

Thanet District Council Port and Harbours Report for the 2014-15 Financial Year

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1)

About our Port and Harbours:

The Port of Ramsgate



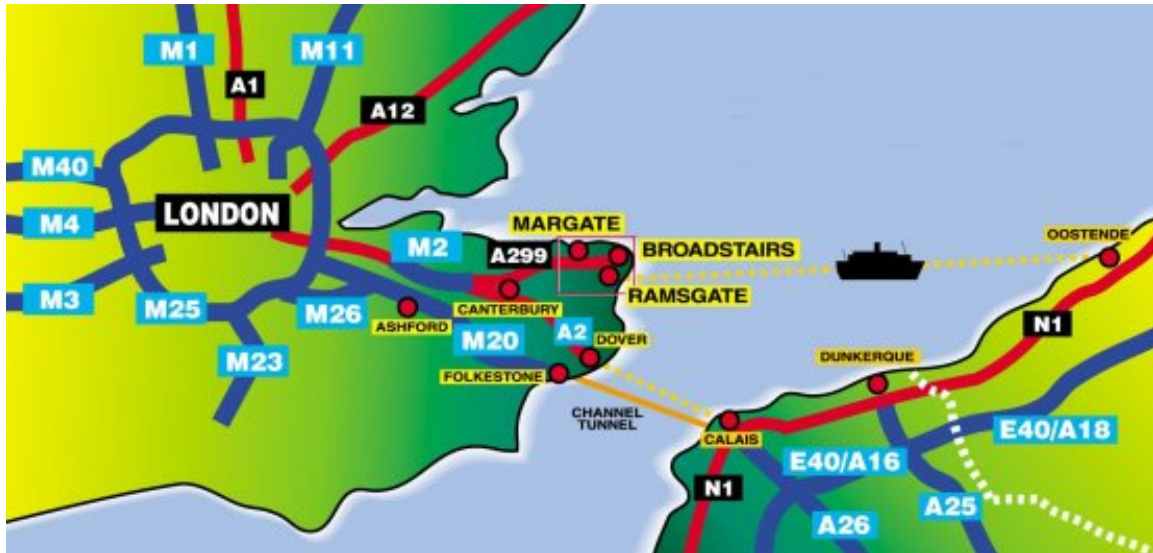
The Port of Ramsgate is one of 26 municipal ports on England and Wales.

Set on 32 acres of dedicated port land, the Port of Ramsgate has three modern roll on roll off (Ro-Ro) bridges, capable of accommodating conventional Ro-Ro fast ferry freight services. Full passenger and freight vessel facilities allow the Port to operate and service the three berths simultaneously, allowing Ramsgate to handle up to 500,000 freight units and five million passengers each year.

The Port can accommodate vessels of up to 180 metres in length with 6.5 metres draft with no tidal restrictions and has the capacity to handle multi-decked vessels, stern and quarter ramps. With easy access to the open sea, it takes an average of 20 minutes from berth to clearing a buoyed channel and access is possible at all states of the tide and in most weather conditions.



With a dedicated £30 million road into the port and dual carriageway links to the M2 motorway, driving times between Thanet and the outskirts of London have been cut to just over an hour. High speed passenger rail services started in December 2009, cutting the journey time from Ramsgate to London to just 63 minutes.



The Port of Ramsgate operates an aggregate import facility, in partnership with Brett Aggregates, which can accommodate vessels of up to 90 metres in length, carrying around 1,200 tonnes of cargo. Type one, crushed slag, sand and crushed limestone is imported, which is then used for road and building bases.

With sufficient available land and deep water to allow future diversification and the availability of hard standing and berthing slots, the Port of Ramsgate is well placed for short sea shipping trades and to capitalise on the predicted over capacity in the channel ports in the next 10 years.

Ramsgate has experienced significant growth in activity on the back of the offshore wind industry. Ramsgate is now a renewable energy hub for offshore wind following commitments from two projects off the Kent coast including the now operational Thanet Offshore Windfarm (TOW), which until recently held the 'world's largest' title but has now been overtaken by 'London Array' wind farm with 175 turbines. London Array undertook managed the construction of their world leading project from Ramsgate and Ramsgate is home to their operations and maintenance base. Between Vattenfall and London Array, 305 turbines are presently serviced from Ramsgate.

