

# South Hams Salcombe Harbour Board



<b>Title:</b>	<b>Agenda</b>
<b>Date:</b>	<b>Monday, 26th September, 2016</b>
<b>Time:</b>	<b>2.30 pm</b>
<b>Venue:</b>	<b>Cliff House, Salcombe</b>
<b>Full Members:</b>	<p style="text-align: center;"><b>Chairman</b> Cllr Brazil</p> <p style="text-align: center;"><b>Vice Chairman</b></p> <p><i>Members:</i> Cllr Pearce Cllr Wright Cllr Wingate Cllr Gilbert</p>
<b>Interests – Declaration and Restriction on Participation:</b>	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
<b>Committee administrator:</b>	Member.Services@swdevon.gov.uk

**1. Apologies for Absence**

**2. Minutes**

**1 - 6**

to approve as a correct record and authorise the Chairman to sign the minutes of the meeting of the Board held on 11 July 2016;

**3. Urgent Business**

brought forward at the discretion of the Chairman;

**4. Division of Agenda**

to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information;

**5. Declarations of Interest**

Members are invited to declare any personal or disclosable pecuniary interests, including the nature and extent of such interests, they may have in any items to be considered at this meeting;

**6. Public Question Time**

a period of up to 15 minutes is available to deal with questions from the public;

**7. Feedback from Harbour Community Forums**

to receive verbal reports from Board Members who attend the Harbour Community Forums on behalf of the Board;

**8. Update on the LACC**

**7 - 10**

update of the Executive Director (Service Delivery and Commercial Development)

**9. Strategic Business Plan 2017-2022**

**11 - 44**

**10. Budget Proposals 2017/18**

**45 - 56**

**11. Fees and Charges 2017/18**

**57 - 64**

<b>12. Performance Indicators (Apr-Jun)</b>	<b>65 - 72</b>
<b>13. Report of the Harbour Master</b>	<b>73 - 76</b>

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**MINUTES OF THE MEETING OF  
THE SALCOMBE HARBOUR BOARD  
HELD AT CLIFF HOUSE, SALCOMBE ON MONDAY, 11 JULY 2016**

<b>Members in attendance</b>			
<b>* Denotes attendance</b>		<b>Ø Denotes apology for absence</b>	
*	Cllr J Brazil (Chairman)	*	Dr C C Harling (Vice Chairman)
*	Cllr J A Pearce	*	Mr M Long
*	Cllr K R H Wingate	*	Mr M Mackley
*	Cllr S A E Wright	*	Mr H Marriage
		Ø	Mr A Thomson
		*	Mr M Taylor
*	Cllr P Smerdon (Chairman of SHDC)		

<b>Item No</b>	<b>Minute Ref No below refers</b>	<b>Officers in attendance and participating</b>
All agenda items		Executive Director (Service Delivery and Commercial Development (SD&CD)), Salcombe Harbour Master, Assistant Salcombe Harbour Master (Logistics and Maintenance), Solicitor, Finance Business Partner and Senior Case Manager

**SH.01/16 MINUTES**

The minutes of the meeting of the Salcombe Harbour Board held on 29 February 2016 were confirmed as a correct record and signed by the Chairman.

**SH.02/16 DECLARATIONS OF INTEREST**

Members were invited to declare any interests in the items of business to be considered during the course of the meeting, and the following were made:

Cllrs Wingate and Wright and Dr Harling, Mr Mackley, Mr Marriage and Mr Taylor all declared a disclosable pecuniary interest in all related agenda items by virtue of having moorings or paying harbour dues to the Council. As a result of the Solicitor granting each Board Member a dispensation, they were all able to take part in the debate and vote on any related matters (Minute SH.05/16 refers).

**SH.03/16 PUBLIC QUESTION TIME**

In accordance with the Public Question Time procedure rules, a member of the public raised concerns over the recent media reports regarding potential development at Whitestrand and on the Kingsbridge slipway. In response, the Chairman outlined the process and stated that consultation would take place. He also urged residents to contact their local Ward Members with any concerns or comments.

## SH.04/16 **FEEDBACK FROM HARBOUR COMMUNITY FORUMS**

The Board received verbal update reports from the Board Members who attended the Harbour Community Forums. The updates were given as follows:

### **Salcombe Kingsbridge Estuary Association (SKEA)**

The representative confirmed that the Association was still active although there had been no communications recently.

### **Salcombe Kingsbridge Estuary Conservation Forum (SKECF)**

The representative had been unable to attend the latest meeting.

### **South Devon & Channel Shellfishermen**

It was noted by the Board that communications with the Council had improved. The Assistant Harbour Master reported that long awaited bins had finally arrived for Fish Quay.

### **Kingsbridge and Salcombe Marine Business Forum**

The representative of the Forum advised that concerns had been raised over the prospective tenancy of new industrial units in Salcombe. The Board felt that the Council should support marine industry in the area and it was agreed that the Chairman would write to the Executive Director (Strategy and Commissioning) to ask for a meeting to discuss this matter.

### **Kingsbridge Estuary Boat Club (KEBC)**

There were no issues to raise.

## SH.05/16 **CODE OF CONDUCT DISPENSATIONS**

The Solicitor reminded the Board of the implications under the new Code of Conduct. She went on to advise that having a mooring or payment of harbour dues constituted a contract with the Council, and therefore should be declared as a Disclosable Pecuniary Interest (DPI). In the event of declaring a DPI, a Member would have to update their Register of Interest forms immediately. As a number of Board Members were in this position, the Solicitor granted a dispensation to all Members to enable them to take part in the meeting, (as stated in Paragraph 8.1 (c) of the Members Code of Conduct) as otherwise the meeting would be inquorate. This dispensation would be in force until the next Annual Council meeting in May 2017.

## SH.06/16 **UPDATE ON THE LOCAL AUTHORITY CONTROLLED COMPANY**

The Executive Director (SD&CD) introduced a briefing note that set out the current position on the Council's proposal to form a Local Authority Controlled Company (LACC) and some options for consideration by the Salcombe Harbour Board in relation to the current hosting arrangement of the Harbour team.

Members of the Board then had a detailed debate and the following points were raised:

One of the advantages of the LACC proposal was that it provided a agility and flexibility. There was an opportunity for the LACC to host the Harbour staff which would provide the simplest solution but may result in a loss of control; an alternative view was that moving the LACC forward would be more straightforward without the inclusion of the Harbour staff initially;

A number of Members raised concerns about the level of protection for staff if they were transferred into the LACC. TUPE Regulations were outlined, and the point was made that terms and conditions for staff could change, either in the LACC or if the staff remained as part of the local authority. However, the Board was advised that the Transformation Programme had delivered more efficient ways of working, there was no intention to use the LACC to reduce staff and that the ambition of the LACC was to grow and expand its business;

The Board was advised that an Informal group of Members were currently working together to explore elements of the Business Case in more detail and would conclude their work before the proposals were considered at meetings of the Executive and Council later this month.;

A number of Members felt that the Board should look to go forward as an organisation in its own right, particularly as it was self-financing;

The Executive Director (SD&CD) confirmed that a further report would be brought back to the Board if the Council resolved to progress with the LACC proposal.

## SH.07/16 **YEAR END FINANCIAL REPORT**

A report was presented that advised Members of the Harbour's final trading position in 2015/16 together with brief details of the main variations from the original budget. A summary of harbour reserves was also provided.

The Finance Business Partner and Harbour Master responded to specific questions. The Board asked that its thanks to the Finance Business Partner be noted.

It was then:

### **RESOLVED**

That the income and expenditure variations for the 2015/16 financial year and the overall trading surplus of £18,800 be noted and the surplus be allocated to the Harbour's General Reserve fund.

## SH.08/16 **STRATEGIC BUSINESS PLAN**

The Harbour Master presented a report that asked Members to consider the Strategic Business Plan which articulated the strategic aims of the Harbour Authority and its financial strategy for the next 5 years, including forecast borrowing requirements where necessary. Stakeholder engagement and public support were essential and the report asked for the Board's approval to commence a period of public consultation prior to proposing to Council in September 2016 that the Plan be adopted in time for 1 April 2017.

Members discussed some elements of the Business Plan objectives in more detail. Members agreed that the consultation process would be important and hoped that masterplan issues and the need for a commercial focus would be picked up during the consultation process.

It was then:

### **RESOLVED**

That a public consultation of the proposed Strategic Business Plan 2017-2022 be commenced, with a view to proposing to full Council in September 2016 that it be adopted from 1 April 2017.

## SH.09/16 **ANNUAL REPORT**

Members were presented with a report that proposed that the Annual Report be published so that Harbour users, other stakeholders, and members of the public were informed of progress made against the Harbour Authority's legal and other obligations and responsibilities.

It was then:

### **RESOLVED**

That the Annual Report be published.

## SH.10/16 **HARBOUR MASTER'S REPORT**

The Harbour Master presented a report on topical harbour issues that could be of interest to the Board or affected the Harbour.

The Board raised questions on the items relating to the Egremont, the Rivermaid and the Ice Cream boat. In respect of the item relating to Jubilee Pier refurbishment, thanks were expressed to Mr Malcolm Mackley for his help in submitting a bid to the Coastal Communities Fund (CCF).

Following the discussion on each item, the following recommendations were **PROPOSED**, **SECONDED** and on being put to the vote declared **CARRIED**.

It was then:



**RESOLVED**

1. That the Harbour Master's report, including the decision to award a night security contract be noted and that authority be delegated to the Harbour Master to award the preferred tender for the night security patrol;
2. That authority be delegated to the Harbour Master to erect navigational marks up South Pool creek; and
3. That authority be delegated to the Harbour Master to progress a proposal to run an ice cream boat on a trial basis and set out the strict operating boundaries.

(Meeting commenced at 2.00 pm and concluded at 4.50 pm)

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Chairman

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Briefing Note by: **South Hams District Council**

Title: **Update for Salcombe Harbour Board concerning the Council's proposal to form a Local Authority Controlled Company**

Date: 26<sup>th</sup> September 2016

Author: Sophie Hosking, Executive Director

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## **1. Summary**

- 1.1. This briefing note provides an update on the current position on the Council's proposal to form a Local Authority Controlled Company (LACC) and some options for consideration by the Salcombe Harbour Board in relation to the current hosting arrangement of the Harbour team.

## **2. Background**

- 2.1 A briefing note was presented to the Salcombe Harbour Board in July 2016 setting out the background of the T18 transformation programme and explaining that the establishment of a Local Authority Controlled Company (LACC) was the final phase in the programme.
- 2.2 South Hams District Council (with West Devon Borough Council) commissioned PriceWaterhouseCoopers (PWC) to develop a detailed business case in respect of establishing a Local Authority Controlled Company. The PWC report concluded that there are clear benefits in establishing a LACC jointly with WDBC and this conclusion formed the basis for the officers' report to Council (Appendix A).
- 2.3 The detailed business case and officer report was debated at Council on 28<sup>th</sup> July 2016. Following the debate, the final resolution from Council was that:
- 2.3.1 *The Council proceed with the work which enables a more considered decision to be made with regard to the implementation of a LACC, jointly owned with West Devon Borough Council subject to their being a satisfactory outcome to outstanding pensions, tax and governance questions*
- 2.3.2 *That a Joint Steering Group (JSG) be formed with West Devon Borough Council to deal with the outstanding matters*
- 2.3.3 *That the Audit Committee be tasked to consider the JSG's recommendations regarding risk and governance*
- 2.3.4 *That the date of transfer of staff to a LACC be decided on by the JSG*

2.3.5 *That the Council approve the use of up to £126,750 of the 16/17 budget surplus reserve for the set up costs of the LACC*

2.4 Similar resolutions were made by West Devon Borough Council however this report focuses on South Hams District Council.

### **3. Proposal**

3.1. Following the Council meeting, a Joint Steering Group has been formed and a Project team appointed to work through the detail required by Members ahead of a final decision. The current project timetable is for the Joint Steering Group to make a final recommendation to Full Council in February 2017.

3.2. The proposal remains that staff and services currently provided by the councils' Commercial Service, Customer First and Support Services would be transferred across to the new company. The report to this board in June indicated that the likely date of staff transfer to a LACC would be April 2017 however given the additional work now required, it is more likely that September 2017 would be the earliest date of any transfer of staff.

3.3. The staff currently providing the Councils' Strategy and Commissioning functions would stay in the direct employment of the Councils (this is likely to be less than 25 staff in total). However, the Councils will decide on the most cost effective way of providing the services.

3.4. As the Council has now agreed to proceed with developing the detailed work in respect of pensions, tax and governance issues, we recommend that it is a suitable time to consider in detail the implications for the hosting of the Salcombe Harbour team.

### **4. Key considerations**

4.1. There are two main options that the Joint Steering Group might wish to discuss with the Harbour Authority if the Council did proceed with implementing a LACC including:

Option	Potential Impacts
Continuing with the current hosting arrangement i.e. South Hams DC continuing to be the host employer for the team	<ul style="list-style-type: none"><li>• Support services would be delivered by the LACC via its overall contract with the Council</li><li>• There would be minimal benefit in the Harbour Staff remaining with the Council as services supporting them would be within the LACC</li><li>• No disruption to the harbour team</li></ul>
Transferring the employment/ hosting of the team to the LACC	<ul style="list-style-type: none"><li>• TUPE would apply for staff transferring to the LACC</li><li>• Provides potential opportunity for employees to move roles in future within the LACC – particularly if Harbour services need to be reduced due to income reductions</li></ul>

	<ul style="list-style-type: none"> <li>• Flexibility for LACC to agree service changes with Harbour without going through SH contract with LACC</li> <li>• Potential ability to trade employee skills and experience to other organisations through LACC and make a profit</li> <li>• Employees would still be eligible to remain in the Local Government Pension Scheme as LACC will seek Admitted Body Status.</li> <li>• It is possible that the employers' pensions' contribution rate would reduce slightly on transfer to a LACC as the LACC would have its own contribution rate placed somewhere between the current West Devon rate (lower) and the South Hams rate which is higher. Further work on pensions is being developed</li> <li>• Funding only available to Local Authorities would be drawn down through the Council and form part of the contract payment to the LACC</li> </ul>
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4.2. No decisions are required at the present time however in developing the detailed proposals for Council in February 2017, it will be important that Members Joint Steering Group engage with Members of the Harbour Board so that the Council can make a fully informed decision on the hosting arrangements should the Council agree to proceed with the implementation of a LACC

For further information contact:

**Neil Hawke, Support Services Specialist Manager, South Hams District and West Devon Borough Councils.**

neil.hawke@swdevon.gov.uk

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Report to: **Salcombe Harbour Board**

Date: **26 September 2016**

Title: **Strategic Business Plan**

Portfolio Area: Commercial Services

Wards Affected: **All**

Relevant Scrutiny Committee:

**Overview and Scrutiny Committee**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:  
(e.g. referral on of recommendation or  
implementation of substantive decision) **Council meeting  
scheduled for 15  
December 2016**

Author: **A Parnell** Role: **Harbour Master**

Contact: **01548 843791**

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**Recommendations:**

1. That the Harbour Board **RECOMMENDS** adoption of the Harbour's Strategic Business Plan 2017-2022 to Council.

## 1. Executive summary

1.1 The Strategic Business Plan (SBP) articulates the strategic aims of the Harbour Authority and its financial strategy for the next 5 years, including forecast borrowing requirements where necessary. Stakeholder engagement and public support is essential and a public consultation period was run from 12 July to 2 September. Consultation feedback has been incorporated and this report asks the Board to seek Full Council approval.

