

Harbours Advisory Committee

8 December 2022

Harbours Budget and Setting of Fees and Charges 2023/2024

For Recommendation to Cabinet

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

Local Councillor(s): All Councillors

Executive Director: J Sellgren, Executive Director of Place

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Report Status: Public

Recommendation:

That Cabinet asks Full Council to

1. Approve the fees and charges for 2023/24 for Weymouth Harbour
2. Approve the Asset Management Plan for 2023/24 for Weymouth Harbour
3. Approve the fees and charges for 2023/24 for Bridport and Lyme Regis Harbours
4. Approve the budget request for 2023/24 for Weymouth Harbour.
5. Approve the budget request for 2023/24 for Bridport Harbour.
6. Approve the budget request for 2023/24 for Lyme Regis Harbour.

Reason for Recommendation:

The Harbours Advisory Committee is responsible for informing Cabinet on the 2023/24 budget requirement and proposed fees and charges for the Bridport, Lyme Regis and Weymouth Harbours.

1. Executive Summary

The purpose of the report is to set out the budget requirement for revenue budgets for Weymouth, Bridport and Lyme Regis Harbours for 2023/24. This requirement includes setting fees and charges for all Harbours and the Asset Management Plan Improvements for Weymouth

2. All Harbour Fees and Charges

- 2.1 All Harbour fees and charges have been benchmarked against harbours and marinas geographically close to them and who offer similar services. This exercise demonstrated that fees are competitive. The annual berthing packages for marina berths and harbour moorings represent a flexible and good value package.
- 2.2 Whilst the benchmarking provided a good starting point consideration has also been given to the differing facilities and services on offer and historic price increases. We need to ensure we have confidence that any price increase reflects the service provision and facilities on offer.
- 2.3 Dorset Councils Corporate minimum expectation for price increases is 5%. This can be higher where there is evidence and justification for this.
- 2.4 The recommendation for 2023/24 fees and charges, in general terms, is an increase of 5% to ensure the harbours remain competitively priced, encompass rises in service costs and ensure continuous improvement in facilities. There are some exceptions as follows:

2.5

Weymouth

Fee	%	Rationale
Annual berthing for personal watercraft docks let by Dorset Council	10%	To meet demand; 6 docks were installed in 2021 and a further 9 docks in 2022. Occupancy was 100% during the summer season and waiting lists exists.
Visiting leisure craft for overnight stays to increase by 0.35p per meter	10%	Historically price increases have been modest ranging between 2 and 3 % 2019 – 2021
Introduce a weekly rate for visiting leisure craft		To encourage longer stays to be based on 25% discount

Introduce a rate for larger visiting leisure craft		This will be by negotiation within predetermined scale to reflect occasions when a visiting vessel takes up more than 1 berthing space due to its length or beam.
Introduce a slipway fee for after 2.30pm		A lower rate to encourage additional use
Use of Slipway and purchase Motorised Watersports Permits	10%	Demand is high and prices are reasonable
Winter berthing outer harbour	0%	Big increase in 2022 as pricing structure changed to monthly, hold prices to remain competitive

Bridport & Lyme Regis

Fee	%	Rationale
Assistance by Harbour staff (hourly rate)	10%	Increased to reach commercial rates
Mechanical and Marine services (hourly rate)	10%	Increased to reach commercial rates
Quayside parking for launch vehicles (inc Harbour users)	10%	Increased to sit above public car park charges
Quayside parking for commercial fishermen	10%	Increased to bring more in line with Lyme charges
Boat lifts in or out of the Harbour		Increased to assist and offset increased maintenance and running cost of JCB and Boat Lifter

2.6 Due to the volatility of utility prices a caveat remains within the scale of charges, that unit prices and standing charges will be subject to change, should supply costs change.

2.7 A full set of proposed changes to fees and charges can be found at appendix 3 and 4 for approval.

3. **Asset Management Plan Improvements Weymouth Harbour Budget:**

3.1 Below is a list of planned in-year projects for 2023/24 for approval. The programme of works is an extract from the 25-year Harbour Asset Management Plan.