The Ramsgate Marina



The busy Harbour serves local fisherman and international yachtsmen alike, providing a wide range of facilities. There are many interesting activities constantly taking place all around this historic Harbour with many vantage points for the visitor to enjoy the pleasant surroundings. Visitors can take a gentle cruise around the bustling harbour or a walk along the East Pier, being the perfect setting to relax and enjoy the picturesque views of Ramsgate. Whilst visiting the Harbour, they can also take the opportunity to visit the Sailor's Church, Jacob's Ladder in Military Road, the RNLI Lifeboat Station and the Royal Temple Yacht Club.

The Royal Harbour Ramsgate, whilst having modern facilities, has an interesting historical background, dating back to Roman times, with many original features still in existence.

The Harbour was given its Royal title in 1821 when George IV sailed from Ramsgate to Hanover and back. He was so taken with the hospitality given to him by the people of Ramsgate that he decreed Ramsgate Harbour should have the right to add 'Royal' to its name. It is the only 'Royal' harbour in the United Kingdom.



Thanet District Council is committed to customer care and constantly strives to improve services within the Harbour.

As Kent's premier marina we offer our visitors the kind of welcome you would expect from the UK's only Royal Harbour. In 2011 the marina achieved the prestigious Four Gold Anchor Award, evidence of our commitment to provide the best in customer care and facilities.

Margate Harbour



Margate Harbour is a small drying site which is protected by a large stone breakwater, the Harbour Wall itself being constructed as a series of compartments filled with rubble and shingle and has now firmly withstood the fury of the sea for 186 years

The harbour is suitable for boats that can take the ground and sit reasonably upright as the bottom consists of fairly hard sand. It is also really only suitable for shallow draught boats as parts of the harbour dry.

The harbour is mainly used by small launch type craft fit on trailers and to this end there are slipways. Currently the local sailing club operate from this harbour and surrounding slipways.

The Turner Contemporary art gallery occupies a prominent position next to the harbour.
Broadstairs Harbour



Situated at the extreme north-eastern corner of the Kent coast and protected by a large stone breakwater, Broadstairs is predominantly used for Leisure and Fishing. Although the harbour still supports a small number of commercial fishing boats, these days the majority of sea-going is for pleasure rather than profit. Currently the local sailing club operates out of this harbour.

2)

Ramsgate Maritime Plan

Executive Summary

Ramsgate's port and Royal Harbour, owned and operated by Thanet District Council, is located 76 miles from the heart of London, and close to continental ports and harbours across the North Sea and Straits of Dover.

The commercial port has for the past decades, until recently, operated ferry services to both Dunkerque and Ostende and has become both a construction and now operation and maintenance base for three nearby offshore wind farms. The port adjoins the Royal Harbour.

The Royal Harbour forms a fantastic visual link between Ramsgate's attractive waterfront and the open sea. The dominant activity in the Royal Harbour is created by separate, wellappointed commercial and leisure marinas which provide safe berths for both local and visiting vessels.

The port and harbour lie in an environmentally sensitive marine area. The latter comprises of a number of nature conservation designations including Thanet Coast and Sandwich Bay Special Areas of Conservation and Special Protection Areas for birds together with Ramsar sites, the Thanet MCZ (Marine Conservation Zone) and Sites of Special Scientific Interest.

We have published this Maritime Plan, which has an evolving scope and purpose, as a high level guide for the future operation, development and management of the port and Royal Harbour.

Please Follow link to full report.

<http://www.portoframsgate.co.uk/exciting-developments/maritime-plan/>

3)

Report on the last 12 Months

Context for the 2014/15 Main Council Accounts

The current economic climate and that of recent years has had considerable impact on the Council, particularly due to its strong reliance on revenue from interest on reserves and fees and charges. The Bank of England base rate has remained at an historic low of 0.5% which has resulted in reduced investment receipts for the Council. There continues to be pressure in terms of generating fee income, car parking has seen this more than any other area this year, but this pressure is not limited to income and the pressure remains to deliver high quality services for less.

Local Government in general, and district councils specifically, are facing the toughest financial outlook for many decades. The Council has had cuts in formula grant of 16.9% in 2011-12, 7.4% in 2012-13 and 15% in 2014-15. Reductions in spending power of 5.1% in 2014-15 and 5.3% in 2015-16 have also been announced by the Department for Communities and Local Government (DCLG) in the Local Government Finance Report.

