

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	River Hamble Harbour Management Committee
Date of Decision:	15 Jan 2010
Decision Title:	Report of the River Hamble Select Committee
Report From:	River Hamble Select Committee

Contact name: Councillor Seán Woodward (Chairman) and
Mr Michael Sterne (Vice Chairman)

1. Executive Summary

- 1.2. The purpose of this report is to advise the River Hamble Harbour Management Committee of the conclusions of the River Hamble Select Committee. The Select Committee was established by the River Hamble Board at its meeting on 18 September 2009 with the terms of reference and membership outlined in Appendix 1.
- 1.3. The report summarises the various issues explored by the Select Committee and sets out its conclusions. In reaching its conclusions, the Select Committee has been mindful of relevant reports previously submitted to the Management Committee and the Harbour Board (see Appendix 2).
- 1.4. The Select Committee met informally (on one occasion) to discuss processes before holding two meetings in public. It held one further informal (private) session to finalise its recommendations. Details of the public meetings, the County Council officers seen, deputations received and witnesses called are summarised in Appendix 3.
- 1.5. Copies of the summary notes taken at each of the public meetings of the Select Committee are attached at Appendix 4.

2. Contextual information

- 2.1. The Select Committee was established by the River Hamble Harbour Board; to avoid the costs that would be incurred if a Public Inquiry (PI) were to be held to examine the objection lodged with the Secretary of State by Warsash Sailing Club (WSC). The WSC's objection was in respect of both the level of harbour dues and the charging regime that currently operates on the River Hamble. The Select Committee process also offered the opportunity to review and make recommendations on many aspects of the operation of the river in the light of evidence received.

- 2.2. Upon the decision to establish a Select Committee, the WSC (and others who were party to it) withdrew their objections and the PI scheduled to start on Monday 27 October 2009 was cancelled.
- 2.3. The detailed recommendations arrived at by the Select Committee are outlined at the end of this report.

3. Harbour dues and enforcing their payment

- 3.1. The Select Committee's starting premise was that all craft using the River Hamble should be liable to pay harbour dues. During its deliberations, however, the Committee has found itself in agreement with many of the observations made by the Harbour Dues Working Group that reported to the Harbour Board on 14 July 2006, particularly that
 - (i) "smaller sailing dinghies and craft primarily intended to be manually powered have little or no environmental impact,"
 - (ii) they (i.e. smaller sailing dinghies and craft) "make little if any use of the facilities directly provided by the Harbour Authority "(particularly, in the Select Committee's view, the navigational facilities) and
 - (iii) they (i.e. smaller sailing dinghies and craft) "provide a cheap and convenient way of allowing many younger people to participate in water based activities." (The Select Committee takes the view that smaller dinghies and craft allow people from all walks of life to participate in water based activities and that it is therefore not just younger people who should be encouraged to take to the water).

As a result, the Select Committee has formed the view that all craft should pay harbour dues, although the following categories of vessel should be zero rated:-

- Sailing dinghies (but not craft with keels), of less than 6m LOA;
- All craft primarily intended to be powered by oars or paddles, including rowing boats, canoes and kayaks, unless also fitted with an engine of 10hp or more;
- Windsurfers;
- Tenders up to 4m LOA with engines less than 10hp, providing that their 'mother ship' has paid appropriate dues;

- Craft either wholly or primarily used in a safety role operated by sailing clubs and/or established maritime protection and prevention agencies, e.g. the Police, Fire Service and RNLI (*recommendation 1 (a)*).
- 3.2. The recommendation to ‘zero rate’ craft less than 6m LOA does not extend to craft that are less than 6m that are mechanically powered, including Rigid Inflatable Boats (RIB’s) and Personal Water Craft (PWC’s) (*recommendation 1 (b)*).
 - 3.3. To maximise income from those craft upon which harbour dues are to be levied the Select Committee believes that all craft subject to the payment of harbour dues should be required to visibly display a sticker on or near the port quarter to confirm that their dues have been paid (*recommendation 1 (c)*). The Select Committee believes that enforcement action should be taken where necessary with those deliberately seeking to avoid payment potentially being subject to action in the county court under Section 43 of the Harbours Docks & Piers Clauses Act 1847 (triple penalty of the amount due). Non-payers could also have their craft impounded.
 - 3.4. In essence, the Select Committee’s view is that all practical methods to ensure that the ‘pay and display’ principle is observed should be explored and that consideration should therefore be given to the practicalities of drafting bye-laws to support enforcement.
 - 3.5. While collecting harbour dues from each and every individual river user may be difficult, the expectations of Project Kraken and the increase in safety and security issues has persuaded the Select Committee that consideration should be given as to how the Harbour Authority can seek to assist Project Kraken’s objectives, for example exploring possible ways of being able to access the respective databases of collective payers without infringing the Data Protection Act or disclosing the commercially sensitive client information of commercial operators.
 - 3.6. (Project Kraken delivers an enhanced crime and counter terrorist ‘vigilance’ capability within the maritime environment of the Solent, engaging interested parties and local communities. See <http://www.hampshire.police.uk/Internet/advice/kraken/krakeninfo.htm> for further details).

4. Equalisation and Payment of Harbour Dues

- 4.1. The Select Committee noted the recommendations of the Harbour Dues Working Group submitted to the River Hamble Harbour Management Committee on 18 June 2007 <http://www.hants.gov.uk/decisions/decisions-docs/070720-rvhhbd-R0713092730.html> and its decision to simplify the charging regime that was in place at that time. Equalisation of dues would

take place over a five year period ending in 2012.

- 4.2. The Select Committee shares the view that the current and planned equalisation of harbour dues is appropriate but believes that public awareness about future levels of payment could be raised by making greater use of the Harbour Authority's website. Information about current and future rates, together with payment forms and information, should be readily accessible on the website, as well as from the harbour office (*recommendation 2 (a)*).
- 4.3. The Select Committee has made a number of observations and suggestions about the calculation, invoicing, collection and payment of dues (*recommendations 2 (b) – 2 (m)* inclusive). It feels that these recommendations, if adopted, are likely to maximise payment levels but will also be more equitable as well as potentially more efficient. It is accepted that some of the recommendations, if adopted, will need to be discussed with sailing clubs, associations and/or collective payers. There is therefore an element of aspiration attached to them. Despite this the Select Committee urges that they be actively pursued.
- 4.4. Both licence fees for berths on Crown Estate mid-stream moorings and the level of harbour dues for such moorings are currently charged according to the maximum size of vessel which can safely fit on a mooring (variable according to the mooring size band). The alternative would be to charge harbour dues based on the actual length overall of each vessel. Adopting such a regime would, however, be a time consuming and bureaucratic process requiring detailed measurements to be taken of every vessel. Nominal measurements can vary because of the additions of larger pulpits, davits, or bathing platforms and can change in the lifetime of the boat. It is for this reason that the Select Committee has not accepted the proposition that midstream mooring holders should pay dues based on the size of vessel rather than the mooring.

