

<b>Title of Report:</b>	<b>Harbour &amp; Marina COVID 19 Impact</b>
<b>Committee Report Submitted To:</b>	<b>Environmental Services Committee</b>
<b>Date of Meeting:</b>	<b>9<sup>th</sup> June 2020</b>
<b>For Decision or For Information</b>	<b>For Decision</b>

<b>Linkage to Council Strategy (2019-23)</b>	
Strategic Theme	Innovation and Transformation
Outcome	The Council will continuously examine and introduce ways to provide services in more accessible and efficient ways.
Lead Officer	Head of Capital Projects, Energy & Infrastructure

<b>Budgetary Considerations</b>	
Cost of Proposal	COVID 19 Cost £ variable
Included in Current Year Estimates	<b>YES/NO</b>
Capital/Revenue	N/A
Code	N/A
Staffing Costs	Saving

<b>Screening Requirements</b>	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date: N/A
	EQIA Required and Completed:	Yes/No	Date: N/A
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date: N/A
	RNA Required and Completed:	Yes/No	Date: N/A
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date: N/A

## Background

Due to the COVID 19 pandemic and the associated Government restrictions all non-essential activities within Harbours & Marinas was stopped on the 1st April 2020. This mainly affected the leisure sector of operations within the facilities. Members then agreed on the 28<sup>th</sup> May to open the facilities from the 1<sup>st</sup> June as result of the recent Northern Ireland Assembly document entitled “CORONAVIRUS EXECUTIVE APPROACH TO DECISION-MAKING”, which laid out five steps of permissible relaxation of the COVID 19 restrictions.

## Financial Impact (COVID 19)

Whilst the majority of harbour and marina operating costs have remained the same with an annual negative net operating costs of -£406,177, this situation has worsened as income has reduced as result of no visiting craft & reduced ferry traffic. In addition Members are asked to consider options 1 & 2 below regarding a possible fee reduction for existing customers as a compensation for the harbours remaining closed to non-essential activities (the facilities remained open for all other essential activities).

The Harbour and Marina budget for 20/21 is noted below

	Net Income	Net Expenditure	Net cost of operation
Pre COVID-19 (Budget)	£335,928	£742,105	£406,177

Due to the impact of COVID-19 we are predicting the following impact on the budget.

Income loss from seasonal/tourist vessels - £34,000

Income loss from ferry service - £37,500 – over 12 month (lower annual footfall)

Total predicted loss of income -£71,500.00

Estimated reduced seasonal staff / operational expenditure circa +£75,000 PA

### Revised Budget for 20/21

	Net Income	Net Expenditure	Net cost of operation
Post COVID-19	£264,428.00	£667,105.00	£402,677.00

Note - the impacts have been assessed using the static figures - based on what we had expected from customers this year, visitors and fuel sales have been based on last year's figures.

### **Item 1 - Discount/reduction offered to Harbour & Marina customers due to COVID-19 restrictions.**

Below is table detailing two possible options for members to assess and consider a possible discount for these customers.

All berth holders		

<b>OPTION 1</b>	<b>Cost to Council</b>	<b>Resultant Harbours &amp; Marina Net Cost to Council PA</b>
100% discount (April May)	£-47,000	£449,677
<b>OPTION 2</b>		
£0% discount	-	£402,677.00

\* Option 1 discount shall apply to all Council contract customers and will be based on the percentage time of the customer's contract.

For example; a facility which operates for 7 months annually would have a reduction of 2/7<sup>th</sup> of the annual fee and a facility which operates for 12 months would have a reduction of 2/12<sup>th</sup> of the annual fee.

	Net Income	Net Expenditure	Net cost of operation
Option 1 Impact	£217,428	£667,105	£449,677

Appendix 1 shows the predicted incomes pre-COVID 19 for all the facilities for reference

### **Recommendation**

It is recommended that Members consider both options (option 1 with discount and option 2 without discount) for harbour & marina fees, for the duration of COVID-19 restrictions.

### **Additional Support for Marine businesses during COVID-19**

Several requests have been made by marine business operators such as Charter, Fishing and Work vessels (seaweed farming) to ask Council to consider a further reduction of their Harbour/Marina fees. Their rational is that the COVID-19 pandemic has significantly reduced or removed their markets and trade. Some have stated that they do not qualify for business rates relief or associated grants as they have no rateable premises. Income from these businesses are noted below.

Business Type	Income
Charter (30 vessels)	£22,000.00
Fishing	£10,000.00
Mariculture	£450,00
Total	£32,450.00

### **Recommendation**

For information.

## Appendix 1

Predicted Monthly income from harbours and marina for the months April & May 2020 – Pre-COVID-19.

Facility – all craft	April	May
BALLYCASTLE HARBOUR & MARINA	-£7,935.55	-£7,935.55
RATHLIN HARBOUR	-£1,167.30	-£1,167.30
PORTRUSH HARBOUR	-£5,899.40	-£5,899.40
COLERAINE MARINA	-£7,191.14	-£7,191.14
PORTSTEWART HARBOUR	-£1,124.64	-£1,124.64
PORTBALLINTRAH HARBOUR	£100.00	£300.00
BALLINTOY HARBOUR	£0.00	£0.00
REDBAY HARBOUR	£200.00	£200.00
VISITING CRAFT	-£3,491.44	-£5,072.00
RATHLIN FERRY	-£3,086.63	-£4,522.26
FUEL SALES	£505.10	£802.66
TOTAL	-£29,091.01	-£31,609.64