

**MINUTES OF THE MEETING OF
THE SALCOMBE HARBOUR BOARD
HELD AT CLIFF HOUSE, SALCOMBE ON MONDAY, 21 NOVEMBER 2016**

Members in attendance			
* Denotes attendance		∅ Denotes apology for absence	
*	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
		*	Mr A Thomson
		*	Mr M Taylor
*	Cllr R D Gilbert		

Item No	Minute Ref No below refers	Officers in attendance and participating
All agenda items		Executive Director (Service Delivery and Commercial Development (SD&CD)), Salcombe Harbour Master, s151 Officer, Finance Business Partner and Senior Case Manager

SH.22/16 MINUTES

The minutes of the meeting of the Salcombe Harbour Board held on 26 September 2016 were confirmed as a correct record and signed by the Chairman.

SH.23/16 URGENT BUSINESS

The Chairman advised the Board that he had received a letter of resignation from Kit Harling. The Board asked that a letter be sent to Dr Harling to thank him for his many years of service to the Board. In accordance with recent revisions to the Council Constitution, the Chairman confirmed that steps were in place to appoint a replacement Co-opted Member without the need for another full recruitment and interview process.

The Chairman then allowed a Member to raise the issue of the branding of the published Salcombe Harbour Board agenda. The agenda now appeared as the 'South Hams Salcombe Harbour Board' agenda. The Senior Case Manager advised that this was simply as a result of the software used to publish agendas for both South Hams District Council and West Devon Borough Council, with every formal meeting agenda being prefixed with one or the other authority. The Executive Director (SD&CD) added that the Council had made savings by using one software licence for both authorities, and reminded the Board that it was effectively a 'sub-committee' of South Hams District Council.

SH.24/16 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 Mr Mackley, Mr Marriage, Mr Taylor and Mr Thomson 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.25/16 PUBLIC QUESTION TIME

In accordance with the Public Question Time procedure rules, Mr Richard Smith addressed the Board and advised that he had been unable to locate the agenda papers for the meeting on the website. In discussion, it transpired that he was looking for the agenda on the Salcombe Harbour website rather than the South Hams District Council website. It was agreed that members of the public may naturally expect to access the Salcombe Harbour Board agenda on the Salcombe Harbour website and therefore future meetings would be advertised on the Harbour website and a link included to the published agenda.

Mr Michael Astill addressed the Board and advised that he and many others were keen to see an outcome to the discussions regarding the Kingsbridge to Salcombe ferry.

SH.26/16 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 advised that a meeting had taken place but no particular issues were raised.

Salcombe Kingsbridge Estuary Conservation Forum (SKECF)

There was no update to give.

South Devon & Channel Shellfishermen

The representative advised that the Forum had met recently and many issues were sensibly discussed, and a number of required actions noted. Whilst the operational forum was now fulfilling its purpose, there was a view that it would be useful to have a meeting to discuss strategy for the Fish Quay. Another Member who had attended the meeting advised that there had been a lot of dissatisfaction expressed. The difference in economics between the larger boats and smaller boats was challenging. The Chairman confirmed that he would be happy to progress a strategic meeting and it was agreed that the representative and the Harbour Master would set the agenda. The Harbour Master added that a number of action points had already been addressed and these included:

- Repainting lines on the Fish Quay;
- Lorry parking;
- Store boxes remaining too long on the temporary mooring;
- Waste disposal;
- Security gates;
- Quay charges; and
- Too many tenders on the pontoon.

He concluded that he recognised the dissatisfaction but there were different and distinct types of customer.

Kingsbridge and Salcombe Marine Business Forum

The representative advised that there were no issues to raise.

Kingsbridge Estuary Boat Club (KEBC)

The representative advised that concerns had been raised about the red tides that were persisting in the upper harbour. The Harbour Master responded that work was being undertaken to assess the reason for the red tides. There was an unusual feature within the estuary in that it was affected by limiting factors with both fresh water and sea water, phosphate and nitrogen, and whether the blooms were affected by these, or appeared as a result of waste, was being investigated.

SH.27/16

UPDATE ON THE LOCAL AUTHORITY CONTROLLED COMPANY (LACC)

The Executive Director (SD&CD) began her update by thanking the Members of the Board who had attended meetings with the Joint Steering Group (JSG). At the latest meeting of the JSG, a detailed report on pension implications had been presented, and the report stated that there were no pensions related reasons to prevent the establishment of a LACC. There were still a number of issues to look at but nothing detrimental to either staff or the Council in respect of establishing a LACC.

Various pieces of work were being pursued in respect of tax matters. Whilst it was important to understand the pension issues, there was now no 'red line' so the project team was focussing on putting the business plan together. One Member of the Board who was also a Member of the JSG confirmed that the Group was now beginning to work through the finer detail of the project.

The Executive Director (SD&CD) advised that trading opportunities for the Harbour would be considered. One Member felt that from the perspective of the Harbour there was not a sufficient return to justify the change. The Harbour Master responded that he viewed the proposal more holistically, and saw opportunities, particularly in his role as Marine Officer for the Council. The LACC would enable the skills of the harbour staff to be utilised for a profit.

