down 22% and 24% respectively since 1996) – reflecting decommissioning exercises and adaptation by fishermen to changing fishing opportunities.

Figure 1 below shows that whilst the quantity of catch has fallen by over 100,000 tonnes, the value has increased by over £100million since 2001. By species landings of demersel species (cod and haddock) have fallen significantly since 1994 (63 and 64% respectively), as have pelagic species (mackerel, 33% and herring 36%). Landings of shellfish have increased (scallops 63%, crab 37% and nephrops 27%). These trends reflect adaptation by fishermen towards species with less stringent quota controls such as shellfish.

Figure 1: UK vessels landing into the UK and abroad: 2001 to 2010 (Source, MMO)



In 2010, the UK imported 703 thousand tonnes of fish (excluding fish products), with a value of £2,250 million. It exported 516 thousand tonnes, leaving a trade gap of 187 thousand tonnes. Landed prices of fish rose by an average of 7.4 per cent on 2009, with the fish component of the retail price index rising by 6.1 per cent. In 2010, imports were highest for cod, tuna, shrimps and prawns and haddock. The UK's main exports were mackerel, salmon and herring.

Aquaculture is the farming or culturing of aquatic organisms (fish, molluscs, crustaceans and plants). The UK industry is split into two categories, fin-fish farming and shellfish cultivation. Almost all of the UK's farmed fin-fish currently comes from Scotland, due to the need for relatively deep and sheltered waters of high environmental quality (such as lochs). Shellfish farming however, is much more evenly distributed around the UK (including Torbay). Total shellfish cultivation was valued at about £23million in 2007 and was mainly mussels with a small quantities of pacific oysters and clam. An increase in the commercial exploitation of species where cultivation is in its infancy, such as lobster and cockle, is likely to further increase the value of the sector. The aquaculture sector is growing, increasing by 132% between 2000 and 2006 and expected to grow by a further 116% between 2006 and 2016. Employment in shell-fish cultivation was estimated at around 416 full time and 418 part time staff.

The **fish processing sector** is widely distributed around the UK coast, with the largest factories near major fishing ports in Scotland and Humberside. The productive seas assessment estimates that the GVA for the processing sector is £490m and exports worth £601m in 2007². The sector is reported to have comprised 573 businesses and employed 18,180 people in 2005³.

The fishing industry is highly regulated, coming under the control of the Common Fisheries Policy (CFP). This is a highly centralised regulatory instrument which sets catch limits and control measures on an annual basis. The European Commission (in its green paper of CFP reform) identified five failings of the CFP: fleet overcapacity; unclear policy objectives; short-term decision-making; insufficient responsibility given to the industry; and poor compliance.

The UK Government is making the case for radical reform of the policy to ensure fisheries are managed for the long term. Key elements of the UK proposal include the introduction of a regionalised approach to decision making, catch limits instead of landing limits to reduce

² Productive Seas – Feeder Report – Fisheries. DEFRA.

³ Productive Seas – Feeder Report – Aquaculture, DEFRA

discards, and long term management plans based on sound science and integrated with wider marine policy.

The outcome of this reform process, due to come in to force in January 2013 will have significant implications for the UK fishing industry.

The Situation in Torbay – Fishing and Fish Farming

Commercial Fishing and Fish Farming																					
Natural Resources	<p>Brixham is one of the most important fishing ports in England. Brixham lands 12.8 thousand tonnes of fish, second only to Plymouth. However, the value of the catch (£21.7m) is not exceeded by any other port in England and Wales.</p> <p>The graph below shows that shellfish are an important part of the catch for Brixham, accounting for approximately 50% of the tonnes landed and a similar proportion of the value. What distinguishes Brixham from other English ports is the higher proportion of catch from higher value Demersal species, which represent 32% of the landings and 48% of the value. Key species high value species landed in Brixham include Lemon Sole, Sole, Cod and Bass, although high volumes of other (lower value) species such as Gurnard and Plaice are also caught.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <caption>Chart Data: Species Composition of Catch</caption> <thead> <tr> <th>Category</th> <th>Demersal (%)</th> <th>Pelagic (%)</th> <th>Shellfish (%)</th> </tr> </thead> <tbody> <tr> <td>Tonnes - England</td> <td>~25</td> <td>~15</td> <td>~60</td> </tr> <tr> <td>Tonnes - Brixham</td> <td>~32</td> <td>~10</td> <td>~58</td> </tr> <tr> <td>Value - England</td> <td>~42</td> <td>~5</td> <td>~53</td> </tr> <tr> <td>Value - Brixham</td> <td>~48</td> <td>~2</td> <td>~50</td> </tr> </tbody> </table>	Category	Demersal (%)	Pelagic (%)	Shellfish (%)	Tonnes - England	~25	~15	~60	Tonnes - Brixham	~32	~10	~58	Value - England	~42	~5	~53	Value - Brixham	~48	~2	~50
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Strategic Context	<p>The <i>Economic Strategy</i> notes the importance of the fishing sector and suggests there is scope for the development of the sector and fish farming with further local added value and processing. Similarly the <i>Inward Investment</i> strategy states that local production and added value processing is limited and that opportunities for fish farming should be explored. Enhancement of the Brixham brand is considered to be important.</p> <p>The <i>Tor Bay Harbour and Maritime Strategy</i> highlights the importance of the catching sector in Brixham and highlights opportunities to:</p> <ul style="list-style-type: none"> ▪ Support the emerging aquaculture industry; ▪ Link fishing to destination marketing, connecting quality seafood with a quality resort; and ▪ Promotion of exports. 																				
Businesses	<p>Brixham has 216 vessels in its administration⁴. The fleet has a higher proportion of larger vessels than average for England with 75% of the fleet being 10m or under compared to 82% of the English fleet. A report by Ekos Consulting and Nautilus consultants in 2003⁵ showed that 23% of the workforce of Brixham were dependent on fishing. There is an emerging</p>																				

⁴ UK Sea Fisheries Statistics, 2010

⁵ A socio-economic study of the fishing industry in the South West of England – Ekos Consulting (UK) Ltd and Nautilus Consultants. 2003.

	aquaculture sector farming mussels on ropes in the bay. Similarly there is a small processing sector.
Facilities and Infrastructure	The brand new fish market was opened on the 29 th of March 2011.
Skills Provision	No courses at South Devon College. Although Western Training Association based in Plymouth is an approved provider of 'Seafish' accredited training courses.
Planned Projects	<ul style="list-style-type: none"> ▪ Northern Arm breakwater, Brixham ▪ Lease to be made available for boat yard in Brixham (summer 2012) ▪ TDA currently investigating feasibility of developing a 'seafood processing' industrial estate
Issues and Constraints	<p>Brixham is part of the Western Channel, where a sole recovery zone was established from February 2004 which put in place restrictions on equipment use for larger vessels and numbers of days at sea.</p> <p>Proposed Marine Conservation Zone along the length of the Tor Bay coast, SAC Management Measures.⁶</p>

Table 3: Commercial Fishing and Fish Farming SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Brixham fish market ▪ Diverse high value catch (not too reliant on quotas) ▪ Exceptional quality catch ▪ Exporting high proportion of catch (60%) ▪ Serving top quality restaurants around the world (including celebrity chefs) ▪ Brixham brand name 	<ul style="list-style-type: none"> ▪ Small size of processing sector ▪ Ability of sector to see alternative opportunities ▪ Lack of processing units ▪ No commercial boat yard facilities ▪ Lack of additional cold storage facilities ▪ Local workforce not attracted to fish processing sector
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Adding value through direct sales ▪ Promoting the market ▪ Maritime and Fisheries fund ▪ Sustainable inshore fisheries ▪ Local supply chains and links with restaurants ▪ Increased shell-fish farming ▪ Artisanal/locally produced products ▪ Create lifestyle branding (like Cornwall) ▪ Reform of the Common Fisheries Policy* ▪ Marine Conservation Zones* ▪ Special Area of Conservation ▪ Fishing Heritage and culture 	<ul style="list-style-type: none"> ▪ Reform of the Common Fisheries Policy* ▪ Marine Conservation Zones* ▪ Special Area of Conservation ▪ Lack of finance/credit for expanding businesses ▪ Significant processors in Cornwall who have benefited from convergence funding ▪ Imported fish based products from China ▪ Perceived high business rates for industrial units

*Note – Lack of final proposal for a reformed CFP and Marine Conservation Zones mean that it is not clear if these will be opportunities or threats for the fishing sector.

⁶ Finding Sanctuary, Final Recommendations, Summer 2011

Conclusion – Commercial Fishing and Fish Farming

The fish sector is a mature sector and vitally important to the port of Brixham. The new fish market has helped consolidate Brixham's position as one of the most important ports in England with an excellent reputation for the quality of its fish. Opportunities exist to provide better fish processing facilities in Torbay – thus improving the productivity of existing processors and potentially attracting inward investment. The fishing sub-sector represents an important opportunity for further product development, added value and promotion.

Marine Engineering

Description of the Sub-Sector

Marine engineering refers to the engineering of boats, ships, oil rigs and any other marine vessel. It can refer to:

- The engineering of vessel's propulsion systems;
- The engineering of structures to support vessels; and
- A ship's engineering department, an organizational unit that is responsible for the operating the propulsion systems and
- the support systems for crew, passengers and cargo.

Marine Engineers operate in four main sectors:

- Naval - (e.g. warships, submarines and high value systems and equipment);
- Leisure – (e.g. yacht manufacturers, equipment manufacturers, marinas and holiday companies);
- Commercial (e.g. (merchant shipbuilding, fishing vessels, maintenance, repair and conversion, marine equipment, systems and services, ship recycling, and design, development and research); and
- Offshore Renewables – (Wind, wave and tidal power manufacturers, distributors, installers and supporting supply chains).

This report focuses on opportunities associated with leisure and commercial, given Torbay's limited involvement with the naval sector. Offshore renewable engineering is addressed in the marine renewable section of the report.

Table 4: Business Classification Codes – Marine Engineering

SIC 2007	Thompson Classifications	Yell Classifications
30.1 Building of ships and boats	Boatbuilders & Repairs	Boat Builders & Repairs
33.12 Repair and maintenance of ships and boats	Boat Cleaning Services	Marine Consultants & Services
	Marine Services	Marine Electronics
	Marine Electrical & Electronic Equipment Manufacturers	Marine Engine Mfrs & Suppliers
	Marine Electrical Services	Marine Engine Repairs
	Marine Engineering Equipment Manufacturers	Marine Engines
	Marine Engineers	
	Marine Equipment & Supplies	

National Trends, Opportunities and Constraints – Marine Engineering

The *UK Marine Industries Strategic Framework*⁷ describes the marine sector as an industry with an excellent heritage and track record, based on a long history of academic excellence, innovation, advanced manufacturing and craftsmanship. Today, knowledge based activity is as important as manufacturing. With capabilities that span the whole lifecycle of products – research, concept, product development, including exportability, detailed design, manufacture, world-wide in service support, and disposal.

⁷ The UK Marine Industries Strategic Framework- BIS March 2010

The UK *Marine Industries Alliance's Strategy for Growth*⁸ identifies a number of opportunities for growth:

- Growth in global trade (and emerging markets) driving the merchant ship market;
- Increasing middle classes around the world driving demand in the leisure sector;
- New technologies offering ways to improve competitive advantage (such as ambient intelligence, materials, design, energy scavenging, sensors and computing and energy technologies); and
- Future UK and international regulations (e.g. safety enhancements, emissions reductions and electricity market reform) can be seen by most as opportunities rather than threats – so long as they are anticipated and prepared for in good time.

The British Marine Federation⁹ estimates that there are approximately 4,200 businesses operating in the leisure marine sector in the UK, employing approximately 32,500. The sector is estimated to have revenue of £2.963billion, of which 38.7% is international trade. The South West is the second largest UK region, accounting for 30.5% of revenue, second only to the south east (31.3%).

Boat manufacture and distribution is the largest part of the sub-sector representing 36.2% of revenues, followed by consumer services (34.4%), Equipment manufacture and distribution (17.6%), Engines and Systems (8.2%) and Business services (3.9%). In employment terms, consumer services becomes the most important, employing 42.5% of FTE employees.

International trade is important to the sector, but is especially important to boat manufacture where it represents 71.7% of revenues. International trade has decreased in Europe and North America, but continues to rise steadily in emerging markets.

Mirroring the decreases in demand highlighted above, industry revenues have decreased from 2008/9 by 10.5%, with the most significant decrease seen in the boats manufacture and distribution sector (-9.5%) and equipment and engine systems (-11.8%). Revenues for services to consumers were more stable with a fall of just 1.3%.

The commercial sector is made up of merchant ship building, maintenance, repair and conversion; marine equipment, systems and services; ship recycling; and design development and research. The commercial sector has an annual turnover of around £1.6bn and employs around 36,000 people. UK companies have been effective in growing market share in the Far East and see further opportunities there. Key opportunities for growth in this sector are ship repair and conversion.¹⁰

⁸ A Strategy for Growth for the UK marine Industries. UK Marine Industries Alliance. Sept 2011

⁹ UK Leisure, superyacht and small commercial marine industry. Key Performance indicators 2009/10.

¹⁰ UK marine industries Strategic Framework. BIS March 2010.

The Situation in Torbay – Marine Engineering

	Marine Engineering
Natural Resources	Proximity to the sea and target markets (leisure marinas and the fishing industry)
Strategic Context	Marine Engineering is mentioned in the <i>Economic Strategy</i> as a sector where there is potential to provide greater support.
Business Context	<p>A search of Experian’s database showed 30 businesses operating in this sector in Torbay.</p> <p>Consultations suggest that the leisure sector is the most important market for marine businesses operating in Torbay. Attendance at the SW British Marine Federation Annual General Meeting revealed that marine leisure businesses in the South West are feeling the impact of the recession with less people buying boats and existing owners attempting to minimise the cost of owning a boat.</p> <p>Despite this, there is continued demand for berthing facilities within Torbay and any expansion of these would increase demand for marine engineering services.</p> <p>Some marine engineering businesses in Torbay now operate on a ‘mobile’ basis to reduce overheads and enable them to travel to clients around the country.</p>
Facilities and Infrastructure	Consultees have identified a lack of boat building/repair facilities in the Torbay area.
Skills Provision	<p>South Devon College offers a number of courses in this area through its Marine Academy at Noss Marina on the River Dart.</p> <ul style="list-style-type: none"> ▪ Basic Outboard Maintenance ▪ Boat Building Maintenance Certificate Level 2 ▪ Level 2 Certificate in Boat Building & Maintenance ▪ Level 2 Certificate in Marine Engineering ▪ Marine Engineering Certificate Level 2 ▪ Marine Engineering Certificate Level 3 ▪ Marine Engineering NVQ 2 (Part-Time)
Planned Projects	<ul style="list-style-type: none"> ▪ Development of a Northern Arm Breakwater for Brixham ▪ The Harbour Authority is currently preparing to issue a 10year lease for land for a boat yard in Brixham.
Issues and Constraints	Government planning and guidance states that coastal sites should be safeguarded for activities that require a coastal location ¹¹

¹¹ Planning Guide for Boating Facilities – British Marine Federation and RYA

Table 5: Marine Engineering SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ A small cluster of marine engineering businesses ▪ A strong hi tech sector ▪ South Devon College ▪ A strong fishing sector ▪ Sheltered deep water anchorage for ship repairs or inspection 	<ul style="list-style-type: none"> ▪ Lack of consumer demand for boats during recession ▪ Lack of boat repair workshops/facilities close to the water
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Creation of more mooring spaces will increase demand for marine engineering services ▪ Working with the CAMIS project¹² in relation to marine cluster development ▪ Working with other marine clusters such as Maritime Plymouth 	<ul style="list-style-type: none"> ▪ Reduced activity from South Devon Marine since SWRDA funding cuts

Conclusion – Marine Engineering

The marine engineering sector is closely linked to the marine leisure sector and existing businesses provide an important service to boat owners, marina’s and fishing boats in Torbay. South Devon College’s marine academy at Noss is ensuring that marine engineering skills are available in Torbay and wider sub-region. The college’s strong connections to local marine engineering businesses mean they serve the needs of local businesses as well as students. The lack of existing boat building facilities provides a barrier to growth of this sector.

¹² CAMIS – Channel Arc Manche Integrated Strategy – An Interreg IVA France (Channel) – England Programme. The aim of CAMIS is to draft and implement an integrated maritime policy in the channel space whilst encouraging cooperation schemes. The project aims to identify cluster activities and also facilitate further cluster activities using best practice identified.

Marine Science

Description

There is no formal definition of marine science sector and the term does have a number of interpretations. The UK Government in its Marine Science Strategy interprets marine science as the understanding of how marine systems work, how they impact on us and how we impact on them. The Association of Marine Scientific Industries (**AMSI**) however has a broader membership profile covering the use of science in all maritime activities including:

- Oil and Gas exploration;
- Defence;
- Renewable Energy;
- Environmental monitoring;
- Academic Research;
- Security;
- Oceanography;
- Surveying; and
- Meteorology.

For the purposes of this research, we have explored opportunities for Torbay arising from both pure marine science and associated maritime science.

Table 6: Business Classification Codes – Marine Science

SIC 2007	Thompson Classifications	Yell Classifications
72.1 Research and experimental development on natural sciences and engineering	Marine Surveyors Oil & Gas Exploration Supplies & Services Oil & Gas Extraction Environmental Engineers Environmental Consultants	Surveyors - Marine Oil & Gas Exploration Oil & Gas Exploration Companies Oil & Gas Exploration Eqpt Environmental Consultants

National Trends, Opportunities and Constraints – Marine Science

The publication of the UK Marine Science strategy in 2010 signalled the importance of marine science to the UK in helping to resolve issues such as food security, energy security and climate change. The UK's research institutions play a leading role in oceanographic and marine research, leading international investigations into global problems.

The Research Councils spent £67m on marine science in 2006/07¹³ and the value of the knowledge generated from the marine environment was estimated to be £453m for 2006. The UK has a number of significant research institutions including:

- The Centre for Environment, Fisheries and Aquaculture Science (CEFAS);
- National Oceanography Centre (NOCS) – University of Southampton;
- Plymouth Marine Laboratory (PML) – University of Plymouth;
- Proudman Oceanic Laboratory (POL) – housed at Liverpool;
- The Scottish Association of Marine Science (SAMS); and
- The Sir Alistair Hardy Foundation for Ocean Science (SAHFOS).

