

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 24 January 2023

<b>TITLE</b>	<b>Bristol City Docks-Fees and Charges Review</b>	
<b>Ward(s)</b>	Hotwells and Harbourside and Central	
<b>Author: Tony Nichols</b>	<b>Job title:</b> Harbour Master	
<b>Cabinet lead:</b> Mayor	<b>Executive Director lead:</b> Stephen Peacock, Executive Director Growth and Regeneration	
<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>To approve the Schedule of Fees and Charges as laid out in Appendix 1.</li> <li>To approve the increase of fees and charges from Financial Year 2024/25 by RPI plus 5% to be reviewed in 2025/26</li> </ol>		
<b>Evidence Base:</b>		
<ol style="list-style-type: none"> <li>Over the past two years the harbour authority has carried out a review of the harbour’s operations, governance, regulatory responsibilities, and finances (Operational Harbour Review). The review has identified that the current schedule of fees and charges applied are in some case extremely low when benchmarked against other harbour authorities in the Southwest. This has been borne out in the BCC Internal Audit Report (Dec 2020), and the Savills Bristol Docks Mooring Review (February 2020), which stated that <i>“there is considerable scope for increasing fees when comparing with other harbour authorities”</i>.</li> <li>Bristol Harbour Authority has reviewed and benchmarked the current fees and charges which it applies against several harbour authorities to inform the proposals being made in Appendix 1. The introduction of the new fees and charge’s structure will enable the Bristol Harbour Authority to: <ul style="list-style-type: none"> <li>Implement a schedule of fees and charges which will support the service to become financially self-sufficient.</li> <li>Reflect fees and charges which other harbour authorities charge. Enable the Harbour Authority to apply for a new Harbour Revision Order- When applying the applicant must show that all assets and income within the harbour estate is sufficient to be able to carry out the harbour undertaking (the day-to-day operation of the harbour.</li> </ul> </li> <li>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.</li> <li>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</li> </ol>		

continuing importance of the docks and Harbour to Bristol's economy.

5. The use of the City Docks has changed since the last review of fees and charges was introduced and the commercial income it previously benefited from has reduced to a negligible amount and the harbour is now used for more leisure purposes than commercial. The review of fees and charges will be carried alongside the review of commercial rents and use of land within the Harbour Estate.
6. In 2021 the harbour authority commenced an Operational harbour review which looked at the harbour's operation, governance, regulatory responsibilities, and finances. The review has identified that the fees and charges applied are in some case extremely *low when benchmarked against other harbour authorities, and this has been borne out in the BCC Internal Audit Report (Dec 2020), and the Savills Bristol Docks Mooring Review (February 2020), which stated that "there is considerable scope for increasing fees when comparing with other sites"*.
7. Under current legislation and guidance, the Harbour Authority must be able to demonstrate it can be financially self-sufficient and have assured accounts and have their legislation up to date. To allow the harbour to become financially self-sufficient and invest in the future of the harbour a review of fees and charges was required. A benefit of becoming financially self-sufficient is that operations and facilities will be improved, and these improvements will be evident for service users and visitors to the City Docks Estate.
8. To allow the harbour to become financially self-sufficient and invest in the future of the harbour fees and charges will need to be increased from financial year 2024/25 above RPI.
9. The harbour authority has not comprehensively reviewed its fees and charges in the last twenty years and charges have only been increased by RPI. As part of the review, we have modernised some charges and removed others to simplify our charging schedule. This has been done through a benchmarking exercise carried out for similar cities, harbours within the Southwest and inland waterways (including the Canal and River Trust) to put the harbour authority on a path where a new Harbour Revision Order will be accepted by the Marine Management Organisation on behalf of the Department for Transport.
10. The Harbour Authority will be undergoing a series of engagement opportunities with user groups to notify them of the proposed changes.
11. Explanation notes will be advertised both virtually and within the hard copies of the fees and charges to explain each of the proposed charges.

