

REVIEW OF PIERS & HARBOURS FEES AND CHARGES

1.0 EXECUTIVE SUMMARY

1.1 It was agreed at the meeting of the Harbour Board earlier this year that a review of the Council's Piers & Harbours fees and charges would be carried out. A motion to inform the review was agreed at the August Harbour Board and a copy of the decision is included in Appendix A.

1.2 The review consisted of a number of well-defined tasks which have now been completed:-

- Benchmarking exercise
- Review of services provided
- Consultation with users and stakeholders
- Member workshops
- Asset management plan*

* Surveys of marine structures will be carried out this financial year to provide further information to update the marine asset management plan. The asset management plan will identify any asset sustainability investment (to maintain the infrastructure as is) but will not initially include detailed assessments of asset improvement investment (improving facilities to meet any future demands from increased ferry size, timetable changes etc).

1.3 Members are asked to:-

- a. Agree the structure of charging set out in 5.8 subject to legal advice to confirm compliance with the relevant legislation and further consultation.
- b. Note that officers will consult with Transport Scotland, Calmac and other harbour users on the proposals to set fees and charges that meet both the asset sustainability costs and future improvement costs associated with the piers and harbours Argyll and Bute has responsibility for.
- c. Note the proposed appointment of 2 members of staff, one at Port Askaig and the other at Craignure to oversee these facilities.
- d. Note that further reports on the following will be provided in due course:-
 - Opportunities to work in partnership with local community groups to maximise the recovery of berthing dues

- The introduction of CCTV at remote facilities
 - Expanding the current provision of electricity for visiting vessels.
 - The provision of a crane at Campbeltown.
- e. Note that the legal advice, outcome of the further consultation and the proposed level of the new fees and charges will be reported to the Board in January.

REVIEW OF PIERS & HARBOUR FEES AND CHARGES

2.0 INTRODUCTION

2.1 This report provides Members with details of the review of Piers & Harbours fees and charges and lists recommendations for implementation based upon the outcome of the review.

3.0 RECOMMENDATIONS

3.1 Members are asked to agree to:-

- a. Agree the structure of charging set out in 5.8 subject to legal advice to confirm compliance with the relevant legislation and further consultation.
 - b. Note that officers will consult with Transport Scotland, Calmac and other harbour users on the proposals to set fees and charges that meet both the asset sustainability costs and future improvement costs associated with the piers and harbours Argyll and Bute has responsibility for.
 - c. Note the proposed appointment of 2 members of staff, one at Port Askaig and the other at Craignure to oversee these facilities.
- a) Note that further reports on the following will be provided in due course :-
- Opportunities to work in partnership with local community groups to maximise the recovery of berthing dues
 - The introduction of CCTV at remote facilities
 - Expanding the current provision of electricity for visiting vessels.
 - The provision of a crane at Campbeltown.
- b) Note that the legal advice outcome of the further consultation and the proposed level of the new fees and charges will be reported to the Board in January.

4.0 BACKGROUND

4.1 It was agreed at a meeting of the Harbour Board earlier this year that a review of the Council's Piers & Harbours fees and charges would be carried out. A decision was made to establish a set of principles at the August Harbour Board based on a motion put forward and agreed by Members. A copy of the decision is included in Appendix A.

5.0 DETAIL

5.1 The review consists of a number of well-defined tasks, which have now been carried out and completed, with key dates outlined in Appendix B. Broadly, the process tasks were as follows:-

- A benchmarking exercise to compare our existing fees and charges with other port operators and comparable authorities i.e. Orkney Islands Council, Western Isles Council, Shetland Islands Council, The Moray Council, Highland Council, Fife Council, CMal and Peel Ports. Details on this are provided in Appendix C.
- Consultation with key users and stakeholders. The consultation included a number of questions to existing users and stakeholders e.g. Community Councils. Consultation letters were sent to key users of our piers and harbours i.e. fishermen, bulk oil importers, timber exporters, wind farm developers and Calmac. A copy of the Consultation letter and summary of responses is included in Appendix D.
- A review of services provided at the Council's main ports. Summary information is included in Appendix E.
- A survey of all marine assets to identify potential cost pressures and produce a 10 + year asset management programme and plan. This survey work is ongoing. An initial 10 year Programme of Works outline is included in Appendix F.
- To ensure full Member participation, a series of workshops was held in all four Areas at the conclusion of the September Area Business Day Meetings.