¹³ Charting Progress 2, Productive Seas Feeder Report, Section 3.13 Research and Development. Defra

Marine science is expected to continue to be an important area for continued research funding given its importance with respect to issues such as energy security, food security and climate change. The wider marine sector has recently received Government support in the form of a UK Marine Industry Growth Strategy¹⁴ which defined how industry, government and academia will collaborate to exploit global marine opportunities. A key element of this strategy is to identify the priorities for marine technology and innovation investments by Government and industry. This work is being led by the Technology Strategy Board¹⁵, who plan to open a competition for research and development grant funding in 2012, targeting the issues that have the greatest potential to benefit UK marine businesses.

As well as academic institutions, private businesses and organisations also operate within the sector – often developing new technologies and equipment to support research efforts etc.

The marine science sector is a small niche sector in the UK, with approximately 200-250 companies nationwide¹⁶. The Annual Review of UK Marine Scientific Industries 2011 conducted by (AMSI) found that the sector makes an important contribution to the economy with an estimated market size of £1.1bn/year and employing over 14,500 people. The survey found:

- Over 65% of companies experienced growth over the past year;
- Over 70% had a positive outlook and expecting to increase staff numbers of the next 12 months;
- 90% of companies predicted an overall increase in the Marine Science market over the next 12 months, compared to 71% in 2010 and 50% in 2009;
- Barriers to growth in relation to export controls, skills shortages, finance and tax;
- Important market sectors were offshore oil and gas, renewable energy, defence and environmental monitoring; and
- Europe remains a significant region for UK export in marine technology with the Middle East and Asia/Pacific emerging as strong growth areas.

The Situation in Torbay – Marine Science

Marine Science	
Natural Resources	Tor Bay has a natural environment of high significance with internationally and nationally important habitats and species. An area within the Bay is now designated a candidate marine Special Area of Conservation which, through the EU Habitats and Species Directive protects Tor Bay’s submerged and partially submerged sea caves and rocky reefs from damaging activity. An area of the Bay has also been recommended by the ‘Finding Sanctuary’ Stakeholder Group to be a Marine Conservation Zone. An area of coastal waters off Berry Head National Nature Reserve is designated an Area of Special Protection for seabirds during the nesting season. Tor Bay also has nationally important seagrass beds which are a UK priority Biodiversity Action Plan habitat and protected species including seahorses, which are protected under the Wildlife and Countryside Act 1981. The coastline also has a high level of nature conservation designated sites and the whole of Torbay administrative area is designated a Global Geopark Site. (Source, Torbay Coastal Zone Management Plan)

¹⁴ UK Marine Industries Strategic Framework. Marine Industries Leadership Council, March 2010

¹⁵ Technology Strategy Board, Press Release 19th September 2011. Technology Strategy Board to support innovation and growth in the UK’s marine industry.

¹⁶ Personal Communication, Paul Ridout, British Marine Federation. Nov 2011.

Strategic Context	The <i>Torbay Economic Strategy 2010-2015</i> highlights a potential opportunity to support the marine science sector, especially through the inward investment route. Likewise the <i>Inward Investment strategy</i> ¹⁷ identifies environmental science/marine science as a priority sector using the presence of Astra Zeneca’s Brixham Environmental Laboratory to attract new investors.
Businesses	<p>Identifying marine science businesses is a difficult process as there are no business classification systems which directly cover such a niche area. A search on Experian’s database for companies which participate in marine surveying, oil and gas or research into natural sciences brought up less than 5 businesses.</p> <p>One notable company is Astra Zeneca, which has a world leading facility in Brixham. The laboratory is principally a bio-medical facility which tests drugs and other chemicals for their impact on the environment. One element of this is testing on sea water. One potential niche area of marine science is fisheries research, with the presence of the Marine Management Organisation (DEFRA) and the Inshore Fisheries & Conservation Authority (IFCA) in Brixham, there may be an opportunity to grow a fisheries research cluster.</p>
Facilities and Infrastructure	As yet, Torbay does not have any specific marine science infrastructure or facilities. Plymouth University is the closest marine science institution.
Skills Provision	South Devon College is planning to start marine biology courses. Discussions are on-going with Exeter University in relation to developing a field study centre exploring the area’s biodiversity.
Planned Projects	
Issues and Constraints	Ensuring that other developments do not compromise Tor Bay’s natural marine science resources.

¹⁷ Business Growth in Torbay. Torbay’s Inward Investment Strategy.

Table 7: Marine Science SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Unique bio-diversity and marine environment ▪ Strong advanced manufacturing sector ▪ Living Coasts ▪ Fishing science expertise (MMO and IFCA) 	No marine science educational institutions within the bay
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Emerging plans for S. Devon college to start marine biology courses ▪ Development of a bio-medical/bio science cluster utilising Astra Zeneca, the hospital and Peninsular medical schools ▪ Development of educational activity tied in with watersports (such as diving) ▪ Strong Advanced Manufacturing sector ▪ Development of fisheries research cluster ▪ Links with Exeter University – Geopark Marine Activity and study 	

Conclusion – Marine Science

Marine Science is not currently an established sector in Torbay. The development of knowledge infrastructure such as field stations and higher education provision may help create the conditions for the emergence of a marine science sector in the future – perhaps in relation to fisheries. However, the sector is unlikely to grow in the short or medium term without significant public sector investment. Astra Zeneca is an important company in Torbay and their bio-medical work may present an interesting opportunity for development in relation to the ‘health corridor’ running from Exeter through Torbay to Plymouth and encompassing the Peninsula Medical school and Devon’s two universities.

Marine Tourism and Leisure

Description of Marine Tourism and Leisure

This sector refers to the leisure and recreational use of the marine environment and includes, angling, sailing, boating, nature-watching, scuba-diving, surfing, kayaking and swimming.

The Watersports and Leisure Participation Survey¹⁸ identifies the following marine related leisure and tourism activities:

- Sailing Sports – Small Sail boat activities, Yacht Cruising, Small sail boat racing, yacht racing
- Power Sports – Using personal watercraft, motor boating, power boating, canal boating
- Manual Sports – Canoeing, Water Skiing, Rowing/sculling
- Other Activities 1– Coastal walking, outdoor swimming, spending general leisure time at the beach
- Other activities 2 – Surfboarding, Kitesurfing, Angling (from a boat), Angling from the shore, Cliff climbing and coastering, Leisure sub-aqua diving.

These are supported by a range of ancillary economic activities including construction, manufacturing and management. Downstream activities that benefit from leisure and recreation include accommodation and other services. Cruises and ferry journeys have been included under the sub-heading short sea shipping and ferries.

Table 8: Relevant Business Classification codes – Marine Tourism and Leisure

SIC 2007	Thompson Classification Codes	Yell Classification codes
93.1 Sports activities 32.3 Manufacture of sports goods 93.22 Other amusement and recreation activities	Fishing & Angling Equipment - Manufacturers & Distributors Fishing & Angling Equipment Diving Equipment & Supplies Diving Schools Cruiselines Kites Yacht Brokers Sailing Schools Windsurfing Boat Sales Boat Equipment Boat Charter, Rental & Leasing Boat Trips & Excursions Marinas & Boat Moorings	Fishing Tackle Mfrs & Wh'salers Fishing Tackle Diving Schools & Equipment Marinas Fisheries (Sport) Kites Surf Shops Sailing Instruction Boat Moorings Canoeing and Kayaking Yacht Eqpt Yacht Chandlers Yacht Charterers

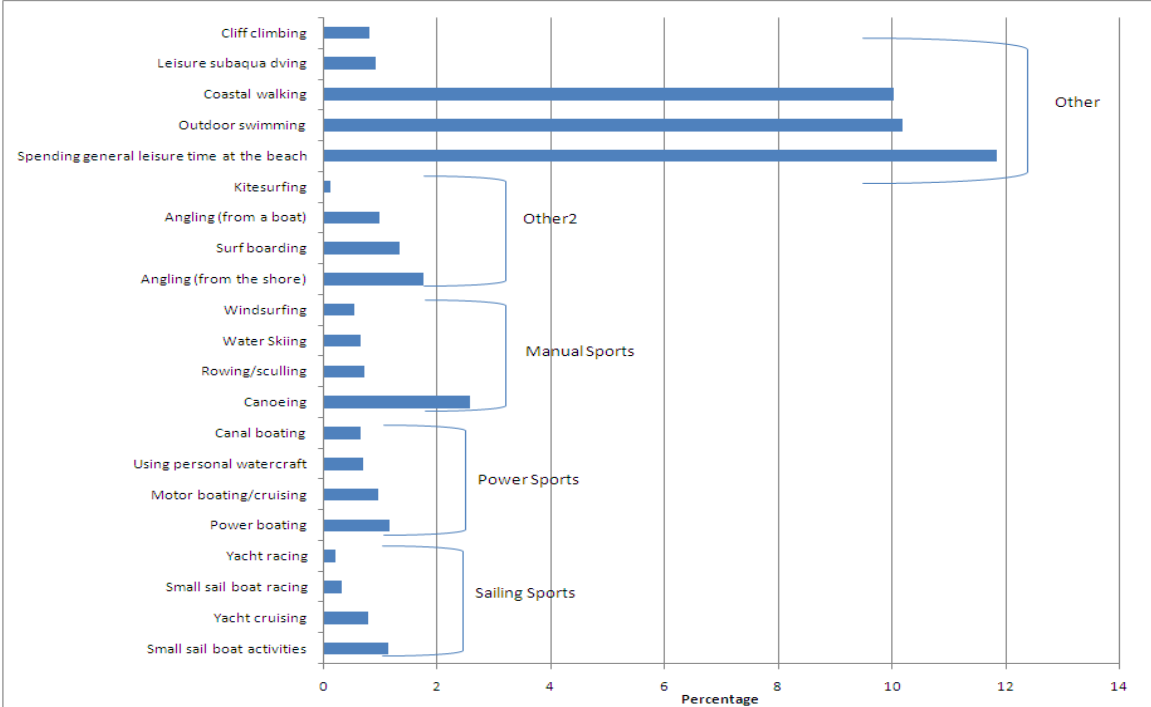
¹⁸ Water Sports and Leisure Participation Surveys 2009 & 2010, BMF, MCA, RNLI and RYA

National Trends, Opportunities and Constraints – Marine Tourism and Leisure

In 2009, 26.3% of the UK adult population (or 13.2m UK adults) had participated in one of the 21 watersports and water based leisure activities¹⁹. 7.2% participated in at least one of the 12 boating activities in 2009, decreasing to 5.6% in 2010²⁰.

Figure 1 shows that the areas of greatest participation were activities such as ‘spending time at the beach’, ‘outdoor swimming’ and ‘coastal walking’.

Figure 2: Participation in water sports and leisure activities in 2009



(Source: Watersports and Leisure Participation Report, 2009)

The report estimates that 2.5% of UK households own a boat or 1.1 million boats/craft owned by UK households and about 1 million are kept in the UK. 42% of these are motorboats, 36% are manual craft and 22% are sailing boats.

The 2010 survey shows a declining trend in participation in ‘any boating activity’ since 2002 reflecting 2 years of tough economic conditions affecting the tourism market, but also a consistent longer term decline in participation. An analysis by the 12 different sporting areas shows most sports are relatively stable or following the overall decline.

The report highlights a decline in casual participation, with occasional and enthusiast participation levels remaining stable – reflecting the economic conditions. However, the report also highlights that participation in the UK rather than abroad has also increased to record levels, with 80% participating in ‘any boating activity’ in the UK.

¹⁹ Watersports and Leisure Participation Survey 2009.
²⁰ Watersports and Leisure Participation Survey 2010

The Situation in Torbay – Marine Tourism and Leisure

Marine Tourism and Leisure	
Natural Resources	<p>Tor Bay harbour area has 16 square miles of open sea and 22 miles of coastline. Its sheltered position from prevailing winds makes it a safe area to participate in most water sports. Water sports enthusiasts enjoy immediate access to open water and minimal tidal disturbance.</p> <p>Torbay is widely perceived by stakeholders to be one of the finest coastal water sports locations in the UK. Its natural amphitheatre also provides an ideal environment for watching water sports events. It's clear waters, richness of biodiversity (as identified through numerous environmental designations) and geopark status also provides an ideal environment for snorkelling and diving.</p>
Participation	<p>Torbay has a strong history of watersports activity with:</p> <ul style="list-style-type: none"> ▪ Four active sailing clubs (Torquay, Brixham, Paignton and Babbacombe) ▪ Over 50 Maritime events/year ▪ Perception of growth in water skiing and powerboat sports ▪ Perception of growth in Kite Surfing ▪ Anecdotal evidence that diving has declined in recent years with the sinking of the Scylla near Plymouth drawing divers away from Torbay
Strategic Context	<p>Tourism accounts for 35%²¹ of jobs within Torbay and as such is recognised as a priority sector within the <i>Economic Strategy</i>²². <i>Turning the Tide for Tourism</i>²³ is a strategy designed to rejuvenate the tourist offer and reduce the declining number of visitor nights in Torbay. It has three key objectives:</p> <ul style="list-style-type: none"> ▪ To reduce the decline in visitor numbers and spend ▪ To increase the value of tourism in the Torbay economy ▪ To reposition the English Riviera as a leading and inspirational UK destination. <p>Five key opportunities were identified for new product development:</p> <ul style="list-style-type: none"> ▪ Maritime leisure ▪ Agatha Christie Legacy ▪ Global geopark status ▪ Events, festivals and exhibitions ▪ Business tourism <p>The strategy development included consultation with maritime leisure businesses and the following actions were identified as priorities to enable growth:</p> <ul style="list-style-type: none"> ▪ Establish maritime leisure product development action group ▪ Develop Torbay Week as the English Riviera's flagship maritime event ▪ Develop compelling water based 'experiences' and packages ▪ Integrate promotion of maritime leisure activities into central destination marketing ▪ Improve water front food, drink and retail offering ▪ Introduce planning policies that proactively support operators to grow

²¹ Including accommodation and food services, retail and arts, entertainment and recreation services. Figures from the Business Register and Employment Survey (nomis), for 2010.

²² Torbay Economic Strategy 2010-2015 – Accepting the Challenge

²³ Turning the Tide for Tourism in Torbay – Strategy 2010 - 2015

	<ul style="list-style-type: none"> ▪ Provision of more visitor boat moorings ▪ Improve the necessary water activity infrastructure and complementary parking <p>The <i>Tor Bay Harbour and Maritime Strategy 2007-1017 'Catching the Wave'</i> highlights a range of future potential opportunities to increase maritime leisure opportunities including:</p> <ul style="list-style-type: none"> ▪ Raise the profile of Tor Bay and the English Riviera as a destination for events and water based activities ▪ Development of a community maritime leisure centre of excellence (such as the old Naval Air Station at Osprey Rd, Portland) ▪ Improving the surrounding infrastructure through re-development of harbourside areas such as Victoria Parade in Torquay, The Lanes in Brixham and South Quay, Paignton Harbour. The water space of the 3 enclosed harbours also has the potential for further leisure offering, such as floating restaurants, vessels of special interest and further pontoon berthing ▪ Increase land based activities to support maritime events ▪ Increase offer for recreational boating as part of the overall destination marketing of the English Riviera ▪ Increase visiting yachts and other vessels and improve the welcome including comprehensive harbour guide, promotions and improving shore based facilities (e.g. showers, toilets and laundry facilities) and increasing pontoon berthing and access to pontoons. ▪ Consider the prospects for recreational diving – including placement of man-made wrecks and or artificial reefs. <p>The <i>English Riviera Geo-park Management Plan</i> also highlights opportunities to attract visitors and provide an enhanced visitor experience along Torbay's geo-park coast, through both walking and water based activities.</p> <p>The <i>Torquay Harbour Area Action Plan</i> highlights the importance of watersports and highlights a number of potential development opportunities to improve the tourism offer in Torquay including additional pontoon berths in the inner harbour.</p> <p>The Torbay Sports Facilities Strategy, in its section of sailing, highlights:</p> <ul style="list-style-type: none"> ▪ That the location of Torquay and Paignton sailing clubs houses restricts access; ▪ The need for additional boat parking ▪ The approach to boat parking charges (by the council) having a detrimental effect on participation ▪ Limited capacity for boat storage is also limiting the ability of sailing clubs to host major events. ▪ The implications of any re-development of Paignton Harbour on Paignton Sailing Club and Paignton Amateur Rowing Club.
Businesses	<p>Estimating the number of businesses operating within this sector is particularly difficult, as the sector is very diverse, often includes micro-businesses and overlaps with other sub-sectors (e.g. marine engineering).</p>

	A search of the Experian business prospector database found 43 companies operating in this sector in Torbay.
Facilities and Infrastructure	<ul style="list-style-type: none"> ▪ Leisure Mooring Facilities – Torquay (850), Brixham (800) and Paignton (250) - due to the recession, demand is currently high at lower priced end of the market, with some availability for more expensive berthing facilities. Demand is expected to rise again when the recession ends. ▪ Harbour launching facilities in the three harbours ▪ Exceptional beaches (most Blue Flag and Coastal Award beaches in England 2011)
Skills Provision	<p>South Devon College offers a number of courses in this area through its Marine Academy at Noss Marina on the River Dart. The academy provides a centre of excellence for water based outdoor activity and training. Relevant courses are listed below.</p> <p>Yachting</p> <ul style="list-style-type: none"> ▪ Cruising Instructor Training Course ▪ FdSc YACHT OPERATIONS <p>Adventure Sports and Outdoor Education</p> <ul style="list-style-type: none"> ▪ Adventure Sports BTEC Qualification Level 3 ▪ Adventure Sports Diploma Level 3 ▪ Adventure Sports Extended Cert Level 1 ▪ Adventure Sports Extended Cert Level 2 ▪ Adventure Sports Level 1 ▪ Adventure Sports Level 2 ▪ Competent Crew ▪ FdSc OUTDOOR EDUCATION ▪ RYA Coastal Skipper ▪ RYA Day Skipper Practical ▪ RYA Day Skipper Theory - Short course ▪ RYA Powerboat Level 2 ▪ RYA Start Yacht Racing Practical ▪ RYA Start Yachting Practical
Planned Projects	<ul style="list-style-type: none"> ▪ Re-development of Broadsands to create Watersports Centre of Excellence ▪ Creation of a Northern Arm Breakwater for Brixham providing a sheltered harbour and additional marina style facilities ▪ Pontoon moorings for Torquay's Inner Harbour ▪ A local registered charity 'Wreck the world' is currently bidding to buy the Ark Royal from the MOD to sink in Torbay to use as an artificial diving reef ▪ Re-development at Goodrington currently out to tender
Issues and Constraints	<p>Government planning and guidance states that coastal sites should be safeguarded for activities that require a coastal location²⁴.</p> <p>Environmental designations, as well as providing opportunities, may also restrict certain types of development and activity.</p>

²⁴ Planning Guide for Boating Facilities – British Marine Federation and RYA

The Turning the Tide for Tourism strategy development included a consultation with maritime leisure operators, businesses and stakeholders and a SWOT was produced. To avoid further burdening these businesses, the Tourism Strategy SWOT has been used as the foundation for this SWOT (in italics), with additional points added where necessary (non-italics).

