

Report to: **Overview and Scrutiny Panel**
Date: **2 June 2016**
Title: **DARTMOUTH LOWER FERRY – TARIFF REVIEW**
Portfolio Area: **Environment Services**
Wards Affected: **Dartmouth & East Dart**
Relevant Scrutiny Committee:

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

Date next steps can be taken: To be considered by the Executive on 16th June 2016
(*e.g. referral on of recommendation or implementation of substantive decision*)

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Recommendations:

That the Panel RECOMMEND to the Executive to RECOMMEND to Council that the proposed charges, as detailed at Appendix A, for Dartmouth Lower Ferry be approved

1. Executive summary

- 1.1 Members will recall considering the RPT Consulting report, in respect of Dartmouth Lower Ferry, in January this year.
- 1.2 As Members will be aware, the RPT report in respect of Dartmouth Lower Ferry highlighted
 - The efficiencies which could be made in respect of the current service delivery;
 - The market costs which could be applied to the service; and
 - The potential options for future delivery

- 1.3 With the Council having resolved to retain the service in-house, there is a need to improve the viability of the service by increasing income and reducing expenditure, in accordance with the RPT recommendations.
- 1.4 The first step in gaining efficiencies is to review the current charges for the ferry.

2. Background

- 2.1 The Dartmouth Lower Ferry has, over the last five years, seen a decline in income, with no matching reduction in operating costs. This situation is not sustainable, particularly in the current financial climate. An analysis of the business has been conducted in order to show where there are areas where savings may be made, or income generated on the existing service. Those areas are:
 - Fees and charges
 - Operating hours
 - Staff rotas/ terms and conditions.

3. Outcomes/outputs

- 3.1 The RPT report, as Members will be aware, outlines a number of measures which will ensure that the ferry service operates more efficiently. Efficiencies will be measured through budget monitoring, operating costs and ticket sales.

4. Options available and consideration of risk

- 4.1 The proposed tariffs have been considered by the DLF Task & Finish Group, who are supportive of them. The alternative of not reviewing the tariffs would result in the service not reaching the aim of becoming financially sustainable in the long-term.

5. Proposed Way Forward

- 5.1 This recommendation is being proposed in order to take the first step in ensuring that the service is commercially viable.
- 5.2 Ward Members have been consulted in respect of this proposal in advance of this report.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		The service is discretionary but can be run more efficiently by implementing operational changes, and this proposal is the first of those.
Financial		Unfortunately, unlike parking tariffs, we aren't able to use previous data to forecast the increased income these tariffs are likely to raise because the data isn't clear enough. However, we will be able

		to use last financial year as a base-line and compare this year's against that, once the new charges have been implemented.
Risk		There is a risk that some customers may choose to travel on the Higher Ferry in response to the increased tariffs. However, Members will note that the proposed increases ensure that the Lower Ferry tariffs largely remain lower than those on the Higher Ferry, in order to mitigate this.
Comprehensive Impact Assessment Implications		
Equality and Diversity		No implications.
Safeguarding		No implications.
Community Safety, Crime and Disorder		No potential positive or negative impact on crime and disorder reduction.
Health, Safety and Wellbeing		No implications.
Other implications		None.

Supporting Information

Appendices:

Appendix A – proposed charges.

Background Papers:

RPT Consulting report