Members then discussed how the LACC might affect the financial position of the Harbour. There would be no difference in the relationship with the Harbour but the change enabling a profit to be made would be

an opportunity. The Council would hold the assets, as it did now. One Member stated concerns over public perception. The Harbour was well run and this improved the reputation of the Council. However there was no perceptible advantage of transferring to a LACC. The Executive Director (SD&CD) clarified that the Harbour Board would remain as the Harbour Board and would not transfer into a LACC. The services delivered by the workforce would transfer into the LACC, and those services could also be delivered to others as well. As part of the business case it was important to show that there was no detriment to any part of the organisation.

One Member was concerned that issues raised did not get carried forward in meetings such as concerns over staff and whether the harbour staff could transfer into the LACC at a later date. The Executive Portfolio Holder for Commercial Services, who had responsibility for Salcombe Harbour, advised that he would be attending Board meetings to listen to the concerns of Board Members and he would be ensuring their voice was heard.

SH.28/16 **REVENUE BUDGET MONITORING 2016/17**

A report was presented that enabled Members to monitor income and expenditure variations against the approved budget for 2016/17, and provided a forecast for the year end position.

The Chairman raised the matter of credit card charges and it was agreed that until the Harbour was able to offer the option of paying by BACS it would not be appropriate to pass on to customers the charge for payment by credit card.

It was then:

RESOLVED

That the forecast income and expenditure variations for the 2016/17 financial year and the overall projected underspend of £30,500 be noted.

SH.29/16 **EARLY REPAYMENT OF LOANS WITH SOUTH HAMS DISTRICT COUNCIL**

Cllr Wright, in his capacity as Executive Portfolio Holder for Support Services, presented a report that provided Members with the option of paying off the Council's loans prior to their maturity dates and included the full financial implications of the decision.

During discussion, the following points were discussed:

- One Member accepted that the Harbour Board was a Committee of South Hams District Council, but as a Member of the Board he should put its interests first and, in his view, the loans should be paid in full as soon as possible;

- Other Members stated that whilst it would be in the interests of the Harbour to repay all monies now, the position of the Council was appreciated and the way forward should suit both sides;
- The s151 officer explained that the option being recommended in the presented report equated to a loss of income to the Council of £111,000 which was broadly equivalent to a 2% increase on council tax;
- The Executive Director (SD&CD) reminded the Board that the loans had been taken out at an advantageous rate, and if the money had been borrowed from a commercial lender it would be normal practice to be charged a premium for early repayment of loans;
- A number of Members felt that there may be a public perception issue and the Executive Director (SD&CD) suggested that a paper be presented to the next meeting of the Harbour Board that set out the relationship between the Council and the Harbour Board in more detail;
- Discussions were currently ongoing about the transfer of management of assets to the Board. For clarity, it was confirmed that this was management of assets and not transfer of assets themselves.

It was then:

RESOLVED

That Council be **RECOMMENDED** to:

1. agree to the early capital repayment of £30,000 of the Residents pontoons loan in 2017/18, to be funded from the Harbour's pontoons Reserve;
2. agree to the early capital repayment of £114,000 of the Batson pontoons loan in 2019/20, to be funded from the Harbour's pontoons Reserve; and
3. increase the contribution to the Council's Marine Infrastructure Reserve in 2017/18 from £46,300 to £58,000, to reflect the annual depreciation of the Council's marine assets.

SH.30/16 **2nd QUARTER PERFORMANCE INDICATORS**

The Harbour Master presented a report that summarised Salcombe Harbour's Performance Indicators (PIs) for the period 1 July 2016 to 30 September 2016.

He updated Members on the latest position regarding the thefts that had taken place. Members then discussed the possibility of using CCTV to monitor activity on the estuary.

It was then:

RESOLVED

That the Harbour Board had noted the latest PIs.

SH.31/16 **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.

Members discussed the issue of underused berths and how incentives could be offered to encourage berth holders to let the Harbour know if their berth would be unused for any length of time.

Members discussed the need to make progress in respect of re-establishing a Kingsbridge/Salcombe ferry. It was **PROPOSED, SECONDED** and on being put to the vote declared **CARRIED** that the Harbour Master seek expressions of interest and if appropriate, invite tenders to run such a service.

The Harbour Master advised the Board that he had visited the Egremont and circulated a number of photographs showing her current condition. Members discussed the measures that may be appropriate to take prior to the vessel returning to the Harbour and it was agreed that it would be helpful to receive an update at the next meeting of the Board.

Members discussed the issue of the Scoble VHF aerial and the Chairman suggested that if no response was received to previous communications then perhaps the MP should be copied in to further correspondence.

It was then:

RESOLVED

1. That the report be noted; and
2. That delegated authority be given to the Harbour Master to seek expressions of interest in re-establishing a Kingsbridge/Salcombe ferry and invite tenders if appropriate.

(Meeting commenced at 2.30 pm and concluded at 4.45 pm)

Chairman