5.2 Piers and Harbours

As a precursor to the above process, an exercise was carried out to group all of the Council's 39 piers and harbours into their various categories depending upon their usage eg. Campbeltown, Dunoon, Rothesay, Oban, Craignure and Port Askaig have been classed as Category 'A' piers and harbours, as these are all income

generating 'principal facilities'. Details of this were included in the previous August Harbour Board report.

5.3 Benchmarking

The benchmarking exercise was carried out with other ports and comparable local authorities. A summary table of benchmarking figures and findings is included in Appendix C.

It should be noted that standard charges are generally applied consistently, irrespective of size or location across all facilities owned by Councils and CMAL. Generally, Argyll and Bute fees and charges are at the lower end of charges applied by similar authorities.

5.4 Review of Services Provided At Main Ports

The main port facilities at Campbeltown, Dunoon, Oban North Pier, Rothesay, Craignure and Port Askaig serve a range of differing functions depending on the particular port. Several issues of note regarding the services provided were as follows:

- Staffed/unstaffed ports - the main facilities at Campbeltown, Dunoon, Oban North Pier, Rothesay are staffed by the Council but Craignure and Port Askaig have no Council presence. Cal-Mac has staff at both Craignure and Port Askaig but ultimately the Council is responsible for these ports. Council staffing at these facilities would assist with the collection of harbour dues from commercial vessels, private individuals and fishermen at Fionnphort, Iona and Port Askaig. The intention is to create 2 new posts to staff these harbours once the new charging regime is implemented, the costs of which will be built into the overall cost model and funded through income received. To assist with the collection of fees and charges from un-staffed facilities, it is proposed to seek assistance from local community groups. Since some of our unstaffed piers are fairly remote and, currently, there is a suspicion that the Council is not receiving income from all users, we are proposing to offer local community groups the opportunity to collect fees on behalf of the Council and share in the additional income generated; the form of any agreement would have to be considered by Legal Services.
- Crane provision – crane facilities are offered at some ports by several other authorities. While there is either little demand or practical difficulties which would preclude a crane at most of the main Argyll and Bute ports, there is a potential opportunity in Campbeltown. Currently the local Wind Turbine company regularly hire a suitably sized crane from a central belt contractor at considerable cost. In 2013 a Business Case Study for Campbeltown Harbour Crane was funded and produced by HIE in conjunction with the Council. It is suggested that an update of this study would be worthwhile reflecting the current conditions and economics to gauge whether Campbeltown crane provision would be feasible going forward.

- Rope handling – currently a charge for rope handling by the Council is made when tying up cargo vessels but not regular ferries. There has been some previous correspondence between the Council and Cal-Mac regarding this whereby the Council has mooted charging for rope handling in future. In response Cal Mac raised the possibility that they would charge for rope handling and others services they provide at Craignure and Port Askaig which are not manned by council staff. Implementing any significant change would therefore require further discussion.
- Shoreside functions – With the exception of Dunoon, Cal-Mac has a presence at the main Council ports where they run ferries from. In Dunoon, as there is no Cal-Mac/Argyll Ferries presence, the Council has by default, ended up dealing with various shoreside customer enquiries, complaints and courtesy buses etc. Going forward, it is suggested that the Council should explore the ability to charge for any of these additional services.
- Electricity – Electricity is supplied at no additional charge at some of our ports where infrastructure is in place. The recent benchmarking exercise indicated that most other authorities charge for this service – it is proposed that the ability to provide electricity at more of the Council’s facilities, should be developed where demand is likely to exist and, of course, location permits, thereby increasing income.
- CCTV Cameras – CCTV cameras exist in some locations. To increase our ability to monitor usage at some of our more remote facilities, consideration will be given to the potential for introducing further cctv cameras. This will also allow staff to check usage, and ensure that income is being generated accordingly; it will also allow staff to monitor and record abuse of facilities – such as fly-tipping etc. Introduction of cctv cameras would, of course, be dependent upon location and overall need.