5. Harbour Authority Mission Statement and Strategic Plan

- 5.1. The Select Committee has reviewed the current River Hamble Harbour Authority Strategic Plan <http://www3.hants.gov.uk/hamble-strategic-plan.pdf>. It considers that all the current activities set out in the plan are acceptable and helpful to the management of the River Hamble. It takes the view that the Harbour Authority should review the strategic plan on a regular basis (*recommendation 3 (a)*). It also believes that the Harbour Authority can make the costs of some its activities more transparent. (*Recommendations 3 c) and 3 (d)*).
- 5.2. The Select Committee believes that the strategic plan should also explicitly acknowledge a duty to seek 'the enhancement of access and facilities for

river users and the well-being, enjoyment and economic benefit of the river for all' (*recommendation 3 (b)*). The river gives rise to substantial economic activity and employment due to the many marinas, boatyards and specialist marine related companies that trade within the immediate area. This important economic activity must be given equal status when considering social and environmental needs. The economic value of the local marine industry to the region is highly significant and it employs approximately 3,500 individuals (direct and indirect). The main function of the Harbour Authority, however, is to ensure safe navigation within the harbour and this must remain the first priority of the harbour office, the Harbour Board and the Harbour Management Committee.

- 5.3. The Select Committee recognises that the Harbour Authority is not the only relevant body with a role to play in the conservation, protection and improvement of the River Hamble and its immediate environs. It acknowledges the important responsibility and role played by Hampshire County Council and the neighbouring local authorities in preserving and protecting the river and its shoreline (*recommendation 3 (e)*).

6. Independent Designated Person (DP)

- 6.1. The Select Committee took evidence in respect of the important role played by the independent designated person (DP) for the Harbour Authority and takes account of the Port Marine Safety Code (accessible at <http://www.dft.gov.uk/pgr/shippingports/ports/pmsc.pdf>) and its accompanying good practice guide (accessible at <http://www.dft.gov.uk/pgr/shippingports/ports/goodpracticemarineoperations.pdf>).
- 6.2. Noting the advice of the good practice guide, the Select Committee nonetheless believes that there is scope to explore an arrangement for a current employee to undertake the additional role and responsibilities of the designated person. If that proves impractical, a reciprocal arrangement with another harbour could be explored in respect of the appointment of a DP for the River Hamble Harbour Authority. At the very least (to ensure that the Harbour Authority continues to receive value for money) a re-tendering exercise should be considered when the current DP contract becomes due for renewal. (*recommendation 4*).
- 6.3. The Select Committee endorses the principle of the DP having direct and immediate access to the Harbour Board (*recommendation 4 (a)*). It also believes that it is important that regular safety audits undertaken by the DP should continue to be published and made available on the Harbour Authority's website (*recommendation 4 (b)*), unless there is good reason not to.

- 6.4. While noting the independent advice capable of being obtained from the DP, the Select Committee nonetheless believes that the County Council's legal services unit, or in turn its nominated advisors, should usually be the first source of information for the Harbour Authority for legal matters (*recommendation 4 (c)*) as this is likely to be in the interests of efficiency and value for money.

7. Mooring capacity and access to the River Hamble

- 7.1. The Select Committee recognises that there is a diversity of opinion about the current cap on the number of moorings in the River Hamble and whether it should be modified or lifted. It recognises, too, that the existing river facilities and infrastructure, for example parking and road access, are factors that limit access to the river.
- 7.2. The Select Committee nonetheless believes that discussions should take place with interested parties to examine whether it is feasible to provide additional mooring capacity without compromising navigational safety and/or the environment (*recommendations 5 (a) and 5 (b)*).
- 7.3. Efforts should also be made in consultation with the relevant neighbouring authorities and interested parties to improve the infrastructure supporting the river and river users (*recommendations 5 (c) and 5 (d)*)
- 7.4. The Select Committee believes that discussions to explore these issues should be held as soon as is practical in 2010 (*recommendation 5 (e)*).

8. Mid-Stream Mooring Management Contract with The Crown Estate

- 8.1. The current management contract with The Crown Estate, for the Harbour Authority to manage mid stream moorings expires in 2012. The Select Committee believes that there should be no commitment to maintain the existing arrangements if an alternative, better arrangement can be found. It therefore believes that at least one year before the current contract expires a consultation and review exercise should be undertaken to ascertain whether a similar contract should be agreed (*recommendation 6*).

9. Harbour Authority Personnel Issues

- 9.1. The Select Committee heard from a number of Harbour Authority staff at its first meeting and is grateful to them for the helpful advice and guidance that they provided. The Select Committee also received role profile information for key Harbour Authority staff.
- 9.2. As far as the Select Committee has been able to ascertain, the long-term absence of a key member of staff has not resulted in a discernible drop in

quality of service. On the basis of this evidence, the role profiles and the Royal Haskoning report to the County Council, it has formed the view that there is scope for rationalising and streamlining the Harbour Authority staffing structure.

- 9.3. While conscious that the County Council will wish to review its staffing suggestions, the Select Committee has put forward a number of recommendations that it believes are worthy of serious consideration (*recommendations 7 (a) - & (f)*). In particular, the Select Committee is convinced that the Harbour Authority would benefit significantly from playing a much more active role in staff oversight. It strongly commends its recommendation that the Harbour Board's management role, through the harbour master, includes the engagement, reward and termination of all Harbour Authority employees as determined by Hampshire County Council employment terms and conditions.

10. Synchronisation of River Hamble Harbour Board and River Hamble Harbour Management Committee meetings

- 10.1. The cycle of meetings for the River Hamble Harbour Management Committee and the River Hamble Harbour Board are not aligned. The Harbour Revision Order, which provides the legal basis for the harbour, requires that all matters relating to the discharge of the powers, functions and obligations of the Board shall stand referred to the Management Committee. Before exercising any such powers, functions and obligations, the Board is required, except in the case of an emergency, to consider a report of the management Committee with respect to the matter. To aid transparency and democratic accountability the Select Committee recommends that there should always be a Management Committee meeting before a Harbour Board meeting and that recommendations to the Board should be made through the Management Committee unless absolutely unavoidable (*recommendation 8*). This should ensure that appropriate consultation is always undertaken and that the Harbour Board can always receive timely advice and guidance that has been canvassed across the whole spectrum of interested parties.

- 10.2. The Select Committee further recommends that appropriate training should be provided for all new members of the Harbour Board and Harbour Management Committee.

