
Report To:	Regeneration Committee	Date: 28th October 2010
Report By:	Corporate Director Regeneration and Environment	Report No: R170/10/GF/AG
Contact Officer:	Gordon Fisher	Contact No: 2495
Subject:	Custom House Quay: PS Waverley	

1.0 PURPOSE

- 1.1 To advise the Committee on proposals regarding charging for use of the Custom House Quay by the Waverley and other visiting vessels.

2.0 SUMMARY

- 2.1 The Regeneration Committee at its meeting of 25th May 2010 confirmed that P.S. Waverley would continue to enjoy the use of the berthing facility at the Custom House Quay free of charge, but requested officers revert to the Committee with a proposal of how to fund the effective subsidy, and with a proposed charging regime for other visiting vessels.
- 2.2 It is proposed that funding be obtained from the Tourism budget. The tourism budget will be increased by the relevant amount to enable this payment without affecting other services. A corresponding income budget will be created to effectively receive this income. This will enable the level of subsidy given to be easily identified.
- 2.3 To improve the facilities at the quay to increase use by other vessels would involve considerable investment which would not show adequate return.

3.0 RECOMMENDATIONS

- 3.1 That the Committee agrees the proposed charging methodology and approves virement, as outlined in 6.1, increasing the Tourism budget and creating a corresponding income budget. This will enable the level of subsidy provided to the Waverley to be easily identified and monitored.
- 3.2 That the Committee notes that the use of the quay by other vessels is currently restricted, and that the capital and revenue costs of improving the quay to encourage more use would not be justified.
- 3.3 That the Committee notes that the berth is used occasionally by sail training vessels run by charitable institutions and it is proposed that a charge for this use will be made and subsidised on a similar basis to that of the Waverley.

4.0 BACKGROUND

- 4.1 The Regeneration Committee at its meeting of 25th May 2010 agreed that the necessary repair to the quayside be carried out, the Waverley could continue to use the berth at no charge, and officers were asked to revert to Committee with proposals. Subsequently, at the meeting of 2nd September the Committee agreed the use of the Capital budget – Minor Repairs at the discretion of the Head of Property Assets & Facilities Management to fund the repairs.
- 4.2 The use of the berth by vessels other than the Waverley over the past few years has been minimal, only two or three per year, and this use tends to be by visiting foreign sail training ships run by charitable organisations. Clyde Port Authority do not charge these vessels for berthing or pilotage. No other organisation tends to charge these vessels for use of similar berths.
- 4.3 Facilities at Custom House Quay are limited, for example there are no services readily to hand. To intensify the use of the quay would involve considerable investment in facilities such as water and sewage connections. There would be a security implication which would restrict the use of the quay by others such as walkers and anglers. It is not envisaged that many more vessels will make use of the berth in the short term. The use should be monitored and if there is a change the position can be reviewed.
- 4.4 To establish a charging regime at the quay will involve the Council in management time and costs. It is not considered that any revenue gained would justify the costs incurred at current levels of use. The charge for a visiting vessel would be an average of £100.00 per day and it is proposed that we allow for three such visits per year, £300 in total. The previous estimate of income from the Waverley was £6,400 for the year.

5.0 PROPOSALS

- 5.1 It is proposed that the tourism budget be increased by £6,700 to enable it to cover the berthing charges which are being waived for the Waverley. In turn, a corresponding £6,700 income budget will be established to receive the waived charges. This ensures that there is no net financial impact to the Council's budgets and is in essence an internal coding issue. However, it ensures transparency and enables the level of subsidy provided to be easily identified and monitored.
- 5.2 It is proposed that the Council note that there is little prospect of revenue from other users of the quay without substantial investment and that it is not economical to put a charging regime in place.

6.0 IMPLICATIONS

6.1 Financial Services – Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From	Other Comments
Tourism	Waivers of Lets	2010/11	£6,700	Property Resources- Fees & Charges	No net cost
Property Resources	Fees & Charges	2010/11	(£6,700)	Tourism Waivers of Lets	No net cost

7.0 CONSULTATION

7.1 The Head of Legal and Democratic Services has no comments.

7.2 The Head of Regeneration and Planning agrees with the content of this report.

7.3 The Chief Financial Officer agrees with the content of this report.

8.0 LIST OF BACKGROUND PAPERS

8.1 'Customhouse Quay, Greenock: PS Waverley' – Report to Regeneration Committee 25 May 2010.