A range of savings options have been developed over the medium term to mitigate the impact of these cuts and enable the Council to deliver a balanced budget. These total £1.218m and include £0.932m of savings for 2015-16 already agreed in the 2014 budget setting as well as other planned savings for 2015-16 which include;

- £228k as a result of a Corporate review of budgets
- £28k as a result of reviewing insurance recoveries
- £30k as a result of contract reviews

The Council has reviewed its level of reserves, taking account of the financial risks that could pose a threat to the Authority over the medium term and also in light of the cuts in future funding. The Council has set its optimal level of general reserves at 12% of the net revenue budget. The general reserves as at 31 March 2015 are £2.011m which represents 12% of the 2015-16 net revenue budget and are therefore in line with the Council's optimal reserve level. In addition to the general reserve, a number of earmarked reserves exist. These are sums set aside for specific purposes and essentially allow funds to be saved over a number of years for large and often one-off items of expenditure, thereby smoothing the impact on Council Tax. The need for these reserves is reviewed regularly.

Also affected by the current economic climate are asset disposals. The Council's ability to generate funds from releasing capital resources has been limited affecting the Council's capital programme. Only the most important capital projects are now selected for inclusion within the programme which means that the programme is now driven predominately in response to health and safety issues and those projects that are key corporate priorities.

Summary of the 2014/15 financial year for the Port and Harbour

The past year has seen the continuation of Thanet District Council's (TDC's) full compliance with all statutory port marine legislation and codes of practice.

In September 2012, the Council imposed a temporary ban (lasting approximately five weeks) on the movement of live animals through the Port of Ramsgate. The Council was served with a judicial review application in October 2012 seeking to quash the decision on the grounds that it was unlawful, there was a further claim for resultant damages.

The High Court found in favour of the Claimants, agreeing that the ban was unlawful, and that the Council were liable for damages. A quantum of damages hearing was listed for June 2015. Settlement for the initial claims have been agreed and payment was made in March 2015, with a subsequent payment in April 2015. A total sum of £2.3m has been paid to claimants.

TDC has maintained its continuing expansion into the windfarm support industry. Although this is currently in a maintenance rather than a construction phase.

The Harbour continues to support a fishing fleet of approximately 26 vessels and the associated onshore support services. During 2014-15 work will be carried out to replace pontoons and water supply in the outer eastern marina. This is match funded by the European Fisheries Fund.