11. Report from the Operational Review Working Group

- 11.1. At its first public meeting, the Select Committee received a presentation from the Operational Review Working Party that had been constituted from the River Hamble Harbour Management Committee to examine the Harbour

Authority's accounts, income and expenditure (see Appendix 5).

11.2. The Select Committee adopted the main recommendations of this working party (page 11 of Appendix 5). The recommendations set out below (recommendations 9 (a) – 9 (i)) should be accepted in full. Moreover, they will aid transparency and will improve efficiency.

11.3. As a further aid to transparency and efficiency, the Select Committee recommends that consideration should be given to market testing and possible outsourcing of the services provided by the Hampshire County Council, following best value principles (see *further recommendations*).

12. Conclusion

The Select Committee has produced detailed recommendations that it believes provide an opportunity to increase income and reduce costs. By enabling the Harbour Authority and its officers to focus better on its main task of ensuring safe navigation, they will much improve the management of the harbour. The Select Committee accepts that many of its recommendations will require further work and in some cases may take time to implement. It commends the recommendations below as worthy of support by both the River Hamble Harbour Management Committee and the River Hamble Harbour Board.

13. River Hamble Select Committee – Detailed Recommendations

RECOMMENDED that :-

- 1. All craft using the River Hamble should pay harbour dues, although the following categories of vessel shall be zero rated.**
 - a.
 - Sailing dinghies (but not craft with keels), of less than 6m LOA;
 - All craft primarily intended to be powered by oars or paddles, including rowing boats, canoes and kayaks, unless also fitted with an engine of 10hp or more;
 - Windsurfers;
 - Tenders up to 4m LOA, with engines less than 10hp, providing that their 'mother ship' has paid appropriate dues;
 - Craft either wholly or primarily used in a safety role operated by sailing clubs and/or established maritime protection and prevention agencies, e.g. the Police, Fire Service and RNLI;

- b. These zero ratings do not apply to craft primarily intended to be mechanically-powered, including RIB's and personal water craft (PWC)
- c. All craft that are subject to harbour dues are required to display a clearly visible sticker on or near the port quarter to confirm payment before launching from anywhere on the river or as soon as is practical after entering the river as a visitor and using a Harbour Authority, commercial operator or other facility, whereupon they will be issued with a sticker or tag, as appropriate, which is to be prominently displayed.
- d. Payment of dues by river users will be rigorously enforced. Those who evade payment will be subject, through action in the county court, under Section 43 of the Harbours, Docks & Piers Clauses Act 1847 to triple penalty of the amount due if unpaid within 7 days of a served enforcement notice. Non-payers' craft can be impounded under Section 44 of the Act."

2. Equalisation of Harbour Dues for all collective and individual payers will continue and will be fully implemented by 1st January 2012

- a. The current and planned equalisation of harbour dues rates for all payers will be published each year by the Harbour Authority and maintained on its website together with payment forms and information.
- b. Harbour dues for periods of less than one year will be determined by the Harbour Authority, published on its website and collected by them or the collective payers as appropriate on a pro-rata weekly basis.
- c. Collective payers, be they sailing clubs, associations, commercial operators or deemed similar, will continue to pay a total invoice cost at the standard rate. The rate paid by collective payers will, on completion of the planned equalisation, be approximately 10% lower than that paid by mid-stream mooring holders to reflect the cost, risk and database management associated with collecting harbour dues on behalf of the Harbour Authority.
- d. Individual payers will pay in advance of the commencing year and will be invoiced in October for settlement within 28 days. This assists a timely change of surrendered moorings to those on the waiting list. The feasibility of introducing a direct debit payment option should be explored to minimise the costs associated with payment and collection of dues.

- e. Collective payers will be invoiced in January for settlement, within 28 days, for the current year.
- f. No settlement discount will be permitted for any Harbour Authority invoice. Any extended settlement period will incur an agreed premium. (While it may be only a nominal premium it provides consistency and accommodates smaller commercial operators who may be unable to settle their invoices until April.)
- g. Harbour dues for midstream mooring holders will continue to be calculated on the basis of the maximum LOA available for the allocated mooring (for either individual or collective payers).
- h. Harbour dues for pontoon berth holders managed by sailing clubs, associations or commercial operators will continue to be calculated on the overall capacity of the pontoon meterage using the currently agreed and established TYHA/BMF formula.
- i. Harbour dues for dry-stacked craft will be based on the overall capacity of the facility and an agreed formula applied.
- j. Harbour dues for dry-sailed craft will be based on the individual LOA and the collective dues agreed with the Harbour Authority (enforcement to be clarified).
- k. Sailing clubs, associations, commercial operators and Councils who provide dedicated storage areas for dry-sailed boats (other than i and j above) and charge for the facility will be responsible for collecting harbour dues on an agreed basis (to be determined and transparent) other than for zero rated craft.
- l. Sailing clubs and associations that host visiting boats using the river and or its facilities (primarily regattas and included in entry fee or as and when arrangements agreed).will collect harbour dues on an agreed basis, other than for zero rated craft
- m. Individual visiting craft or craft launched anywhere in the river (other than zero rated craft) are expected to make themselves known to the Harbour Authority and pay the agreed harbour dues (Harbour Authority patrol boats to intercept and validate such craft).

3. The current activities of the Harbour Authority to fulfil its Mission Statement as set out in its Strategic Plan are acceptable, providing:

- a. These activities are clearly necessary, defined, and measurable and their effectiveness is reviewed and published annually.
- b. The mission statement is amended to include the 'enhancement of access and facilities for river users and the well-being, enjoyment

and economic benefit of the river for all'

- c. The strategic plan is reviewed and published annually setting out the need, cost and benefit of repairs, maintenance and improvements and capital investment schemes necessary in fulfilling its mission statement
 - d. It pro-actively seeks ways to mitigate operating costs and optimise income to improve its overall efficiency and effectiveness
 - e. Hampshire County Council and the other local authorities recognise their wider environmental and amenity responsibility for the River Hamble and its surrounding shoreline and actively work with the Harbour Authority for the greater good, wider recreational use and enjoyment and/or consider funding to support the Harbour Authority in its delegated roles and responsibilities on their behalf.
4. **Subject to the revised recommendations of the Port Marine Safety Code, the Harbour Authority will consider the feasibility of EITHER (i) nominating a current employee to undertake the additional role and responsibilities of the designated person OR (ii) seeking a reciprocal arrangement with another harbour. At the very least, (to ensure that the Harbour Authority continues to receives value for money) a re-tendering exercise should be undertaken when the current DP contract becomes due for renewal.**
- a. In the role of the designated person the appointee would report to the Harbour Board.
 - b. The role and responsibility of the designated person and twice annual audit reports required by the Port Marine Safety Code will be published on the Harbour Authority website.
 - c. In the event of legal advice or enforcement action being required the Harbour Authority will first seek the support of Hampshire County Council's (HCC) legal team or in turn its nominated advisors.
5. **The Harbour Authority in consultation with local planning authorities (LPA's) and The Crown Estate should seek to remove or modify the current cap on the mooring capacity and enhance the access and facilities for all users of the river. (Responsibility for the mooring figures rests with the LPA's with the Harbour Authority and other interested parties as consultees.)**
- a. The Harbour Authority in conjunction with The Crown Estate and other interested parties should examine the scope to provide additional moorings and/or ways to improve the capacity and/or utilisation of existing moorings while having due regard for navigational safety and possible environmental impact.

