

Salcombe Harbour Board, 30th November 2004

STRATEGIC BUSINESS PLANNING AND ASSET MANAGEMENT

Report of the Salcombe Harbour Master

Statutory Powers: The Pier and Harbour Order (Salcombe) Confirmation Act 1954

Financial implications: The allocation of £18,000 from the Pontoon Replacement Reserve for the replacement of the landing stage at Normandy Pontoon.

Purpose

1. The purpose of this report is to start looking as a Board to develop a more strategic business plan for the longer term and to align the Board's decision making process for improvements and replacements of Harbour Board owned assets in line with the Council's Financial and Asset Management Plans.
2. At the training sessions Members will be asked to re-consider the policies and objectives of the Harbour Board and be invited to discuss their re-affirmation, or to consider any adjustments necessary in light of a more strategic approach.
3. The report also asks the permission of the Board to replace the landing stage of Normandy Pontoon at a cost of £18,000 that sustained damage in the recent storms. Members may wish to consider drawing on funds available from the Pontoon Replacement Reserve for this purchase.
4. Additionally, the Board are asked to consider the re-organisation of the Resident Pontoons in the Bag and a replacement pontoon at Whitestrand as priorities and identify possible future funding arrangements as part of the Strategic Business Plan. The contents of this report are linked to CP 6 – 'the improvement of core services in a cost effective way' and CP 3 and the tourism elements of CP 2.

Recommendation

That the Board RESOLVES:-

- (i) to agree to the replacement of the landing stage pontoon at Normandy Pontoon at an upper cost of £18,000 to be purchased from the Harbour Pontoon Replacement Reserve;
- (iii) that the Board instructs the Harbour Master to undertake detailed project appraisals for the replacement of the pontoon at Whitestrand and the re-organisation of the Resident Pontoons;
- (iv) that a strategic business plan for Salcombe Harbour be compiled by the Harbour Master with the Board's guidance based financial and asset management planning for the longer term.

The Issues

5. The Council's Asset Management Plan (AMP) clearly identifies the importance of properly maintained assets in ensuring the Council protects service delivery and considers the long term financial impact of failing to invest when works are required leading to a rapid deterioration in condition and consequential high costs of remedial works.
6. The Salcombe Harbour Estate is managed on behalf of the Council's Harbour Board by the Salcombe Harbour Master under the Pier and Harbour Order (Salcombe) Confirmation Act 1954, Salcombe Harbour Policy Document, Environmental Management Plan, Port Marine Safety Code and any Council decisions that have been passed from time to time. There are a range of assets within the Estuary that have been purchased, maintained and are replaced from the Harbour account. These include pontoons, moorings and all the vessels and equipment that support the business of managing Salcombe Harbour Kingsbridge Estuary.
7. Members are reminded that the Salcombe Harbour Board maintains a self financing ring fenced account which includes ring fenced reserves. The Board therefore has the opportunity to either raise rates and charges or utilise specific reserves for the improvement and replacement of assets. If the Board identify capital works where 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.
8. At present the Harbour Master compiles an annual service plan that identifies improvement works that are needed to be carried out and recommends those to the Board for approval by Council on an annual basis. It is therefore thought more appropriate for the Board to consider and prioritise improvements as part of a longer term strategy, so that the Board, having considered their financial position and future budgetary implications, may formulate an Asset Management Plan in line with the Council's plan for the medium and longer term.
9. To assist Members to start this approach, the Board has approved two training events, scheduled to be held in the morning prior to the next two Board meetings and Members will have received formal notice of the arrangements including topics for discussion prior to today's Board.

Normandy Pontoon

10. The South West of England has experienced a number of storms so far this autumn. Although quite severe in nature, the amount of damage sustained has been only minimal. But, damage has occurred to the landing stage of Normandy Pontoon. During the annual inspection of the Harbour, the Harbour Master drew Members' attention to the condition of the landing stage and mentioned that it would have to be considered for replacement in the short term, but unfortunately the weather has now accelerated that decision. In order to protect the remaining pontoons and bridge the facility has been dismantled for the remainder of the winter and users requiring landing are encouraged to use Whitestrand Pontoon.

11. In terms of health and safety, Members may wish to consider improving the stability of the bridge by replacing the landing stage pontoon with a slightly larger version that not only would provide the Harbour user with an enhanced facility, but operationally, Harbour staff would gain benefit from both sides of the pontoon on which Harbour vessels are exclusively moored.
12. The Council has agreed as part of its Asset Management Capital Programme that a sum of money be allocated for the design and costings for the reconstruction of the ferry pier. It should be noted that wave activity in the vicinity of Normandy Pontoon and along the water frontage of Salcombe has adversely affected the area, and the continued loss of the ferry pier has contributed to the accelerated deterioration of the pontoon itself. It is encouraging to note that work on the design for reconstruction is now going ahead.