1.2 The SBP identifies four Critical Success Factors:

- 1.2.1 Maintaining safety and security
- 1.2.2 Protecting and enhancing the quality of the environment
- 1.2.3 Retaining our reputation
- 1.2.4 Running a financially sustainable harbour

1.3 These will be met through the following key objectives, each of which run as 'themes' throughout the SBP:

- 1.3.1 Improving navigational safety
- 1.3.2 Transforming the Harbour into an eco-harbour
- 1.3.3 Adapting to changing visitor patterns
- 1.3.4 Supporting a thriving local community
- 1.3.5 Employing an engaged and dedicated staff

1.4 The SBP also forecasts the likely annual revenue budgets which sees revenue rising from £1.03m in 2017 to £1.2m by 2022. This increase is the result of capital investment which totals £649k across the life of the SBP. Additionally the SBP identifies potential contingency expenditure which might be required if the work barge and/or fuel barge require to be replaced. Although these appear to be large sums it is important to note that all of these can be supported by self-sustaining business cases which would further protect the Harbour's financial future.

## **2. Background**

2.1 The second edition of the SBP comes to an end 31 Mar 17 and it is timely that the third edition (covering the period 2017-22) be published. This will set the Authority's strategic priorities and business objectives, and identify the required resources and planning activities required to meet these objectives.

## **4. Options available and consideration of risk**

4.1 There are two available options: publish a 5-year plan or instead publish a series of annual plans. Although the latter meets our minimum legal obligation it increases the risk of incoherency and loss of focus in achieving our longer term strategic aims.

## **5. Proposed Way Forward**

5.1 The SBP is adopted by Full Council and informs Harbour activity for the period 2017-2022. The report proposing the 2017 Budget and Fees & Charges (presented separately alongside this report) have been based upon this SBP.



## 6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
<b>Legal/ Governance</b>	N	The Pier & Harbour (Salcombe) Confirmation Act 1954
<b>Financial</b>	Y	The SBP proposes £649k capital expenditure between 2017-2022 and identifies a further £650k for 'worst case' contingencies. Expenditure will only take place with Full Council approval and after appropriate business cases have been submitted
<b>Risk</b>		There is a risk that performance and customer satisfaction could fall if the Harbour does not evolve to remain aligned with customer needs and expectations. This is mitigated through a comprehensive five-year strategic business plan to achieve our business objectives
<b>Comprehensive Impact Assessment Implications</b>		
<b>Equality and Diversity</b>	N	The Harbour Authority remains fully committed to E&D
<b>Safeguarding</b>	N	The Harbour Authority remains fully committed to Safeguarding
<b>Community Safety, Crime and Disorder</b>	Y	The SBP proposes enhancements to community wellbeing and safety as well as means of reducing crime and disorder
<b>Health, Safety &amp; Wellbeing</b>	Y	The SBP proposes enhancements to health, safety and wellbeing
<b>Other implications</b>	Y	The SBP proposes ways to protect and improve the environment

### Supporting Information

**Appendices:** Strategic Business Plan

**Background Papers:** None.

### Approval and clearance of report

Process checklist	Completed
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	<b>Yes/No</b>

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# SALCOMBE AND KINGSBRIDGE HARBOUR

## Strategic Business Plan 2017-2022



**Our Vision:** To be a safe, friendly and financially sustainable eco-harbour which contributes positively to the local economy while maintaining the character and beauty of the Harbour's environment.

## Part 1: Context

### Introduction

In its 2006 *'Municipal Ports Review'*, the Department for Transport recommended that Harbour Authorities publish strategic business plans that set out their objectives and priorities. This is the third strategic business plan written since that review and covers the period 2017-2022.

In our previous plan (2012-2017) the Harbour Board set out four key objectives: to operate a safe harbour; the provision of a high level of customer service; to maintain and develop the harbour infrastructure and to ensure long-term security of tenure.

Pleasingly, the Harbour Board has achieved most of what it set out to do. The Harbour is a safe one; it continues to be compliant with the Port Marine Safety Code and the trends for accidents, incidents and marine crime continue downwards from already low levels. Our reputation as a friendly and welcoming destination continues to rise, and this is reflected both in the number of compliments received by the staff, feedback from external bodies such as the RYA and the annual customer surveys. Last year 95% of respondents said that the harbour was safe and 96% felt that the harbour was welcoming and friendly.

*'Pleasingly, we have achieved most of what we set out to do in our 2012-17 business plan'*

Much of the harbour infrastructure has been upgraded, most notably the new Kingsbridge pontoon, the replacement of Shadycombe and Victoria Quay pontoons, and the refurbishment and servicing of the Normandy and Whitestrand pontoons. Improvements ashore have included the almost complete rebuilding of the Fish Quay, installation of visitor showers on Whitestrand, better recycling facilities and improvements to our online presence including an improved website and the ability for customers to make online payments.

The Harbour's tenure is also more secure: strong links have been forged with a number of agencies and institutions, both locally and further afield, and in 2014 we were recognised by the European Sea Ports Organisation as an eco-harbour. In the same year, we were amongst the first 14 harbours nationally to be granted the powers of Harbour Directions by Parliament.

The Harbour Board remains alive to the evolving expectations and needs of harbour users, boating trends and changes to the regulatory and financial environment, and it has been developing an ambitious plan for the next five years to ensure that we continue to operate a safe, efficient and sustainable modern eco-harbour that enhances the character of the Estuary and meets the needs and expectations of 21<sup>st</sup> century harbour users while maintaining its unspoiled and naturally beautiful character.

Our eco-harbour status and focus on customers' needs form the core of this strategic business plan. But these will not succeed unless we also continue to employ trained, motivated and competent staff, implement optimised processes and provide high quality services and facilities. It must also remain financially viable.

More widely, we also wish to support the local community and its economy as well as desire to contribute towards the aims of the South Hams District Council.

## The next 5 years - challenges, opportunities and aspirations

There are many uncertainties, particularly in terms of the local and national economies throughout this strategic business plan: consumer inflation is expected to remain low and there is likely to be less money made available by central and local governments<sup>1</sup>, which may well have an impact on municipal harbours like ours. This may well be exacerbated by 'Brexit' which could potentially impose additional regulatory burdens (eg customs reporting etc). Environmentally, the Met Office's decadal forecast<sup>2</sup> suggests that global average temperatures are expected to remain 0.28°C - 0.77°C above the long-term average which may result in more extreme or unsettled weather patterns. And finally, the rules and regulations which we must follow are likely to become more complex, requiring us to devote more time, money and effort to them so that we continue to remain compliant. The immediate impacts of these factors are likely to be:

- Greater pressure on the Harbour Authority to take on more harbour-related assets and liabilities from the District Council such as maintenance of quay walls
- The 'Bar' at the estuary's entrance may become more of an obstacle for vessels entering and leaving the harbour, particularly during inclement weather which is likely to be more frequent
- Launching and recovering vessels from one of the slipways around the Harbour is becoming more popular, but the number of visitors arriving from sea is declining by an average of 120 vessels per year
- More vessels may choose to remain within the shelter of the harbour rather than venture to sea, so the harbour may become more congested with smaller vessels, particularly if the sea-state beyond the Bar is high

*'The main thrust, of this business plan is to become a truly sustainable eco-harbour.'*

Over the next five years we will:

1. **Transform Salcombe Harbour into an eco-harbour.** We will ensure that our services and facilities are truly sustainable and minimise our impact on the environment while contributing to the highest possible standards of safety and water quality. The main thrust, of this business plan is to become a truly sustainable eco-harbour.
2. **Improve navigational safety.** We will reorganise the layout of our existing deep water swinging moorings, especially in the 'Bag' in order to widen the navigable channel which is often constricted by moored vessels swinging across it. The reduction of swinging moorings will be off-set by the installation of deep water pontoons which are more environmentally friendly than swinging moorings, the chain of which 'scours' the seabed.
3. **Adapt to changes in visitor patterns.** There is a long-term decline – albeit slow – of the number of visitors arriving by sea, and this is likely to continue for the reasons given above. However more are choosing to bring their boat to the Harbour by road before launching and recovering their vessel from one of our slipways. We will meet this change in visitor patterns by improving the maintenance and operational management of slipways to ease congestion during busy periods, and investigating better ways to store visitors' road trailers. We will also continue to improve the range and quality of

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<sup>1</sup> <http://www.pwc.co.uk/assets/pdf/ukey/uk-economic-outlook-full-report-march-2016.pdf>

<sup>2</sup> <http://www.metoffice.gov.uk/research/climate/seasonal-to-decadal/long-range/decadal-fc>

the services and facilities that we offer to both residents and visitors alike in order that we remain an attractive and competitive regional destination.

4. **Support a thriving local community.** The harbour is an important local economic driver. Establishing Kingsbridge as a maritime destination, improving the ferry routes and supporting a thriving shell fishing industry are key priorities. In tandem, we will also partner with universities, colleges and schools to develop inspirational educational programmes that raise public awareness – and particularly that of the next generation of harbour users – of our outstanding natural environment and ways in which it can be safely and sustainably enjoyed.
5. **Employ an engaged and dedicated staff.** The Harbour’s positive reputation is a direct reflection on our staff’s dedication and commitment. Introducing better and more connected IT systems will allow them greater access to information when interacting with customers, and developing a certificated training programme will recognise and reward their skills and experience with career-enhancing qualifications.

Each of these is expanded upon in the following pages and collectively forms the substance of our Strategic Business Plan.

## Part 2: The Plan

### Critical Success Factors

As reported in Part 1, feedback from harbour users indicates that there are four critical success factors that need to be met if the Harbour is to prosper:

**Maintaining safety and security.** Ensuring a secure, safe and resilient harbour which meets all regulatory requirements and serves to protect the surrounding community is the Harbour Authority's principal function.

**Protecting and enhancing the quality of the environment, especially water quality.** The Harbour's natural and unspoiled environment is our biggest asset. This simultaneously defines the character of the Harbour and differentiates it from neighbouring ports. Our challenge is to conserve our unique setting while also sensitively developing our services and facilities to meet evolving customer expectations.

**Retaining our reputation.** Our reputation as a friendly and welcoming harbour was hard won, and is a positive 'pull' factor for our customers. But it can be easily diminished if we fall out of step with our customer's expectations or fail to provide a high quality customer experience.

**Run a financially sustainable harbour.** The Harbour is obliged under its enabling Act (the 1954 Act) to be a financially self-sustaining business; moreover it also needs to generate prudent reserves to fund major asset replacement as part of its ongoing obligations to run a safe and efficient harbour.

### Our Mission

*To operate a safe, efficient and sustainable modern eco-harbour that enhances the character of the Estuary, meets the needs and expectations of 21<sup>st</sup> century harbour users and is an asset for South Hams District Council.*

### Our Core Values

- We are **responsible for marine safety**
- We lead on **environmental stewardship** of the harbour
- We take **stakeholder engagement** very seriously
- We deliver **value for money**
- We enact **good governance** with integrity

## Improve navigational safety

*We want the Harbour to be viewed as one of the safest places to enjoy the water in the South West*

### Strategies

- Renew the pontoons at Dentrige, South Pool and Frogmore
- Enhance navigational safety by reorganising the Deep Water mooring layout in the 'Bag'
- Reduce marine crime by encouraging continuing the night security patrol service and developing multiagency relationships with law enforcement partners
- Enhance emergency preparedness through multiagency training and exercises
- Improve our resilience to extreme weather events by supporting the ongoing flood defence works in the town

### Key Performance Indicators

- Compliance with all applicable regulatory requirements
- Numbers of accidents and incidents
- Marine crime statistics

Although Salcombe Harbour is already known as a safe and welcoming harbour, safety remains the Harbour Authority's primary responsibility. During the previous Business Plan safety was a key driver for the renewal of the pontoons in Kingsbridge, Shadycombe creek and at Victoria Quay. It was also the driver for the refurbishment of both the Whitestrand and Normandy pontoons, and the comprehensive modernisation of the Fish Quay. During this Plan we intend to complete the pontoon renewal programme by:

- **Replacing the Dentrige commercial pontoon in 2017**
- **Refurbishing the South Pool & Frogmore landing pontoons in 2018**

Other plans to improve safety include:

- **Repair Kingsbridge and Bowcombe slipways by 2019:** These slipways have started to deteriorate and require corrective works to ensure that they remain fit for purpose. These are currently owned and maintained by both the South Hams District Council and the Duchy of Cornwall, which means that repair and maintenance is considered alongside many of their other priorities. Because these are so critical to the efficient running of the Harbour, we will approach both the District Council and Duchy of Cornwall in 2017 and request that operational management is transferred to the Harbour Authority. If successful, we will then fund repairs to both slipways by 2019. Our longer term vision – once the initial repairs have been made – is to increase the gradient of the Kingsbridge slipway so that it is easier to launch and recover boats from trailers. To be cost-effective this will be done at the same time as the District Council refurbish the car park. Although no definitive date can be put on this work, the intention is that it is completed by 2022 at the latest.

- **Reorganise the layout of Deep Water moorings in the 'Bag' in 2018:** There is no more room for any further Deep Water swinging moorings in the 'Bag' and the swinging circles of many overlap which could result in vessels 'coming together' while moored and causing damage. Furthermore, the navigable channel through the 'Bag' is often difficult to make out or constrained, particularly at slack tide or in a strong westerly wind when vessels sit perpendicular to the channel instead of parallel to it.



In 2018 we will reorganise the layout of swinging moorings to make the central navigable channel easier to identify and use by removing a line of moorings along one side. This will not reduce the number of Deep Water moorings because pontoon berths will be installed on the eastern side of the 'Bag' in the vicinity of the ex-houseboat moorings. Consideration will be given to providing lateral buoys (red and green) at key points. One unintended consequence of widening the main channel through the Bag may be that instances of speeding will increase. The viability of 'no wake' zones within the Bag and elsewhere will be explored, alongside efforts to increase the need to 'be wake aware' amongst boat owners.

- **Install a basic survey capability into a Harbour launch in 2017:** At present the Authority commissions hydrographic surveys from third-party contractors every two years and undertakes dredging of the harbour every five years. This is inefficient since it is based on calendar dates rather than identified need. We will therefore install a basic survey capability into a Harbour launch in 2017 and use it to identify changes to the fundus (the bed of the Harbour). Not only will we be able to programme these operations more proactively (ie before significant problems occur) but it may well save us significant costs because these operations will be aligned to need rather than elapsed time.

