



Friday, 11 September 2015

## **HARBOUR COMMITTEE**

A meeting of **Harbour Committee** will be held on

**Monday, 21 September 2015**

commencing at **5.30 pm**

The meeting will be held in the Meadfoot Room, Town Hall,  
Torquay TQ1 3DR

### **Members of the Committee**

Councillor Bye (Chairman)

Councillor Amil

Councillor O'Dwyer

Councillor Bye

Councillor Stringer

Councillor Carter

Councillor Sykes

Councillor Cunningham

Councillor Winfield

Councillor Ellery (Vice-Chairman)

### **External Advisors**

Mr Buckpitt, Mr Ellis, Capt Lloyd and Mr Stewart

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**Working for a healthy, prosperous and happy Bay**

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For information relating to this meeting or to request a copy in another format or language please contact:

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# HARBOUR COMMITTEE AGENDA

1. **Apologies**  
To receive apologies for absence, including notifications of any changes to the membership of the Committee.
2. **Minutes** (Pages 4 - 7)  
To confirm as a correct record the Minutes of the meeting of the Committee held on 15 June 2015.
3. **Declarations of interest**
  - (a) To receive declarations of non pecuniary interests in respect of items on this agenda  
**For reference:** Having declared their non pecuniary interest members may remain in the meeting and speak and, vote on the matter in question. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.
  - (b) To receive declarations of disclosable pecuniary interests in respect of items on this agenda  
**For reference:** Where a Member has a disclosable pecuniary interest he/she must leave the meeting during consideration of the item. However, the Member may remain in the meeting to make representations, answer questions or give evidence if the public have a right to do so, but having done so the Member must then immediately leave the meeting, may not vote and must not improperly seek to influence the outcome of the matter. A completed disclosure of interests form should be returned to the Clerk before the conclusion of the meeting.  
  
(**Please Note:** If Members and Officers wish to seek advice on any potential interests they may have, they should contact Governance Support or Legal Services prior to the meeting.)
4. **Urgent items**  
To consider any other items that the Chairman decides are urgent.
5. **Communications from the Chairman**
6. **Appointment of External Advisors** (Page 8)  
To review the Appointment of External Advisors.
7. **Torquay/Paignton and Brixham Harbour Liaison Forums** (To Follow)  
To note the minutes of the above Harbour Liaison Forums.
8. **Harbour Authority Business Risk Register** (Pages 9 - 15)  
To review the Harbour Authority Business Risk Register.

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|------------|---|--------------------|
| <b>9.</b>  | <b>Harbour Asset Review Working Party</b><br>To receive recommendations from the Harbour Asset Review Working Party.  | (Pages<br>16 - 18) |
| <b>10.</b> | <b>Tor Bay Harbour Authority Quarterly Budget Monitoring Report</b><br>To consider the Tor Bay Harbour Authority Quarterly Budget Monitoring Report.                  | (Pages<br>19 - 26) |
| <b>11.</b> | <b>Performance of the Tor Bay Harbour Authority Business Unit (SPAR.Net)</b><br>To monitor the Performance of the Tor Bay Harbour Authority Business Unit (SPAR.Net). | (To Follow)        |
| <b>12.</b> | <b>Quarterly Accident and Incident Data for Tor Bay Harbour</b><br>For Members to note the latest accident statistics for the Harbour Authority's operational area.   | (To Follow)        |



## Minutes of the Harbour Committee

15 June 2015

-: Present :-

Councillor Bye (Chairman)

Councillors Amil, Cunningham, Carter, Stringer, Ellery (Vice-Chair) and Lewis  
(In place of Sykes)

External Advisors: Mr Buckpitt, Mr Ellis, Capt. Lloyd and Mr Stewart

(Also in attendance: Mayor Oliver until item 14)

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### 1. Election of Chairman/woman

Councillor Bye was elected Chairman for the 2014/15 Municipal Year.

### 2. Apologies

An apology for absence was received from Councillor O'Dwyer.

It was reported that, in accordance with the wishes of the Conservative Group, the membership of the Committee had been amended for this meeting by including Councillor Lewis instead of Councillor Sykes.

### 3. Election of Vice-Chairman/woman

Councillor Ellery was elected Vice-Chairman for the 2015/16 Municipal Year.

### 4. Minutes

The Minutes of the meeting of the Harbour Committee held on 23 March 2015 were confirmed as a correct record and signed by the Chairman.

### 5. Harbour Committee Terms of Reference

The Committee considered the current terms of Reference for the Harbour Committee and the amendments suggested by the Executive Head of Business Services.

**Resolved:**

That the amended Harbour Committee Terms of Reference, as shown in the table, be passed to the Monitoring Officer, Mayor and Group Leaders or Council, for approval.

**6. Appointment of Harbour Appointments Sub Committee**

The Committee considered appointments to the Harbour Appointments Sub-Committee who consider applications for External Advisors to the Harbour Committee and to make recommendations to the Harbour Committee on suitable appointments to those positions. Members were advised that the previous Sub-Committee consisted of three Councillors, including the Chair and vice-Chair.

**Resolved:**

That a Harbour Appointments Sub-Committee be appointed to comprise three Members of the Harbour Committee (The Chair, Vice-Chair and Councillors Amil, Cunningham and Carter).

**7. Harbour Asset Review Working Party**

The Committee considered appointments to the Harbour Asset Review Working Party who provide strategic direction in relation to those assets within Tor Bay Harbour and the harbour estate that are managed by the Tor Bay Harbour Authority.

**Resolved:**

That a Harbour Asset Review Working Party, comprising four members of the Harbour Committee (Chair, Councillors Amil, Carter and Cunningham) and two of the External Advisors to the Committee (Mr Stewart and Capt. Lloyd), be appointed with the following terms of reference:

- a) To review all assets within Tor Bay Harbour and the Harbour Estate;
- b) To establish how each asset is performing; and
- c) To identify any assets that are surplus.