Table 9: Marine Tourism and Leisure SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ <i>Clear waters, good depths, gentle currents, protected from winds</i> ▪ <i>Very little commercial traffic</i> ▪ <i>Excellent race officers</i> ▪ <i>Not too far from major conurbations (closer than Cornwall)</i> ▪ <i>Accessible beaches for launching, with nearby vehicular access</i> ▪ <i>Two deep water harbours</i> ▪ <i>Two marinas and visitor berthing</i> ▪ <i>Multi-access dinghy launching facilities</i> ▪ <i>Torquay/Brixham facilities, shops/eating</i> ▪ <i>Well founded enthusiastic clubs</i> ▪ <i>Passionate private sector operators, keen to develop water sports</i> ▪ <i>Generally good co-operation between harbour authorities, clubs and operators.</i> ▪ <i>Good skills provision (Noss)</i> ▪ <i>Mainstream tourism provision (accommodation, restaurants & shops)</i> ▪ <i>500,000 visitors to website</i> ▪ <i>Geopark Status</i> ▪ <i>Torquay Waterfront Regeneration</i> 	<ul style="list-style-type: none"> ▪ <i>Poor linkage between maritime operators and traditional tourism sector</i> ▪ <i>Parking & launching infrastructure often unresponsive</i> ▪ <i>Car park height limiters make access difficult, attendants perceived as unfriendly and difficult</i> ▪ <i>Accommodation providers rarely get involved with water promotions</i> ▪ <i>Torquay dock over-subscribed/Brixham marina full</i> ▪ <i>Lack of quality food/drink harbour side</i> ▪ <i>Few operators currently operating</i> ▪ <i>Perception of transport in and out of bay</i> ▪ <i>Need for improved slipway in Brixham</i> ▪ <i>Need for more re-fuelling facilities</i> ▪ <i>Watersport participation stagnant nationally</i> ▪ <i>Domination of mainstream tourism market in Torbay by C1, C2, D families, over 60's and coach parties</i> ▪ <i>Quality of retail offering in Torquay</i> ▪ <i>No boatyard for repairs</i> ▪ <i>Lack of facilities for winter hauling out/storage</i> ▪ <i>Lack of large area that support major ground base required by national sailing events and festivals</i>
Opportunities	Threats
<ul style="list-style-type: none"> ▪ <i>Integration of water activities into brand and centralisation of marketing activity</i> ▪ <i>Build on Torbay Week to create major national event/enhance perception as quality watersports venue</i> ▪ <i>Develop themed weeks for other water activities</i> ▪ <i>Develop youth facilities as a priority. Families will stay in area.</i> ▪ <i>Embrace parking/access requirements of watersports enthusiasts/operators</i> ▪ <i>Promotional links between water activity/accommodation providers</i> ▪ <i>Creation of high volume watersport centre in Paignton, Broad Sands and Goodrington as possibilities.</i> 	<p><i>Inertia. The single greatest threat is to do nothing and see Torbay's water activity sector decline and the dependant industry lose a key USP.</i></p> <p><i>Further loss of facilities, to the detriment of local people and business. Unless the existing facilities are better supported with a supportive planning, transport and economic regime they are likely to decline or move to more supportive locations.</i></p> <ul style="list-style-type: none"> ▪ <i>Perception of car parking issues for event competitors</i> ▪ <i>Attracting events becoming more costly and competitive</i> ▪ <i>Competition from other 'water sports friendly' destinations</i>

<ul style="list-style-type: none"> ▪ <i>Fast ferry link between Torquay and Brixham</i> ▪ Geopark Status ▪ Ark Royal Artificial Reef ▪ Increase marina capacity ▪ Growth in Gig Rowing in wider region ▪ Embrace marine based eco-tourism (snorkelling, diving, glass bottom boats/ kayaks) ▪ Third Harbour in Torquay 	<ul style="list-style-type: none"> ▪ Shore-side facilities perceived to be not water sports friendly (e.g. toilets, car parking, showers etc.) ▪ Facilities not able to meet demands of major sailing events and festival requirements ▪ Competitions for sites/land for other forms of land use
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Conclusion – Marine Tourism and Leisure

Torbay is widely perceived by stakeholders to be one of the finest coastal water sports locations in the UK. Its natural amphitheatre also provides an ideal environment for watching water sports events. Its clear waters, richness of biodiversity (as identified through numerous environmental designations) and geopark status also provides an ideal environment for snorkelling and diving.

There are a number of exciting potential initiatives such as plans to sink a ship off the Bay for diving and development of a watersports centre of excellence. There is an established marine tourism and leisure business base, as well as excellent skills and training provision through South Devon College, as well as other providers.

However, in order to compete with other destinations in the South West and further afield, improvements are needed in terms of:

- Waterside facilities and infrastructure
- Marketing and product development and promotion

This is an exciting emerging sector where with the right co-ordination and infrastructure has the potential to make a significant contribution to the objectives of the tourism and economic strategies through increasing year round tourism and visitor spending.

Renewable Energy

Description of Renewable Energy

The UK has among the highest levels of exploitable renewable energy resources in the world and has the potential to become a global leader in both engineering development and energy production. Marine renewable energy sources include wind, wave, tidal stream and tidal range.

The principal economic activity is the extraction of energy from the sea and its environs for electricity. Ancillary supporting activities include the construction and decommissioning of fixed structures such as platforms to support wind turbines and installation of associated shore cables. Secondary activities include the transmission of electricity to the distribution system.

Table 10: Business Classification Codes – Marine Renewable Energy

SIC 2007	Thompson Classifications	Yell Classifications
35.1 Electric power generation, transmission and distribution	Electricity Generating & Distributing Equipment Electricity Companies Renewable Energy Windmills & Wind Power Equipment	Electricity Generating Eqpt Electricity Suppliers Wind Turbines & Windmills

National Trends, Opportunities and Constraints

The marine renewable energy sector has grown significantly in the last decade and is forecast to continue growing rapidly. This rapid growth has been aided by government support for energy generation from renewable sources, involving financial investment and planning and policy initiatives that help to encourage private investment. Particularly important drivers are government targets to increase the proportion of renewable energy being produced to 15% by 2020.

There are three main commercially viable technologies at present wind, wave and tidal, although in the future it might be possible to harvest marine algae in the form of biomass energy. The most advanced of these is wind power, where there is already significant commercial deployment (in 2009, there were 10 offshore wind farms, with an installed capacity of 0.7GW. A further 1.7GW was under construction, 2.9GW had been consented and around 9.9GW was in planning and pre-planning).

The Crown Estate is the landowner of the seabed and areas of foreshore. In order to manage marine renewable development, the crown estate announced a round of competitive processes for Offshore Wind Farm lease options. The first being in 2001, the most recent (Round 3) identified 9 separate wind farm zones (33GW capacity). The development partners for these were announced in 2010 and construction is expected to commence in the next couple of years.

Wave and tidal power are at an earlier stage in development, with fewer devices in the water. Those in existence tend to be for demonstration purposes, with facilities in Orkney, the North East and more recently Hayle, Cornwall. Wave resource maps show the greatest potential in

the North Sea and to the West of Cornwall, where average wave heights are more significant. Tidal power requires specific tidal range/estuary opportunities and is being assessed in a number of estuaries (such as the Severn, Liverpool, Solway Firth) around the UK. In the longer term it is estimated that wave and tidal power technologies could contribute up to 30GW by 2050. Key issues for offshore renewable development include:

- Cost – The technologies are proving more expensive than anticipated;
- Planning – securing planning consent can take a long time;
- Connecting projects to the transmission and distribution network;
- Concerns over environmental impact in terms of noise and bird life;
- Skills and Supply chain;and
- Infrastructure – lack of suitable ports

In January 2012, the South West was named as the UK’s first **Marine Energy Park**, extending from Bristol to Cornwall. This builds on £100m invested over the last seven years to provide world leading research and demonstration facilities including: Wave Hub, the largest consented demonstration area for marine energy in the world; the FaB Test nursery site in Falmouth Bay; and world class Hydrodynamic test facility in the new Marine Sciences building which will open later this year at Plymouth University. The PRIMaRE programme has also funded specialist research facilities such as the South West Mooring Test Facility (SWMTF) and Dynamic Marine Component Test facility (DMAC) at the University of Exeter.

The core objective of the South West Marine Energy Park is to create a positive business environment that will foster business collaboration, attract investment and accelerate the commercial development of the marine sector. To do this, it will develop a programme of actions to:

- Enable access to marine energy resources and de-risk project investment;
- Provide world class facilities for technology development;
- Prioritise support for enterprise and innovation;
- Invest in port, grid and manufacturing infrastructure; and
- Build a collaborative supply chain and skills base.

The Situation in Torbay – Renewable Energy

	Renewable Energy
Natural Resources	Tor Bay’s natural features do not provide ideal conditions for marine renewable deployment at the current time. Its sheltered, limited tidal nature means that there is limited energy generation potential – compared to other more exposed areas.
Strategic Context	Tor Bay’s economic strategy recognises the importance of the green economy in ensuring improved resource efficiency and lower costs for businesses.
Businesses	A search of the RegenSW marine energy supply chain directory found 79 companies in Devon. One (a PR company) was based in Torbay. However, the sector is closely linked to marine engineering and advanced manufacturing industries where Torbay has a more significant presence. There are a number of plastics, injection moulding, electronics and engineering companies who would have the capability to support this sector.

Facilities and Infrastructure	Established harbour infrastructure in Torquay and Brixham in particular and sheltered deep water anchorage for ship repairs and inspections. Torbay's harbours are supported with stevedore and ship agent's services and offer easy access to the road network (especially when the South Devon Link Road is complete). Further investment in the harbour infrastructure and marine engineering facilities could put Torbay in a strong position to support the marine energy park.
Skills Provision	South Devon College has courses in Building Services and Renewables and is building a new Energy Centre as well as excellent marine engineering provision (described previously).
Planned Projects	None identified
Issues and Constraints	

Table 11: Renewable Energy SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Advanced manufacturing & marine engineering sectors ▪ Sheltered bay – ideal for loading/unloading support vessels 	<ul style="list-style-type: none"> ▪ Sheltered bay (lower wind speeds, wave heights) ▪ Low rate of tidal stream ▪ Nearest offshore wind development Isle of Wight and Atlantic Array ▪ Little/no presence in the marine energy supply chain
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Unknown future technologies ▪ Providing support services to the Marine Energy Park ▪ Opportunities for Heart of SW businesses to become involved in the nuclear supply chain for Hinkley 	<ul style="list-style-type: none"> ▪ Other ports in the South West with better infrastructure and facilities to support the marine energy park.

Conclusion - Renewable Energy

The opportunity in relation to marine renewable energy is limited for Torbay – Torbay does not have a marine renewable business base at this current time. However, it does have strengths in the advanced manufacturing and marine engineering sectors which could be directed towards opportunities associated with the newly designated Marine Energy Park and the supply chains that might be developed. It is recommended that TDA continue to engage with the Marine Energy Park partners to further understand and respond to opportunities and work with the area's advanced manufacturing sector to identify opportunities for these businesses.

Torbay's port infrastructure includes deep water harbours in Torquay and Brixham, which with investment in the necessary infrastructure, could provide an opportunity to support the Marine Energy Park. The infrastructure and facilities necessary (and any potential economic benefit) to support this sector should be explored further in the development of a Port Masterplan.

Short Sea Shipping, Cruise ships and Ferries

Description of the sub-sector

Short sea shipping means the movement of cargo and passengers by sea between ports situated in geographical Europe or between those ports situated in non-European countries having a coastline on the enclosed seas bordering Europe. Short sea shipping is generally considered to be smaller scale in nature than inter-continental shipping and does not necessarily involve the provision of roll-on roll off ferries.

The principal economic activities are maritime transport of passengers and freight. Ancillary activities include:

- Shipbuilding;
- Construction of ports and marinas,
- Navigation, pilotage and berthing,
- Capital and maintenance dredging of harbours and navigation channels; and
- Storage of freight

Table 12: Business Classification Codes – Shipping, Cruise ships and Ferries

SIC 2007	Thompson Classifications	Yell Classifications
50.1 Sea and coastal passenger water transport	Ferries	Shipping & Forwarding Agents
50.2 Sea and coastal freight water transport	Shipping Companies	Shipping and Marine Shipping Companies and Agents
42.92 Construction of water projects	Boat trips and hire	Boat hire
52.27 Service activities incidental to water transportation	Cruise	Cruise
52.21 Cargo handling		

National Trends, Opportunities and Constraints – Short Sea Shipping, Cruise Ships and Ferries

In 2010, ports in England and Wales handled 410 million tonnes of goods, 95% of the total volume of UK trade and 75% of its value²⁵. For an island economy, there are limited alternatives available to the use of sea transport for the movement of freight and bulk commodities. As a consequence, shipping will continue to provide the only effective way to move the vast majority of freight in and out of the UK, and the provision of sufficient sea port capacity will remain an essential element in ensuring sustainable growth. The Government believes that there is a compelling need for substantial additional port capacity over the 20-30 years, to be met by a combination of development already consented and developments for which applications have yet to be received.

Oxford Economics estimate that in 2009 the UK shipping industry:

- Employed 112,000 people directly and supports a further 225,000 (148,000 via the supply chain and 77,000 via induced spending of employees); and
- Contributed £6.9billion GVA

²⁵ National Policy Statement for Ports, Department of Transport, October 2011

The report describes how the sector was growing steadily between 2003 and 2009, but declined between 2008 and 2009, largely as a result of the decline in freight traffic due to the recession.

In terms of policy, the European Commission has an active policy to promote Short Sea Shipping. This form of transport mode is highly efficient in terms of environmental performance and energy efficiency. It has the potential to solve road congestion problems affecting many parts of the European continent. All the studies point out the necessity of encouraging short sea shipping to meet the goal of the European sustainable transport policy.

Growth in the European **cruise sector** has been exceptional in recent years and the UK has been one of the main beneficiaries. Visit Britain reported in 2008²⁶, that growth in both turn round port and port of call passengers has increased markedly as Figure 3 below shows. The higher balance in favour of turn around passengers reflects the large numbers of passengers who start a cruise to destinations such as the Baltic and the Mediterranean in a UK port in comparison with the numbers stopping off at UK ports 'mid cruise'.

Figure 3: Cruise passengers at UK ports

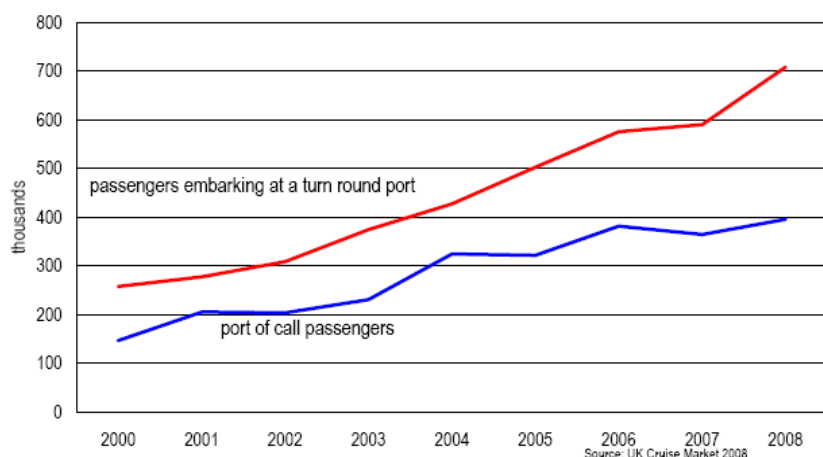
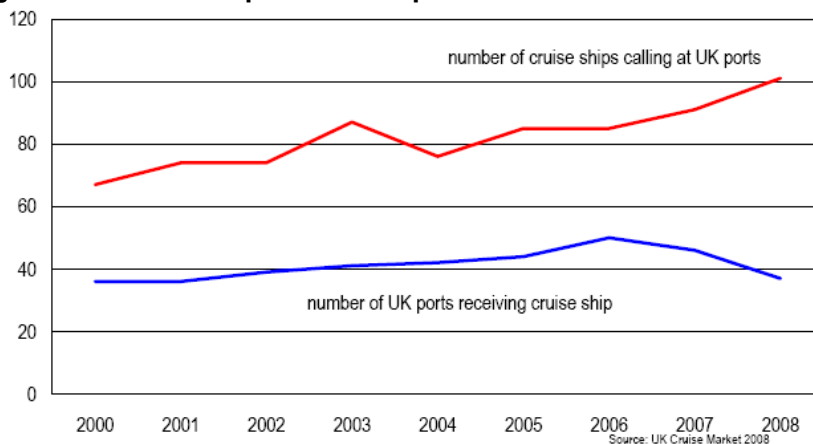


Figure 4 shows that despite this trend in passenger numbers, the number of UK ships calling at UK ports is not increasing at the same rate, reflecting a move towards larger ships.

Figure 4: Numbers of ports and ships



²⁶ Foresight report March 2010. Visit Britain.

The report concludes that whilst growth prospects are strong, port authorities must ensure sufficient investment in the construction of berths capable of handling the latest vessels, as well as investing in ancillary port facilities. It is not just ports that need to be top-notch in order to attract increased numbers of cruise ships and their passengers; local infrastructure must enable the efficient movement of passengers embarking and disembarking at 'turn around' ports, along with transportation of the provisions needed to service both the upkeep of the ship. Similarly, it is necessary for local businesses and authorities to work with cruise lines to ensure that shore excursions are successful, both in terms of operational efficiency and customer satisfaction.

