



Business Plan 2014/2015

Tor Bay Harbour - Business Plan 2014/15
Business Unit – Tor Bay Harbour Authority

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1. Executive Summary

Torbay Council is the 'harbour authority' for Tor Bay Harbour. In 2007 Torbay Council made a significant change to the way it manages Tor Bay Harbour and how it fulfils its function as a harbour authority. As a direct result of the Municipal Port Review, (a joint initiative by the Department for Communities and Local Government and the Department for Transport), the Council now manages Tor Bay Harbour through a dedicated committee called the Tor Bay Harbour Committee. This Committee consists of up to 9 Councillors and up to 6 External Advisors who have been selected following a skills audit. Also, appropriate training is now given to each member of the Committee.

The Harbour Committee deals with all matters relating to the strategic management of the Council's function as the 'harbour authority'. It is a committee of the full council and is both open and accountable. In particular this Committee determines the level of harbour charges and fulfils the Council's role as Duty Holder for the purposes of the Port Marine Safety Code. This fit for purpose Committee sets the budgets for the harbour and, with the assistance of the Tor Bay Harbour Authority business unit, manages Tor Bay Harbour, which includes the harbour estate. This management is undertaken within the framework of Council policy and with special attention being given to the aspirations set out within the Tor Bay Harbour Port Masterplan (see Appendix 1).

Given the arrangements described above the Harbour Authority business unit effectively acts like an internally commissioned service. Torbay Council will continue to review its harbour authority function and seek opportunities to improve the governance of Tor Bay Harbour, where appropriate.

There is a strong commitment on behalf of Torbay Council both to improve the service provided by the Harbour to its direct users and to develop its role in supporting the local economy and as a focus both for the local community and visitors to the Bay. In 2014/15, for the third consecutive year, the Harbour Authority will pay the Council a cash dividend, plus a new asset rental fee.

2. Introduction

Tor Bay Harbour has existed successfully as a statutory entity since 1970 and it has served the community well. For more than 40 years it has been shown that Tor Bay Harbour can operate successfully, efficiently and economically, and subsequently not become a burden on Torbay Council's resources. Maintaining this situation has become extremely challenging in recent years as cash leaves the business to help alleviate the financial pressure placed on the owning authority.

Torbay Council's role as a strong maritime local authority is enhanced because the jurisdiction of the Harbour Authority mirrors the Council's land boundaries and it includes the Bay's entire coastline. Appendix 3 has a plan showing the limits of Tor Bay Harbour.

In operational terms it allows control over 22 miles of coastline and 16 square miles of open sea. This control has proved to be invaluable when issues of water safety combined with sound marine management, impact so clearly on the image of the Bay, and can be seen as both crucial and integral to the tourism product and wider economy. The Bay wide harbour controls have allowed regulation of shipping, control over the pollution risk, management of the harbour estate and zoning of small craft activity. Marine operations

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regularly dovetail effortlessly with beach, coast and environmental issues, often with a common aim.

2009 saw the introduction of the Marine & Coastal Access Act and during 2010 the new Marine Management Organisation became fully operational. These changes are now starting to alter how the UK manages its coastal waters and the marine environment. In December 2013 a Marine Conservation Zone (MCZ) was designated in Tor Bay. The Harbour Authority already plays an important role with other stakeholders in managing our local coastal zone.

The Tor Bay Harbour Port Masterplan which commenced in 2012, was approved, adopted and published by Torbay Council in December 2013. This milestone is particularly relevant given the number of quays, piers, buildings and other elements of infrastructure that make up the sizeable harbour estate managed by Tor Bay Harbour Authority. 2014 will see more progress being made on the South Coast Marine Plan as the introduction of marine spatial planning continues at a national level.

At a local level Torbay Council has the opportunity to put forward a united front; this is clearly a position of strength. Tor Bay as one harbour is well suited to best serve the needs of all the relevant stakeholders.

The Tor Bay Harbour Authority Vision and Mission Statement are as follows;

Vision - *‘to be a high quality service that is committed to improving Tor Bay Harbour and providing a cleaner and safer environment’.*

- ***“Better Facilities – Safer Harbour – Cleaner Environment”***

Mission Statement – *‘to offer a quality Service to those who live, work and visit Torbay, by continually striving to improve both Marine and Harbour facilities and ensuring a cleaner and safer environment’.*

To help deliver the vision and mission statement the Tor Bay Harbour Authority business unit is dedicated to providing the best value for harbour and marine users. They will continuously challenge the way harbour services are provided to ensure the most cost effective and efficient approach is adopted. Tor Bay Harbour Authority will continue to work with the private sector, external agencies and other organisations to deliver high quality services. The harbour will provide high quality services by ensuring that all staff are well trained, dedicated and well motivated.