**8. Harbour Budget Review Working Party**

The Committee considered appointments to the Harbour Budget Review Working Party who assist the Harbour Committee in the management of all of the Harbour's financial matters in accordance with approved financial procedures and the Council's aspirations for the harbour to be self financing.

**Resolved:**

That a Harbour Budget Review Working Party, comprising three members of the Harbour Committee (Councillors Stringer and Amil), plus the Chairman and two External Advisors to the Committee (Mr Stewart and Mr Ellis), be appointed to scrutinise the draft Tor Bay Harbour Authority budget prior to presentation to the Harbour Committee and to review the full range of harbour charges. Also, to assist Officers to monitor and review the budget ahead of each quarterly Harbour Committee meeting.

**9. Pilotage Review Working Party**

The Committee considered appointments to the Pilotage Review Working Party who review the Pilotage arrangements for Tor Bay Harbour and recommend amendments to the Pilotage direction as and when appropriate.

**Resolved:**

That a Pilotage Review Working Party, comprising of two of the External Advisors (Capt. Lloyd and Mr Buckpitt) be appointed to work alongside Officers to review the Pilotage arrangements for Tor Bay Harbour and to recommend to the Harbour Committee any amendments to the Pilotage Directions as and when appropriate.

**10. Tor Bay Harbour Authority Revenue Outturn 2014/15**

Members received and noted a report setting out details of Tor Bay Harbour Authority's final expenditure and income figures against the budget targets for 2014/15.

Members noted that the anticipated Fish Toll income was reduced throughout the year but the harbour budget was fortunate that the fish tolls income made a late recovery and visitor income was also up.

Members also noted the Harbour Master's use of delegated powers to waive certain harbour charges, which at the end of the financial year amounted to £5,916.62 (excl VAT).

**11. Torquay/Paignton and Brixham Harbour Liaison Forums**

The Committee received the minutes of the latest Torquay and Paignton Harbour Liaison Forum and the Brixham Harbour Liaison Forum and noted the contents.

**12. Tor Bay Harbour Authority Quarterly Budget Monitoring Report**

The Committee received and noted a report which provided Members with projections of income and expenditure for the year 2015/16 compared with the approved budgets.

The report identified the overall budgetary position of Tor Bay Harbour Authority as at the end of May 2015 and noted that the projected deficit had reduced.

Members were also asked to note the Tor Bay Harbour Master's use of delegated powers to waive certain harbor charges, which so far this year has amounted to £631.40 (excluding VAT).

**13. Performance Report - Tor Bay Harbour Authority**

The Committee noted the report which detailed the year end 2014/15 performance position of Tor Bay Harbour Authority and the performance position to date in 2015/16.

External Advisor, Capt Lloyd agreed to look at existing Performance Indicators and review if some were unrealistic or too challenging.

**14. Tor Bay Harbour Authority Audit Plan**

The Committee received a report setting out a dedicated Audit Plan for the Harbour Authority for the next four years.

**Resolved:**

The Committee approved the amended Tor Bay Harbour Audit Plan for 2013 - 2018 as set out at Appendix 1 of the submitted report.

**15. Quarterly Accident and Incident Data for Tor Bay Harbour**

Members received a briefing note which provided a quarterly update of the current accident statistics for the Harbour Authority up until June 2015.

Members noted there had been 32 recordable events, compared with 24 events for the same period in 2013/2014.

The Executive Head for Business Services said that he believes this is due to the harbour authority being better at recording the incidents and that more people are making reports.

Members also noted that more oil pollution incidents have been recorded in Brixham and were advised that the harbour authority would continue to record and investigate all of the oil sheen reports it received, to try to establish what is causing the incidents and that all reported incidents were investigated.

The Executive Head for Business Services reported on the tragic death of a 14-year-old girl in a boating accident off Brixham harbour.

Chairman

# Agenda Item 6



**Meeting: Harbour Committee**

**Date: 21<sup>st</sup> September 2015**

**Wards Affected: All wards in Torbay**

**Report Title: Tor Bay Harbour Authority Budget Monitoring 2015/16**

**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 (Ext 2724)**

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

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On 15<sup>th</sup> June 2015, the Harbour Committee appointed the Chair, Vice-Chair and Councillors Amil, Cunningham and Carter to make up the Harbour Appointments Sub-Committee. The Sub-Committee will consider applications for External Advisors to the Harbour Committee and will make recommendations to the Harbour Committee on suitable appointments to those positions.

The Harbour Committee needs to consider whether they wish to fill the current vacancy.

Although not specifically stated in the Terms of Reference for the Harbour Committee it is a Harbour Committee recommendation that External Advisors should be limited to two 4-year terms, which is in line with good governance best practice. The table below shows the current position in respect of External Advisors :-

External Advisor	Appointing Body	Date Appointed	4 year term ends
David Buckpitt	Harbour Committee	5 Dec 2011	End of Dec 2015
Michael Stewart	Harbour Committee	17 Dec 2012	End of Dec 2016
Paul Lloyd	Harbour Committee	23 Sept 2013	End of Sept 2017
Michael Ellis	Harbour Committee	16 Dec 2013	End of Dec 2017
Vacant	Harbour Committee	-----	-----
Vacant	Economic Development Company	N/A	N/A



**Meeting: Harbour Committee**

**Date: 21<sup>st</sup> September 2015**

**Wards Affected: All wards in Torbay**

**Report Title: Review of Tor Bay Harbour Business Risks 2015/16**

**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**

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

## **1. Purpose**

- 1.1 This report provides Members with the opportunity to consider and review the Tor Bay Harbour Business Risk Register for 2015/16.

## **2. Summary**

- 2.1 It is accepted that in order for risk management to be truly successful it must be integrated into the culture of an organisation, supported and led by its senior management and communicated effectively at all levels. Consequently it is appropriate that as Tor Bay Harbour's governing body, the Harbour Committee formally reviews its business risks on a regular basis.
- 2.2 Risk No. 4 – *“To achieve financial strength and effectively manage the Harbour Authority's assets”* - remains the most significant risk due to the increasing level of the cash dividend/asset rental levy. Although the risk score has not been elevated this year, the reserve fund continues to diminish, the repairs budget has been cut and the income from fish tolls is always uncertain. The probability/impact scores for Risk No. 4 are such that it could easily become a high scoring risk and this is clearly a matter of concern.
- 2.3 The Committee is asked to note the Tor Bay Harbour Business Risk Register attached as Appendix 1.

