



Meeting: Harbour Committee

Date: 26th June 2017

Wards Affected: Berry Head with Furzeham

Report Title: Employment Use at Oxen Cove

Executive Lead Contact Details: Non-Executive Function

Supporting Officer Contact Details: Kevin Mowat
Executive Head of Business Services
Tor Bay Harbour Master
☎ Telephone: 01803 292429
✉ Email: Kevin.Mowat@torbay.gov.uk

1. Purpose

- 1.1 The Harbour Committee is being asked to authorise work to further explore and develop options related to the provision of facilities in Oxen Cove, or adjacent to Freshwater Quarry, at Brixham harbour, that will support the shellfish industry.
- 1.2 Additional feasibility work, including design and cost estimates, is now required to develop a viable business case linked to new revenue streams and external grant funding.
- 1.3 It will be necessary to commission the Torbay Development Agency and/or other specialist professional support services to undertake the work identified in 1.2 above.

2. Proposed Decision

- 2.1 That the Harbour Committee is supportive of proposals for the development and future use of Oxen Cove and/or Freshwater Cove to provide facilities connected with the shellfish industry.
- 2.2 That the Executive Head of Business Services is authorised to work up detailed proposals for a dedicated landing jetty adjacent to Oxen Cove or Freshwater Quarry.
- 2.3 That the Executive Head of Business Services is authorised to work up detailed proposals for a shellfish storage, depuration and processing facility in or adjacent to Oxen Cove or Freshwater Quarry.
- 2.4 That the Executive Head of Business Services is authorised to investigate and develop an application for external funding and identify suitable fishing industry partners.

2.5 That, subject to a viable business case, the Executive Head of Business Services is asked to submit detailed proposals in a further report to the Harbour Committee and Council, to enable development to commence.

3. Action Needed

- 3.1 If authorised by the Harbour Committee, the Executive Head of Business Services will need to commission the Torbay Development Agency and/or other specialist professional support services, to develop more detailed proposals for the future use of Oxen Cove and/or Freshwater Cove in response to a growing demand for new facilities in support of the local shellfish industry.
- 3.2 The Executive Head of Business Services will need to continue to work with the shellfish sector and in particular the mussel farm industry as well as those that handle, distribute and export live crab. Discussions with the sector will help to determine the exact nature of the required specialist facilities and the preferred locations.
- 3.3 It will also be necessary to identify all potential sources of external funding as well as suitable investment partners within the shellfish industry. A viable business case needs to be developed and a further report presented to the Harbour Committee and the Council.

4. Summary

- 4.1 A growing demand exists for new infrastructure and processing facilities in support of the shellfish sector of the fishing industry in Brixham.
- 4.2 Further work is necessary to establish the exact needs of the sector, understand the grant funding opportunities that exist, identify suitable investment partners and to produce a viable business plan that can be presented to the Harbour Committee and the Council.
- 4.3 The future use of Oxen Cove and/or the Freshwater Quarry area of Brixham, for employment purposes, is clearly identified in a number of strategic plans. In particular the Torbay Local Plan, the Tor Bay Harbour Port Masterplan and the emerging Brixham Peninsula Neighbourhood Plan.

Supporting Information

5. Position

- 5.1 Brixham harbour remains the largest fishing port in England and Wales in terms of the value of the fish landed and/or sold on the market. In 2016/2017 the total value of the fish sold on Brixham fish market amounted to £35.7m with some £805k passing through the harbour account in the form of fish tolls.
- 5.2 A £22m regeneration scheme in 2010/11 led to the construction of a new fish market and landing facilities, which were formally opened by HRH Princess Royal in March 2011. This investment in modern and fit for purpose facilities has seen an increase in the number of vessels landing at Brixham and an associated growth in

the value of fish sold on the market.