- **Replace the work barge (not before 2022):** The work barge is a vital capability but is aging and no longer able to undertake all of the tasks required of it. Furthermore the regulations for such craft are being made more stringent and it is unlikely that it will remain compliant in the future. Preliminary investigations have revealed that to replace the barge could cost £250-£450K, however if appropriately configured it would be MCA compliant and its capabilities not become obsolete for at least 40 years. Although the Authority would have to borrow money to cover the costs of a replacement it is likely that a positive business case could be made since a more capable barge could actually reduce running costs by, for example, significantly reducing the amount of contracted diving support required for moorings maintenance.

- **Continue to operate a night security patrol (enduring):** We continue to see a reducing year-on-year trend in the levels of marine crime as a result of a close working relationship with the Police and the engagement of a highly effective night security patrol. At a local level, we will continue to raise crime awareness across the maritime community through focused events, and encourage physical measures such as security marking of equipment. More broadly, we will collaborate with, and contribute to, multiagency information exchange such as with the National Crime Agency, Border Force and others.

- **Refine our emergency management plans (enduring):** We will also work with local stakeholders, external agencies and other partners to further refine and exercise our emergency management plans, including oil spill response planning. Our next Tier 2 oil response exercises (ie those which involve our contracted response partners and other external agencies) are due in 2018 and 2021, supplemented by a number of 'in house' training and exercise events. In addition, we will develop our preparedness to deal with extreme weather and other events in both Kingsbridge and Salcombe. Key to this will be working with the Town and District Councils and the Local Resilience Forum to ensure that any development within the Harbour contributes to our collective resilience. A recent example is our support to the flood defence works at Whitestrand and Chapel End in Salcombe.

- **Improve aids to navigation (enduring):** The Authority has received a number of requests for additional marking of both the 'leading line' over the Bar and the channel in South Pool Creek. These are kept under frequent review and if deemed necessary such augmentations will be made.

- **Improve swimmer safety (enduring):** Swimming off Mill Bay is increasingly popular; making boat owners aware of the swimmers or even establishing a 'swimming zone' will be explored if deemed necessary.

## Transform the Harbour into an eco-harbour

*We will create a truly sustainable eco-harbour in which recreational and commercial marine activities thrive with minimal long-term environmental impact*

### Strategies

- Reduce the Harbour Authority's resource consumption and convert to renewable sources of energy where possible
- Embedding an informed environmental awareness into all harbour activities and with staff leading by example
- Raise environmental awareness amongst harbour users and incentivise sustainable behaviours
- Improve water quality by working with partners to adopt the Catchment Based Approach and other measures
- Protect and enhance the Harbour's natural habitat
- Be recognised nationally as a model of sustainable harbour 'best practice'

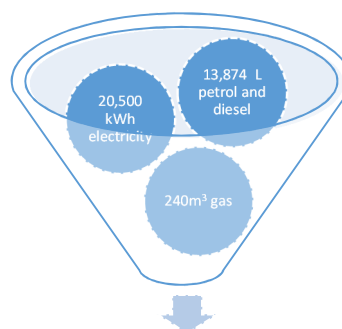
### Key Performance Indicators

- Compliance with all applicable environmental regulatory requirements
- Carbon credit offsets purchased
- Water quality at designated beaches

In 2014 we were recognised by the European Sea Ports Organisation as an EcoPort, and the main thrust of this business plan is to become a truly sustainable eco-harbour that represents a model for other harbours to adopt.

Our ambition is to reduce the Harbour Authority's net carbon footprint as close as possible to zero through a combination of reducing our resource consumption wherever practical and off-setting the remainder by buying carbon credits.

We have selected our 2015 consumption rates (the last full year for which we have figures) as the baseline against which future efforts to reduce fuel, gas and electricity consumption will be measured. This is illustrated in figure 1. Throughout 2016 our consumption of other resources (eg paper) will be monitored to obtain a detailed understanding of our total environmental 'footprint'.



**Reduce as close to carbon zero by 2022**

Figure 1: The Harbour Authority's resource consumption in 2015

Our transformation to an eco-harbour will be based on the following activities:

- **Convert the water taxis and other launches to hybrid propulsion by 2022:** In 2016 we will replace the diesel engine in one of the water taxis with a hybrid propulsion system (diesel generator, batteries and electric motor) which will significantly reduce emissions and fuel consumption. It will also reduce the noise, especially when running solely on batteries. In 2017 we will also trial an electric outboard (also battery powered) on one of the Whitestrand Patrol vessels. If these trials prove successful then the intention is to convert the other water taxis and most of the launches and dory's to electric propulsion by 2022.
- **Install electric charging points on Shadycombe pontoons (2018-22):** In tandem with the above and to meet growing customer demand we will install a number of electric charging points on Shadycombe to cater for the growing number of boat owners who use electric/battery propulsion.
- **Reduce the Harbour Authority's energy consumption (2017-19):** A recent survey has revealed that the existing Harbour Office and Whitestrand toilet buildings do not meet the minimum energy efficiency standards which will be introduced in 2018, so in 2016-17 work will be commissioned to identify the options to rectify this. These are likely to range from a number of retro-fit improvements to the insulation, lighting and heating systems to a full rebuild. If the latter option is selected then it could also present the opportunity to increase the range of shower and other facilities for visitors.
- **Increase our use of renewable energy (2018 and onwards):** To complement the reduced use of resources, the Authority will make more use of renewable energy. Although the installation of a 12 kW solar array on the workshop roof in 2016 off-sets almost 60% of the 2015-baselined electricity consumption, the lack of roof space owned by the Authority means that this cannot meaningfully be increased. The Authority will instead switch its supplier of mains electricity to one which provides electricity from renewable sources and, as technology evolves, consider upgrading our generating capacity if this is economically worthwhile.
- **Reduce the environmental impact of the moorings infrastructure (2018):** The reorganisation of deep water moorings in the 'Bag', and the replacement of some moorings with pontoon berths, will reduce the amount of sea-bed 'scour' caused by the mooring chains. Moreover, the smaller footprint of moorings within the 'Bag' will create the impression of more space, thereby enhancing the natural character of the Harbour. The provision of water, electricity and improved 'pump out' facilities will also be highly desirable at this location, too.
- **Enhance the recycling facilities (2018):** There are three recycling facilities available to harbour users; two afloat and one ashore. These accept card, paper, glass, tins, plastic and general waste. From 2018 these will be enhanced to accept additional recyclable material.
- **Extend the Bathing water sampling season (2018):** The cleanliness of bathing waters at designated beaches (North Sands, South Sands and Mill Bay) is calculated against the Bathing Water Directive<sup>3</sup> (BWD) criteria and historically have either been assessed as Excellent or Good. Measurements are taken via a sampling regime which operates between May to September (the Government's designated 'bathing season'). However canoeists, SUPs and surfers use the bathing waters outside of these dates so in 2017 we will investigate how to extend the sampling season and implement the extended sampling and reporting regime from 2018 (or even earlier if possible) so that those who choose to use the waters outside of the core BWD dates will be aware of the current and forecast quality of the water.
- **Contribute to an improved estuarine water quality assessment by 2021:** The quality of the Harbour's water body (ie the entire estuary, not just the bathing waters) is assessed against the Water Framework Directive (WFD) criteria. The Harbour's WFD assessment is currently 'moderate' and is limited by the presence of

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<sup>3</sup> The EU's Bathing Water Directive (BWD) is enacted by the UK as part of the Bathing Water Regulations 2013.

phosphate (caused by human activity) and nitrate (caused by field run-off). Another factor is also the vessels which 'pump out' directly overboard into the Harbour. To ameliorate this we will:

- Discourage 'pumping out' by encouraging vessels fitted with holding tanks to use our free sullage barge facilities and not discharge into the harbour
- Continue to work closely with the Catchment Based Approach initiative partners to discourage activities which cause phosphates and nitrates to enter the water body eg dissuade farmers from ploughing or allowing live-stock immediately adjacent to the water's edge; encouraging households to use phosphate-free laundry and dishwasher detergents.

- **Improve environmental awareness amongst harbour users (enduring):** The Harbour's status as an Area of Outstanding Natural Beauty (AONB), Site of Special Scientific Interest (SSSI), Local Nature Reserve (LNR) and eco harbour are well publicised, as is the fact that it contains many interesting and unusual items such as Seagrass and sea horses. The next step is to translate awareness into an understanding of the environmental impact of everybody's activities. This will be hard to enact because many of the Harbour's users are relatively transitory, staying for only a few weeks a year. To help them, the Authority will:

- reinforce the Harbour's eco credentials by pursuing more green-tourism certification from 2017
- promote the 'quiet creeks' initiative
- alongside the AONB Unit, encourage the development of 'self-guide' nature trails and citizen science reporting of wildlife sightings
- Invigorate existing environmental campaigns and incorporate them into one coherent message by 2018 and onwards. This will likely require external marketing expertise to develop but will then be run over successive years. Current campaigns include:
  - Being 'wake aware': helping boat owners to recognise that they should be mindful of the wake they create, not just the speed at which they're travelling, in the Harbour; encouraging customers to consider 'wake' as a factor when purchasing boats.
  - 'Phosphate free Salcombe': encouraging all residents and visitors in the catchment area to adopt phosphate-free domestic cleaning agents.
  - Seagrass bed awareness: helping water users to recognise Seagrass beds, and what to do to avoid damaging them.
  - 'Don't pump out': encouraging vessels to either use holding tanks or make use of shore facilities.
  - The 'yellow fish' drain labelling scheme: encouraging "only rain down the drain" since the roadside drains empty directly into the Harbour.
  - Continue to facilitate applications for Blue Flag and Seaside Awards for bathing beaches within the Harbour.

New campaigns will include:

- Reducing customer fuel usage by encouraging mid-season scrubbing, especially of propellers.
  - Encouraging the use of fuel collars when refuelling to minimise minor spills.
- **Be recognised as a model of sustainable harbour 'best practice' (2022):** By the end of this Plan our aspiration is that we are recognised nationally as a good example of sustainable harbour 'best practice'. We will do this via a number of means:
- Undertake the European Sea Ports Organisation's *Ports Environmental Review System* process.

- Engage with partners such as the Community Seagrass Initiative, Plymouth Marine Aquarium, Plymouth and Exeter Universities to attract inward academic research and investment.
- Make positive contributions to national agendas on sustainable harbour topics eg with the British Ports Association.

## Adapt to changing visitor patterns

*We want to enhance our national reputation for being a friendly and welcoming harbour*

### Strategies

- Increase the number of available moorings and berths by 110
- Enhance the services and facilities offered to customers
- Make it easier to launch and recover boats at the Batson and Kingsbridge slipways
- Improve our online presence to make it easier for customers to book and pay for services
- Continue to expand ways of engaging with the customer

### Key Performance Indicators

- Customer satisfaction surveys
- Visitor numbers
- Waiting list length

Salcombe Harbour enjoys a good reputation nationally, and this is reflected in the annual customer feedback returns: 96% of respondents say that the Harbour is a welcoming, friendly and helpful harbour, 90% say that the Harbour offers value for money and 70% have noticed improvements in the quality of services and facilities offered. However, customers also frequently request:

- Walk-ashore moorings
- Improved showers and toilets at Whitestrand
- Electricity and water at the Visitors' Pontoons
- Charging points on pontoons for the growing number of electric boats
- Lengthy waiting lists be addressed
- Less congestion at Batson slipway and improved trailer storage facilities
- A greater ability to book facilities online

These will be addressed in the following ways:

- **More walk-ashore moorings (2017):** Shadycombe pontoon will be extended by 50m, and a 45m arm installed off the south west corner of Batson pontoon to generate up to 76 new walk-ashore berths.

- **Improved shower and toilet facilities (2018):** The Authority will work with the District Council to improve the toilet facilities at Whitestrand and if possible increase the number of showers. It will in tandem make greater efforts to 'market' the facilities currently offered at the Salcombe Yacht Club and will also approach Kingbridge Leisure Centre to see if they would be amenable to doing likewise.

- **If feasible, install electricity, water at the Visitors' Pontoon (2019):** In 2018 the Authority will commission a feasibility study to investigate way of providing electricity and fresh water to the Visitors' Pontoon. Connecting to the mains systems has hitherto proven to be unaffordable but if a cost-effective off-grid solution can be identified it will be installed from 2019.

- **Charging points on pontoons for electric outboards (2018):** A small (but increasing) number of customers have purchased electric outboards for their vessels and have requested charging points to be installed. This will be done at the same time as the extensions to the Shadycombe and Batson pontoons.

- **Reduce lengthy waiting lists (enduring):** All of our resident berths and moorings are full and we have very lengthy waiting lists: as of Apr 16 these stood at nearly 600 and in some cases applicants wait 10 years or more for a suitable mooring. The pontoon extensions will reduce waiting lists, as will the installation of deep water pontoons in Ox Bay (in the 'Bag') which will provide up to 32 deep water moorings. When Dentrige pontoon reaches the end of its serviceable life in 2017 and is replaced this will provide another 8 deep water berths, and floating dinghy storage and launching facilities.

For those on the waiting lists moorings, a source of increasing frustration is 'berth blocking' ie allocated moorings which only infrequently used (and sometimes not at all). A 'minimum use' clause is not currently within the Moorings Policy since this would be difficult to draft and impractical to implement. However, because moorings and berths are re-allocated annually the next review of the Moorings Policy will investigate how best to overcome this issue.

- **Reduce congestion at Batson slipway and improve trailer storage facilities (2017- 2020):** The number of boats launched at Batson slipway rises year on year but can become dangerously congested on occasion during peak season. From 2017 additional seasonal staff will be on site to assist in the management of the slipway, and this will be further enhanced by the re-siting of the Boat Park hut closer to the slipway so that it can be better monitored. In 2018 the layout of Batson will be reviewed to see if traffic flows and trailer storage can be improved – particularly for resident dinghy owners - with any changes introduced over the following years eg widening the spaces to accommodate wider cars and trailers. Floating (pontoon) dinghy storage might be a potential option, too. The Kingsbridge slipway will be repaired in 2019 and visitors will be encouraged to launch and recover their boats there (tides permitting) which will further reduce the congestion at Batson.

- **Improve on-line access (ongoing):** The process of getting onto the water will be made easier by simplifying the payment of harbour dues and mooring fees online and introducing the ability to book moorings and trailer park spaces via the website and potentially a smartphone 'app'.

- **Improve customer engagement (ongoing):** We want to improve customer engagement and already use a number of methods to do so, including social media, ad hoc newsletters and a customer satisfaction questionnaire. However these are not centrally organised, and each is limited in scope and scale because of other commitments. We will therefore investigate how these might be made more coherent and enriched so that we better understand our customers' needs and also communication is improved in both directions.