The facilities are provided for residents, tourists, day visitors, clubs, organisations and businesses throughout Torbay. The extent to which individual facilities serve different user groups and individuals is dependent upon the facility type and operation.

The service is responsive to the unique make up of Torbay’s resident and visiting population. The Torbay economy remains fragile with productivity rates and wage levels below the national average. An above average older population and proportion of the working age population claiming benefits is a contributing factor to this as is a reliance on the public and tourism sectors, with the Bay having the highest proportion of people employed in the tourism industry in the country.

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Our main customers and stakeholders include the following :-

- Fishermen, including those from locally based vessels and vessels from other ports (UK and Europe). These include owners, skippers and crew.
- Fish Merchants & Fish Processors.
- Brixham Trawler Agents.
- Ships visiting Tor Bay, including the owners of the vessels, skippers and crew.
- Owners and users of vessels for private pleasure and recreational purposes.
- Owners, skippers and crew of certified passenger carrying pleasure craft, including chartered angling vessels, dive boats, heritage boats, etc.
- Businesses and organisations with tenancy agreements within the Harbour Estate.
- Tourists visiting the resort of Torbay including its enclosed harbours, waterfront and coastline.
- English Riviera Tourism Company Ltd
- Marina operators at Torquay and Brixham - Marina Developments Ltd.
- Royal National Lifeboat Institution (RNLI)
- Marine Management Organisation (MMO)
- Devon & Severn Inshore Fisheries & Conservation Authority (IFCA)
- Maritime & Coastguard Agency (MCA)
- Organisations involved in waterborne sports and activities (e.g. Yacht and sailing clubs, training organisations, Scouts, Sea Cadets, divers, rowing clubs, youth groups etc.).
- Marine & Towage Services Group (Torbay and Brixham Shipping Agents - contracted pilotage service provider).
- Charitable and religious organisations, including various individuals and groups providing entertainment and events within the Harbour Estate.
- Various businesses, organisations and individuals conducting their affairs on the Harbour Estate.
- Torbay Town Centres Co. (Business Improvement Districts)
- The general public and residents of Torbay.

Specific partnership understandings exist with the Maritime & Coastguard Agency (MCA), Marine & Towage Services Group (Torbay & Brixham Shipping Agents), UK Hydrographic Office, Marina Developments Ltd, SeaTorbay, the Torbay Coast and Countryside Trust and other external agencies and Voluntary Sector groups.

A record of complaints and compliments, together with a biennial Users Survey and a visitor feedback system, all combine to give a good indication of which services are meeting the customers' expectations and those which might be seen as below the quality expected. Survey results are reported to the Harbour Committee every two years.

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3. SWOT Analysis

STRENGTHS	WEAKNESSES
Dedicated and experienced staff	Low profile of harbour authority status
Natural harbour and safe anchorage	Extent of physical infrastructure (exposure to storm damage & climate change)
Fit for purpose Harbour Committee	Poor local transport infrastructure – road and rail links
Adequate harbour legislation and a modern set of harbour byelaws	Harbour governance not fully developed or fully fit for purpose
A leading fishing harbour in England and Wales with modern facilities	Resources diverted for provision of public amenity facilities
Support of Torbay Council	Very limited commercial/shipping income
Diversity and richness of natural environment	Operational land not ‘safeguarded’ by the planning system
Extent of and range of property on harbour estate	Ageing infrastructure with a significant repairing liability
Self-financing and policy of ring-fenced harbour accounts	Insufficient water depth in the enclosed harbours
Good provision of leisure and recreational boating facilities	Overprotection of the natural and physical environment – a reluctance to change
Designated sites protecting the natural and physical environment	Lack of boat repair and maintenance facilities
Strong identity as the English Riviera and used for marketing opportunities for tourism	Lack of working space in and around the enclosed harbours
One of the best race sailing Bays in the UK	Lack of cargo handling facilities
A compulsory pilotage service providing safety and protection	Narrow roads, congestion and lack of parking around the Bay
A Port Masterplan	Lack of usable shoreline
OPPORTUNITIES	THREATS
Improve the natural and physical environment (Quality of life)	Competition from other ports & harbours
Provide boat repair and maintenance facilities for recreational craft and fishing vessels	European fishing policies (restrictions with fish quota/depleted fish stocks)
A catalyst for regeneration activity	Effects of climate change and sea level rise
Integrated coastal zone management	Pollution – especially our sea and coast
Maximise commercial use of assets	Increasing user conflict over a shared and finite resource
Use the designations of SAC, MCZ and Geopark to attract business and tourism	Storm damage to quays, piers & breakwaters
Raise external profile and promote success	Change of financial policy (removal of ring-fenced harbour accounts)
Expand marina style berthing and capacity	Resistance to change i.e. improvement to governance
Improvement of transport links – road, rail and sea	Loss of operational land to non-marine use due to lack of safeguarding policy
Improve sea defences against flooding,	Inadequate regional & national ports strategy
Review governance model to allow the port to be a more efficient business	Too many sites designated for protection in the natural and physical environment