## Supporting Information

### 3. Position

- 3.1 Risk management is a fundamental part of any harbour's strategic management; the focus of which is the identification, analysis and treatment of risk in order to add maximum sustainable value to all of the harbour's activities. Risk Management increases the probability of success, and reduces both the probability of failure and the uncertainty of achieving the harbour's overall objectives.
- 3.2 As part of the requirements for corporate governance and internal control an organisation must 'embed' risk management into its culture. This is not simply having an internal audit function reviewing risk management procedures; it means, for the harbour authority, that the Harbour Committee needs to look forward, be dynamic, respond effectively to change and maximise opportunities.
- 3.3 The benefits gained in managing risk are improved strategic, operational and financial management, continuity of knowledge and information management processes, improved compliance and, most importantly, improved customer service delivery. Sound management of business risks will also promote a positive external image of Tor Bay Harbour for all stakeholders.
- 3.4 A harbour authority, in common with any commercial undertaking, requires effective strategic leadership based on a complete understanding of the direction being taken and its associated opportunities and risks.
- 3.5 Making informed and transparent decisions which are subject to effective scrutiny and managing risk is a core principle of good governance.
- 3.6 Risk management is a key contributor to business planning and therefore integral to continuous improvement and sustainability. The Risk Register is used as a management tool to support the Tor Bay Harbour Business Plan.
- 3.7 The harbour authority understands the importance of risk taking and acknowledges that a certain amount of risk taking is inevitable if the harbour is to achieve its objectives. As a harbour authority we should aim to take risks which enable improvement and seek to avoid risks which could affect core business.
- 3.8 Risk registers are living documents and therefore must be regularly reviewed and amended. The reason for monitoring key risks is to create an early warning system for any movement in risk. The Council's risk management strategy requires that registers are monitored every six months. It is anticipated that the Harbour Committee will include a formal review of the Tor Bay Harbour Risk Register within its annual work programme. However, high scoring risks will be monitored more frequently by the Executive Head of Business Services and referred to the Harbour Committee for further review as required. Currently there are no high scoring risks.
- 3.9 The Tor Bay Harbour Business Risk Register 2015/16 is attached at Appendix 1. In 2011, with the help of the Council's Corporate Risk Management team, the Risk Register was consolidated from 39 individual risks to 9 entries linked to the performance objectives of the harbour authority. This revised layout has recently been reviewed with feedback from staff and members/advisors on the Harbour

Committee. A number of risks have consequently been updated and the risk register can also be found within the Council's performance management software (SPAR.net).