- **The fuel barge (ongoing):** The fuel barge is independently owned and operated and vital to the efficient running of the Harbour so the Authority will develop a contingency plan to safeguard the uninterrupted supply of fuel to customers, including adequate financial provision for a replacement service.

- **Encourage visitors to stay longer (ongoing):** Most visitors stay in Salcombe for less than two nights because they are undertaking a multi-stop cruise along the SW coast. We are unlikely to significantly alter this behaviour since variety in overnight locations is precisely what they seek. We should firstly focus on inspiring vessels bound for Plymouth or Dartmouth to choose Salcombe instead: significant 'pull' factors are our reputation as a friendly and welcoming harbour, as well as our unique natural geography and status as an eco-harbour. Encouraging vessels to stay longer can be achieved in several ways:

- Making visitors aware of the range of things to do in and around the Harbour
- Marketing Kingsbridge as a destination in its own right
- Encouraging geocaching or similar activities within the Harbour for SUP, canoeists etc

Ensuring our website and visitor guide links with those published by the Salcombe Tourist Information Centre (TIC) will assist in the first; and working with the Kingsbridge TIC will assist with the second. In addition we will investigate how to encourage marine-focused events to take place in the Harbour.



## Support a thriving local community

*We want the harbour to be the hub of a thriving local community*

### Strategies

- Close the 'water gap' between visiting vessels and the shore
- Enhance the ferry routes around the Harbour
- Establish Kingsbridge as a destination
- Support the shell fishing industry
- Develop an educational programme with local schools, colleges and universities
- Support local businesses

### Key Performance Indicators

- Water taxi passenger numbers
- Kingsbridge visitor numbers
- Numbers of fishing vessels landing their catch at the Fish Quay

The success of the Harbour and surrounding communities are closely bound: each benefits as the other thrives, both socially and economically. But the seasonality of our visitors (the majority of whom visit during the busy weeks of the summer holidays) and the 'water gap' between visitors and the shore (most arrive by sea, and there are very few alongside berths) present considerable challenges including tender congestion at Whitestrand.

The shell fishing industry is a small but important local economic driver, and exports its product globally. During the previous business plan a number of improvements were made to the Fish Quay, thereby ensuring that it is capable of accommodating the industry for decades to come. A number of fishing vessels land their catch at the Quay which is then either directly internationally exported or processed locally.

- **Encourage greater use of an improved water taxi service (2017):** The water taxi service runs from 0730-2300 in peak season (operating times are reviewed annually) and the tariff has not risen since 2006. If possible, the intention is to freeze prices until 2022 in order to encourage greater use of the taxi and to discourage the use of tenders, thereby decreasing the congestion at Whitestrand. The conversion of the water taxis to hybrid propulsion will make them quieter and improve the users' experience.

- **Enhance ferry routes around the Harbour (2017):** The ferry routes between Salcombe and Kingsbridge, East Portlemouth, South Sands and Dartmouth are important stand-alone commercial enterprises which operate within the Harbour. They are also very important community links. Reinstating the Kingsbridge-Salcombe ferry in time for the 2017 season is a very high priority. Once achieved, the Authority intends to review and where possible reduce its existing landing charges and other fees to incentivise these services to continue and expand. As part of this, any move to refurbish and rebuild the Jubilee Pier will be fully supported.

Ferry operators will be encouraged to liaise with bus and other public transport providers to see how they might be integrated into a wider regional transport system.

- **Establish Kingsbridge as a harbour destination (2020):** at present many are put off by the limited tidal access to the top of the Harbour but during the 2020 dredging campaign the Authority will seek to deepen the main navigable channel to extend access from two hours either side of high tide to three hours. By increasing accessibility from four to at least six hours, and through working with the Kingsbridge Tourist Information Centre (TIC) we hope to encourage visitors to view Kingsbridge as a destination in its own right. It should also facilitate more ferry journeys between the two. In tandem we will also liaise with the Kingsbridge TIC to explore if there are waterside leisure activities that we might reasonably be able to facilitate. Other initiatives will include exploring the feasibility of providing water and electricity to the Kingsbridge pontoon.

### **The Fish Quay**

We will encourage existing fishing vessels to continue to ply their trade from Salcombe and also make it an attractive location for other vessels to land their catches too. This will be achieved through the following means:

- **Take ownership of the Fish Quay (2017):** In 2017 we will seek to formally transfer the Fish Quay into the Harbour Authority's area of responsibility in order that we can more easily administer the day-to-day management of this important asset and to improve our understanding of the evolving needs of the shell fishermen so that it continues to meet their business and other needs.

- **Rationalise Fish Quay charges (2018):** In 2018 the Authority will review and rationalise the existing structure of fees and charges, making them fairer and simpler to administer.

- **Improve waste and noise management (2018):** Waste management accounts for almost half of the ongoing operating costs on the Fish Quay since charges are levied by volume and not weight of waste. The Authority will liaise with the District Council to investigate how costs and landfill footprint can be reduced eg perhaps installing a waste compactor and better recycling facilities. At the same time the layout of the Fish Quay will be examined to see if there are ways to reduce operational noise or shield it to reduce the amount which travels across Shadycombe Creek into Salcombe town.

- **Improve waste reception facilities (enduring):** The commercial users of the Fish Quay have requested better waste reception facilities. This will be continually monitored to ensure that the facilities evolve and expand to meet current and future needs.

### **Supporting local businesses**

The authority will where practicable work to support local businesses, especially marine-related businesses or those organising marine-focused events. Examples include assisting with the Town and Yacht Club regatta weeks, SUP racing events in the upper Harbour, and the recently established Crab Fest.

Off the water, the Authority will work with local schools, colleges and universities to contribute to their broader educational, environmental and social agendas, while at the same time imparting good water safety and environmental behaviours to the next generation of water users. We will also continue to develop multi-agency relationships eg with the Police, South West Water, the Environment Agency and others to enhance the social, economic and environmental well-being of the harbour and surrounding communities.

### **Harbour Stakeholders**

There are 5 stakeholder Forums and the Board sees these groups as an important source of information and feedback. Their number, constitution and activities will be periodically reviewed to ensure that they actively represent the complete spectrum of Harbour users.

## Employ an engaged and dedicated staff

*We employ a happy, motivated and effective staff who are the proprietors of the Harbour's success*

### Strategies

- Introduce certificated training
- Improve staff efficiency through better use of IT

### Key Performance Indicators

- Numbers of compliments and complaints
- Staff turnover

Our staff, both permanent and seasonal, are the front 'face' of the Harbour: the impressions they make on our customers will directly affect our continuing success and reputation as a welcoming and friendly Harbour. It is therefore vital that we recruit, train and retain staff who are not only professionally competent, but who are also dedicated and passionate about the quality of services they deliver and correctly empowered to do so. Customer service is key to our success but our staff are also part of the 'Authority'. They are additionally responsible for ensuring the Harbour operates safely and requires them to intervene, educate and where necessary enforce safe behaviours.

Great importance is given to both individual and collective training which, although based on formal National Occupational Standards, is not currently certificated. This will be reviewed through consultation with Ports Skills and Safety (PSS). In tandem, a documentable Continual Professional Development programme will be established so the staff can demonstrate ongoing development, competence and experience and to facilitate the sharing of 'best practice', benchmarked against other similar harbours.

Increasing the staff's access to ever-improving IT systems is also a priority to enhance job satisfaction, efficiency and information sharing amongst a team who frequently work closely together on the same task while being physically miles apart from one another. A formal review of our IT needs will be undertaken to ensure that the team have the right tools to properly access and share information in a timely manner.

## Timeline

	Safety, security and resilience	Our eco-harbour vision	Create a friendly & welcoming harbour	Support a thriving local community	Employ an engaged & dedicated staff
<b>2017</b>					
Freeze water taxi prices			✓	✓	
Replace Dentrige commercial pontoon	✓		✓	✓	
Extend Shadycombe and Batson pontoons	✓		✓	✓	
Take on repair liabilities for Kingsbridge and Bowcombe slipways	✓			✓	
Seek transfer of Fish Quay into Harbour estate				✓	
Convert water taxi to hybrid electric propulsion		✓			
Install basic survey capability into a Harbour launch	✓				
Extend bathing water sampling season either side of 'core' months of May-Sept		✓	✓		
Commission external assistance to cohere all existing safety and environmental campaigns	✓	✓			
Facilitate reinstatement of the Kingsbridge-Salcombe ferry			✓	✓	
Conduct review of IT requirements					✓

2018					
Freeze water taxi prices			✓	✓	
Review and rationalise Fish Quay charges				✓	
Review ferry landing charges				✓	
Install deep water pontoon in Ox Bay	✓	✓	✓		
Refurbish South Pool and Frogmore landing pontoons	✓		✓	✓	
Install electric charging points on some pontoons for electric outboards		✓	✓		
Upgrade toilet and shower facilities at Whitestrand		✓	✓		
Improve energy efficiency of harbour office building		✓			✓
Increase our use of renewable energy		✓			
Tier 2 oil spill response exercise	✓				✓
Trial electric propulsion on Whitestrand Patrol Dory		✓	✓		
Introduce certificated training programme with support from Port Skills and Safety					✓
Improve waste and noise management on the Fish Quay	✓		✓	✓	
Pursue Seaside Awards for North Sands and Mill Bay beaches		✓	✓		
Reorganise deep water moorings in the 'Bag'	✓		✓		
Reduce environmental impact of moorings infrastructure		✓			
Enhance recycling facilities		✓			
Extend the bathing water sampling season	✓	✓	✓	✓	
2019					
Freeze water taxi prices			✓	✓	
Convert Dory fleet to electric propulsion		✓			
Review and simplify the mooring numbering system in the Harbour	✓		✓		
If feasible, provide fresh water and electricity to Visitors' Pontoon			✓		
Renew deep water maintenance diving contract	✓		✓		

2020					
Freeze water taxi prices			✓	✓	
Complete ESPO Port Environmental Report System review		✓			
Renew night security patrol contract	✓				
Improve congestion at Batson slipway	✓		✓		
Market Kingsbridge as a destination in its own right				✓	
Dredging campaign, to include deepening navigable channel to Kingsbridge			✓	✓	
2021					
Freeze water taxi prices			✓	✓	
Tier 2 oil spill response exercise	✓				
2022					
Freeze water taxi prices			✓	✓	
Net carbon footprint reduced to zero		✓			
Be recognised as a model of sustainable harbour 'best practice'		✓		✓	
Replace the work barge	✓	✓	✓		

Enduring /ongoing throughout the period 17-22					
Marine crime awareness events	✓				
Operate a night security patrol	✓		✓	✓	
Improve environmental awareness amongst harbour users		✓	✓		
Develop working relationships with National Crime Agency, Border Force, Police, Coastguard and others	✓				
Reduce lengthy waiting lists			✓	✓	
Improve Fish Quay waste reception facilities		✓			
Support the catchment based approach		✓		✓	
Discourage yachts from 'pumping out' while inside the Harbour		✓	✓		
Improve online access for customers			✓		
Support marine-focused events				✓	
Work with local schools, colleges and universities	✓			✓	
Develop fuel barge replacement contingency plan	✓			✓	



## Funding strategy

The 1954 Salcombe Harbour Act required that the Harbour undertaking is required to be a self-financing business but should not make a profit. The Harbour Authority accordingly sets a balanced financial revenue and expenditure budget, and also maintains a number of Reserves to fund capital costs. They are augmented if required by capital borrowing from the District Council. The revenues raised by the Harbour are spent on operating and improving the facilities and services within the harbour. They also contribute towards the maintenance costs borne by the District Council for harbour-related infrastructure owned by them but which benefits the Harbour (ie the quay walls, slipways and steps, and the Fish Quay). These latter costs are *not* considered within this funding strategy as they fall outside the Harbour Authority's remit, however where transfer of asset ownership into the Authority's area of responsibility is proposed (eg the transfer of the Fish Quay) their future maintenance costs *have* been incorporated.

### Harbour Reserves

The Harbour Authority operates three separate reserves: the General Reserve, the Pontoons Reserve and the Renewals Reserve. No regular contribution is made to the General Reserve as it is funded from any in-year trading surpluses and then used to contribute towards capital projects either in whole or in part, augmented if necessary with additional capital borrowing from District Council reserves as required. The Pontoons Reserve is used to fund, or part-fund, the pontoon replacement programme, and the Renewals Reserve is used to fund replacement of plant, machinery, boats and barges. No change to this strategy is proposed, however the sums deposited into these reserves will be steadily increased for three reasons:

- To fund the future replacement of the additional pontoon infrastructure to be installed during this Business Plan
- To increase the Harbour Authority's contributions to the District Council's ongoing maintenance costs of infrastructure which contributes to the efficient running of the harbour
- To fund future maintenance costs of those District Council assets which may be transferred into the Harbour Authority's area of responsibility including the Fish Quay.

The forecast levels of Harbour Authority Reserves at 31 March 2017 are:

Reserve	Amount £
General Reserve	162,889
Pontoon Reserve	129,766
Renewals Reserve	95,026
<b>Total</b>	<b>387,681</b>

### Harbour future years projections

The funding strategy is based on the premise of fulfilling the actions outlines in this Business Plan. Although it is difficult to generate accurate cost predictions for a future 5-year period, it is imperative that the undertaking is financially self-sufficient and sufficiently financially resilient to cope with foreseeable fluctuations in the economic climate. Table 1 provides indicative figures based upon the following assumptions:

- Inflationary pressures on expenditure will remain low at 1% – 2% pa overall
- Employee pay rises will on average rise by 1% pa
- Interest on capital loans will remain below 6%
- Increases to our charges (ie costs to our customers) will be kept at 2% pa or below
- Visitor numbers will decrease by approximately 120 pa

- 110 new berths will be installed 2017-19, and the increased revenue generated as well as maintenance costs reflected in following years.
- The extensions to Batson, Shadycome and Dentrige pontoons, as well as installation of pontoons at Ox Bay, will be funded from capital borrowing; the remaining capital costs will be funded from existing reserves
- The worst-case scenario of having to rebuild the Harbour Office and Whitestrand Showers is necessary

The Revenue budget is set annually and will aim to work within the % increases set out above, but should the external economic depart from these assumptions then individual budgets will inevitably differ.