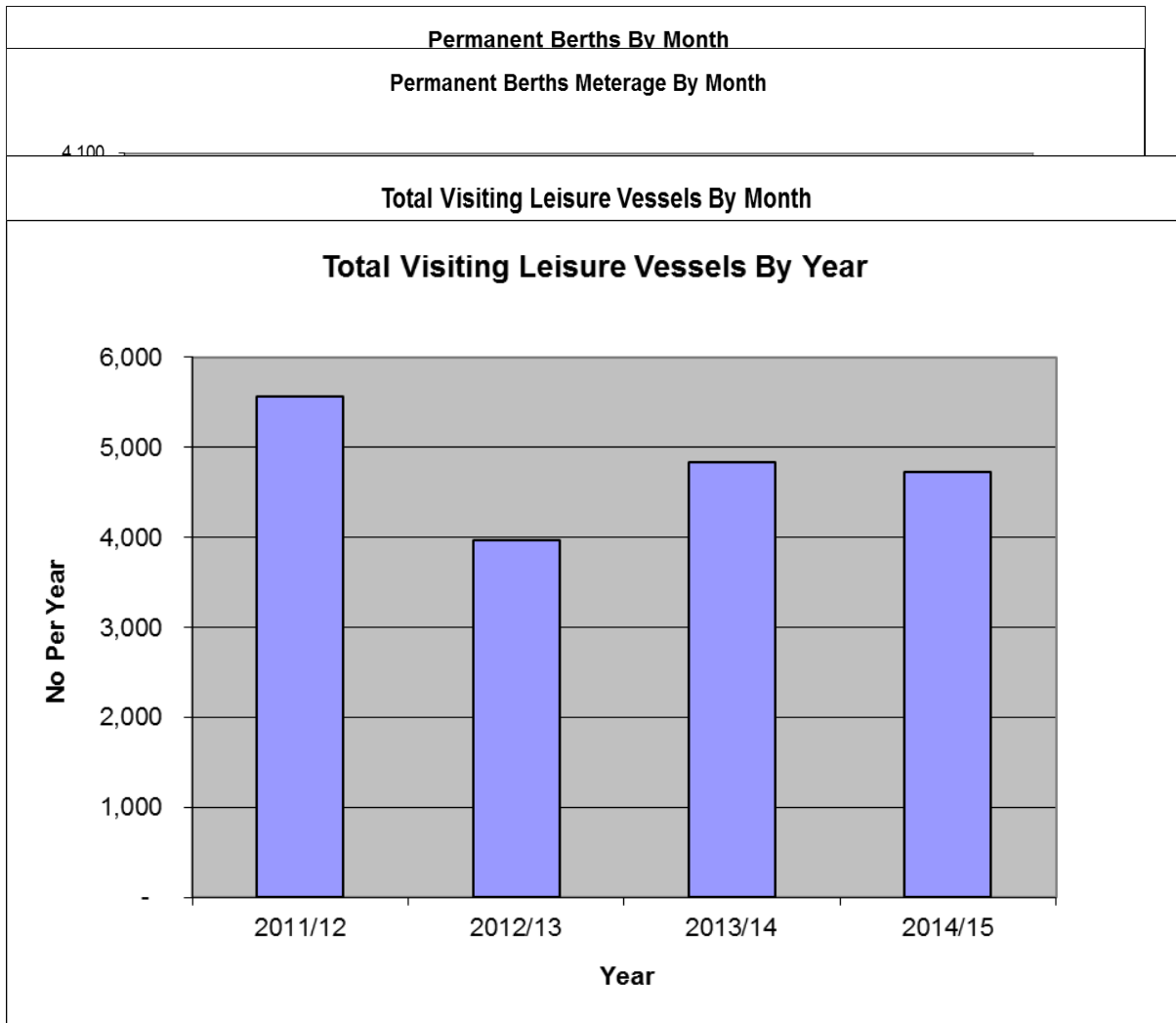
The Lo-Pinod Interreg Project is funding feasibility studies for an alongside quay at the Port of Ramsgate and also for a Low Carbon Plan.

Other projects include replacing the fuel barge facilities in the Harbour, improving wi-fi facilities for customers, a harbour conservation management plan and improving the marketing of the Port and Harbour.

