

Tor Bay Harbour Authority - Asset Management Plan 2023/2024

1. Introduction

As detailed in the Harbour Committee Work Programme for 2022/23, approved March 2022 there is a need to refresh Tor Bay Harbour's Asset Management Plan. This document is seen as a working document due to the fact that the way in which we manage our assets must be continually reviewed and more recently with the approach of the local elections now is the perfect time to reinvigorate that process for the best outcome for Tor Bay Harbour. The last two years has been challenging with the Pandemic but as alluded to above the process of asset management and the appointment of a sub committee is very much needed moving forward. The aim of this plan is to set the present scene, draw upon previous committee comments and recommendations whilst setting a plan of appointment of the new subcommittee.

2. Service Background and Outcomes

The Harbour Committee deals with the Council's strategic function as the Harbour Authority and is an open and accountable committee of full council. In particular the Committee sets the budgets for the harbour, determines the level of harbour charges and fulfils the Council's role as Duty Holder for the purposes of the Port Marine Safety Code. With the assistance of the Tor Bay Harbour Authority service, it also manages Tor Bay Harbour within the framework of Council policy, with special attention given to the aspirations of the Port Masterplan.

Tor Bay Harbour has successfully existed as a statutory entity since 1970 and has demonstrated that it can operate successfully, efficiently and economically. Since 2012/13 a cash dividend contribution has been made to the Council's general fund from harbour accounts to help support the corporate budget shortfall resulting from government funding cuts. There is a strong commitment on behalf of Torbay Council both to improve the service provided by the Harbour to its direct users and to develop its role in supporting the local economy and as a focus both for the local community and visitors to the Bay.

Harbour Estate

The 'Harbour estate' means the piers, wharves, quays, berths, roads, sheds and other works and conveniences, and the lands, buildings and property of every description, and of whatever nature, which are for the time being vested in or occupied by the Corporation (Council) as Harbour Authority and used for the purpose of the harbour undertaking. (Tor Bay Harbour Act 1970).

The Harbour Committee governs all of the assets currently managed by the Tor Bay Harbour Authority service on behalf of Torbay Council. Many of the assets are critical to the safe operation of the harbour and other assets are essential in terms of the revenue contribution they make to the ring-fenced Harbour budget. The extent of the harbour estate is fixed by the Council and may be varied from time to time with **full consideration of the operational**

requirements of the Harbour Authority and the Council's policy to deliver a self-funding, financially sustainable harbour service.

The accommodation and property controlled by the Harbour Committee and the Tor Bay Harbour Authority adequately meets the immediate needs of the service. Income derived from property on the harbour estate is critical to the harbour business. The level of rental income received is significantly more than that generated by harbour charges, with the exception of fish toll income.

Routine maintenance costs for harbour assets are met from the **ring-fenced** harbour accounts as per Council policy. The agreed budget for repairs & maintenance for 2023/24 is as detailed within the approved annual Harbour Committee Budget. This budget is reviewed quarterly by both the Full Harbour Committee and the Budget Working Subcommittee.

The Harbour Committee's terms of reference require it to provide strategic direction in relation to the assets within the harbour estate that are managed by the Tor Bay Harbour Authority service. Previous Harbour Committees have resolved that a Harbour Asset Review Working Party, comprising four members of the Harbour Committee and two of the External Advisors to the Committee be appointed with the following terms of reference:

- a) to review all assets within Tor Bay Harbour and the Harbour Estate.
- b) to establish how each asset is performing; and
- c) to identify any assets that are surplus.
- d) to ensure asset management strategy is in line with the Port Masterplan.
- e) assets to be considered against the following criteria:
 - corporate asset number (Torbay Online Asset Database System (TOADS))
 - lease start date
 - leased or vacant
 - tenure of lease
 - rental income
 - tenant's name
 - rent review due date
 - date of last condition survey

These terms of reference are succinct and still fit for purpose and this will form the basis of how the new asset working party will proceed. The appointment of external advisors will be considered externally to this report.

3. Scope of Service Asset Management Plan

This Asset Management Plan covers all assets managed and occupied by the Tor Bay Harbour Authority service.

4. Identification of Current Property Portfolio

This data will be extracted from the Torbay Online Asset Database System (TOADS) and captured in a spreadsheet entitled 'List of Tor Bay Harbour Assets'. The Harbour Asset Review Working Party will review the portfolio every six months.

5. Preferred Options & Action Plan

The 'List of Tor Bay Harbour Assets' shows the current asset/property portfolio under the day-to-day management of the Tor Bay Harbour Authority service. Management of the portfolio is subject to strategic advice and direction from Torbay Council's Harbour Committee. The Harbour Asset Review Working Party, described in section 1 above, is tasked with reporting to the Harbour Committee on how each asset is performing and identifying any that are surplus. This advice would include indicating what options and actions might be required to implement any necessary or proposed changes.

6. Implement Audit & Review

Once appointed the Asset Working Party will sit every six months with full committee reviewing the asset management plan annually. Proposed next steps:

1. Approval of this Plan and proposals / Harbour Committee March 2023
2. Publication of Harbour Committee vacancies for external advisors
3. Initial meeting of Harbour Asset Management Working Group May/June 2023

7. Summary

It is evident that management of Tor Bay is challenging and the reinvigoration of the Asset Management Working group is essential in ensuring that we get the best value of our assets for the benefit of the Harbour Authority and all our users. This is not an additional layer or bureaucracy but best practice so as to both assist in the management of our harbours but enable issues to be highlighted sooner thus allowing the full harbour committee to be better informed and therefore able to effectively discharge their duties as the Duty Holder.