

Harbours Committee

9 December 2020

Harbours Budget and Fees and Charges 2021/22

For Decision

Portfolio Holder: Cllr R Bryan, Highways, Travel and Environment

Local Councillor(s): Cllr M Roberts, Harbours Committee Chair

Executive Director: J Sellgren, Executive Director of Place

Report Author: Jamie Joyce (Weymouth), James Radcliffe (Bridport and Lyme Regis)

Title: Harbour Masters

Tel: 01305 838386; 01308 423222

Email: Jamie.joyce@dorsetcouncil.gov.uk; james.radcliffe@dorsetcouncil.gov.uk

Report Status: Public

Recommendation: To approve the following related to budget requirements for the Harbours' Budgets for 2021/22 including:

1. Recommending the budget for 2021/22 to Full Council for Weymouth Harbour.
2. Approving the Fees and Charges for 2021/22 for Weymouth Harbour.
3. Approving the Asset Management Plan Improvements for 2021/22 for Weymouth Harbour subject to a mid-year review.
4. Recommending to Full Council the budget request for Bridport Harbour for 2021/22.
5. Recommending to Full Council the budget request for Lyme Regis Harbour for 2021/22.
6. Approving the Fees and Charges for 2021/22 for Bridport and Lyme Regis Harbours

Reason for Recommendation:

The Harbours Committee has the responsibility for the harbours' finances including budget setting, budget monitoring and the final outturn at the year end.

1. Executive Summary

The purpose of the report is to set out the budget requirement for the Harbour Revenue Budgets for Weymouth, Bridport and Lyme Regis Harbours for 2021/22 and beyond. This requirement includes fees and charges for all harbours and the Asset Management Plan Improvements for Weymouth

2. Financial Implications

The report covers the harbours' budgets.

3. Well-being and Health Implications

The Harbours' Budgets fund items that have implications for voluntary organisations, community safety and physical activity. It is recognised that looking after the Harbour infrastructure is vital for the safe and efficient use of the harbour for these purposes. The implications are considered for individual items when funding commitment is being approved.

Climate implications

The Harbours' Budget funds items that have implications for sustainability and climate change. In utilising future budgets every effort will be made where possible to consider how carbon output can be minimised and operations more sustainable.

4. Other Implications

Harbour issues are subject to regular consultation with customers, the Harbour Consultative Groups and the Harbours Committee.

The harbours' accounts form part of the Council's overall Statement of Accounts, which is considered and approved by the Audit Committee

5. Risk Assessment

Having considered the risks associated with this decision, the level of risk has been identified as:

Current Risk:	Medium
Residual Risk:	Medium

The Harbours' Budget Monitoring and regular reporting to the Harbours Committee helps manage the risks of under or overspending the budget.

Many items of expenditure have a link to safety of customers and the general public.

6. Equalities Impact Assessment

There are no equalities implications arising from this report

7. Weymouth Harbour Budget 2021/22:

7.1 The 2021/22 budgets have been set based on current business reflecting mainly operational status quo. 2021 and beyond will see many welcomed significant operational changes for Weymouth. The key areas listed below have not been included in this current round of budget estimates but they will impact on future budget planning:

- A new harbours strategy for all 3 harbours is currently being considered and prepared. This will guide the future use of budgets, predict potential changes in income and refocus priorities for the future.
- The Quayside Regeneration Project will impact on many aspects of the harbour budget; these will become clearer as the project matures and evolves.
- Additional revenue and expenses linked to the areas defined by the Harbour Revision Order will come through to the respective harbour budgets. The financial management and detail of this is still being considered but is anticipated to be resolved for next financial year.

7.2 It is recognised that expenditure is greater than income and relies on the harbour reserve which is not sustainable. Careful consideration of the Asset Management Plan will be key to the financial success of the harbour. There will be a full review of the long-term plan with an intention to review how assets are being used, maximise the life of items, review the priorities and update budget estimates. An update will be reported back to this Committee.

7.3 Covid-19 has had a serious impact on the current budgets, there is a financial risk should Covid affect operations again in the 2021 season.

8. Weymouth Harbour Fees and Charges 2021/2022

8.1 The recommendation for 2021/22 fees and charges is to increase by 3% on the majority of prices from last year's rates to encompass rise in service costs and ensure continuous improvement in facilities.

8.2 Weymouth harbour fees are still competitively low, and the offer is a good value flexible berthing package. In general infrastructure and facilities require investment.

9. Bridport Harbour Budget 2021/2022

- Inflationary increases have been applied across all budget lines.
- The Supplies and Services budget has been increased to cover increased outer harbour dredging cost. £25k is still required to go to reserves for inner harbour dredging.
- Premises budget has been increased to cover Crown Estate and premises cleaning costs.

10. Lyme Regis Harbour Budget 2021/2022

- Inflationary increases have been applied across all budget lines.
- The Supplies and Services budget has increased to cover the additional dredging cost from £25k to £35k
- Premises budget has been increased to cover Crown Estate and premises cleaning cost.

10.1 For Weymouth, Bridport and Lyme Regis Harbours, the proposed budgets do not include any income or expenditure linked to land and buildings currently defined as, or likely to be defined as harbour assets in forthcoming Harbour Revision Orders planned for the harbours. Financial management of this additional income to the harbours is currently being considered by Dorset Council and will be reported at the next Harbours Committee.

11. Bridport and Lyme Regis Harbours Fees and Charges 2021/2022

The recommendation for 2021/22 fees and charges is to increase by 3% on the majority of prices from last year's rates to encompass the rise in service costs and contribute to improvements in harbour facilities at both Bridport and Lyme Regis. It is proposed to increase commercial fees by 10% as charges have remained comparatively low over the last few years.

12. Appendices

Appendix 1: Budget Summary 2021/22 for Weymouth

Appendix 2: Asset Plan for Weymouth Harbour

Appendix 3: Fees and Charges 2021/22 Weymouth.

Appendix 4: Budget Summary 2021/22 for Bridport Harbour

Appendix 5: Budget Summary 2021/22 for Lyme Regis Harbour

Appendix 6: Fees and Charges 2021/22 Bridport and Lyme Regis Harbours

13. Background Papers

None

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.