4) Statistics

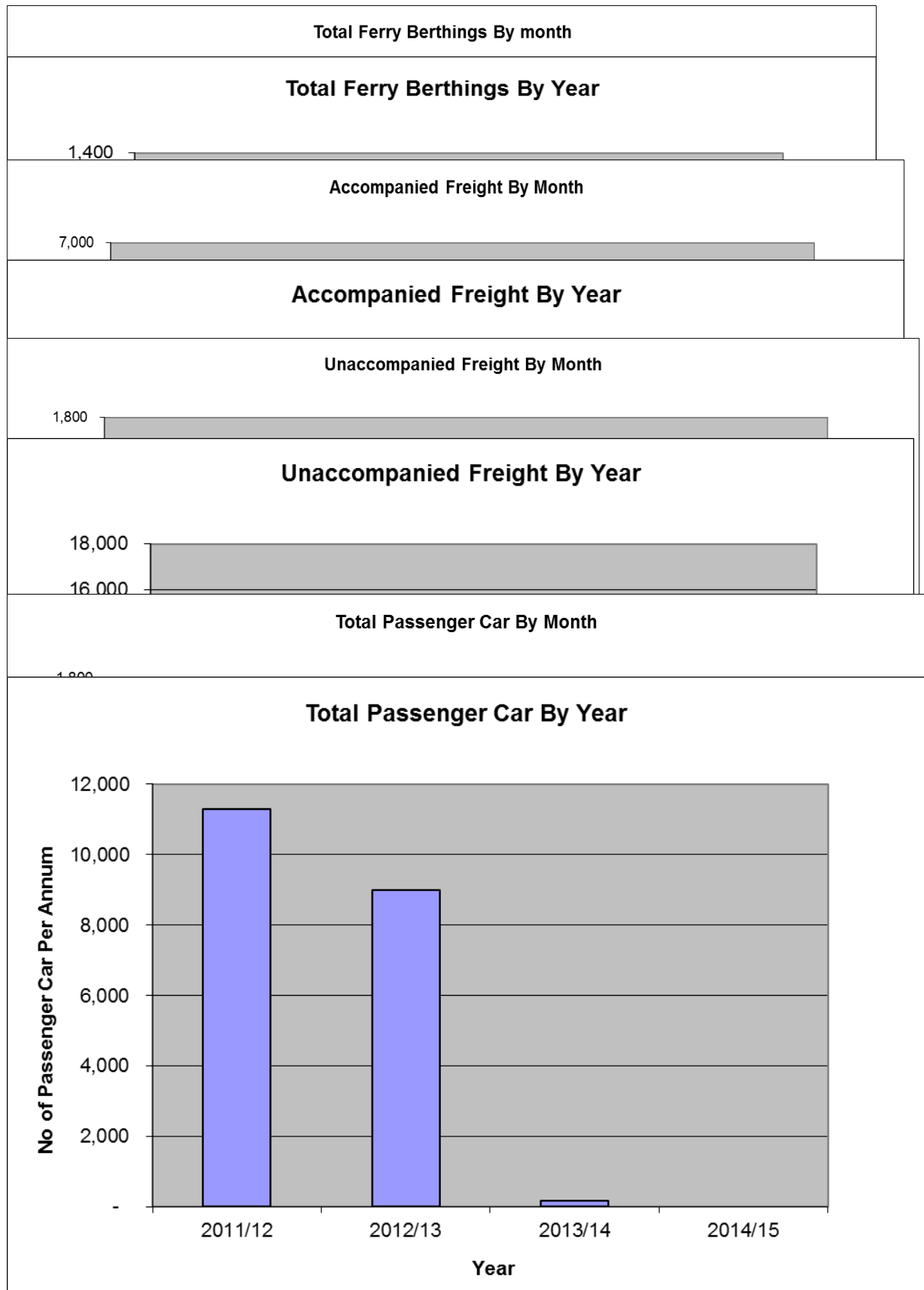
Marina Statistics

Both the recession and the inclement weather have had a substantial impact on the Marina over the last few years; this is demonstrated throughout but is particularly prevalent within the visiting leisure vessels. Inward Investment has seen improved facilities and as a result sustained the number of permanent berth holders.



Ramsgate Port Statistics

The situation since April 2013 is that there are no ferries currently operating from the Port. Opportunities are available for operators to take advantage of Ramsgate's fantastic transport links.



Yearend Financial Report

Summary Profit and Loss Account 2014/15

31 March 2014		31 March 2015	Note
Outturn 000's		Outturn 000's	
	Revenues		
1,511	Vessels	1,398	1
264	Goods & Freight	239	
29	Passengers	0	
11	Cranes & Plant	3	
569	Rents & Concessions	826	2
154	Car Parking	173	
46	Pilotage	16	
106	Other Misc income	136	
88	Internal Recharges	372	3
<hr/> 2,778		<hr/> 3,162	
	Direct Costs		
789	Employee Costs	919	3
1,041	Premises Costs	1,014	
16	Transport Costs	20	
5,795	Supplies and Services	2,616	4
<hr/> 7,642		<hr/> 4,569	
(4,864)	Operating Surplus/(Deficit)	(1,407)	
	Central Costs		
(1,033)	Central Support Services	(1,232)	3
(5,897)	Net Surplus/(Deficit)	(2,639)	
	Capital Charges		
13	Depreciation/Impairments	(1,304)	5
0	Capital Financing Costs	(1)	
<hr/> 14		<hr/> (1,305)	
<hr/> (5,883)	Net Result	<hr/> (3,944)	
518	Maritime Reserves	356	6

Notes to the Accounts - Movement between Years

1. Reduced income from the windfarm industry which has now entered a maintenance rather than construction phase.
2. Increased income from property rental and service charges
3. A change in the cost centre where office salary costs are held. Now charged to a Port and Harbour holding code and recharged to services.
4. One off costs in 2013-14 of £4.8m (£3.4m the write off of the Ferry company debt and £1.4m for the animal export ban compensation provision).
5. In 2013-14 there were Fair value upward asset revaluations.
6. Contributions to maritime projects.

Statement of Responsibilities for the Statement of Accounts

Both the Council and the Section 151 Officer have certain responsibilities in respect of the Statement of Accounts.

The Authority's Responsibilities

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs; and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.
- to approve the Statement of Accounts.

In this Authority, the Responsible Officer is the Director of Corporate Resources & Section 151 Officer.

