

WHITSTABLE HARBOUR BOARD

15th November 2019

Subject: Whitstable Harbour Pontoon

Head of Service: **Director of Finance & Procurement**

Decision Issues: These matters are within the authority of the Board

Decision type: Non-key

Classification: This report is open to the public

CCC Ward: **Gorrell & Tankerton**

Summary: *This report updates the Harbour Board on the operation of the pontoon over the past year and it's future management.*

To Resolve: **That the Director of Finance and Procurement advertises the offer of three berths on the pontoon on the open market at a fixed rate for the next three year period and will agree in consultation with the Harbour Master the criteria for selection.**

To consent to the grant of leases to the operators for an area of quay to be used as a ticket office.

SUPPORTING INFORMATION

1. Introduction

Following the installation of two pontoon sections along the harbour's East Quay in August 2017 the allocation of berths on this pontoon and how the pontoon should operate has been under consideration. It was decided to run a trial period of one season to better understand the issues associated with running commercial boat trips from the harbour and most importantly, how the pontoon facility might best be managed in the future. This trial was continued throughout the 2019 summer season

It is appropriate that decisions are now taken regarding future commercial operations from the pontoon and this report outlines the progress that has been made in this regard together with recommendations for the future.

2. Detail

During the past 2 year trial period, the criteria against which applications for a pontoon berth have been assessed were drawn up. These criteria included:

- Provide an outline of the operation you propose to conduct from the pontoon
- Provide details of the boat you intend to operate
- Does the boat listed above have the appropriate licence to operate a passenger service?
- Do the skipper and crew of the above mentioned boat hold appropriate certification?
- Do the skipper and crew of the above mentioned boat have local knowledge and experience of Whitstable Harbour and the Thames Estuary?
- Do you have appropriate insurance cover for the proposed operations?
- Will your operations provide local employment opportunities?
- Is this vessel suitable in design, construction, length and draft to lie on the pontoon?

- Is this vessel compatible with the fleet mix and range of tripping experience provided?
- Does the applicant have a satisfactory financial record with CCC?
- Does the applicant have a satisfactory port marine operational track record.?
- Does the proposed operation include a training element?
- Does the proposed operation include a youth development element?
- Does the applicant have a quayside booking office?

At the start of each season details of the pontoon berth application process have been posted on the harbour's website and over a six week period applications for the pontoon were sought and then assessed.

Over the two year trial period pontoon berths were allocated as follows: The harbour's pilot launch Speedwell was allocated a berth on the landward end of the pontoon. Seaward of this berth a high speed RIB was allocated and seaward of this a larger cabin cruiser. Following the sale of the pilot launch Speedwell the berth has not been re-allocated and just two leisure craft have operated from the pontoon during the 2019 season.

In addition, a number of enquiries to operate a passenger boat from the seaward end of the pontoon have been received. Two operators were allocated this facility during the 2019 season but neither operator took advantage of the offer, due apparently to mechanical and engine problems with their boats. It is anticipated that these two operators, plus potentially other operators, may re-apply for the 2020 season and it is recommended that this facility be trialed for a further period.

Embarking and disembarking passengers for the barge Greta from the pontoon has been trialed. The process involves berthing the barge on the East Quay Ballast berth and running a gangway off the seaward end of the pontoon. In practice this procedure has seldom been carried out and the Greta's passengers have continued to embark and disembark from the South Quay.

The current charges payable for a pontoon berth are £250 per metre LOA per year – ie a 10m leisure craft will pay £2500 per year. This figure was introduced following the installation of the pontoon in 2017 and was reached following an exercise comparing harbour dues payable on pontoon berths in other harbours.

With respect to the operators who will only use the pontoon to embark or disembark passengers a different charging structure was required. This current charges payable are £0.50 per passenger plus a conservancy fee of £50 per visit.

