

Allerdale Borough Council

Harrington Harbour and Dock Board Meeting – 15 February 2013

Report on Annual Review of Mooring Fees

The Reason for the Report	To inform discussion on, and to review charging levels for mooring fees.
Summary of options considered	Value added tax to be charged. Review standing resolution to increase mooring fees by 20%.
Recommendation	That Members discuss and confirm increased charges for financial year 2013-2014.
Financial / Resource Implications	Decision of the Board informed by this report will affect level of income raised from mooring fees
Legal Implications	No direct implications from this report
Community Safety Implications	None
Health & Safety & Risk Management Implications	Not applicable
Equality Duty considered / Impact Assessment completed	Not applicable
Wards Affected	All, as the harbour is considered as an asset benefitting the whole Borough
The contribution this decision would make to the Council's priorities	Will contribute to Economic Development by helping to meet the harbour running costs and safeguarding the continuation of the asset.
Is this a Key Decision	No
Portfolio Holder	Councillor Barbara Cannon
Lead Officer	M. Faulkner Assistant Engineer Tel: 01900 702755 mike.faulkner@allerdale.gov.uk

1.0 Introduction

- 1.1 This report informs and enables the Board to review mooring fees for the coming year, and to set a fair and equitable level of charges, balanced between the need to generate income to cover running costs of the harbour and to ensure that the charges are fair and affordable for the facilities currently provided.

2.0 Content

Background, current situation, mooring fee increase, implications, recommendation.

2.1 Background.

Following completion of repairs to harbour walls during 2007-2008 mooring charges were reintroduced on 1 May 2009 and an updated table showing income and costs is set out below.

Financial year	2009-2010	2010-2011	2011-2012	2012-2013
Trust fund interest bal.	£7,424.54	£7,617.25	£7,118.53	not available
Number of moorings	16	13	19	16
Mooring fees received	£1,724.72	£2,106.65	£3,706.81	£2,514.52
Running costs	£28,460.30	£19,800.99	£16,634.00	£30,497.00

Note; the 2012-2013 information is provisional to 29 January 2013 and include costs incurred by the provision of the replacement pontoon.

Board minute 632 of the meeting of 18 February 2011 records the previous decision regarding mooring fees for financial year 2011-2012 as setting a year on year increase of 20% for the next three years in an attempt to close the deficit between costs and income. Prior to this fees were only increased by an amount equal to the inflation rate as indicated by the Consumer Price Index. The 2012-2013 fee increase of 20% was absorbed by, and regularised the previous omission to charge VAT and so did not increase useable income for this year.

2.2 Current situation.

Charges will now include value added tax. 2013-2014 will be the third and final year in which fee increases have been set by Board minute 632, and this report enables Members to review and confirm the intention to increase fees by a flat rate of 20%.

2.3 Mooring fee increase

A 20% increase on the current (2012-2013) mooring fees is set out below which includes VAT and indicates the total charge to the customer.

Current charges	per metre	2013-2014 charges	per metre
Wall mooring	£45.96		£55.15
Centre mooring	£53.64		£64.36

As an indication of the average actual cost per boat this would be as set out below.

Current charges	5.6m boat	increased charges
Wall mooring	£257.37	£308.84
Centre mooring	£300.38	£360.41

2.4 Implications

Two issues need to be considered;

To raise enough income to offset running and repair costs, which currently amount to £30,497.00, while income from mooring fees has realised £2,514.52, giving a shortfall of £27,982.48.

(The Trust Fund interest balance will not be known until the end of the financial year.)

An increase needs to be kept to a fair level for the facilities provided so as to avoid a loss of clientele and a consequent fall in income.

2.5 Recommendation

That Members confirming mooring fee increases of 20% for financial year 2013-2014 as previously set by Board minute 632.

M. Faulkner, 29/1/13.

Report Implications

Please delete where applicable.

Community Safety	N	Employment (external to the Council)	N
Financial	Y	Employment (internal)	N
Legal	N	Partnership	N
Social Inclusion	N	Asset Management	Y
Equality Duty	N	Health and Safety	N

Background papers

.....none.....