- b. The Harbour Authority, in conjunction with other interested parties, should agree with The Crown Estate on what basis they would permit new and replacement private pontoons to be installed on mid-stream moorings but balancing the additional cost, if any, that may be attributed to additional wear caused by the pontoons against the gain in safer boarding and disembarking from vessels.
 - c. The Harbour Authority in conjunction with The Crown Estate and other interested parties should examine ways to provide additional facilities for the storage of tenders on and/or moored to 'walk-on' pontoons.
 - d. The Harbour Authority in conjunction with LPA's and other interested parties should examine the scope to provide better access and adequate parking facilities for all river users, including overflow facilities for peak-user occasions bearing in mind that car parking is primarily the responsibility of the borough councils.
 - e. Examination of all of the above should commence forthwith, with a report and recommendations to be issued by the end of 2010.
- 6. The Harbour Authority should investigate whether to renew or recommend assigning to others The Crown Estate mid-stream mooring management contract prior to its renewal in 2012.**
- a. One year before the contract renewal the Harbour Authority should begin the consultation process with other interested parties to consider dispassionately the economic, operational and political implications of so doing and make recommendations in good time for a decision to be made and, if approved, permit a seamless transition.
- 7. The Harbour Authority's personnel issues need to be addressed and the management organisational structure reviewed**
- a. There should be only one senior management post, known as the harbour master (with the duties for that post being an appropriate combination of the duties of the existing Marine Director and the statutory duties undertaken by the current River Hamble Harbour Master).
 - b. Reporting to the harbour master should be a deputy harbour master, who could also be the designated person, along with two assistant harbour masters responsible for operational duties, environment and/or administration and the personnel supporting those roles. The Select Committee's view is that there is a requirement for no more than four, full time equivalent management positions.

- c. The harbour master and the deputy harbour master (only if acting in the role of Designated Person) would report directly to the River Hamble Harbour Board and be responsible to it for the performance, duties and responsibilities of themselves and the other officers.
 - d. The harbour master's responsibility should include the engagement, reward and termination of all Harbour Authority employees, as determined by HCC employment terms and conditions.
 - e. The harbour master would consult with the Hampshire County Council Assistant Director for Culture, Communities and Rural Affairs in respect of those matters relating to countryside responsibilities.
 - f. The roles and responsibilities of the harbour master, officers and other personnel, along with the efficiency and effectiveness of their working regimes should be reviewed and published.
- 8. To ensure the Harbour Board is fully apprised of all interested parties' interests and views the Management Committee and Board Meetings should be synchronised to that ensure prior consultation is undertaken and Board recommendations are made only through the Management Committee.**
- a. In view of the number of recent changes in the members of both the Board and Management Committee, suitable training should be undertaken to ensure they are capable of fully discharging their responsibilities.
 - b. The person specification and basis for the appointment of non-councillor members of the Harbour Board should be published and widely advertised whenever there is a vacancy.
- 9. Other than where included above, the additional recommendations of the recent Operating Review should be accepted in full, as follows:**
- a. The Management Accounts structure and reporting should clearly show sources of income and separate operating and support-services costs. This would make the need, cost and benefit more self-evident.
 - b. The annualisation of harbour dues will aid the reporting process in lieu of not being able to align the fiscal and calendar years.
 - c. The cost of providing dedicated facilities and specific services should be fully recovered at commercial rates or subsidised by HCC and not the Harbour Authority.

- d. The policy for capitalising costs, corresponding depreciation and accruing and allocating reserves should be clarified and the reserve funds re-stated if necessary.
- e. A more robust business case format should be considered for capital expenditure proposals to aid the consultation, planning and budgeting process.
- f. The asset register should be reviewed to clarify ownership and responsibility for funding repairs, maintenance and improvements. While the Harbour Authority may assume responsibility for and coordination with other owners for the upkeep of such assets, it should only bear those costs that directly relate to its share of ownership.
- g. Some supplies, services and discretionary costs have scope for reduction and should be reviewed
- h. In pursuit of ongoing cost and income efficiencies, an operating surplus should be encouraged, offset by a corresponding reduction in the revenue reserve in the following year (*current practice is to balance costs and income rather than achieve a surplus, which could then be used to reduce the revenue reserve in the following year*). The reverse might be necessary in the event of an operating deficit.
- i. The Operating Review Sub-Committee should continue to work with the harbour master , the Hampshire County Council Head of Finance for Culture, Communities and Rural Affairs, and the Assistant Director of Culture, Communities and Rural Affairs to establish workable solutions for all of these recommendations and seek their progressive introduction in 2010, report back the concluding outcomes to the River Hamble Harbour Management Committee.

Further Recommendations

1. While the published cost of HCC providing IT services to the Harbour Authority may seem reasonable there are apparently further costs of c£32k not billed. If so, then it is recommended the Harbour Authority investigate the cost of outsourcing support services to a third party.
2. While the rent for the Harbour Authority Office is not recovered by HCC, it is the view of the Select Committee that other central support costs may be excessive. In part this reflects the municipal need. Nevertheless, consideration should be given to whether any of these services could be outsourced or substituted by third-party providers. Market testing may be useful as a means of seeking to secure best value.

3. A Complaints Policy should be devised and publicised which can be followed by anyone having issues with the running or governance of the Harbour Authority.