**Kevin Mowat**  
**Executive Head of Business Services - Tor Bay Harbour Master**

### **Appendices**

Appendix 1            Tor Bay Harbour Business Risk Register 2015/16

### **Additional Information**

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

Torbay Council - Risk Management Strategy

Appendix 1 - Tor Bay Harbour Authority Risk Register 2015/16

Customer Focused											Current Risk Score				Control Owners	Risk Owner	Accountable Body
Risk No	Spar Code	Scorecard Objective	Risk Title	Risk Description, Threat: What could happen to affect this, Cause: How could it happen	Probability and Proximity Description (How likely is it to happen? When is it likely to happen?)	Impact description, what could the impact be?	Control measures (SPAR Projects & PIs)	Probability Score	Impact Score	Risk Score	Risk Rating. 1-4=L 6-9=M 12-16=H						
1	HMS RR 01	1. Encourage local prosperity	Encourage Local Prosperity	If we fail to capitalise on Torbay's maritime setting or implement a robust sustainable maritime industry - Then we will not have the revenue to support the local maritime economy or regenerate our built infrastructure - So this may have a negative impact on tourism revenues, loss of maritime services and damage to our reputation.	Unlikely	Reduced number of maritime events. Significant medium term impact on tourism. Loss of reputation - bad PR. Reduced economic benefit. Poorer built environment. No new infrastructure. Missed investment opportunities. Lower fish toll income. Inability for the harbour account to service prudential borrowing. Premises unsafe/unusable for extended period. Loss of reputation.	1. Produce a schedule of Maritime Events (Jan 2015). 2. Maintain an Oil Spill Response and Contingency Plan (OPRC) and undertake an oil pollution response exercise - ensure we have suitable trained staff to respond. 3. Provide visitor moorings and maintain a competitive charging regime (Annually). 4. Maximise the benefits from the new Brixham Fish Market - Monitor the fish tolls income and the impact of the Common Fisheries Policy (Monthly). 5. Maintain a Harbour Authority Business Plan and Business Continuity Plan (March 2015). 6. To keep existing businesses and attract new activities (Ongoing). 7. Explore marketing opportunities (Ongoing). 8. Maintain a Tor Bay Harbour - Port Masterplan (Ongoing).	2	3	6	M	Kevin Mowat Dave Bartlett Simon Pinder Nick Burns	Executive Head of Business Services	Harbour Committee			
2	HMS RR 02	2. To engage with the community and harbour users	To engage with the community and harbour stakeholders	If we fail to consult and engage appropriately with all relevant harbour users, groups and stakeholders - Then we will be unable to provide accountable and transparent management of the Tor Bay Harbour Authority - So we may be accused of failing to accurately meet the needs of our customers and stakeholders resulting in a loss of revenue streams and damage to our reputation.	Unlikely	The services provided do not reflect the needs of customers. Wrong activity is delivered, weak outcomes not wanted by partners. Loss of reputation.	1.To hold meetings with harbour users and other stakeholders (Quarterly). 2.Use established user groups and Community Partnerships to consult on specific issues (Ongoing). 3.To continue to work with relevant voluntary and community organisations (Ongoing). 4.To support and engage with the local Coastal Partnership - SeaTorbay (Quarterly). 5.Undertake an Annual Users Survey (Feb to May 2015). 6. Monitor the Visitor Feedback forms (Quarterly).	2	3	6	M	Kevin Mowat Dave Bartlett Simon Pinder Nick Burns	Executive Head of Business Services	Harbour Committee			
3	HMS RR 03	3. To maintain a stewardship of the harbour's built and natural environment	To maintain a stewardship of the harbour's built and natural environment	If we fail to implement a sustainable approach to harbour management in respect to present and future climatic, environmental and economic changes - Then we will be unable to increase public awareness of the maritime environment as a valuable social and economic asset - So the impact of harbour activities may degrade the natural environment resulting in possible prosecution, loss of revenues and damage to our reputation.	Unlikely	Possible environmental, economic and social damage. Unprepared for sea level rise. Potential for serious damage to our infrastructure which would impede our ability to meet budget and may also have capital implications. Insufficient staff to fulfil obligations. Public misunderstanding of the significance of the Bay and Tor Bay Harbour. Loss of reputation. Requirement to reduce or cease commercial fishing in designated areas. Loss of jobs and reduced fish toll income. Increased waste costs if not properly managed. Risk of corporate prosecution. Ineffective strategic direction based on an incomplete understanding of the direction being taken by the Harbour Authority. Inability for the Harbour Committee and Council to respond effectively to change and maximise opportunities. Poor coherence between the Port Master Plan, marine planning and terrestrial planning. Loss of reputation.	1.Work closely with the Environment Agency and make reference to the Shoreline Management Plan when taking key decisions. 2.Support and engage with the local Coastal Partnership - SeaTorbay (Quarterly). 3.Assist in the collection of spatial mapping data. 4.To replace chain moorings with pontoon berths in Torquay's inner harbour. (April 2015) 5.Maintain competitive charging regime. (Annually) 6.Review harbour charges and maintain strong rental streams. (Annually) 7.Maintain a specific Environmental Policy. (Biennial) 8.Contribute to the delivery of the Coastal Zone Management Plan. (Sept 2015) 9.Improve corporate management of environmental risks & the harbour's environmental performance. 10. Influence decision making over the management measures of the new SAC in Torbay. 11. Maintain a Tor Bay Harbour - Port Masterplan (Ongoing). 12. Influence decision making over the management measures within the Marine Conservation Zones. (Nov 2015) 13. Improve passenger landing facilities at Torquay & Brixham (Ongoing). 14. Investigate renewable energy projects for use on the harbour estate (Sept 2015).	2	3	6	M	Kevin Mowat	Executive Head of Business Services	Harbour Committee			

Risk No	Spar Code	Scorecard Objective	Risk Title	Risk Description, Threat: What could happen to affect this, Cause: How could it happen	Probability and Proximity Description (How likely is it to happen? When is it likely to happen?)	Impact description, what could the impact be?	Control measures (SPAR Projects & PIs)	Current Risk Score				Control Owner	Risk Owner	Accountable Body
								Probability Score	Impact Score	Risk Score	Risk Rating. 1-4=L 6-9=M 12-16=H			
4	HMS RR 04	4. To achieve financial strength and effectively manage the Harbour Authority's assets	Effectively manage the Harbour Authority's assets	If we fail to effectively manage all of the Harbour Authority's financial and built assets - Then we may fail to secure competitive rental stream revenue and our built infrastructure will deteriorate - this may leave us with unsafe infrastructure, failing to meet government guidelines on best practice, forced cessation of some discretionary services and damage to our reputation.	Likely	Ineffective strategic direction, cessation of business activities, loss of staff, loss of revenue, damage to reputation and failing to meet best practice guidelines. Inability for the harbour account to service prudential borrowing. Premises unsafe/unusable for extended period.	1.Produce an Asset Management Plan for the Harbour Authority.(March 2015) 2.Monitor and maximise harbour estate lettings occupancy (Quarterly). 3. Monitor variation on budgeted income and budgeted expenditure.(Quarterly) 4.To keep existing business and attract new activities (Ongoing). 5.Implement the safety management improvement plan.(Nov 2015) 6.Maintain a Harbour Emergency Response Plan and Business Continuity Plan (Ongoing). 7.Financial Regulations and audit controls. 8.Review harbour charges and maintain strong rental streams. (Annually) 9.Maintain competitive charging regime (Annually). 10.To produce and review a Risk Register for the Harbour Authority.(Sept 2015) 11.Maintain a Harbour Authority Audit Plan. (June 2015) 12.To keep existing businesses and attract new activities (Ongoing). 13.Explore marketing opportunities (Ongoing).	3	3	9	M	Nick Burns Kevin Mowat Dave Bartlett Simon Pinder	Executive Head of Business Services	Harbour Committee