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OPPORTUNITIES (continued)	THREATS (continued)
Support maritime related businesses and sport activities to strengthen the maritime culture / identity	New cash dividend and asset rental charge paid to the Council's general fund becoming too much of a burden
Larger sub-regional marine leisure market opened up by the South Devon link road	Disruption to business caused by major redevelopment of adjacent sites
Refurbish or replace derelict port infrastructure	MCZ designation could hinder growth by either stopping development or making it prohibitively costly
Provide sufficient shelter and berthing facilities within the enclosed harbours	Lack of finance and funding for developments particularly for breakwater extensions

4. Compliance with the Municipal Ports Review

In 2007 Torbay Council decided to accept the main findings of the Municipal Ports Review (Appendix 2), published the previous year. Consequently the Council made constitutional changes to set up a decision making Committee called the 'Tor Bay Harbour Committee'. The Committee's purpose is to manage and govern Tor Bay Harbour, which includes the enclosed harbours of Brixham, Torquay and Paignton. Although the Committee cannot make decisions outside the Council's policy framework it does set its own budget, determine the level of harbour charges and has a capital spending limit of £25,000.

Up to fifteen people can sit on the Harbour Committee, 9 members of the Council plus up to five external non-voting advisors appointed by the Committee on a four year term (maximum term 8 years) and the option for one non-voting private sector advisor representing the Board of the Economic Development Company (Torbay Development Agency). Political group leaders have been asked to take account of the geographical spread of members and the need for continuity when making appointments to the Harbour Committee. The external non-voting advisors are selected and appointed following a skills audit. Meetings are usually held every quarter with additional meetings as required.

The relationship between the Council as the owning authority and the Harbour Committee as the managing body is determined by detailed Terms of Reference and a Protocol, which forms part of the Council's Constitution. In effect the Tor Bay Harbour Authority business unit is an internally commissioned service.

The Harbour Committee, which, when required, reports directly to the full Council, is also the '**duty holder**' under the Port Marine Safety Code.

There are two bespoke stakeholder groups set up to give advice on day to day operational matters and to provide a conduit on such matters to the Harbour Committee. The two groups, which have formal constitutions, are known as the Brixham Harbour Liaison Forum and the Torquay/Paignton Harbour Liaison Forum. Both Forums meet quarterly, two weeks prior to the Harbour Committee meetings. The Forum minutes are standing agenda items for the Harbour Committee.

Torbay Council may decide to accept more recommendations from the Municipal Ports Review in years to come but for now it has created an accountable, expert and responsive form of governance and the harbour management has an appropriate level of independence and flexibility.

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Although currently working well the Council could improve the governance arrangements set out above by considering other delivery options for its harbour authority function.

5. Strategic Objectives and Core Values

Links to Corporate and Community priorities and objectives.

There are a variety of different and obvious links between this Plan relating to Tor Bay Harbour and the provision of the Tor Bay Harbour Authority business unit, and the Council's overall '**Vision**' for Torbay, which is "**Working together for a Healthy, Prosperous and Happy Bay**".

The provision of Tor Bay Harbour Authority, as a statutory function, contributes directly and indirectly to all of the Council's three corporate themes – **A Healthy Bay – A Prosperous Bay – A happy Bay**. In particular two of the key themes link to the operation of Tor Bay Harbour and these are '**A Prosperous Bay**' and '**A Happy Bay**'.

Tor Bay Harbour, the waterfront, the three enclosed harbours, the piers and the coastline all form a central part of our built and natural environment. Tor Bay Harbour Authority endeavour to keep the enclosed harbours, the harbour estate and the Bay clean, safe, tidy and attractive and by so doing the service remains crucial to the overall feeling of civic pride endorsed within the **Corporate Plan**.

