



**Meeting: Harbour Committee**

**Date: 23<sup>rd</sup> March 2015**


**Wards Affected: Berry Head with Furzeham**

**Report Title: Oxen Cove – Proposals for employment use**

**Executive Lead Contact Details: Non-Executive Function**

**Supporting Officer Contact Details: Kevin Mowat**

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

 **Telephone: 01803 292429**

 **E.mail: [Kevin.Mowat@torbay.gov.uk](mailto:Kevin.Mowat@torbay.gov.uk)**

## **1. Purpose**

- 1.1 This report identifies an alternative use for Oxen Cove as employment space to support the marine sector and provide employment in Torbay.
- 1.2 The Harbour Committee is asked to provide strategic advice to the Council and the Mayor as to the future use of Oxen Cove and specifically in respect of the proposals set out in this report.

## **2. Proposed Decision**

- 2.1 **That, as suggested by the Harbour Asset Review Working Party, the Harbour Committee recommends to the Council and the Mayor, that Oxen Cove should be considered for use as employment space to support the marine industry, in line with the aspirations contained within the Port Masterplan.**

## **3. Action Needed**

- 3.1 The Committee needs to consider the content of this report in the context of the Tor Bay Harbour Port Masterplan and provide appropriate advice, from a harbour authority perspective, to the Council and to the Mayor.

## **4. Summary**

- 4.1 The inclusion of Brixham in the Plymouth & Peninsula City Deal as a location for marine businesses has already brought forward several enquiries for employment space in Brixham for different employment uses relating to the marine economy. One particular enquiry, being handled by the Torbay Development Agency (TDA), is now well developed and would bring a fully functioning boat building & assembly operation to Brixham and create initially 12 skilled jobs and apprenticeships. The operation would also increase the Torbay and the Heart of the South West Local

Enterprise Partnership (HoSW LEP) export figures and provide the ability for the area to be recognised for marine investment from overseas and UK.

- 4.2 This business and investment enquiry needs a response in terms of the suitability of the proposed location, the strategic fit and the impact on existing use, including immediate stakeholders and the local community.

---

## Supporting Information

### 5. Position

#### 5.1 Strategic Fit

##### Local Plan

Oxen Cove is listed in the Local Plan under Part 4 Spatial Strategy and policies for strategic direction – SDB2 – suggesting a focus on marine related employment uses.

##### Port Masterplan

This Plan makes reference to a “new reclaimed area along the south western side of the Outer Harbour to provide a berth for Pelagic fishing vessels, facilities for a hatchery and shellfish storage and depuration, a boat maintenance facility, a recreational slipway (to replace the Oxen Cove slipway), boat repair businesses, boat building, marine related retail premises, additional car parking, boat storage and a facilities building for a new marina”. It also refers to “improved access to Oxen Cove and Freshwater Quarry via Overgang Road and Blackball Lane”, which has been delivered in part. The Executive Head of Tor Bay Harbour Authority sees the proposal as aligned to the Port Masterplan.

##### Neighbourhood Plan

The neighbourhood plan explicitly identifies Oxen Cove as being appropriate for development to support the employment needs of the town particularly “for marine related industries and small workspace”.

##### Economic Strategy

The Economic Strategy under Priority 2 – Sustaining the core economy - lists a key action of supporting the delivery of the ‘Marine Action Plan’. This relates to improvement of harbour infrastructure and development of the marine science sector. Opening up Oxen Cove would complement the Brixham Laboratory space, which is positioned for this sector. The current live enquiries are also consistent with Priority 3 Raising Skill Levels and creating employment opportunities for all. In the case of this enquiry skilled boat building, repair and welding skills (which are difficult to find in the workforce) would be enhanced and the company would work with South Devon College in this regard. Other live enquiries include marine science as well as fish and seafood processing, all of which are key sectors in the inward investment strategy.

## City Deal

Oxen Cove is highlighted in the City Deal as a strategic site for the marine economy and specifically marine engineering.

- 5.2 With regards to the boat building enquiry the company is considering the opportunity to relocate their boat building and repair operation to Brixham, specifically at Oxen Cove. A primary reason for this is for better, less restricted access to open water. With direct access to the sea, that the location in Oxen Cove would provide, the company would be able to compete for larger contract orders, which would boost the excellent working relationship they already have with international suppliers. The company have also been made a conditional offer of support under the Torbay Growth Fund.

(The international supplier linked to the current enquiry is a global defence prime contractor and a designer and manufacturer of defence and commercial ships. For more than 25 years, the company has been a leader in the design, construction and maintenance of revolutionary ships for Governments, Navies and Ferry operators around the world. More than 250 vessels have been delivered in that time)

The TDA also have other live enquires at the site from companies interested in aquaculture and seafood processing. It should be noted that these enquires, including the above, have occurred without proactive marketing of the site and are in target sectors for inward investment for Torbay and in part for the Local Enterprise Partnership.

- 5.3 Additional complementary services to the local marine sector

A large proportion of the boats built are for overseas markets. The company also has a fabrication and marine salvage/reclamation business and holds a licence from the Environment Agency allowing them to scrap/decommission old boats including fishing vessels. Furthermore the company would be keen to provide services to the fishing fleet and leisure craft in terms of boat lifting, repairs, etc.

- 5.4 Proposed rental income

The relevant rent will be dictated by the lease terms and if the lease is to contain a restriction as to use then such will impact on the value. If the restriction is as to industrial use then the Council may struggle to achieve a high rental value. The Council could fund and provide a building or just provide the site for the company to build their own accommodation. Although the rent of a building will be much higher than a simple ground rent, the Council would need to deduct the cost of borrowing, which could make the ground rent a more attractive option. Likely rents and costs are not detailed in this report as the Harbour Committee is only being asked for strategic advice. The company are looking for a 25-year lease and require a building footprint of 60m long, 20m wide and 12m high.