- 5.3 In recent years both existing and new shellfish operators have expressed an interest in developing specific facilities for the handling, storage, depuration and processing of their products. The investment and regeneration of the fish market and associated facilities in 2010/11 was not particularly aimed at the shellfish sector although early proposals did see buildings designed with salt water extraction and these were to be located in Oxen Cove. However, this element of the regeneration scheme was later removed as a cost reduction measure.
- 5.4 One particular local company, Offshore Shellfish Ltd (OSL), have had extended discussions with the Harbour Authority and the Torbay Development Agency. OSL have agreed that their Outline Business Development Plan can form part of this report and it is attached as Appendix 1.
- 5.5 Offshore Shellfish Ltd (OSL) was established to develop the first fully offshore, large scale, suspended rope grown mussel farm in Europe. Brixham was chosen as their shore base due to its existing infrastructure and the evidence shown for future potential described in the Tor Bay Harbour Port Masterplan. The first phase began build-out in 2016 and approximately 150 headlines are currently in place and these are expected to produce a harvest in 2017 of around 1,000 tonnes. Additional headlines will be added over the next few years, which will steadily increase production capacity to around 10,000 tonnes per year. Over the next five years, the staged development will see the company increase the total annual production of farmed mussels in the UK by 40% and generate a first sale value of £10m ~ £15m. Assuming that these values can be achieved a new revenue stream of between £250,000 and £375,000 per year could be generated based on landing fees of 2.5%. As the offshore farm develops towards full production it will have the capacity to harvest and despatch 50 to 100 tonnes of high quality mussels per day in bulk.
- 5.6 In order to supply the market, OSL has an urgent need for an onshore wet storage facility. This will facilitate storage of a buffer stock that will enable OSL to give better continuity of supply of live mussels to its customers during periods of poor weather. The facility will also allow the company to rest and re-water the mussels after the stress of harvesting; this will reduce losses and improve quality and shelf life, making long distance live transport more practical. In addition to facilitating better quality product for the bulk markets, the wet storage units will feed directly into adjacent primary and secondary processing, packing and chilling facilities.
- 5.7 The overall requirement for a company such as OSL is for a quayside building with a ground floor area of around 2,000m². Further space would be needed on upper floors for offices, laboratory, development kitchen, staff facilities and a storage space for packaging. It is feasible that a viewing area/product sampling area could be built in to enable visitors to tour the facility and educational groups to be accommodated.
- 5.8 Predicted mussel landings from OSL during 2017/18 can be reasonably accommodated within the current infrastructure of Brixham harbour, but from 2018/19 onwards predicted volumes mean that it will be necessary to have a dedicated landing berth and OSL have indicated that it would be most practical for the jetty to be adjacent to the wet storage and processing facility.

- 5.9 OSL's proposed development will bring significant employment and other economic benefits to the Torbay region, as well as an economic benefit to the national economy through exports or indeed the reduction of imports. OSL currently employ 8 people and are recruiting 4 more in 2017. These are full time salaried positions with training and long-term career possibilities in a growing and sustainable industry. The company have an existing 15m harvesting vessel and a new 24m harvesting vessel arriving this summer. At full production OSL expect to have other additional vessels, around 20 seagoing crew, 3 maintenance yard staff, 5 administration, sales and management personnel, and 50 or more staff in the wet store and processing plant, depending on throughput and product types. In total this one employer could generate in the region of 80 jobs based in Brixham.
- 5.10 Oxen Cove is currently used for a variety of different purposes including car parking, coach parking, boat storage and other miscellaneous storage. Freshwater Quarry is also used for car parking and the South West Coastal Footpath runs along the seaward edge of both areas.
- 5.11 In the Torbay Local Plan, Policy SS5 identifies Oxen Cove & Freshwater Cove for mixed use harbourside development with a focus on marine related employment uses. Policy SDB1 sets out the growth for the Brixham Strategic Delivery Area, with a clear indication that Oxen Cove provides an opportunity for the Neighbourhood Plan to include the site as a source for employment floor space, indicating 2,000m². There are several other references within the Local Plan that suggest that Oxen Cove is allocated for employment, targeted at the maritime sector.
- 5.12 The Tor Bay Harbour Port Masterplan suggests that a new reclaimed area along the south western side of the Outer Harbour should 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 and boat storage, a Facilities Building for a new marina and improved access to Oxen Cove"*. Reclaiming land may well be cost prohibitive but without additional space, the existing area of Oxen Cove is simply not large enough to accommodate all of the activities identified in the above statement. It can be seen from Appendix 2 that even a smaller footprint of 1650m² will occupy the majority of the available space in Oxen Cove. The Port Masterplan goes on to say that Oxen Cove is a good site for marine related industry.
- 5.13 Policy E1 within the emerging Brixham Peninsula Neighbourhood Plan sets employment land and Oxen Cove is identified, along with Freshwater, as collectively allocated for 2000m² of floor space. The draft Plan also refers to a short re-alignment of the route of the South Devon Coastal Path to accommodate the change to employment use, which is eminently sensible and for safety reasons, entirely necessary.

