

REPORT TO: POLICY COMMITTEE ON 30 APRIL 2008

SUBJECT: HARBOUR CHARGES 2008/09 : RECREATIONAL BOATS

BY: CHIEF LEGAL OFFICER

1. Reason for Report

1.1 To invite the Committee to consider a recommendation from the Environmental Services Committee that the Policy Committee consider suspending Standing Orders and agree to limit the increase in charges for recreational boats in Moray Council harbours to the current rate of inflation for 2008/09.

1.2 This report is submitted to Committee in terms of Section II (2) of the Council's Administrative Scheme relating to the approval of the Annual Estimates for Capital and Revenue Expenditure for all Services.

2. RECOMMENDATION

2.1 **That the Committee consider the recommendation from the Environmental Services Committee that the Committee consider suspending Standing Order 73 and agree to limit the increase in charges for recreational boats in Moray Council harbours to the current rate of inflation for 2008/09.**

2.2 **It is also recommended that in the event of the Committee agreeing to suspend Standing Orders and agree to limit the increase in charges for recreational boats in Moray Council harbours to the current rate of inflation for 2008/09, the Committee identify from where the shortfall of £6,600 is to be met.**

3. Background

3.1 The charges for recreational boats within Moray Council harbours was approved at the meeting of the Policy Committee on 5 March 2008 (para 7 of the Minute refers). An extract from the Minute is attached as **Appendix 1** together with an extract from the report setting out the proposed charges as **Appendix 2**.

3.2 The Head of Direct Services advises that charges for recreational boats were increased by 10% for 2007/08. The 25 % discount available to the over 60's was amended to apply to under 7m long boats. Previously the discount applied to under 10m long boats.

At the meeting of the Policy Committee on 5 March 2008 (see Appendices 1 & 2) charges were increased by 20%. Therefore for most users, the increase over the 2 years has been 30%, and for a few over 60's with a vessel over 7m in length, the increase has been 55 %. It should be noted however that, the rates are still competitive compared with other N & NE harbours, an example being for a 13m long boat, the change from the 2007/08 charge to the

2008/09 charge is £60 - increasing from £300 to £360. Other berthing charges - at 2007/08 figures - are known to be £370 (Aberdeenshire), £785 (Highland), £388 (Wick), £1,216 (Angus) and £1,534 (Lossiemouth).

3.3 At the meeting of the Environmental Services Committee on 16 April 2008, during consideration of the proposed Revenue Budget Programme for 2008/2009 Harbour Maintenance it was agreed, following a vote, to:-

- (i) approve the Revenue Budget Programme 2008/2009 for harbour maintenance, as detailed in Appendix 1 to the report; and
- (ii) to recommend to the Policy Committee that it consider suspending Standing Orders and limit the increase for recreational boats within Moray Council owned harbours to the current rate of inflation for 2008/09.

3.3 A copy of the approved 2008/09 programme of harbour maintenance works is attached as **Appendix 3**. The programme of maintenance works has been prepared based on health & safety requirements.

4. SUSPENSION OF STANDING ORDERS

4.1 In terms of Standing Order 73 no resolution of the Council shall be amended or revoked within six months of its adoption except by the Suspension of Standing Orders.

4.2 Given that it is less than six months since it was agreed to approve the increase in harbour charges for 2008/09, then should the Committee determine, following further consideration of the matter, that there has been a relevant and material change in circumstances and agree to limit the charges for recreational boats within Council owned harbours to the current rate of inflation for 2008/09, it will be necessary to suspend Standing Orders and in doing so the relevant and material change in circumstances shall be specified in the motion proposing the suspension.

5. SUMMARY OF IMPLICATIONS

(a) Corporate Development Plan/Community Plan/Service Improvement Plan

The charges levied for recreational boats within Council owned harbours are consistent with the Corporate Development Plan commitment to Sound Management of Resources.

(b) Policy and Legal

Provision of harbours is not a statutory duty. However, as a Harbour Authority, the Council has a statutory duty to maintain them under Port Marine Safety Code.

The appropriate reference to the Council's Standing Orders is set out in Section 4 above.

(c) Resources (Financial, Risks, Staffing and Property)

The level of revenue funding available for maintaining Council owned harbours is £148,175 for repairs and £70,000 for dredging, totalling £218,175 and a programme has been prepared to be accommodated within these amounts.

In the approved budget for 2008/09, rates for harbour services were increased. However, increases in rates at Moray ports have lagged behind other comparable north and northeast facilities and the increases go some way to keep pace with market trends. The total additional income estimated amounts to £10,000 but Moray harbours will still have a shortfall of over £250,000 per annum. Needless to say, were it necessary to recover the full costs associated with the provision of berths in harbours, then the uplift in berthing rates would be considerably more.

Were the Committee to agree to suspend Standing Orders and limited the increase for recreational boats an increase of 2.5% rounded up would be applied to the 2007/08 charges resulting in a shortfall of £6,600. This would require to be met either by a supplementary Revenue Budget estimate or by reducing the proposed maintenance works.

(d) Consultations

Lorraine Paisey, Principal Accountant has been consulted and agrees with the financial implications contained within the report.

The Head of Direct Services has been consulted and agrees with the contents of the report.

6. CONCLUSION

6.1 That the Committee consider the recommendation from the Environmental Services Committee that this Committee consider suspending Standing Orders and agree to limit the increase in charges for recreational boats in Moray Council harbours to the current rate of inflation for 2008/09.

6.2 In considering the recommendation the Committee must first determine, in terms of Standing Order 74, whether or not there has been a relevant and material change in circumstances since the decision of 5 March 2008. To vary the decision taken at the Committee on 5 March 2008 two thirds of the Members present and entitled to vote must agree that there has been a relevant and material change in circumstances.

Author of Report: Referral report prepared by Ron Ritchie, Senior Committee Services Officer, in consultation with the Head of Direct Services

Background Papers: Report to and decision of Environmental Services Committee dated 16 April 2008

Ref: rr/h/env serv/reports/referrals/2008/harbour charges