	17/18	18/19	19/20	20/21	21/22
<b>Expenditure</b>	<b>£K</b>	<b>£K</b>	<b>£K</b>	<b>£K</b>	<b>£K</b>
Employee costs, Harbour & HQ	386.9	390.8	394.7	398.6	405.6
Premises costs	253.8	256.4	265.9	278.7	280.3
Security patrol	43.5	44.3	45.2	46.1	47.0
Supplies and Services	74.9	75.7	77.3	78.8	80.3
Transport, Plant and Boats	50.0	50.1	50.5	50.7	51
Central Support Services	44.7	45.2	46.2	47.1	48.3
Infrastructure Reserves Contributions <sup>4</sup>	166	170	205	225	230
Capital charges	24.8	24.8	65	68	68
<b>Total</b>	<b><u>1,044.6</u></b>	<b><u>1,057.3</u></b>	<b><u>1,149.8</u></b>	<b><u>1,193.0</u></b>	<b><u>1,210.5</u></b>
<b>Revenue</b>					
Harbour Dues	277.5	280	313.1	345.3	353.1
Mooring Hire	443.8	450.2	505	513.1	518.2
Foreshore pontoons	160.2	161.9	163.5	165.1	166.8
Fish Quay	20	20	20	20	20
Water taxi	35.8	36	35.5	35.5	36
Mooring licences	23.8	23.9	24.2	24.2	24.7
Security patrol	44.5	45.3	48.2	49.3	51.2
Miscellaneous income	38.5	38.5	38.5	38.5	38.5
Interest	1.5	1.5	1.8	2	2
<b>Total</b>	<b><u>1,044.6</u></b>	<b><u>1,057.3</u></b>	<b><u>1,149.8</u></b>	<b><u>1,193.0</u></b>	<b><u>1,210.5</u></b>
<b>Capital</b>					
Batson, Shadycome and Dentrige pontoons	239				
Ox Bay pontoon installation		162			
Conversion of water taxi fleet to electric propulsion	8	8			
Conversion of some Dory craft to electric propulsion	4	4			
Upgrade toilet and shower facilities in Whitestrand		15			
Improve harbour office insulation, heating & lighting		100			
Dredging campaign				109	
<b>Total</b>	<b>251</b>	<b>289</b>		<b>109</b>	

Table 1: Projected Revenue and Expenditure 2017-22

<sup>4</sup> The Infrastructure Reserves Contribution will include the operation and maintenance of the Fish Quay if it is transferred to the Harbour Authority's control

## Contingency funding

A number of strategic business risks have been identified by the Harbour Authority, and contingency plans to mitigate the consequences of these risks manifesting have been developed. Not all of these require dedicated contingency funding and others could easily be covered by the capital held within the General Reserve. However there are two contingencies which would require additional borrowing:

- **The Harbour Authority work barge.** The barge currently employed by the Authority is regularly inspected and comprehensively maintained. It is not, nor does it currently need to be, 'coded' in accordance with the standards issued by the Maritime and Coastguard Agency. However there are indications that such a requirement may be imposed in the future and potentially within the period of this business plan. If that were to occur, then a replacement barge would be required, and would be expensive. The business case centres on the necessity of such a vessel for the upkeep and efficient running of the harbour and also the income that it could generate to offset its procurement costs.
- **The fuel barge.** If this service, operated by an independent third-party company, were to stop trading there would be an immediate and deleterious effect on the ability of the Harbour to run efficiently. Salcombe needs both diesel (eg for yachts and fishing vessels) and petrol (eg for small boats). A contingency plan has been developed which includes several replacement options including the service being taken on by the Harbour Authority.

In both instances there would be a requirement to borrow capital from the District Council to cover the shortfall for either or both of these from the Harbour's General Reserve. The outline business case for these indicates that they are financially self-sustaining and could generate additional income over and above their repayment and interest costs, and ongoing maintenance and servicing requirements.

## Appendix 1: The nature of Salcombe Harbour

The harbour extends from the entrance - which is south of the famous bar - to Kingsbridge at its northern end five miles inland, and encompasses Batson, Blanksmill, Collapit, Frogmore and South Pool creeks. Although it is not a true estuary (since it is not fed by any rivers) it nevertheless encompasses nearly 2000 acres of tidal water through which 19 million tonnes of seawater moves in and out on a spring tide.

The Harbour resides within an Area of Outstanding Natural Beauty (AONB) and Site of Special Scientific Interest (SSSI). It is also a Local Nature Reserve because of its rich and diverse natural habitat. Historically and archaeologically too, the landscape of the Harbour contains many noteworthy features, including the 16<sup>th</sup> century Fort Charles. The Civil War, Napoleonic Wars and WWII have also left their footprints upon the landscape. The foreshore also demonstrates links to the industrial past, for example the remains of lime kilns at the water's edge.

*'The Harbour resides within an Area of Outstanding Natural Beauty (AONB) and Site of Special Scientific Interest (SSSI). It is also a Local Nature Reserve'*

At the harbour entrance the sand 'bar' made famous by Alfred Tennyson in '*crossing the Bar*' tidally constrains deep drafted vessels and thus naturally limits the maximum size of the vessels which use the harbour. Above the 'Saltstone' the nature of the Harbour alters dramatically with the tide, with much of the upper Harbour being tidally constrained or even drying out. This severely restricts access for boating but reveals a completely different environment which contains a rich diversity of flora and fauna, including the protected seagrass beds. A large number of resident and migratory birds also inhabit the upper Harbour and creeks.

Aside from the towns of Salcombe and Kingsbridge and the smaller communities of Frogmore and South Pool, there is almost no road or utilities infrastructure with which to connect. This means that, while the Harbour has remained very rural and natural, the number of 'walk ashore' or marina-like berths that are (or realistically could be) developed within the Harbour are extremely limited and couldn't be increased without detriment to the Harbour's character. For similar reasons, since 2010 the Harbour Board has held a policy of opposing private pontoons and landings because of the detrimental loss of natural foreshore within the SSSI and impact on the Harbour's AONB vistas.

The Harbour has always been renowned as a safe, sheltered and beginner-friendly sailing venue and in future its 'eco harbour' status will also increasingly make it an attractive 'green tourism' destination because of its stunning scenery, white sandy beaches and high water quality.

Despite there being a predominance of small boats in the harbour, it is not a suitable location for high-speed water sports and there is an 8 knot limit throughout, reduced to six knots through the main moorings areas. This was reviewed in 2014 as part of a public consultation on the desirability of permitting water-skiing within the harbour, but was overwhelmingly rejected and there are no plans to change this. The current bye-laws will continue to be enforced for persistent offenders, although the policy is to educate and encourage good behaviours in the first instance. Similarly, the option to establish 'zones' for the different types of water activities which take place is regularly considered, but happily not required - despite the harbour being extremely busy in high season - as most harbour users are courteous and respect others' needs.

## Appendix 2: Harbour users

The Harbour is primarily a recreational and leisure port for small boats, most of which are < 6m, although there are a few >14m. A number of shell fishermen also ply their trade from the harbour which is an important crab and lobster port with significant quantities of catch currently exported to China. There is however no commercial traffic nor, given the Harbour's shallow depth and lack of suitable wharfs, will there ever likely be. There are however a number of passenger ferries which link Salcombe to East Portlemouth year round, and to Kingsbridge, South Sands and Dartmouth seasonally.

*'The harbour is predominantly a passage port - most vessels stay only for one or two nights as part of a multi-stop trip along the south coast'*

The types of craft which use the harbour range from canoes and stand up paddleboards (SUPs), to dinghies, yawls, yachts, and small to medium sized power driven vessels. Occasionally the harbour hosts larger vessels such as three-masted sail training ships or super-yachts. These are the exception, but more could easily be accommodated, particularly during the 'shoulder' seasons of May, June and September. The harbour is predominantly a passage port; most vessels stay only for one or two nights as part of a multi-stop trip along the south coast and 95% of visitors last/next destination is either Plymouth or Dartmouth. Many cite the perceived difficulty of crossing the 'bar' in inclement weather as a 'push' factor, particularly those visitors who are working to a schedule or otherwise time-constrained. A number however choose to stay much longer, up to six weeks or more in some cases which runs counter to the prevailing narrative that there are insufficient 'things to do' in and around the Harbour. This is one area to address in the future.

The Harbour also supports many non-boating activities such as scallop dredging, oyster farming and wild-fowling. The Harbour has a strong history of scientific study by the Plymouth-based Marine Biological Association and is frequently used for educational visits and academic research by Plymouth University and the Taunton-based United Kingdom Hydrographic Office (UKHO). In addition many choose to enjoy the Harbour's beaches, including bathers and anglers; further afield bird-watchers and ramblers also enjoy the Harbour's 'coast' and foreshore too, around which there is a good network of footpaths and bridleways.

The Harbour supports a number of people employed in the marine industry. This ranges from boat building, repairs and storage (the focal point of which is Island Street) to sailing schools and boat hire. More widely, it supports marine-related tourism such as the boats which take visitors on fishing trips, tours of the harbour or sailing regattas. An example is Merlin Rocket week which brings over 120 boats and 300 people to the area.

Feedback from both resident and visiting harbour users suggests that they are attracted to the area by the following factors:

- stunning natural scenery in which extensive areas of quiet and tranquillity can be found;
- sheltered and safe waters which are welcoming to beginners while interesting enough to retain the interest of more experienced water users;
- clean beaches and bathing waters;
- a welcoming and friendly reputation
- realistic charges in line with our neighbouring harbours with generally similar facilities.

## Appendix 3: Governance

The 1954 Salcombe Harbour Act established SHDC as the Statutory Harbour Authority for the Salcombe-Kingsbridge estuary and conferred upon them certain duties, powers and obligations. SHDC has established the Salcombe Harbour Board to oversee the management and administration of the Harbour on its behalf as a committee of the Full Council. The Board is made up of four elected Councillors and six independent co-opted members of the public who have demonstrated their fitness for purpose through a competitive interview and appraisal process. Most importantly, the Board is also the statutory 'Duty Holder' and is responsible (both collectively and individually) for the safe and efficient operation of the Harbour.

Although an integral part of the Council, the Harbour Authority operates separate and ring-fenced finances that result in different elements of the Harbour estate being accounted for in slightly different ways:

- Quay walls, slipways and the Fish Quay – managed by SHDC
- Pontoons, walkways, moorings and plant – managed by the Harbour Authority
- Workshop and Harbour Office – rented from SHDC by the Harbour Authority
- That element of the Harbour fundus owned by the Duchy of Cornwall – rented by the Harbour Authority

It is important to note that some areas of the Harbour fundus, most notably (but not exhaustively) the foreshores of East Portlemouth, parts of South Pool creek and some areas off Salcombe town are privately owned. This notwithstanding, the Harbour Authority's jurisdiction as a Statutory Harbour Authority encompasses the entire Harbour below the Mean High Water mark.

## Appendix 4: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>- Natural harbour and surrounding countryside</li> <li>- AONB, SSSI and EcoPort status</li> <li>- World famous sailing water</li> <li>- Diversity and richness of natural and historic environment</li> <li>- Geographic positioning with respect to other sailing destinations</li> <li>- Quality of bathing water</li> <li>- Reputation</li> <li>- Motivated, trained and experienced staff</li> <li>- Vibrant fishing community</li> <li>- Strong governance regime</li> <li>- Support of SHDC</li> <li>- Passionate local community and active stakeholder forums</li> <li>- Safe sandy beaches</li> <li>- High quality infrastructure and associated management/replacement plans</li> <li>- Financial self-sufficiency and ring-fenced accounts</li> <li>- Fit for purpose Harbour Board</li> <li>- Comprehensive bye-laws</li> <li>- Importance of historic environments</li> </ul>	<ul style="list-style-type: none"> <li>- Seasonality (80% visitors arrive in 9 consecutive summer weeks)</li> <li>- No suitable locations for deep-water walk ashore berths</li> <li>- Capacity vs demand (approaching saturation during peak season)</li> <li>- Inefficient Deep-Water mooring footprint</li> <li>- Paucity and quality of showers and other ablution facilities</li> <li>- Long waiting lists</li> <li>- Tidally constrained navigation in upper Harbour</li> <li>- Poor local transport infrastructure</li> <li>- Lack of 3G/4G/WiFi signals in Harbour</li> <li>- Lack of water/electricity on Deep-Water pontoons</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>- 'Green' tourism and increasing environmental awareness amongst staff and customers</li> <li>- Moorings capacity in the shoulder seasons</li> <li>- Popularity of Kingsbridge as sailing destination</li> <li>- Reducing our carbon footprint</li> <li>- Waste management</li> <li>- Advances in IT and the digital economy</li> <li>- Management of Fish Quay and other SHDC-owned harbour-facing real estate</li> <li>- Harbour infrastructure developments provide a high rate of return (generally &gt;18%) when compared to cost of lending (generally &lt;5%)</li> <li>- Strong demand for moorings and berths throughout the Harbour</li> <li>- Growing popularity of SUP and other small craft</li> <li>- Willingness of SWW and other agencies to engage</li> <li>- Catchment-based approach</li> <li>- Jubilee Pier</li> <li>- New homes at Sherford and other locations will increase potential customer base</li> <li>- Kingsbridge leisure centre might be amenable to providing shower facilities to visiting mariners.</li> </ul>	<ul style="list-style-type: none"> <li>- Long term tenure of fuel barge</li> <li>- Ability to meet rising customer expectations</li> <li>- Competition from neighbouring harbours</li> <li>- Impact of weather on visitor numbers</li> <li>- Increasingly stringent water quality legislation</li> <li>- Climate change and sea level rise</li> <li>- Resistance to change</li> <li>- MCZ and other designations may hamper development or conservancy activities</li> <li>- Marine pollution from third parties, Harbour users and environment (eg land run-off and septic tank outflows)</li> <li>- Loss of marine service industry in Island St</li> <li>- Fuel prices</li> <li>- Lack of affordable housing, particularly for Harbour employees</li> <li>- Perception amongst general population that sailing is elitist</li> <li>- High cost of harbour infrastructure</li> <li>- Fluctuations in shell fishing prices and increasingly stringent regulatory regimes</li> <li>- Pollution from water treatment works, ageing sewer system and farm run off</li> <li>- Increasing numbers of South Hams residents will place additional waiting list pressures</li> </ul>





Report to: **Salcombe Harbour Board**

Date: **26 September 2016**

Title: **2017/18 Budget**

Portfolio Area: *Salcombe Harbour*

Wards Affected: **All**

Relevant Scrutiny Committee: Overview & Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**  
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **A Parnell** Role: **Harbour Master**

Contact: **01548 843791**

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## **Recommendations:**

1. The Board RECOMMENDS to Council that the proposed 2017/18 budget set out within the report is approved.

## **1. Executive summary.**

This report proposes the Salcombe Harbour Authority budget for 2017/18 and provides a forecast for 2016/17.

## **2. Background.**

1) The Salcombe Harbour Strategic Business Plan 2017-2022 sets out the challenges and opportunities facing the Harbour over the coming years, and the proposed budget – attached to this report – is based on the assumptions and strategic direction contained within the Business Plan. Key drivers for the proposed budget include:

- continuing to absorb the costs of collecting monies by credit card rather than passing them on to the customer

- continuing to overpay the loan which was previously taken out to purchase Whitestrand and Normandy pontoons
- taking out a £230K capital loan to fund proposed extensions to Batson and Shadycombe pontoons, the replacement of Dentrige pontoon and the installation of a new pontoon in Ox Bay
- the increased cost of funding the night security patrol following the recent re-tendering process
- the installation of cathodic protection for pontoon piles to extend their service life
- the planned replacement of a diesel engine for a launch and the purchase of an electric outboard for the Whitestrand patrol boat.