5.5 Consultation

A consultation exercise was carried out during September in addition to on-going representations from various stakeholders, users and interested groups. A copy of the Consultation letter and summary of responses is provided in Appendix D.

Generally, responses indicated that consultees were not unhappy with the current level of charging, although users did point out that figures published by the Council indicate that facilities currently operate at an overall profit.

5.6 Piers and Harbours Asset Management Programme

An initial asset management plan has been produced and details, including an indicative Programme of Works are provided in Appendix F to this report. A full survey of some of the more major marine assets will be carried out over the coming autumn / winter months. The asset management plan will identify any asset sustainability investment (to maintain the infrastructure as is) but will not initially include detailed assessments of asset improvement investment (improving facilities to meet any future demands from increased ferry size, timetable changes etc).

Future works and development requirements for Iona, Fionnphort, Craignure, Tayinloan and Gigha are currently included as longer term proposals as these will be dependent upon further information coming forward following further meetings with both Calmac and Transport Scotland. Once clear advice has been provided to the Council, in terms of future ferry vessel plans, Members will be advised of implications for some of the Council's key marine facilities, along with options and potential engineering solutions. Currently, likely schemes are listed in the asset management programme with indicative costs only.

The indicative Programme of Works required indicates that circa £37.5 million could be required over the next 10 years to maintain and develop existing facilities. This figure could increase, especially if, and when, future Craignure requirements are clarified. Maintenance alone amounts to an estimated £10.5m over the next 10 years.

In addition, once the outcome of the current tendering process for the Gourock to Dunoon ferry service is known, the use of the pier buildings at Dunoon will be reviewed at the timber pier and breakwater. Only when the type of service is known in 2017 at the end of the procurement, will it be possible to finalise the services required, staffing and appropriate facilities.

Costs attributable to capital, or major, works will be funded by increasing fees and charges – see section 5.8 for further details.

5.7 Member Workshops

Member workshops were held near or at the end of the September Business Day meetings. Information handouts were presented and explained, plus there was discussion/questions regarding the current review and various marine issues.

Several specific comments/issues raised and discussed were as follows:

- Questions and concerns from several Members of the MAKI and H+L areas that any move towards different charges for different facilities depending on their current 'profit or loss' position, may have negative impacts on several facilities e.g. Campbeltown and Kilcreggan.
- Questions and concerns regarding some of the low or no income unstaffed facilities e.g. Portnahaven and Bunessan.
- There was no appetite to vary from the current free of charge berthings given to the Waverly.
- The Council should continue to liaise with and learn from other port authorities on how they operate and the fees/charges levied.
- More electricity points should be available and the Council should charge users separately for electricity.
- OLI Members were of the view that the Council should be trying to bring in more income from fees and charges where possible.

5.8 Setting Fees and Charges

The decision agreed at the August Harbour Board states *'that in future pier/harbour dues should be set, as a minimum, at a level which will cover operating and staffing*

costs; inspection, maintenance and whole life asset management costs; any prudential borrowing costs required to fund shoreside infrastructure associated with the future ferry services'. It also states that 'when developing proposals for harbour fees and charges, the Board will have regard to the individual business model/financial position of harbours where there is significant ferry transport activity'.

As mentioned previously in this report, there are varying levels of service provision at Council facilities (e.g. electricity supply, rope-handling and, even, presence at facility). Reasons for differing levels of service provision may well be related to type of usage or, perhaps, even be based on historical reasons.