River Hamble Select Committee

Terms of Reference

1. The Select Committee is proposed as a means to independently review the objection to harbour dues on the River Hamble made by the Warsash Sailing Club in accordance with Section 31 of the Harbours Act 1964 thereby avoiding the considerable cost of a public enquiry.
2. The Select Committee shall comprise NINE members as follows:

One Hampshire County Councillor
County Councillor Seán Woodward

One Fareham Borough Councillor
Councillor Trevor Cartwright

One Eastleigh Borough Councillor
Councillor Susan Ingram

Three representatives of river users
Michael Sterne, David Jobson and Colin Brookes

Two representatives of river businesses
Rupert Boissier and Jon Eads

One representative of the RYA
Bob Russell
3. The Select Committee will be chaired by Hampshire County Councillor Seán Woodward with Michael Sterne of Warsash Sailing Club as the Vice Chairman.
4. The Select Committee will publicise its work and invite any group's spokesman or any individual with an interest in the conduct of the River Hamble to appear to make representations or present written evidence including appropriate officers of Hampshire County Council.
5. The Committee will:
 - a. Investigate the objections by Warsash Sailing Club and the responses by the Harbour Authority
 - b. Consider the dues charged by the Harbour Authority to the various categories of river user and any differentials between them
 - c. Consider the activities carried out by the Harbour Authority and identify any that are not directly related to that body's powers and whether any additional work carried out should properly met by

harbour dues payers

- d. Consider what aspects of the costs and charging regime may assist in meeting the vision of the Hampshire County Council Department of Culture, Communities & Rural Affairs:

“To improve the quality of life by providing the best possible access to recreational and heritage services and assets together with developing skills and interests to ensure the better use of these valuable resources”

and the following corporate objectives:

Providing personal and social development opportunities for 13-19 year olds through youth work, for example, cultural activities, advice, information and counselling, international and residential experiences

Promoting and supporting health and healthy lifestyles for all

- e. Investigate the activities of the Harbour Authority office and consider if it could achieve better efficiency and, hence, economy

and make recommendations to the River Hamble Harbour Management Committee which in turn will make recommendations to the River Hamble Harbour Board and Hampshire County Council as appropriate.

6. Timescale. The Select Committee will aim to complete its work during 2009.

RIVER HAMBLE SELECT COMMITTEE - RELEVANT BACKGROUND REPORTS

Date	Committee/Board Meeting	Subject	Author/Originator
14.07.06	River Hamble Harbour Board	Harbour dues and Supervision Charges http://www.hants.gov.uk/decisions/decisions-docs/060714-rvhbd-R0707090849.html Decision: (minute 90) http://www.hants.gov.uk/decisions/decisions-docs/060714-rvhbd-R0129150351.html	Harbour Dues Working Group
18.06.07	River Hamble Harbour Management Committee	Report of the Harbour Dues Working Group http://www.hants.gov.uk/decisions/decisions-docs/070618-revhma-R0611134314.html Decision: (minute 134) http://www.hants.gov.uk/decisions/decisions-docs/070618-revhma-R0906165505.html	Harbour Dues Working Group
20.07.07	River Hamble Harbour Board	Report of the Harbour Dues Working Group http://www.hants.gov.uk/decisions/decisions-docs/070720-rvhbd-R0713092730.html Decision: (minute 155) http://www.hants.gov.uk/decisions/decisions-docs/070720-rvhbd-R0928140413.html	Harbour Dues Working Group

RIVER HAMBLE SELECT COMMITTEE – SCHEDULE OF MEETINGS

DATE	STATUS	WITNESSES	DEPUTATIONS
28 September 2009	Informal (private) meeting to discuss process issues	N/A	N/A
21 October 2009	Public meeting	John Tickle (HCC)	
		David Evans (HCC)	
		Alison Fowler (HCC)	
		Ron Meekings (HCC)	
		Kevin Gardner (HCC)	
23 November 2009	Public meeting	Captain Mark Capon (Independent Designated Person)	
			Mr John Mitchell
			Mr Paul Hobbs
			Mr Mike Cummins
			Mr Tony Blewett
			Warsash Sailing Club (Mr John Selby)
			Universal Marina (Dr. Paul Tosswell)
			River Hamble Mooring Holders Association (Mr. Jeremy Clark)
14 December 2009	Informal (private) meeting to finalise report and recommendations	N/A	N/A

AT A PUBLIC MEETING of the RIVER HAMBLE SELECT COMMITTEE held at Warsash Sailing Club on Wednesday, 21 October 2009 at 3.00 p.m.

PRESENT:

Hampshire County Council

- p Councillor Seán Woodward (Chairman)

Fareham Borough Council

- p Councillor Trevor Cartwright

Eastleigh Borough Council

- p Councillor Susan Ingram

Hamble River User representatives

- p Mr. Michael Sterne (Vice-Chairman)
- p Mr. David Jobson
- p Mr. Colin Brookes

Hamble River business representatives

- p Mr. Rupert Boissier
- p Mr. Jon Eads

Royal Yachting Association (RYA) representative

- p Mr. Bob Russell

Officers of Hampshire County Council Invited To Give Evidence

- p Mr. John Tickle - Head of Countryside
- p Mr. David Evans - Marine Director
- p Mrs. Alison Fowler - Assistant Harbour Master
- p Mr. Ron Meekings - Head of Finance, Culture, Community and Rural Affairs
- p Mr. Kevin Gardner - Head of Legal Services

1 INTRODUCTIONS

All officers and members present introduced themselves.

2 CHAIRMAN'S ANNOUNCEMENTS AND TERMS OF REFERENCE

The Chairman introduced the Select Committee's terms of reference (see Appendix 1 for details). They provided a means to review independently the objection to harbour dues on the River Hamble made by Warsash Sailing Club in accordance with Section 31 of the Harbours Act 1964 thereby avoiding the considerable cost of a public inquiry. Included within its proposed remit was the intention to take a detailed look at issues affecting the management and financial structure of the River Hamble. It was the first of two public meetings which sought to gather evidence from a number of County Council officers asked to attend. The second public meeting was to provide the opportunity for the Select Committee to hear deputations and representations from other interested persons. The Chairman reported that as a result of press coverage, five individuals had come forward and had indicated their wish to speak at the next meeting as follows: Mr. Paul Hobbs; Mr. Tony Blewett; Mr. John Noe, Mr. Jeremy Clark and Mr. Bob Allen. The Chairman explained that a third meeting of the Select Committee was to be held in private to enable its Members to formulate its recommendations. These were to be reported to the River Hamble Harbour Management Committee which in turn was to make recommendations to the River Hamble Harbour Board and Hampshire County Council, as appropriate.

3 PRESENTATION BY DAVID JOBSON

The Committee received a presentation by David Jobson (see Appendix 2 for details) on the findings of a Working Party comprising Councillor Trevor Cartwright, Rupert Boissier and himself. It had been established to undertake an operational review of the financial costs of the Harbour Authority and to make recommendations. Also, it aimed to identify ways to mitigate costs and maximise revenue through the full and equitable recovery of harbour dues. As part of the presentation, it was noted that the Working Party had focused on the three key areas of income, costs and assets and reserves and that its recommendations would be considered by the Select Committee at a later date.

David Jobson clarified several points for Members and thanked County Council officers and in particular Ron Meekings and his team for providing a financial analysis to facilitate its informed recommendations.

