



# Committee report

Committee	<b>HARBOUR BOARD</b>
Date	<b>WEDNESDAY DECEMBER 18, 2019</b>
Title	<b>HARBOUR AUTHORITY ACTIVITIES ANNUAL REPORT 18/19</b>
Report of	<b>CABINET MEMBER INFRASTRUCTURE AND TRANSPORT</b>

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## EXECUTIVE SUMMARY

1. Harbour legislation requires the production of a report comprising the annual statement of accounts and a report on the state of affairs arising from the accounts. This report will detail the key activities of the ports and harbours for which the council is a statutory harbour authority. Appendices 1 and 2 are the 2018/19 reports for Newport Harbour and Ventnor Haven respectively which, subject to approval, will be submitted to the Department for Transport (DfT).

## INTRODUCTION

2. The council is the statutory harbour authority for Newport Harbour and Ventnor Haven. The council produces annual accounts and includes the activity of both harbours within these accounts. Separate accounts must be prepared and approved by the council for each harbour for which it is the statutory harbour authority. The council currently owns a small harbour at Ryde; however, this is not a statutory harbour and does not, therefore, require a separate account.
3. This report recommends approval of the 2018/19 annual report and accounts for both Newport Harbour (Appendix 1) and Ventnor Haven (Appendix 2). If approved, the accompanying reports will be submitted to the Department for Transport.

## BACKGROUND

4. Statutory powers for Newport Harbour were first conferred on the council's predecessor, the Mayor, Aldermen and Burgesses of the Borough of Newport

in 1852 by the River Medina Navigation Act 1852 (followed by subsequent legislation). Newport Borough was succeeded by Medina Borough Council, which in turn was succeeded by the Isle of Wight Council.

5. Statutory powers for Ventnor Harbour were first conferred on the council's predecessor South Wight Borough Council in 1994 by the Ventnor Harbour Revision Order 1994. South Wight Borough Council was succeeded by the Isle of Wight Council.
6. The Department for Transport has also confirmed that there is a third harbour for which the council is a statutory harbour authority. However, investigation has shown that this relates to a pier at Ryde which was demolished in the 1920s and therefore, while technically the council remains the harbour authority for this pier, as the pier in question no longer exists and nothing has replaced it, there is nothing upon which to report either in terms of income, expenditure or governance, nor has there been for at least the last 80 years.
7. The council also leases a small landing stage at Cowes known as Whitegates Pontoon, from the Crown Estate. The council simply manages the pontoon and is not a statutory harbour authority in relation to it.
8. It is necessary for the harbour committee to consider the accounts as it is responsible for the duties of the harbour authority on behalf of the council.

## STRATEGIC CONTEXT

9. Delivering economic growth and prosperity is one of the council's priorities in its corporate plan 2019-22 and the harbours can play an important role in support of this priority. It is also important that the harbours are operated in a way that is consistent with the priority to deliver statutory duties and achieve value for money.

## CONSULTATION

10. This report has not been subject to consultation as it is a summary report of activity by the service area. The finances of the harbours continue to be reported within the council's broader accounts as a matter of course.
11. The Accounts and Audit Regulations 2015 require the council's accounts and accounting records to be available for inspection by members of the public for a period of 30 working days. This year the accounts and supporting records were open for inspection from the 3 June to 12 July 2019. The regulations also require local government electors to be notified that the audited statement of accounts is available for inspection as soon as reasonably possible after the audit has been completed. To the extent that the council's harbour undertakings form part of the services provided to local residents, the financial records supporting the harbour accounts will continue to form part of the consultation process outlined above.

## FINANCIAL / BUDGET IMPLICATIONS

12. The accompanying reports detail the accounts of Newport Harbour and Ventnor Haven. There are no direct financial implications arising from this report.

## LEGAL IMPLICATIONS

13. The 1898 Medina River Navigation Order (s.6)(1) requires the accounts of the harbours to be sent to the Board of Trade, now the Department for Transport. This same requirement is also contained in section 42 of the 1964 Harbour Act (as amended).
14. There is a statutory duty to produce annual accounts, in relation to two harbours, and therefore accounts must be produced separately and sent to the Department for Transport.
15. The council's external auditor, Ernst and Young, has completed an assurance review relating to the harbour activities of the Isle of Wight Council for Newport Harbour and Ventnor Haven for the year ended 31 March 2019. There are no matters which they wish to draw to the attention of the secretary of state. The assurance review report will be issued following approval of the accounts.

## EQUALITY AND DIVERSITY

16. The council, as a public body, is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. None of the identified groups are likely to be adversely affected by the content of this report.

## PROPERTY IMPLICATIONS

17. There are no direct property implications arising from this report although property activities in the harbours are included in the accompanying reports.
18. The ability of the council as harbour authority to let harbour estate property assets is limited by the 1847 Harbours Docks and Piers Clauses Act, which limits the "disposal" of property to a maximum term of three years and which means that any lettings must be for harbour- (and marine) related purposes. These constraints are likely to limit investment into and regeneration of the harbour estate.

## OPTIONS

19. The following options are available:
1. Option A – That the annual report and accounts as set out in Appendices 1 and 2 are approved and submitted to the DfT.
  2. Option B – That the annual reports and accounts are not approved due to areas of concern being identified in one or both of the reports.

## RISK MANAGEMENT

20. As set out above, the council is required to produce an annual statement of accounts relating to the harbour activities listing activities and financial accounts. By not approving the annual reports and refusing submission to the Department for Transport the council will be in breach of its statutory requirements and risks censure from the DfT.

## RECOMMENDATION

21. The following option is recommended to be adopted:

Option A – That the annual reports set out in Appendices 1 and 2 are approved and submitted to the DfT.

## APPENDICES ATTACHED

- [Appendix 1 - Isle of Wight Newport Harbour Annual Report and Accounts 31 March 2019.](#)
- [Appendix 2 - Isle of Wight Ventnor Haven Annual Report and Accounts 31 March 2019.](#)

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