The Situation in Torbay

Note: Due to on-going project development work by the Torbay Development Agency in relation to the development of a third harbour in Torbay, it has not been possible to speak with cruise line operators directly to get their perspective of Torbay's potential in relation to the cruise ship sector.

Short Sea Shipping, Cruise Ships and Ferries	
Natural Resources	Tor Bay's sheltered aspect provides a useful staging post for ships travelling up the English Channel.
Strategic Context	<p>The <i>Torbay Harbour and Maritime Strategy</i> states that opportunities to maximise water based transport between the 3 towns should be assessed as part of an integrated transport strategy.</p> <p>The Local Transport Plan²⁷ identified the need for infrastructure for a frequent ferry between Torquay and Brixham and other destinations further afield, which would reduce congestion on the coast road and allow more rapid access between the two towns – serving both visitors and residents.</p>
Businesses	<p>Torbay has a long established passenger pleasure craft industry, mainly transporting visitors on local trips, connecting the 3 towns and linking to neighbouring destinations. There are a number of local ferry and excursion businesses operating in the Bay providing marine transport links, excursions, ferry services, fishing trips, wildlife watching as well as boat hire.</p> <p>Marine Towage Services (MTS) has been operating in Brixham since 1920 and primarily provides support services to ships anchored or passing through or by Tor Bay. This includes supporting the ships with any new provisions, equipment, changing/supporting the crew, piloting services, using divers to survey hulls and salvage operations.</p>
Facilities and Infrastructure	<p>The three ports within Tor Bay Harbour are principally used for fishing and marine leisure activities and are not equipped to handle significant volumes of cargo or freight.</p> <p>Torbay currently attracts a number of visiting cruise ships each year which anchor in the Bay and transport passengers ashore to visit local attractions. Torbay Council is working to attract more cruise ships to the Bay.</p>
Skills Provision	No skills or training courses identified.
Planned Projects	<p>A fast ferry service was trialled by Stagecoach in 2008, reportedly carrying 250,000 passengers in the trial. Torbay Council has just submitted a bid to the Department of Transport for Local Sustainable Transport funding.</p> <p>The feasibility of a third harbour for Torquay is currently being investigated as a means to enable cruise ships to dock and allow more passengers ashore, as well</p>

²⁷ Local Transport Plan for Devon and Torbay – 2011-2026

	as provide other facilities.
Issues and Constraints	Lack of land for cargo handling and storage Poor onward road and rail connections

Table 13: Short Sea Shipping, Cruise Ships and Ferries - SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> ▪ Strong pleasure boat/cruises market ▪ Strong ship agent service 	<ul style="list-style-type: none"> ▪ Lack of facilities or infrastructure for handling cargo or freight. ▪ Poor onward road and rail transport links
Opportunities	Threats
<ul style="list-style-type: none"> ▪ Establish fast ferry service between Torbay's towns and beyond ▪ Re-establish continental ferry services ▪ The long term need to protect Paignton from rising sea level and coastal erosion may present an opportunity, in the future to create harbour facilities able to cope with cargo and freight, close to the rail network. 	<ul style="list-style-type: none"> ▪ Better equipped ports at Plymouth and Teignmouth for short sea shipping

Conclusion – Short Sea Shipping, Cruise Ships and Ferries

Despite Torbay's limited cargo and port facilities, the Bay is an important staging post for ships travelling up the English channel, its sheltered conditions means that ships often call into the Bay to await further instructions or take on provisions. Supporting are businesses such as Marine and Towing Services, who provide ships with provisions, crew, charts and arrange servicing works if necessary. The nature of this work means that it has an important multiplier effect on the Torbay economy. The long term need to protect Paignton from rising sea levels may present an opportunity to examine the role of Paignton Harbour and its potential for use in relation to cargo handling, given its proximity to the rail network.

Torbay has also established a strong pleasure boat/cruises market, with several operators providing fishing trips, wildlife watching and other boat excursions. It will be important to ensure that any fast ferry services proposed do not displace activity from these established businesses.

Torbay currently attracts a number of visiting cruise ships each year which anchor in Tor Bay and transport passengers ashore to visit local attractions. Torbay Council is working to attract more cruise ships to the Bay. A third harbour for Torquay would provide the facilities required to attract more or larger cruise ships as well as provide other facilities in relation to marine leisure.

Detailed Action Plan

The tables below set out the key actions required to meet the strategic objectives outlined for the marine economy in Torbay. These have been set out under sub-sector themes under the three themes developed under the economic development strategy:

- Stimulating and Attracting Investment;
- Improving Business Performance; and
- Raising Skills and Improving Opportunities

Key

Partners:

TC = Torbay Council
TDA = Torbay Development Agency
THM = Tor Bay Harbour Master
EH = English Heritage?,
PSC = Paignton Sailing Club,
TCCT = Torbay Coast and Countryside Trust
LEP = Local Enterprise Partnership
TDA = Torbay Development Agency
ERTC = English Riviera Tourism Company
SDC = South Devon College
BBDS = ?
TBHC = Tor Bay Harbour Committee
MMO = Marine Management Organisation
MDL = Marina Development Limited

Timing:

Short Term = An 'early win' achievable within one year
Medium Term = Achievable in up to five years
Long Term = Achievable in 5+ years

Stimulating and Attracting Investment

Capitalising on recent and planned Investment

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Provide the right infrastructure and facilities to attract cruise ships to Torbay and ensure value is captured locally.	<p>Attracting cruise ships to Torbay could provide a significant opportunity to change the visitor profile of Torbay and increase average visitor spending in the local economy. To achieve this will require:</p> <ul style="list-style-type: none"> Investment in port infrastructure and facilities such as a new pier or harbour Investment in the attractions and retail offer to ensure value is captured locally. 	Feasibility reports	Long	Torbay Council , TBHC	TDA, THM TBHC, LEP	High	Marine Tourism, Shipping, cruise ships and ferries.
Create centre of excellence for water sports or water sports/maritime centre	<p>Existing watersports facilities have limitations – especially for hosting events. Creation of a watersports centre at Broadsands or Goodrington would allow for:</p> <ul style="list-style-type: none"> Hosting more and larger maritime events Ease congestion/parking in Torquay/Brixham on event days Provide facilities for a greater range of watersports Provide a watersports friendly infrastructure for visitors and residents alike (e.g. showers, storage, hire facilities, training) Provide opportunities for the establishment of watersports related businesses The re-development of a tired waterfront location 	Feasibility report	Medium	TDA	SDC, EH, PSC, TCCT TBHC	High	Marine Tourism
Create Northern Arm breakwater in Brixham	The construction of a Northern Arm Breakwater in Brixham would enclose the open water area of the outer harbour to provide calmer wave conditions and safer harbour in all weather conditions, allowing better use by existing users and development of further leisure use (including additional marina facilities)	Identify funding sources	Long	TDA, TBHC	Marina Developments Limited	High	Marine Tourism; Marine Engineering

<p>Develop fish processing park to capitalise on recent investment in the fish market. Including:</p> <ul style="list-style-type: none"> ▪ Identification of site for fish processing ▪ Test feasibility of 1) cold storage facilities; 2) High pressure pasteurisation plant²⁸ ▪ Encourage start-ups and inward investment. 	<p>Fish processors are currently located in various locations around Torbay, Bringing processors together could provide the critical mass for investment in other facilities such as cold storage and high pressure pasteurisation plant and alternative waste management options. These investments could significantly improve the competitiveness of Torbay's fish processors, who are currently using cold storage facilities in Grimsby.</p>	<p>Feasibility Study</p>	<p>Medium</p>	<p>TDA</p>	<p>TC, private sector</p>	<p>High</p>	<p>Fish</p>
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²⁸ High pressure pasteurisation plants are used extensively in the US to extend the life of food products, preserve meats and fish and remove bacteria from products. They are not currently used extensively in the UK. They are estimated to cost approximately £1.5m and could potentially provide a new form of food processing in the SW. Stakeholders have suggested that this facility (as well as others such as cold storage) could be set up as part of a co-operative and be run on a self sustaining basis as food producers in the SW pay to use the facility.

Cross sector development and collaboration for added value

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Development of a port master plan which draws together maritime and coastal activity and planning to ensure an integrated coastal zone.	There are many competing demands for land use and water use in Torbay. A port masterplan would provide an opportunity to plan development to maximise the economic opportunity for the marine sector.	Plan produced	Short	THM, TBHC	TDA TCCT South Hams Council, Teignbridge, Sea Torbay	High	Cross Sector
Develop a fishing heritage attraction (maybe linking history, life at sea, food, art, culture)	Stakeholders report that visitors to Brixham have a high level of interest in the fishing industry and history of it in Brixham. At the current time, there are few attractions or opportunities for them to pursue this.	Feasibility	Short/Medium	TC	Private/ Third sector, ERTC	High	Fish and Marine Tourism
Improve infrastructure to allow fast ferry services	A fast ferry service could be used by both residents and visitors to travel quickly between Torquay and Brixham. This could have the following economic benefits: <ul style="list-style-type: none"> • Increase access jobs and opportunities • Encourage visitors to visit Brixham/Torquay • Encourage trade between the two towns <p>However it is important that potential for displacement is assessed. Could be complementary to third harbour aspirations.</p>	Infrastructure improved	Short	TC TBHC	THM	High	Short sea Shipping and Ferries Marine Leisure

Addressing specific sub-sectoral needs and opportunities

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Sink a ship as a diving destination	A local charity are working on a project to sink a royal navy ship off Tor Bay to create a diving attraction. This would help to attract divers to Torbay and increase visitor spend all year round.	Sink Ship	Medium	Wreck the World	TBC MMO THM	High	Marine Tourism
Research and understand demand for boat yard facilities.	This project has revealed that Tor Bay has a shortage of facilities to work on boats out of the water, limiting the marine engineering sector. Stakeholders identified that this is an issue affecting the fishing, leisure and heritage boat sectors. This need could be addressed by a range of different solutions. Demand for facilities and appropriate solutions needs to be tested further.	1) Land made available for temporary boatyard, 2) Feasibility report	Short	THM, South Devon Marine	SDC	Medium	Marine Engineering
Encourage scientific research (and data collection) of Torbay's marine environment/fisheries	This action is unlikely to create direct economic benefits, but in the long term will help to develop Torbay's profile and capacity in relation to marine science and also provide evidence to support the marine planning process.	Development of marine research plans	Short	SDC	TCCT, Local universities	High	Marine Science, Fish
Protect existing marine engineering facilities close to the water from re-development in non-marine uses	Some economic activities require facilities close to the water in order to be able to operate effectively. This is especially important for sectors such as marine engineering, fishing and marine leisure and tourism. If these sectors are to be viable and grow and expand – it is important that marine land uses are protected.	Council planning policy amended	Long	TC as planning authority	TBHC	High	Marine Engineering
Develop a programme of beach/shore line site upgrades (consistent with core strategy and a portmasterplan) to improve access to the water for watersports, provision of parking, facilities (e.g. boat storage, equipment hire, showers) and offerings (e.g. cafes, retail outlets etc).	There is a perception that current beach/shoreline sites could be improved to provide a more watersports friendly environment, enabling Torbay to compete with other watersports destinations to attract visitors and events.	Develop improvement plan	Medium	TC	TDA, TCCT, ERTC TBHC	High	Marine Tourism
Develop activity sports (such as rock climbing, coast steering and kyaking) at	Improve and broaden the watersports product offering.	Feasibility Study	Medium	TCCT	ERTC, SDC, private	Low	Marine Tourism

Berry Head quarry					sector		
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Improving Business Performance
Capitalising on Recent and Planned Activity

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Establish one group to bring together maritime leisure stakeholders and businesses to represent the needs of the sector and develop maritime leisure products	The purpose of this group would be to: <ul style="list-style-type: none"> • Represent the needs of the sector • Develop the maritime leisure product • Improve co-ordination of maritime events 	Group formed	Short term	ERTC	TDA, private sector	High	Marine Tourism
Develop brand and marketing of the fish sub-sector by: <ul style="list-style-type: none"> ▪ Develop brand for home and international market ▪ Promote local sustainably caught fish (local campaign, accreditation, marketing materials, fish market tours) ▪ Encourage more local fishmongers/stalls selling local fish in Torbay 	Increase fish and fish product sales both locally and internationally.	Brand and marketing plan produced	Short	TDA	Private sector	High	Fish
Research additional uses for waste from fish processing or fish meal plant.	Torbay's fish producers currently pay to transport their fish waste to Grimsby for processing adding additional overheads and reducing their competitiveness	Feasibility report	Short/Medium	TC – Waste Management	Local Universities	High	Fish

Cross sector development and collaboration for added value

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Create new or utilise better existing business forums to bring maritime businesses together across different sub-sectors to find creative solutions.	Bringing together people from different areas of the marine sector provides opportunities for the cross fertilisation of ideas and the development of creative solutions. Businesses attending the prioritisation workshop appreciated the opportunity to work with people from outside their immediate sector.	Group formed or existing group adapted.	Short	TDA	All stakeholders Private sector	High	All
Provide business advice and facilitate access to finance, include business to business funding.	Linking to actions in the economic development strategy, there is a clear need for businesses to be provided with clear business advice, as well as access to finance. In particular, businesses were interested in how they could be supported in accessing business to business finance.	?	Medium	TDA	Business advice organisations, banks	High	All
Create tourism products that link fishing and eating/cooking opportunities e.g. <ul style="list-style-type: none"> ▪ Fishing heritage/culture ▪ Fishing market tours ▪ Fishing trips ▪ Cookery schools ▪ Fine dining experiences ▪ Stronger links with local restaurants 	Capitalising on Torbay's strengths in terms of fishing and tourism to create new niche opportunities to add value	Products developed	Short-Medium term	ERTC, TDA, Seafish	Taste of the West, Devon and Dorset fish accomodation providers restaurants		Fish and Marine Tourism
Establish off season maritime events (e.g. seafood/maritime culture/maritime arts events/festivals) including events such as trawler race and fish stock.	There is a need to increase the number of visitors coming to Torbay in the shoulder and winter months. Sea food and maritime cultural events and activities may provide appropriate themes. Event management required.	Events planned	Medium	ERTC, TC	SDC	High	Marine Tourism Fish?
Create tourism products that link diving/fishing/boating and marine science (e.g. eco- holidays where	Capitalising on Torbay's existing natural assets to strengthen the marine leisure offer.	Products developed	Medium	ERTC/TD A/BBDS	Local clubs, private sector, SDC, TCCT,		Fish and Marine Tourism,

tourists helps to collect marine science data)					BBDS, wreck the world		Marine Science
Identify niche opportunities to explore marine science in relation to fisheries	Working with the MMO, IFCA and marine research institutions – identify research opportunities in order to build Torbay’s profile and reputation in relation to marine science.	Liaison with	Short	Sea Torbay	Natural England, South Devon College IFCA, MMO	Low	Marine Science and Fish
Encourage and support fishing and leisure angling			Short/Med			High	Marine Tourism Fish?

Addressing specific sub-sectoral needs and opportunities

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Develop Torbay Week as the English Riviera's flagship maritime event	Activity planned in the Tourism Strategy	Torbay week delivered.	Short term	ERTC	TDA, THM, TBHC, Yacht clubs and other sports clubs	High	Marine Tourism
Develop compelling water based 'experiences' and packages	To further develop the marine tourism product – extending the season and increasing visitor spending.	Maritime packages developed	Medium	ERTC	Private sector, sports clubs	Medium	Marine Tourism
Develop promotional material for maritime leisure and integrate into central destination marketing	Ensuring that the maritime leisure product in Torbay is promoted to potential customers around the world, within the context of wider Torbay marketing and promotion. Could include alternative method of reaching target audiences for instance promotion through satellite GPS navigation systems on boats.	Promotional material prepared	Short	ERTC	Private sector	Medium	Marine Tourism
Introduce community planning and licensing policies that proactively support operators to grow	Ensuring that council policy and procedures are business friendly for small businesses operating in the marine sector.	Policies and procedures reviewed	Medium	TC	ERTC	Low	Marine Tourism
Diversify range of equipment for hire and place to store kayaks	Broadening and developing the marine tourism product and ensuring that Torbay is marine water sports friendly.	1) Places to store identified 2) Barriers to wider range understood	Medium	THM	Private sector	High	Marine Tourism
Encouraging hi tech sector to explore opportunities within marine science	Torbay has a strong hi tech sector. Nationally there are good prospects for growth within the marine science sector (in terms of marine equipment and technology). Torbay's advanced manufacturing businesses could be alerted to this opportunity to diversify.	Information prepared for hi tech forum	Short	TDA	Association of Marine Science Industries	Low	Marine Science
Explore how South Devon Marine might be sustained.	Explore how marine businesses get access to support. Review geographic spread for group. Liaison with BMF	Feasibility report	Short	TC, TDA	South Devon local authorities	High	Marine Engineering

	and other groups such as maritime Plymouth						
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Raising Skills and Improving Opportunities
Capitalising on Recent and Planned Activity

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Building on investment by South Devon College in developing marine based provision, develop a marine centre of excellence to support all sub-sectors (this would link with other key developments such as the planned centre of excellence for watersports).	South Devon College provides a good coverage in some marine sectors (such as watersports and marine engineering), but with less provision in other areas such as commercial fish/fish farming and fish processing.	Feasibility study	Medium	SDC	Employment and Skills Board	Medium	All

Cross sector development and collaboration for added value

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Encouraging an employer driven approach and partnership with funders and providers to:	Employer engagement is essential to ensure training provided meets needs and requirements of sector.						
<ul style="list-style-type: none"> Clarify needs and demands for employment and skills – now and in the future – through research/survey 	To get a clear understanding of demand	Research report	Short	ESB	Sector organisations, private sector, SFA	High	All
<ul style="list-style-type: none"> Encourage employers to engage with local training providers to ensure skills/training provision matches needs 	As well as influencing the direction of travel, engagement provides an opportunity for an on-going relationship which benefits the training provider, the business and students.	Employers engaged	Medium	SDC	Private sector, ESB	High	All
<ul style="list-style-type: none"> Promote sector attractiveness and employment pathways for young people and members of the local community (including those not in work) 	Attracting recruits to some sectors of the marine economy can be challenging (e.g. fish processing), resulting in recruitment and retention problems. Given the number of people unemployed within Torbay, this is a missed opportunity. This could be addressed through the formation of partnerships between businesses and organisations who aim to help people into employment to promote the sector and support people to enter the sector.	Employment pathways created	Short	ESB	Private sector, employment support organisations operating in Torbay	High	All (but in particular fish processing)
<ul style="list-style-type: none"> Promote and encourage workforce development including apprenticeships 	Workforce development has been shown to improve recruitment and retention as well as wider productivity.	Increase in the number of businesses participating in workforce development	Medium	SDC	ESB, Private sector	High	All

