

A Business Plan for Weymouth Harbour

2014 – 2019 and beyond

Manage, Maintain, Improve, Retain, Invest



Weymouth & Portland
Borough Council



Weymouth Harbour

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1 EXECUTIVE SUMMARY

1.1 Weymouth Harbour can be regarded as the heart of Weymouth, if not the Borough, as it is the focus for a number of significant activities that take place. As well as being a ferry port, it is home to one of, if not the best, Charter Boat fleets in the country. The local diving and sea angling industry brings in a noticeable contribution to the local economy. Weymouth is an extremely attractive destination for leisure craft, and the setting of the outer harbour with many different restaurants and public houses is very popular with our guests. Although the national fishing industry has declined in recent years, Weymouth's fleet still provides high quality fish to local, national and international markets and is a constant source of attraction to locals and visitors alike. Weymouth and Portland Harbours continue to be the venue for both national and international sailing and fishing events and was the main focus of the 2012 Olympics and Paralympics Sailing Regatta. Finally, the Harbour has over 800 permanent moorings, most owned and operated by the Council.

1.2 This Business Plan has been written in consultation with selected members and officers from groups including:

- Weymouth & Portland Borough Council Management Committee
- Weymouth & Portland Borough Council Harbour Management Board
- Weymouth & Portland Borough Council Harbour Consultative Group.

There is need for a wider consultation as the Plan is taken forward through its approvals and application.

1.3 In 2006 Arthur Cornwell Consultants working on behalf of the Council identified the importance of the Department for Transport's Municipal Ports Review of May 2006, most specifically about future forms of governance for Weymouth Harbour, and Council's view about the role of the Harbour. This still applies

in 2013 and moving forward. Is the harbour a community asset for the use of those who have moorings or is it a commercial operation for the benefit of all the residents of the Borough? The plan assumes that it is a combination of both.

1.4 The recommendations of the Municipal Ports Review have a significant bearing on the future direction of the Council's stewardship of Weymouth Harbour. Several of the recommendations are still to be considered and potentially implemented.

1.5 At present, the operation of some of the Harbour is in a state of flux pending plans for re-development of the Pavilion peninsula, North Quay and Commercial Road. This Business Plan does not fully include these developments but they should be considered as the Plan moves forward.

1.6 The current business and future strategy for the Harbour is reviewed and looks at marketing opportunities that could increase income to the Harbour account. One of these is to ensure that the Harbour's facilities are well maintained and "fit for purpose". To ensure this, a forward investment programme has been identified, its likely cost and the impact that this would have on the Harbour budget if financed entirely from revenue. This programme will only maintain status quo with the current facilities and there remains much that could be done to improve on that. There will be a need to maximise the worth of the assets, particularly any land and waterside. A balance also needs to be struck between maintaining a pristine, picturesque harbour and having a practical, working one.

1.7 The Harbour Budget has provided a net contribution to the Council General Fund for many years resulting in under-investment in the harbour infrastructure. Whenever the budget has outperformed its target even more resource has been provided to Council Funds. This issue is covered in the Municipal Ports Review, which suggests that Assured Accounts (an alternative name would be ring fenced accounts) should be considered. The

Municipal Ports Review, which suggests that Assured Accounts (an alternative name would be ring fenced accounts) should be considered. The review does recognise the legitimacy of the Council taking a “dividend” from the operation of its assets but in the right proportion. The lack of local government funds, the economic climate, the pressure on supporting leisure facilities and the cost of maintaining the port do not rest comfortably together. Consideration should be given to seeking wider Government funding for some of the harbour projects to maintain a national facility. There will be some tough decisions to be made by the Council during the period of this Plan. The financial imperative is key to this plan but there are still unanswered questions and incomplete solutions due to the complexities of the financial dynamics.

1.8 There are no consistent and meaningful national Performance Indicators (PIs) for Ports and Harbours, as each has its unique characteristics. The only PI for Weymouth Harbour covers the number of berths let in the Inner Harbour which is currently 78% capacity against a target of 80%. This deficiency is common across most marinas (in 2013, average vacancy rate of 19.5% across 145 marina facilities) reflecting the current economic climate and confirmed by a national survey by the British Marine Federation.

1.9 The strategy for the first year of this plan is to consolidate the harbour’s position, gain a full understanding of the cost of running the harbour and ensure that value for money is being realised in terms of both income and expenditure. At the same time securing a long term substantive contract with Condor Ferries is key and should be a high priority for Council officers. Consolidating a full asset management organisation and responsibilities across the harbour will be a necessary tool to ensure facilities are maintained for the customers’ and users’ satisfaction. There will then be the opportunity to move forward in later years to develop ideas for further income generation and to minimise expenditure. A balance needs to be maintained for the relatively small harbour team including council officers and members between the operational aspects and managing change. Due to the preparation for the games, the Olympics/Paralympics in 2012 and then ferry port regeneration after the collapse of the wall at No.3 Berth, there is a backlog of routine matters to be considered and managed.

1.10 The following main recommendations are covered by the Business Plan:

Number	Para Number	Recommendation
1	2.13	An annual review of the Business Plan with an addendum issued to reflect updates and to feed the budget setting process.
2	3.3 3.5	Review the governance arrangements for the harbour including the roles of Duty Holder and Designated Person, numbers of Co-opted Members, Terms of Reference and any Memorandum of Understanding between the Council and the HMB which define the roles and responsibilities of both parties. (This recommendation features in several places in this plan and will be referred to as the Governance Review Recommendation).
3	3.4	Increase the number of Co-opted Members on the Harbour Management Board from two to four.
4	3.6	Define the boundaries for the responsibilities of the Harbour Management Board including a financial delegation.

5	6.4	The harbour must be considered as part of any Economic Impact Assessment for the town or town centre master-planning process.
6	6.14	Harbour Authority to review process and requirements for licensing local boats and crews.
7	6.15	Review discount scheme for Inner Harbour berths.
8	6.35	Devise a marketing and advertising strategy to support this Business Plan.
9	7.8	Consider a proposal to move the Fish Landing Quay (or other attraction) to a site created by the demolition of the Departure Building at No. 4 Berth (a prime site).
10	7.9	Investigate parking incentives and opportunities to support pleasure boats.
11	7.13	Conduct a review of the inner harbour berths including layout and charges.
12	7.20	Review leases and operating agreements to reflect increasing demand and growth in the various clubs and organisations using the harbour.
13	7.24	Investigate opportunities to support the offshore energy industry.
14	8.3	Refine the responsibilities for property and asset management and develop a costed maintenance plan.
15	9.4	Establish clarity for the actual full cost of running the harbour and responsibilities for funding.
16	9.5	Review the format of the presentation of financial information.
17	9.8	Consider increasing the level of repayment for 3 Berth works to reduce future long term commitments.
18	9.14	Asset management costs are paid with costs spread over the lifetime of the assets using an Asset Management Reserve.
19	9.15	An annual figure of £500K be allocated for asset management but £750K in year 1 (2014/15).
20	9.16	Consider requesting funding for specific harbour projects, particularly walls and infrastructure, from Central Government.
21	9.21	Monitor Condor's requirements and developments and review Council commitment, ensuring a long term contract is negotiated by officers on suitable financial terms as appropriate.
22	9.22	Review harbour dues and scale of charges including delegation on fee setting to Harbour Master.
23	9.24	Review all licences, operating agreements and leases for value for money including comparisons with competitors and market prices.
24	9.25	Review the operation of the town bridge for efficiency and pricing.
25	10.4	Review and select relevant Performance Indicators for the harbour.
26	11.1	The Business Plan should be a standing item on the Scrutiny Committee's agenda at an appropriate periodicity to review both Harbour activities and progress against the Business Plan as suggested by the Municipal Ports Review.

2 INTRODUCTION

2.1 Weymouth Harbour extends from Westham Bridge to Town Bridge (Inner Harbour), Town Bridge to the eastern extremity of the Stone (or Sout h) Pier (Outer Harbour) and from a point 1.7 miles east of the eastern end of the Nothe to the Borough boundary at Redcliff Point. This includes all of the bathing waters in Weymouth Bay. A plan of the Harbour limits is enclosed at Appendix 1.

2.2 The area to the immediate south of the Nothe and the point 1.7 miles east of it, is part of the Outer Harbour of the port of Portland, which is managed by a private company, Portland Harbour Authority.

2.3 Weymouth and Portland Borough Council is the Statutory Harbour Authority for the port of Weymouth. The Council's predecessors have been the Harbour Authority since the charter of Queen Elizabeth I and derive its powers from a variety of local and national Acts of Parliament.

2.4 The main national legislative acts affecting the powers and conduct of harbour authorities are the Harbours, Docks and Piers Clauses Act 1847; Harbours Act 1964 and Docks and Harbours Act 1966. Other acts affecting the management of the Harbour include the Coast Protection Act 1949, Transport Act 1981, Ports (Finance) Act 1985, Dangerous Vessels Act 1985, Pilotage Act 1987, Aviation and Maritime Security Act 1990, Transport and Works Act 1992 and Merchant Shipping Act 1995. This list is not exhaustive and new legislation continues. A summary of the key points of the relevant items of legislation is attached at Appendix 2.

2.5 The day to day management of the Harbour is covered by Weymouth Harbour Byelaws, which have been made under a mixture of general harbour legislation and local acts.

2.6 There is a variety of definitions of 'harbour' and 'port' but it is accepted that both have similar meanings, namely a place where a vessel can lie in a position of more or less shelter from the elements, with a view to

loading or discharging cargo. Throughout this plan, both terms are used. The definition of cargo also applies to people and it should be remembered that both sailboards and personal water craft (the latter known by the generic name of jet skis) are defined as vessels.

2.7 As a Statutory Harbour Authority, the Council is responsible for the safety of navigation within its harbour limits and upon the payment of the appropriate fee is required to be open to all persons for the shipping and unshipping of goods and the embarking and landing of passengers (subject to a berth being available).

2.8 In presenting an overview of the current activities and the current economic and political climate the intention is to provide a business strategy for the period 2014 – 2019 and beyond. This should enable the Harbour Management Board to take a suitable strategic steering role and allow plans to be developed on the back of researched and informed debate.

2.9 Weymouth Harbour has for some years produced a worthwhile and significant financial dividend for the Borough. This has been achieved against a backdrop of very little capital investment and minimal, tightly controlled maintenance. A perennial question remains regarding the role of the harbour - is it a community asset for the use of those who have moorings or is it a commercial operation for the benefit of all residents of the Borough? This plan assumes it is a combination of both with the Harbour making a valuable contribution to all.

2.10 For several years there has been an expectation that a major redevelopment would take place for the Ferry Terminal and Pavilion peninsula. This has not occurred yet but alternative plans for the area have not been developed. The physical state of buildings and harbour structure reflect some lack of investment and maintenance and could incur high repair costs or jeopardise attracting essential sources of revenue. Several of the buildings on the peninsula

were expected to be demolished as part of the major development programme. These buildings are of a specific nature and of limited benefit to a harbour business. In addition the economic slowdown and local government funding cuts are impacting adversely on the harbour when viewed as a business.

- A Business Plan for Weymouth Harbour 2010 – 2015

2.11 The existing strategic aims of the Harbour reflected as a starting point in this Business Plan are:

- i)** To produce and maintain a Harbour Management Business Plan
- ii)** To establish and maintain viable governance of Weymouth Harbour
- iii)** To recruit expertise from the wider community to advise on business and Harbour Management issues
- iv)** To set up an effective consultation process with Harbour stakeholders
- v)** To propose/agree with the Council a realistic Harbour financial management regime with the Council
- vi)** To examine ways to increase profitability of the Harbour and increase return on investment by establishing the relative competing profile of each service offered
- vii)** To maximise the income from the current assets including property
- viii)** To ensure funding of essential maintenance and investment in the Harbour
- ix)** To enhance the visitor experience
- x)** Investigate rationalisation of existing services/facilities and research new markets
- xi)** To ensure that the local community receives/perceives benefits from the overall process

2.12 This Business Plan supersedes all previous Weymouth Harbour Plans, particularly:

- A Business Plan for Weymouth Harbour for 2006 – 2012 and Beyond

2.13 The Business Plan is to be considered a living document and will be reviewed annually with an addendum issued to reflect updates. The annual review should be timed to feed the budget setting process, therefore released in October of each year. The Business Plan should be a standing item at all Harbour Board meetings. The setting of fees and charges will continue as an annual process.

Recommendation 1: An annual review of the Business Plan with an addendum issued to reflect updates and to feed the budget setting process. Also a standing item at all Harbour Management Board meetings.

3 GOVERNANCE (PORT MARINE SAFETY CODE, MUNICIPAL PORTS REVIEW, LOCAL)

3.1 A report published by the Department for Transport and the Department for Communities and Local Government in May 2006 titled 'Opportunities for Ports in Local Authority Ownership' was intended to outline good practice and governance for municipal ports. This report has become commonly known as the Municipal Ports Review in the intervening period as recommendations contained therein have been implemented around the UK. The review recommends a shift in the way municipal ports are managed towards what might be considered modern governance and a more commercial approach with greater emphasis on stakeholder consultation, clearer accountability and stand alone accounts. A key component was the establishment of a Harbour Board consisting of councillors supplemented by a number of independent members bringing additional relevant specialist skills. The model appears to have been largely successful and Weymouth has partially followed suit. The Port Marine Safety Code and accompanying Guide to Good Practice was published by the Department for Transport at about the same time and is regularly updated. Together, these have been the working set of generic standards and practices across the ports and harbours sector since then and remain relevant today.