In order to ensure that income at the main ferry ports balances direct expenditure, three variable costs must be considered:-

a) Costs attributable to capital, or major, works – depreciation and loan charges. The income expenditure reported to the board previously included all direct and indirect costs for each harbour. This has included all maintenance, repairs, and improvement costs. These sums can be significant and sporadic making it difficult to balance them against income for any individual harbour. These costs will therefore be considered separately, or centrally, when calculating the costs for repaying loans i.e. they will not be part of the calculation for individual facilities.

(b) Costs for providing additional services at our facilities. The staffing levels at different harbours are to a large extent determined by the services provided at the harbour. Rope handling is the best example. At present there is no separate charge for this service. In order to recognise the different costs at each harbour associated with staffing, separate charges for additional services are proposed.

(c) Costs for providing basic berthing service.

Berthing charges for ferries and commercial vessels are currently charged on the basis of a combination of tonnage, passenger and vehicle numbers or freight. Based on the information provided during the benchmarking exercise it was established that a 'flat rate' is charged by some harbour authorities to cover this cost. This has the benefit of being simpler to administer and it recognises that factors such as passenger or vehicle numbers have little influence on the cost of operating a harbour.

Highland Council have adopted the following approach to charging ferries for the use of their harbours. An annual charge is calculated on the basis of the berthing charge multiplied by the scheduled number of sailings/berthings. This total charge is levied whether the sailings/berthings take place or not. This approach has the advantage of recognising that costs do not necessarily reduce if scheduled berthings do not take place. It is proposed that a similar approach is adopted by this Council following discussion with Transport Scotland and Calmac. Additional berthings would be subject to a payment if they required additional cost eg staff overtime.

The level of the fees and charges outlined above will be set at a level which ensures that income generated at each of the Council's main ferry ports covers total costs for each individual port plus a contribution to central costs. Charges will be applied for any additional services provided at ferry ports, as the provision of these services, quite clearly, requires resourcing by Council employees e.g. rope-handling, car and/or passenger marshalling services – for instance, rope handling charges at Dunoon, once applied, will generate an additional income of £50,000 per annum. By charging for these additional services, and introducing a flat tonnage based berthing charge (encompassing previously levied charges for passengers and vehicles) set at an appropriate level, the Council will ensure that operating costs are covered for each of its main ferry ports.

Summer / winter fees – Currently, a summer and winter berthing charge is published in the Council's fees and charges leaflet for both leisure and commercial craft. This allows vessels an unlimited number of berthings throughout the season for a flat charge. This represents a significant discount when compared to daily charges. Whilst this rate is widely used in the leisure sector, it is rarely used in the commercial side – generally, commercial vessels are not 'laid-up' for any length of time and therefore summer/winter rates are not applicable. Rothesay harbour is the only facility at which commercial vessels use this option. When used by commercial vessels it can make it more financially attractive to berth for extended periods occupying berths that would otherwise be available to other vessels. It is proposed to remove this rate for commercial vessels.. Currently, this would mean that a vessel of, for example, 25m in length which pays a summer or winter rate of £860.20 and £614.45 per season respectively, would now pay £3,034.20 based on currently weekly charges of £116.70 per week.

Length of berthing period – Commercial vessels are charged, based on their gross registered tonnage for each berthing, up to a maximum stay of 24 hours. The recent benchmarking exercise indicated that most other authorities allow commercial vessels to stay for a longer period before re-charging. Depending upon the facility and type of usage, it is suggested that discretion would be allowed in applying charges i.e. when the berth is available and demand is low, vessels should be allowed to stay for a longer period than 24 hours without incurring additional charges. To use two examples: at Oban North Pier, where berthing demand and vessel turnover is high, there would be limited opportunities to allow vessels to stay for over 24 hours without re-charging; however, in Campbeltown, where vessels may be berthed awaiting un-loading for, sometimes, lengthy periods. Unloading at Campbeltown requires careful planning due to both traffic management and craneage issues. Costs can be incurred by, for instance, the windtower manufacturer at Campbeltown whilst the vessel awaits unloading with little berthing demand from other users. Allowing lengthier stays at Campbeltown, it could be argued, would make our facilities more attractive to businesses and aid economic development in Argyll and Bute. Further consideration will be given to how variations in berthing-period will be applied, but this may be related to overall vessel length.