Harbour Authority Objectives

1. Maintain, expand and improve the harbour facilities
2. Enable the safe use of the harbour
3. Maintain self-financing accounts
4. Invest in the present and the future
5. Enhance our self-critical and performance driven culture
6. Enable staff to achieve through development and training
7. Influence, respond and contribute to the economic, voluntary, community, cultural and environmental agendas

Shared Objectives

- Working towards creating a sustainable and flourishing leisure, culture and tourism sector that is open to residents and visitors.
- Creating the right environment for inward investment.
- Making it easier to get around the Bay by developing integrated transport where feasible.

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Delivering on our Core Values

- To maintain and improve the quality of service that we provide to our customers.
- Our services will be tailored to meet the changing needs of our customers.
- Marine and harbour facilities will be made available to as many users as possible.
- To develop a professional and caring service, that is fit for purpose.
- We are committed to the courteous and fair treatment of our customers.
- To consult with all relevant user groups and stakeholders.
- To provide an open, accountable and transparent management of Tor Bay Harbour.
- To provide a prompt reply to correspondence (including letters, faxes and e-mails).
- To carry out our duties in a fair and equitable manner.

Overall Objective

To maintain, protect and enhance the harbour whilst at the same time deriving the range of sustainable benefits, environmental, economic and social; as outlined in the Tor Bay Harbour Port Masterplan.

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6. Priorities, Outcomes and Actions

KEY THEMES – A HEALTHY BAY, A PROSPEROUS BAY AND A HAPPY BAY

PRIORITY No. 1: MAINTAIN SAFETY

The outcomes we want to achieve are:

- To fulfil the Council’s obligations as a statutory and competent harbour authority
- To responsibly manage the safety of navigation and overall harbour safety, through the enforcement of applicable byelaws and appropriate legislation
- To comply with the Port Marine Safety Code through the use of a robust Safety Management System
- A safe haven for all vessels and a safe harbour estate – making people feel safe

ACTIONS	Timescale	Who
Renew the bi-lateral agreement with the UK Hydrographic Office	Annually	Executive Head
Undertake routine maintenance of harbour infrastructure	Ongoing	Harbour Masters
Pass annual audit/inspection from Trinity House and file quarterly reports	Annually/Quarterly	Executive Head
Issue local Notices to Mariners and enforce Harbour Byelaws	As required	Harbour Masters
Lay seasonal 5-knot buoys & navigational marks	May 2014	AHM Torquay
Manage the seasonal beach/harbour patrol craft	May to September 2014	AHM Torquay
Safety Management System audit completed and improvement plan agreed	December 2014	Harbour Masters
Safety Management System Improvement Plan (2013/14) implemented	November 2014	Harbour Masters
Embed the new Accident & Incident reporting system – part of the Safety Management System software	June 2014	Executive Head
Review and exercise the Tor Bay Harbour Emergency Response Plan	Annually	Executive Head/TBC
Review the delegated powers of the Executive Head of Tor Bay Harbour Authority	March 2015	Harbour Committee
Review of existing harbour powers (every 5 years)	December 2015	Executive Head & Harbour Committee

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KEY THEMES – A HEALTHY BAY, A PROSPEROUS BAY AND A HAPPY BAY

PRIORITY No. 2: IMPROVE CUSTOMER EXPERIENCE

The outcomes we want to achieve are:

- **To maintain and improve the quality of service that we provide to our customers**
- **Tailored services that meet the changing needs of our customers**
- **Marine and harbour facilities made available to as many users as possible**
- **Delivery of a professional and caring service, that is fit for purpose**
- **The courteous and fair treatment of our customers**
- **To carry out our duties in a fair and equitable manner**
- **Ensuring equality and diversity in service delivery together with equality of opportunity**

ACTIONS	Timescale	Who
Refresh the Tor Bay Harbour Website	Ongoing	Harbour Masters
Undertake a customer satisfaction survey and react to the results	February to May 2015 (Biennial)	Executive Head
Continue benchmarking via the British Ports Association, UK Harbour Masters Association, RYA, BMF & SW Regional Ports Association	Ongoing	Harbour Masters
To provide a prompt reply to correspondence (including letters, faxes and e-mails)	Ongoing	All Office Staff
Complete Equality Impact Assessments (Annually)	November 2014	HM Paignton
Implement Equality Impact Assessment Improvement Plans (Annually)	November 2014	Executive Head
Monitor and support staff through induction and appraisal reviews (RADARs)	March 2015	All Managers
Encourage Harbour Masters to fully complete CPD records	Ongoing	Executive Head
Work with the Director of Place & Resources and the Chairman of the Harbour Committee Chairman to consider the impact of the Localism Act and in particular the issues surrounding the 'community right to challenge' – if necessary provide the business case for future service delivery options for Tor Bay Harbour Authority	March 2015	Executive Head, Harbour Committee Chairman & Director of Place & Resources
To review the Tor Bay Harbour Operational Moorings Policy (Annually)	March 2015	Executive Head