3.2 Weymouth Harbour is a municipal port, owned and operated by Weymouth and Portland Borough Council. The Borough Council is the Statutory Harbour Authority (SHA) for Weymouth Harbour. It is also the Competent Harbour Authority for the Pilotage district of Weymouth Harbour. The Weymouth Harbour pilotage area has a common border on its southern limit with Portland Harbour Authority who also have responsibility for Pilotage within their area. This responsibility relates to any port as defined by the Pilotage Act of 1987. The Council has statutory responsibilities as the SHA for Weymouth, namely ensuring safe navigation within the

harbour limits, conservancy functions i.e. ensuring the published depth of passage and maintaining the appropriate aids to navigation, water safety, oil pollution contingency plan and waste management planning.

3.3 The Borough Council is the Duty Holder for Weymouth Harbour, as defined by the Port Marine Safety Code. The Duty Holder is the person or body that has ultimate authority for the provision and operation of their port and is legally liable for the discharge of that authority. In 2007 a Harbour Management Board was established. The relationship between this Board and Full Council was defined in a Memorandum of Understanding. The W&PBC opinion is that the Duty Holder role should sit with the Council because it is the Harbour Authority and it controls the finances for the harbour should any exceptional expenditure be required to address any safety concerns. This means that the duty is held by all 36 Councillors, which makes it challenging to manage and lacking in depth. It is recognised that the governance needs to be reviewed. The Harbour Management Board should not be able to absolve itself of responsibility for marine safety by stating that the Council controls the finances necessary to deal with any issues and would not sanction the expenditure.

Recommendation 2: Review the governance arrangements for the harbour including the roles of Duty Holder and Designated Person, numbers of Co-opted Members, Terms of Reference and any Memorandum of Understanding between the Council and the HMB which define the roles and responsibilities of both parties. (This recommendation features in several places in this plan and will be referred to as the Governance Review Recommendation).

3.4 The Harbour Management Board consists of a total of seven voting members made up of five Councillors appointed on a politically proportionate basis and two independent members co-opted from the

wider community. Each Co-opted Member is appointed on a 'fit for purpose basis' through an assessment of each candidate's skills, knowledge, experience and commitment. The Municipal Ports Review recommended parity in numbers between Councillors and Co-opted Members. It is intended to seek approval from the Council later in 2013 for 2 more Co-opted Members bringing the total to 4 in number. The Board is tasked to oversee the management of Weymouth Harbour and its associated assets in a professional, efficient and business-like manner to benefit all the Borough's residents in accordance with the Harbour Business Plan agreed annually with Management Committee. The Board should discharge any and all functions of the Council in respect of improving, maintaining or managing Weymouth Harbour, including the functions of the Council acting as a harbour authority as defined by Section 57(1) of the Harbour Acts 1964, and to administer and manage the affairs of the harbour generally. In practice the Harbour Management Board is not delegated that full responsibility with many items either managed by Council officers from various specialisations or referred to W&PBC Management Committee. The governance review recommendation applies here.

Recommendation 3: Increase the number of Co-opted Members on the Harbour Management Board from two to four.

3.5 The harbour operation requires the appointment of a 'Designated Person', who ensures that the requirements of the Port Marine Safety Code are followed and should have direct access to the 'higher levels' of the Duty Holder and the Competent Harbour Authority. This person is to be independent of day-to-day harbour operations and at Weymouth and Portland Borough Council this role is currently performed by the Health and Safety Officer. This delegation should be reviewed as part of the governance review recommendation

Recommendation 2: Review the delegated responsibility of the Designated Person (Governance review recommendation).

3.6 The governance of the harbour needs to be reviewed such that the Harbour Management Board can be delegated responsibility for overseeing the management of the harbour within defined boundaries. This should include a financial delegation. This Business Plan aims to provide the foundation to allow the Board to be trusted to perform this function with recourse to higher authority if the boundaries need to be crossed. It is also for consideration that the Designated Person could be an external contractor.

Recommendation 4: Re-define the boundaries for the authority, accountability and responsibilities of the Harbour Management Board including a financial delegation.

3.7 A recent development of the Harbour Management Board has been to have the Council Finance Briefholder as a member of the Harbour Management Board, which helps to build financial trust. In order to enhance the profile of the Harbour Management Board it is for consideration that the Chair of the Harbour Management Board should form part of any projects associated with the harbour, whenever possible.

4 STRATEGIC AIMS AND OBJECTIVES

4.1 Weymouth and Portland Borough Council Vision taken from the W&PBC Corporate Plan 2013 - 2017 is:

“To be a forward-looking council, focused on efficient and effective customer-friendly services to support communities and businesses to meet their needs and aspirations”.

with **PRIDE** in our people and or place

- **P**rofessional
- **R**espect
- **I**nnovative
- **D**eveloping Staff
- **E**nabling.

4.2 The Corporate Aims and Priorities cascade under 4 headings. Those most applicable to the harbour are:

Economy (A)

- Priority A1. Facilitating inward investment to create more better-paid jobs
- Priority A2. Improving infrastructure to enable businesses to grow
- Priority A3. Supporting businesses through the recession and recovery
- Priority A4. Regenerating and supporting vibrant town centres

Communities (B)

- Priority B3. Facilitating sustainable leisure, culture and community activities

Environment (C)

- Priority C1. Creating a planning framework which balances environmental protection with meeting community and economic needs
- Priority C2. Protecting and enhancing the built and natural environment
- Priority C3. Managing the implications of climate change, including flooding and coastal protection

Performance (D)

- Priority D2. Adapting service delivery to the changed financial environment
- Priority D3. Ensuring the delivery of efficient and economic services which are shaped by customer needs
- Priority D4. Delivering a workforce with the knowledge and skills to meet the future needs of the councils

4.3 The following projects which have a bearing on the Harbour have been taken from the Corporate Plan:

Aim: Economy

Priority: **A2. Improving infrastructure to enable businesses to grow**

Projects	2013/14 Actions	Lead
c) Complete Harbour infrastructure works to enable return of Condor Ferries by July 2013	i) Ensure the Harbour Walls and Ferry Terminal buildings are operational for Condor Ferries to return by June 2013	Technical Services Manager
	ii) Agree with Condor a contract for the ferry services operating from Weymouth by June 2013	Directors Environment & Resources
d) Develop a Harbour Business Plan by October 2013	i) Develop a Harbour Business Plan by October 2013	Leisure and Tourism Service Manager

Priority: **A3. Supporting businesses through the recession and recovery**

Projects	2013/14 Actions	Lead
c) Provide support to tourism businesses to sustain and develop the visitor economy by 2016	i) Provide advice and business development opportunities through public and private sector partnership working in line with the Government's tourism policy by March 2014	Leisure and Tourism Service Manager
d) Deliver the agreed Olympic legacy programme, in partnership with other agencies by March 2016	i) Support 'Sail for Gold' 2013 at WPNSA and other maritime events by March 2014	Leisure and Tourism Service Manager
	ii) Develop and improve the tourism product, including outdoor activities, sports, heritage & cultural tourism themes, in partnership with private sector by March 2014	Leisure and Tourism Service Manager

Aim: Performance

Priority: **D2. Adapting service delivery to the changed financial environment**

Projects	2013/14 Actions	Lead
b) Produce an Asset Management Plan detailing how the council's assets will be managed by March 2014	i) Adopt an Asset Management Plan by March 2014	Technical Services
	ii) Adopt a strategy for the Pavilion Peninsula by December 2013	Directors Environment & Resources
	iii) Adopt a strategy for the North Quay Site by September 2013	Directors Environment & Resources

5 ORGANISATION AND STAFF

5.1 The management of the Harbour is undertaken within the Borough Council's Economy, Leisure and Tourism Service. The Economy, Leisure and Tourism Service Manager is responsible for overall performance and strategic management, whilst the day to day running of the Harbour is the responsibility of the Harbour Master. Under the shared partnership with West Dorset Council the Service Manager also oversees Lyme Regis and West Bay Harbours. The employer for the Weymouth staff is W&PBC which sets the pay, terms and conditions etc.

5.2 Currently employed within the Harbour Section are the following members of staff:

1 Harbour Master

1 Deputy Harbour Master/Senior Berthing Officer

2 Berthing Officers

1 Senior Finance and Administration Officer (part-time)

3 Clerical Assistants (part-time)

1 Shower Attendant/Ancillary Worker

A number of seasonal staff are employed in the summer

Temporary port workers/search personnel are engaged if demands warrant.

1 Port Security/CCTV Supervisor, which from 1 Oct 13 will be 1 Port Facilities Security Officer (PFSO).

3 Port Operatives and 12 CCTV/Port Security staff, which from 1 Oct 13 will be 1 Deputy PFSO and 4 Port Operatives.

A staff organisation is enclosed at Appendix 4.

5.3 As well as running the Harbour, the section is still partially engaged in the operation of the Council's CCTV system, which also monitors CCTV for other organisations. The functions were combined a number of years ago such that the 12 CCTV/Port Security staff spend

70% of their working time on CCTV duties and 30% on Port Security. The Port Security/CCTV Supervisor is designated the Port Facilities Safety Officer under the ISPS Code. In early 2013 the Council decided to reduce the CCTV budget, which has forced a reorganisation and separation in to a CCTV and a Port Operative service. The Port Operative service remains part of the Harbour organisation. The split will be effective from 1 Oct 13.

5.4 To meet these varied operations, there is a significant staff training requirement in a wide range of areas, namely:

- Boat handling
- Security and searching techniques
- Deployment of Oil Spill defence equipment
- Live training exercises, some jointly with the Ferry Operator e.g. dealing with suspicious objects
- Customer Care
- IT systems
- Fork lift handling

5.5 Manning within the harbour is finely tuned to reflect the varied 24 hour a day activities and also the seasonal volume of work which increases during the summer months. Routines have been evolved over time to cope with the unconventional hours in a flexible manner which avoids excessive use of overtime payments and makes cost effective use of casual or on call contract staff. Staff display a strong commitment to working in the harbour and CCTV activity. Overall numbers are kept as low as practical which inhibits the ability to respond to non-routine activity.

5.6 The harbour staff is limited in numbers and lacks a number of skill sets. There is a clear dependence on other Services within the Council including property services, technical services, legal, human relations, finance, marketing, communications etc.

6 SHAREHOLDERS, CURRENT SERVICES PROVIDED AND MARKETING

6.1 As the Statutory Harbour Authority (SHA) the overall mission is to manage Weymouth Harbour and associated real estate and facilities in a safe, professional, efficient and business-like manner that is to the benefit of all of the Borough's residents and to ensure that the legislative obligations conferred upon it are met.

6.2 The services undertaken include pilotage, port security (including passenger and vehicle searching and CCTV operation), Weymouth Bay water safety, navigation safety, pollution response, yacht dues collection, moorings fees collection and slipway dues. Examination and licensing of pilotage exemptions, vessels and watermen are carried out. The Town Bridge is operated on behalf of Dorset County Council. Until 1 Oct 13, some harbour staff are engaged for part of their working time in the external CCTV service. Harbour structure and facilities are managed and maintained by harbour staff but supported by property and technical services.

6.3 Weymouth Harbour benefits from a greater diversity of business streams than many small harbours. Principle sources of income are the Condor Channel Islands Ferry, inner harbour mooring holders, commercial boat operators and visiting yachts. Additionally, other users of the harbour can be considered as customers and greater emphasis is being placed on maintaining the apparently good relationships which have been built up over the years between harbour users.

6.4 It is important to recognise the significant sums of money brought to the town as a result of people making use of harbour based activities or finding it an attractive place to visit. This income has been quantified in previous studies as in the order of tens of pounds per person per day but should be re-assessed as part of any Economic Impact Assessment of the town by the wider Council. The harbour is a valuable community asset

and significantly benefits the local economy, stimulating income generation for the Borough. It also generates income in its own right through fees and licenses etc. The two roles are both significant; the surplus funds that are generated by the harbour may be reinvested in the harbour or in the past have helped to boost the council's general fund, reducing the pressure on council tax. Income generation for the Borough is probably much more significant in that it encourages the growth of the economy either directly by providing facilities for waterborne businesses, or indirectly by:

- harbour users spending money in the town generally
- by visitors who are attracted to the town by the harbour, and
- through employment related to the harbour

Recommendation 5: The harbour must be considered as part of any Economic Impact Assessment for the town or town centre master-planning process.

6.5 The beach and the harbour are together the major contributors to the local tourist industry and a significant reason for people wanting to live here. The harbour therefore is enormously significant to the economic and social well-being of the Borough. To illustrate this, the surplus generated by the harbour in 2006/7 was over £300K and rose to a maximum of £900K. The income generated by the town however, together with the resulting enhancement in property values that is attributable to the harbour in some way, cannot be easily measured. Surveys indicate that it can be measured in many millions of pounds (over £5 million by divers alone, according to an earlier survey) and hopefully will be updated by the Economic Impact Assessment.

6.6 Another feature of the current business mix is the dependence on factors beyond direct

control so that, regardless of the quality of service provided, levels of profitability are significantly affected by the general economy, exchange rates, the weather etc. The current adverse financial climate is impacting on the numbers requesting berths and also visitor numbers.

CURRENT OPERATIONS

- 6.7** Weymouth Harbour is currently a venue for a wide variety of different users. It is a combination of a commercial operation for a number of different businesses, it is the home base for a significantly large fleet of leisure craft and it is a popular destination for visiting craft. As well as all this, because of its location right in the heart of Weymouth, it is also a major attraction for the local tourist industry.