5.9 Legal Advice and Further Consultation

The setting of the Council's Piers and Harbours fees and charges is a complex issue. Charging must be in compliance with the Harbours Act 1964 and all other

relevant legislation. Advice has been sought from the Council's Legal Services regarding this issue and further specialist legal advice will be sought from external sources prior to implementation of any fundamental changes. As part of this exercise, since increases to fees and charges will be significant, consultation with Calmac and Transport Scotland, and our main users in order to discuss specific proposed changes is recommended subject to members agreeing the proposals set out in this report.

As a separate, but not unrelated exercise, further discussions will be held with both Calmac and Transport Scotland to discuss the financing of future capital works, which will require implementation as part of the Council's 10 (plus) year marine asset management programme. This will ensure that any prudential borrowing costs, required to fund shore-side infrastructure associated with the future ferry services, will be covered.

6.0 CONCLUSION

6.1 The benchmarking exercise, initial asset management plan preparation (further survey work is programmed), Member workshops and consultation associated with the fees and charges review process are now largely complete. As a result of the work completed to date this report proposes that detailed consultation takes place with Transport Scotland and Calmac, specialist legal advice is sought and that revised fees and charges for piers and harbours are presented to the Harbour Board in January 2017. These revised fees and charges are also to be included as part of the 2017/18 budget process.

7.0 IMPLICATIONS

7.1	Policy	None directly arising from this report
7.2	Financial	The review of fees and charges will ensure that future income is sufficient to maintain and develop the Council's marine assets.
7.3	Legal	None directly arising from this report
7.4	HR	None
7.5	Equalities	None
7.6	Risk	Fees and charges will be set at a level to ensure that future expenditure is less than generated income.
7.7	Customer Services	Key stakeholders will be involved going forward in any further future Consultation.

APPENDICES –

- A – Copy of August Harbour Board Decision.
- B – Key dates.
- C – Benchmarking information
- D – Consultation information
- E – Review of services at main ports
- F – Indicative 10 year Programme of Works

Executive Director of Development and Infrastructure: Pippa Milne
Head of Roads & Amenity Services: Jim Smith
October 2016

For further information contact: Stewart Clark, Marine Operations Manager
Tel: 01546 604893

Policy Lead: Councillor Alistair MacDougall

APPENDIX A

Decision Agreed at August Harbour Board Meeting

The Argyll and Bute Harbour Board considered a motion that was put forward by the Chair and seconded by the Vice Chair and unanimously agreed;

- 1) to note the report.
- 2) that in future pier/harbour dues should be set as a minimum at a level which will cover operating and staffing costs; inspection, maintenance and whole life asset management costs; any prudential borrowing costs required to fund shoreside infrastructure associated with the future ferry services;
- 3) to consider the possibility of developing a case to secure Grant Aided Expenditure (GAE) on the basis of the expenditure required to retain/maintain categories of harbours where income is insufficient to cover expenditure;
- 4) when developing proposals for harbour fees and charges, the Board will have regard to the individual business model/financial position of harbours where there is significant ferry transport activity;
- 5) the cost recovery approach referred to above at point 2 and 4 should be promoted by Officers as part of their early discussions with bidders as part of the current Transport Scotland tender for the Gourock-Dunoon ferry service and that the same principles apply to the carryings for either a passenger/vehicle service or for a passenger-only service;
- 6) that further consideration is also given as part of this tendering exercise to the following, should any potential ferry operator approach the council:
 - a) The leasing of the transport harbour at Dunoon to interested ferry operators.
 - b) Entering into some form of user agreement for a specified period.
 - c) Consideration for sale of transport harbour at Dunoon to an interested operator.;
- 7) that Argyll and Bute Harbour Board represents to Transport Scotland and to Scottish Ministers to intervene with CMAL to ensure that the principles for harbour charges are being promoted for Dunoon should also be progressed for the harbour facility at Gourock;
- 8) to note that consultation workshops due to take place in September will consider options based on the principles set out above ;and
- 9) to note that the outcome of the review will be reported to the Board and to the Policy and Resources Committee/Council as appropriate.