Risk No	Spar Code	Scorecard Objective	Risk Title	Risk Description, Threat: What could happen to affect this, Cause: How could it happen	Probability and Proximity Description (How likely is it to happen? When is it likely to happen?)	Impact description, what could the impact be?	Control measures (SPAR Projects & PIs)	Current Risk Score				Control Owner	Risk Owner	Accountable Body
								Probability Score	Impact Score	Risk Score	Risk Rating. 1-4=L 6-9=M 12-16=H			
5	HMS RR 05	5. Effective risk management and health and safety in place	Effective risk management and health and safety	If we do not have a robust culture for managing our risks, our projects, as well as our information governance and operational Health and Safety - Then we may suffer failings in the overall management of the Harbour Authority - So this may result in injury to stakeholders, loss of revenue, lost information, legal action and damage to our reputation.	Unlikely	Insufficient staff to fulfil obligations. Staff health & safety compromised. Legal action against the Council. Weak project governance leading to poor delivery & inadequate control measures. Projects run late and/or over budget. Outcomes not achieved. Information or financial loss. Time wasted looking for information. Risk of not meeting FOI/customer requests correctly. Loss of reputation.	1.Help provide appropriate sea and flood defences. 2.Reduce the number of reportable accidents (RIDDOR). 3.Test and review a Business Continuity Plan. 4.Review harbour charges and maintain strong rental streams (Annually). 5.Ensure staff are properly trained (Ongoing). 6.Employ properly trained Project Managers. 7.Monitor project performance using SPAR.net (Quarterly). 8.Data Protection Act - staff given necessary training. 9.Customer database kept updated and backed-up to Council's server. 10.Document and file retention schedule drawn up and observed (Ongoing). 11.Commercial shredding contractor used for document disposal (Ongoing). 12. Implement the safety management improvement plan (Nov 2015).	2	4	8	M	Nick Burns Kevin Mowat Dave Bartlett Simon Pinder	Executive Head of Business Services	Harbour Committee
6	HMS RR 06	6. Ensuring equality and diversity in service delivery - together with equality of opportunity	Ensure quality and diversity of service delivery and provision	If we fail to provide a service that ensures equality and diversity - Then we may unknowingly discriminate against staff and/or stakeholders - So this may result in legal action, insufficient staff levels, drop in service delivery and damage to our reputation.	Very Unlikely	Discrimination, legal effects. Insufficient staff to fulfil obligations. Legal action against the Council. Loss of reputation.	1.Complete equality impact assessments and produce an improvement action plan (Annually).	1	2	2	L	Simon Pinder	Executive Head of Business Services	Harbour Committee
7	HMS RR 07	7. Improve and maintain the customer experience	Maintain or improve the customer experience	If we do not provide a high quality harbour service that accurately meets the needs of our customers - Then we will not be providing a professional and equitable service - So this may result in loss of demand for harbour services, loss of revenue streams and damage to our reputation.	Unlikely	Insufficient staff to fulfil obligations, facilities provided at a loss, income stream lost, unfair allocation of harbour facilities, legal action against the authority, high level of complaints and damage to our reputation.	1.Review visitor feedback forms and Annual Harbour Users Survey. 2.Review harbour charges and maintain strong rental streams (Annually). 3.Complete equality impact assessments and produce an improvement action plan (Annually). 4.Maintain competitive charging regime (Annually). 5.Withdraw or do not supply certain discretionary facilities. 6.Retain membership of appropriate Trade and Professional Associations (British Ports Association, UK Harbour Masters Association) (Annually). 7. Maintain a Tor Bay Harbour - Port Masterplan (Ongoing). 8.Keep and review the Harbour Operational Moorings Policy (March 2015). 9. Maintain an up to date Harbour Authority website (Ongoing).	2	2	4	L	Nick Burns Kevin Mowat Dave Bartlett Simon Pinder	Executive Head of Business Services	Harbour Committee
8	HMS RR 08	8. Maintain safety	Maintain safety	If we fail to fulfil our obligation to provide a competent Harbour Authority, by not enforcing all applicable statutes, byelaws and legislation - Then we will not be providing a safe haven for vessels or a safe Harbour estate for users and visitors - So we may fail to accurately respond to legislative changes resulting in a financial penalty and we may face deterioration of our built infrastructure, a major emergency and severe damage to our reputation.	Unlikely	Statutory duty may not be met. Safety may be prejudiced. Government intervention. Stakeholder dissatisfaction. Insufficient staff to fulfil obligations. Legal action against the Council. Harbour cannot achieve objectives in context of government policy. Premises unsafe/unusable for extended period. Cessation of business activities. Loss of reputation.	1.Renew the bilateral agreement with the UKHO (Annually). 2.Audit & Inspection from Trinity House (Annually). 3.PANAR - Navigation Lights availability (Quarterly). 4.Implement the safety management improvement plan (Nov 2015). 5.Maintain a Harbour Emergency Response Plan and Business Continuity Plan. 6.External contract for the provision of pilotage services. 7.Membership of appropriate Trade and Professional Associations (British Ports Association, British Marine Federation, UK Harbour Masters Association & Port Skills and Safety) (Annually). 8.Review harbour charges and maintain strong rental streams (Annually). 9.Periodic review of Harbour legislation (2015). 10. Review and improve the Safety Management System software (Dec 2015). 11. Issue local Notices to Mariners and enforce Harbour Byelaws (Ongoing).	2	4	8	M	Nick Burns Kevin Mowat Dave Bartlett Simon Pinder	Executive Head of Business Services	Harbour Committee

Employee Focused							Current Risk Score				Control Owner	Risk Owner	Accountable Body	
Risk No	Spar Code	Scorecard Objective	Risk Title	Risk Description, Threat: What could happen to affect this, Cause: How could it happen	Probability and Proximity Description (How likely is it to happen? When is it likely to happen?)	Impact description, what could the impact be?	Control measures (SPAR Projects & PI's)	Probability Score	Impact Score	Risk Score				Risk Rating. 1-4=L 6-9=M 12-16=H
9	HMS RR 09	9. Effective workforce planning	Effective workforce planning	If we lack effective workforce planning - Then we may fail to offer appropriate learning and development to all staff - So this may lead to insufficient staff to fulfil obligations, incompetent staff, deterioration of safety standards which has the potential to lead to personal injury and damage to our reputation.	Likely	Insufficient staff to fulfil obligations. Legal action against the Council. Incompetent staff, deterioration of safety standards. Failure to update skills could lead to a poor service. Unsettled staff. Loss of productivity. Personnel leaving. Insufficient budget to meet the cost of an appropriate grading structure. Staff redundancies or reduced working hours. Loss of reputation.	1.To encourage Harbour Masters to fully complete CPD records (Ongoing). 2.To monitor and support staff through induction and appraisal reviews (Annually). 3.To reduce staff absence (Monthly). 4.Review harbour charges and maintain strong rental streams (Annually). 5.Take professional advice from Human Resources (Ongoing). 6.Liaise with staff on a regular basis and ensure that information is promulgated (Daily). 7.Membership of appropriate Trade and Professional Associations (British Ports Association, British Marine Federation, UK Harbour Masters Association & Port Skills and Safety) (Annually).	3	2	4	L	Nick Burns Kevin Mowat Dave Bartlett Simon Pinder	Executive Head of Business Services	Harbour Committee