Addressing specific sub-sectoral needs and opportunities

Action	Rationale	Output	Timing (Short, Medium, Long term)	Lead Partner	Partners	Priority	Sub-sectors to benefit
Explore feasibility of a marine science field station, either as a standalone facility or incorporated into other developments	<p>A field study station could be used by Schools, South Devon College, and universities. It could provide a facility to support research into Tor Bay's unique natural assets (including the geopark). In the long term could:</p> <ul style="list-style-type: none"> • Build Tor Bay's reputation for marine science • Create intellectual capacity associated with marine science <p>It could be developed as a standalone facility or explored as part of a centre of excellence for watersports (thus linking facilities such as boats and diving equipment needed for marine fieldwork)</p>	Feasibility report	Medium	TDA/SDC	THM, TCCT	High	Marine Science
Support South Devon College establish marine biology courses	Provision of marine biology courses will be the first step in establishing educational capacity in relation to marine science.	Marine Biology courses established	Medium	SDC	TCCT, THM	Medium	Marine Science
Promote Geopark marine environs with PHD students by creating linkages to the Universities of Plymouth, Exeter and the UK's 6 marine science institutions.	Creating such linkages will help establish Torbay's profile as a centre for marine science.	PhD ships established researching TorBay's natural assets.	Medium	SDC	Higher education institutions	Medium	Marine Science
Increase skills and capacity of community volunteers.	The marine tourism sector is closely connected to community participation in watersports – for instance, the hosting of sailing competitions often requires significant numbers of volunteers to manage different elements of the event. Promoting the participation and training of volunteers is therefore important.	?	Medium	Torbay Sports Council	Sports clubs, Council for voluntary action	High	Marine Tourism
Encourage marine businesses to take on an apprentices	There is a strong marine engineering apprenticeship programme at South Devon college, but more employers are needed to provide apprenticeship opportunities for trainees.	More apprenticeship places	Short	National apprenticeship service	SDC, Apprentice providers, TDA, South Devon Marine	High	Marine Engineering

Appendix 1 – Approach and Stakeholders Consulted

The approach adopted examined six main sections of the marine economy:

- Commercial fishing activity including fish farming;
- Marine engineering
- Marine tourism and leisure;
- Marine science;
- Renewable energy provision; and
- Short Sea Shipping, Cruise Ships and Ferries.

For each section, a desk based review was undertaken to:

- Identify relevant research or sub-sectoral information at national, regional or local level to understand key trends, opportunities and barriers to growth;
- Identify known businesses operating in the sub-sector;
- Identify relevant skills provision in the Torbay area; and
- Identify relevant facilities and infrastructure.

The desk research was complemented by a consultation process with around 30 stakeholders and an action planning workshop with 25 partners. A full list of stakeholders and attendees at the event can be found in Table 14 below. A review of Torbay’s economic development and other relevant strategies was undertaken to help shape the aims, objectives and key principles guiding actions for the marine economy. This is contained in Appendix 2. Finally, a review of sources of potential funding sources was conducted. A summary of the main regional, national and international sources has been included in Appendix 3.

Table 14: Stakeholders Consulted and attending the workshop

Organisation	Consulted	Attending Prioritisation Workshop
Tor Bay Harbour Master	Kevin Mowat	Kevin Mowat
South Devon College	Adrian Bevin	Adrian Bevan Simon Elliot
Torbay Town Centres Company	Ian Broadfoot	
Torbay Business Forum	Alan Archer	Alan Archer
Torbay Development Agency	Iain Masters & Dave White	Alan Denby Karen Whibley Debbie Passmore Iain Masters
Devon Maritime Forum	Jim Masters	
Torbay Coast and Countryside Trust	Alex Schofield & Nigel Shillabeer	Alex Schofield & Nigel Shillabeer
Torbay Council (Strategic Planning)	Steve Turner	
Tor Bay Harbour Committee		Vic Ellery
Commercial Fishing Activity including Fish Farming		
Brixham Trawler Agents	Rick Smith	
Torbay Council Environmental Health	Lars Barker	Lars Barker
Blue Sea Food	Trevor Bartlett	Trevor Bartlett
Sea Food Kitchen	Nigel Bloxham	Nigel Bloxham
Marine Tourism and Leisure		
Marina Developments Ltd	Mike Smith	

English Riviera Tourism Company	Carolyn Custerson	
Torbay Sports Council	Roger Mann	Roger Mann
Royal Torbay Yacht Club	Mike Ellis	Tim Whitehead Bill Butcher
Brixham Yacht Club	Adrian Morrall	
Babbacombe Corinthians Yacht Club	Peter Haywood	
International Sailing School	Marshall Ritchie	
Royal Navy	Cmdr Tom Herman	
Wreck the World		James Doddrell & Michael Byfield
Marine Engineering		
British Marine Federation	Paul Singer	Alice Driscoll
South Devon Marine	Katina Read	Katina Read
Marine Science		
Astra Zeneca	Paul Duckett	Paul Duckett & Matthew Porter
Living Coasts	Elaine Hayes	
Renewable Energy Provision		
RegenSW	Johnny Gowdy	
Shipping and Ferries		
Marine and Townerage Services	Gerry Carter	

Appendix 2: Strategic Context

In developing a marine economy action plan that works for Torbay, the prioritised actions must support and complement the existing strategies. This section therefore highlights the main principles and objectives listed in these existing strategies in order to provide a framework for the marine economy actions.

Torbay's Community Plan

The Community Plan is the umbrella under which all the other strategies and plans within Torbay sit. Torbay's Community Plan outlines the Strategic Partnership's ambition for Torbay over the next 20 years. Four key challenges were identified during its recent refresh:

- Developing our economy, improving job prospects and responding to the recession;
- Opportunities for older people and the challenges of providing services for an ageing population;
- Climate change – reducing our carbon footprint and the increased risk of flooding; and
- Improving quality of life for the least well off in our society.

The vision:

'Working for a healthy, prosperous and happy Bay'

The ambition for the Bay is to be an area that:

- Is prosperous and known to be a great place to live and learn and grow up in;
- Is able to compete on a world stage in our traditional industries of tourism and fishing
- Communities know and support each other and enjoy some of the best quality of life in England;
- Widens opportunities and provides high quality employment and retains our young people in the Bay; and
- Celebrates the differences in the three towns, builds on the strengths of these towns and brings back the feel good factor.

The Economic Development Strategy

The *Economic Development Strategy*²⁹ highlights the daunting economic situation faced by Torbay, with disposable income, workplace earnings, productivity measures all significantly below regional and national averages and higher rates of out of work claimant rates and children in poverty. Overall Torbay has been assessed as the 47th most economically deprived out of the 354 local authority areas.

The economic assessment identified the following needs for Torbay:

- To raise its productivity rates;
- To increase full time employment;
- To improve rates of business growth;

²⁹ Torbay Economic Development Strategy 2010-2015, Accepting the Challenge.

- To stimulate or identify new markets for Torbay businesses to provide goods and services for;
- To stimulate the need for a higher level of skills within the economy;
- To develop new commercial, retail and other types of employment space;
- To increase earnings;
- To improve the transport links to and within Torbay to facilitate movement of goods, services and people and to encourage investment;
- To raise skill levels so that individuals improve their chances of employment and their productivity in work;
- To ensure that the economic development of Torbay creates new opportunities for individuals and communities and reduces deprivation; and
- To ensure that all business sectors are developing their workforce.

The economic development strategy therefore sets out a range of actions needed to support growth in jobs and earnings and equality within Torbay.

The over arching vision for the economic development strategy is:

To bring about the physical and economic regeneration of Torbay and deliver the benefits to the local community

Important principles of the strategy are:

- Delivery with **momentum** and **pace** to in order to reverse the relative decline and maintain support of relevant stakeholders;
- The need to be **flexible** in delivery and concentrate on achieving **outcomes**;
- Improving **equality** within Torbay to close the gap between the most and least well off in Torbay; and
- Achieving higher levels of enterprise, wealth creation and full time employment.

Three themes are proposed in the economic development strategy to create the environment for success:

- Stimulating and attracting investment
- Improving business performance
- Raising skills and improving opportunities

The marine action plan has been designed to support the achievement economic development strategy through identifying actions that address the economic needs of Torbay outlined above.

Tor Bay Harbour Maritime Strategy

‘Catching the Wave’ is a ten year strategy which identifies the issues and opportunities facing Tor Bay Harbour and the Bay’s maritime environment in the future, and sets out a cohesive and forward thinking plan to ensure that the harbour not only operates effectively, but that appropriate use is made of all water and harbour side facilities and opportunities are maximised. Tor Bay Harbour Authority strives to enhance Torbay’s maritime offer by:

- Maintaining the highest standards of safety and operational effectiveness.
- Using the statutory powers of the Harbour Authority to fulfil its statutory duties for the purpose of improving, maintaining and managing the harbour.

- Managing the harbour in a financially sound and sustainable manner, maximising income generation to deliver a wider range of services and therefore, support a variety of maritime activities. Including fishing, shipping, estate management, marinas, mooring provision and marine leisure facilities.
- Exploring all opportunities to develop the enclosed harbours of Brixham, Paignton and Torquay.
- Undertaking responsible stewardship of the marine environment and delivering sustainable development of our coast, which allows both the use and protection of our marine resources.
- Raising the profile of Tor Bay Harbour in key areas, including the importance of the local fishery and the quality of that catch; the importance of the sailing and sea conditions for marine leisure pursuits; the ease of access for a range of recreational boating activity; the overall unique mix of maritime activity combined with an excellent safety record.
- Measuring and monitoring the needs, wants and expectations of harbour users, the local community and visitors through clear research, which will focus future delivery.
- Developing robust partnerships with the various stakeholder groups, including both commercial and leisure interests, and other marine based organisations to ensure a proactive and joined up approach to attract and deliver additional port business, and provide further maritime contribution to the local economy.
- Pro-actively invigorate the harbours, widen their catchment and appeal, through sponsorship packages, performance and music, harbour dressing and branding.

Turning the Tide for Tourism in Torbay

Turning the Tide for Tourism is a strategy designed to rejuvenate the tourist offer and reduce the declining number of visitor nights in Torbay. It has three key objectives listed below, and covers the period 2010-2015:

- ***To reduce the decline in visitor numbers and spend;***
- ***To increase the value of tourism to the Torbay economy; and***
- ***To reposition the English Riviera as a leading and inspirational UK destination.***

The strategy places significant emphasis on market led product development and modernising the current tourism offering. It highlights the need for product development to focus on developing opportunities that will attract year round, higher spending visitors to the Bay with a positive impact on the economy through increased employment, footfall and visitor spend. Maritime leisure is identified as one of five product development opportunities and the following key actions were identified as priorities to enable growth:

- Establish maritime leisure product development action group;
- Develop Torbay Week as the English Riviera's flagship maritime event;
- Develop compelling water based 'experiences' and packages;
- Integrate promotion of maritime leisure activities into central destination marketing;
- Improve water front food, drink and retail offering;
- Introduce planning policies that proactively support operators to grow;
- Provision of more visitor boat moorings; and
- Improve the necessary water activity infrastructure and complementary parking.

Torbay Inward Investment Strategy

The purpose of the Inward Investment Strategy is to bring about faster economic growth through new investment in Torbay. The report looks at the strengths of Torbay's offer in a number of sectors; reviews the competitive environment and identifies sectors where Torbay can present a strong case to potential investors. The report also looks at the way investors are attracted to Torbay and presents a number of recommendations for improvement. Key priorities for improving inward investment were:

- **Focus on strengths** – Focusing on sectors where there is a specific asset or success from which to build;
- **Being business friendly and engaging** – Torbay needs to be seen as a business friendly location, known for its commitment to business growth, aftercare support, business advice programmes, networking etc.; and
- **Being aware of the competition, but also knowing when to collaborate** – There is stiff competition from neighbours in Devon, Cornwall and Somerset, but there are also opportunities to promote a combined strength in some sectors – creating a much stronger proposition to potential investors.

The report recommends that marine engineering, marine technology and fish/seafood are included as priority sectors for inward investment.

The Torbay and South Devon Employment and Skills Plan

The key priorities identified by the Employment and Skills Board include raising skill levels and aspirations of both the current workforce and of young people, and reducing economic inactivity. These dovetail with the aims of the economic development strategy which are to increase the levels of Torbay Residents qualified to NVQ levels 2 and 3, improve links with schools, South Devon College and Universities in the region and to encourage work based training within businesses.

Local Development Framework

The LDF is set of documents designed to guide planning and development within local areas. It will also provide guidance on the amount of employment and housing land which should be made available.

The draft spatial planning vision for the Core Strategy is:

'The New English Riviera will become one of the most beautiful seafront cities in Europe, providing a high quality of life, an outstanding natural and built environment and a thriving economy. This will support both the delivery of balanced, prosperous and distinctive communities for all residents in the Bay and a successful 21st Century tourist destination of choice. Torbay will play a vital part of prosperous South Devon. Alongside the cities of Plymouth and Exeter, Torbay in its new City role will provide a complementary urban focus to the primarily urban rural South Devon, with its own unique offer, services and attractions capable of meeting the needs of Torbay and those of the sub-region'

As a sub-set of the LDF, the Torquay Harbour Area Action Plan was produced to help bring together a concerted effort by all parties to address the area's problems and attract new investors and interest. The vision for the plan is therefore

‘To fulfil the Harbour area’s potential, it will become a place of exceptional quality and a showcase for the ‘New English Riviera’, highlight regarded and used by the local community and visitors to the Bay’.

Greenspace Strategy

The Greenspace Strategy forms a Supplementary Planning Document (SPD) in the emerging Torbay Local Development Framework (LDF). Many people in Torbay appreciate the benefits which green spaces bring to their lives. There is increasing civic and public awareness of the value of good quality parks, playing fields, play areas and other green spaces in regeneration, improving health and well being and providing educational and other opportunities for all residents. However, not everyone has access to or uses a local park or green space which meets their needs and interests. In some cases there are conflicts of interest between different uses of green spaces. Decisions have to be made about priorities.

The quality of Torbay’s green spaces needs to be maintained and in some cases improved. Torbay’s Greenspace Strategy sets out a vision and action plan to regenerate and maintain these priceless assets so they become more attractive, accessible, safe and well used by everyone.

The vision of the strategy is to:

“Encourage greater use of green spaces by local people.”

In order to achieve this, the following objectives have been set:

- Improving appearance of green space.
- Improving accessibility, especially for the disabled.
- Challenging people’s perceptions of green spaces as areas to visit and use more often.
- Improving facilities and attractions.
- Increasing numbers of events/entertainments.
- Developing opportunities for using green spaces for learning.
- Promoting and protecting the heritage assets of Torbay’s green spaces.
- Promoting green spaces as drivers for economic activity.
- Recognising, protecting and enhancing the biodiversity value of green space.

Appendix 3: Potential Funding Sources

The table below identifies the main sources of international, national and local funding for economic development activities. Some of these sources might be suitable for some of the potential actions listed in the interim report. The appropriateness of these funding sources will need to be further tested by lead partners as potential actions/projects are developed. Other funding sources might also be available. Funding sources have been loosely grouped around the three themes identified in the action plan, although some funding sources may straddle more than one area.

Stimulating and Attracting Investment

Name	Sustainable Transport
Funding Body	Department for Transport
What is it for?	£560m to support initiatives which address growth and carbon at a local level • Opportunity to influence travel behaviour locally - lots of evidence of what works • Targeted, modest investments - packages of complementary measures
Size of Pot	£560m

Key Criteria	• support the local economy • reduce carbon emissions • also: • deliver wider accessibility & social inclusion • improve safety • improve local environment & air quality; reduce noise • promote increased levels of physical activity • and demonstrate • deliverability • local buy in – local contribution • financial sustainability • value for money • affordability within constraints of fund
Timeframe	Next round – Feb 2011
Commentary	Torbay Council has just submitted an application to support the infrastructure needed to support a ferry service across the bay.

Name	Growing Places Fund
Funding Body	DCLG and DfT
What is it for?	The Growing Places Fund can be used to establish revolving funds to take forward a range of projects that can help facilitate economic growth, jobs and house building in the local area, providing returns which can be re-invested locally. Through this, Local Enterprise Partnerships will be able to offer secure funding to developers in their area, making it quicker for projects to get off the ground but also securing a return on that investment for the local area.
Size of Pot	£14.26m allocation for Heart of the SW LEP
Key Criteria	Types of projects could include: <ul style="list-style-type: none"> ▪ early development of strategic link roads and access works to unlock major mixed-use developments, enabling the delivery of homes and commercial space - leading to the creation of jobs and securing private investment ▪ provision of flood storage capacity to enable development of homes, employment space and retail space; and ▪ works to improve local connectivity and reduce congestion through interventions such as extending dual carriageways, enabling developments to be taken forward sustainably.
Timeframe	LEPs were required to submit proposals by December 2011 – decisions will be expected by end January 2012.
Commentary	If the Heart of the South West LEP is successful in securing Growing Places Funding, there may be a small opportunity for marine infrastructure projects to benefit.