4 OFFICERS OF HAMPSHIRE COUNTY COUNCIL GIVING EVIDENCE IN RESPONSE TO QUESTIONS

(a) John Tickle

John Tickle, Head of Countryside, provided information which included references to management of staff and employee contractual matters; the Royal Haskoning Report; the present management of the River Hamble and other alternative models available e.g. Port Trust Status; the workings of the staffing structure of the Harbour Office and the existing Committee arrangements.

(b) David Evans

David Evans, Marine Director, provided information which included references to

the October 2005 report proposing implementation of additional harbour dues which included dinghies; fees for open sailing events etc; the Marine Director's job role profile; current strategic issues; the calculation of the Crown Estates Management fee; partnership working with the Crown Estates and other organisations using the River and about patrol boat activities.

(c) **Alison Fowler**

Alison Fowler, Assistant Harbour Master (Environment) gave a presentation covering relevant legislation and the main environmental issues for which she is responsible. (See Appendix 3 for details).

After the presentation, the officer provided information which included her job role profile as a County Council employee; those duties dictated by legislation; partnership working with other environmental officers; the job role profile of predecessors in this post and involvement with Works Consent applications in meeting habitat requirements.

(d) **Ron Meekings**

Ron Meekings, Head of Finance, Culture and Communities and Rural Affairs provided information which included references to the County Council's financial management of the River Hamble; details of budgetary matters (including dealing with surpluses and reserves); identifying major Harbour Authority assets; moving towards a more transparent accounting system; a review of the capital programme and other reserves; time spent on Harbour Authority work and the existing charging arrangements for this and possible alternative options in relation to the existing River Hamble budgeting process.

(e) **Kevin Gardner**

Kevin Gardner, Head of Legal Services, reaffirmed that it was, in his view, legally permissible to charge harbour dues in respect of dinghies, as had been set out in the County Council's full response to the Section 31 objection. A further response would be provided if any challenges to the Council's position were received. The Chairman felt the Committee's role was not to make judgements on legal matters but to consider whether it was in the overall best interest of the harbour to review dues for dinghies. This point should not overshadow the other important work being investigated by the Committee.

In conclusion, Kevin Gardner offered to make available to the Select Committee the governance arrangements reviewed in the 2005 report and approved by County Council to show that it was fully compliant with Article 12 of the Harbour Revision Order.

DATES OF FUTURE MEETINGS

It was agreed that the Select Committee would meet on Monday 23 November 2009 at 3 pm and again on Monday, 14 December 2009 at 3 p.m

AT A PUBLIC MEETING of the RIVER HAMBLE SELECT COMMITTEE held at Warsash Sailing Club on Monday 23 November 2009 at 3.00 p.m.

PRESENT:

Hampshire County Council

p Councillor Seán Woodward (Chairman)

Fareham Borough Council

p Councillor Trevor Cartwright

Eastleigh Borough Council

p Councillor Susan Ingram

Hamble River User representatives

p Mr. Michael Sterne (Vice-Chairman)
p Mr. David Jobson
p Mr. Colin Brookes

Hamble River business representatives

p Mr. Rupert Boissier
p Mr. Jon Eads

Royal Yachting Association (RYA) representative

p Mr. Bob Russell

Witness Invited To Give Evidence

p Captain Mark G Capon - Independent Designated Person (DP)
for the River Hamble Harbour Authority

5 INTRODUCTIONS

All members of the Select Committee introduced themselves.

6 CHAIRMAN'S ANNOUNCEMENTS

The Chairman explained that following this second public meeting the Select Committee would meet on one further occasion (in private) to review the evidence that they had heard and received and to seek to agree the content of a final report. This meeting would take place on 14 December 2009.

Unless unforeseen circumstance arose, the Select Committee's final report would be included on the agenda for the River Hamble Harbour Management Committee meeting taking place on 15 January 2010. If included on this agenda, the Select Committee's final report would be accessible on the County Council's website on 8 January 2010.

7 EVIDENCE FROM CAPTAIN MARK CAPON

Captain Capon explained his relevant background and experience as the independent Designated Person (DP) for the River Hamble Harbour Authority, i.e. as required by the Port Marine Safety Code. He also detailed the basic key requirements of the Port Marine Safety Code (which are outlined below):-

- All those involved in a Harbour Authority, including the governing body, should have clearly defined roles and responsibilities;
- A Harbour Authority must proactively manage safety in accordance with a Safety Management System (SMS). That system should be informed by, and based upon, a formal risk assessment;
- A Harbour Authority must consult with all those who have an interest;
- Those accountable for the Harbour Authority must be kept informed.

Captain Capon's duties as DP for the Harbour Authority included a twice yearly thorough audit, attendance at River Hamble Harbour Board meetings and offering advice and assistance on an 'as and when necessary' basis. The kind of issues that he would be involved in included compliance and governance matters, safety management systems and harbour master's Directions. The amount of time that he was required to undertake DP duties varied in accordance with the issues that arose and their timing.

Captain Capon advised the Select Committee that there were examples of the independent designated person (DP) for a harbour authority being an employee, e.g. the Port of London Authority. In such authorities the DP was not, however, directly responsible to the harbour master on a day to day basis. The recent revision to the Port Marine Safety Code (issued October 2009) emphasised the need for the DP to have direct access to the highest levels of the Harbour Authority but to also be able to demonstrate his/her independence. As such, Captain Capon felt that there was a significant question as to the suitability and appropriateness of an Authority's harbour master (or another of its Harbour Authority employees) being asked to undertake the DP role.

With regard to the issue of harbour dues and who or what should have to pay them, Captain Capon referred to the briefing paper that he had provided to members of the Select Committee. This paper explained that ship dues were defined as "charges in respect of any ship for entering, using or leaving the harbour, including charges on the ship in respect of marking or lighting the harbour." It also explained Captain Capon's view that maritime law relating to the definitions of 'ships', 'vessels' and 'navigation' were open to interpretation and would benefit from being formally clarified. The issue as to whether ship dues could be applied to an empty mooring was another matter that was open to doubt and which would also benefit from clarification.

Amongst the additional points that Captain Capon's briefing paper reflected upon, or that he drew to the attention of the Select Committee, were that :-

- “ship dues can be likened to the vehicle excise duty required to use a motor vehicle on the road”;
- “Any vessel is a ship if it is” used in navigation””;
- “If harbour dues are not paid then the Harbour Authority can seize the vessel and sell it”;
- “As a Harbour Authority can charge harbour dues “as they think fit” then it is for the Board to decide whether a particular class of vessel should be exempt”;

8 DEPUTATIONS MADE BY INTERESTED PARTIES

(a) Mr John Mitchell

Mr John Mitchell made a personal deputation which included the following observations:-

- The value of the environmental management measures undertaken by the Harbour Authority may in themselves be worthwhile. Mr Mitchell believed, however, that they were of limited direct benefit to harbour dues payers;
- Contributions towards meeting the costs associated with environmental management measures came from a relatively small number of persons paying dues, with no *direct* contribution for them coming from Hampshire County Council;
- Many local parks and nature reserves made no charge for access;
- Had all possible sources of information and funding sources relating to meeting the costs of environmental improvements been fully explored?
- In winter, Chichester Harbour was not regularly patrolled by harbour launches. Was it necessary to patrol the River Hamble, to the current extent, in winter ?