# Agenda Item 9



**Meeting: Harbour Committee**

**Date: 21<sup>st</sup> September 2015**

**Wards Affected: All wards in Torbay**

**Report Title: Harbour Assets Review**

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

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## 1. Purpose

1.1 This report provides Members with the outcome of the work of the Harbour Asset Review Working Party.

1.2 The Harbour Committee's Terms of Reference include the following statement :-

***“to provide strategic direction to the Executive Head of Business Services and the Mayor in relation to those assets within Tor Bay Harbour and the harbour estate that are managed by Tor Bay Harbour Authority.”***

1.3 On the 15<sup>th</sup> June 2015 the Harbour Committee resolved that a Harbour Asset Review Working Party, comprising four members of the Harbour Committee (Chair, Councillors Amil, Carter and Cunningham) and two of the External Advisors to the Committee (Mr. Stewart and Capt. Lloyd), be appointed with the following terms of reference:

- a) To review all assets within Tor Bay Harbour and the Harbour Estate;
- b) To establish how each asset is performing; and
- c) To identify any assets that are surplus.

1.4 The Committee is asked to note the outcome of the work of the Harbour Asset Review Working Party set out in section 2 below.

## 2. Summary

2.1 All assets within Tor Bay Harbour and the harbour estate were successfully reviewed.

- 2.2 The Working Party was satisfied that they could broadly establish how each asset is currently performing and no assets were identified as being surplus to the requirements of the Harbour Authority.
- 2.3 The Working Party provided strategic direction to the Executive Head of Business Services in relation to the following matters :-
- The Harbour Light Restaurant Building
  - The new Romero's Coffee Kiosk
  - A range of new concession opportunities
- 2.4 A number of other asset issues were discussed and the Working Party was provided with an update on the subjects listed below :-
- Future use of Oven Cove
  - Landlord's use of Torquay Fuel Station
  - The old Coastguard Building
  - Repairs to Haldon & Princess Piers
  - Procurement of a new harbour workboat
  - Boat Booking Board Sites

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## Supporting Information

### 3. Position

- 3.1 The Harbour Asset Review Working Party met on the 3<sup>rd</sup> August 2015 to review all assets within Tor Bay Harbour and the Harbour Estate. Officer support to the Working Party was provided by the Executive Head of Business Services with support from the Torbay Development Agency.
- 3.2 Harbour estate asset lists were circulated for Brixham, Torquay and Paignton. Where possible each asset was considered against the following performance criteria :-
- corporate asset number (Torbay Online Asset Database System (TOADS))
  - leased or vacant
  - lease start date
  - tenure of lease
  - rental income
  - tenant's name
  - rent review due date

- date of last condition survey

3.3 A meeting has been arranged with the Torbay Development Agency's Asset Registrar to ensure that the data on the harbour estate asset lists is fully updated.

**Kevin Mowat**  
**Executive Head of Business Services**  
**Tor Bay Harbour Master**

### **Appendices**

None

### **Additional Information**

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

Harbour Asset Review Lists

Torbay Online Asset Database System (TOADS)



**Meeting: Harbour Committee**

**Date: 21<sup>st</sup> September 2015**

**Wards Affected: All wards in Torbay**

**Report Title: Tor Bay Harbour Authority Budget Monitoring 2015/16**

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

**Supporting Officer Contact Details: Kevin Mowat  
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## **1. Purpose**

- 1.1 This report provides Members with projections of income and expenditure for the year 2015/16 compared with approved budgets.
- 1.2 This report identifies the overall budgetary position for Tor Bay Harbour Authority as at end of August 2015 to enable appropriate action to contain expenditure and maintain reserves at appropriate levels.
- 1.3 The Committee is asked to note that the amended outturn positions of the two harbour accounts and adjustments to the Reserve Funds shown in Appendix 1.
- 1.4 The Committee is asked to note the Executive Head of Business Services' use of delegated powers to make decisions in relation to the budget allocated to Tor Bay Harbour.
- 1.5 The Committee is asked to note the Tor Bay Harbour Master's use of delegated powers to waive certain harbour charges, which so far this financial year has amounted to £2,226.24 (excl VAT). No additional charges have been levied.

## **2. Summary**

- 2.1 The Tor Bay Harbour Authority budget was approved by the Harbour Committee on 15<sup>th</sup> December 2014.
- 2.2 This is the second budget monitoring report presented to the Harbour Committee

for the financial year 2015/16.

- 2.3 Additional Support Service charges have exceeded expenditure targets. However, buoyant income levels from the Torquay Town Dock and Inner Dock and fish tolls at Brixham have significantly improved the forecast year end position.

## Supporting Information

### 3. Position

- 3.1 The projected outturn at Appendix 1 reflects amendments to the budget made within the Executive Head of Business Services' delegated powers. Details of each amendment can be found in the associated note.
- 3.2 The performance against budget is summarised below:

	<b>Surplus/ (Deficit) £000</b>
Original Budget 2015/16	(51)
Current Budget 2015/16	(29)
Projected Outturn 2015/16	17

- 3.3 The current progress of Harbour capital schemes is detailed below :-

	<b>Total Budget</b>	<b>Actual to Date (including prior years)</b>	<b>Projected Outturn</b>	<b>Notes</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	
Environment Agency grant funding for Torquay Harbour – Haldon & Princess Piers	1,272	737	1,272	(i)

- (i) An initial application for external funding from the Environment Agency was successful and the grant of approximately £1.3m is currently being used for Phase 2, which commenced in the autumn of 2011 and further work followed in winter 2012. Additional underwater repairs were undertaken on Princess Pier late in 2014. Further underwater repairs to both Princess and Haldon Piers (circa £700k in value) are scheduled to take place during 2015 and the Princess Pier element of this work is now underway. Work towards a further bid of funding from the Environment Agency is ongoing. In May 2014, a Partnership Funding Bid was submitted to the

Local Enterprise Partnership (LEP) for £4.57m towards essential flood defence work for these Piers. Although this initial bid was not successful, the bid was resubmitted to the LEP in October 2014.