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KEY THEMES – A HEALTHY BAY, A PROSPEROUS BAY AND A HAPPY BAY

PRIORITY No. 3: STEWARDSHIP OF THE HARBOUR’S BUILT AND NATURAL ENVIRONMENT

The outcomes we want to achieve are:

- **A sustainable approach to harbour management in recognition of climate change**
- **Investment to create high standards in existing and new harbour infrastructure**
- **Increase public awareness of the maritime environment as a valuable environmental, economic and social asset**
- **Minimal environmental impact of harbour activities**
- **Improving quality of life by creating a clean and attractive environment that is valued by residents and visitors**

ACTIONS	Timescale	Who
Influence decision making over the management measures of the new Special Area of Conservation in Tor Bay	March 2015	Harbour Masters & SeaTorbay
Influence decision making over the management measures for the Torbay Marine Conservation Zone	March 2015	Executive Head, Harbour Committee & SeaTorbay
Attend meetings with other coastal zone stakeholders. (Inshore Fisheries and Conservation Authority (IFCA), Torbay Coast & Countryside Trust, SeaTorbay, Devon Maritime Forum)	Ongoing	Harbour Masters
Assist in the collection of spatial mapping data	Ongoing	Harbour Masters
Distribute information on good practice and regulations to boat owners (Green Blue Initiative) – improve recycling and reduce carbon emissions	Ongoing	Harbour Masters
Help provide appropriate sea/flood defences and raise awareness of sea level rise	Ongoing	Harbour Committee, TBC & EA
Deliver the project to replace chain moorings with pontoon berths in Torquay’s inner harbour	May 2014	Executive Head
Support the implementation of the Coastal Zone Management Plan for Torbay	Ongoing	Executive Head & Harbour Masters
Continue to investigate renewable energy projects for use on the harbour estate	February 2015	Executive Head

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PRIORITY No. 4: ENGAGE WITH THE COMMUNITY AND HARBOUR USERS

The outcomes we want to achieve are:

- **To consult with all relevant user groups and stakeholders**
- **To provide an open, accountable and transparent management of Tor Bay Harbour**
- **A higher percentage of people who feel they can influence harbour management decisions**
- **Influence, respond and contribute to the economic, voluntary, community, cultural and environmental agendas**

ACTIONS	Timescale	Who
Support the development of a Maritime Centre of Excellence	As required	Executive Head
Hold quarterly meetings with harbour users & stakeholders (Liaison Forums)	Quarterly	Harbour Masters
Continue to encourage young people to engage in marine activities	As required	Harbour Masters
Support and engage with the local Coastal Partnership – SeaTorbay	Ongoing	Harbour Masters
To continue to work with and/or participate with relevant voluntary and community organisations (Community Partnerships, Pride in Brixham)	Ongoing	Harbour Masters
Improve understanding of the work of the Harbour Authority through talks, boat trips, open days, etc.	Ongoing	Executive Head & Harbour Masters

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PRIORITY No. 5: ENCOURAGE LOCAL PROSPERITY

The outcomes we want to achieve are:

- **Capitalise on Torbay’s maritime setting**
- **Support for the local economy and economic growth**
- **Regeneration of the enclosed harbours of Brixham, Paignton and Torquay**
- **Enable a strong and sustainable Fishing Industry**

ACTIONS	Timescale	Who
By working with stakeholders investigate options to improve the management of the new Fish Market complex	March 2015	Executive Head
Produce a schedule of Maritime Events (Annually)	January 2015	AHM Torquay
Contribute to tourism by working to support event organisers	Ongoing	All Harbour Staff
Work collaboratively with the English Riviera Tourism Company Ltd, especially in respect of marketing and promoting Tor Bay Harbour	Ongoing	Harbour Masters & ERTC
Contribute to tourism by providing visitor mooring facilities (Annually)	Ongoing (May ~ Oct)	Harbour Masters
Work with the Economic Development Company (TDA), the Mayor and the Council on marine and waterfront projects	Ongoing	Executive Head & Harbour Committee
Work with the Economic Development Company (TDA) to prepare an economic and strategic impact assessment of the Council’s harbour authority function	December 2014	Executive Head & TDA
Work with the Economic Development Company (TDA), the Mayor, the Council and the Local Enterprise Partnership (LEP) on maximising the potential benefits of the SW Marine Energy Park and City Deal for Tor Bay Harbour Authority	Ongoing	Executive Head & Harbour Committee Director of Place & Resources
Agree the Tor Bay Harbour Authority Business Plan (Annually)	March 2015	Harbour Committee
Continue to assess and explore all potential grant funding opportunities on an on-going basis, including in particular, any new European funding programmes and Environment Agency flood defence options	June 2014	Executive Head & TDA