Re-organisation of the Resident Pontoons

13. In 1982, the Harbour Board agreed to locate three 'high density pontoons' in the western part of the Bag, more commonly referred to as the Resident Pontoons. The Board further agreed that the maximum number of berths be restricted to sixty.
14. During the annual inspection it was explained to Members the difficulties that this arrangement presents to some customers, especially when having to berth between finger pontoons in strong tide. Members also heard from the Harbour Master and Marine Conservation Officer that the present chain and block mooring arrangement causes a significant amount of scour to the estuary bed and if the mooring arrangement was changed to piles, as per the Board's decision with the visitors' pontoon last year, there would be significant environmental benefits.
15. The Harbour office maintains accurate records of the annual inspection, servicing and maintenance of all Harbour Board owned moorings. Over the last five years the maintenance of the resident pontoons, including the replacement of damaged finger pontoons has amounted to £21,000. This figure includes an element of staff time.
16. During the annual inspection Members asked the Harbour Master to report back to the Board possible re-organisation schemes that would incorporate a mooring arrangement using piles, but would also provide an overall gain in terms of water space for the harbour user.
17. On behalf of the Board the Harbour Master has had preliminary discussions with a number of companies that could potentially be invited to tender for the works.
18. At this morning's training day, the Board was given an outline brief of the possible re-organisation options for the resident pontoons. The summary of the preferred option would be:-
 - (i) 20 piles;
 - (ii) existing pontoons to be re-used where possible but a replacement programme to be agreed with a phased in process over 3 years;
 - (iii) the purchase of a new pontoon section in year one.

19. The total cost of the proposal that includes piles and new pontoon would be in the order of £80,000 in year one. The Board would then need to identify a pontoon replacement programme for the resident pontoons in subsequent years.
20. As previously mentioned in this report, should the Salcombe Harbour Board identify a capital scheme either the Board could look to the Harbour reserves or a capital loan from the Council, or a combination of both.

Houseboats

21. Not wishing to pre-empt any future decision of the Board, the Harbour Master is in the process of reorganising the mooring location of the houseboats that at present are located to the north of the resident pontoons. They will need to be relocated to provide sufficient water space for a reorganisation of the resident pontoons to go ahead. In any event the houseboat moorings need to be fully serviced and whilst new block and chains are going to be dropped, common sense therefore dictates that they are laid in what will hopefully be their new permanent location in the Bag.

Whitestrans Pontoon

22. Although not as high a priority as Normandy and the resident pontoons, the old pontoon at the front of Whitestrans would benefit from being upgraded as the plastic buoyancy tanks are coming towards the end of their life and the way that the individual sections of pontoon rest on the mud at low water is now causing trip hazards.
23. An obvious solution would be for the eight individual pontoon sections to be replaced by one long individual section would prevent this from happening.
24. Members will recall that several years ago an eight metre extension was added to the original pontoon following detailed discussion with local stakeholders. A new one piece pontoon that incorporates this length of the additional section could be fabricated, but the northern-most pile at Whitestrans would need to be extracted and re-driven. The costs of the piling work would be in the order of £2,000 but the manufacture of a pontoon to suit the present locations of the piles would be £4,000 more. Provisional costings for the supply of a new pontoon plus the necessary piling works would be in the order of £46,000.
25. Members are asked to consider the above scheme and others that may be identified as part of the training day and prioritise them accordingly.

Batson Boat Park

26. It was agreed by the Board that the Chairman of the Harbour Board and Chairman of the Council's Business Board responsible for Boat Parking meet to open dialogue between the services to discuss a range of common issues. These include Boat Parking charges that over the last few years have become out of step with Harbour Authority rates and charges and the meeting concluded that from a customer's point of view, future boat parking charges should only be increased in line with those of the Salcombe Harbour Board.

27. Representatives from both Boards were in agreement that a number of further meetings must be held to take discussions further on how to bring both services further in line. Representatives will be asking officers to investigate the possibility of leasing the Boat Park to the Harbour Authority as part of one of the options open to the Council under its' Asset Management Plan.

Risk Assessment

28. A risk assessment is undertaken for all activities undertaken by the Harbour Authority and these include the usage of all pontoon facilities under the ownership of the Harbour Board. Risk assessments are also undertaken for each capital scheme as an early part of the project appraisal process. There is a high risk in respect of assets owned by the Board, which failing to identify adequate funding to address current and future problems will lead to far more significant problems in the future, resulting from the failure of those assets.

Human Rights

29. 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 financial and asset management.

Conclusion

30. This report to Members has many levels, the first of which is that Members are asked to embark on a new strategic business plan for Salcombe Harbour, that takes asset management and financial planning as two of its essential ingredients. The report then identifies future projects that must be undertaken but also others that are desirable that the Board is invited to prioritise for the future.
31. For many reasons it will be effective for the Board and Harbour Master through a strategic approach to identify improvement schemes so that the necessary planning and resources can be provided at the right time.
32. In light of the Port Marine Safety Code, Modernisation of Local Government and possible changes coming out of the Municipal Ports Review the future of Harbours is changing and the Board may well be prudent to take a more strategic approach towards business planning.

S E Tooke
Harbour Master

Salcombe Harbour Board
30th November 2004

Paula Brooks
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Background Documents

South Hams District Council's Asset Management Plan
Port Marine Safety Code