Name	Interreg4a
Funding Body	Région Haute-Normandie is the Managing Authority
What is it for?	The Interreg IVA France (Channel) - England programme aims to promote the emergence - between the French and English parties - of a space of common citizenship fostering a sense of belonging to a cross-border area, and endowed with a specific identity.
Size of Pot	173.4m euros
Key Criteria	<ol style="list-style-type: none"> 1) Reinforce the sense of belonging to a common space and the awareness of shared interests e.g. projects promoting mutual learning of language and culture 2) Build partnerships between players involved in cross-border economic development, and between centres of excellence e.g. projects supporting the launching of new enterprises 3) Build an attractive common space to live in and visit e.g. projects sharing in cultural activities 4) Ensure sustainable environmental development of the common space

	e.g. projects promoting renewable energies
Timeframe	The next round of bidding commences on the 12 th March with submission of a pre-project sheet.
Commentary	Interreg projects must involve partners from both sides of the channel, therefore a key element of achieving interreg funding is the process of building a partnership based on a common idea. Torbay could join a number of pre-existing partnerships relating to a particular project idea (if there is a suitable match with the marine economy action plan) or look to set up a new interreg partnership.

Name	Flood and Coastal Resilience Partnership Funding
Funding Body	Defra
What is it for?	Defra has announced changes to the way funding will be allocated to flood and coastal defence projects. Instead of meeting the full costs of just a limited number of schemes, the new partnership approach to funding flood and coastal resilience will mean Government money is potentially available towards the costs of any worthwhile scheme. Funding levels will be based on the numbers of households protected, the damages being prevented, and the other benefits a project would deliver. Overall, more schemes are likely to go ahead than if the previous 'all or nothing' approach to funding were to continue.
Size of Pot	£2.1bn by March 2015
Key Criteria	<p>Three aspects of a project will influence the amount of national funding available:</p> <ul style="list-style-type: none"> ▪ The value of benefits for householders as a result of flood or coastal erosion risks being managed, especially in deprived areas and where risks are significant. ▪ The value of other benefits achieved, such as the benefits to businesses, agricultural productivity and protection for national and local infrastructure, across the whole-life of the scheme. ▪ The environmental benefits of the scheme, needed to maintain healthy ecosystems as well as offset any habitats lost when defences are built to protect people and property. <p>The maximum amount of funding for a project will be based on multiplying each of the aspects above by a set of payment rates, which are fixed amounts of national funding per unit of outcome or benefit achieved. Payment rates for protecting households will be higher in deprived areas, so that schemes in these areas are more likely to be fully funded by Government.</p>
Timeframe	Arrangements in place till 2015
Commentary	This funding could be used in relation to preventing coastal erosion in Paignton.

Name	Heritage Lottery Fund
Funding Body	National Heritage Memorial Fund
What is it for?	<p>The Heritage Lottery Fund (HLF) sustains and transforms a wide range of heritage through innovative investment in projects with a lasting impact on people and places. As the largest dedicated funder of the UK's heritage, with around £375million a year to invest in new projects and a considerable body of knowledge, we are also a leading advocate for the value of heritage to modern life. From museums, parks and historic places to archaeology, natural environment and cultural traditions, we invest in every part of our heritage. Key programmes include</p> <ul style="list-style-type: none"> ▪ Heritage Grants (Grants above £50,000) <p>This is our main programme for grants over £50,000 for all kinds of heritage that relate to the national, regional and local heritage of the UK. It is open to all not-for-profit organisations.</p> <ul style="list-style-type: none"> ▪ Your Heritage (£3,000 to £50,000) <p>This is our general small grants programme for all types of heritage projects. It is a flexible programme particularly designed for voluntary and community</p>

	<p>groups and first-time applicants.</p> <ul style="list-style-type: none"> ▪ Young Roots (£3,000 to £25,000) <p>This programme is for projects led by young people. It aims to involve 13-25 year-olds in finding out about their heritage, developing skills, building confidence and promoting community involvement.</p> <ul style="list-style-type: none"> ▪ Townscape Heritage Initiative (£500,000 to £2,000,000) <p>Townscape Heritage Initiative makes grants that help communities to regenerate Conservation Areas displaying particular social and economic need.</p> <ul style="list-style-type: none"> ▪ Parks for People (£250,000 to £5million) <p>Parks for People is for whole park projects that support the regeneration of existing designed urban or rural green spaces, the main purpose of which is for informal recreation and enjoyment.</p> <ul style="list-style-type: none"> ▪ Landscape Partnerships (£250,000 to £2million) <p>This programme supports schemes that are led by partnerships of local, regional and national interests, which aim to conserve areas of distinctive landscape character throughout the UK.</p> <ul style="list-style-type: none"> ▪ Skills for the Future (£100,000 to £1million) <p>Skills for the Future funded projects which provide paid training placements to meet a skills gap in the heritage sector, and fully support trainees to learn practical skills.</p> <ul style="list-style-type: none"> ▪ Repair Grants for Places of Worship (From £10,000 to £250,000) <p>Funding for urgent, high-level repair work to listed places of worship. The scheme is managed separately in each of the four countries of the UK.</p> <ul style="list-style-type: none"> ▪ Catalyst: Endowments (Grants of £500,000 to £5million) <p>Catalyst: Endowments is a £30m investment in a match-funding initiative for the creation of endowments to support the UK's heritage from the Heritage Lottery Fund and the DCMS.</p>
Size of Pot	£375m/year
Key Criteria	Depends on programme priorities
Timeframe	Depends on programme
Commentary	Some of the proposed marine economy action plan ideas have cultural elements to them – HLF might therefore be a useful sources of funding.

Improving Business Performance

Name	ERDF 'Competitiveness'
Funding Body	DCLG
What is it for?	<p>The Competitiveness programme has four objectives:</p> <ul style="list-style-type: none"> ▪ Increasing productivity of the region's business base, through the promotion and support of innovation, research and development and the application of knowledge ▪ Reduce intra regional disparities through stimulating enterprise and accelerating business growth in those parts of the region lagging behind ▪ To increase employment and enterprise in the region's most disadvantaged communities and ▪ Protect and enhance the region's environmental assets and work towards developing a low carbon economy
Size of Pot	<p>£106m of which £59m is committed</p> <ul style="list-style-type: none"> ▪ £38.4m in priority 1 of which £22m is committed. ▪ £38.4m in priority 2 of which £29 is committed ▪ £25.6m in priority 3 of which £5.4m is committed
Key Criteria	The competitiveness Programme manages its development pipeline through a commissioning approach. The commissioning approach means partners have

	agreed the type of activity they wish to see happen and the results the Programme requires to be successful, but the method of delivery is not fixed. The programme Monitoring Committee (PMC) agrees programme strategy. On behalf of the PMC the commissioning delivery board commission activity that will determine the exact shape of a proposal and identify a project partner.
Timeframe	Up to December 2013
Commentary	Most remaining non-committed funding has been provisionally aligned with other projects in the economic development strategy.

Name	Regional Growth Fund
Funding Body	The Department for Business Innovation and Skills
What is it for?	The Regional Growth Fund (RGF) is a £1.4bn fund operating across England from 2011 to 2014. It supports projects and programmes that lever private sector investment creating economic growth and sustainable employment. It aims particularly to help those areas and communities currently dependent on the public sector to make the transition to sustainable private sector-led growth and prosperity.
Size of Pot	Originally £1.4m increased to £2.4m
Key Criteria	To qualify for support from the Regional Growth Fund, projects should demonstrate that they: <ul style="list-style-type: none"> ▪ create additional sustainable private sector growth; ▪ rebalance the economy in those areas currently dependent on the public sector; ▪ would not otherwise go ahead without support from the Regional Growth Fund; ▪ offer value for money; and ▪ state aid compliant
Timeframe	The fund is expected to operate from 2011 to 2014. Two rounds of bidding have already been completed. Round three expected to be launched in February 2012.
Commentary	This is a highly competitive source of funding – applications need to be demonstrably private sector led and result in actual jobs. Unlikely to be successful for more generic infrastructure or public realm projects.

Name	Grants for Business Investment
Funding Body	ERDF Secretariat (DCLG)
What is it for?	<p>Grant for Business Investment offers grant support for sustainable business investment and job creation projects in South West England, and is part of a suite of highly targeted, publicly funded products and services known as Solutions for Business.</p> <p>The ERDF Secretariat manages the ERDF Grant for Business Investment scheme aimed at businesses of all sizes looking to invest in the areas supported by the Convergence and South West Competiveness Programmes and who need a grant to take their vision forward.</p> <p>The scheme focuses support on high-quality, innovative, knowledge-based projects that lead to long-term improvements in productivity, skills and employment. The majority of jobs created are expected to be at NVQ Level 2 and above.</p> <p>Projects such as launching a new business, expanding existing companies, introducing new technology into manufacturing, or taking a new product into production will be eligible for support.</p>

Size of Pot	The minimum threshold for grant applications is £10,000.
Key Criteria	<p>Each application has to meet certain criteria:</p> <ul style="list-style-type: none"> ▪ demonstrate strong additionality (need for grant) and proven need for financial support ▪ display quality features, such as good skills levels and productivity growth measured by Gross Value Added. Good skill levels are reflected in higher salary levels and generally projects are only supported where salaries are in excess of £20,000 ▪ projects must be funded mainly by the applicant or from other private sector sources ▪ projects must involve capital investment on fixed assets such as property or machinery ▪ projects must create new jobs or safeguard existing employment above the average skill levels ▪ projects should be viable, competitive and profitable ▪ projects should not be irrevocably committed prior to the application ▪ projects should provide positive benefits to both the local and national economy ▪ supply markets other than local without displacement of similar businesses ▪ contribute towards the Programme's low carbon ambitions.
Timeframe	In line with Competitiveness programming period - up to 2013.
Commentary	May be suitable for individual SMEs to take forward.

Name	European Fisheries Fund
Funding Body	Marine Management Organisation
What is it for?	<p>The European Fisheries Fund (EFF) aims to help the fishing industry to become more sustainable and to remain profitable. Through the scheme around £38 million is available in England.</p> <ul style="list-style-type: none"> ▪ Axis 1: Measures for the adaptation of the community fishing fleet, such as improvements on board fishing vessels. ▪ Axis 2: Measures for investments in aquaculture and processing, and for marketing of fishery and aquaculture products. ▪ Axis 3: Measures of common interest, such as harbour and port developments which will benefit fishermen.
Size of Pot	Approximately £38m, £11.5m Axis 1, £4.3m Axis 2 and £12m Axis 3
Key Criteria	<p>The criteria are arranged under five headings:</p> <ul style="list-style-type: none"> • economic, social and environmental – representing the three pillars of sustainability and the stated EFF objectives • alignment – addressing the extent to which the project complements other development initiatives and plans • project management – addressing the level of confidence that the project will deliver its stated benefits.
Timeframe	Up until December 2013
Commentary	May represent a useful sources of funding for fishing related actions.

Name	European Maritime and Fisheries Fund
Funding Body	Likely to be DEFRA/MMO
What is it for?	<p>The Commission published the European Maritime and Fisheries Fund proposals on 2 December 2011. The proposals aim is to achieve the objectives of the Common Fisheries Policy (CFP) and the Integrated Maritime Policy (IMP). The major difference between the EMFF and EFF is the inclusion of the IMP (i.e. marine spatial planning and integrated coastal zone management; international instruments; and the reformed marketing regime).</p>
Size of Pot	£6.6bn Europe wide
Key Criteria	<p>The EMFF is structured around four pillars:</p> <ul style="list-style-type: none"> ▪ Smart, Green Fisheries; intended to help address discards, support fisheries which are less damaging to the marine environment, support innovation value added, and build resilience to external factors; ▪ Smart, Green Aquaculture; which aims to help aquaculture businesses achieve economic viability and competitiveness; ▪ Sustainable Development of Fisheries Areas; targeted at reversing the decline of many coastal and inland communities dependent on fishing; and ▪ Integrated Maritime Policy (IMP); which includes a number of cross cutting measures including maritime surveillance, data sharing, Marine Spatial Planning (MSP) and Integrated Coastal Zone Management (ICZM). The funding under this pillar will be held by the Commission and centrally distributed.
Timeframe	2014-2020
Commentary	This is likely to be a useful sources of future funding, but the full details are still subject to consultation and refinement.

Name	Technology Strategy Board
Funding Body	Technology Strategy Board
What is it for?	The Technology Strategy Board is currently funding a technology roadmap and assessing the UK's capabilities across different sectors of the marine industry. These will help the Board to decide, in consultation with business, how to ensure that its future support for marine research and development creates the opportunity to maximise the economic growth of marine companies across the UK. Through these studies, sixteen of the highest priority opportunities have currently been identified, taking into account both their attractiveness to the global and UK markets and their fit with UK capabilities. These range from engine technologies with reduced emissions and marine biofuels to the construction of offshore renewable energy assets and marine ICT.
Size of Pot	Not yet known
Key Criteria	<p>A competition for R&D grant funding is expected to open in 2012 once the roadmap is complete.</p> <p>Applications for funding and awards for contracts are invited through a range of competitions which address a specific area of priority identified by the Technology Strategy Board as being of critical importance to the growth of the UK economy. Research & Development competitions are mainly collaborative; however with exception may be single company. Applicants are advised to check the Competition Brief carefully for the rules being applied to individual competitions.</p>
Timeframe	Competition in 2012
Commentary	Technology Strategy Board competition funding is for innovation and research into specific problems. There may be scope for Torbay's businesses and educational institutions for become involved in one of these collaborative projects if they have the relevant capacity to do so. However, it is not suitable for traditional economic development projects and initiatives.

Raising Skills and Improving Opportunities

Name	Coastal Communities Fund
Funding Body	Big Lottery/HM Treasury
What is it for?	This new fund is designed to support the economic development of coastal communities and will support a wide range of projects, including those that support charities, the environment, education and health.
Size of Pot	The fund will be linked to the revenues that are raised by the Crown Estate's marine activities each year. For example, in April 2012 there will be £23.7 million available in the Coastal Communities Fund, this is based on a 50 per cent share of the £47.4 million revenue raised by the Crown Estate's marine activities in 2010-11.
Key Criteria	The definition of a coastal community, for the purposes of the Coastal Communities Fund, is defined as any coastal settlement within a local authority whose boundaries include UK foreshore, including local authorities whose boundaries only include estuarine foreshore.
Timeframe	The fund has now opened with expressions of interest to be submitted by end of March 2012
Commentary	Until more detail is available it is not clear how this fund could be used to support the implementation of the Marine Economy Action Plan.

Name	ESF
Funding Body	DWP
What is it for?	The European Social Fund (ESF) aims to improve employment and skills in the European Union and raise standards of living; the current round of ESF funding runs from 2007 to 2013.
Size of Pot	For the Competitiveness Area a total of 144.1m Euros is available, and the priority Axes are: <ul style="list-style-type: none"> ■ Extending Employment Opportunities ■ Developing a Skilled and Adaptable Workforce
Key Criteria	Projects are commissioned through three co-financing organisations, the Skills Funding Agency, JobCentre Plus and the National Offender Management Service. The majority of co-financed provision for the second half of the programme was procured in 2011.
Timeframe	Ending December 2013
Commentary	As the majority of funding has already been allocated, it is unlikely that ESF could be used to fund specific skills projects within the marine economy action plan. However, it may be possible to engage with the relevant ESF providers in Torbay to ensure that marine skills and the needs of marine related businesses are included in the ESF commissioned work.

Name	Growth and Innovation Fund
Funding Body	UK Commission for Employment and Skills and the Skills Funding Agency
What is it for?	The Growth and Innovation Fund (GIF) will help employer groups overcome barriers to growth within their sectors and industries. The funding could deliver new training to boost innovation and productivity, enable industries to set new professional standards, or support new or extended National Skills Academies
Size of Pot	£50m/year
Key Criteria	It invites proposals from employer organisations such as Sector Skills Councils, professional bodies and trade associations to deliver the three types of projects.
Timeframe	2015
Commentary	This funding source is designed for employer led organisations to apply for. Therefore it is unlikely to be directly applicable to any of the actions outlined in the action plan. However, there may be an opportunity to ensure local delivery of

	activity is aligned to the needs of relevant marine sectors in Torbay.
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Title: **Torquay Inner Harbour Pontoon Berthing Project**

Public Agenda Item: **Yes**

Wards Affected: **Wellswood, Tormohun and Ellacombe Wards**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **Yes**

Change to Budget: **Yes** Change to Policy Framework: **No**

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1. What we are trying to achieve and the impact on our customers
 - 1.1 This report provides details of the “Torquay Inner Harbour Pontoon Berthing Project”, which proposes to replace the existing chain moorings with new pontoon moorings in Torquay’s inner harbour. It is the aim of this report to provide the Harbour Committee with sufficient information to enable them to reach a decision regarding this project and make a recommendation to the Council.
 - 1.2 Our existing inner harbour customers will benefit from greatly improved mooring facilities. New customers waiting for pontoon berths will ensure that the inner harbour occupancy level is increased significantly. Even more people within the community will have the opportunity and be encouraged to use the harbour.
 2. **Recommendation(s) for decision**
 - 2.1 **That the proposal to replace the existing chain trot moorings in Torquay’s inner harbour be approved.**
 - 2.2 **That the Council is recommended to :-**
 - (i) **add the Torquay Inner Harbour Pontoon Berthing Project to the Capital Plan and;**
 - (ii) **to approve the use of prudential borrowing of approximately £800,000 to enable Torquay Inner Harbour Pontoon Berthing Project to proceed.**

2.3 That, subject to Council's approval in 2.2 above, the Executive Head of Tor Bay Harbour Authority, in consultation with the Chairman of the Harbour Committee and the Mayor, be authorised to use his delegated powers to proceed with the Torquay Inner Harbour Pontoon Berthing Project and that the Torbay Development Agency be asked to assist with the project procurement, management and delivery.

3. Key points and reasons for recommendations

- 3.1 To seek the Harbour Committee's, approval for the development of pontoon moorings, in Torquay's inner harbour, to replace the existing chain moorings.
- 3.2 To create improved moorings for local people and those within the sub-region, whilst continuing the development of a sustainable harbour that will meet the needs of the community.
- 3.3 To raise the overall amenity of the inner harbour at Torquay and improve the quality of the area for the users of the harbour, whether they are boat owners, businesses in the area or others within the community.

For more detailed information on this proposal please refer to the supporting information attached.