Due to the exposed nature of Whitstable Harbour boats do surge in rough weather. Boat owners therefore run their moorings astern and forward of their berth and the result is that each boat occupies more quay space than the length of the boat itself. The pontoon installation consists of two units each measuring 20m – giving a total length of 40m berthing space. Following the trial period and previous experience the optimal number of berths on the pontoon is three vessels of approximately 10m to 12 m each. This safety margin does impact on the number of boats that can be moored on the pontoon and this in turn impacts the income that can be realised.

Given the current projections the likely total income from harbour dues and fees on the pontoon is approximately £10,000 per year. This income will be separately monitored from the rest of the harbour berths and will be reported to the Harbour Board.

3. Options available with reasons for suitability

Option 1 – Allocate berths with a view to maximising income

In response to the offer of the berths being advertised by the Council on the open market each applicant will submit their proposal of the sum they are prepared to pay for a berth for a three year agreement.

In addition to the sum offered for the berth, the applicants will also pay a contribution towards the upkeep of the pontoon embarkation facility (estimated at about £500 p.a) and an additional 'Ground rent' for an area of quay space upon which to place a booking office if required by the applicant. The ground rent will be a fixed sum of £500 p.a

All applicants must demonstrate the ability to comply with the mandatory requirement of the Harbour Master to ensure the safety of passengers and other harbour users but provided the Harbour Master is satisfied that these will be complied with the berths will be allocated to the highest bidder. For the avoidance of doubt, if in the Harbour Master's reasonable opinion, any applicants are unable to demonstrate compliance with the mandatory safety requirements then their offer will be discounted.

At the end of the three year agreement Harbour officers can assess whether there is a need to re-advertise for new operators or to negotiate terms for a renewal with the existing operator.

Option 2 - Apply a fixed rate to remove 'income generation' from the allocation process

As with option 1 the opportunity to take a berth will be advertised on the open market but the Council will state the fixed rate for the berth which will apply for the three year term of the agreement.

In addition to the fixed rate for the berth applicants will also pay an additional sum if they require a space for a hut on the quay and will pay a contribution toward the maintenance costs of the pontoon in the same way as set out for option 1 above.

All applicants must again satisfy the mandatory requirements of the Harbour Master but otherwise the applicants will be assessed on the quality of their offer in accordance with criteria agreed in advance by Harbour officers to ensure transparency and fairness and which reflect the Harbour Board's reasons for originally deciding to construct the pontoon.

Option 3 – Not to allocate berths

A third option is to not allocate berths but to leave the pontoon as a public facility for users to just embark and disembark upon prior notice for a fixed fee.

4. Reasons for supporting option recommended, with risk assessment

In January 2017 the Harbour Board resolved to allocate funds for the construction of a 30 metre pontoon landing platform. The reason for that decision was as follows:

The provision of an embarkation facility offers a great opportunity to attract visitors to the Harbour and has many wider benefits to the local community and economic growth of the Harbour and town.

It is accepted that the pontoon has wider benefits to the Harbour than just the ability to generate income and therefore officers recommend Option 2.

5. Implications

(a) Financial - Income from the berths is assumed within the proposed budget for the Harbour.

(b) Legal

In addition to the berthing agreement it will necessary to grant a lease of an area of the quay should the applicant wish to place a ticket office on the quayside.

(c) Equalities

None - Issues concerning use and access have already been considered in earlier reports covering the installation of the pontoon.

- (d) Environmental including carbon emissions and biodiversity

None - This report relates to the selection process for operators rather than use

Other implications

- (e) Staffing resource

During the summer month weekends when the pontoon usage will be at its highest, Seasonal Port Attendants will be on duty. However, staff implications should not be a significant factor as it is incumbent on berth holders to manage the movement of their passengers to and from the pontoon and their craft

6. Conclusion

Allocating berths in the harbour is seldom a straight forward process and with demand exceeding space there is always a difficult compromise to reach. Unsuccessful applicants for berths will understandably be disappointed at the outcome. However, to make the process as fair and transparent as possible, the selection of the successful applicants should be made on clearly defined criteria, a course of action which has been implicitly followed to-date and will continue to be followed under the management structure outlined above.

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