(b) Mr Paul Hobbs

Mr Paul Hobbs made a personal deputation which included the following observations:-

- In terms of their potential liability for the payment of harbour dues, he believed that there was no valid distinction “between dinghies that are

sailed and do not have engines and boats that are rowed and paddled”;

- Mr Hobbs believed that the imposition of harbour dues was a discouragement to young people using the River Hamble for sport and recreation;
- There were reasonably local alternatives for sailing where no dues applied so their imposition on users of the River Hamble could deter visitors from coming to the area;
- Mr Hobbs believed that *if* the Harbour Authority did not operate patrol boats and ‘police’ the harbour, respect for the traditions of the sea (and the expectation that anyone in a position to do so would offer assistance to another mariner in distress) would ensure that most, if not all, river users in difficulties would receive the help that they required.

(c) **Mr Mike Cummins**

Mr Mike Cummins made a personal deputation which included the following observations:-

- He objected to the principle of having to pay harbour dues and asked the Harbour Authority to examine its cost base, not just look to increase its revenue;
- Mr Cummins believed that no one using a pleasure boat on the River Hamble should be required to pay dues;
- As river users could only ever operate one of their vessels at a time, Mr Cummins was opposed to the principle of river users with more than one vessel having to pay harbour dues on all of them;
- Mr Cummins did not feel that dinghy sailors received fair value from the Harbour Authority in respect of services provided for them;
- That the owners of vessels on moorings might conceivably be reasonably asked to pay dues. The dues element, however, should be an integral part of their rent.

(d) **Mr Tony Blewett**

Mr Tony Blewett made a personal deputation which included the following observations:-

- Mr Blewett was not convinced that the staffing levels within the Harbour Authority were appropriate for the level of duties that the Authority was

required to carry out and/or the levels of service that were delivered;

- He did not feel that 365 days a year coverage of the River Hamble was required (believing that an emergency 'on call' system which summoned staff when incidents occurred could potentially take away the need for full time members of staff to always be available);
- The Harbour Authority should undertake a detailed review of its cost base;
- The Harbour Authority should also undertake a review of its discretionary operational responsibilities.

(e) **Warsash Sailing Club** (represented by Mr John Selby)

Mr John Selby made a deputation on behalf of Warsash Sailing Club which included the following observations:-

- The harbour dues regime was applied inconsistently, against a background of legislation that was open to interpretation. In the interests of equity and good management all craft under 6m whose primary power was non mechanical should be exempted from having to pay harbour dues;
- A review of Harbour Authority staffing should be carried out, with particular emphasis on the removal of any duplication and overlap;
- The costs incurred in the running of the Harbour Authority office such as staffing and, particularly, IT costs should be reviewed thoroughly;
- The need for an 'outside' employee to be the independent Designated Person (DP) should be examined;
- The 'supervision charge' on mid stream mooring holders was unjustifiable;
- The format of the Harbour Authority's accounts, although clearly acceptable to the Department of Transport, should be reviewed. They should be made more transparent and produced in a similar format to those required for businesses submitting accounts to Companies House, with a balance sheet showing assets and depreciation.

(f) **Universal Marina** (represented by Dr Paul Tosswell)

Dr Paul Tosswell made a deputation on behalf of Universal Marina which included the following observations:-

- Universal Marina were fully satisfied with the operation of and day to day services provided by the Harbour Authority;

- Universal Marina had no objection to the principle of harbour dues being levied (most of the rivers upon which they worked operated a dues system); However;
- The relationship and reporting structure between the River Hamble Management Committee, the River Hamble Harbour Board and Hampshire County Council was unclear to the outside observer. The role of the Crown Estates in the management and improvement of the River Hamble was also unclear;
- Invoices for harbour dues and services and the period to which the invoices applied were sent out disproportionately early;
- Recreational access to the River Hamble needed to be improved and a proper Local Plan for the river was needed;

(g) **River Hamble Mooring Holders Association**
(represented by Mr Jeremy Clark)

Mr Jeremy Clark made a deputation on behalf of the River Hamble Mooring Holders Association which included the following observations:-

- The Association was keen for the Harbour Office to investigate ways in which more accurate data on River Hamble users could be obtained and stored so that, irrespective of its reason for doing so, the Harbour Office could have a direct relationship with river users and communicate with them more effectively;
- That for reasons of both safety and security, it was important for the Harbour Office to know which boats were using the harbour ;
- The Association believed that harbour dues were not charged equitably;
- The Association believed that dry sailed boats and dry stacked boats were not checked adequately in respect of their owners' requirement to have to pay harbour dues;
- The Association was concerned that mooring fees were levied on the basis of maximum permitted vessel per mooring, rather than the actual size of vessel occupying the mooring;
- The Association was keen to see increased provision for tenders in the Warsash and/or Hamble area and would welcome action to increase the availability of parking;
- The Association would wish to see the possibility of using volunteers explored, to see if patrol coverage could be maintained without incurring

the costs associated with full time employees undertaking patrol duties;

- The Association favoured a 'cap' on the number of moorings in the River Hamble as one of the mechanisms to help maintain and preserve the river;
- In the event of any decision being taken which might lead to the 'refund' of part of the current level of the Harbour Authority's accumulated reserves, the Association would prefer to see any refund invested in long term improvements for the benefit of all users of the River Hamble. It did not favour a direct cash refund that would benefit only the current mooring holders.

5 **Chairman's closing remarks**

The Chairman thanked Captain Capon and all of the attendees for their interest in the Select Committee's work and reminded them of the anticipated timetable for publication of the Select Committee's report.

8hM1721009

**Committee River Hamble Harbour
Authority
Management**

**Operational Review:
Assessment and
Recommendations**

October 2009

Contents

- Background
- Terms of Reference
- Way of Working
- Review Scope
- Assessment
- Recommendations
- Conclusion

River Hamble Harbour Authority:
Management Committee

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Operational Review:
Assessment & Recommendations

Background

- 2008/9 accounts published for June meeting
- Superficial examination suggested 37% increase in expenditure versus only 18% increase in income
- Is underlying income and expenditure trend sustainable?
- Do accounts provide an adequate measure of the HA's ongoing efficiency and effectiveness?
- Against a backdrop of public sector spending cuts, can the HA reduce its costs?
- Are harbour dues fully and equitably recovered?
- To placate stakeholder disquiet, is greater transparency possible?

