

**Salcombe Harbour Board - 19 October 2004****SALCOMBE HARBOUR AUTHORITY – ASSET MANAGEMENT & BUSINESS PLANNING****Report of the Salcombe Harbour Master****Statutory Powers: The Pier and Harbour Order (Salcombe) Confirmation Act 1954**

**Financial Implications:** None for the purpose of the report

**The Purpose**

1. The purpose of this report is to advise Members of the progress that is being made by the Council in its commitment to Asset Management. It is important therefore that the Harbour Board moves forward in line with the Council's policies and timetable. In order to ensure that Members are in an informed position to prioritise future improvement works and capital projects a Business Training Day is to be co-ordinated by officers.
2. The contents of this report are linked to CP 6 – 'the improvement of core services in a cost effective way.'

**Recommendation****That the Board RESOLVES:-**

- (i) **to note the report.**
- (ii) **that the Board agrees to hold a Business Plan Training exercise on the morning of the next scheduled Harbour Board on Tuesday 30 November 2004.**

**The Issues**

3. For a number of years, the Council has been reviewing its Asset Management Plan that includes all the assets in the ownership of the Salcombe Harbour Board. A team of officers, that includes the Harbour Master meet regularly as an Asset Management Group and make recommendations to the Council through the Capital Works programme.
4. A number of projects have been identified by this group that includes improvements and replacement of Board Assets that would require Board support in the first instance, to be then recommended to the Council for approval.
5. At the Harbour Board in July this year it was agreed that the Head of Property Services be invited to a future Board to discuss potential improvement works to the Fish Quay and Boat Park at Batson which although not a Harbour Board capital project, the Board wished it recognised that discussion was needed in these areas.

6. The Harbour Master can report that a meeting at Officer level is now arranged to begin this process and a meeting at Member level with representatives of the Council's Business Board for Car and Boat Parking, that makes recommendation to the Council, has been arranged to meet the Chairman of the Harbour Board to discuss specific and board issues that directly affect both Boards. Once these meetings have been concluded it is felt more appropriate to invite the Head of Property Services to a future board meeting.
7. It is vital that Members fully understand what is the Salcombe Harbour Estate in terms of ownership and therefore how Harbour owned assets are maintained and improved and the relationship between these assets and those owned by the Council and therefore repaired and maintained through the Council's Capital works programme.
8. Members are reminded that the Salcombe Harbour Board maintains a self-financing ring-fenced account which includes ring-fenced reserves. There is, therefore, the opportunity for the Salcombe Harbour Board to utilise specific reserves for the improvement and replacement of assets. In some cases condition survey work is required to be clear as to the current state of the harbour assets, and where these are in the ownership and control of the Harbour Board the costs of such surveys will be borne through the ring-fenced harbour account.
9. Finally, if capital works are to be undertaken to Harbour Board assets in respect of which there are insufficient ring-fenced reserves then it is feasible that a loan could be provided from the Council's capital reserves which would be repaid (capital and interest) from the Harbour Account.

There may also be an opportunity in the future for the Board to invest in and around the Harbour.

### **Business Planning**

10. In line with Government recommendations for the good management of Ports & Harbours and the Council's asset management policies it is thought that in order for the Board to be better placed to take a longer term view of the Harbour as a business a training day is organised for Board Members and Officers to progress the work on a new 5 year business plan for the Salcombe Harbour Board. This will allow Members to be more engaged in the process and be better informed to make longer term decisions taking full account of all Harbour Policies the Board's financial situation and decisions of the Council.
11. This will also take account of the Council's Asset Management Plan that can be explained in more detail to the Board
12. To begin this process it is recommended that officers arrange a business planning training event for members on the morning of the next Board scheduled for 30 November 2004.

### **Risk Assessment**

13. It is essential that all assets owned by the Salcombe Harbour Board are properly serviced, maintained and their future replacement carefully planned. There is a high risk that should the Board fail to identify adequate future funding it will lead to far more significant difficulties in the future.

### **Human Rights Act**

14. There are no obvious human rights issues arising from this report, other than the right to life, which could be threatened by inadequate attention to health and safety as part of asset management.

### **Conclusion**

15. This report recommends that a Business Plan Training exercise is arranged so that members can prioritise any forthcoming improvement works within the Salcombe Harbour Kingsbridge Estuary and progressing a five year business plan. In order to ensure this aligns with Council policy, it is also important that members fully understand the progress being made by the Council in terms of Asset Management.

Stephen Tooke  
Harbour Master

Salcombe Harbour Board  
19 October 2004

Paula Brooks  
Strategic Director, Operations

**Background Documents**  
**None**