Ferry Operations

- 6.8** There has been a long history of ferry operations from Weymouth to the Channel Islands, who require a connection to the UK. Condor Ferries is a Guernsey based company with booking offices in Weymouth operating daily vehicle and foot passenger ferry services from Weymouth to the Channel Islands using the 86 metre wave piercers Condor Vitesse and Condor Express. The company operates the fastest service between the UK and Guernsey, all year round with a crossing time of 2 hours and 30 minutes. It is possible to sail to St. Malo via a change of vessel at Guernsey or Jersey all year round with total crossing times from 5 hours 45 minutes.
- 6.9** Whilst Condor is a major source of income for the harbour, and generated nearly 35% of the harbours income for 2011/2, there is also a modest cost to the operation which has an impact on profitability.
- 6.10** There is no contractual obligation on Condor to operate, and the economics of the channel ferry business suggest that the long-term future of the operation may not be known. The demise of Condor would probably have a serious impact on the economy of the borough generally, not least of which would be the loss of a number of jobs. The

Economic Impact Assessment should provide more detail.

- 6.11** Condor Ferries restarted their operation in July 2013 after a 16 month gap whilst the service was moved to Poole due to the collapse of the harbour wall at No.3 Berth. The 2013 late summer schedule only has 1 sailing per day from Weymouth.

Commercial Shipping

- 6.12** Several shipping agents have used Weymouth in the past to discharge cargo. Previously, they have used the Harbour to operate a general cargo service to the Channel Islands and for vessels importing fertiliser from the Balkan States. As a result of the combination of the expansion of Portland Port, limited quayside facilities, security requirements and the foot and mouth epidemic in 2002, there has been no significant trade for a number of years. Occasionally there is some custom from MOD related companies loading and discharging equipment for trials. The steel piles to repair Number 3 Berth were delivered from the continent by sea in late 2012.

Commercial Fishing

- 6.13** 53 registered fishing vessels are berthed at Weymouth and operate from the harbour, some working locally around Weymouth Bay and Portland and some further offshore in the English Channel. The majority of these are 'potters', landing shellfish that are exported by refrigerated lorry to the continent. A small number are trawlers landing either wet fish or shellfish and the rest of the fleet is made up by 'bass boats'. The larger vessels are berthed in the Outer Harbour on Custom House Quay or Trinity Road with the smaller ones upstream of the Town Bridge along Commercial Road. Fishing vessels based at other ports around the coast occasionally visit Weymouth to unload their catch on the Fish Landing Quay when working in the area. They may, on occasions, stay overnight or longer depending on weather conditions.

Licensed Pleasure Boats

- 6.14** 36 Licensed Pleasure Boats operate from Weymouth. These can be divided into 3 broad categories: - angling charter, diving charter and pleasure trips. Angling and diving charter vessels are generally licensed by the Maritime and Coastguard Agency or Sea Fisheries organisation (although there is currently still a small number coming under W&PBC) for carrying up to 12 passengers. They are berthed mainly on Commercial Road and run trips inshore and offshore. The category of pleasure trips covers a multitude of different types of vessel undertaking various activities. These include Portland Harbour cruises, local ferry services and water sports. Some of these boats are licensed locally, a process that has not been reviewed for several years.

Recommendation 6: Harbour Authority to review process and requirements for licensing local boats and crews.

W&PBC Inner Harbour Berths

- 6.15** The 408 pontoon berths, 31 chain and sinker moorings and 21 tender berths in the Inner Harbour accommodate mainly private leisure craft. There is about a 50% split between sailing and power craft and they range in size from 3 to approximately 13 metres. The inner harbour is the harbour's chief source of income and an area over which the council can and does maintain an element of control. Prices are similar to those charged by Dean & Reddyhoff in their adjacent marina. There is a waiting list for berths and clearly scope for further increase in clients but there is a mis-match between the demand for berths for larger yachts and the availability of berths for smaller boats. Discounts are given to a high proportion, over 60% of the users and a review of this scheme is also a potential area where income could be improved.

Recommendation 7: Review discount scheme for Inner Harbour berths.

Weymouth Marina

- 6.16** Various companies or organisations lease parts of the harbour for mooring purposes. Dean and Reddyhoff own Weymouth Marina at the top corner of the Inner Harbour and provide pontoon berths for leisure and commercial craft.
- 6.17** Their marina is a modern, purpose-built marina providing over 250 permanent and visiting berths. All berths are supplied with fresh water and electricity. High quality private washrooms and showers are provided on the top floor of the marina building. Car parking space is available for annual berth-holders. A high level of security is provided. Electronic coded gates control access to the car park and pontoons, all supplemented by automatic lighting throughout the car park and a comprehensive 24 hour CCTV system.
- 6.18** W&PBC income from the Dean & Reddyhoff marina is calculated on a formula based on overall income of the marina, but still only amounts to 5% of the harbour's total income. Minimal costs relate to this however so that the bulk of the income is a surplus.
- 6.19** Dean & Reddyhoff also run the marina in Portland Harbour. Several local vessels both commercial and leisure have moved to the Portland marina from Weymouth council berths due to the strength of the overall package offered there. One of the key issues is parking as in Portland there is parking available close to the berths.

Visiting Private Yachts and Motor Cruisers

- 6.20** Weymouth is a popular stopover for yachts and powerboats cruising the South Coast. It is an easy day's sail from the busy Solent or Poole and a good place to wait for tides and weather before tackling Portland Bill. 2011/12 saw visiting craft spending 5811 nights in Weymouth Harbour (2009/10 – 6436, 2010/11 – 5991, 2012/13 was not representative due to the Olympics). As well as those arriving by sea a number of vessels come by road, mainly powerboats, and use the Town Slipway on Commercial Road to launch and recover.

6.21 Harbourside facilities including showers, toilets and laundry have been improved prior to the Olympics in both Custom House Quay and on North Quay. The quality of facilities expected by visitors is always increasing so there is a constant need for improvement to maintain the regular visitors and attract any new customers.

For several years the biggest growth area of the Harbour's operation, both in terms of numbers and income has been the increase in leisure boating. However the growth has turned into decreasing demand in 2011–13 primarily due to the economic climate.

Weymouth Clubs, WOEC, Sea Cadets, Rowing Club

6.22 Weymouth Sailing Club has chain and sinker, and pile moorings on the south side of the Outer Harbour for rent by their members. The club has substantial premises, moorings for about 120 boats, a dinghy park and a slipway. It is primarily a racing club and runs a full race programme from April to December, but there are also many members whose main interest is cruising. There is a proposal to change some of the pile moorings in the Cove to pontoon moorings for ease of access and maintenance. This will also allow slightly bigger boats to be moored safely.

6.23 Towards the harbour entrance the local Sea Cadets and the Weymouth Outdoor Education Centre keep their sailing dinghies and safety craft both afloat on swinging moorings and ashore in the Dinghy Park.

6.24 Weymouth Rowing Club has a shed for their gigs on the southern side of the harbour between Weymouth Sailing Club and the stone pier. They also have a pontoon to moor gigs alongside for temporary purposes and are investing in a narrower pontoon to berth a plastic gig alongside permanently. The increasing popularity of the sport, expansion over the past 10 years from about 30 members to some 170 and from 2 boats to 6, dictates the need for the club to take a look at how best to provide for the almost inevitable continued growth. This increase in demand offers some potential income to the harbour with a changing market.

RNLI Lifeboats

6.25 Weymouth has 2 lifeboats, an all-weather boat moored on a dedicated mooring on the south side of the harbour and an inshore lifeboat kept ashore in a boat house within Weymouth Sailing Club's area of operations.

MARKETING

Summary of Marketing Strategy

6.26 In summary the main marketing objectives are as follows:

- To ensure that Weymouth Harbour maximises the financial benefit to the Council
- Additional major objectives include:
 - o To support the local economy through the activities of the Harbour as a whole
 - o In particular, to ensure that the Harbour's activities continue to contribute to the development of the town's tourism industry
 - o To contribute to the character and attraction of the town to the benefit of both residents and visitors through the activities and businesses within the Harbour

Local Economy vs. the Economy of the Harbour

6.27 The initial objective of this plan is to increase the direct income to the harbour. There is however a significantly larger indirect benefit to the Borough in terms of income from tourism, the income of commercial harbour-based businesses, income from employment, income from Condor etc.

6.28 It is therefore very important that any strategy designed to increase harbour direct income is balanced with the need to support the economic wealth and does not impact adversely on the Borough. For example, some of the commercial boats generate substantial revenue for the Borough and it may be unwise to jeopardise their businesses

with unduly high berthing fees as this might cause them to increase their own charges with a resulting decrease in their businesses. Conversely, the harbour is a Borough asset and its overall profitability directly affects the level of council tax, which the council must take account of. A balance must therefore be achieved.

Competition Issues

6.29 Weymouth competes in some respects with other south coast ports such as Poole harbour, the Solent and Cowes, but none are a major rival due to the geography and unique location. In fact, the visiting yachts business is “fed” in part by yachts from these ports. Weymouth has an advantage over Poole as the open sea can be reached in 5 minutes as opposed to perhaps 20 or 30 minutes or more at Poole. This is particularly significant where the ferry is concerned, where time means money.

6.30 The main potential competition is from the 650 berth Portland Harbour marina and any further berths included in any proposed peninsula development if such berths are not managed by the Council. Any reduction in the market due to the economic climate will strengthen this competition.

Capital Expenditure

6.31 The impact of capital expenditure on strategy relates to its impact on profitability of the various revenue earning areas. For example, significant expenditure on the commercial berth pontoons might overwhelm the small surplus from that area. Conversely, any upgrading of facilities in the Inner Harbour, such as floating toilets & facilities on the Westway Road berths could help to justify increases in fees, and may improve revenue. Full cost benefit analyses will be required for any plans.

6.32 Adequate capital expenditure is necessary in order to keep the harbour in good condition and avoid huge financial overheads, which has clearly been identified by the No. 3 Berth works. It can also be used as a marketing tool

in that expenditure can be directed to where revenue earning potential is greatest. It is then necessary to advertise this fact, drawing attention to the practical benefits arising from any increases in berthing fees. Current perception is that Inner Harbour berths, for example, are not the best, and work needs to be done to correct that.

6.33 Finally, any new ferry terminal/Pavilion/peninsula development may necessitate significant expenditure on the development of the ferry terminal itself, which will need to be carefully considered in the overall financial analysis of harbour business.

Advertising & PR

6.34 Little specific advertising is placed with a major part of the advertising budget being spent on publishing Notices to Mariners. 6,000 harbour guides are produced each year which are circulated to all the ports and harbours on the South Coast. Every visitor is given/offered a guide. An advert is placed in the “Resort” publication each year, mainly about promoting safety in the bay. Details of the harbour are found in publications such as the Admiralty Channel Pilot, Commercial Almanacs, Admiralty List of Lights and Radio Signals, which are for operational information rather than promotional.

6.35 Further work will be done on advertising and PR as a consequence of this Business Plan, depending on what is agreed with regard to the future harbour strategy. Focused spending can then be tailored to the highest priority. Any significant increase in advertising and PR activity will clearly lead to an increase in costs and an appropriate cost-benefit analysis will need to be undertaken to ensure value for money. It is likely that joint advertising with harbour users is a preferred route to take if possible, given the shared benefits of increasing harbour business.

Recommendation 8: Devise a marketing and advertising strategy to support this Business Plan.

7 BUSINESS STRATEGY AND FUTURE BUSINESS

BUSINESS STRATEGY

7.1 The main components of the current business strategy developed in recent Harbour Business Plans are:

- To establish the effective governance of the harbour by the Harbour Management Board including the contribution of independent members. This to include the meeting of annual financial and other agreed performance targets.
- Implementation of other aspects of the Municipal Ports Review including ring fenced accounts, clearer accountability and effective consultation with harbour stakeholders (Harbour Consultative Group).
- Continue to maintain a safe and navigable harbour with conserved and charted depths, proper navigation aids and suitable berths for the various activities undertaken from the harbour, managed in a professional manner and in accordance with the Port Marine Safety Code.
- Provision of pilotage and pilotage exemptions, port security, oil pollution control, water safety management, vessel and watermen licensing.
- Manage and maintain the physical structure of the harbour including walls, linkspan, buildings and vessels to support a diverse customer base currently Condor Ferries, inner harbour berth holders, commercial boat operators and visiting vessels.
- Operation of the Town Bridge on behalf of Dorset County Council.
- Manage the harbour to recognize its wider value to the town both in terms of additional revenue generated by the local community and in maintaining its intrinsic value to residents.

- To continue to monitor the deterioration of the harbour walls and implement the costed action plan for repair action over the coming fifteen years.

7.2 Additional items for the future are:

- To work to assess and plan potential new and diverse business streams.
- To review current insurance cover for the Harbour.
- Review capacity of harbour infrastructure to generate income and establish associated costs.
- To maintain a structured and costed maintenance schedule for coming years.
- To produce a capital investment or revenue funded model which supports existing and future business streams.
- To review working practices within the harbour to seek cost reductions.
- To establish a marketing plan and the resources to deliver, which encompasses pricing, promotion and other relevant parts of the marketing mix.
- To maximise land based assets in the context of any town centre development plans.

7.3 Any Business Strategy will form the basis of the Harbour Business Plan and so it is important that input is sought at various stages from current Harbour users. Such consultation and future updating of the strategy will be an important function of the Harbour Management Board and Harbour Consultative Group. Ongoing wider consultation will be important.

