

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 03 September 2019

<b>TITLE</b>	<b>Harbour Infrastructure Improvements and Technologies – Capital Investment Programme</b>		
<b>Ward(s)</b>	Hotwells and Harbourside and Central		
<b>Author:</b> Tony Nichols	<b>Job title:</b> Harbour Master		
<b>Cabinet lead:</b> Mayor	<b>Executive Director lead:</b> Mike Jackson, Executive Director Resources		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Mayor			
<b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. The Floating Harbour requires investment to improve its outdated facilities and to ensure that they are not only fit for purpose but also welcoming and accessible to all.</li> <li>2. The Harbour Operations Capital Budget of £1.05M has been previously agreed at Budget Full Council held on 26 February 2019. A decision is required to allocate £885k of the agreed £1.05M, as follows:             <ol style="list-style-type: none"> <li>a. £485K for the installation of new pontoon moorings situated at Capricorn Quay</li> <li>b. £350k – 400k for upgrade of facilities and services – to increase revenue streams including licence fees (with any increase over inflation following consultation, and an uptake of additional moorings once available) to include upgrades to:                 <ul style="list-style-type: none"> <li>• shower and toilet facilities, including a floating service for pontoon users;</li> <li>• upgraded electricity meters from existing coin operated meters so that a cashless purchase system can be implemented to enable online payments, improving the ability to collect payments promptly.</li> </ul> </li> </ol> </li> <li>3. Assign delegated authority to Executive Director: Resources for the procurement of services and suppliers.</li> </ol>			
<b>Evidence Base:</b>			
<p>Bristol Harbour has always been an important historic economic asset for the City. Key features, such as the 250-year-old Floating Harbour, have now become an integral part of the City’s increasing popularity and a significant attraction at the heart of the City.</p> <p>However, Bristol Harbour’s physical infrastructure is declining: what should be a premium commercial asset is currently operating at a loss. Significant improvement to this asset is now required, not only to bring it in line with the sort of facilities that boaters can readily find in other locations, but also to create sustainable income growth.</p> <p>Functioning as a commercial dock until the mid-1970s, Bristol Harbour is not only a major tourist attraction with museums, restaurants, bars and nightclubs, but also preserves a working shipyard in the Floating Harbour. The annual Harbour Festival is one of the highlights in the City’s internationally renowned cultural programme and is one of the country’s largest free festivals. Over a 4-day period, the Harbour Festival attracts over 300,000 visitors and celebrates the maritime heritage of our City and the continuing importance of the docks and Harbour to Bristol’s economy.</p> <p>Significant capital investment that cannot be generated from revenue maintenance and repair budgets is needed to</p>			

update ageing facilities and fund vital improvements, both on the Bristol Harbour quayside and on the water.

The proposed 45 new moorings will deliver an increased income of £150K per annum at the current mooring licence charge. This will provide a ROI over 6 years; any agreed increase in mooring fees, following consultation, would deliver additional income, and therefore a more rapid return on the overall investment of £885K. The proposed additional works to improve the available facilities (including showers and toilet facilities), will also produce an increased number of boats mooring accordingly, with a commensurate uplift in income generated. BCC's ability to collect licence fees in a timely way will also be improved through the introduction of electronic pay points.

In addition, by expanding the number and quality of available moorings, BCC will be able to:

- set comparable market rate fees and charges;
- provide effective repair and maintenance for the Harbour within future revenue budgets;
- increase income growth from leisure sector activities; and,
- profit from the growing importance of this sector of Bristol's economy.

It should be noted that the return on investment for these improvements is projected at only 6 years, although it could be expected that that a significantly shorter time frame would be achieved.

The proposed improvements reflect the council's commercialisation approach, and the overarching principles that have been agreed: to be more business-like, delivering both efficiency savings (through improved technology) and income generation (through an increase in the number and quality of available moorings).

Finally, a full and comprehensive Harbour Estate Review will be conducted, starting with a dedicated event for elected members on 7 August 2019. This Review will involve internal and external stakeholders, including residents, boat owners, and commercial businesses, both on and off the water. The Terms of Reference for the Harbour Review will be developed to include implementing comparable market rate fees and charges, once the planned provision of high quality facilities has been put in place.

#### **Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Approve the allocation of £885k from the Capital Programme for a Harbour Operations Capital Budget Allocation as set out in the Report.
2. Delegate authority to Executive Director: Resources in consultation with the Mayor to take all necessary steps for the procurement of all necessary works, services and supplier.

#### **Corporate Strategy alignment:**

The project aligns to and will support the Mayoral Corporate Strategy Themes of:

1. Empowering and Caring
  - Improved electrical meters, embracing digital connectivity, improved toilet facilities (including disabled) and open space infrastructure repairs will facilitate inclusive access to services.
2. Fair and Inclusive
  - Additional, moorings and better facilities will improve the environment through infrastructure upgrades that will increase economic opportunity and diversity.
3. Well Connected
  - Upgraded electrical systems will improve supplies to moorings.
4. Wellbeing
  - Upgrading electricity meters will improve Health and Safety as current infrastructure is obsolete and not supported.
  - The quality of and accessibility to improved toilet and shower facilities will be improved by

- infrastructure improvements.
- Extra moorings within the harbour will improve the visual appearance of the asset and have a knock on effect for tourism and local business.

**City Benefits:**

The Corporate Strategy recognises the positive health effects of good quality and a well maintained built environment, including providing effective support for business growth, as well as ensuring sites are safe and fit for purpose.

**Background Documents:**

Full Council Capital Programme 2019

<b>Revenue Cost</b>	£0.00	<b>Source of Revenue Funding</b>	Prudential
<b>Capital Cost</b>	£885,000	<b>Source of Capital Funding</b>	Prudential Funding
<b>One off cost</b> <input checked="" type="checkbox"/>	<b>Ongoing cost</b> <input type="checkbox"/>	<b>Saving Proposal</b> <input checked="" type="checkbox"/>	<b>Income generation proposal</b> <input checked="" type="checkbox"/>

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:**

Bristol's Floating Harbour requires investment to improve its outdated facilities and to ensure that they are not only fit for purpose but also welcoming and accessible to all.

Finance is satisfied with the costing estimates provided at this stage.

It is forecast that the planned 45 new moorings will generate additional income of £150k per annum thereby generating a return on investment within 6 years.

It is confirmed that Capital funding to meet the requested £885k is available within the current Capital Programme 2019/20 to 2023/24.

**Finance Business Partner:** Jemma Prince, Finance Business Partner, 30 July 2019

**2. Legal Advice:** The procurement of the services and suppliers must be conducted in line with the 2015 Procurement Regulations and the Council's own procurement rules. Legal services will advise and assist officers with regard to the conduct of the procurement process and the resulting contractual arrangements.

**Legal Team Leader:** Husinara Jones, Team Leader, 21 May 2019

**3. Implications on IT:** Based on the works defined in this paper, there are no identifiable IT implications in this report.

**IT Team Leader:** Ian Gale, 15 May 2019

**HR Advice:** No HR implications evident; works will be procured from external suppliers.

**HR Partner:** James Brereton (People & Culture Manager), 15 May 2019

<b>EDM Sign-off</b>	Mike Jackson	17 July 2019
<b>Cabinet Member sign-off</b>	Cllr Cheney	22 July 2019
	Cllr Pearce	22 July 2019
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	5 August 2019

**Appendix A – Financial and working planning**

**YES**

<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>NO</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>