- 3.4 The Harbour's liability for prudential borrowing is detailed in the following table. The Principal Outstanding figure incorporates the annual repayment made for 2015/16.

<b>Capital Scheme</b>	<b>Amount Borrowed</b>	<b>Start of Repayments</b>	<b>Principal outstanding</b>
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£745,585
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£1,018,209
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£4,188,612
Torquay Inner Harbour pontoons (Inner Dock)	£800,000	2014/15	£763,678
<b>TOTAL</b>	<b>£7,890,000</b>		<b>£6,716,084</b>

- 3.5 The Tor Bay Harbour Authority debt position at the end of August 2015 is set out in the table below :-

	<b>Corporate Debtor System</b>		<b>Harbour Charges</b>	
	Unpaid by up to 60 days	Unpaid over 60 days	Unpaid by up to 60 days	Unpaid over 60 days
Debt outstanding	£13k	£23k	£85k	£173k
Bad Debt Provision	£50k			

- 3.6 Under the Council's Scheme of Delegation the Harbour Master can vary (by addition or waiver (in full or as to part)) the approved Schedule of Harbour Charges in such manner as shall be considered reasonable. However, the Harbour Master shall maintain a proper written record of all variations approved using the delegated powers and shall, at least twice a year, report to the Harbour Committee the total value of the additional charges levied and the total value of the charges waived (see paragraph 1.5).

- 3.7 Harbour Committee minute 398 (5) from December 2011 states the following :-

*“That, as recommended by the Harbour Committee's Budget Working Party, each harbour reserve fund is split with 20% of budgeted turnover ring-fenced to meet any deficit in the revenue budget or winter storm damage and the balance ring-fenced to fund harbour related capital projects.”*

Consequently, the Executive Head of Tor Bay Harbour Authority, in consultation with the Chairman of the Harbour Committee, has produced a list of Harbour Reserve Funds projects attached as Appendix 2. The Committee is asked to note this list and the obvious ongoing need for healthy Harbour Reserve Funds.

- 3.8 In December 2013, the Harbour Committee was reminded that Torbay Council's General Fund budget was facing a significant shortfall of some £22m over the period 2014/15 through 2015/16 and that all Council business units had been asked to make further savings and/or look at income opportunities to help reduce the corporate deficit. Consequently, the Harbour Committee agreed to make an additional contribution to the Council's General Fund to the equivalent value of £150,000 for the years 2014/15 and 2015/16. Since December 2013 further pressure has been placed on the Council's overall budget position, the Executive Head of Tor Bay Harbour Authority, and the Chair of the Harbour Committee were asked to consider a further contribution to the Council's General Fund of £160,000 for 2015/16.
- 3.9 The additional request for funding outlined in 3.8 above was considered by the Harbour Committee in September following advice from the Budget Review Working Party. Consequently, it was concluded that the additional contribution could be achieved when the Harbour Committee set the 2015/16 harbour budget. However, the Harbour Committee's Budget Review Working Party was very clear that such a contribution should be viewed as a **one-off event** and was not in their opinion something that could be sustained.
- 3.10 It has been brought to the attention of the Harbour Committee that, if the Council continues to request a significant contribution to the General Fund in the form of a cash dividend and asset rental fee, there is a significant risk that the Harbour Authority will be unable to remain self-funding. In that situation, the Harbour Authority would require a precept from the General Fund and this scenario would be contrary to government best practice for the management of municipal ports.
- 3.11 The Committee is reminded of a withdrawal from the Reserve Fund of £86k (10%) effective from the 1<sup>st</sup> April 2015. The Council agreed this action in November 2014 when they approved the funding of a Children's Services 5 year Strategy by borrowing funds from various sources, including the harbour reserve. It has been accepted that this withdrawal is a loan to another Council department and will be repaid between 2017/18 and 2018/19. This should be seen as a good use of a Council reserve fund as it represents a contribution towards a 'spend to save' investment scheme.

## Appendices

- |            |                                      |
|------------|--------------------------------------|
| Appendix 1 | Harbour Revenue Accounts for 2015/16 |
| Appendix 2 | Harbour Reserve Funds Project List   |

## Additional Information

None

HARBOUR REVENUE ACCOUNTS 2015/16 - BUDGET MONITORING

**TOR BAY HARBOUR AUTHORITY**

Expenditure	2015/16 Original Budget £ ,000	2015/16 Current Budget £ ,000	2015/16 Profiled Budget £ ,000	2015/16 Actual to Date £ ,000	2015/16 Projected Outturn £ ,000	
Harbour Employee Costs	641	641	253	243	623	1
Operations and Maintenance:-						
Repairs and Maintenance	228	228	59	75	228	
Rent/User Charges Concessions	5	22	20	15	22	2
Other Operating Costs	477	477	265	211	477	
Management and Administration :-						
Internal Support Services	151	162	162	162	162	3
External Support Services	42	42	0	5	45	
Other Administration Costs	86	86	46	48	86	
Capital Charges	497	497	497	497	497	
Contribution to Patrol Boat Operation	2	2	0	0	1	
Contbn to General Fund - Cash Dividend	145	145	0	0	145	
Contbn to General Fund - Asset Rental	315	315	0	0	315	
	<b>2,589</b>	<b>2,617</b>	<b>1,302</b>	<b>1,256</b>	<b>2,601</b>	
<b>Income</b>						
Rents and Rights :-						
Property and Other Rents/Rights	511	511	251	279	511	
Marina Rental	397	397	81	81	397	
Operating Income :-						
Harbour Dues	143	133	133	133	133	4
Visitor and Slipway	52	52	27	21	52	
Mooring fees	174	184	171	168	184	4
Torquay Town Dock	270	289	289	289	289	5
Torquay Inner Dock	183	208	208	207	208	5
Fish Toll Income	510	510	180	207	535	6
Boat and Trailer parking	35	41	41	41	41	
Recharged Services	67	67	24	31	67	
Other Income	100	100	65	81	105	7
Contribution from Reserves	96	96	0	0	96	
	<b>2,538</b>	<b>2,588</b>	<b>1,470</b>	<b>1,538</b>	<b>2,618</b>	
<b>Operating Surplus /(Deficit)</b>	<b>(51)</b>	<b>(29)</b>	<b>168</b>	<b>282</b>	<b>17</b>	

