

**ANGUS COUNCIL**

**COMMUNITIES COMMITTEE – 16 JANUARY 2018**

**ARBROATH HARBOUR**

**REPORT BY HEAD OF TECHNICAL AND PROPERTY SERVICES**

**ABSTRACT**

This report provides an update on issues referred by the Arbroath Harbour Joint Consultative Committee in December 2017 and seeks approval of the use of Arbroath Harbour Reserve Fund.

**1. RECOMMENDATIONS**

It is recommended that the Committee:

- (i) agrees that the contractual specification for future dredging be established at the minimum level of quality provided as part of the 2017 dredging contract;
- (ii) considers the referral by the Arbroath Harbour Joint Consultative Committee to the committee of costs to reopen and maintain the public ramp onto the beach at Inchcape and determines whether further action should be taken;
- (iii) agrees that all interested parties, including craft users, be sought to rent the vacant units in the Black Shed; and
- (iv) agrees to the proposed use of part of the Arbroath Harbour Reserve Fund as match funding for a bid to construct pontoons in the outer harbour to North East of Scotland Fisheries Local Action Group (NESFLAG) for European and Maritime Fisheries Fund, as detailed in this report.

**2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN**

This report contributes to the following local outcomes contained within the Angus Local Outcomes Improvement Plan and Locality Plans:

- An inclusive and sustainable economy
- An enhanced, protected and enjoyed natural and built environment

**3. BACKGROUND**

- 3.1 The Minute of Meeting of the Arbroath Harbour Joint Consultative Committee, held in Room D, Bruce House, Arbroath on Friday 8 December 2017 at 3.00pm reference Item 3(3) of the Communities Committee 16 January 2018, details the items that the Consultative Committee wished to refer to the Communities Committee.

**4. CURRENT POSITION**

- 4.1 Item 4(b)(ii) of the Minute of Meeting of the Arbroath Harbour Joint Consultative Committee on 8 December 2017, detailed the success of the harbour dredging operations undertaken in 2017. The initial review of the contract identified the added benefit of the level of mapping and evidence of material removed, which was provided by the supplier. It is considered appropriate that the specification for future dredging makes the provision of such additional information obligatory.
- 4.2 Item 4(c)(ii) of the Minute of Meeting of the Arbroath Harbour Joint Consultative Committee on 8 December 2017, detailed the costs that would be incurred to reopen the public ramp onto the beach at Inchcape. The cost to bring the ramp back into use, relocating the rock armour is estimated as £9,000, with a further £3,000 annual cost to keep the head of the ramps clear of

coastal and tidal debris. It is considered that the reported demand for the ramp since its closure in April 2017 is insufficient to justify reinstatement.

- 4.3 Item 4(c)(iv) of the Minute of Meeting of the Arbroath Harbour Joint Consultative Committee on 8 December 2017, detailed the interest that has been expressed from local craft users in renting the vacant storage units at the Black Shed. It is considered that the under occupancy from historic harbour users and the interest shown merits the marketing of the units outside the historic harbour users.
- 4.4 Item 4(c)(i) of the Minute of Meeting of the Arbroath Harbour Joint Consultative Committee on 8 December 2017, detailed the progress made in submitting a funding bid to NESFLAG for European and Maritime Fisheries Fund monies to construct pontoons in the outer harbour. Three combinations of pontoon layout have been priced by contractors so as to inform the submission of the funding application, which was submitted by the 7 January 2018 deadline. The application submission is being reviewed by NESFLAG and a resubmission by the council will be made between 22 January and 4 February 2018. The period between the initial submission and resubmission has allowed the layout options to be consulted on with Harbour Users. The period also allows for the formal approval of the use of part of the Arbroath Harbour Reserve Fund as match funding, as detailed in Section 6 of this report.

## **5. PROPOSALS**

- 5.1 It is proposed that the specification for future harbour dredging includes allowance for effective mapping and evidence of material removed.
- 5.2 It is proposed that no further action is taken to reinstate the access ramp to the beach at Inchcape.
- 5.3 It is proposed that the vacant storage units in the Black Shed be offered for rental to craft users.
- 5.4 It is proposed that the Arbroath Harbour Reserve Fund be accessed, as per the procedure and limits detailed in Section 6 of this report, to provide match funding to the European and Maritime Fisheries Fund for the construction of pontoons in the outer harbour.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 It is considered that the standardisation of the harbour dredging specification to include effective mapping and evidence of material removed will have no effect on the cost of future dredging contracts.
- 6.2 The annual costs of clearing the public ramp to the beach at Inchcape of around £3,000 have been contained within the supplies and services budget for Arbroath Harbour since the ramp opened in 2013. There would therefore be a saving in expenditure if there is no further action to reinstate the ramp.
- 6.3 The vacant storage units in the Black Shed represent an under recovery of rental charges available. Opportunities to rent these units will result in a positive impact on the income and the overall financial position of Arbroath Harbour.
- 6.4 Arbroath Harbour Reserve Fund
- 6.4.1 The Arbroath Harbour Reserve Fund was established by the Council to provide a means to cover extraordinary costs. An annual contribution has been made to the Reserve Fund from the operating costs of the harbour, based on 6% of net harbour income received, excluding fuel recharge. The Reserve Fund currently sits at £264,000.
- 6.4.2 It is considered prudent and reasonable that a minimum level of funding should be held within the Arbroath Harbour Reserve Fund. It is recommended that this level be set at £100,000.
- 6.4.3 It is considered prudent and reasonable that a maximum be set on the amount to be taken out of the Arbroath Harbour Reserve Fund in any one financial year. It is recommended that this is set at 40% of the total Arbroath Harbour Reserve Fund, noting the requirement for a minimum level of funding of £100,000 detailed in paragraph 6.4.2, based on agreement

between the Head of Technical and Property Services and the Head of Corporate Finance. Proposals to exceed the 40% limit will require committee approval.

- 6.4.4 Based on approval of the use of the Arbroath Harbour Reserve Fund as detailed in paragraphs 6.4.2 and 6.4.3, the maximum amount that can be applied to match funding of European and Maritime Fisheries Fund for the construction of pontoons in the outer harbour in the current year will be £105,600. Based on the prices received from contractors for the three options, this is considered to be sufficient to progress with any of the three individual options at this time. This would leave a balance in the Arbroath Harbour Reserve Fund of at least £158,400. The Reserve Fund will continue to be topped up annually (currently c. £12,000 per year - estimated 2017/18) from the user charges (i.e. income) of the harbour. The construction of the pontoons in the outer harbour will also generate additional income, which will contribute to these payments.

## **7. EQUALITIES IMPLICATIONS**

7.1 The issues dealt with in this report have been the subject of consideration from an equalities perspective. An equalities impact assessment has been undertaken.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

**Report Author: Ian Cochrane, Head of Technical and Property Services**  
**Email Details: [Communitiesbusinesssupport@angus.gov.uk](mailto:Communitiesbusinesssupport@angus.gov.uk)**