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KEY THEMES – A HEALTHY BAY, A PROSPEROUS BAY AND A HAPPY BAY

PRIORITY No. 6: ACHIEVE FINANCIAL STRENGTH

The outcomes we want to achieve are:

- **Effective financial management of the harbour**
- **To operate ‘ring-fenced’ accounts and remain self-financing**
- **Full occupancy of harbour facilities**
- **100% of harbour estate properties let**
- **Effective management of all harbour assets**
- **Effective management of business risks**

ACTIONS	Timescale	Who
Keep existing businesses and attract new activities, including direct and indirect marketing and promotion.	Ongoing	Executive Head & Harbour Committee
Monitor variation on budgeted income	Quarterly	Executive Head & Harbour Committee
Monitor variation on budgeted expenditure	Quarterly	Executive Head & Harbour Committee
Produce an Asset Management Plan for the Business Unit (Annually)	March 2015	Executive Head
Review the Risk Register for the Business Unit (Annually)	September 2014	Executive Head
Review the future use of the Harbour Light Restaurant building	June 2014	Executive Head & TDA
Test and review a Business Continuity Plan for the Business Unit	July 2014	Harbour Masters
Maximise harbour estate lettings occupancy	Quarterly	Executive Head & Harbour Committee
Undertake Energy Audits at each enclosed harbour (linked to Priority 3 above to reduce carbon emissions)	November 2014	Harbour Masters
Set the Tor Bay Harbour Charges and Harbour Budget (Annually)	December 2014	Harbour Committee
Review the Audit Plan for Tor Bay Harbour Authority (Annually)	June 2014	Harbour Committee

Key

Executive Head	Executive Head of Tor Bay Harbour Authority	TBC	Torbay Borough Council
ERTC	English Riviera Tourism Company Ltd	EA	Environment Agency
TDA	Torbay Development Agency (Economic Development Co.)		

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7. Budget and Financial Planning

TORQUAY and PAIGNTON HARBOURS

PROJECTED OUTTURN 2013/14 and APPROVED BUDGET 2014/15

Expenditure	OUTTURN	PROJECTED	APPROVED
	2012/13	OUTTURN	BUDGET
	£000	2013/14	2014/15
		£000	£000
Operations and Maintenance :-			
Harbour Attendants Salaries and Wages	138	141	143
Repairs and Maintenance	163	153	123
Rent Concessions	1	2	2
Other Operating Costs	97	153	143
Management and Administration :-			
Salaries	175	173	139
Internal Support Services	109	81	83
External Support Services	20	19	21
Other Administration Costs	53	78	77
Capital Charges	177	178	232
Contribution to Patrol Boat Operation	5	0	3
Contribn to General Fund - Cash Dividend	25	59	65
Contribn to General Fund - Asset Rental	0	0	64
	963	1,037	1,095
Income			
Rents and Rights :-			
Property and Other Rents/Rights	268	260	262
Marina Rental	200	240	227
Operating Income :-			
Harbour Dues	64	72	54
Visitor and Slipway	44	49	43
Mooring fees	64	78	42
Town Dock	251	253	265
Torquay Inner Harbour pontoons			126
Boat and Trailer parking	37	37	38
Other Income	48	28	29
Contribution from Reserve	0	30	0
	976	1,047	1,086
Operating Surplus /(Deficit)	13	10	(9)

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BRIXHAM HARBOUR

PROJECTED OUTTURN 2013/14 and APPROVED BUDGET 2014/15

Expenditure	OUTTURN	PROJECTED	APPROVED
	2012/13	OUTTURN	BUDGET
	£000	2013/14	2014/15
		£000	£000
Operations and Maintenance :-			
Harbour Attendants Salaries and Wages	149	194	223
Repairs and Maintenance	143	180	120
Rent Concessions	4	2	2
Other Operating Costs	405	359	375
Management and Administration :-			
Salaries	136	148	117
Internal Support Services	93	68	70
External Support Services	20	19	21
Other Administration Costs	71	95	61
Capital Charges	292	291	292
Leased properties	26	0	0
Contribution to Patrol Boat Operation	5	0	3
Contribn to General Fund - Cash Dividend	36	81	83
Contribn to General Fund - Asset Rental	0	0	61
	1,380	1,437	1,428
Income			
Rents and Rights :-	216	215	222
Rents and Rights	147	179	170
Marina Income			
Operating Income :-			
Harbour Dues	90	87	95
Visitor and Slipway	12	5	13
Mooring fees	138	138	142
Fish Tolls income	675	650	650
Other Income	99	96	101
Contribution from Reserve	83	30	0
	1,460	1,400	1,393
Operating Surplus /(Deficit)	80	(37)	(35)