APPENDIX B

Key Dates – Programmed for Future Delivery

November

Report to November Harbour Board
Consult with Calmac and Transport Scotland.
Seek specialist legal advice on setting of fees
and charges.

December

Prepare new schedule of Piers and Harbours
fees and charges

January

Report to January Harbour Board with fees and
charges recommendations

February

Council Budget Meeting – recommend
acceptance of new fees and charges

APPENDIX C

Piers and Harbours Fees and Charges - Benchmarking information

Item No	Fees and Charges Description	Argyll and Bute Council	Highland Council	Moray Council	Shetland Isles Council	Orkney Islands Council	Western Isles Council	Fife Council	CMal	Peel Ports	Notes
1	Commercial vessels (registered) charged per visit per gross registered tonne (grt)	£0.33	£0.37	£0.35	£0.50	£0.34-£0.51	£0.42	N/A	£0.12	£2.08-£2.44	A+B rate covers 24 hour period while most others have longer stay period. CMAL have limited cargo customers.
2	Sheduled ferries or passenger service charged per visit per grt	£0.09	N/A	N/A	N/A	£0.34	N/A	N/A	£0.12	N/A	Few that have external ferries using their facilities. Some have separate agreements with Cal-Mac.
3	Cruise ships charged per grt if docking at harbour	£0.33	£0.43	N/A	£0.50	£0.31	£0.42	N/A	£0.12	N/A	Lower charges apply if cruise ship only uses slip or a transit facility.
4	Fishing vessels (registered) annual charge example for vessel 10-15 metre in length	£427.00	£1221-£1579	£144.00	£215.00	£302.00	£947.00	£500.00	£890.00	N/A	Highland and Western Isles rates can include landing dues for certain sized vessels at some facilities.
5	Fresh fish landing dues percentage of catch	2.50%	2.50%	2.50%	2.50%	£2.61 p.t.	4%	2.1%-2.6%	£867 annual charge (15m)	N/A	Western Isles rate mainly applies to large vessels. CMAL fixed rates depend on length.
6	Private leisure craft -6 months charge example for vessel up to 10 metres.	£676.00	£162-£617	£144.00	£120.00	£69.00	£151.00	£224.00	£159.00	N/A	In Argyll and Bute most yachts use specific externally operated Pontoon facilities .
7	Adult Passengers (each)	£0.38	£0.53	£0.90	£2.69	£1.11	£0.43	£0.33	£0.42	N/A	Shetland charge applies only to tourist traffic and passengers liners

