

Call-In Growth and Infrastructure Overview and Scrutiny Committee

Tuesday 21 February 2023

PRESENT:

Councillor Riley, in the Chair.

Councillor Coker, Vice Chair.

Councillors Goslin, Hendy, Holloway, Hulme, Luggar, Noble and Reilly (as substitute for Councillor Tippetts).

Apologies for absence: Councillors Poyser, Salmon and Tippetts.

Also in attendance: Councillors Mrs Beer, Kelly, Singh and Drean, Mike Artherton (Group Manager for Parking, Marine and Garage Services), Ross Jago (Head of Governance, Performance and Risk).

The meeting started at 3.02 pm and finished at 4.24 pm.

Note: At a future meeting, the Panel will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

78. Declarations of Interest

No declarations of interest were made.

- a) It was queried if Councillor Hulme should be allowed to sit on the Committee, if he was one of the Councillors who called in the decision;

Ross Jago (Head of Governance, Performance and Risk) advised that –

- b) Reminded Members that declarations of interests were for Members and so it was up to Councillor Hulme whether he felt it was an interest or not;
- c) There was nothing in the Call-In procedures that prevented members from sitting on a Committee if they called in a decision;
- d) The Committee would be making recommendations, not decisions, and therefore Councillor Hulme could not be predetermined, as no decisions were to be made at the meeting;
- e) If Members wanted this subject to be looked at as part of a review of the Constitution, this could be done through the Audit and Governance Committee.

79. **Chair's Urgent Business**

There were no items of Chair's urgent business.

80. **Call-in: Decision Reference - T19 22/23 - Lease Surrender of Land at Cattewater Harbour**

Ross Jago (Head of Governance, Performance and Risk) explained that the Call-In had been accepted on the grounds that "the decision maker did not take into account relevant factors only. The Barbican Landing Stage is a platform that used correctly could open up the coastal waters to many more users, therefore encouraging greater participation of the National Marine Park (NMP), one of the Council's objectives for the NMP."

Councillors Mrs Beer, Kelly and Singh introduced the reasons for the call-in and highlighted -

- a) The Barbican Landing stage was a public asset with a book value of £441,469 with an 84 Year lease remaining;
- b) The income to the Council was £14,576 in 2021, with a cost to Plymouth City Council of £24,328; a deficit of £9,752 which if divided into the asset value represents 45 years before the incurrence of the giveaway of the book value;
- c) The Council has been seen in the past by the public to 'giveaway' or sell public assets at a very reduced, or nil rate such as The Civic Centre, Airport, Pavilions or The Dome and the only benefit to public of this decision was the saving of £10,000 a year;
- d) Plymouth had the first National Marine Park and part of the Corporate Plan was to encourage cruise ship visitors and this landing stage could have been used for tender's transporting tourists from the ships and back;
- e) The shortfall in 2021 would have been impacted by the COVID19 pandemic;
- f) The Cattewater Harbour Commissioners were able to raise their prices on their segment of the Barbican Landing Stage as they saw fit , and once the section in the decision was handed back, the trust could choose to rise prices and generate a healthy profit; they couldn't see why the Council could not do the same;
- g) The Barbican Landing stage would be an ideal space in the heart of Plymouth for boat operators for fishing, dolphin watching and more, but it was restricted to commercial operators only;
- h) If it was opened up to a wider range of users, for some as a lower fee, Plymouth City Council could enable more users to access the water and

make a profit, rather than lose control of an asset;

- i) In 1895, The Lord Mayor of Plymouth declared that Phoenix Wharf should be designated a free landing point, the Mayflower Steps are designated a free landing point, but were currently closed, and other public landing platforms and stations had been lost, even though on the other side of the City, Mutton Cove remained free, so could a cap of charges be imposed on the Cattewater Harbour Commissioners;
- j) The Corporate Plan aimed to create a friendly and welcoming city with a varied, efficient and sustainable transport network and the Barbican Landing stage could have been utilised for Water Taxi's to take pressure off of the road network and provide a more environmentally friendly way for visitors to experience Plymouth's coastal landmarks;
- k) Revenue had been stagnant from the one large operator who dominated the scene at the Barbican Landing Stage, and there could be an opportunity for Plymouth City Council to generate revenue;
- l) A £10,000 saving was not comparative to the benefits of maximising on the asset for a Council with a £200 million budget that wanted to encourage sustainable green travel on the water as well as increasing people's access to the water;
- m) There had been a mismanagement of this decision when there was already at a loss of trust between the public and the decision makers, and it showed a lack of ambition for Plymouth as Britain's Ocean City and the National Marine Park;
- n) This decision showed a missed opportunity to get more young people involved with using the water;
- o) If the landing stage was opened to the cruise ships, it could generate good income for Plymouth City Council;
- p) Plymouth City Council had increased fees and charges across the board and the opportunity to increase charges on the landing stage and generate more income and promote Britain's Ocean City;
- q) The Barbican Landing Stage was a £0.5m asset, and the public needed to know that Plymouth City Council looked at every possibility before a private company took it over and possibly made money from it in the future.

In response to questions it was highlighted –

- r) The Barbican Landing point is not deep enough for Cruise Ships themselves but would be for smaller vessels they would tender in to drop off and pick up tourists;
- s) The Cattewater Harbour Commissioners were a trust and not a private company, and in the rules for the trust it stated that a trust port was an independent statutory body governed by its own local legislation and run by independent board members, unlike private company ports they had no shareholders, so all the surpluses generated went back into improving the port;
- t) The Council would lose any control over the asset but handing it back to Cattewater Harbour Commissioners;
- u) When Councillor Kelly was Leader the option of handing back the Barbican Landing stage had been discussed, but he had wanted something tangible in return, such as a 10-15 year period where the public, and other operators, could use it at a reduced cost, or free for some groups;
- v) No economic modelling took place to look at the possibility of Plymouth City Council to generate revenue from the landing stage.