**Kevin Mowat
Executive Head of Tor Bay Harbour Authority
Tor Bay Harbour Master**

Supporting Information

A1. Introduction and history

- A1.1 The idea of putting pontoon berths in Torquay's inner harbour has been in circulation for many years but it wasn't until May 2003 when the half-tide cill became operational that the opportunity was properly unlocked. Water is now retained at half-tide and this change to the harbour infrastructure has been shown to be reliable over a number of years.
- A1.2 The success of the Town Dock, which opened in April 2008 in the outer harbour, has shown that there is a clear demand for pontoon berthing. This facility enjoys healthy waiting lists and the occupancy rate has effectively been 100% from the first day.
- A1.3 On the 22nd June 2009 the Harbour Committee considered Report 150/2009 which provided an overview of a project that would replace the existing chain moorings with pontoon berths in Torquay's inner harbour. In minute 106/2009 the Harbour Committee noted the report and agreed that a 'Key Decision' entry should be submitted for inclusion in the Council's Forward Plan. A Forward Plan entry (Ref. 25/2009) was subsequently made but the entry was later withdrawn because the project was not seen as being sufficiently imminent to warrant inclusion. More recently a new Forward Plan entry has been made.
- A1.4 The relentless high demand for Town Dock berths, ongoing support from harbour users and the news regarding the South Devon link road, which will open up a wider catchment area, have all combined to encourage the Harbour Authority to seek a decision now, to move this project forward.
- A1.5 The drawing in Appendix 1 shows a proposed layout that will deliver 173 berths to replace 173 moorings. It is expected that access to the pontoons will be via a bridge located close to an overflow taxi rank (actually located on the harbour estate) on Victoria Parade. As the capacity of the harbour will not change there should not be any concerns regarding additional vehicular traffic or the need for increased car parking capacity. The area adjacent to the access bridge can serve as a drop off and pick up location during daylight hours and could well continue with its taxi use at night. This would not be dissimilar to its current use.
- A1.6 The Council has a lease with Marina Developments Ltd (MDL) in connection with Torquay Marina and ancillary buildings which contains various obligations for consultation with MDL should the Council wish to construct a new 'marina' within an area extending to one nautical mile from the extremity of Princess Pier. The definition of the word 'marina' is defined in the lease as "any system of berthing vessels giving pedestrian access from the berth to the shore, but shall not include the provision of berthing for visiting vessels exhibitions and landing".
- A1.7 Initially the Council considered such to be binding upon it and entered into lengthy, subject to contract, negotiations with MDL in relation to the construction of the Torquay Town Dock in the outer harbour at Torquay. However, the Council found it necessary to obtain Counsel's opinion on the relevant provisions and Counsel found them to be for the most part unenforceable due to the wording being unenforceable in law. Also, the relevant lease provisions fell foul

of the Councils public law duties and accordingly the Council believe they are free to deal with their harbour duties and powers without being fettered by the pre-existing MDL lease provisions.

A1.8 Consequently the opinion of Counsel was set out to MDL and their solicitors but they have neither confirmed acceptance of, nor denied, its validity. However, in the spirit of a good landlord and tenant relationship the Executive Head of Tor Bay Harbour Authority has written to the manager of Torquay Marina advising him of the Council's intention to upgrade the inner harbour chain moorings to pontoon berths.

A1.9 Given the current state of the economy and so as to provide plenty of time for procurement, this design and build project, if agreed, will not commence until the winter of 2013/14.

A1.10 The Torbay Development Agency's capital projects team will be asked to assist the Executive Head of Tor Bay Harbour Authority to procure the Torquay Inner Harbour Pontoon Berthing Project scheme using experienced piling contractors and pontoon manufacturers, under the guidance of a suitable Project Board. A design and build contract will be used based on a very clear brief (Appendix 2 shows a draft outline of the Project Brief). If the Harbour Committee supports the Torquay Inner Harbour Pontoon Berthing Project scheme and it receives approval from Council in September 2012, then it is expected that the development will be open for use by April 2014. A Harbour Revision Order already exists which gives statutory approval to this scheme and planning consent is not therefore required.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

A2.2 There is a risk that the harbour account may not be able to meet the cost of the prudential borrowing. However, a financial sensitivity analyses has been undertaken, drawn from Appendix 3 and this is detailed in paragraph A4.5.

A2.3 There is a risk that the inner harbour half-tide cill could fail and boats moored on the new pontoons would subsequently sustain damage if the water level fell too low. To mitigate against this risk the inner harbour half-tide cill is the subject of a clear planned maintenance regime which includes regular underwater inspections. Furthermore, harbour staff are trained to operate emergency procedures, with an alternative power pack in the event of a power failure.

A2.4 As detailed in A1.6 and A1.7 above, there is a risk that MDL might see this project as a 'marina' and use the terms of their lease to challenge the Council's right to replace the existing inner harbour chain moorings with new pontoon berths.

A2.5 Remaining risks

A2.6 There is a residue risk that Torquay harbour may be unable to grow its reputation for high quality maritime facilities if the Torquay Inner Harbour Pontoon Berthing Project is not developed.

A2.7 An environmental risk always exists if any boat discharges pollution into the harbour but in this location, behind a half-tide cill, the problem would be more apparent and could be more damaging. Even though the proposed pontoon berthing project will not increase the mooring capacity in this area of the harbour the occupancy rate is expected to rise considerably. Also, the improved facilities will encourage greater use of craft by their owners and consequently the possibility of people staying on their boats overnight. This environmental risk will be mitigated by educating customers and backing this up with the threat of by-law enforcement. Furthermore, it might be possible to provide some quayside toilets adjacent to the access bridge on Victoria Parade or on pontoons within the structure itself.

A3 Other Options

A3.1 To continue with the existing provision of chain moorings, without providing improved mooring opportunities for local people. This option would still require some considerable capital investment because new ground chains would be required throughout the inner harbour and it would mean that the unsightly tender racks would remain on the top of the old inner harbour slipway.

A3.2 To allow MDL, or another operator, to develop, own and manage a pontoon berthing facility in Torquay's inner harbour. Based on the existing rental terms for Torquay Marina this option does not improve the income received from the existing inner harbour moorings (assuming occupancy rates returned to previous levels). This option would not sit well with the harbour user group or the Harbour Liaison Forum who have always promoted a Council run facility.

A4 Summary of resource implications

A4.1 The cost of the proposed Torquay Inner Harbour Pontoon Berthing Project scheme has been identified as £800,000. This figure has been determined from information provided by Solent Marine who were involved in the construction of the Town Dock. As Solent Marine is a leading marina contractor this development cost is considered by Executive Head of Tor Bay Harbour Authority to be accurate. Similarly the revenue operating costs have been taken from the Council's experience of managing the Town Dock.

A4.2 At an estimated cost of £800,000 this project cannot be funded directly from the harbour reserve fund, although it could be part funded from the reserve fund. Therefore, other than allowing a third party to own and operate the facility the Torquay Inner Harbour Pontoon Berthing Project can only be funded by way of prudential borrowing. Given the way that prudential borrowing works the harbour account would be required to budget to repay the cost of the principal and interest over a period no longer than the life of the asset. Based on the expected cost of £800,000 and an asset life of 20 years, this would cost the harbour account £61,821 per annum. If the asset life is assumed to be 25 years then the cost to the harbour account would reduce to £54,285 per annum.

A4.3 A new Torquay Inner Harbour Pontoon Berthing Project would naturally attract a revised level of charging to reflect the obvious improvement in the quality of mooring provision and to generate sufficient income to pay for borrowing. As part of a consultation exercise a new combined charge (including harbour dues & mooring fees) has been suggested at £129.95 per metre (plus VAT) per annum,

being half way between the existing chain mooring rate (including harbour dues & mooring fees) of £91.07 per metre (plus VAT) per annum and the current Town Dock rate. This figure was then used to provide a detailed analysis of costs and incomes associated with the Torquay Inner Harbour Pontoon Berthing Project scheme, using the Town Dock assessment of running costs and an assessment of income at different occupancy rates. The analysis is attached to this report as Appendix 3.

A4.4 The assessment that is Appendix 3 utilises the known maintenance costs of the Town Dock less the saving on existing maintenance regimes, Harbour Authority income estimates (based on £129.95 per metre) including a 3-year phased uplift of existing mooring holders to the new Torquay Inner Harbour Pontoon Berthing rate and a 20-year/25-year repayment period under prudential borrowing rules for a £800,000 investment. The table indicates that net operating income is sufficient to meet annual principal and interest repayments. At the end of a 20-year term, it is estimated that a net income surplus of £569,562 could be generated for investment in harbour infrastructure and services plus possible early repayment of some of the loan principal. A 25-year term could deliver a surplus of £700,565.

A4.5 A range of sensitivity analyses have also been undertaken to assess the impact of changes to some of the variables i.e. income and expenditure. Thus an inflation rate of 2.5 % per annum has been added to the operating expenditure heads. A 70% occupancy rate has been used in the 25 year plan and an occupancy rate of 80% has been used in the 20 year plan. Furthermore it has been assumed that prices will increase on average by 2.5% per annum. Income forecasts for both the 20 year and 25 year plans have assumed that existing customers remain on the current rate of harbour charges but if a 3-year staged increase is approved then a further minimum income of £6,700 can be achieved in years one, two and three. Obviously an increase in the construction costs will incur an annual increase in principal and interest repayments and similarly any increase in annual operating costs will incur annual increases in expenditure. However, given that the predicted surplus and the potential additional income from existing customers can both be used to support additional borrowing and if necessary the harbour reserve fund could be used to reduce the initial or subsequent level of borrowing; the scheme is considered to be financially viable.

A5 What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 The Torquay Inner Harbour Pontoon Berthing Project will improve access to moorings for harbour customers and the community. There are no obvious negative impacts in respect of environmental sustainability or crime and disorder.

A6 Consultation and Customer Focus

A6.1 On the 2nd June 2009 the Executive Head of Tor Bay Harbour Authority advised the Torquay & Paignton Harbour Liaison Forum that in line with the Tor Bay Harbour and Maritime Strategy he was considering further improvements to harbour facilities and infrastructure. The Forum was asked for their views on the idea of replacing the Torquay inner harbour chain moorings with pontoon berths. An indicative drawing of the pontoon layout (similar to Appendix 1) was circulated for discussion. After a brief debate the Forum broadly supported the

idea but several people recognised that the pricing structure would need careful consideration.

A6.2 In 2009 as part of the Harbour Authority's Annual Users Survey customers were asked the following questions :-

- (i) Do you think Tor Bay Harbour should provide further pontoon moorings for use by annual berth holders ?
- (ii) Where would you like to see further pontoon berthing ?
- (iii) Which market sector should the Harbour Authority target for its pontoon berthing ?

In response to these questions 86.6% said yes to Question (i), 80% of Torquay respondents said 'Torquay inner harbour' and 54% said the market sector should be 'Town Dock' style i.e. limited water/electricity, basic security, local priority and pricing similar to the Town Dock.

A6.3 On the 29th May 2012 the Torquay & Paignton Harbour Liaison Forum were provided with a sketch of the proposed Torquay Inner Harbour Pontoon Berthing scheme and the Executive Head of Tor Bay Harbour Authority gave an overview of the project. Consequently the Liaison Forum provided unanimous support for the moorings upgrade.

A7 Are there any implications for other Business Units?

A7.1 There will be positive resource implications for the Torbay Development Agency if it is agreed that they are used to assist with the project management. Also, the Council's Legal Services may become involved if there are any issues arising from the MDL lease conditions.

Appendices

- Appendix 1 Torquay Inner Harbour - Proposed Pontoon Layout
- Appendix 2 Torquay Inner Harbour Pontoon Berthing Project Brief
- Appendix 3 Detailed Analysis of Costs and Incomes Associated with the Torquay Inner Harbour Pontoon Berthing Project

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report:

Torquay Harbour Town Dock Report - Report 172/2006

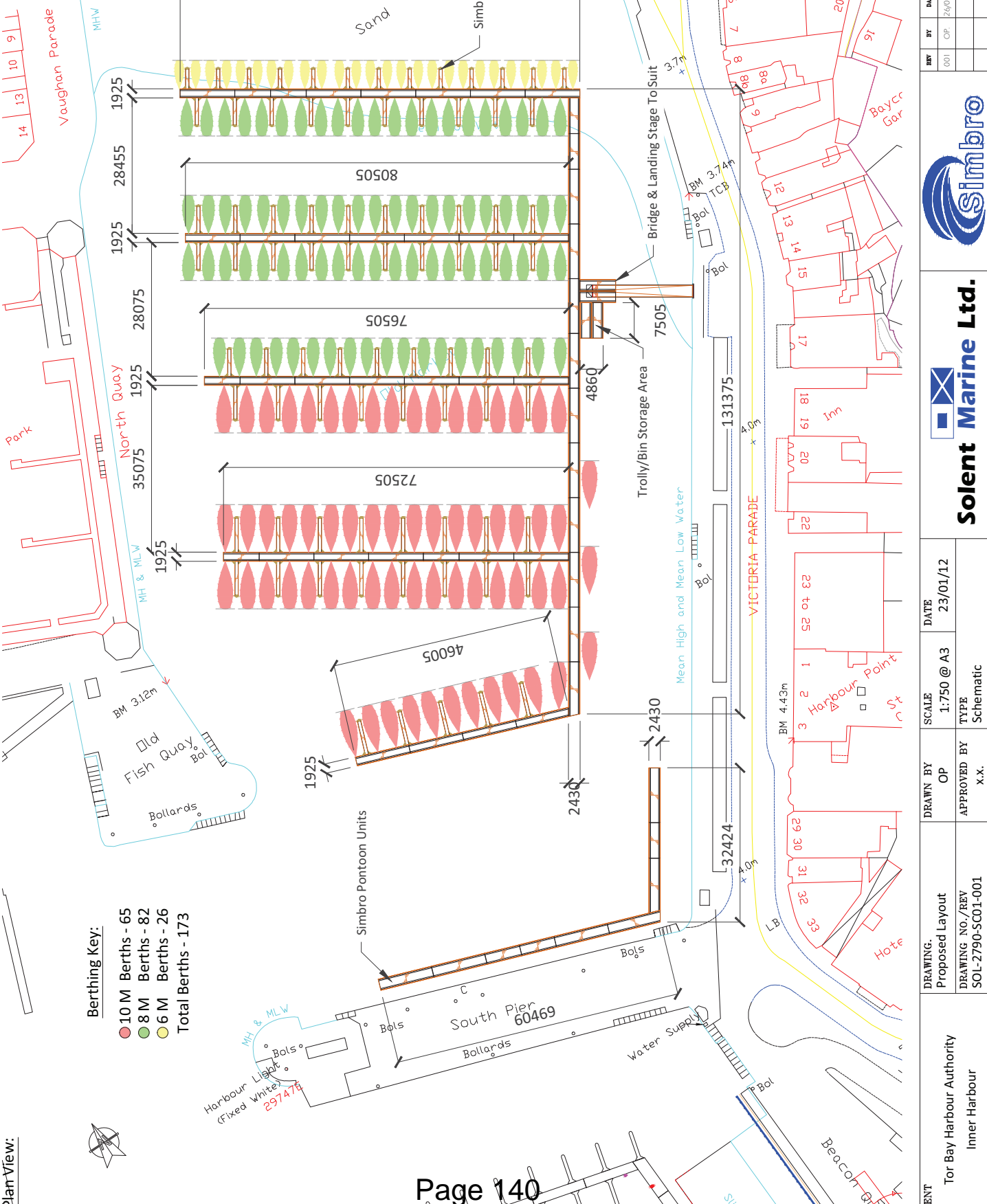
Torquay Inner Harbour Pontoon Berthing Project – June 2009

Torquay Inner Harbour Pontoon Berthing Project – Forward Plan entry Ref. 25/2009

Lease Agreement for Torquay Marina (5th October 1987)

Agenda Item 23

Appendix 1



Plan View:

CLIENT Tor Bay Harbour Authority Inner Harbour	DRAWING: Proposed Layout	SCALE 1:750 @ A3	DATE 23/01/12	 Solent Marine Ltd. Website: www.solentmarine.com	 Copyright © Solent Marine Ltd.
	DRAWING NO / REV SOL-2790-SC01-001	DRAWN BY OP	APPROVED BY x.x.		

Hanger 2A, Universal Marina, Crableck Lane, Southampton, SO31 4NN
Tel: 01489 577 177
Fax: 01489 557 574

Appendix 2

Tor Bay Harbour Authority

TORQUAY INNER HARBOUR PONTOON BERTHING PROJECT BRIEF

1. The project is intended to replace 173 trot moorings with a piled system of pontoon berths, linked to the shore with an access bridge.
2. The main purpose of providing the berthing will be for use by local resident boats and customers in the wider South Devon sub region.
3. A site plan of the available harbour area is attached.
4. The project should be able to accommodate 173 craft ranging in size from 6metres to 10metres in length.
5. The craft on existing chain moorings range in length from 4.87metres to 9.14metres.
6. The use of finger pontoons should be utilised.
7. Power and water services are not required to individual berths but can be made available to each arm of finger pontoons.
8. Adequate pontoon lighting and navigation lights should be installed.
9. The project is aimed at local boat owners that desire an affordable berth. A comprehensive service normally associated with a Marina will not be required. i.e. 24-hour staff cover, power and water supply easily accessible to each berth, the provision of a laundrette and similar ancillary facilities.
10. Pontoon decking should be based on the need for durability rather than comfort, the use of concrete should be considered if it provides sufficient advantages. An indication of the likely maintenance cycle and associated costs should be given for any recommended system.
11. Borehole ground investigations have previously been carried out and the results of these investigations are available on request.
12. A full bathymetric survey of the harbour is also available on request. Dredging is not considered necessary given the size of the target craft.

13. Safe fairways must exist around the pontoons to allow access to the half-tide cill.
14. Consideration should be given to a floating pump-out station and/or a limited number of floating toilet facilities.
15. An access bridge for pedestrians and trolleys, with a security gate, should be located off Victoria Parade. The bridge landing pontoon should be large enough to accommodate trolley storage and waste bins.
16. The existing chain moorings system will need to be removed and the contractor will need to work around a number of moored craft.
17. The project must follow the Code of Practice for the Design, Construction and Operation of Coastal and Inland Marinas and Yacht Harbours produced by the British Marine Industries Federation.