FUTURE BUSINESS

7.4 Future business for the harbour depends on maintaining the current level of activity and then exploring any opportunities for the longer term, as illustrated below:

INCOME STREAM	RISKS	FUTURE PROSPECTS
Condor Ferries	Ferry industry could decline or not commit to Weymouth. Harbour income and local jobs depend on Condor.	Long term future not known. Firm contract required to justify investment. Increased income dependent on more sailings or bigger vessels. Additional investment from W&PBC may be sought.
Commercial Boats	Depends on demand, low margin businesses may not be able to afford higher fees. Competition from Portland Marina.	Harbour businesses benefit local economy even if boats move to Portland. Alternative use of prime waterside may be found.
Inner Harbour	No significant risks although boat sizes do not match berth restrictions.	<ol style="list-style-type: none"> 1. Opportunity to further increase rents, based on improved facilities, although some sensitivity experienced in past. 2. Discontinue or limit discounts. 3. Consider D&R or other marina company taking over berths.
Weymouth Marina	No significant risks although challenges in current financial climate.	No prospect of any increase for WPBC, except in line with D&R business.
Visiting Private Yachts and Motor Cruisers	No significant/specific risks other than those impacting the yachting business generally, i.e. derogation, general economy.	Opportunity to increase prices. Possibility of increasing business outside peak holiday times.
Weymouth Sailing Club, Sea Cadets and other Clubs	No significant risks	Possibility to increase rent through periodic reviews to capitalise on growth and success of club memberships.
Other Sources of income	Business case required	An additional source of income for the harbour.

Condor Ferry Operations

7.5 The highest profile of the various business strands is the Ferry operation. It is the Council's commitment to maintain services to the Channel Islands and to expand where possible to other destinations. A robust long term agreement with Condor Ferries is essential for a long term strategy to their requirements. This could be linked to a 25-year agreement with the Islands themselves, which is being pursued. Condor Ferries is a significant local employer, both directly and indirectly. Where possible, and it is in the Council's interest, support will be given to

Condor in their development and operation plans. However, it is recognised that the cross channel ferry market is a volatile one. Any joint future plans with Condor must be sufficiently flexible so as to provide alternative uses of land and water and not impact on other possible developments. Income is generated by vehicles and passengers carried so an increase in income can only be achieved by more sailings or larger vessels coupled with robust contract management or by increasing prices. Finding a second ferry company to allow healthy competition might be ideal.

Recommendation: Commitment to Channel Islands ferry service to be reviewed.

Commercial Shipping

- 7.6** There is always a small possibility that a commercial shipping company will start to reuse Weymouth Harbour. There are however only limited facilities and the proximity to Portland Port with their facilities may count against Weymouth.
- 7.7** Portland Port has had a recent increase in the number of passenger liners visiting throughout the summer. There are some very small liners operating which could potentially berth in Weymouth. This would be attractive to them for access directly into the town. The number of such vessels is very limited though.

Commercial Fishing

- 7.8** The number of local fishing boats is relatively fixed but there may be scope to attract other visiting boats to berth overnight and/or land their catches. The size of fishing boats wanting to use the harbour is in part predicated by the facilities at the Fish Landing Quay. The current area is small, located right in the centre of the harbour and difficult to access by lorries. A potential improvement would be to knock down the old Condor Departures Hall on the quayside at No.3 Berth and provide a new area in that vicinity. It would be hoped that some financial grants may be obtainable from fisheries organisations to support the project. Such a development may attract larger fishing vessels. The facilities could cater for that and the access would be easier for lorries. The local residents would additionally be less affected by the smells from the facility. The existing length of harbour wall at the current Fish Quay could be pontooned for visiting yachts and boats, compensating for a small loss at No.4 Berth.

Recommendation 9: Consider a proposal to move the Fish Landing Quay (or other attraction) to a site created by the demolition

of the Departure Building at No. 4 Berth (a prime site).

Licensed Pleasure Boats

- 7.9** It will be important to maintain the current vessels berthing in the harbour against competition from Portland Marina. Some or further incentives related to parking must be considered as this is one of the attractions of a Portland Marina berth. If North Quay and Commercial Road are developed further it is important to consider parking and facilities for these boats to make it attractive to operate from Weymouth. Ideally new licensed pleasure boats can be attracted to maintain healthy competition between the boats. There is still plenty of potential to exploit the World Heritage site of the Dorset coastline which has not been realised yet.

Recommendation 10: Investigate parking incentives and opportunities to support pleasure boats.

WPBC Inner Harbour Berths

- 7.10** Inner harbour fees need to be kept under review. They have been brought into closer alignment with Dean & Reddyhoff fees, who offer better facilities. If the facilities in the inner harbour are significantly improved however, this will provide a strong case for further increases but there will be a ceiling controlled by demand and comparisons with other similar facilities.
- 7.11** In order to address the waiting list for larger boats it may be possible to rearrange pontoons and berths to fit. There may need to be a reduction in the total number of berths to achieve this and there will be an associated infrastructure cost.
- 7.12** There may be a consideration to allow a marina company as a commercial partner to manage all berths in the inner harbour. This would remove the responsibility for the management

of berths but there may be implications regarding the current condition, age and status of the facilities. A contract would need to be raised with such a company to complete a feasibility study.

- 7.13** There are marina management companies who would design the best layout to get the maximum benefit out of the inner harbour within the physical constraints. A feasibility study alone for such a project may cost £10 – 20K (MDL May 2013).

Recommendation 11: Conduct a review of the inner harbour berths including layout and charges.

Weymouth Marina

- 7.14** The only way to increase income from the Marina is by renegotiating the percentage taken from their earnings or by supporting the Marina in filling empty berths.

Visiting Private Yachts and Motor Cruisers

- 7.15** If there is a market upturn, it may be possible to use the quayside for more visitors but this would be at the expense of other users, who in their own right make significant contributions to local employment and also add to the visitor attraction of the Harbour.
- 7.16** The nature of the leisure sailing market has been examined in considerable detail by the W&PBC Marine Development Officer in the past. The visiting yacht berths are fairly full during the peak of the season (that is to say, they are at a capacity that harbour staff can handle given the rafting-out situation etc.) but there is limited yachting activity outside of the season. Potential may exist in the shoulder period, current markets (i.e. home ports, rallies etc.) may be developed, and new markets targeted.

Superyachts

- 7.17** The sight of a large expensive yacht or motor cruiser is a great attraction in the harbour,

drawing in interested parties to look and hopefully spend money locally. Although there is a difficult financial time in the family boat market there is still demand for superyachts. Effort should be expended in trying to get the Harbour recognised as a recommended venue for such vessels to visit.

Weymouth Clubs, WOEC, Sea Cadets

- 7.18** Weymouth Sailing Club have a long term lease for the water and yard with little opportunity of any significant income increase during the term. The club could be invited to consider alternative berthing elsewhere in the harbour if a better use by W&PBC of their current berths is considered, although this would be a very difficult change to implement. Other ways in which negotiations with WSC might result in them giving up valuable berthing space for visiting yachts could be explored.
- 7.19** Weymouth Sailing Club are considering developing their chain and sinker moorings in the Cove by using the existing piles to support pontoons. This would make maintenance easier, improve access and allow slightly bigger boats to be berthed with relative ease. This will require a greater surface area of water to be leased resulting in a change to the current lease and an opportunity to discuss terms or as a minimum the issue of a licence.
- 7.20** The various leases for other clubs and organisations with access to the water need to be continually reviewed to ensure that the Council is maximising its potential in revenue generation to cover the ever-increasing costs of maintaining the infrastructure and services. The revenue should reflect the increasing demand and growth in these sports and clubs.

Recommendation 12: Review leases and operating agreements to reflect increasing demand and growth in the various clubs and organisations using the harbour.

Peninsula/North Quay/Commercial Road Developments

- 7.21** The Council's considerations of options to develop the Weymouth Pavilion and Ferry Terminal site, part of which is within the Harbour's boundaries, will have a significant effect on the Harbour Business Plan. Consultation with the harbour staff will be essential when developments are considered. This also applies for the North Quay site and any development in Commercial Road.

World Heritage Coast opportunities

- 7.22** To date the Council's aspiration for the private sector or partnerships to expand cruises based on Weymouth Harbour to view the World Heritage Coast from seaward has not generated much trade. Several operators have shown interest in developing this market and in the longer term it might be necessary to accommodate vessels of the size of Waverley or Shieldhall, which are already regular visitors to the Harbour. However, there is no current evidence of ships of this size operating on a commercial basis anywhere in UK waters on such pleasure cruises. Whilst an extended season-long service would be the desired provision, initially it may have to be accepted that a time limited service is only possible but that could be extended with appropriate marketing once established. The development of the Ferry Terminal/Pavilion area adjacent to the Harbour is considered an important link if a Heritage Coast Centre (Dorset Natural Partnership) is incorporated within it.

Traffic management

- 7.23** All future business would be affected by the traffic flow and parking around the town centre. Any traffic improvements or changes should consider the impact on harbour activity.

NEW BUSINESS

Offshore Energy

- 7.24** One of the key areas of development in the marine sphere is in the offshore energy

industry. Currently there is a proposal from Navitus Bay to construct a wind farm between Swanage and the Isle of Wight and to the south. Some local ports including Poole, Yarmouth and Portland have made bids to support the construction phase. Weymouth does not have sufficient spare space to help in the construction but would be ideally placed for support vessels for any offshore developments to base themselves in Weymouth Harbour. This particularly applies to vessels involved in transferring personnel as there is convenient accommodation, the railway connection and easy access for vessels. The support contracts are generally for long periods of up to 25 years which would be valued as a long term customer. Although the Navitus Bay site is the only one under consideration at the moment there is potential for the use of tidal energy off Portland which again may be a valuable business opportunity. The offshore energy industry should be monitored very closely for any opportunities. It should be for consideration to negotiate alongside Portland Port in support of offshore contracts; Council guidance on whether competition between the harbours is appropriate, should be sought.

Recommendation 13: Investigate opportunities to support the offshore energy industry.

Waterborne Attractions

- 7.25** Waterborne Attractions such as floating restaurants, themed ships, a floating casino, floating displays of various sorts etc., are a potential area for increasing revenues in the short term. There are serious challenges to developing such attractions including health and safety issues, environment issues, set-up costs, planning restrictions, technical problems and so on (the differences in tidal levels proved to be an insurmountable obstacle to enabling access for a proposed floating restaurant). It is unlikely that the council will wish to manage the risks of financing and running such a venture, private sector partners would be essential with

the council charging a royalty, as with other commercial users. For instance, the Sea Life Park attracts around 300,000 visitors a year. If a similar number could be attracted to a waterborne attraction with an entry fee of just £5 a head the Borough income would be £150,000 per annum on a 10% royalty to the Borough. This, admittedly rough calculation suggests that it would be worthwhile to explore potential opportunities. Similar ventures exist successfully in many other harbours and on rivers around the world and further investigation should be carried out.

Tall Ships Race 2016 or later

7.26 The Tall Ships organisation has visited Weymouth a few times in the past. The visit by a significant number of interesting vessels together with a range of shore-side activities is a recipe that has been very successful here and in other ports in generating a large number of visitors. There is some capital outlay and restrictions that have to be satisfied. The programme is set for the 2015 season so the earliest opportunity is in 2016 or beyond. It is likely that this would have to be a joint venture with Portland Port to allow berthing for the larger vessels. If the full event is too ambitious perhaps a feeder port for the race or other tall ships rallies would be appropriate.

There are no clear alternative sources of ongoing revenue income in the medium and long term.

8 INFRASTRUCTURE AND ASSETS

8.1 Key considerations for the business plan are the infrastructure, facilities and general material condition of the harbour and its assets. Ongoing capital expenditure and planned maintenance are essential ingredients to success. Updated condition surveys will assess the full extent of any maintenance issues. A long term maintenance and asset management plan is an important tool.

8.2 The condition of some of the main harbour structures such as harbour walls, jetties and buildings is below standard. The lack of investment was justified by the anticipated Pavilion/Ferry Terminal/Peninsula development plan but this development has not happened and is not expected soon. Although in 2013 a contract has been let for a public-managed theatre at the Pavilion for 10 years, there is a breakpoint at 3 years, and then reviewed every 6 months, offering the opportunity to develop the site if considered the preferred option.

8.3 The Harbour estate is a large and varied resource. The approved list of the harbour's responsibility delegated to the Harbour Management Board in January 2010 is given in Appendix 9. There is an important piece of work to do in consultation with Property Services to refine the responsibilities and then move to a true planned maintenance system which is costed. The main assets considered to be in the harbour estate are as follows:

- 13 Custom House Quay - Harbour Master's office complex and visitors' reception, showers, laundry and toilet facilities. Garage to rear.
- Ferry Terminal Area Terminal Building including Café and Offices - Provedore Store; Marshalling Area; Arrivals Hall; HM Customs & Excise Inspection Sheds; Port Offices.
- Quay Building (former Departures) – currently disused

- Roll On/Roll Off Link Span Bridge
- Permanent Quayside Moorings - 103 berths
- Marina Pontoons – 408 berths
- Chain and Sinker Moorings - 31 berths + 21 tenders
- Chapelhay Toilets and Showers
- Weymouth Town Slipway
- Stone Pier and Pleasure Pier
- Weymouth Angling Club

Recommendation 14: Refine the responsibilities for property and asset management and develop a costed maintenance plan.

8.4 Although in the main buildings are referred to in this report, it is important to understand that in some cases the asset also includes land associated at the various sites. It is important to work with other Services to maximise the potential of these assets so that capital contributions come also from the harbour rather than the wider Council's capital receipts.

Harbour Walls

8.5 A survey of W&PBC harbour walls was instigated by Technical Services and reported to Management Committee on 8th January 2013. The key points are:

- Weymouth Harbour quayside walls are of numerous construction types and form and have evolved with the historic development of the harbour. There are approximately 4.5km in plan length of harbour walls (including the peninsular) consisting of stone masonry, mass concrete, concrete piles and steel sheet piled sections, of which some 4km is covered by this report. Many of the stone masonry and concrete wall sections were

constructed in the early 20th Century and some sections earlier still. The steel sheet pile walls were constructed at various times between 1950 and 2000 and are in various degrees of dilapidation.