6. Preferred Solution/Option

- 6.1 For the Harbour Committee to be supportive of proposals for the development and future use of Oxen Cove and/or Freshwater Cove for employment purposes so as to provide facilities connected with the shellfish industry.
- 6.2 For the Executive Head of Business Services to commission the Torbay Development Agency and/or other specialist professional support services to undertake additional feasibility work, including design and cost estimates for a dedicated landing jetty adjacent to Oxen Cove or Freshwater Quarry, along with new shellfish processing facilities. Basic floor plans and initial design work, along with provisional costs can be seen in Appendices 2 to 4.
- 6.3 For the Executive Head of Business Services to investigate and develop an application for external funding and identify suitable fishing industry partners, so that a viable business plan that can be presented to the Harbour Committee and the Council.

7. Consultation

- 7.1 The Torbay Local Plan, the Tor Bay Harbour Port Masterplan and the emerging Brixham Peninsula Neighbourhood Plan have all undergone extensive public consultation exercises. Furthermore the Brixham Harbour Liaison Forum is aware of proposals for the Oxen Cove area.
- 7.2 As part of the more detailed feasibility work additional stakeholder groups will be contacted regarding these proposals, however, the allocation of space in the Oxen Cove/Freshwater Quarry area for employment related use (a departure from the existing uses) represents a policy that is well established in a range of strategic plans.
- 7.3 Any future construction work on or over the water will require a marine license issued by the Marine Management Organisation. Also, the development of land based facilities will require planning consent. Both of these consent processes will incorporate further public consultation.

9. Risks

- 9.1 A budget will be required to commission additional feasibility work, including design and cost estimates for a dedicated landing jetty and new shellfish processing facilities. There is a possibility that these proposals may not reach the development/construction phase and therefore the funding for this work is being undertaken at risk.
- 9.2 There is a risk that marine licensing and land use planning consent is not forthcoming but this matter is mitigated by clear policy statements within a range of existing and emerging strategic plans.
- 9.3 Development in Oxen Cove/Freshwater Quarry for employment use may upset local residents and ramblers using the South West Coastal Footpath. Local residents should be aware of the policies within the local strategic plans and it is an established practice to divert public footpaths around areas where the operational needs of the harbour have primacy.

- 9.4 There is a risk that a significant opportunity will be missed for the local shellfish industry, as well as the local economy and local employment, if the Council do not explore further the potential for a dedicated landing jetty, along with new processing facilities, in the Oxen Cove/Freshwater Quarry area.

Appendices

- Appendix 1 Offshore Shellfish Ltd – Outline Business Development Plan - May 2017
Appendix 2 Drawing – Oxen Cove Mussel Processing Facilities – Option 1 – Nov 2016
Appendix 3 Drawing – Oxen Cove Mussel Processing Facilities – Option 2 – Nov 2016
Appendix 4 Cost Estimates - Mussel Processing Facilities & Landing Jetty – Nov 2016

Additional Information

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

Tor Bay Harbour Authority Port Masterplan – July 2013
www.tor-bay-harbour.co.uk/harbours/aboutus/portmasterplan

Torbay Local Plan 2012 ~ 2030
www.torbay.gov.uk/localplan

Brixham Peninsula Neighbourhood Plan Preliminary Summary Consultation Document
January 2017
www.brixhampeninsula.com/comment/documents