- 5.5 Parking Implications

Any form of development on Oxen Cove will inevitably result in implications for Torbay Council and the local community owing to the number of car parking spaces

(84) and the coach parking spaces (12) located at Oxen Cove. These spaces currently deliver income to the Council, so in determining whether to develop Oxen Cove the Council will want to have regard for that income and consider whether those lost spaces might be recreated or displaced elsewhere. A suitable park and ride scheme may provide a solution or perhaps the number of car park spaces at alternative sites could be expanded through creating a multi storey car park if required. Torbay Council's transport planners have worked up a scheme for a park and ride transport hub (near the junction of A379 with A3022), which indicates a cost in the region of £750,000. Funding of £600,000 has been sought for this scheme from the LEP Growth Deal and the Council intend to work with the existing bus operator to deliver this new facility.

#### 5.6 Potential business rates

The Council's business rates team estimate that a building of around 1200 square metres will have a rateable value of around £54,000 with a rate income of £26,622. However, the final determination on rateable value is with the Valuation Office Agency. The existing income from rates is around £11,600 pa based on 84 car parking spaces and 12 coach bays. Therefore, the uplift in business rates income would be approximately £15,000.

#### 5.7 Brixham Regeneration Funding

Members of the Harbour Committee may recall that the funding received for the Brixham Regeneration project from the South West Regional Development Agency had clauses in the offer letter relating to the use of the site. There continues to be an obligation on Torbay Council to seek to deliver the regeneration scheme outlined at that time which envisaged the development of Oxen Cove and Freshwater Quarry for a mix of uses including residential, leisure and commercial. Discussions with the Homes & Communities Agency, now responsible for administering the offer letter, have not resulted in any concerns being identified regarding the use of Oxen Cove for employment.

### 6. **Possibilities and Options**

#### **Advantages**

- 6.1 To better position Torbay for future additional inward investment in this key sector.
- 6.2 To secure employment in a target sector for Torbay and the LEP with growth potential in terms of jobs and exports.
- 6.3 To provide Torbay with much needed skilled employment and apprenticeship opportunities for young people, linking with South Devon College.
- 6.4 Provide additional services to the fishing fleet and leisure craft with lifting, boat storage and other ancillary services.
- 6.5 Uplift in business rates for the Council over the current use, the specific amount to be determined due to many variables.
- 6.6 To be the home of a successful exporting boat building operation or other employment generating uses.

## **Disadvantages**

- 6.1 Potential net loss of car parking revenue to the council of circa £50,000, however, a park and ride scheme and other Council car parking sites may provide suitable mitigation.
- 6.2 Potential loss of coach parking spaces but this could be the catalyst to consider other alternative options.
- 6.3 Income from a ground rent only is unlikely to cover the revenue shortfall from parking. Equally, a higher rent will not achieve this shortfall and at the same time fund all of the necessary capital investment. Other sources of capital funding would be required to construct a building and/or develop a park and ride scheme.
- 6.4 A public slip is located in Oxen Cove, which is important for Brixham Yacht Club, the launching of small boats and the owners of kayaks & canoes.
- 6.5 Oxen Cove is also used for the winter storage of boats and the harbour authority derive a modest income from this activity. Winter storage could, at best, continue at this location and at a similar level, but in the worse case, it would be lost or displacement.

## **7. Preferred Solution/Option**

- 7.1 To recommend to the Council and Mayor that, subject to further consultation with harbour users and the community, Oxen Cove can be considered for use as employment space to support the marine industry and in particular boat building and boat repair activity.

## **8. Consultation**

- 8.1 This proposed change of use at Oxen Cove has been discussed with the Executive Head of Tor Bay Harbour Authority, the Senior Service Manager (Planning), the Head of Highways, Brixham Town Council and the Brixham Future group. Members of Brixham Town Council and Brixham Future visited the company's existing facility, with the TDA, to look at the extent of the boat building operations and the restrictions with their current site. They supported the company's need for an alternative site and the proposal for a boat building operation in Oxen Cove.
- 8.2 On the 5<sup>th</sup> March 2015, the Harbour Committee's Asset Review Working Party discussed this proposal and agreed to recommend that Oxen Cove should be considered for use as employment space to support the marine industry, in line with the aspirations contained within the Port Masterplan.
- 8.3 It has been suggested that a community consultation event should be held in Brixham with wider stakeholders. e.g. Brixham Yacht Club, Chamber of Trade, etc.

## **9. Risks**

- 9.1 The investment will reduce the number of car and coach parking spaces in Oxen Cove, leading to displaced parking. Direct parking income to the Council could be eroded up to the net value of £50,000. However, the Council's proposed park and ride transport hub would provide additional parking space and therefore reduce

vehicle congestion in the centre of Brixham.

- 9.2 Advice from the TDA is that the enquiry should be supported; otherwise, Torbay could lose the opportunity to attract a growing potential inward investor and further inward investment. If this became a site of strategic importance within the LEP marine industry sector our profile would be increased amongst UK Trade & Investment for foreign direct investment enquiries (UKTI have overseas posts Worldwide promoting the UK for investment).
- 9.3 There are potential risks from a planning perspective with residents at Dalverton Court who may oppose the change of use.
- 9.4 The company has the capacity to generate further increases in export revenues, which would be lost if they cannot move operations to Oxen Cove.
- 9.5 Boat building, as an industry, is known to have 'peaks & troughs' but this risk can be mitigated by ensuring that a diverse range of services are on offer.
- 9.6 The change of use could affect the route of the South West Coastal Footpath and the current access arrangements to the public slipway at Oxen Cove.

### **Appendices**

None

### **Additional Information**

Tor Bay Harbour Port Masterplan - 2013