

**Meeting: Harbour Committee**

**Date: 23 March 2020**

**Wards Affected: All**

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

**Is the decision a key decision? No**

**When does the decision need to be implemented? N/A**

**Cabinet Member Contact Details: Not a Cabinet function**

**Supporting Officer Contact Details: Adam Parnell, Harbour Master, 01803 853321, adam.parnell@torbay.gov.uk**

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## **1. Proposal and Introduction**

1.1 The Tor Bay Harbour Act 1970 empowers the Council to inter alia allot 'lands buildings and property of every description, and of whatever nature [to the] harbour authority ... for the purpose of the undertaking'.

1.2 The harbour authority operates a Harbour Asset Management Plan (AMP) to ensure that such 'lands, buildings and property' are effectively and efficiently employed to further the aims of both the harbour authority as an undertaking and the wider aims of the Council.

## **2. Reason for Proposal and associated financial commitment**

2.1 The AMP is the means by which the harbour committee meets its obligations to provide strategic direction for those assets that it manages.

2.2 An appropriate AMP helps the Harbour Asset Review working party to: monitor the harbour estate; identify inefficient assets or those which require maintenance or disposal; and provide strategic advice in respect of such assets.

2.3 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.

2.4 There are no new financial commitments associated with the adoption of this plan.

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## **3. Recommendation(s) / Proposed Decision**

3.1 That the Harbour Committee approve and adopt the updated Asset Management Plan.

## **Appendices**

Appendix 1: The Tor Bay Harbour Authority Asset Management Plan 2020/21.

## **Background Documents**

None

## Section 1: Background Information

1.

### What is the proposal / issue?

1.1 The Council 'from time to time' vests a number of assets to the harbour authority to ensure that the undertaking remains a safe and sustainable place to serve the needs of our communities; improve the lives of those who live and work in the Bay; and assist in regenerating Torbay.

1.2 The Harbour Committee annually adopts and implements an Asset Management Plan (AMP) as the means by which it meets its obligations to provide strategic direction for those assets within the harbour and the harbour estate.

2.

### What is the current situation?

2.1 The assets currently managed by the harbour authority on behalf of the Council are governed by the harbour committee. Many are critical to the safe operation of the harbour, and others are essential in generating revenue.

2.2 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).

2.3 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.

2.4 The harbour committee annually nominates an Asset Review Working Party to advise 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.

2.5 The Asset Review Working Party met on the 10<sup>th</sup> September 2019 and 25<sup>th</sup> February 2020 who were supported by both the Harbour Master and 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 requirement.

2.6 The Council is the freehold owner of the harbour estate. Under the Tor Bay Harbour Acts 1970 and 1983, the Council is also the harbour authority and has a duty to maintain and improve the harbour and the services and the facilities in it.

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| <p>3.</p> | <p><b>What options have been considered?</b></p> <p>The following options have been considered:</p> <ul style="list-style-type: none"> <li>- Forego the use of an AMP and respond reactively to emergent maintenance requirements. This would likely place short-notice and unplanned pressures on the revenue maintenance budget and is not recommended.</li> <li>- Outsource asset management and repair to a third party. This would increase overall costs as their overheads would have to be included in the overall maintenance budget and is thus not recommended.</li> <li>- Reduce the extent of the harbour estate by handing back properties and land to the Council. This is broadly neutral as it reduces both income and maintenance liabilities in equal measure. However it complicates the administration of harbour-side issues and is thus not recommended at this juncture.</li> </ul> |
| <p>4.</p> | <p><b>What is the relationship with the priorities within the Partnership Memorandum and the Council’s Principles?</b></p> <p>This project directly contributes to the following objectives:</p> <ul style="list-style-type: none"> <li>• <b>A Thriving Economy.</b> That the harbour estate supports viable and sustainable marine businesses.</li> <li>• <b>Thriving People and Communities.</b> That the harbour authority discharges its statutory duty of care to provide a safe environment and its duty to conserve the environment.</li> </ul>  |
| <p>5.</p> | <p><b>How does this proposal contribute towards the Council’s responsibilities as corporate parents?</b></p> <p>No significant effect.</p>  |
| <p>6.</p> | <p><b>How does this proposal/issue tackle poverty, deprivation and vulnerability?</b></p> <p>No significant effect.</p>   |
| <p>7.</p> | <p><b>How does this proposal tackle inequalities?</b></p> <p>No significant effect.</p>   |
| <p>8.</p> | <p><b>Who will be affected by this proposal and who do you need to consult with? How will the Council engage with the community? How can the Council empower the community?</b></p> <p>Consultation is proactively undertaken through dialogue with the harbour forums.</p>   |

## Section 2: Implications and Impact Assessment

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| 9.  | <p><b>What are the financial and legal implications?</b></p> <p><b>Legal</b></p> <p>The Council, as the nominated Statutory Harbour Authority in the Tor Bay Harbour Act 1970, has <i>inter alia</i> a duty to ensure the following:</p> <ul style="list-style-type: none"><li>• To provide, conserve, maintain and improve the harbour and services and facilities afforded therein [s6 Tor Bay Harbour Act 1970];</li><li>• To see that the harbour is in a fit condition for a vessel to utilise it safely [Harbour Docks &amp; Piers Clauses Act 1847];</li><li>• A general duty to exercise its functions with regard to nature conservation and other environmental considerations [s48A Harbours Act 1964].</li></ul> <p>The key provisions in local legislation regarding to the Authority's works powers are:</p> <ul style="list-style-type: none"><li>• Tor Bay Harbour Act 1970 S13: works in the harbour;</li></ul> <p><b>Financial</b></p> <p>The costs of routine maintenance have already been incorporated into the revenue budget, thus there are no new financial commitments arising as a result of this report</p> |
| 10. | <p><b>What are the risks?</b></p> <p>Without an Asset Management Plan there is a risk that the material condition of the harbour estate declines to the point that lease revenues are depressed, personal safety is put at risk and that the Authority's reputation is traduced.</p> <p>Adoption and implementation of an Asset Management Plan will mitigate all of these risks.</p>   |
| 11. | <p><b>Public Services Value (Social Value) Act 2012</b></p> <p>Not applicable</p>   |
| 12. | <p><b>What evidence / data / research have you gathered in relation to this proposal?</b></p> <ul style="list-style-type: none"><li>• Analysis of historic spending norms on routine and reactive maintenance requirements;</li><li>• Asset rental returns;</li><li>• Inspection reports;</li></ul>   |

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|     | <ul style="list-style-type: none"><li>• Stakeholder consultation feedback;</li><li>• Asset registers.</li></ul>  |
| 13. | <p><b>What are key findings from the consultation you have carried out?</b></p> <ul style="list-style-type: none"><li>• The current strategy of managing assets through a proactive Asset Management Plan is the most cost effective approach and should be continued.</li></ul> |
| 14. | <p><b>Amendments to Proposal / Mitigating Actions</b></p> <p>None.</p>   |