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TORQUAY AND PAIGNTON HARBOURS - FUTURE YEARS

	APPROVED ESTIMATE 2013/14 £000	PROJECTED OUTTURN 2013/14 £000	PROVISIONAL ESTIMATE 2014/15 £000	PROVISIONAL ESTIMATE 2015/16 £000	PROVISIONAL ESTIMATE 2016/17 £000	PROVISIONAL ESTIMATE 2017/18 £000
1. EXPENDITURE						
Employees	325	314	282	287	291	297
Maintenance	153	153	123	126	129	132
Rent Concessions	2	2	2	2	2	2
Other Costs	153	239	231	237	243	249
Town Dock excl Cap Financing	5	11	5	5	5	5
Capital Financing	178	178	168	168	168	168
Patrol Boat Deficit	3	0	3	3	3	3
Support Services	124	81	83	85	87	89
	<u>943</u>	<u>978</u>	<u>907</u>	<u>923</u>	<u>938</u>	<u>955</u>
2. INCOME						
Marina Rent	222	240	227	227	227	227
Rent and Other	260	260	262	262	262	262
User Charges /Other	251	294	273	273	273	273
User Charges - Town Dock	250	253	265	265	265	265
	<u>983</u>	<u>1,047</u>	<u>1,027</u>	<u>1,027</u>	<u>1,027</u>	<u>1,027</u>
Contributions to General Fund	59	59	129	129	129	129
Projected Net Surplus/(Deficit) before charges increases	(19)	10	(9)	(25)	(40)	(57)
<u>Cumulative effects of increasing charges/growth</u>						
User charges 2.5% year on year				7	14	21
Town Dock charges 2.5% year on year				7	14	21
Marina rentals 1% year on year				2	2	2
Potential Net Surplus/(Deficit)	(19)	10	(9)	(9)	(10)	(13)
Total Reserve level at Year End	621		586	325	110	102
Revenue Deficit Reserve level at Year End (minimum level)	237	0	209	205	209	211
Capital Projects Reserve level at Year End*	384	0	377	120	0	0

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BRIXHAM HARBOUR - FUTURE YEARS

	APPROVED ESTIMATE 2013/14 £000	PROJECTED OUTTURN 2013/14 £000	APPROVED ESTIMATE 2014/15 £000	PROVISIONAL ESTIMATE 2015/16 £000	PROVISIONAL ESTIMATE 2016/17 £000	PROVISIONAL ESTIMATE 2017/18 £000
1. EXPENDITURE						
Employees	376	342	340	345	349	356
Maintenance	120	180	120	123	126	129
Rent Concessions	4	2	2	2	20	2
Other Costs	389	473	457	468	480	492
Patrol Boat Deficit	3	0	3	3	3	3
Support Services	107	68	70	72	74	76
	1,290	1,356	1,284	1,305	1,344	1,350
2. INCOME						
Marina Rent	162	179	170	170	170	170
Rent and Other	215	215	222	232	240	240
Fish Tolls	650	650	650	650	650	650
User Charges	329	356	351	351	351	351
	1,356	1,400	1,393	1,403	1,411	1,411
Contributions to General Fund	81	81	144	144	144	144
Projected Net Surplus/(Deficit) before charges increases	(15)	(37)	(35)	(46)	(77)	(83)
<u>Cumulative effects of increasing charges/growth</u>						
User charges 5% year on year				9	18	27
Marina rentals 0% year on year				2	2	2
Potential Net Surplus/(Deficit)	(15)	(37)	(35)	(35)	(57)	(54)
Total Reserve level at Year End	543		174	115	81	25
Revenue Deficit Reserve level at Year End (minimum level)	237		280	279	283	286
Capital Projects Reserve level at Year End	306					

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Cash Dividend and Asset Rental Charge to the Council's General Fund

Torbay Council's general fund budget is facing a shortfall of approximately £26m for 2014/15 & 2015/16 and all council business units have been asked to make savings and/or look at income opportunities to help reduce the deficit. The Chairman of the Harbour Committee and the Executive Head of Tor Bay Harbour Authority therefore agreed to recommend an increase of £125,000 to the cash contribution payable to the general fund from the harbour accounts for each of the next two years (2014/15 & 2015/16). Furthermore it was also agreed to take on a £25,000 public toilet liability by moving Beacon Quay (Torquay), Roundham Road (Paignton) and New Pier (Brixham) toilets into the harbour estate/budget on a permanent basis. On 16th December 2013 the Harbour Committee agreed to this additional contribution on top of the existing cash dividend representing 6% of harbour income. It was understood that the recommendation relating to the cash contribution should be reviewed after 2015/16. It was also agreed by the Harbour Committee that any operating surplus in 2013/14 and the next two years be passed to the Council's general fund (providing the harbour reserve levels are not below the minimum recommended level).