- It is important to be clear from the outset that harbour wall repairs and replacements are costly to undertake. It has been estimated that to directly replace all of the walls around the harbour, a budget cost of between £35M - £45M would be required. This is a useful reference figure to set repair and maintenance costs into context. Failure to maintain the Harbour Walls will ultimately lead to their failure with associated risk to life and property. In addition, replacement cost will be significantly higher for a failed structure.
- Surveys have been undertaken by consultants to condition survey and assess the harbour walls and Pleasure Pier to assist the Council in compiling a prioritised and costed repair and replacement programme. Three separate Engineering Consultancies were engaged to conduct the surveys and assessments and from that W&PBC's Engineering Team has produced two outline business case documents to consolidate and summarise the main outcomes from the suite of reports. The Harbour Walls outline business case report identifies repair packages to provide the best compromise between minimising spend and extending the life of the walls over the next 15 years and beyond. The Pleasure Pier outline business case identifies a superficial repair, maintenance and inspection programme in the very short term with the potential for the pier to be closed upon identification of significant defects or concern.
- The outline business case identifies £3.627M of repair and maintenance costs to ensure that the Harbour Walls remain safe and serviceable for the next fifteen years. In Jan 13 Management Committee approved a budget of £1.02M be included in the budget setting proposals, for the implementation of

years 1-3 of the business case. The recommendation for the Pleasure Pier will require a £20,000 per annum commitment, which was also approved.

All work should consider any flood and sea defence issues to avoid duplication. The DCC owned walls are covered at para 8.15.

3 Berth Works

- 8.6** The significant deterioration of ferry berth No.3 at Weymouth Harbour in February 2012 caused Condor Ferries to pull out of the town and move the service to Poole. The harbour wall showed considerable damage on the surface and emergency work to attempt to temporarily solve the issue was not successful.
- 8.7** The ferry berth dates back to 1931-33 when it was widened to provide freight facilities for the Great Western Railway, who operated the Channel Island Ferry Service. Many factors have caused the structure to deteriorate since including the action of the tides, strength of ferry water jets and harbour maintenance regime. Comprehensive works were expected to take place on the ferry berth as part of the peninsula development but that did not take place.
- 8.8** Condor's service to the Channel Islands represents large economic and employment benefits for the Borough. The borough council Management Committee agreed on 6 June 2012 to provide £2 million worth of funding for Phase 1 repairs, which involved advanced works and main works. The advanced works were complete in time for the Olympic and Paralympic Games. The ambition was to repair the berth for Condor to return as early as possible in 2013. The time scale was dependent on work programme and other factors, including the environment and winter weather. The main works which included both the berth repair and the fitting of a concrete scour mattress on the seabed were conducted to a target date of 17th July 2013 to re-commence ferry operations. There are also plans for a Phase 2 re-development of the whole of the ferry terminal to upgrade current facilities.

Terminal Building

8.9 As a consequence of the 3 Berth works 15m of the eastern end of the Departure Lounge had to be removed, which included the search rooms, police office and some toilets. Additionally the building was showing its age and had also suffered as a consequence of movement along the harbour wall. It was decided to move the Departures Building to the former Terminal Building on the edge of the Theatre car park. This has then centralised Condor's operation in one building and its surrounding area and made for an easier flow for passengers using the Arrivals Hall for both arrivals and departures. Some investment by both Condor and the Council has generated a more pleasant facility and a fresh start for the re-commencement of ferry operations. The former Departures Building has since had no occupancy and is ready for future consideration, although the most likely course of action is to pull it down due to its poor condition. The 3 Berth works and Terminal Building Project were a success in joint working for Condor and the Council and have laid the foundation for a future partnership.

Other Buildings

8.10 Some of the buildings in the port and other areas falling under the harbour's area of responsibility have only received minimal maintenance and emergency repairs are exceeding budgeted allowances. Maintenance has been carried out over recent years to keep on the acceptable side of safety standards but as capital investment has had to come out of current accounts the budget has been under conflicting demands. The financial aspects are covered in a later section.

8.11 The Harbour Office was refurbished in 2011/12 significantly upgrading the customer counter, toilet, laundry and shower facilities and access for disabled staff or visitors. Favourable feedback is regularly received about the improvements. This is a focal point for fee paying harbour users and must be maintained to standards being set by the leisure boating industry elsewhere.

8.12 Chapelhay toilet and shower facilities were developed in 2011/12 from a former Council toilet block. These facilities adjacent to the Town Bridge serve both the Cove and North Quay customers and are again complemented.

Other assets

8.13 The harbour not only manages buildings but there is a considerable list of supporting infrastructure and assets to deliver the harbour service. This includes boats, vehicles, oil pollution control equipment, luggage trolleys, pontoon furniture, tools and many more.

Asset Management

8.14 A detailed 25-year asset management plan has been constructed and covers buildings, pontoons, boats and many other items. The plan records the purchase date, expected life and costs for each item. It then allows expenditure to be forecast. An extract covering the first 5 years with 2014/15 as Year 1 is at Appendix 6. Each year the detail of the requirements for that year can be assessed and prioritised so that projected expenditure can match funding. An example for 2013/14 is provided at Appendix 7. Any uncompleted items will then roll forward into the next or subsequent years or an alternative will need to be considered. The plan also acts as a record to aid risk management because a delayed item for instance may increase the risk of failure or an accident. Such an example is the pontoons on Commercial Road. They were 3 years beyond their expected life and failed. There are other pontoons around the harbour of the same construction and a similar age, which should be monitored closely for potential failure.

8.15 In terms of repairs to the existing infrastructure, detailed below is a summary of the key assets in use and some of the significant areas identified for attention:

- **Harbour Walls.** The inner harbour is enclosed by the walls on Westwey Road, North Quay and Commercial Road

and Westham Bridge. The first two are highway structures and the responsibility of the Highway Authority, Dorset County Council. Most of the Commercial Road walls and Westham Bridge were built around the 1930s, although there are some older and newer sections. A 15 year plan of work for the W&PBC-owned walls has been approved with Year 1 in 2013/14. An alternative solution to extensive walls repairs may be to build out in to the harbour, subsuming the repairs in to new build projects.

- **Harbour Dredging.** Some sections of the Outer Harbour were dredged when the Weymouth Marina was developed and the marina pontoons installed in 1995/6. Since then there has been little dredging except at the harbour mouth where sand accrues from time to time. This area was successfully cleared by the employment of a plough dredger in 2008 and it was intended to continue to employ this method every other year for the foreseeable future. Costs for 2008 were £20,000. No dredging has taken place since 2008. The plough system was a well proven and effective method, which avoided the costly mobilisation and dredging licence fees, which are becoming more difficult to obtain due to the extension of environmental legislation. The whole harbour is now suffering from silting and a significant amount of dredging will be required soon. The moorings at Weymouth Sailing Club are reducing in available depth and boats are regularly touching the bottom on the waiting pontoon adjacent to the Town Bridge in Spring Low Tides.
- **Westwey Road Pontoons.** The Stage One Westwey Road marina pontoons had the main walkway decking replaced with state of the art slip and rot resistant decking at an approximate cost of £50,000, the finger pontoon decking was replaced in 2009 at an approximate cost of £40,000. This has helped to extend the life of these pontoons and should be considered in other areas. One section

of the Stage 1 Westwey Road pontoons (arm X) is an old concrete section from a previous pontoon layout that was purchased and installed in the late 1980s. Although this arm is serviceable and safe, it would be desirable to replace it due to its age, estimated cost £50000.

- **Commercial Road Pontoons.** The Commercial Road pontoons were installed when the harbour dredging programme was completed in 1996 using surplus pontoons from the former Stage 1 Westwey Road layout. This provided commercial vessels moored in this area with an increased number of berths, a storage area for their gear and an improved method of berthing. In recent years these pontoons have had new floats fitted and a PESCA grant enabled complete re-decking of the system. One section of the pontoons was replaced in 2013 at a cost of £89000. A further section is of that same vintage. The main chassis of these pontoons is very old and the system is in need of updating and replacement. Fisheries grants for port improvements for the fishing industry have been used and are still available but, of course, would have to be match funded. These are the highest priority for pontoon replacement.
- **North Quay Pontoons.** The North Quay commercial pontoons, which are immediately to the west of the Town Bridge and not connected to the shore, provide inexpensive moorings for smaller commercial craft but have no facilities. These units consist of surplus pontoons from the former Stage 2 Westwey Road layout, which although 30+ years old, are currently serviceable.
- **Custom House Quay Pontoons.** It is hoped to link the gaps in pontoons which provide berths for the commercial/fishing vessels in the Outer Harbour alongside Custom House Quay.
- **Trinity Road Pontoons.** The Trinity Road Pontoons were made up from

surplus Stage 1 Westwey Road pontoons and installed in 1995/6. They have been kept serviceable by having been re-decked in 2000.

- **Drying Grid.** The Drying Grid in the south west corner of the Inner Harbour is a popular feature for boat owners to service their craft when the tide is low and the grid dries out. The facility was constructed from salvaged piles, concrete slabs etc, at minimal cost when dredging was carried out in 1995/6 and has worked well. Electricity has been installed which enables power tools, pressure washers etc. to be used. This whole facility could be replaced, enlarged and upgraded incorporating a purpose built concrete slab giving increased depth and accessibility for vessels. Due to emerging environmental-based legislation, there may be a requirement to provide an interceptor system which would considerably increase costs. Current prices for the use of this facility are reasonable, bearing in mind its layout and condition, but would have to rise to reflect any investment, which might generate an increased level of usage as well.
- **Navigation Lights.** The various aids to navigation including lights need to be kept fully serviceable and fit for purpose for safety reasons.
- **Bay Buoys and Swimrafts.** Providing zoning areas within Weymouth Bay for safety of users is a costly exercise which includes purchasing buoys, chain, sinkers etc. These moorings (approximately 40) have to be assembled and laid at the start of the season and then disassembled, cleaned and stored at the end of the season. Buoys are inevitably lost in poor weather and there is a rolling programme of replacement each year. The swimming rafts are also assembled and laid in the Bay and these moorings can occasionally also be lost in poor weather. Costs for these operations are met from current maintenance budgets and are also supplemented by income from the Water sports permit scheme. Certain water-based events also require separate segregated areas which involves laying extra buoys.
- **Boats and other equipment.** All boats are worked hard and have been in service for relatively long periods.
 - The Work Boat/Pilot Boat Melwey is essential to fulfil the role of Competent Harbour Authority (Pilotage) plus the dual role of Harbour work boat (buoy/mooring deployment, oil pollution control etc). Maintaining it as an MCA-coded vessel requires regular expenditure.
 - The work boat 'Regis' is used for undertaking maintenance that requires access from the waterside. It is also used for towing vessels that have to be moved between berths or have broken down.
 - One of 2 RIB is used for undertaking safety patrols in the bay and in the harbour, general harbour tasks and policing and presence functions. Only 1 is on the water at any time with the other in maintenance or as a spare. These boats suffer heavy wear and tear with the outboard engines worked hard.
 - A dory is held as a spare work boat.
 - The Harbour "van" is an essential tool which has many and various roles, e.g. equipment transport, emergency response with pumps etc, oil pollution response, collecting fuel, spares trips etc. Although it does not cover many miles it suffers greatly from wear and tear due to the wide variety of tasks it completes.
- **Linkspan Bridge.** The Roll On – Roll Off Linkspan Bridge was constructed and installed circa 1980. Its operation reflects the type of vessels that provided

ferry service at that time. Although it has been adapted to suit the needs of Condor's modern wavepiercers, it limits the type of vessel that can use the port. In current terms it is inefficient because it does not allow 2-way traffic i.e. loading and unloading concurrently. To replace it would be an expensive exercise (upwards of £1- 5M at today's prices) and if it should be necessary to do so the Council would have to consider if it wanted to remain in the ferry business. The Linkspan has been extensively refurbished in 2013 to extend its life for at least 5 years.

- **Shore Facilities.** The dive and angling fleet is among the best in the UK, if not Europe. Each year, bigger and better boats are moved into the harbour to keep up with the on water demands of the industry. The shore side facilities have not kept pace with this expansion, and scope is limited because of the juxtaposition of the public highways. Discussions are regularly held with representatives of the local fleet and, where possible, improvements are made to current facilities, albeit small.

9 FINANCE AND BUDGET

Background

9.1 The harbour has been an effective income generator for Council funds for a number of years. In setting up the governance arrangements in 2008 an MOU laid out the obligations of the Harbour Board, which included a financial contribution of £968K for each of the first three years ending in the 2010/11 financial year. This figure was set at a record year performance level for income and was optimistic. Such a high target had no precedent in municipal ports and was contrary to the spirit of the Municipal Ports Review, which encourages ring fenced accounts for harbours.

9.2 In the last 6 years the Harbour Fund account has returned the following amounts to the Council's General Fund:

2008/09	£913,206
2009/10	£942,783
2010/11	£771,583
2011/12	£771,583
2012/13	£771,583

(2012/13 dividend reduced by £450,000 due to loss of Condor revenue)

2013/14	£289,509
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This however is balanced with some financial support for the harbour from the wider Council funds for special projects.

9.3 Financially the harbour has been run on a very tight budget for many years. Maintenance budgets have been set at low levels and capital investment has been sparse; capital works have been funded from annual operating budgets or Olympics/Paralympics financial contributions from GOE and not Council 2012 money. Any capital investment required to provide new or upgraded facilities is obtained as part of the council's consideration of its capital programmes and in accordance with the council's Corporate Plan and priorities. Despite this, valuable

improvements have been achieved including pontoon facilities being installed and improved toilet/shower facilities, generating significant revenue and supporting the diverse activities taking place in the harbour.