Councillor Dreaan (Cabinet Member for Transport), and Mike Artherton (Group Manager for Parking, Marine and Garage Services) explained the reasoning for the decision and highlighted –

- w) The Barbican Landing Stage was not a Council asset but part of the demised premises and upon expiry of the lease, the Cattewater Harbour Commissioners could either take it back, or ask the Council to remove it, at the Council's expense;
- x) Surrendering the lease removed the Council from the risks and burden of maintaining the Barbican Landing Stage at the taxpayers' expense;
- y) In difficult financial times, the Council was having to focus on the delivery of core services and the management of the landing stage was not one of these;
- z) There were local experts in the Cattewater Harbour Commissioners who were better placed to ensure this facility remained available for years to come;
- aa) The landing stage required specialist maintenance, including underwater surveys, which over time would require an increase in financial investment;
- bb) It had been constructed as a commercial landing stage with the cost of maintenance and operations to be covered by the income received from fees charged for its use, and these would need to significantly increase to cover

costs if the Council were to continue with the lease;

- cc) The Cattewater Harbour Commission was a statutory authority and had trust port status, meaning all the monies made from provision of services, were reinvested back into the facilities and resources to help to maintain and improve the port for the benefit of all users;
- dd) The Cattewater Harbour Commissioners were established within Plymouth, specialists within the field and had an outstanding track record of working with the Council and supporting the city of Plymouth;
- ee) Cattewater Harbour Commissioners had a statement they asked to be read at the meeting which read –
 - i. “Cattewater Harbour Commissioners will celebrate its 150th anniversary next year. Throughout its time it has served the Port of Plymouth, the city and wider community in accordance with its ‘trust port’ status. This means that all the monies made from services provided are reinvested back into facilities and resources to help maintain and improve the port for the benefit of its users. The team has supported and promoted cruise ships visits, in particular those that want to bring passengers ashore straight into the heart of the historic Barbican. We work with local businesses and organisations across the city to support many other projects like the swim buoys, seagrass, swim pontoons, visitor’s berth pontoons, SAILGP, annual fireworks championship, community engagement and charity projects, as well as the statutory duties that keeps the Cattewater Harbour open for business, facilitating over 2 million tonnes of cargo, with a value of over £1.4 billion being imported and exported safely in and out of our city. We offer support and assistance here in Plymouth and across the SW to everyday and major products too, we operate 365 days a year, 24/7. We are excited to have agreed a hand-back of the Barbican Landing Stage to the CHC from Plymouth City Council and already have developed plans that would see investment to offer more opportunities for water-based business to operate out of the site. From angling trips to sea safaris, snorkelling trips to dive boats, an improved facility will provide the space and management to allow new businesses to start up, and existing businesses to offer new pick-up locations to add the area and city’s tourist draw. In addition, this will also provide more space for visiting and local pleasure vessels with a ‘walk ashore berthing option’ similar to neighbouring South West ports as we look to build on recent investments opening up the city to water based visitors, and in turn improve the access to the water from shore. The Port Authority are well placed to operate and maintain the facility and its important role in supporting the local economy,

investing in much needed maintenance to ensure the longevity of the facility, for the benefits of all.”

In response to questions it was highlighted –

- ff) Plymouth City Council was the leaseholder and Cattewater Harbour Commissioner was the freeholder;
- gg) Plymouth City Council could not land passengers from cruise ships onto the landing stage as this was already done by Cattewater Harbour Commissioners;
- hh) The benefit to the residents of Plymouth of the decision would be that they would no longer have to pay for it through Council Tax;
- ii) Apart from the Cattewater Harbour Commissioners, no one else had approached the Council to take on the lease;
- jj) The landing stage was a city gateway for visitors although it had been maintained to health and safety standards, it could be more visually appealing, but this would cost more, whereas the Cattewater Harbour Commissioners keep their strip of the landing stage to the desired level and they have the resources and expertise to better manage it as an asset;
- kk) It was an asset with concerns;
- ll) It was possible that the lease could have been extended beyond its end date.

During discussions between Committee Members, it was further highlighted –

- mm) It was disappointing that the investment had not been made in the asset since the Council had taken the lease on circa 2007;
- nn) It was Mike Atherton’s understanding that the lease was not transferrable and could not be sold by Plymouth City Council;
- oo) The initial thought had been to lease it back to Cattewater Harbour Commissioner but it cannot be leased back to the freeholder, and so surrendering the lease had been explored.

In summing up Councillor Jonathan Drea -

- pp) Thanked all those involved for a good discussion from all sides.

Councillor Kelly summed up and added –

- qq) The Barbican Landing stage was an asset to the city and if the Council had been more aspirational it could have produced a profit;
- rr) Frustrating that assets are surrendered by the Council due to a lack of investment in maintenance;
- ss) Cattewater Harbour Commissioners would only take on the Barbican Landing Stage if they felt there was commercial value in it;
- tt) The expertise could have been employed by the Council in order to create revenue from it and create a way for people to gain access to the water and explore the National Marine Park.

The Committee agreed to confirm that the decision could be implemented immediately.

For (7)

Councillors Coker, Goslin, Hendy, Holloway, Noble, Reilly and Lugger.

Against (1)

Councillor Hulme.

Abstain (1)

Councillor Riley.