### **3. Outcomes/outputs**

The preparation of a detailed and balanced harbour budget ensures that adequate resources are in place to deliver the services identified in the business planning process, and that the Harbour remains financially viable and sustainable in the medium to long term.

### **4. Issues for consideration.**

#### **1) Forecast 2016/17**

Gross expenditure is set at just over £1 million in the 2016/17 balanced budget. As at 31 August 2016 a surplus of £23,500 is forecast as detailed in Appendix A. This is mainly due to additional income from harbour dues and mooring hire. A detailed budget monitoring report will be brought to the Board in November.

#### **2) Budget 2017/18**

The forecast position for 2017/18 is shown at Appendix A, with the 2016/17 budget used as a baseline position. Variations from this baseline, both in terms of the additional resource requirements and identified efficiencies are discussed in detail below, grouped by category of budget head.

#### **3) Employee costs**

- (a) Staff costs are the single largest area of expenditure. The 2017/18 budget is based on the existing staffing structure. It assumes a 1% pay increase and also takes into account the movement of staff through the pay structure's spinal column points where appropriate.
- (b) The budget does not take into account the T18 transformation process since it has yet to be formally commenced for Harbour staff. It is, however, expected to be broadly cost-neutral.

	£	£
<b>Staffing Budget 2016/17</b>		<b>383,100</b>
<b>Additional requirements &amp; inflationary pressures:</b>		
Salaries	13,600	
NI and superannuation	1,500	
Staff training	1,000	
<b>Total additional requirements</b>		<b>16,100</b>
<b>Savings:</b>		
Recharge to HQ	(800)	
Miscellaneous	(100)	
<b>Total savings</b>		<b>(900)</b>
<b>Net additional requirements/(savings)</b>		<b>15,200</b>
<b>Staffing Budget 2017/18</b>		<b>398,300</b>

#### 4) **Premises related expenditure**

The cost of the new night security patrol is more expensive than hitherto. In addition, rent for the Harbour Office has been included following a recent review.

	£	£
<b>Premises Budget 2016/17</b>		<b>294,900</b>
<b>Additional requirements &amp; inflationary pressures:</b>		
General R&M	1,600	
Security patrol	22,400	
Rent	10,800	
Trade Waste Collection charges	500	
<b>Total additional requirements</b>		<b>35,300</b>
<b>Savings:</b>		
Landings & Pontoons	(4,000)	
Moorings R & M	(2,500)	
Insurance and Utilities	(1,700)	
Office cleaning	(1,000)	
<b>Total savings</b>		<b>(9,200)</b>
<b>Net additional requirements/(savings)</b>		<b>26,100</b>
<b>Premises Budget 2017/18</b>		<b>321,000</b>

## 5) **Supplies and services**

There is a modest rise in supplies and services with efficiencies in IT, printing and communications mostly off-setting the increase in cash collection charges (which have been raised to reflect recent expenditure). Although cash collection charges have historically been absorbed by the Harbour Authority these charges are now significant and consideration should be given to passing these on to the customer in future years.

	£	£
<b>Supplies &amp; Services 2016/17</b>		<b>72,800</b>
<b>Additional requirements &amp; inflationary pressures:</b>		
Cash collection expenses	4,000	
Miscellaneous, including legal fees	2,100	
<b>Total additional requirements</b>		<b>6,100</b>
<b>Savings:</b>		
Hardware, software & IT support	(2,000)	
Printing, stationery and advertising	(2,200)	
Communications	(1,600)	
<b>Total savings</b>		<b>(5,800)</b>
<b>Net additional requirements/(savings)</b>		<b>300</b>
<b>Supplies &amp; Services Budget 2017/18</b>		<b>73,100</b>

## 6) **Transport**

There is a modest decrease in the Transport budget to match recent expenditure levels.

	£	£
<b>Transport Budget 2016/17</b>		<b>49,200</b>
<b>Additional requirements &amp; inflationary pressures:</b>		
R & M	200	
<b>Total additional requirements</b>		<b>200</b>
<b>Savings:</b>		
Fuel	(2,200)	
Car allowances	(200)	
<b>Total savings</b>		<b>(2,400)</b>
<b>Net additional requirements/(savings)</b>		<b>(2,200)</b>
<b>Transport Budget 2017/18</b>		<b>47,000</b>

## 7) Central support and HQ costs.

	£	£
<b>Central Support &amp; HQ Budget 2016/17</b>		<b>43,500</b>
Inflationary pressures	300	
<b>Total additional requirements/(savings)</b>		<b>300</b>
<b>Central Support &amp; HQ Budget 2017/18</b>		<b>43,800</b>

## 8) Contributions to Harbour reserves

The Harbour holds 3 reserves:

- **General** Reserve – comprising the accumulation of generated trading surpluses;
- **Renewals** Reserve – for the replacement of the Harbour's infrastructure assets, excluding pontoons;
- **Pontoon** Reserve – for the replacement of pontoons;

The principle adopted in the Business Plan is that, wherever possible, sufficient funds are set aside on an annual basis to provide for the replacement of harbour assets, augmented by borrowing if necessary. A summary of Harbour Reserve balances is at Appendix B. The contributions to the Renewals and Pontoon Reserves have remained at the same level for 2017/18.

## 9) Contribution to Council reserve

The Harbour contributes to the Council's Marine Infrastructure reserve. This is a contribution towards marine infrastructure (eg slipways and quay walls) which are not owned by the Harbour, but from which it benefits. The contribution to this reserve has continued at £46,300 in 2017/18.

## 10) Capital charges

Capital charges refer to the cost of servicing loans which have been provided by the District Council for the purchase of Harbour assets. At 1 April 2017 there will be £183,200 outstanding on two existing loans in respect of the Residents' Pontoon and Batson Pontoon, against which the current annual debt charges are £24,800. It is proposed that a further £24,000 be repaid from the General Reserve in 2017/18, which

will reduce the term of the Residents' Pontoon loan by four years and save £22,900 in interest payments. Separately, a new loan of £230,000 to fund the infrastructure development proposed in the forthcoming Strategic Business Plan will accrue estimated annual repayments of £12,000 over a 25 year period. These will not be off-set within the 2017/18 budget period as the new pontoons are not expected to be operational before April 2018, however the expected level of revenue that these will generate will more than off-set the increased repayment costs in future years.

11) **Items to be met from reserves.**

In addition to the loan repayment of £24,000 there are various other revenue items which have been earmarked to be funded from reserves in 2017/18 as follows:

- A Volvo engine £7,000
- Electric outboard for Whitestrand patrol boat £8,000
- Cathodic protection of piles £20,000

This expenditure is offset by a contribution from the reserve shown in the income budget variances below.

12) **The overall expenditure position 2017/18**

	£
<b>Total Expenditure Budget 2016/17</b>	<b>1,018,300</b>
<b>Net additional requirements/(savings)</b>	<b>107,500</b>
<b>Total Expenditure Budget 2017/18</b>	<b>1,125,800</b>

13) **Income 2017/18**

	£
<b>Total Income Budget 2016/17</b>	<b>(1,018,300)</b>
<b>Increased Income available within the budget:</b> Based on a review of 2015/16 actual revenue and the 2016/17 actuals to date compared to budget forecast.	<b>(23,700)</b>
<b>Additional contribution from reserves</b>	<b>(55,800)</b>
<b>Total Income Budget 2017/18</b>	<b>(1,097,800)</b>

14) **Budget deficit 2017/18**

	£
<b>Total Expenditure Budget</b>	<b>1,125,800</b>
<b>Total Income Budget</b>	<b>(1,097,800)</b>
<b>Budget Deficit</b>	<b>28,000</b>

**5. Proposed Way Forward.**

It is proposed that the fees and charges are reviewed to reduce the deficit identified above to £0. This is the subject of a separate report.

**6. Implications**

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	The Pier and Harbour (Salcombe) Confirmation Order 1954
Financial	Y	The report identifies a funding gap of £28,000, before any review of charges. It is anticipated that the shortfall can be met by various amendments to the existing charging structure, as identified in a further report to be considered at the 26 September meeting
Risk	Y	The Harbour maintains three different reserves, one for replacement of plant and vessels, one for the replacement of pontoons and a General Reserve. In the event of the budget not balancing at the end of the Financial year and surplus goes into the General Reserve and shortfall would be covered from this reserve
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None

Community Safety, Crime and Disorder	Y	The proposed budget includes a continuation of the Night Security Patrol, the aim of which is to reduce crime.
Health, Safety and Wellbeing	N	No adverse impacts.
Other implications	N	

### **Supporting Information**

#### **Appendix:**

- A. Salcombe Harbour Revenue Budget 2017/8
- B. Salcombe Harbour Balances

#### **Background Papers:**

None

### **Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	<b>Yes/No</b>



**SALCOMBE HARBOUR REVENUE BUDGET 2017/2018**
**APPENDIX A**

Actual 2014/2015	Actual 2015/2016	Forecast 2016/2017 At 31/8/16		Budget 2016/2017 (At outturn prices)	Budget 2017/2018 (At outturn prices)	Variance Budget to Budget
£	£	£		£	£	£
			<b>Employees:-</b>			
376,869	394,315	382,900	Harbour	383,100	398,300	15,200
			<b>Premises-Related Expenditure:-</b>			
29,323	26,864	19,500	General Repairs and Maintenance	19,500	21,100	1,600
39,063	44,456	55,000	Security Patrol	42,600	65,000	22,400
8,369	6,397	6,500	Landings and Pontoons	10,500	6,500	(4,000)
40	0	1,500	Marks and Beacons	1,500	1,500	0
55,479	59,207	60,000	Moorings	62,500	60,000	(2,500)
620	910	1,000	Insurances	1,900	1,000	(900)
22,805	22,220	23,900	Utility Charges	24,900	24,100	(800)
122,526	127,459	126,300	Rents	123,500	134,300	10,800
6,429	8,489	8,000	Refuse Collection /Office Cleaning	8,000	7,500	(500)
284,654	296,002	301,700		294,900	321,000	26,100
			<b>Supplies and Services:-</b>			
11,642	23,560	17,100	Equipment	19,100	17,100	(2,000)
9,235	8,417	8,800	Printing, Stationery and Advertising	11,000	8,800	(2,200)
8,933	7,718	8,300	Communications (Radios, Telephones, Postage etc.)	9,900	8,300	(1,600)
3,552	3,722	4,000	Protective Clothing	4,000	4,000	0
6,600	9,902	10,500	Credit Card Handling Charges	6,500	10,500	4,000
25,655	25,934	23,500	Miscellaneous	22,300	24,400	2,100
65,617	79,253	72,200		72,800	73,100	300
41,026	55,903	46,000	<b>Transport-Related Expenses (Launches etc.)</b>	49,200	47,000	(2,200)
51,600	51,900	43,500	<b>Central Support Services</b>	43,500	43,800	300
26,000	30,000	34,000	<b>Contribution to Renewals Reserve</b>	34,000	34,000	0
50,000	61,500	61,500	<b>Contribution to Pontoon Reserve</b>	61,500	61,500	0
15,000	25,000	46,300	<b>Contribution to Marine Infrastructure Reserve</b>	46,300	46,300	0
5,045	0	5,000	<b>New Projects Funded From Revenue</b>	5,000	5,000	0
41,909	144,558	33,200	<b>Items Being Met From Reserves</b>	3,200	59,000	55,800
29,997	24,800	24,800	<b>Capital Charges (Net)</b>	24,800	36,800	12,000
987,717	1,163,231	1,051,100	<b>TOTAL EXPENDITURE</b>	1,018,300	1,125,800	107,500
(274,626)	(267,328)	(285,400)	Harbour Dues	(272,100)	(276,700)	(4,600)
(433,693)	(457,998)	(451,000)	Mooring Hire	(438,400)	(452,900)	(14,500)
(160,018)	(163,633)	(163,900)	Small Boat Pontoon Systems	(160,300)	(164,300)	(4,000)
(35,841)	(34,693)	(32,000)	Water Taxi Service	(36,000)	(36,000)	0
(23,008)	(23,279)	(23,100)	Mooring Licences	(23,700)	(23,700)	0
(44,035)	(44,142)	(43,000)	Security Patrol Fees	(45,200)	(45,200)	0
(50,095)	(45,200)	(42,000)	Miscellaneous	(37,400)	(39,300)	(1,900)
(41,909)	(144,558)	(33,200)	Contribution from Reserves	(3,200)	(59,000)	(55,800)
(1,200)	(1,200)	(1,000)	Interest	(2,000)	(700)	1,300
(1,064,425)	(1,182,031)	(1,074,600)	<b>TOTAL INCOME</b>	(1,018,300)	(1,097,800)	(79,500)
(76,708)	(18,800)	(23,500)	<b>(SURPLUS) / SHORTFALL ON TRADING ACTIVITIES</b>	0	28,000	28,000

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## Pontoons Reserve

	£
Balance 1st April 2016	67,766
ADD	
Contribution 2016/2017	61,500
Interest 0.5%	<u>300</u>
	129,566

Less anticipated expenditure

**Estimated Balance as at 1st April 2017** **129,566**

ADD	
Contribution 2017/2018	61,500
Interest 0.4%	<u>500</u>
	191,566

Less anticipated expenditure

Cathodic protection of piles (20,000)

**Balance as at 31st March 2018** **171,566**

## General (Revenue Account) Reserve

	£
Balance 1st April 2016	139,789
ADD	
Surplus forecast as at 1/9/16	23,500
	<u>163,289</u>

Less anticipated expenditure

Loan repayment (30,000)

**Estimated Balance as at 1st April 2017** **133,289**

	<u>133,289</u>
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Less anticipated expenditure

Loan repayment (24,000)

Torqueedo electric outboards (8,000)

**Balance as at 31st March 2018** **101,289**

## Renewals Reserve

	£
Balance 1st April 2016	58,383
ADD	
Contribution 2016/2017	34,000
Interest 0.5%	<u>300</u>
	92,683

Less anticipated expenditure

Outboard motor (3,200)

**Estimated Balance as at 1st April 2017** **89,483**

ADD	
Contribution 2017/2018	35,000
Interest 0.4%	<u>400</u>
	124,883

Less anticipated expenditure

Volvo D2-55 engine (7,000)

**Balance as at 31st March 2018** **117,883**

Estimated Total Reserves Balances as at 31 March 2018 **£390,738**

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Report to: **Salcombe Harbour Board**

Date: **26 September 2016**

Title: **Proposed charges 2017-18**

Portfolio Area: *Salcombe Harbour*

Wards Affected: **All**

Relevant Scrutiny Committee: Overview & Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**  
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **A Parnell** Role: **Harbour Master**

Contact: **01548 843791**

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## Recommendations:

1. The Harbour Board **RECOMMENDS** to Council that the proposed charges be approved for implementation from 1 April 2017.