8	Child Passengers (each)	£0.23	£0.32	£0.90	N/A	£0.61	£0.43	£0.33	£0.42	N/A	Several do not have separate adult and child rates.
9	Cars (each)	£1.15	£2.59	N/A	N/A	£8.14	£1.81	N/A	£1.86	N/A	Several do not have external car ferries.
10	Buses (each)	£6.25	£9.14	N/A	N/A	£20.89	£1.58 per metre	N/A	£1.11 per metre	N/A	Some charge buses per metre.
11	Commercial vehicle (per metre)	£0.76	£1.44	N/A	N/A	From £10.48 - £45.34 per vehicle	£1.58 p.m	N/A	£1.11 p.m	N/A	Orkney rates are banded depending on length.
12	General good packaged (include food) charged per tonne	£1.85	£2.78	£1.05	£2.16	£1.96	£2.30	N/A	£1.35	£4.88	General goods definitions can vary depending on specific goods involved.
13	Dry bulk commodities (per tonne) e.g. aggregates, stone, timber, salt	£1.60	£1.20	£0.75	£0.23	£1.01 - £1.93	£1.68	N/A	£1.00	£1.40	CMAL charge grains separately at £3.08 per tonne.
14	Liquids/fuels (per tonne)	£2.00	£2.02	£1.05	£1.97	£1.96	£1.54	N/A	£2.03	£7.78	Fife facilities are not for cargo vessels.
15	Smolts (per thousand)	£4.10	£2.70	N/A	£4.57 p.t	£1.59 p.t	£2.15	N/A	N/A	N/A	Some councils charge farmed salmon at a higher rate e.g. Highland at £5.17 p.t
16	Animals (per animal)	£0.60	N/A	N/A	£0.43	£0.45-£0.78	£0.33-£0.86	N/A	£0.80	N/A	Lower range rates can apply to sheep.
17	Fresh Water (per tonne)	£2.85	£2.09 per 1000 litres	Fixed charge is from £8.75 - £94.50	£2.16	£2.50	NA	N/A	£2.35	£2.58 (£75 minimum charge)	Additional charges for standpipe and hose use can sometimes apply.

18	Electricity (per unit)	No charge	£0.19	Fixed charge £8.75 upwards	£7.20 minimum charge	£0.20	NA	£14.83 per day	N/A	N/A	Several have minimum charges instead of per unit measure.
19	Waste disposal (per tonne)	Included in dues except for international vessels	Included	Included	Included	£340 if 2 tonne exceeded	£136 p.t. for commercials	Included	Included	£40.73 - £87.25 per visit	Some charge separately for waste oils.

N/A: Not applicable or figure not available

Summary of Main Benchmarking Findings

- Standard charges generally applied consistently ,irrespective of size or location across all facilities owned by Councils and CMAL.
- Limited discount type arrangements available.
- Some have separate agreement arrangements with Cal-Mac.
- Several charge additionally where staff are reuired out-with normal working hours.
- Cargo vessels – for 1 day period ,Argyll and Bute were lowest rate per tonne for a Council,however most others charge covered a longer berthing period e.g.4 days.CMAL had lowest rate for cargo vessels but have limited cargo customers.
- Ferry berthings - Argyll and Bute rate per tonne is lower than CMAL and are also at the lower end for passenger/vehicle charges.
- Cruise ships –some have separate rates specifically for cruise ships.
- Fishing - Argyll and Bute rates are similar to most others.
- Goods/wharfage - Argyll and Bute are in the upper middle rates range.
- Electricity – where available ,most others charge separately while Argyll and Bute currently do not.

APPENDIX D

Consultation on Argyll and Bute Council's Piers & Harbours fees and charges

Dear customer/stakeholder,

Argyll and Bute Council is currently reviewing its Piers & Harbours fees and charges.

The Council is keen to ensure that our Piers and Harbours are self-financing.

We are seeking views from customers and stakeholders on our current fees and charges (copy attached) along with any other comments/suggestions on your usage and experiences of these Council facilities.

Some specific questions we have are as follows:

1. Fees and charges - what are your views on the current levels of Piers & Harbours fees and charges levied by the Council?
2. If you use facilities out-with Argyll and Bute Council's what are your views on how the fees and charges compare?
3. What (if any) additional or alternative sources of income could the Council consider?
4. What current facilities do you make most use of?
5. What are your views on the current facilities used?
6. What improved or new facilities would enhance your use of the Piers and Harbours?
7. Would you be prepared to pay an additional fee for any such new or improved facilities?
8. Do you feel there are any particular facility maintenance improvements that would make a difference to you as a user?
9. Do you have any views on how the Argyll and Bute Council facilities compare with any others that you have used?
10. Do you have any other comments you would like to make about our Piers and Harbours?