9.4 In coming years the maintenance budget will need to be raised significantly if safety standards are to be maintained and overall regression in the infrastructure avoided. There needs to be a clear definition of what it costs to run the harbour and well defined responsibilities. This is especially important when costs for items are being managed by other Council departments on behalf of the Harbour.

Recommendation 15: Establish clarity for the actual full cost of running the harbour and responsibilities for funding.

9.5 The Harbour Budget set for 2013/14 gives the Harbour Board a 'controllable' budget for the harbour activities excluding any Support Service costs (£224K) e.g. Payroll and any Capital Charges (£177K). In addition it stated "the significant costs of harbour walls have been dealt with separately. This approach should assist with simplifying the overall Harbour finances". This is only the case if the various costs can be identified, understood and managed accordingly, which needs further work. The format of harbour accounts reporting needs to be changed to include all aspects of the harbour on a single sheet of paper.

Recommendation 16: Review the format of the presentation of financial information.

9.6 A Notice of Motion from the Full Council on 11 July 2012 to the Management Committee stated:

“That all revenue gained from Weymouth Harbour be ring-fenced for the repair and maintenance of Weymouth Harbour and that the Harbour Management Board be instructed to identify known repairs and compile a list of urgent works and necessary improvements in order to produce a works plan for the future maintenance of Weymouth Harbour”.

The Management Committee’s decision on 2 October 2012 was:

That any contribution paid to the general fund from Weymouth

Harbour revenue should take full account of the Harbour Management Board’s requirements for repairs and maintenance; and that the harbour Management Board be instructed to identify known repairs and compile a list of urgent works and necessary improvements in order to produce a works plan for the future maintenance of Weymouth Harbour”.

At the 15 Feb 13 Management Committee Meeting, the MC were briefed as part of the 2013/14 budget that the Harbour Board are in the process of producing an updated Business Plan which will set out how the harbour infrastructure and facilities would be improved (should also include being maintained) and this will be completed by September.

Current Financial Year 2013/14 (Management Committee 5 Feb Budget Report)

9.7 The summary of the Harbour Budget (controllable costs) for 2013/14 is as follows:

Expenditure	£	Income	£
Employee Costs	479K	Rents and Licenses	165K
Premises	456K	Recoverables	57K
Transport	2K	Commercial Activities	496K
Supplies and Services	92K	Leisure Activities	776K
Total	1.029M	Total	1.493M

Surplus = £171.2K for Harbour Wall Reserve + £289K for Council Dividend.

The financial year of 2013/14 started with a deficit of £36K from the previous year. The Harbour Walls Reserve, including 2013/14’s contribution, is £589K

Financial commitments for FY 2014/15 onwards

9.8 3 Berth Works – The cost of the No.3 Berth Project was £3.92M + £0.55M, managed by Technical Services. The £0.55M has been paid by using capital receipts. From 2014/15 the annual £171.2K contribution to the Harbour Walls Reserve will be used for repayment of the £3.92M over a period of 40 years. An increase in annual payment would reduce the time period for the interest payments.

Recommendation 17: Consider increasing the level of repayment for 3 Berth works to reduce future long term commitments.

9.9 Harbour Walls Refurbishment Project Years 1 – 3 – The cost of £1.02M will be funded through the existing Harbour Walls Reserve (£589K including 13/14 contribution) and Council capital receipts. This means that the

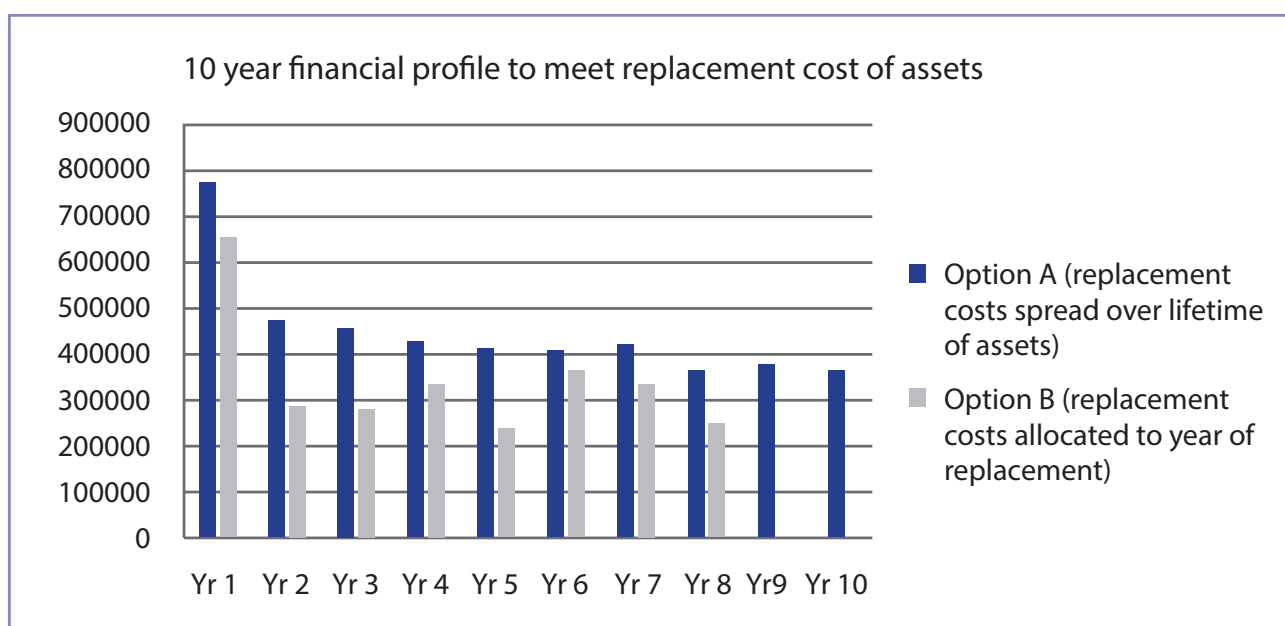
Harbour Walls Reserve will be zero at the start of FY 2014/15.

9.10 Harbour Walls Refurbishment Project Years 4 – 15 – The remaining £2.6M will be funded through Council capital receipts or by transferring liability. The Harbour Walls Project assumes that there are no new issues discovered during the investigation phases of the project.

9.11 Pleasure Pier – An additional £20K per annum will be taken forward as part of the budget

setting proposals by Technical Services for the implementation of the Pleasure Pier Outline Business Case. This limited money will be used to monitor and maintain the pier until the costs rise above this value when a decision on the pier's future will be made.

9.12 Condor Service Regeneration – A joint Condor/Council project to regenerate the shore-side facilities for the ferry operations, including a change of Terminal Building, resulted in:



9.14 Moving forward Option A is the preferred way ahead. By operating an Asset Management Reserve and reviewing the requirements on a year by year basis it will remove some of the peaks that would be expected by Option B. Although not showing on the above chart Year 11 has an Option B figure over £900K and Year 14 over £800K.

Recommendation 18: Asset management costs are paid with costs spread over the lifetime of the assets using an Asset Management Reserve.

9.15 It is recommended that an annual figure of £500K would be sensible for planning purposes although year 1 would require £750K. These figures should be reviewed

annually as part of the budget setting process.

Recommendation 19: An annual figure of £500K be allocated for asset management but £750K in year 1 (2014/15).

9.16 Grants will be sought wherever possible but if there is insufficient funding in the Council, consideration should be given to seeking wider Government funding for some of the harbour projects to maintain a national facility.

Recommendation 20: Consider requesting funding for specific harbour projects, particularly walls and infrastructure, from Central Government.

9.17 In the current budget (2013/14) there is an allocation of funds for maintenance. This is made up of contracts/service agreements, response maintenance and supplies which are

used annually and then any surplus is used for improvements. The figures for the division for the last 4 years are given in the table below:

YEAR	CONTRACTS	IMPROVEMENTS	RESPONSE MAINTENANCE	SUPPLIES
2009/10	41674	45648	88547	14903
20010/11	40524	55002	41207	12522
20011/12	58654	120158	58520	13594
20012/13	45746	35918	65874	13822
Average	46650	64182	63537	13710

Year 11/12 figures are skewed by the Olympics/Paralympics. The average figures for contracts, response maintenance and supplies are shown. Therefore if asset management money is put to an Asset Management Reserve a small reduction (Average 64K) in the budget requirements could be applied.

5-year Projection for Funding from 2014/15

9.18 A projection for funding for the next 5 years from 2014/15 is available at Appendix 7. The 2013/14 figures are included for comparison. It can be seen that there will be an in-year surplus from the Harbour Budget in 2018.

9.19 The projection has the following assumptions and observations:

Condor passenger / vehicle throughput

- A 2% increase on fees per annum.
- Throughput based on 2008 and 2010 to reflect a good and not so good year and used an average.
- 244 sailings per annum.
- If there were additional sailings (last time 80 per annum) income could increase by £160K per annum (associated increased costs £25K).
- Pilotage income would increase by £16K per annum with above additional sailings.

Condor Rent of Offices

- Assumed remains at £27.5K but if market value is achieved income could be £101K per annum.

Visiting Yachts

- Assumed 10p/metre berthing charge increase every other year.
- Average figures based on a couple of years.

Marina berths

- Assumed 2% increase in fees per annum.
- Assumed 100 vacant berths remain stable.
- Assumed 10% residents discount remains.

Expenditure

- Assumed 1% increase in salaries.
- Assume vacant posts are filled like for like.
- Assumed overtime and agency costs remain unchanged.
- Assumed 5% increase in energy costs.
- Rates / Insurance / Printing / Equipment etc increased by 2%

Pricing Issues

9.20 For a significant part of the harbour there is little scope for increasing prices and revenue. The potential is in fact limited to the inner harbour council berths, visiting yachts and commercial berths. Income from Dean & Reddyhoff Weymouth Marina and Weymouth

Sailing Club is to a large extent fixed in the short/medium term but should be subject to regular review.

- 9.21** The income from Condor is dependent on their operating schedule and the numbers carried so is very much subject to the success of their advertising. A firm contract for as long as possible is very necessary for the future life of the harbour and should be a high priority for officers' negotiations. It is essential to the success of the harbour business that any opportunities to increase the number of sailings from Weymouth are fully supported. Increased activity will inevitably result in additional staff costs but these will be offset by the extra income. The upfront investment by Condor on the port facilities is a positive sign of their commitment.

Recommendation 21: Monitor Condor's requirements and developments and review Council commitment, ensuring a long term contract is negotiated by officers on suitable financial terms as appropriate.

- 9.22** In addition to the outside influences which can affect income levels as mentioned above it is also worth noting that setting higher prices for services is likely to be difficult but needing serious consideration.

Recommendation 22: Review harbour dues and scale of charges including delegation on fee setting to Harbour Master.

- 9.23** The main areas of income are rents and licenses i.e. rental of land based assets, Condor income, moorings' fees and visitors' fees. Whilst the first 2 items are primarily long term agreements with third parties, the latter are yearly/daily fees which are subject to market forces. Visiting yachts' income is vulnerable to the vagaries of British weather and economy and has started to decline in recent years.

- 9.24** A list of licenses and agreements that provide income to the Harbour is included at Appendix 5. Each of these agreements will be scrutinised to ensure that a fair price is being charged to represent the commercial value.

Recommendation 23: Review all licences, operating agreements and leases for value for money including comparisons with competitors and market prices.

- 9.25** One source of income for the harbour is the operation of the Town Bridge on behalf of Dorset County Council. As the rates paid for each lift have not been reviewed for some time it will be important to conduct that exercise. The manpower cost is greatest in winter due to the reduced staff available without seasonal assistants. A review of the operation of the bridge should be undertaken to question whether under certain circumstances a one man operation is safe enough.

Recommendation 24: Review the operation of the town bridge for efficiency and pricing.

Harbour Expenditure

- 9.26** Of the total controllable annual expenditure of the harbour, 48% relates to employees, 22% general overheads and port operations, 15% repairs & maintenance and 15% depreciation. There are additional costs for central recharges for council services such as payroll, IT etc. Expenditure cannot easily be directly linked to any of the specific income streams and no accurate, meaningful method of allocating costs has been developed. Further work may need to be done on this however.

- 9.27** There will always be pressure to reduce costs and this will continue to be done each year as both part of any ongoing review of operations and the annual budget process. In recent years, the following issues have been considered but not acted upon:

- i) Transfer of all ferry operations to Condor.
- ii) Cease operating the pilot boat/work boat Melwey.
- iii) Contract pilotage operations to Portland Port.

All of the above would be neither simple nor achieved without a cost.

9.28 It is to be noted that some overall value and worth issues related to the national Pilots' Pension Fund means that several ports, including Weymouth, have a commitment to pay in to the fund a substantial sum of money. This sum for Weymouth is in excess of a total of £100K and is included in the Asset Management Plan.

10 TARGETS AND PERFORMANCE

Performance Indicators

10.1 There are very few meaningful performance comparators in the Ports industry, not least because of the differing natures of harbours. This is particularly so for local authority ports e.g. Sunderland, Whitstable, Ramsgate, Portsmouth, Hamble, Weymouth, Torquay, Salcombe, Truro, Bridgwater, Bristol, Aberystwyth and Workington. For example, although Weymouth and Torquay Harbours have similar turnovers and similar environments, the operations within them are quite different. This matter has been looked at by both the DfT and the British Ports Association, but no indicative information has been provided.

10.2 For a number of years, quarterly information reports provided details of the amount of “business” going on in the harbour, but most of these are influenced by other matters, such as the weather or the state of the national economy, rather than a reflection on the performance of the harbour.