Terms of Reference

- To undertake an operational review and make recommendations to identify ways to mitigate costs and maximise revenue through the full and equitable recovery of harbour dues

River Hamble Harbour Authority:
Management Committee

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Operational Review:
Assessment & Recommendations

Way of Working

- Working party of David Jobson, Trevor Cartwright and Rupert Boissier, established with an aim of reporting back to the October Committee Meeting
- Close involvement of David Evans to achieve level of understanding and to test propensity for advancement
- Supported by Ron Meekings and team providing financial analysis to permit informed recommendations
- Sean Woodward and Keith Evans briefed on interim findings to ensure alignment of expectations

Review Scope

- Aim to distinguish between essential and discretionary services and associated need, cost and benefit
- Identified three key areas:
 - Income: source and recovery
 - Costs: activity based approach
 - Assets & Reserves: ownership and allocation
- No intention to re-examine how harbour dues are calculated and levied

Assessment: Income

- Collecting dues directly from berth/mooring holders managed by third parties is not viable or desirable
- Indeed, value of collecting individual midstream rental and dues on behalf of CE is questionable
- The recovery of dues from 'dry sailed' boats at commercial operators, PC and sailing club sites is sub-optimal
- October to April settlement of dues combined with calendar/fiscal split obscures certainty of recovery
- Under recovery for commercial needs is untenable, e.g. Fishermen's jetty
- Recovery of visitor's dues is a fairly robust process
- River capacity cap is artificial. Infill moorings are possible

Assessment: Costs

- Cost of providing operational and support services is not self-evident
- HCC's HR Policy constrains employee costs, limits flexibility and scope to reduce
- However, the organisational structure is imbalanced
- Expiry of Olley lease in 2010 will reduce cost of premises
- Escalating patrol boat costs can be stemmed
- Supplies, service and discretionary costs have scope for reduction
- HCC IT services is unlikely to cost less by 3rd party or insourcing
- Some costs, e.g. for navigational safety, should be capitalised
- High HCC central costs reflect municipal need, unlike trust port
- Self-balancing budget does not promote greater efficiencies

Assessment: Assets & Reserves

- Accruing for asset replacement not in HA ownership e.g. Hamble Jetty, is untenable
- Recovery rate for use of exclusive assets e.g. fishermen's pontoon, is uneconomic
- Future budgeting policy, following switch of revenue reserve to enhancement, is unclear
- Strategy as to how reserves will/could be invested is wanting
- An agreed business case format to support capital investment e.g. patrol boats or Hamble jetty upgrade, would aid consultation process and decision making
- Reserve interest should be credited to the P&L

Recommendations

- An activity-based P&L structure, clearly separating operational and support services would make the need, cost and benefit more self-evident for both essential and discretionary services
- In particular, the cost and value of acting as CE's managing agent would be proven
- A more effective organisational structure should be considered
- The method of assessing and collecting dues for marina boats 'afloat' should be extended to 'dry sailed' boats at commercial operators, PC and Club sites
- Re-alignment or clearer reconciliation of billing dues and accounting periods would permit greater income transparency
- HA should fully recover costs for commercial services
- CE should be encouraged to re-examine scope to increase mooring capacity/utilisation to enhance HA revenue streams

Recommendations

- A more rigorous allocation of operating and capital costs and corresponding depreciation and reserves should be implemented
- In turn, a more robust business case process should be considered to aid planning and budgeting
- An operating surplus should be encouraged, offset by a corresponding reduction in the revenue reserve in the following year
- The reserves policy should be clarified and a plan for future investment published
- The asset register should be reviewed to clarify ownership issues and future provision and enhancement
- Where merited these recommendations should be adopted for the current 2010/11 budget and plan and uptake reported back at the January Committee meeting

Potential activity based P&L structure

Income			Expenditure	
Harbour Dues	Crown Estate - Midstream	Allocated	Statutory	Port Waste Management Plan
		Sub-Let		Dredging Plan
	Commercial	Visitors		Port Marine Safety Code
		Afloat		Estuary Management Plan
	Clubs, Associations, PC's	Dry	Operational	Hydrographic Programme
		Afloat		Designated Person
	Visitors	Dry		Patrol Employee Costs
		Club Events		Patrol Boats
	Jetty	Slipway		Fuel
		Fisherman		Navigational Safety
		Other		Equipment
Crown Estate	Midstream Management Fee	Allocated	Environmental	Environmental Employee Costs
		Waiting		HEP
		Sub-Let	Harbour Dues Mgt	Environmental Maintenance
Other				Administration Employee Costs
			CE Letting Management	Data Maintenance
				Invoicing & Settlement Admin Costs
				Administration Employee Costs
				CE Data Maintenance
				CE Invoicing & Settlement Admin Costs
				CE Charges
			HA Central Support	
			HCC Central Support	

River Hamble Harbour Authority:
Management Committee

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Operational Review:
Assessment & Recommendations

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Potential P&L impact of more detailed assessment

	Budget 2009/10 £	Potential Impact £
<u>INCOME</u>		
Visitor/Miscellaneous	41,200	61,000
Harbour Dues	597,200	608,000
The Crown Estate & Other Funding	79,600	50,000
Interest from Reserves		6,000
TOTAL INCOME	718,000	725,000
<u>Less: EXPENDITURE</u>		
Employees	410,300	380,000
Premises	60,700	16,400
Transport	36,800	24,600
Office Expenses	39,000	30,100
Environmental Maintenance	3,000	1,500
Public Jetties & Navigational Safety	19,500	10,000
Central Support Charges	33,300	33,300
Other Services	16,400	11,600
Transfers to Reserves	43,000	43,000
Port Waste Management Plan	4,000	3,000
Dredging Plan	3,000	3,000
Oil Spill Response	6,000	6,000
Estuary Management Plan	1,500	1,000
Hydrographic Programme	5,000	5,000
Crown Estates Settlement	31,500	13,750
CCTV	5,000	2,500
TOTAL EXPENDITURE	718,000	584,750
NET SURPLUS/(-) DEFICIT	0	140,250

River Hamble Harbour Authority:
Management Committee

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Operational Review:
Assessment & Recommendations

Conclusion

- Draft Potential P&L – not achievable in year 1:
 - Income up 10%
 - Costs down 19%
 - Surplus increase £140k
- Equivalent to dues reduction of 20%
- Options:
 - Refund reserve surplus
 - Invest surplus
 - Reduce ongoing dues