The Harbour Committee has previously indicated that the delivery of a fully commissioned harbour authority service could reduce some of the existing support & fixed costs and that such cost reduction and efficiency gains, if they were achieved, would place the harbour authority in a better position to potentially continue paying a cash dividend in future years. i.e. beyond the current financial crisis. In 2007 Torbay Council decided to accept the main findings of the Municipal Ports Review and the concept of paying a dividend and/or an asset rental fee to the "owning authority" is clearly mentioned within this review. However, the total contribution for 2014/15 and 2015/16 amounts to £273k (each year) and this has and will continue to put considerable pressure on the harbour authority budget.

Harbour Reserve Funds

The balance on the Harbour Reserve Funds forms part of the Council's overall cash balances which are invested in line with the annual Treasury Management Strategy approved by Council. The strategy sets out assumptions on interest rates and the controls for maintaining security of cash. Since 2010/11 investments have yielded annual returns of 1.25%, 1.40% and 1.50% with 1.10% anticipated for 2013/14. Global economic and market conditions continue to subdue investment rates with no increase in UK Bank Rate forecast until 2015 and enhanced rates previously available to Local Authorities being withdrawn. A return of 0.84% has been budgeted for 2014/15 but with risk to the downside.

Torbay Council's current Treasury Management Strategy can be found at:-

http://www.torbay.gov.uk/index/council/financial_services/treasurymanagement.htm

The balances of the Harbour Reserve Fund at 1st April 2013 were;

Torquay and Paignton Harbours	-	£ 621,662
Brixham Harbours	-	£ 522,922

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8. Targets and Performance Indicators

The following are a selection of targets and performances indicators that are tracked on the Council's corporate performance management system – SPAR.NET.

Harbour Users Survey – Overall quality of service recorded as either Average, Good or Excellent. Changed for 2009/10 to Good or Excellent only.

Year	Target	Actual	Status
2007/08	95%	97%	On Target
2008/09	97%	100%	On Target
2009/10	85%	86%	On Target
2010/11	86%	82%	On Target
2011/12	85%	81.6%	On Target
2012/13	85%	80.7%	Below Target

Brixham Harbour Fish Tolls

Year	Target	Actual	Status
2007/08	£450,000	£526,102	Well Above Target
2008/09	£485,000	£465,778	On Target
2009/10	£485,000	£471,248	On Target
2010/11	£485,000	£556,620	Well Above Target
2011/12	£474,000	£739,192	Well Above Target
2012/13	£525,000	£674,819	Well Above Target
2013/14	£650,000		

Navigation Lights Availability

Year	Target	Actual	Status
2007/08	100%	99%	On Target
2008/09	100%	100%	On Target
2009/10	100%	100%	On Target
2010/11	100%	100%	On Target
2011/12	100%	99%	On Target
2012/13	100%	98%	On Target
2013/14	100%		

Harbour estate lettings occupancy

Year	Target	Actual	Status
2007/08	100%	99%	On Target
2008/09	100%	97%	On Target
2009/10	100%	96%	On Target
2010/11	100%	96%	On Target
2011/12	100%	97.5%	On Target
2012/13	100%	99.2%	On Target
2013/14	100%		

9. Business Plan Acceptance Statement

Business Plan Acceptance

Business Unit - Tor Bay Harbour Authority	Business Plan 2014/15
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Signed and accepted by Executive Head Tor Bay Harbour Authority	<i>Print and Sign</i>
Date	

Signed and accepted by Harbour Committee Chairman	<i>Print and sign</i>
Date	

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APPENDIX 1

Tor Bay Harbour Port Masterplan

Please find a copy at :-

<https://www.torbay.gov.uk/harbours/aboutus/portmasterplan.htm>

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APPENDIX 2

Municipal Ports Review

“Opportunities for Ports in Local Authority Ownership”

Please find a copy at :-

<http://webarchive.nationalarchives.gov.uk/+http://www.dft.gov.uk/pgr/shippingports/ports/opportunities/>

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APPENDIX 3

Plan of Tor Bay Harbour