Please submit any views to us by email to MarineConsultation@argyll-bute.gov.uk by Monday 26th September 2016.

You can also visit our website at www.argyll-bute.gov.uk or write to us at:

Argyll and Bute Council
Roads and Amenity Services
1A Manse Brae
Lochgilphead
Argyll
PA31 8RD

Yours faithfully,

Jim Smith
Head of Roads and Amenity Services
Argyll and Bute Council



Summary of Consultation Responses

The following points made include issues flagged up/views expressed during the consultation and by previous/current representations to the Council:

- On the current fees and charges ,there was a relatively low response from existing customers.
- Where users comments were made ,some selected quotes were that - “currently A&B Council harbour dues and fees are sufficiently high enough as many harbours make significant profits already and overall,after deductions management costs,repairs and maintenance the figures published by the Council indicate an overall profit already for all the facilities as a group many of which are lifeline links and essential facilities for island and remote communities”.
- Another stated that the – “current levels of fees and charges are acceptable insofar as we know where we are with them .Any increase would be unacceptable for our customers and the area as a whole as it would potentially impact on charges to all pier users”.
- There are concerns from the Wind Turbine company CS Wind based at Machrihanish, that the Councils rates are higher than other European ports and that the charge per day is out of line with other comparable UK and European facilities which have longer berthing periods .
- With regards to the facilities, there were more comments on these from several community councils. For example the Islay Community Council have a number of concerns and requests regarding Port Askaig and also point out that “no local Harbour Master is available”.
- There are concerns from East Kintyre Community Council on the areas adjacent to Carradale Harbour.
- Helensburgh Community Council expressed views on Helensburgh Pier including that “the pier deserves to have the chance to regain its functionality” and that there was a “plausible case for more marine traffic and increased use of the pier”.
- The South West Mull and Iona Development Group have raised issues with the Iona and Fionnphort facilities which require improvements to the slipways and berthing areas.
- For Craginure there is a potential requirement that significant infrastructure improvements will be required to allow for a larger ferry to operated by Cal-Mac between Oban and Craginure.

APPENDIX E

Piers and Harbours - Services Provided at Main Ports								
Item No	Service Provided	Campbeltown Harbour	Dunoon Harbour	Oban North Pier	Rothesay Harbour	Port Askaig Pier	Craignure Pier	Notes
1	Ferry Berthing	✓	✓	✓	✓	✓	✓	A Cal-Mac ferry berthes at Oban North Pier but does not operate from it.
2	Cargo Vessel Berthing	✓		✓	✓		✓	Council has no staff at Craignure.
3	Cruise Ship Vessel Berthing or Transit/Slipway Available	✓		✓	✓		✓	Council has no staff at Craignure.
4	Fishing Vessel Berthing	✓			✓	✓		Council has no staff at Port Askaig
5	Yacht Berthing Available	✓		✓	✓	✓		Council has no staff at Port Askaig.
6	Linkspan	✓	✓		✓	✓	✓	Council has no staff at Port Askaig/Craignure.
7	Gangway/Passenger Access System				✓	✓	✓	Craignure passenger access system is owned/operated by CMAL/Cal-Mac.
8	Rope Handling Provided	✓	✓	✓	✓			Cal-Mac carry out rope handling for their ferries at Port Askaig/Craignure.
9	Ferry Operator Presence at Port	✓		N/A	✓	✓	✓	Cal-Mac presence at Campbeltown is for outward journeys only.
10	Fresh Water Facility	✓	✓	✓	✓	✓	✓	
11	Electricity Supply Available	✓		✓	✓			
12	Crane Available							Limited demand except for Campbeltown.
13	Pilotage Available	✓	N/A	N/A		N/A	N/A	Council appointed contractor used at Campbeltown.
	N/A: Not applicable							

APPENDIX F