**Cabinet Member / Officer Recommendations:**

That Cabinet:

1. Approve the Schedule of Fees and Charges as laid out in Appendix 1 to support the harbour authority to becoming financially self-sufficient.
2. Approve the increase of fees and charges from Financial Year 2024/25 by RPI plus 5% to be reviewed in 2025/26.
3. Authorise the Executive Director Growth and Regeneration to take all steps required to implement the fees and charges as outlined in this report.

**Corporate Strategy alignment:**

1. Development and delivery- Delivering a fit for purpose service by increasing the income to support the aging infrastructure
2. Environmental sustainability- Allowing the service to have the financial capacity to engage in the

- environmental enrichment of the City Docks
3. Equality and inclusion- Improve facilities and service productivity to allow the area to become more diverse and inclusive
  4. Resilience-Enable the service and the Harbour Authority to become self-sufficient and resilient for the future.

**City Benefits:**

1. 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:**

Copy of the Proposed fees and charges.

Current legislation

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/918508/ports-good-governance-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/918508/ports-good-governance-guidance.pdf)

<b>Revenue Cost</b>	Nil	<b>Source of Revenue Funding</b>	Nil
<b>Capital Cost</b>	Nil	<b>Source of Capital Funding</b>	Nil
One off cost <input type="checkbox"/>		Ongoing cost <input type="checkbox"/>	
		Saving Proposal <input type="checkbox"/>	
		Income generation proposal <input checked="" type="checkbox"/>	

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

**1. Finance Advice:**

- a. The report is requesting approval to up-date, introduce and delete a range of fees & charges (F&Cs) in relation to Harbour Services-- a full list of all the alterations can be seen in Appendix A.
- b. A detailed review of Harbour F&Cs is long overdue. Following a benchmarking exercise, it has shown Bristol's Harbour Service has "*considerable scope for increasing fees when comparing with other sites*".
- c. The schedule of F&Cs has been updated to bring them in line with other similar cities and Harbour Authorities. This has resulted in many of the F&Cs increasing by more than the Council's recommended inflation rate of five percent.
- d. The revised F&Cs will ensure the Harbour Service can generate suitable income to maintain the costs of operating an historic and valuable city asset.
- e. It will contribute to the harbour becoming financially self-sufficient and invest in the future of the harbour. The Harbour operations is current being subsidised by the Council General Fund budgets both for some of it's direct costs as well as overheads.
- f. The new F&Cs should be reviewed annually and feed into the budget setting cycle to ensure they remain relevant, cover costs of the Harbour Service, provide future funds and are in-line with similar Harbour Authorities F&Cs.
- g. Any costs associated with implementing the new F&Cs (signage, printing. Etc) will need to be funded from the Harbour Services revenue budget and the income the F&Cs generate.

**Finance Business Partner:** Kayode Olagundoye, Interim Finance Business Partner, Growth and Regeneration, 11 January 2023.

**2. Legal Advice:** The council is permitted under Article 7 of the Bristol City Docks Harbour Revision Order 1998 to 'make such reasonable charges as they think fit for services and facilities provided by them in connection with their undertaking at the City Docks.'

**Legal Team Leader:** Husinara Jones, 14 December 2022

**3. Implications on IT:** I can see no implications on IT in regard to this activity.

<b>IT Team Leader:</b> Alex Simpson – Senior Solution Architect, 10 January 2023		
<b>4. HR Advice:</b> There are no anticipated HR implications		
<b>HR Partner.</b> Celia Williams, HR Business Partner, 23 November 2022		
<b>EDM Sign-off</b>	Stephen Peacock, Executive Director Growth and Regeneration	30 November 2022
<b>Cabinet Member sign-off</b>	Mayor's Office	15 December 2022
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	19 December 2022

<b>Appendix A – Schedule of Harbour Fees and Charges</b>	<b>YES</b>
<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>NO</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>