10.3 The following is a list of Management Information rather than Performance Indicators which a previous ‘Task and Finish Group’ believed were appropriate to the Harbour, it is not exhaustive:

- i. % moorings occupied
- ii. Average time taken to let a vacant berth
- iii. Number of bridge lifts
- iv. Average number of bridge lifts
 - (a) 1 April – 30 September
 - (b) 1 October – 31 March
- v. Number of boats transiting bridge
 - (a) 1 April – 30 September
 - (b) 1 October – 31 March
- vi. Number of registered fishing vessels
- vii. Number of Licensed Pleasure Boats
- viii. Number of visitor nights

- ix. % of occasions when pilot is on station within 1 hour of ETA/ETD
- x. Number of reported navigational safety incidents
- xi. Number of hours navigational aids not working
- xii. Undertake 1 hydrographical survey each municipal year
- xiii. Carry out one emergency exercise per year
- xiv. Number of cargo ship visits per year
- xv. Volume of cargo per year
- xvi. Average volume of cargo per ship visit
- xvii. Number of ferry passengers
- xviii. Number of cars

10.4 The only current Performance Indicator in use is the % Inner Harbour moorings occupied. A review should be conducted by the Harbour Management Board, supported by the Management Council to define meaningful performance indicators.

Recommendation 25: Review and select relevant Performance Indicators for the harbour.

SWOT Analysis

10.5 A SWOT Analysis for the Harbour is given at Appendix 9.

11 SUMMARY - PRIORITIES AND ACTIONS

Business Plan Implementation

11.1 The implementation and ongoing development of this Business Plan will fall to the Harbour Management Board (HMB) on behalf of the Management Committee and Full Council. The Business Plan should:

- Inform the Budget Working Group and budget setting annually and then receive delegated responsibilities from Full Council.
- Be updated annually to reflect any changes in circumstances, then be endorsed by Harbour Consultative Group, Harbour Management Board, Management Committee and Full Council.

- **Recommendation 26:** Be a standing item on the Scrutiny Committee's agenda at an appropriate periodicity to review both Harbour activities and progress against the Business Plan as suggested by the Municipal Ports Review.

Harbour Management Board Actions

11.2 The main actions associated with the harbour and overseen by the Harbour Management Board and Full Council as the Duty Holder are:

1. Ensure compliance with the Port Marine Safety Code and application where appropriate of the Municipal Ports Review.
2. Review the governance arrangements for the harbour including the roles of Duty Holder and Designated Person, numbers of Co-opted Members, Terms of Reference and any Memorandum of Understanding between the Council and the HMB which define the roles and responsibilities of both parties.
3. Ensure a long term contract is secured with Condor Ferries.

4. Review the property portfolio managed by the Harbour Management Board to ensure full value is being realised, all services arrangements are in place and appropriate.
5. Review the lease and operating agreement arrangements for all aspects of the harbour business to ensure currency and value.
6. Review the asset management lists for each year to approve a prioritised list of works.
7. Agree prioritised programme of workshops and other detailed work to progress heightened Board involvement in main strategic issues inter alia:
 - New Business Streams
 - Better use of properties and infrastructure including responsibilities for maintenance, recharge
 - Peninsula development with/without major developer
 - Marketing and investment strategy
8. Visit or investigate other Municipal Ports to draw comparisons and seek good ideas.
9. Investigate possibilities for support to the offshore energy industry.
10. Set realistic performance indicators to measure the harbour business.

LIST OF APPENDICES

- Appendix 1: Plan of Weymouth Harbour and Harbour Limits
- Appendix 2: Summary of Relevant Legislation
- Appendix 3: Staff Organogram
- Appendix 4: Harbour Leases and Licenses
- Appendix 5: 5 Year Asset Management Plan Sample
- Appendix 6: Prioritised Procurement List Example
- Appendix 7: 5 Year Budget Plan
- Appendix 8: List of Harbour Related Buildings
- Appendix 9: SWOT Analysis

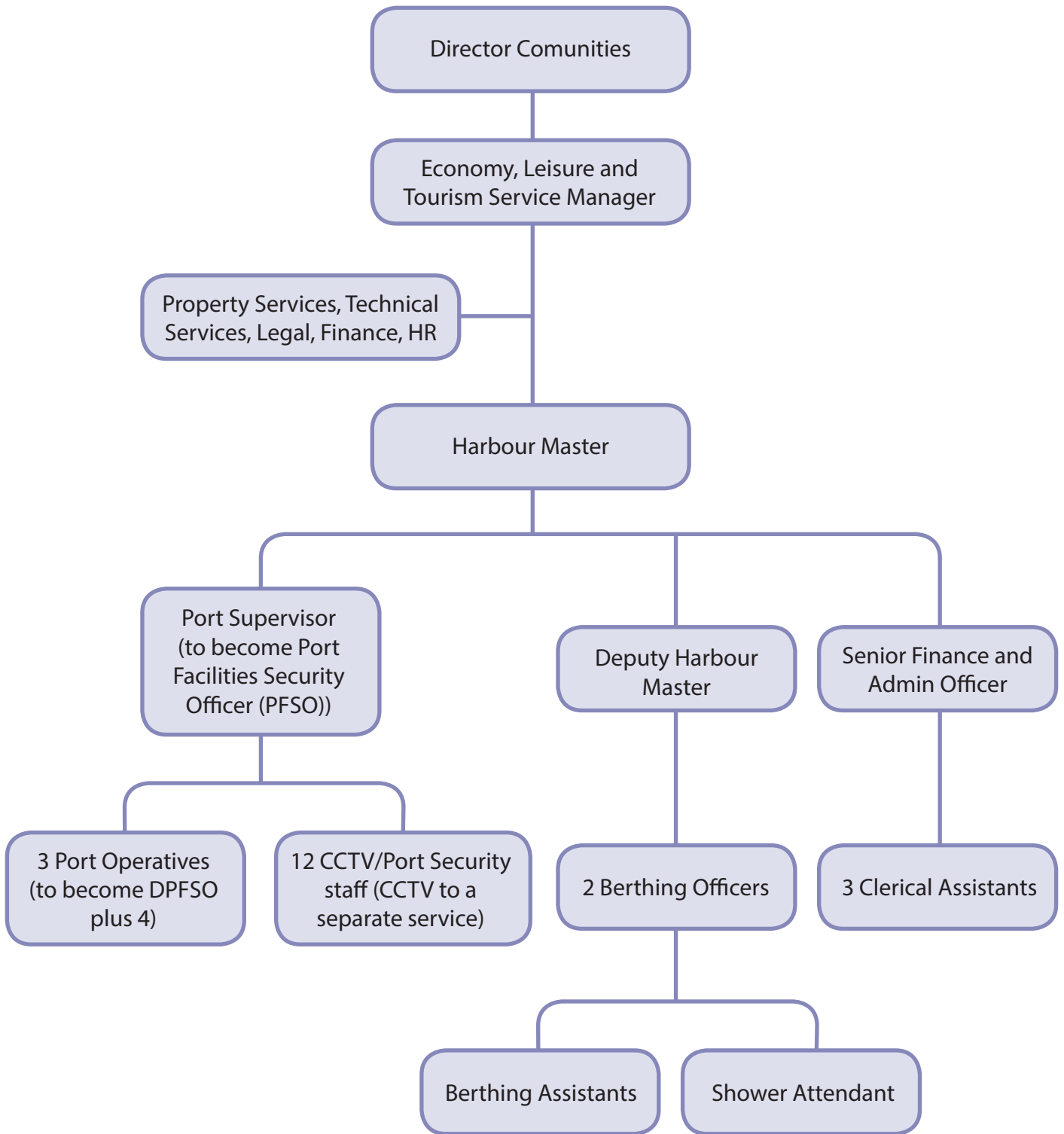
APPENDIX 1: **PLAN OF WEYMOUTH HARBOUR AND HARBOUR LIMITS**

(Seperate document)

APPENDIX 2: SUMMARY OF RELEVANT LEGISLATION

- **Charter of Elizabeth 1**
Gives ownership of the Harbour to the Council.
- **Harbours, Docks and Piers Clauses Act 1847**
Consolidates in one Act certain provisions authorising the making and improving of Harbours, Docks and Piers. Is used as the foundation for subsequent Harbour legislation. Gives the Council the power to appoint a Harbour Master.
- **Coast Protection Act 1949**
Enables the Council to approve works in tidal waters within Weymouth Harbour.
- **Harbours Act 1964**
Includes the provision of control of Harbour development, construction, improvement, maintenance and management of Harbours. Makes provision for certain Harbour Authorities to charge for the use of Harbour facilities.
- **Docks and Harbours Act 1966**
Supplements previous legislation regarding employment of dock workers and confers additional powers to the Council as Harbour Authority.
- **Transport Act 1981**
Makes provision for the disposal of assets of the former British Railways Board and amends parts of the Harbours Act 1964.
- **Ports (Finance) Act 1985**
Includes provision for grants to the National Dock Labour Board and certain financial matters for certain Harbour Authorities.
- **Dangerous Vessels Act 1985**
Gives power to the Council to prohibit vessels from entering the Harbour or require a vessel to be removed on the grounds of danger to persons, property or navigation.
- **Pilotage Act 1987**
Established the Council as the Competent Harbour Authority for the pilotage district of Weymouth and Portland. Previously, pilotage had been undertaken via the services of Trinity House pilots. The Portland area of the pilotage district was removed following the establishment of Portland Port.
- **Dock Work Act 1989**
Abolished the National Dock Labour Board (Weymouth was a “scheme” port).
- **Aviation and Maritime Security Act 1990**
Makes the Council responsible for ensuring the safety of passengers and cargo boarding vessels within the Harbour by giving effect to protocols to suppress acts of violence at airports and sea ports.
- **Transport and Works Act 1992**
Provides for the Secretary of State to make of orders relating to the construction of works in navigable waters, if they cannot be made under the Harbours Act 1964 or are deemed to be for a scheme of national significance.
- **Merchant Shipping Act 1995**
Consolidates all Merchant Shipping Acts from 1894 – 1994 and includes sections on safety and health on ships, prevention of pollution, waste reception facilities at Harbours, Oil Pollution, Light Dues, salvage and accident investigations and inquiries.
- **Marine Navigation Act 2013**

APPENDIX 3: STAFF ORGANOGRAM



APPENDIX 4: HARBOUR LEASES AND LICENSES (TO BE REVIEWED AS PART OF RECOMMENDATION 23)

Lease/License	Holder	Expiry date
Pleasure Pier		
Cactus Café	Vacant pending pier decision	
Former Swimming Club Changing Rooms	Vacant pending pier decision	
Operating Agreement	Vacant pending pier decision	
Kiosk	Vacant pending pier decision	
Ferry Terminal Building		
Departure Hall	Condor Ferries	
Offices (all except below)	Condor Ferries	
Café	Condor Ferries	
Office	CCTV Control Room	Internal
Office	Harbour Office	Internal
Storage Space under stairs	Harbour Office	Internal
Ferry Terminal Area		
Office (store)	Condor Ferries	
Inspection Shed	HM Revenue and Customs	Statutory
Transit Shed and Bonded Warehouse	HM Revenue and Customs	Statutory
Operating Agreement	Condor Ferries	
Fuel Tank	Condor Ferries	
Provedore Store	Condor Ferries	
Arrivals Hall		
Police Room	Special Branch	
Interview Rooms	Special Branch/UK Border Force	Statutory
Quay Building		
All Rooms	Vacant	
Ferry Steps		
Kiosk		
Store	Ferry Steps Operators	
Operating Agreement	Ferry Steps Operators	

Commercial Road		
Clubhouse	Weymouth Angling Society	
Clubhouse and Parking	Dean & Reddyhoff	31/03/2121
Marine Berths	Dean & Reddyhoff	31/03/2121
King's Arms Pontoons		
Operating Agreement	Bay Venture Ltd.	
Operating Agreement	Weymouth Whitewater	
Sand Jetty		
Kiosk	White Motor Boats	
Operating Agreement	White Motor Boats	
Cove Water		
Moorings	Weymouth Sailing Club	28/03/18
Nothe Parade		
Jetty and Marine Diesel Distribution point	Mr. B. G. Curtis	
Moorings	Weymouth Sailing Club	28/03/18
Yard	Weymouth Sailing Club	2040
Dinghy Park	Weymouth Sailing Club	2040
Boat Park	Weymouth Rowing Club	
Pontoon	Weymouth Rowing Club	
Moorings	R.N.L.I.	
Dinghy Park	Sea Cadets	
Moorings	Sea Cadets	
Moorings	Weymouth Outdoor Education Centre	
Building	Weymouth Outdoor Education Centre	
Kiosk		

APPENDIX 5: 5 YEAR ASSET MANAGEMENT PLAN SAMPLE

Item/details	Cargo Stage Pontoon Structure (120m) and access bridge <i>(may extend to 27 yrs and replace 2026 to coincide with replacing decking schedule)</i>	Cargo Stage - replace wooden decking <i>(when due for replacement in 2016 replace with fibreglass to extend pontoon life)</i>	Custom House Quay (Visitors) Pontoon Structure (63m) plus access bridge	Custom House Quay (Visitors) Decking (hardwood)
Purchase date	1999	2006	2003	2003
Lifespan (yrs)	25	10	25	13
Replacement due	2024	2016	2028	2016
Yrs until/ beyond replacement	11	3	15	3
Replacement cost	£75,000	£10,200	£46,500	£5,500
Yrs left to replace	11	3	15	3
Cost per annum	6818	3400	3100	1833
2014/15	6818	3400	3100	1833
2015/16	6818	3400	3100	1833
2016/17	6818	3400	3100	1833
2017/18	6818		3100	
2018/19	6818		3100	

APPENDIX 6: PRIORITISED PROCUREMENT LIST SAMPLE

LOCATION	ASSET	TASK	COST Italic - Estimate Plain - Quote	PRIORITY 1 - Health & Safety Requirement/ Mandatory 2 - Protecting Income 3 - Maintaining Status Quo 4 - Raising Standards	NOTES
Items without funding bids at this stage					
Harbour	Harbour storage	To provide adequate storage for all harbour assets including financial records			
Harbour	Fishing Gear Compound	To develop a compound that is of minimum visibility and will allow areas to be segregated and charged for rent			
Cargo Stage	Surface	Resurface cargo stage. This item is subject to advice from the harbour walls survey			
Various	Quayside berths	Provision of water and electricity to all berths. It is hoped pontoon replacement will achieve this task			
Various	Fencing	Provision of fencing to prevent tourists seeing 'work areas' and 'glory holes'. Item added to ferry port regeneration			

Asset Register Items Extracted for FY 2013/14

Custom House Quay West	Pontoon Water Supply	Fit break tank to water supply	£10,000	1	To include electric supply if no power available on the pontoon
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Cove	Pontoon Water Supply	Fit break tank to water supply	£10,000	1	
Westwey Road	Pontoon Water Supply	Fit break tank to water supply	£5,000	1	
Various	Harbour Wall Ladders	Replace 3-5 harbour wall ladders annually. £500/ladder. £2K per year	£2,000	1	
Harbour	Various signs	Replace signs on a rolling programme £1k per year	£1,000	1	
Weymouth Bay	Marker buoys	Rolling programme £1k per year. Chain replaced every 2 yrs, shackles every yr and 2 buoys annually	£1,000	1	
Pilots' Pension Fund	Fund Deficit	Possible liability to £10k per annum	£10,000	1	Report expected in Nov 12. Value of liability not known - £10K estimate.