June 2012

DETAILED ANALYSIS OF COSTS AND INCOMES ASSOCIATED WITH TORQUAY INNER HARBOUR PONTOON SCHEME

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	TOTALS	
£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Annual Operating Costs:	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	4,000	4,100	4,200	4,300	4,400	80,000	
Repairs & Maintenance						2,500			2,800						3,400				3,700							23,800	
Annual Every 3rd Year						2,500			2,800						3,400				3,700							8,500	
Annual Every 5th Year						2,500			3,800						4,000				4,000							8,000	
Annual Every 10th Year but set aside to fund						3,120	3,120	3,120	3,120	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	40,000
Rates	4,539	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,100	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000	150,430	
Other Operating costs	4,750	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,100	6,200	6,300	6,400	6,500	6,600	6,700	6,800	6,900	7,000	7,100	7,200	157,750	
	14,409	14,820	15,120	15,420	15,720	16,020	16,320	16,620	16,920	17,220	17,520	17,820	18,120	18,420	18,720	19,020	19,320	19,620	19,920	20,220	20,520	20,820	21,120	21,420	21,720	512,569	
Annual Income:																											
Moorings Fees	(121,041)	(124,067)	(127,200)	(130,400)	(133,700)	(137,000)	(140,400)	(143,900)	(147,500)	(151,200)	(155,000)	(158,900)	(162,900)	(167,000)	(171,200)	(175,500)	(179,900)	(184,400)	(189,000)	(193,700)	(198,500)	(203,500)	(208,600)	(213,800)	(219,100)	(4,137,408)	
Net Annual Operating Surplus:	(106,632)	(109,247)	(112,080)	(114,980)	(117,980)	(121,080)	(124,280)	(127,580)	(130,980)	(134,480)	(138,080)	(141,780)	(145,580)	(149,480)	(153,480)	(157,580)	(161,780)	(166,080)	(170,580)	(175,180)	(179,980)	(184,980)	(190,080)	(195,280)	(200,580)	(194,300)	(3,624,939)
Principal repayment on Loan of £800k	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	54,285	1,357,125
Net annual (Surplus)/Deficit	(52,347)	(54,962)	(57,795)	(60,695)	(63,695)	(66,795)	(69,995)	(73,295)	(76,695)	(80,195)	(83,795)	(87,495)	(91,295)	(95,195)	(99,195)	(103,295)	(107,495)	(111,795)	(116,195)	(120,695)	(125,295)	(130,095)	(134,995)	(140,095)	(145,295)	(140,015)	(2,267,714)
Cumulative (Surplus)/Deficit	(52,347)	(107,309)	(165,104)	(225,799)	(289,494)	(353,689)	(423,454)	(496,479)	(566,174)	(644,959)	(727,304)	(810,119)	(895,734)	(983,049)	(1,086,764)	(1,198,824)	(1,322,939)	(1,462,909)	(1,613,909)	(1,775,909)	(1,945,354)	(2,122,659)	(2,308,269)	(2,501,769)	(2,702,769)	(2,911,769)	(3,129,483)
Less: existing mooring mtce. costs	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	(13,000)
Less: loss of existing trot mooring inc.	47,229	48,400	49,600	50,800	52,100	53,400	54,700	56,100	57,500	58,900	60,400	61,900	63,400	64,900	66,500	68,100	69,700	71,300	72,900	74,600	76,300	78,000	79,700	81,400	83,200	85,000	1,611,329
Net annual (Surplus)/Deficit	(6,419)	(7,862)	(9,495)	(11,265)	(13,195)	(15,295)	(17,595)	(19,995)	(22,595)	(25,295)	(28,095)	(30,995)	(33,995)	(37,095)	(40,295)	(43,595)	(46,995)	(50,495)	(54,095)	(57,795)	(61,595)	(65,495)	(69,495)	(73,595)	(77,795)	(82,095)	(700,565)
Cumulative (Surplus)/Deficit	(6,419)	(14,310)	(23,805)	(35,150)	(48,165)	(62,860)	(79,255)	(97,350)	(117,145)	(138,740)	(162,135)	(187,330)	(214,425)	(243,420)	(274,315)	(307,110)	(341,805)	(378,400)	(416,895)	(457,290)	(499,585)	(543,780)	(590,875)	(640,870)	(693,765)	(750,560)	(811,355)

Notes:
 1. Inflation of 2.5% per annum added to operating expenditure heads.
 2. Although these costs are incurred every 10 years, the assessment assumes an annual set aside to meet this expenditure by year 10, thus smoothing the cost.
 3. Annual Training, Cleaning, Electricity, Consumables, P & S and Communication.
 4. Assumes 70% capacity year 1 and that charges are increased in line with inflation each year (2.5% in this assessment).
 5. Based on equal annual repayments of principal and interest over 25 years.
 6. Existing income & expenditure of current trot moorings that will be forgone.

DETAILED ANALYSIS OF COSTS AND INCOMES ASSOCIATED WITH TORQUAY INNER HARBOUR PONTOON SCHEME

Note	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	TOTAL
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Annual Operating Costs:																					
Repairs & Maintenance Annual	2,000	2,100	2,200	2,300	2,400	2,500	2,600	2,700	2,800	2,900	3,000	3,100	3,200	3,300	3,400	3,500	3,600	3,700	3,800	3,900	59,000
Every 3rd Year						2,500			2,800			3,100			3,400			3,700			15,500
Every 6th Year									3,800									4,700			6,000
Every 10th Year but set aside to fund Rates	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	3,120	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	40,000
Other Operating costs	4,539	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,200	6,400	6,600	6,800	7,000	70,000
	4,570	4,700	4,800	4,900	5,000	5,100	5,200	5,300	5,400	5,500	5,600	5,700	5,800	5,900	6,000	6,200	6,400	6,600	6,800	7,000	112,339
	14,229	14,620	14,920	15,220	15,520	15,820	16,120	16,420	16,720	17,020	17,320	17,620	17,920	18,220	18,520	19,020	19,520	20,020	20,520	21,020	379,669
Annual income:																					
Mooring Fees	(131,950)	(135,200)	(138,600)	(142,100)	(145,700)	(149,300)	(153,000)	(156,800)	(160,700)	(164,700)	(168,800)	(173,000)	(177,300)	(181,700)	(186,200)	(190,900)	(195,700)	(200,600)	(205,600)	(210,700)	(3,368,850)
Net Annual Operating Surplus:	(117,721)	(120,580)	(123,680)	(126,880)	(130,180)	(133,980)	(138,880)	(140,380)	(137,380)	(146,800)	(160,800)	(151,400)	(158,500)	(162,800)	(163,400)	(171,000)	(175,300)	(171,300)	(184,200)	(188,800)	(2,398,051)
Principal repayment on Loan of £800k.	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	61,821	62,321	62,821	63,321	63,821	64,321	64,821	1,246,920
Net annual (Surplus)/Deficit	(55,900)	(58,759)	(61,859)	(65,059)	(68,359)	(71,159)	(74,059)	(77,559)	(81,559)	(86,979)	(98,779)	(89,579)	(96,679)	(100,779)	(101,079)	(108,179)	(111,979)	(107,479)	(119,879)	(123,979)	(1,741,641)
Cumulative (Surplus)/Deficit	(55,900)	(114,659)	(176,518)	(241,577)	(309,936)	(379,095)	(454,154)	(532,713)	(608,272)	(688,251)	(782,030)	(871,609)	(968,288)	(1,069,067)	(1,170,146)	(1,278,325)	(1,390,304)	(1,497,783)	(1,617,662)	(1,741,641)	
Less: existing mooring mtc. costs	(1,300)	(1,320)	(1,360)	(1,390)	(1,420)	(1,460)	(1,500)	(1,540)	(1,580)	(1,620)	(1,660)	(1,700)	(1,740)	(1,780)	(1,820)	(1,870)	(1,920)	(1,970)	(2,020)	(2,070)	(33,050)
Less: loss or existing trot mooring inc.	47,229	46,400	49,600	50,800	52,100	53,400	54,700	56,100	57,500	58,900	60,400	61,900	63,400	65,000	66,600	68,300	70,000	71,800	73,600	75,400	1,205,129
Net annual (Surplus)/Deficit	(9,971)	(11,689)	(13,619)	(15,649)	(17,679)	(19,219)	(21,859)	(23,999)	(26,639)	(29,699)	(30,039)	(29,379)	(35,019)	(37,559)	(36,299)	(41,749)	(43,899)	(37,649)	(48,299)	(50,649)	(569,552)
Cumulative (Surplus)/Deficit	(9,971)	(21,660)	(35,279)	(50,928)	(68,607)	(88,826)	(107,685)	(131,684)	(151,323)	(179,022)	(209,051)	(238,440)	(273,459)	(311,018)	(347,317)	(389,066)	(432,965)	(470,614)	(518,913)	(569,562)	

- Notes:
1. Inflation of 2.5% per annum added to operating expenditure heads.
 - 1a. Although these costs are incurred every 10 years, the assessment assumes an annual set aside to meet this expenditure by year 10, thus smoothing the cost.
 2. Cost of Training, Cleaning, Electricity, Consumables, P & S and Communication.
 3. Assumes 80% capacity year 1 and that charges are increased in line with inflation each year (2.6% in this assessment).
 4. Based on equal annual repayments of principal and interest over 20 years.
 5. Existing income & expenditure of current trot moorings that will be forgone.



Title: **Old Fish Market – Brixham Harbour**

Public Agenda Item: **Yes**

Wards Affected: **All Wards in Brixham**

To: **Harbour Committee** On: **11th June 2012**

Key Decision: **No**

Change to Budget: **No** Change to Policy Framework: **No**

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1. What we are trying to achieve and the impact on our customers

- 1.1 This report serves to update the Harbour Committee on the current use and management of the Old Fish Market area, including the old market canopy on the harbour estate and the adjacent berthing facilities. It reviews the existing arrangements whilst delivering both transparency and accountability and provides some clarity to the harbour users and the local community.
- 1.2 Tor Bay Harbour Authority, under the guidance of the Harbour Committee, will endeavour to properly manage all harbour assets, thereby continuing to protect the harbourside's built environment for the ongoing benefit of the community and our customers.
- 1.3 Torbay Council, as the Tor Bay Harbour Authority and the Competent Harbour Authority for the purpose of the 1970 Tor Bay Harbour Act has powers to regulate vessel and persons on the harbour estate. The act also gives the authority the power to license and make charges for both the use of the water space and the harbour estate within the various enclosed harbours of Tor Bay.
- 1.4 In pursuance to managing the harbour estate areas the Harbour Authority have also agreed and adopted the licensing arrangements with colleagues in Torbay Council in order to give continuity of licensing and licence fee charging.
- 1.5 Tor Bay Harbour Authority is committed to supporting its harbour users and to supporting the wider community by working in partnership with various stakeholders to deliver wider community benefits.

1.6 The Harbour Committee should be kept informed of the arrangements relating to the Arts and Crafts Market at Brixham harbour.

For more detailed information on this proposal please refer to the supporting information attached.

**Kevin Mowat
Executive Head of Tor Bay Harbour Authority
Tor Bay Harbour Master**

Supporting Information

A1. Introduction and history

- A1.1 During the 2004 summer season, two markets were held at Brixham under the Old Fish Market and were facilitated by the Harbour Authority. They were run by a company which was made up of a number of market stalls (about twenty) under the banner of the “French Market”. These markets sold only French related goods and were perceived to be a success in terms of creating an ambience around the harbour and in attracting visitors to the area.
- A1.2 In 2005 the Brixham Town Team took the view that a weekly market at Brixham throughout the season would be of benefit to the town. Markets were then subsequently held throughout the 2005 Summer Season on a Sunday and occasionally in addition so was the French market. The markets were judged by some to be a success and at the time some market research seemed to support this view.
- A1.3 The profits raised by the market organisers went to the market organiser with a fixed percentage going to the Harbour account (£1500). The harbour income was used to offset the use of the Old Fish Market area and storage of the market stalls during the week between markets. Although the Council received a modest income for the use of the Old Fish Market it did not adequately compensate for the number of hours of officers’ time dedicated to the running of the market.
- A1.4 The market organisers operated the market in agreement with the Council and were responsible for putting up and taking down stalls, booking stallholders, insurance, keeping the site in good order, clean and tidy.
- A1.5 The original concept developed by the Brixham Town Team and in agreement with local traders was for an Arts and Crafts market. Initially difficulties were experienced between the market operators and the local retail traders as to what constituted arts and craft. Local traders were of the opinion that on a number of occasions the market stalls were acting in direct competition to their own businesses in the town. Consequently for the remainder of the 2005 season the Harbour Master, the Head of Tourism and a town traders’ representative were responsible for vetting the content of stalls and the standard of stallholders at the weekly market. This resulted in an improved offer.
- A1.6 Ahead of the 2006 season the Harbour Master, the Head of Tourism, representatives of the Brixham Chamber of Commerce and the town’s traders held discussions over the future of a weekly market. The Brixham Chamber of Commerce proposed that a weekly market be run and operated under their auspices with all profits going to the Chamber of Commerce to be used for community based projects/events. At the time the Director of Marine Services (now Executive Head of Tor Bay Harbour Authority) believed that the money should be held centrally in the harbour account with a clear and transparent audit trail prior to the redirection of funds for community use.

- A1.7 In 2006 it was suggested that one of the advantages of running a market under the auspices of the Chamber of Commerce was that they would be free from the constraints of making a commercial profit and the need for competitive tendering could be avoided. Consequently the Chamber could concentrate their efforts on supporting local artists, artisans and craft makers. At the time it was highlighted that in pure financial terms the Chamber option did not clearly demonstrate value for money, but probably represented the best way forward in both practical and economic terms.
- A1.8 On 21st March 2006 the Harbour Committee received Report 68/2006 which sought advice from the Committee on the concept of a community proposal to run an Arts and Crafts Market under the Old Fish Market at Brixham every Saturday throughout the forthcoming season. Consequently the Harbour Committee made the following decision :-
- (i) that the Director of Marine Services be requested to exercise his delegated powers to allow a weekly market at the Old Fish Market, Brixham, to be held on Saturdays, for a trial period during 2006. The market to be run by the Brixham Chamber of Commerce with all monies that it might earn being reserved for community based projects and held in trust by Marine Services; and
 - (ii) that the Director of Marine Services be requested to exercise his delegated powers to prepare a contract between the Council and the Brixham Chamber of Commerce accordingly.
- A1.9 For the last 5 years the Brixham Chamber of Commerce has been successfully organising the weekly Arts and Crafts Market held during the summer season at the Old Fish Market. The market generates income of several thousand pounds and after various expenditures are taken out, a Market Management Committee reach agreement over what is donated to good causes locally. Details of the income, expenditure and recipient good causes are all recorded and filed through the Brixham harbour office (see Appendix 1 - Arts and Crafts Market – Summary of Accounts – 2007~2011).
- A1.10 Over the previous few years the management of the market has been delegated by the Chamber of Commerce to a Market Management Committee consisting of the Chairman of the Chamber of Commerce, the Harbour Master and various other organisers/representatives of the market traders. This arrangement appears to have worked well to date.
- A1.11 Minute 1044/12/86 delegated power to officers to allocate by lot, to the applying charities, dates for the use of the former fish market for charitable events, with preference being given to locally based organisations. Currently, and since 1986, the management of the Wednesday charitable events is undertaken through the Brixham harbour office. Following receipt of applications from charities to hold various events, the days are allocated by the harbour office through a ballot system for the following season.

A2. Risk assessment of preferred option

A2.1 Outline of significant key risks

A2.1.1 There are clear risks if the management and maintenance of this area of harbour estate falls outside the control of the Harbour Authority.

A2.1.2 The risks of not having properly audited accounts for the Arts and Crafts Market are mitigated by having the harbour office staff manage the process in a transparent and accountable manner.

A2.1.3 Community relations could be damaged if changes to the use of the Old Fish Market are perceived to be unacceptable.

A2.2 Remaining risks

A2.2.1 There are no remaining risks.

A4. Summary of resource implications

A4.1 A modest amount of officer time is spent processing the income/expenditure items and attending the Market Management Committee.

A5. What impact will there be on equalities, environmental sustainability and crime and disorder?

A5.1 The Harbour Committee has a good record of properly managing the Harbour Estate assets and this assists in both protecting and sustaining the built environment for the benefit of the community of Brixham, the Harbour Authority and the harbour customers.

A5.2 There are no other impacts identified.

A6. Consultation and Customer Focus

A6.1 The Harbour Authority has consulted with stakeholders through its Brixham Harbour Liaison Forum. Members of the Arts and Crafts Market Management Committee have also been consulted.

A7. Are there any implications for other Business Units?

A7.1 None.

Appendices

Appendix 1 Old Fish Market – Arts and Crafts Market – Summary of Accounts
2007 ~ 2011

Documents available in members' rooms

None.

Background Papers:

The following documents/files were used to compile this report:

Report 68/2006 Brixham Harbourside Market (March 2006)

Report 298/2010 Old Fish Market – Brixham Harbour (December 2010)

Appendix 1

Old Fish Market – Arts and Crafts Market Summary of Accounts 2007 ~ 2011

Year	Balance b/fwd £	Income * £	Expenditure ** £	Balance c/fwd £
2007/08	4,815.48	5,477.37	-8,255.36	2,037.49
2008/09	2,037.49	4,365.03	-5,850.89	551.63
2009/10	551.63	5,646.30	-4,479.45	1,718.48
2010/11	1,718.48	4,687.21	-2,624.18	3,781.51
2011/12	3,781.51	3,680.39	-3,038.69	4,423.21

Notes

* Income is net of incidental expenditure such as stall erector, advertising, etc.

** Expenditure includes agreed donations and items not taken from income

List of Beneficiaries

2007

Crown & Anchor Memorial Bench
Pride in Brixham
Friends of Shoalstone Pool
Youth Enquiry Service
Brixham Swimming Club
Brixham Buccaneers

2008

F.I.S.H. sculpture donation
Brixham Youth Rugby Club
Brixham Arts & Theatre Society
Pride in Brixham
Brixham Battery Heritage Group
Brixham Community Lifestyle & Aquatics Co. Ltd

2009

Brixham Buccaneers
Youth Enquiry Service
Friends of Shoalstone Pool
F.I.S.H. sculpture donation
Admiral Swim
Pride in Brixham

2010

Yet to be determined

2011

Brix Fest

Expenditure items

Advertising

Coach drivers supply & support

Garden Store

Gavin Kenning Engineering

Invoice books

Materials - printer ink, steel & wood

Print leaflets for distribution by coach drivers

Print Christmas Flyers

Stall Erector

Street Trading Licence

South Devon Chamber of Commerce Insurance

June 2012