<b>RESERVE FUND</b>		
Opening Balance as at 1st April		688
Interest Receivable		5
Net Surplus / (Deficit) from Revenue Account		17
Contribution to Revenue Account		(96)
Contribution from Revenue Account		(28)
Expected Closing Balance as at 31st March		<b>586</b>
<i>Withdrawals earmarked post 1st April 2015</i>		(182)

Note: In line with Harbour Committee minute 398 (5) December 2011 the minimum Reserve level at year end 2015/16 is £488k based on 20% of budgeted turnover (income) to meet any deficit in the revenue budget or winter storm damage. The balance is earmarked for harbour related capital projects.

Details of the Reserve and a full schedule of capital projects is included at Appendix 2 to the report.

**HARBOUR REVENUE ACCOUNT 2015/16**

## NOTES

### TOR BAY HARBOUR AUTHORITY

- 1 It is anticipated that there will be a reduction in employee costs due to the waiving of superannuation contributions by some employees. However, this has not been reflected in the projected outturn at this stage as employees are entitled to join the scheme at any time.  
The actual to date does not yet reflect the full cost of the Harbour staffing structure but the projected outturn reports savings from a vacant post which is not expected to be filled during the current year.
- 2 This line now reflect all concessions allowed by the Harbour Authority in respect of property rentals and harbour charges.
- 3 Internal Support charges have increased to reflect officer time on the Interreg European funding scheme and other projects.
- 4 The Projected Outturns have been adjusted to a correct a misalignment in the original budget allocations between dues and moorings.
- 5 Budget targets for the Torquay Town Dock and Torquay Inner Dock were prudently set based on partial occupancy. Actual take up is close to full capacity.
- 6 Fish toll levels have been bouyant in the first part of the year and are expected to exceed the budet target at year end.
- 7 Additional advertising revenues have been negotiated by the Executive Head of Business Services.
- 8 A contribution of £96k is being applied as a one-off exercise to offset the effect of General Fund levies in 2015/16.
- 9 There are expected calls on the Reserve for accomodation works at Torquay and Paignton Harbours. The costs of various studies carried out as part of the Interreg FLIP project will also be initially charged to the Reserve to be offset by subsequent grant funding.

### Appendix 2 - Tor Bay Harbour Authority - Reserve Funds Project List

Harbour Committee Minute 398 (5) - December 2011

*“That, as recommended by the Harbour Committee’s Budget Working Party, each harbour reserve fund is split with 20% of budgeted turnover ring-fenced to meet any deficit in the revenue budget or winter storm damage and the balance ring-fenced to fund harbour related capital projects.”*

	<b>£</b>
Consolidated Reserve Balance at 31st March 2015	688,000
Anticipated interest for year	5,000
Withdrawals in year	(28,000)
Projected Surplus/(Deficit) for year	17,000
Projected Consolidated Reserve Balance at 31st March 2016	682,000
Planned contributions in 2015/16 to General Fund	(96,000)
Projected Consolidated Reserve Balance at 1st April 2016	586,000
less: 20% of Budgeted Turnover	(488,000)
<b>= Balance for Projects</b>	<b>98,000</b>
<b>Total costs of proposed Projects (as listed below).</b>	<b>1,332,900</b>
<i>Shortfall in Reserve funding available</i>	<i>(1,234,900)</i>

Projects	Brixham	Torquay & Paignton	Timeframe
Tor Bay Harbour - HMS software upgrade	£25,000	£25,000	Short
Torquay harbour - Haldon Pier fender replacement		£80,000	Short
Socio-economic Impact Study *	£5,000	£5,000	Short
Brixham Harbour - various (drying grids, BYC fenders, forklift barriers)	£120,000		Short
Torquay harbour - cill repair		£10,000	Short
Torquay Inner Dock - increase capacity		£40,000	Short
Torquay harbour - cill hydraulics modification		£20,000	Short

Projects continued	Brixham	Torquay & Paignton	Timeframe
Brixham harbour - new work boat	£50,000		Short
Torquay harbour - Haldon Pier brow		£80,000	Medium
Torquay harbour - Old Fish Quay refurbishment		£200,000	Medium
Brixham harbour – photo-voltaic solar panels on roof	£48,000		Medium
Torquay harbour – office/welfare improvements		£24,900	Medium
Torquay harbour - Inner Harbour Slipway repairs		£75,000	Medium
Torquay harbour - South Pier cathodic protection		£30,000	Medium
Tor Bay Harbour Patrol Boat replacement	£25,000	£25,000	Medium
Torquay harbour - new dinghy park & seaward slipway feasibility study		£30,000	Medium
Torquay harbour - Haldon Pier crane		£60,000	Long
Torquay harbour - outer harbour slipway repairs		£75,000	Long
Torquay Town Dock - 'V' pontoon upgrade		£160,000	Long
Torquay harbour - Fuel Station refurbishment		£120,000	Long
<b>TOTALS</b>	<b>£273,000</b>	<b>£1,059,900</b>	

Capital Projects over £25k to be listed on the Council's Capital Plan which is approved by full Council.

\* Interreg funding opportunity (FLIP)

KEY  
Capital  
Revenue



Current financial year  
0 to 12 months  
12 to 24 months  
24 to 60 months

2015-16  
Short  
Medium  
Long