



**Meeting: Harbour Committee**

**Date: 19<sup>th</sup> March 2018**

**Wards Affected: All wards in Torbay**

**Report Title: Review of the Tor Bay Harbour Authority Asset Management Plan**

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

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## **1. Purpose**

- 1.1 The Harbour Authority operates a number of Council assets to deliver a safe and sustainable harbour to serve the needs of our communities; improve the lives of those who live and work in the Bay; and assist in regenerating Torbay as an attractive visitor destination.

## **2. Proposed Decision**

- 2.1 **That the Tor Bay Harbour Authority Asset Management Plan 2018/19 be approved.**

## **3. Action Needed**

- 3.1 If adopted, the Harbour Authority implements the Tor Bay Harbour Authority Asset Management Plan 2018/19.

## **4. Summary**

- 4.1 The Tor Bay Harbour Authority Asset Management Plan is the means by which the Harbour Committee meets its obligations to provide strategic direction for those assets within Tor Bay Harbour and the harbour estate that it manages.
- 4.2 An appropriate asset management plan helps the Harbour Asset Review Working Party monitor the harbour estate; enables the identification of inefficient assets or those which require maintenance; and assists the Harbour Committee to provide the necessary strategic advice in respect of harbour assets.
- 4.3 The harbour's asset maintenance programme is reviewed annually, and prioritised against the results of condition surveys, which are customarily held on the Council's asset register (Torbay Online Asset Database [TOAD]).

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## Supporting Information

### 5. Position

- 5.1 The assets currently managed by the Tor Bay Harbour Authority service on behalf of Torbay Council are governed by the Harbour Committee. Many are critical to the safe operation of the harbour, and others are essential in generating revenue.
- 5.2 The 'harbour estate' means the piers, wharves, quays, berths, roads, sheds and other works and conveniences, and the lands, buildings and property of every description, and of whatever nature, which are for the time being vested in or occupied by the Corporation (Council) as harbour authority and used for the purpose of the harbour undertaking. (Tor Bay Harbour Act 1970)
- 5.3 The estate may be varied from time to time by the Council, having taken full consideration of the operational requirements of the Harbour Authority and the Council's policy to deliver a self-funding, financially sustainable harbour service.
- 5.2 Every June a Harbour Asset Review Working Party is nominated by the Harbour Committee to challenge whether harbour assets are required, fit for purpose and provide value for money. It also provides strategic direction in relation to these assets regarding their retention or disposal. This is in line with the Harbour Committee's Terms of Reference set out in the Council's Constitution.
- 5.3 The Harbour Asset Review Working Party met on the 20<sup>th</sup> February 2018. Officer support to the Working Party was provided by the Head of Tor Bay Harbour Authority/Tor Bay Harbour Master with support from the TDA. All assets were reviewed and the Working Party was satisfied that they could broadly establish how each asset was performing. No assets were identified as being surplus to the requirements of the Harbour Authority.
- 5.4 The Council is the freehold owner of Tor Bay Harbour and the harbour estate. Under the Tor Bay Harbour Act 1970 and 1983, the Council is also the Harbour Authority. Under these Acts the Harbour Authority has a duty to maintain and improve the harbour and the services and the facilities in it and, under the same Acts, the harbour authority is granted the relevant powers to do so.

### 6. Possibilities and Options

- 6.1 It is considered to be best practice for a harbour authority to produce an Asset Management Plan because it assists the Harbour Committee to provide strategic direction in relation to those assets within Tor Bay Harbour and the harbour estate that are managed by Tor Bay Harbour Authority. This Council has developed processes to demonstrate good asset management and a strategy for capital investment. This results in more efficient and effective use of its assets and capital resources in support of its Corporate Priorities and service objectives.
- 6.2 The repair and maintenance budget could be increased further to reduce backlog over a shorter timeframe. This has to be considered with regard to other capital and revenue pressures.

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

- 7.1 To approve and adopt the Tor Bay Harbour Authority Asset Management Plan 2018/19 (see Appendix 1).

## **8. Consultation**

- 8.1 The Asset Management Plan is designed to assist the Harbour Authority to deliver its Business Plan priorities alongside, and complementary to, the provision of its statutory functions.
- 8.2 The Plan has been developed through officer consultation with support from the TDA. It was presented to the Harbour Asset Review Working Party at its meeting on 20<sup>th</sup> February 2018.

## **9. Risks**

- 9.1 Failure to deal with urgent structural repairs could lead to deterioration of the asset base and additional costs. The identified repair demands in the Plan, although only approximate, are significant and are increasing over time. This is a key challenge given the limited availability of both revenue and capital resources.
- 9.2 Unforeseen emergency works, such as storm damage, could disrupt the repairs and maintenance programme. Also, over the period of the maintenance plan there will inevitably be some unforeseen works which arise and need immediate attention. This will require periodic revision of the programme with some works having to be deferred.
- 9.3 Existing annual maintenance funding is dependent on sustaining the current levels of harbour income. Also, the financial settlement for the public sector in future years is uncertain and may significantly affect the Council's ability to implement the Capital Investment Plan and the corporate Asset Management Plan.
- 9.4 Annual maintenance funding has been reduced to help meet the Council's need for a cash dividend, which has been payable since 2012/13 and is likely to continue for some time.

## **Appendices**

Appendix 1 - Draft Tor Bay Harbour Authority Asset Management Plan

## **Additional Information**

None