1. **Executive summary.** This report proposes the fees and charges to be levied to ensure that the Harbour achieves a 'break even' position in order that it remain financially sustainable.

2. **Background.** Paragraph 35 of Salcombe Harbour's enabling legislation empowered the Harbour Authority to levy fees and charges to:

- meet running costs,
- repay any capital debts
- establish reserves to renew, extend or improve the Harbour

3. **Outcomes/outputs.** The budget gap for 2017/18 is £28,000. This is driven primarily by the increased costs of the new night security patrol contract as well as moderate growth in some areas. Detailed proposals to bridge the budget gap are set out below.

**4. Proposed Way Forward.** It is proposed that the increased costs of the new night security patrol are passed on to Harbour Users, and the remaining shortfall be recouped by raising some Harbour Dues to reflect the fact that the additional costs are mostly related to running the Harbour rather than the provision of moorings or other services.

Item	Proposed amendment	Comment
Harbour Dues	-7.5% canoes, kayaks, rowing boats, SUPs	Reduces fees to a more easily collected figure (£10 incl VAT)
	0% sailing vessels	Reflects our eco-port ethos
	3% all other vessels	£0.96 increase for first 4.5m and £0.75 pm thereafter
Goods shipped	3%	Raised by £0.05 per tonne
Crime prevention	53% to align with new contract costs	Raised by ££23.80 for DW mooring and £11.90 for foreshore mooring

## 7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	The Pier and Harbour (Salcombe) Confirmation Order 1954
Financial	Y	The proposals raise a cumulative £28,000 in 2017-18 to cover the expected budget gap
Risk	Y	There is a risk that the fees and charges will be insufficient to close the budget gap if fewer than expected vessels use the Harbour or if costs rise more quickly than forecast
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	The increased costs of a continued night security patrol are off-set by the proposed fees and charges outlined in this report
Health, Safety and Wellbeing	N	No adverse impacts
Other implications	N	

## **Supporting Information**

### **Appendix:** Proposed fees and charges

**Background Papers:** None

**Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	<b>Yes/No</b>

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**APPENDIX A - SALCOMBE HARBOUR - PROPOSED CHARGES FOR 2017/2018 (excluding VAT)**

DETAIL	2016/17 NET RATE £	Calculated 2017/18 increases based on proposed % increase					Proposed Charges for 2017/18				
		Proposed Increase %	Increase £	NET RATE £	VAT 20% £	Gross Charge £	ROUNDED	NET RATE £	VAT 20% £	Gross Charge £	Actual Increase %
<b>Section A</b>											
Canoes, kayaks, sailboards, Stand Up Paddle Boards, rowing boats & rowing gigs	£9.00	-7.50%	-0.68	8.32	1.66	£9.98	£10.00	8.33	1.67	10.00	-7.44%
Sailing dinghies & vessels without engines up to 4.5 metres in length	£18.00	0.00%	0.00	18.00	3.60	£21.60	£21.60	18.00	3.60	21.60	0.00%
All other vessels with engines < 40HP											
up to 4.5 m	A £26.33	3.00%	0.79	27.12	5.42	£32.54	£32.54	27.12	5.42	32.54	3.00%
every m thereafter	B £20.00	3.00%	0.60	20.60	4.12	£24.72	£24.72	20.60	4.12	24.72	3.00%
Vessels with engines > 40 HP											
up to 4.5 m	=Ax1.5 £39.50	3.00%	1.18	40.68	8.14	£48.82	£48.82	40.68	8.14	48.82	3.00%
every m thereafter (to a max of 9m)	=Bx1.5 £30.00	3.00%	0.90	30.90	6.18	£37.08	£37.08	30.90	6.18	37.08	3.00%
Daily Charge (Maximum 7 days) All craft without engine or engine under 40hp	£4.29	3.00%	0.13	4.42	0.88	£5.30	£5.30	4.42	0.88	5.30	3.03%
Daily Charge (Maximum 7 days) All craft with engines over 40HP	£8.58	3.00%	0.26	8.84	1.77	£10.61	£10.61	8.84	1.77	10.61	3.03%
Daily dues	£0.76	3.00%	0.02	0.78	0.16	£0.94	£0.94	0.78	0.16	0.94	2.63%
Daily mooring and dues	Y £1.55	3.00%	0.05	1.60	0.32	£1.92	£1.92	1.60	0.32	1.92	3.23%
Weekly dues	£3.75	3.00%	0.11	3.86	0.77	£4.63	£4.63	3.86	0.77	4.63	2.93%
Weekly mooring and dues	=Yx5 £7.75	3.00%	0.23	7.98	1.60	£9.58	£9.58	7.98	1.60	9.58	2.97%
Part Day	£4.58	3.00%	0.14	4.72	0.94	£5.66	£5.66	4.72	0.94	5.66	3.06%
Whitestrand and Normandy Town Landing + 50%	=Yx1.5 £2.33	3.00%	0.07	2.40	0.48	£2.88	£2.88	2.40	0.48	2.88	3.23%
<b>SECTION B Commercial Passenger Vessels - visiting</b>											
per metre	£0.88	3.00%	0.03	0.91	0.18	£1.09	£1.09	0.91	0.18	1.09	3.41%
plus per passenger landed	£0.56	3.00%	0.02	0.58	0.12	£0.70	£0.70	0.58	0.12	0.70	3.57%
<b>SECTION C</b>											
Merchant Vessels under 100 tons	£0.49	3.00%	0.01	0.50	0.10	£0.60	£0.60	0.50	0.10	0.60	2.04%
Of 100 tons or over	£0.57	3.00%	0.02	0.59	0.12	£0.71	£0.71	0.59	0.12	0.71	3.51%
<b>SECTION D</b>											
Houseboats up to 4.5 metres	=Ax2 £52.66	3.00%	1.58	54.24	10.85	£65.09	£65.09	54.24	10.85	65.09	3.00%
Over 4.5 metres	=bx2 £40.00	3.00%	1.20	41.20	8.24	£49.44	£49.44	41.20	8.24	49.44	3.00%
<b>SECTION E</b>											
Tugs	£24.60	3.00%	0.74	25.34	5.07	£30.41	£30.41	25.34	5.07	30.41	3.01%
<b>SECTION G</b>											
Goods shipped	£1.47	3.00%	0.04	1.51	0.30	£1.81	£1.81	1.51	0.30	1.81	2.72%
<b>SECTION H</b>											
Foreshore mooring licence	£6.14	0.00%	0.00	6.14	1.23	£7.37	£7.37	6.14	1.23	7.37	0.00%
(Minimum charge payable)	x6 £36.83	0.00%	0.00	36.83	7.37	£44.20	£44.20	36.83	7.37	44.20	0.00%
Boatyard Mooring Charge/metre	£9.19	0.00%	0.00	9.19	1.84	£11.03	£11.03	9.19	1.84	11.03	0.00%
(Minimum charge payable)	x6 £55.14	0.00%	0.00	55.14	11.03	£66.17	£66.17	55.14	11.03	66.17	0.00%
Deep Water mooring licence	£10.20	0.00%	0.00	10.20	2.04	£12.24	£12.24	10.20	2.04	12.24	0.00%
(Minimum charge payable)	x6 £61.20	0.00%	0.00	61.20	12.24	£73.44	£73.44	61.20	12.24	73.44	0.00%
Boatyard Mooring Charge/metre	£12.80	0.00%	0.00	12.80	2.56	£15.36	£15.36	12.80	2.56	15.36	0.00%
(Minimum charge payable)	x6 £76.80	0.00%	0.00	76.80	15.36	£92.16	£92.16	76.80	15.36	92.16	0.00%

APPENDIX A - SALCOMBE HARBOUR - PROPOSED CHARGES FOR 2017/2018 (excluding VAT)

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DETAIL		2016/17 NET RATE £	Calculated 2017/18 increases based on proposed % increase					Proposed Charges for 2017/18					
			Proposed Increase %	Increase £	NET RATE £	VAT 20% £	Gross Charge £	ROUNDED	NET RATE £	VAT 20% £	Gross Charge £	Actual Increase %	
SECTION I													
Laying up private vessels		£10.64	0.00%	0.00	10.64	2.13	£12.77	£12.77	10.64	2.13	12.77	0.00%	
SECTION J - Crime Prevention charges													
	Category 1	£4.94	53.00%	2.62	7.56	1.51	£9.07	£9.07	7.56	1.51	9.07	53.04%	
	Category 2	£32.42	53.00%	17.18	49.60	9.92	£59.52	£59.52	49.60	9.92	59.52	52.99%	
	Category 3	£13.74	53.00%	7.28	21.02	4.20	£25.22	£25.22	21.02	4.20	25.22	52.98%	
SECTION K - Whitestrand & Kingsbridge Pontoon Licence (Resident Commercial)													
	Category A	£222.35	0.00%	0.00	222.35	44.47	£266.82	£266.82	222.35	44.47	266.82	0.00%	
	Category A1	£444.68	0.00%	0.00	444.68	88.94	£533.62	£533.62	444.68	88.94	533.62	0.00%	
	Category A2	£1,778.68	0.00%	0.00	1,778.68	355.74	£2,134.42	£2,134.42	1,778.68	355.74	2,134.42	0.00%	
	Category B	£444.68	0.00%	0.00	444.68	88.94	£533.62	£533.62	444.68	88.94	533.62	0.00%	
	Category B1	£889.34	0.00%	0.00	889.34	177.87	£1,067.21	£1,067.21	889.34	177.87	1,067.21	0.00%	
	Category B2	£3,557.36	0.00%	0.00	3,557.36	711.47	£4,268.83	£4,268.83	3,557.36	711.47	4,268.83	0.00%	
	Category C	£889.34	0.00%	0.00	889.34	177.87	£1,067.21	£1,067.21	889.34	177.87	1,067.21	0.00%	
	Category C1	£1,778.68	0.00%	0.00	1,778.68	355.74	£2,134.42	£2,134.42	1,778.68	355.74	2,134.42	0.00%	
SECTION L													
Machine Advertising Boards at Whitestrand		£51.47	0.00%	0.00	51.47	0.00	£51.47	£51.47	51.47	0.00	51.47	0.00%	
<u>Mooring Hire Deep Water</u>													
	Above Tosnos	C	£55.98	0.00%	0.00	55.98	11.20	£67.18	£67.18	55.98	11.20	67.18	0.00%
	(Minimum charge payable)	=Cx7.5	£419.85	0.00%	0.00	419.85	83.97	£503.82	£503.82	419.85	83.97	503.82	0.00%
	Boatyard Above Tosnos	D=Cx1.5	£83.97	0.00%	0.00	83.97	16.79	£100.76	£100.76	83.97	16.79	100.76	0.00%
	(Minimum charge payable)	=Dx7.5	£629.80	0.00%	0.00	629.80	125.96	£755.76	£755.76	629.80	125.96	755.76	0.00%
	All other areas including pontoons	E	£66.61	0.00%	0.00	66.61	13.32	£79.93	£79.93	66.61	13.32	79.93	0.00%
	(Minimum charge payable)	=Ex7.5	£499.60	0.00%	0.00	499.60	99.92	£599.52	£599.52	499.60	99.92	599.52	0.00%
	Boatyard Mooring	F=Ex1.5	£99.92	0.00%	0.00	99.92	19.98	£119.90	£119.90	99.92	19.98	119.90	0.00%
	(Minimum charge payable)	=Fx7.5	£749.40	0.00%	0.00	749.40	149.88	£899.28	£899.28	749.40	149.88	899.28	0.00%
<u>Mooring Hire Foreshore</u>													
	Visitors per day		£11.42		0.00	11.42	2.28	£13.70	£13.70	11.42	2.28	13.70	0.00%
	Visitors per week		£62.71		0.00	62.71	12.54	£75.25	£75.25	62.71	12.54	75.25	0.00%
	Resident	G	£40.14	0.00%	0.00	40.14	8.03	£48.17	£48.17	40.14	8.03	48.17	0.00%
	(Minimum charge payable)	=Gx4.5	£180.62	0.00%	0.00	180.62	36.12	£216.74	£216.74	180.62	36.12	216.74	0.00%
	Boatyard Mooring	H=Gx1.5	£60.22	0.00%	0.00	60.22	12.04	£72.26	£72.26	60.22	12.04	72.26	0.00%
	(Minimum charge payable)	=Hx4.5	£270.99	0.00%	0.00	270.99	54.20	£325.19	£325.19	270.99	54.20	325.19	0.00%
<u>Batson &amp; Victoria Quay Pontoon (per season)</u>													
	Single Category max 2.0 metre wide berth		£252.89	0.00%	0.00	252.89	50.58	£303.47	£303.47	252.89	50.58	303.47	0.00%
	Category 4 - 2.3 metre wide berth (Batson Only)		£322.70	0.00%	0.00	322.70	64.54	£387.24	£387.24	322.70	64.54	387.24	0.00%
	Boatyard Mooring - 2.0 metre wide berth		£379.33	0.00%	0.00	379.33	75.87	£455.20	£455.20	379.33	75.87	455.20	0.00%
	Boatyard Mooring - 2.3 metre wide berth		£484.06	0.00%	0.00	484.06	96.81	£580.87	£580.87	484.06	96.81	580.87	0.00%

APPENDIX A - SALCOMBE HARBOUR - PROPOSED CHARGES FOR 2017/2018 (excluding VAT)