3.2 The projects for 2023/24 are to be funded as follows:

- £86,000 from revenue budgets
- £50,000 from reserves

Weymouth Harbour Asset Management Plan: In Year spend 2022/23					
Item	Estimated cost	Project Type	Procurement route	Internal staff input	Funding Source
Break tank: No 4 berth - new installation as part regeneration work. Autumn 2022	£7,000	A, B	P2	L	X
External CCTV Cameras (Port) - will be replaced in 2021 as part of the regeneration and will cover FLQ and Port area	£10,000	A,B	P2	M	X
Trolleys - 1 basket Walled, 2 Flat at both Westwey Road & North Quay	£1,000	A, B	P2	L	X
Ferry Steps (CHQ) Rowing ferry side. 2021 engineer report good to fair condition. Defer	£30,000	A,B	P2	M	X
Cove Steps concrete: 2021 engineer report good to fair condition. Defer	£10,000	A,B	P2	M	X
4x4 Pick up (part exchange)	£3,000	A, B	P1	L	X
Harbour Management Software	£25,000	A, C1	P2	H	X
Works to be funded from revenue budgets	£86,000				
Maintenance dredging	£50,000	A, B, C1, C11	P2	H	Y
Works to be funded from Harbour Reserves	£50,000				
TOTAL	£136,000				
Project Type:					
Type A	Normal Harbour Operations				
Type B	Safe and Legal				
Type C 1	Improved Service to customers - break even				
Type C 11	Improved Service to customers - profit				
Procurement:					
Type P1	In-house resources only				
Type P2	External resource needed				
Internal staff input	High, Medium, Low				
Funding					
X	Revenue budget				
Y	Harbour reserve				
Z	Other (Grant funding, Corporate budget)				

4. Weymouth Harbour Budget

4.1 The 2023/24 budgets have been set based on current business reflecting mainly operational status quo. 2023 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 three 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.

4.2 Other factors and assumptions are as follows:

- Proposed changes to fees and charges as set out in this report are approved
- The Asset Management Plan In-year spend is approved
- Assumed pay award of 4%
- Increased in agency staff to provide a better response to repairing defects and response maintenance and to improve on service delivery. A portion of this is off-set by a saving in routine maintenance budget that would have otherwise been spent on contractors.
- Anticipated increases on energy costs of between 10 and 30%
- Occupancy rates for marina berthing remain stable
- Numbers of visiting leisure craft based on a 3-year average

4.3 The financial picture for Weymouth Harbour has further improved predicting an operational budget that is forecast to return a surplus. The budget summary is at appendix 1. There is still on-going pressure on the harbour budgets and the reserve balance; the reserves are fully committed to fund future pontoon replacement schemes.

4.4 The Harbour Revision Order 2021 (HRO) for Weymouth Harbour came into effect on 17th February 2021, accounting changes are implemented from 1st April 2021 as a result. The HRO has the effect of drawing a line geographically around the harbour area and clarifies the car parks which are located inside the harbour estate. The income generated by these car parks is required to be used for harbour purposes. The net income generated will be transferred to the harbours to assist with harbour expenditure.

4.5 Pleasure Pier Reserves – there is an historic allocation of £20,000 per annum to fund basic maintenance to the Pleasure Pier, with the main aim to maintain the structure so that it can still be used for the purposes of berthing small to medium sized vessels and for members of the public to walk safely along the top. The last major works were undertaken in 2016

to the value of about £65,000 and condition surveys have been carried out in 2022 to confirm what the level of contribution will be in the future.

5. Bridport Harbours Budget

5.1 The 2023/24 budgets have been set based on current business reflecting mainly operational status quo. 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 three will guide the future use of budgets, predict potential changes in income and refocus priorities for the future.

5.2 Other factors and assumptions are as follows:

- Proposed changes to fees and charges as set out in this report are approved
- Increased staffing levels and training to ensure that the harbour team can comply with the Port Marine Safety Code effectively and to improve on service delivery
- Insurance and energy costs expected to rise, included is a 10% increase
- Occupancy rates for Harbour moorings remain stable
- Increased dredging budget
- There has been no adjustment made for any future impact on any restrictions for Covid.

5.3 The Bridport Harbour budget request can be seen in Appendix 2

5.4 The predicted reserve movement will be £79,100

6. Lyme Regis Budget

6.1 The 2023/24 budgets have been set based on current business reflecting mainly operational status quo. 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 three will guide the future use of budgets, predict potential changes in income and refocus priorities for the future.

6.2 Other factors and assumptions are as follows:

- Proposed changes to fees and charges as set out in this report are approved
- Increased staffing levels and training to ensure that the harbour team can comply with the Port Marine Safety Code effectively and to improve on service delivery
- Insurance and energy costs expected to rise, included is a 10% increase
- Occupancy rates for Harbour moorings remain stable
- Increased dredging budget
- There has been no adjustment made for any future impact on any restrictions for Covid

6.3 The Lyme Regis Harbour budget request can be seen in Appendix 3

6.4 There is currently no predicted reserve movement

7. Financial Implications

The report covers the harbour budgets.

8. 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.

9. 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.

10. Other Implications

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

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

11. 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 Advisory 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.

12. Equalities Impact Assessment

There are no equalities implications arising from this report

13. Appendices

- Appendix 1 Weymouth Harbour Financial Summary
- Appendix 2 Bridport Harbour Financial Summary
- Appendix 3 Lyme Regis Harbour Financial Summary
- Appendix 4 Weymouth Harbour Proposed Fees and Charges
- Appendix 5 Bridport and Lyme Regis Harbour Proposed Fees and Charges

14. Background Papers

None