

## HAMPSHIRE COUNTY COUNCIL

### Report

<b>Committee:</b>	River Hamble Harbour Board
<b>Date:</b>	30 July 2021
<b>Title:</b>	Review of Harbour Dues
<b>Report From:</b>	Director of Culture, Communities and Business Services

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#### Purpose of this Report

1. The purpose of this report is to analyse the financial position of the River Hamble Harbour Undertaking in order to make a recommendation on any change in Harbour Dues that may be necessary.

#### Recommendation

2. That the River Hamble Harbour Board the approval of an increase in Harbour Dues of 1% for 2021/22.

#### Executive Summary

3. The purpose of this paper is to recommend the rate for Harbour Dues for 21/22, based on an analysis of our Asset Review of March 2021 and our Annual Statutory Accounts, already presented at this meeting. Its recommendation provides for the long-term maintenance of our appropriate risk-based Marine Safety Management System, as well as other expected services. It takes into account predicted income and expenditure over the next two years and the requirement to cease drawing on the General Reserve to supplement the £35000 annual contribution to the Asset Replacement Reserve.
4. A reduction in income brought about by the impact of COVID 19 on Harbour Authority income has offset to a degree the benefits brought about by two previous increases in Harbour Dues and the formalisation of collection of Dues for Dry Stack vessels. That reduction in income in turn has not been as great as it could have been because of the relative popularity of the River in terms of visitors in those periods when lock down restrictions were lifted. The

overall net result is a financial position which is satisfactory. This is demonstrated by the strengthening of the Revenue Reserve position which now provides a prudent contingency capability, when the balance had reduced previously to zero.

## **Contextual Information**

4. Two papers are taken into account when deciding on any potential increase in Harbour Dues figures each year. The first, our Asset Review work, was presented to the Board and approved in March. We continue to look as far ahead as is practicable while acknowledging that mapping out our financial asset replacement rates with precision must be an inexact science. It is correct to review the position based on raw material costs and changing wider circumstances over which the Harbour Authority has no control on an annual basis. Second, our Annual Accounts have shown how the RHHA has performed and provide confirmation of the prudence of decision making under our late previous Chairman.
5. The primary responsibility of any Harbour Authority is safety. Accordingly, there is a requirement to maintain our essential operational capabilities to ensure that non-discretionary, statutory tasks are carried out in the long-term. This is the primary responsibility of the Duty Holder in Law.
6. Our financial position had, before steps were taken two years ago to increase Harbour Dues, been unsustainable. Our Annual Accounts show that, despite a significant impact on Visitors' income over the whole year from COVID 19, that the Harbour Authority has a secure financial position. The balance of the Revenue Reserve, which had reduced almost to zero is now healthier and within the bounds of Board policy, which is that it should be maintained at a level no greater than 10% of gross income.
7. It is acknowledged that this year has been difficult for many and that some have had to forego hobbies, including boating. That has been demonstrated in a breadth of anecdotal evidence in conversation with mooring holders and also in a small increase in the number of surrenders at this year's annual billing round. Keeping Harbour Dues at competitive levels which safeguard the requirement to provide a robust Marine Safety Management Service will be the priority. What is clear is that Harbour Dues payers prefer consistency to enable security of financial planning. This year's strengthened position shows that, while some uncertainty regarding COVID impact persists, the Harbour Authority should balance that with a more modest increase than in the previous two years. Accordingly, an increase of 1% is recommended to offset the possibility of a further impact on boating numbers. Next year's review will be able to assess better the longer term impact.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	Yes
<b>People in Hampshire live safe, healthy and independent lives:</b>	Yes
<b>People in Hampshire enjoy a rich and diverse environment:</b>	Yes
<b>People in Hampshire enjoy being part of strong, inclusive communities:</b>	Yes

**Section 100 D - Local Government Act 1972 - background documents**

**The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)**

Document

Location

None

## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

### **2. Equalities Impact Assessment:**

- (a) An EIA is not required as no negative impacts are anticipated.