Director of Corporate Resources & Section 151 Officer's Responsibilities

The Director of Corporate Resources & Section 151 Officer is responsible for the preparation of the authority's Statement of Accounts in accordance with proper practices as set out in terms of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in United Kingdom ("the Code").

In preparing this statement of accounts, the Director of Corporate Resources & Section 151 Officer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent;
- complied with the local authority Code;
- kept proper accounting records which were up to date;
- taken reasonable steps for the prevention and detection of fraud and other irregularities;
- gained appropriate assurance over the accuracy of the statement of accounts prior to approval.

The Statement of Accounts gives a true and fair view of the financial position of Thanet District Council as at 31 March 2015 and of its income and expenditure for the year ended on that date.

Tim Willis CPFA
Director of Corporate Resources & Section 151 Officer
Date: 30 September 2015

Link to Main Statement

<http://thanet.gov.uk/publications/finance/statement-of-accounts-2014-to-2015/>

6)

Independent Audit Report

See PDF on TDC Website

7) Port and Harbour note (45) to the accounts from Main Statement

Harbours

Expenditure on harbours includes the Port of Ramsgate, Ramsgate Royal Harbour, Broadstairs and Margate Harbours and is included under the heading Highways, Roads and Transport Services. The majority of income and expenditure takes place within the Ramsgate operations.

2013-14 (Surplus)/ Deficit £'000s		2014-15 Expenditure £'000s	2014-15 Income £'000s	2014-15 (Surplus)/ Deficit £'000s
6,058	Port of Ramsgate	4,538	(638)	3,900
(130)	Ramsgate Royal Harbour	2,162	(2,073)	89
(57)	Broadstairs Harbour	17	(73)	(56)
12	Margate Harbour	17	(6)	11
5,883	Total	6,734	(2,790)	3,944

There is a reduction in expenditure between 2013-14 and 2014-15. The main factors are that there was £4.8m one off spend in 2013-14. (£3.4m Ferry company debt write off and £1.4m animal export ban compensation provision). And also in 2013-14 there were asset revaluations.

8)

Focus moving forward

What we will focus on in the coming years:

- Working with European partners and encouraging further location of sustainable energy businesses into the area, particularly at the Port of Ramsgate.
- Lobbying for infrastructure improvements, including transport, to support the growth of the local economy.
- Encouraging and influencing the growth of Thanet's economy, including the tourism/leisure, creative and sustainable energy sectors.
- Protecting and diversifying the commercial function of the Port of Ramsgate as a key Kent cross-channel trade route, alongside seeking additional port related business opportunities.
- Continuing to reduce our carbon footprint by exploring the feasibility of installing renewable energy systems.

Future Service Delivery Plans

The Council faces cuts in government funding of 14.69% in 2015-16 (£1.42m) and a provisional 10% in 2016-17 (£0.807m), with further cuts expected over the next few years. In order to deliver a balanced budget moving forward, the Council needs to make savings of £0.929m in 2016-17 and identify further savings of circa £0.400m in 2017-18. The Council has reviewed staff structures to enable the Council to develop plans to deal with the continuing budget cuts; is looking to identify further savings from the shared service arrangements and reviewing which budgets can be reduced as a result of under-spending in prior years. The Council is also undertaking a service review programme to identify the further savings required in order to be able to continue to deliver key priority services to residents and ensure delivery of the Council's Corporate Plan objectives. This programme will include looking at key themes such as Digitalisation, Partnership working and possible Joint Ventures to see which services can be reduced whilst still meeting customer needs; which can be delivered in a different way to reduce costs; and will look to identify where there are further efficiencies to be made within service areas.

Link to Corporate Plan

<http://thanet.gov.uk/about-us/corporate-plan/>

9) Key contacts

Responsible Officers:

Director of Corporate Resources & Section 151 Officer's Responsibilities

Gavin Waite: Director of Operational Services

Robert Brown: Maritime Operations Manager & Harbour Master

Joanne Kemp: Management Accountant

Responsible Members

Cabinet Member for Regeneration and Enterprise Services

Description

To lead policy development and advise the Cabinet on:

Port of Ramsgate;

Ramsgate Royal Harbour Marina;

Broadstairs and Margate Harbours;

Economic Development & Regeneration Policy;

East Kent Opportunities Ltd;

Thanet Regeneration Board;

Business Engagement;

Tourism

Post is held by

[Councillor Hunter Stummer-Schmertzing](#)