

ITEM

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Salcombe Harbour Board, 25th January 2004

REVIEW OF CHARGES

Report of the Salcombe Harbour Master

**Statutory Powers: Local Government Act 1972, Section 151
Pier and Harbour Order (Salcombe) Confirmation Act 1954
(Section 22-36)**

Financial Implications: Potential income generation of £16,500 through an average increase in charges of 2.95%.

Purpose

1. This report has been prepared to enable Members to set the Harbour rates and charges for 2005/2006.

Recommendations

That the Council be recommended:-

- (i) **that the proposed charges in Appendix B be approved for implementation from 1st April 2005.**
- (ii) **that the seasonal charging of visitors entering the estuary via the slipway now becomes an annual permit**

Introduction

2. This report follows the Board's consideration of the revenue budget for 2005/2006 at the November meeting. Charges have now been reviewed by the Harbour Master in accordance with minute SH.26/04, which required an average increase in charges of 2.95%. The revised charges will generate additional income of £16,500 and will absorb identified budget pressures.

Proposed Charges

3. Appendix A provides a comparison between the current year's charges and those proposed for 2005/2006. Appendix B to the report sets out the proposed charges in the approved format.
4. The overall increase is 2.95%. Where necessary, certain over the counter charges have been rounded to the nearest 5p or 10p for ease of administration and cash collection.
5. The proposed charges take account of the new charging bands agreed at the November meeting (SH.28/04).

6. At the last Harbour Board, Members considered a review of visitor charges and recommended that the charging of visitor craft entering the estuary via the slipways to be simplified as detailed in paragraph 6 of the Agenda Report. This proposed that charges should be levied on a seasonal basis as opposed to a monthly basis. However, the Harbour Master having given this a great deal of thought, now suggests that this seasonal charge becomes an annual permit in line with the charging regime for residents.
7. The rationale behind this suggestion to the Board is that practically if customers arrive outside of the season, the Board will not have an appropriate charge to levy.

Risk Assessment

8. Members are aware that the Salcombe Harbour budget is prepared on a break-even basis, and the charges are set within this criteria. Should actual circumstances differ from expectations, a deficit may occur. These include:
 - the level of inflation, assumed to be at government levels of 2.75%;
 - the level of harbour use, which depends on the general economic climate;
 - weather patterns;
 - holiday trends.
9. These risks are reduced through continual budget monitoring, which ensures that variances are identified on a timely basis, and remedial action taken where necessary.

Human Rights Act

10. The human rights issues arising from this report have been balanced with the wider community interest.

Conclusion

11. The proposed increase in charges will allow the Board to meet budget pressures faced in the forthcoming year.

Paul Bartlett
Senior Accountant

Stephen Tooke
Harbour Master

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Background documents:
Financial Services Working papers