Sub-total £39,000

Pontoon Furniture	Electric Bollards	Rolling programme of replacement. £6K total annually	£6,000	2	
Pontoon Furniture	Water Hoses	Rolling programme of replacement. £1K total annually	£1,000	2	
Commercial Rd Pontoon	(Bridge to ramp)	To replace existing pontoon inc. fibreglass decking. Priority No. 2 for pontoon replacement	£60,000	2	Application may be made for up to 50% funding from MMO (European Fisheries Fund)
Commercial Rd Pontoon	(Elbow to Slipway)	To replace existing pontoon inc. fibreglass decking. Priority No. 1 for pontoon replacement	£89,000	2	Application may be made for up to 50% funding from MMO (European Fisheries Fund)
Harbour Office Facilities	Laundry Room Washer	Replace washer	£2,000	2	
Harbour Office Facilities	Laundry Room Drier	Replace drier	£1,600	2	

Harbour	Wi-Fi	Provision of Wi-Fi in all port areas	£5,000	2	
Harbour	Depth	To dredge outer harbour if survey indicates the need	£15,000	2	
Harbour Authority	Buildings	Preventative Maintenance Fund	£30,000	2	Complete survey and instigate a repair and maintenance plan
Harbour Authority	Harbour Assets	Replacement Fund	£150,000	2	

Sub-total £359,600

Melwey	Engines	Replace engines	£10,000	3	
North Quay	Bird Scarer System	Investigate different design system including patrol by bird of prey	£3,000	3	
Slipway	Pontoon	Replace slipway pontoon	£30,000	3	
Traffic Signals	Mast	Paint port signals mast	£750	3	
Pleasure Pier	Fixed Green Lights	Convert lights to LED and refurbish the mast	£2,500	3	
Link Span	Fixed Green Lights	Convert lights to LED.	£2,000	3	
Harbour Transport	Peugeot Van	Replace van	£6,000	3	

Sub-total £54,250

Westwey Road	Pontoon	Replace X Arm (concrete)	£50,000	4	
Custom House Quay Commercial Vessels	Supply Cabinets	Replace red boxes but this item not required if pontoons have electrics	Unknown	4	It is intended to link the Custom House pontoons in 2015 which would negate the need to replace these boxes
Custom House Quay	Ferry Steps	Replace steel steps	£30,000	4	
Cove	Stone Steps	Replace stone steps	£10,000	4	
Pleasure Pier	Toilets	Demolish toilet block	£6,000	4	

Sub-total £46,000

Ferry Port Regeneration Costs and Harbour Wall Repairs

Harbour Authority	Pontoon Water Supply	Fit break tank to water supply	£5,000	1	
Ferry Terminal	Harbour Wall Ladders	Replace 3-5 harbour wall ladders annually. £500/ladder. £2K per year	£2,000	1	
Ferry Terminal	Various signs	Replace signs on a rolling programme £1k per year	£1,000	1	
Ferry Terminal	Marker buoys	Rolling programme £1k per year. Chain replaced every 2 yrs, shackles every yr and 2 buoys annually	£1,000	1	

Sub-total £420,200

Overall total £919,050

Items covered by Routine Maintenance Funding and not duplicated here

Fish Quay Crane annual maintenance and certification

Peugout van MOT and service

To conduct an annual depth survey of the harbour

Routine pontoon maintenance

Boat and engines annual maintenance - Pilot Boat Melwey Workboat Regis Dory Rib 1 Rib 2	Melwey Maintenance - Welding Painting New Anodes Crane hire for lifting in/out water Possible radar replacement - deferred Replace hydraulic pipe and control box Engine service/oil change 18 new fender buoys
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Provision of annual contracts and service agreements.

APPENDIX 7: HARBOUR BUDGET 5 YEAR BUDGET FORECAST

(Maintenance budgets breakdown Response maintenance / contracts etc)

Harbour Board - Controllable Costs	2013/14 Budget	2014/15 Predicted	2015/16 Predicted	2016/17 Predicted	2017/18 Predicted	2018/19 Predicted
Expenditure						
Employees	478,843.00	461,158.00	470,410.00	474,695.00	479,034.00	483,413.00
Premises	455,690.00	275,639.00	284,385.00	293,563.00	303,196.00	313,306.00
Contracts		46,650.00	46,650.00	46,650.00	46,650.00	46,650.00
Response Maintenance		65,537.00	65,537.00	65,537.00	65,537.00	65,537.00
Supplies		13,710.00	13,710.00	13,710.00	13,710.00	13,710.00
Transport	1,467.00	625.00	625.00	625.00	625.00	625.00
Supplies and Services	91,530.00	93,058.00	94,617.00	96,206.00	97,828.00	99,482.00
Total Expenditure	1,027,530.00	956,377.00	975,934.00	990,986.00	1,006,580.00	1,022,723.00
Income						
Rents and Licences	-164,506.00	-158,637.00	-159,230.00	-159,837.00	-160,455.00	-161,085.00
Recoverables	-56,649.00	-48,535.00	-49,504.00	-50,496.00	-51,504.00	-52,537.00
Commercial Activities	-495,458.00	-828,956.00	-845,671.00	-862,198.00	-879,115.00	-896,592.00
Leisure Activities	-775,550.00	-787,537.00	-804,980.00	-818,003.00	-835,655.00	-849,203.00
Total Income	-1,492,163.00	-1,823,665.00	-1,859,385.00	-1,890,534.00	-1,926,729.00	-1,959,417.00
Controllable Surplus / Deficit	-464,633.00	-867,288.00	-883,451.00	-899,548.00	-920,149.00	-936,694.00
Asset Management Reserve	0.00	750,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Harbour Walls Reserve (3 Berth)	171,200.00	171,200.00	171,200.00	171,200.00	171,200.00	171,200.00
Condor Regeneration Project	66,000.00	25,000.00	25,000.00	25,000.00	25,000.00	0.00
Support Services	224,000.00	224,000.00	224,000.00	224,000.00	224,000.00	224,000.00
In-Year Surplus / Deficit	-3,433.00	302,912.00	36,749.00	20,652.00	51.00	-41,494.00
Surplus/Deficit B/F	35,863.00	32,430.00	335,342.00	372,091.00	392,743.00	392,794.00
Surplus/Deficit C/F	32,430.00	335,342.00	372,091.00	392,743.00	392,794.00	351,300.00
Non - Controllable						
Capital Charges	177,000.00	177,000.00	177,000.00	177,000.00	177,000.00	177,000.00
Total Non - Controllable	177,000.00	177,000.00	177,000.00	177,000.00	177,000.00	177,000.00
Commitments						
Pleasure Pier (£20K/year)	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00

APPENDIX 8: LIST OF HARBOUR RELATED BUILDINGS (TO BE REVIEWED AS PART OF RECOMMENDATION 14)

Property	Management (Cost Code)	Occupation	Comments
Peninsula Area	Perimeter piling remains harbour responsibility but maintenance of car parks and access roads remain Corporate.	Mix of port secure area, public areas (Pleasure Pier), car parks, Pavilion	
Ferry Terminal Building	Leased to Condor except CCTV and Harbour Office External – property Service	Condor, CCTV and Harbour Office	Includes parking spaces and queuing lanes behind
Quay Building (old Departures Hall)	Harbour	Empty	For demolition or re-use
Arrivals Hall/Customs Shed	Harbour	Access rights to Condor, UKBF and Special Branch	UKBF and Special Branch offices within
Provedore Store	Harbour	Condor	
Security Gate facilities	Harbour		
Vehicle Search Halls	Harbour		
Port Health Office	Harbour	Environmental Health	
Vehicle Exit Customs Checkpoint	Harbour		
Fuel and Oil Tanks	Condor		
Ferry Terminal Garage	Harbour		
Electrical Sub Station	Harbour		
Portacabin	Harbour		
Check in Booth	Harbour		
Linkspan	Harbour		
Pleasure Pier with Public Conveniences	Property Services		
Pleasure Pier Cafeteria	Property Services		
Harbour Office 13 Custom House Quay & Garage, South Parade	Harbour		
Cargo Stage	Harbour		

Stone Pier	Harbour		
Nothe Walk & Dinghy Park	Harbour dinghy park Property Services Café/ Toilets	Dinghy park leased to Sea Cadets	
Rowing Club	Property Services except pontoon		
Lifeboat mooring	Harbour	Leased to RNLI	
Hookers Dock	Harbour	Leased out to Weymouth Sailing Club. Part sub- leased to RNLI	
Sand Jetty	Harbour		
Dean and Reddyhoff Marina Office	Harbour	Leased to Dean and Reddyhoff	
Angling Society	Harbour	Building and pontoon leased to Angling Society	
B Curtis Boatyard	Harbour	Leased to Automarine Services	
Inner Harbour Slipway	Harbour	Ice store leased to fishermen	
Westwey Road Pontoons	Harbour		
North Quay Pontoons	Harbour		
Slipway to Town Bridge	Harbour		
Town Bridge to Ship PH	Harbour		
Custom House to Cargo Stage	Harbour		
Cargo Stage to Ferry Steps	Harbour	Kiosk leased	
Trinity Road	Harbour	Pt let for Pleasure Boat Operation	
The Cove	Harbour		
Nelson's Wharf	Harbour	Leased to Auto Marine Services	
Various Sections of Sea Bed and Foreshore	Harbour leased from Crown Estate	Includes Castletown Beach	
Town Bridge	Dorset County Council		

APPENDIX 9: SWOT ANALYSIS

STRENGTHS

- A9.1** Municipal ports tend to all have their own distinctive physical and commercial characteristics. Weymouth Harbour is recognized as being attractive architecturally, a well sheltered port on a picturesque stretch of coastline. The proximity to the town and beach and the quick accessibility to the open sea are all strengths. The marine environment provides good fishing and diving and the excellent sailing waters attract competitive events including the 2012 Olympic sailing events.
- A9.2** The harbour is competently managed with committed and experienced staff and a Borough Council which actively seeks to balance the benefit to the residents of a thriving facility and a commercially successful enterprise.
- A9.3** The diverse income sources of permanent berth holders, Condor Ferries, commercial fishing, recreational fishing and diving, visiting yachts and other smaller sources of income are a valuable commercial mix reducing overall business risk. The loss of the Condor service or a deterioration of one of the main business streams would be very damaging to the Harbour and the wider community.

WEAKNESSES

- A9.4** The harbour business uses its' assets effectively with an approach that has evolved over time. However it is in many ways "full". There is limited scope to expand marine operations by attempting to attract traditional marine cargo or additional ferry operations, space for extra permanent moorings is unavailable and visiting yachts have to raft up to be squeezed in. This situation is compounded by slow hinterland road and rail connections and a small population.
- A9.5** The frugal approach to past investment is resulting in some facilities becoming not fit for purpose, failing to keep up with market expectations, close to acceptable

safety standards and facing debilitating maintenance costs. Staffing levels have been kept tight and do not include some skills such as business and marketing development which might be a component of a future strategy.

OPPORTUNITIES

- A9.6** The port faces some large cost liabilities which currently are not matched by significantly improved levels of income. Inevitably the price and extent of services offered will be a major issue over the next few years. Various incremental changes in how the port is run are being identified to address the "Hard Choices" challenge.
- A9.7** Some developments including offshore power installations may offer some modest short term, isolated financial benefits but no major opportunities for the harbour currently exist.

THREATS

- A9.8** The harbour feels the effect of some factors which are beyond its' control. Continued national economic difficulties, bad weather, competition etc demand awareness of their impact and consideration in how the harbour is managed.
- A9.9** Lack of access to financial resources, people skills, resistance to change, poor commercial competence, ineffective managerial control, failure to keep up with market developments, lack of new (or the loss of existing) business streams are all a danger to the health of the port.