DETAIL	2016/17 NET RATE £	Calculated 2017/18 increases based on proposed % increase					Proposed Charges for 2017/18				
		Proposed Increase %	Increase £	NET RATE £	VAT 20% £	Gross Charge £	ROUNDED	NET RATE £	VAT 20% £	Gross Charge £	Actual Increase %
<b><u>Shadycombe Pontoons (annual)</u></b>											
Category 3 (2.0m wide berth)	£252.89	0.00%	0.00	252.89	50.58	£303.47	£303.47	252.89	50.58	303.47	0.00%
Category 4 (2.3m wide berth)	£322.70	0.00%	0.00	322.70	64.54	£387.24	£387.24	322.70	64.54	387.24	0.00%
Boatyard Category 3	£379.33	0.00%	0.00	379.33	75.87	£455.20	£455.20	379.33	75.87	455.20	0.00%
Boatyard Category 4	£484.06	0.00%	0.00	484.06	96.81	£580.87	£580.87	484.06	96.81	580.87	0.00%
<b><u>Kingsbridge Pontoon</u></b>											
Berth Charge	£252.89	0.00%	0.00	252.89	50.58	£303.47	£303.47	252.89	50.58	303.47	0.00%
Boatyard Charge	£379.33	0.00%	0.00	379.33	75.87	£455.20	£455.20	379.33	75.87	455.20	0.00%
<u>Storebox Mooring Rental</u>	£134.66	0.00%	0.00	134.66	26.93	£161.59	£161.59	134.66	26.93	161.59	0.00%
<u>Stoorbox Registration Fee</u>	£10.30	0.00%	0.00	10.30	2.06	£12.36	£12.36	10.30	2.06	12.36	0.00%
<u>Fish Quay Pontoon</u>	£61.93	0.00%	0.00	61.93	12.39	£74.32	£74.32	61.93	12.39	74.32	0.00%
<u>Whitestrand Boat Park</u>	£136.92	0.00%	0.00	136.92	27.38	£164.30	£164.30	136.92	27.38	164.30	0.00%
<b><u>Water Taxi Charges</u></b>											
Charging fare from any point	£0.50	0.00%	0.00	0.50	0.10	£0.60	£0.60	0.50	0.10	0.60	0.00%
<u>Anti Fares</u>											
Off Town	£1.50	0.00%	0.00	1.50	0.30	£1.80	£1.80	1.50	0.30	1.80	0.00%
The Bag	£2.00	0.00%	0.00	2.00	0.40	£2.40	£2.40	2.00	0.40	2.40	0.00%
Trips to and from areas above Tosnos Point	£3.00	0.00%	0.00	3.00	0.60	£3.60	£3.60	3.00	0.60	3.60	0.00%
<b><u>Discount 20x Water Taxi Tickets</u></b>											
Off Town	£20.00	0.00%	0.00	20.00	4.00	£24.00	£24.00	20.00	4.00	24.00	0.00%
The Bag	£30.00	0.00%	0.00	30.00	6.00	£36.00	£36.00	30.00	6.00	36.00	0.00%
Trips to and from areas above Tosnos Point	£40.00	0.00%	0.00	40.00	8.00	£48.00	£48.00	40.00	8.00	48.00	0.00%
<b><u>Whitestrand Pontoon Charge July &amp; August</u></b>											
Residents & Visitors Per Month	£28.90	0.00%	0.00	28.90	5.78	£34.68	£35.00	29.17	5.83	35.00	0.93%

APPENDIX A - SALCOMBE HARBOUR - PROPOSED CHARGES FOR 2017/2018 (excluding VAT)

DETAIL	2016/17 NET RATE £	Calculated 2017/18 increases based on proposed % increase					Proposed Charges for 2017/18				
		Proposed	Increase	NET RATE	VAT 20%	Gross Charge	ROUNDED	NET RATE	VAT 20%	Gross Charge	Actual
		Increase %	£	£	£	£	£	£	£	£	Increase %
<b><u>Harbour Authority Services charges</u></b>											
Barge Hire Minimum 4 hours	£558.21	0.00%	0.00	558.21	111.64	669.85	669.85	558.21	111.64	669.85	0.00%
Barge Hire Per Day	£1,116.40	0.00%	0.00	1,116.40	223.28	1,339.68	1,339.68	1,116.40	223.28	1,339.68	0.00%
Barge Hire per week	£5,582.04	0.00%	0.00	5,582.04	1,116.41	6,698.45	6,698.45	5,582.04	1,116.41	6,698.45	0.00%
Launch hire minimum 1 hour	£69.77	0.00%	0.00	69.77	13.95	83.72	83.72	69.77	13.95	83.72	0.00%
Launch Hire per day	£558.21	0.00%	0.00	558.21	111.64	669.85	669.85	558.21	111.64	669.85	0.00%
Launch Hire per week	£2,791.01	0.00%	0.00	2,791.01	558.20	3,349.21	3,349.21	2,791.01	558.20	3,349.21	0.00%
Launch routine towage (less than 30 mins)	£26.80	0.00%	0.00	26.80	5.36	32.16	32.16	26.80	5.36	32.16	0.00%
FLT hire minimum 1 hour	£69.77	0.00%	0.00	69.77	13.95	83.72	83.72	69.77	13.95	83.72	0.00%
FLT Hire per day	£558.21	0.00%	0.00	558.21	111.64	669.85	669.85	558.21	111.64	669.85	0.00%
FLT Hire per week	£2,791.01	0.00%	0.00	2,791.01	558.20	3,349.21	3,349.21	2,791.01	558.20	3,349.21	0.00%
FLT Small task (less than 30 mins)	£26.80	0.00%	0.00	26.80	5.36	32.16	32.16	26.80	5.36	32.16	0.00%
Crane Hire minimum 1 Hours	£94.96	0.00%	0.00	94.96	18.99	113.95	113.95	94.96	18.99	113.95	0.00%
Crane Hire per day	£759.71	0.00%	0.00	759.71	151.94	911.65	911.65	759.71	151.94	911.65	0.00%
Crane hire per week	£3,798.53	0.00%	0.00	3,798.53	759.71	4,558.24	4,558.24	3,798.53	759.71	4,558.24	0.00%
Hourly rate for additional member of staff	£25.91	0.00%	0.00	25.91	5.18	31.09	31.09	25.91	5.18	31.09	0.00%
Salcombe Town Landings - Electricity	£2.68	0.00%	0.00	2.68	0.54	3.22	3.22	2.68	0.54	3.22	0.00%
Winter Storage Afloat 1 Oct to 31 March	Annual Dues + 50% Annual Mooring										

Report to: **Salcombe Harbour Board**  
Date: **26 September 2016**  
Title: **1<sup>st</sup> Quarter Performance Indicators**  
Portfolio Area: *Salcombe Harbour*  
Wards Affected: **All**

Relevant Scrutiny Committee: Overview & Scrutiny Panel

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**  
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **A Parnell** Role: **Harbour Master**

Contact: **01548 843791**

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**Recommendations:**

1. That the Harbour Board NOTES the latest PIs

**1. Executive summary.** This report summarises Salcombe Harbour's performance indicators (PIs) for the period 1 Apr – 30 Jun 16.

**2. Background.** The Harbour Board endorsed the introduction of a set of PIs and to have them reported as a standing agenda item (SH 26/06).

**3. Outcomes/outputs.**

- The number of visitors, visitor-nights and income for the 1<sup>st</sup> quarter is, pleadingly, higher than the previous period last year and the rolling 3-year average. Although some of the increase can be ascribed to the increased tariffs, it is also due to the broadly settled weather experienced during the quarter, particularly during the bank and school holidays.
- The waiting list length remains broadly static at 595 applicants.
- There were no complaints and 3 compliments recorded.

- There were 8 recorded thefts. CCTV imagery and other records have been provided to the Police but unfortunately marine crime has been a theme throughout the summer. The Harbour Office have run joint 'marine crime awareness' events with the Police and have provided over 95 security marking kits to boat owners, resulting in over 100 vessels being security marked.

**4. Options available and consideration of risk.** Continue to monitor and report; be prepared to review PIs for their utility.

**5. Proposed Way Forward.** Continue monitoring PIs.

## **6. Implications**

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	The Salcombe Harbour Order 1954
Financial	N	The costs of the marine crime awareness dates had previously been included in the budget
Risk	N	There is a risk of adverse reputational damage if the marine crime events cannot be successfully countered
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	N	Marine crime is addressed within this report
Health, Safety and Wellbeing	N	No adverse impacts
Other implications	N	

## **Supporting Information**

**Appendix:** 1<sup>st</sup> ¼ PI results.

**Background Papers:** None

## **Approval and clearance of report**

<b>Process checklist</b>	<b>Completed</b>
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	<b>Yes/No</b>

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**Performance Indicators**

1. **Performance indicators**

<i>Indicator</i>	<i>Type</i>	<i>Reporting</i>	<i>Target</i>	<i>Year</i>	<i>Q1 (Apr-Jun)</i>	<i>Q2 (Jul-Sept)</i>	<i>Q3 (Oct-Dec)</i>	<i>Q4 (Jan-Mar)</i>
1. Core duties	Operation	Major core duties not achieved	0 days	2015/16	0			
				Previous yr	0	0	0	0
2. Resource Availability	Operation	Major resource failures	0 days	2015/16	0			
				Previous yr	0	1	0	0
3. Water quality	Operation	Sampling below "good"	0	2015/16	0		-	-
				Previous yr	0	0	-	-
4. Customer satisfaction	Business	No. of Complaints	0	2015/16	0			
				Previous yr	0	0	0	0
		No. of Compliments	No target set	2015/16	3			
				Previous yr	3	7	3	1
5. Visiting boat income	Business	Quarterly income	> 3-yr average	2015/16	£56,382	£	£	£
				3 yr avg	£45,528	£108,013	£3,365	£1,194
6. Waiting lists	Business	Deep water	No of applicants	2015/16	189			
				Previous yr	174	174	174	174
		Foreshore	No of applicants	2015/16	110			
				Previous yr	135	138	138	138
		Batson, VQ & K'bridge pontoon	No of applicants	2015/16	296			
				Previous yr	269	274	278	278
7. Accidents	Operation	Total number	0	2015/16	1			
				Previous yr	0	0	0	2*
		Major accidents	0	2015/16	1	0	0	0
				Previous yr	0	0	0	0
8. Major Incidents (speeding, crime, collisions, moorings)	Operation	Number	0	2015/16	4 Sp, 8 Theft			
				Previous yr	4	3	2	0

Analysis:

2016 1<sup>st</sup> quarter income is up on both the same period for last year and the rolling 3-year average, most likely due to a combination of increased tariffs and long spells of settled weather.

The length of the deep water waiting list continues to rise and although a number of applicants on the foreshore moorings list were able to be accommodated, resulting in a small reduction in the length of that waiting list, the number of applicants for an alongside pontoon berth also rose.

The major accident relates to a member of staff off-duty and the Board have been kept apprised of his progress and he has subsequently returned to work.

A number of vessels were stopped for speeding as a result of dedicated speeding patrols in Whitestrand and at the Bar. Less welcome is the rise in the number of marine thefts: in common with many other ports and harbours in the South West we are experiencing a locally significant rise in thefts of outboards and tenders. Security has been improved and a number of crime awareness and prevention events have been run, and the Harbour Office has provided over 95 security marking kits to boat owners resulting in over 100 boats being security marked.

3. **Items reported by exception.** These items will be reported by exception in the event of their occurrence.

Item	Report
Failure of nav lights or marks.	None during the reporting period
Pollution reports	None during the reporting period
Incidents and accidents	None on duty, one off duty
Permanent staff turn-over	Nil

### Core duties

- Conduct a daily patrol of the estuary to ensure that harbour-owned and maintained facilities (slipways, steps, landings, pontoons, moorings and aids to navigation) are functional, fit for purpose and that no navigational hazards exist. Navigational hazards which cannot be rectified within 24 hrs will be promulgated by Local Notice to Mariners.
- Harbour-owned slipways and steps are inspected weekly and cleaned monthly (or more frequently if necessary).
- Inspection and preventative maintenance (or replacement) of all harbour-owned deep water and foreshore moorings will be conducted annually.
- In the rare event of a mooring failure, repairs will be effected within 7 days, during which time an alternative facility will be made available, usually within 24 hrs.
- Permanent moorings or berths surrendered to the Harbour Authority will be re-allocated within 4 working weeks.
- An up-to-date weather forecast will be displayed outside of the Harbour Office every day.

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Report to: **Salcombe Harbour Board**

Date: **26 September 2016**

Title: **Harbour Master's Report**

Portfolio Area:

Wards Affected: **All**

Relevant Scrutiny Committee:

**Overview and Scrutiny Panel**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: **N/A**  
(e.g. referral on of recommendation or implementation of substantive decision)

Author: **A Parnell** Role: **Harbour Master**

Contact: **01548 843791**

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**Recommendations:**

That the Board **RESOLVES** to note the Harbour Master's report.

## 1. Executive summary

1.1 There are a number of topical issues affecting the Harbour. These include the Egremont future plans, an update on staffing, the commencement of a new night security contract and an update on the recent and unwelcome spike in marine crime,

## 2. Egremont

2.2 The Egremont's scheduled departure is Tues 20<sup>th</sup> September. Should this not have occurred, the HM will provide a verbal update regarding future intentions.

### **3. Staff update**

3.1 The Senior Harbour Technician's role became vacant because the post-holder was offered a full-time role with the Salcombe RNLI, and an existing staff member successfully applied for the role. Recruiting into his previous role is now under way

### **4. Night security**

4.1 Dewnán Advisory Group were selected to provide the night security patrol after a competitive tendering process was run. They started their patrols on 1 September and the seasonal security staff taken on during the interregnum will cease at the end of September; the handover period providing an opportunity for the transfer of knowledge as well as temporarily increasing the number of security patrols undertaken.

### **5. Marine crime**

5.1 There has recently been an unfortunate spike in the number of reported thefts. Since the middle of June 20 items (predominantly outboard engines but some tenders too) have been reported stolen. In response, the Marine Police unit based in Plymouth has conducted some night patrols in the Harbour and the Harbour Office are working closely with the local Police teams. Advisory messages reminding the public to take care of their belongings have been run on our website and social media, and the Office have given away over 95 security marking kits to boat owners and local marine businesses, which should result in over 100 vessels being security marked. Another 100 kits are being ordered with a view to continuing this campaign.

### **6. Coastguard secondary VHF aerial at Scoble**

6.1 HM has written to the Coastguard's communications manager to express concerns regarding the efficacy of the VHF aerial at Scoble which was apparently been inoperable for over 4 weeks (but is now fixed). In addition to its being the means by which the Coastguard communicate with the Lifeboat on Channel 0, the aerial is used to monitor Channel 16, and there is a concern that if it is not working, or not monitored, then anyone transmitting a distress message in the Harbour may not be detected. Resolution details will be provided to a future meeting as appropriate.

## 7. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	N	Where appropriate, reference to legal implications is referenced in the report
Financial	Y	The cost of the security marking kits is £1000. The night security patrol is more expensive than that budgeted (figure to be made by verbal report at the meeting)
Risk	Y	There is a risk that the Harbour is not viewed as a secure harbour due to the recent spate of thefts. This risk is being mitigated by raising public awareness and providing security marking kits.  There is a risk that messages transmitted on VHF Ch 0 are not detected. This risk has been transferred to the Coastguard.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	None
Safeguarding	N	None
Community Safety, Crime and Disorder	Y	The recent spate of thefts impacts on community safety
Health, Safety and Wellbeing		
Other implications	Y	Marine crime can have adverse reputational consequences

### **Supporting Information**

**Appendices:** None.

**Background Papers:** None.

### **Approval and clearance of report**

Process checklist	Completed
Portfolio Holder briefed	<b>Yes/No</b>
SLT Rep briefed	<b>Yes/No</b>
Relevant Exec Director sign off (draft)	<b>Yes/No</b>
Data protection issues considered	<b>Yes/No</b>
If exempt information, public (part 1) report also drafted. (Committee/Scrutiny)	<b>Yes/No</b>

