



BUSINESS PLAN

2014 – 2023

Contents

1	EXECUTIVE SUMMARY	4
2	OVERVIEW OF GUERNSEY HARBOURS	5
2.1	Market Sectors	7
2.2	Infrastructure	8
2.3	Real Estate	8
3	CAPITAL DEVELOPMENT PROGRAMME	9
4	VISION AND KEY POLICIES	10
4.1	Essential Services	10
4.2	Value	10
4.3	Surplus	10
4.4	Investment	11
5	INFRASTRUCTURE	11
5.1	Ramps	12
5.2	Cranes - St Peter Port	13
5.3	Cranes - St Sampson's	13
5.4	Navigation Aids	13
5.5	Secure Port Operations areas St Peter Port and St Sampsons	13
5.6	Freight Packing	15
5.7	Unaccompanied Freight and Vehicle Handling Area	15
5.8	Accompanied Vehicle Handling Area	15
5.9	St Peter Port Passenger Terminal	16
5.10	Harbour Outer Walls, Breakwater and Castle Emplacement Sea Defences	17
5.11	Isolated Community Infrastructure: Herm, Sark, Alderney, Brecqhou and Jethou	17
5.12	Port Control and Coastguard Service, Facilities and Equipment	18
5.13	St Peter Port Public Car Parks	18
5.14	Hydrocarbon Supply Facility	19
6	REAL ESTATE	19
6.1	Assets	20
6.2	Liabilities	21
7	MARKET SECTORS AND CUSTOMERS	22
7.1	Leisure	22
7.2	Commercial	26
8	OPERATIONS	29
8.1	People	29
8.2	Marketing	30
8.3	Events	31
8.4	IT Core Systems	31
8.5	Legislation	33
8.6	Health and Safety	34
8.7	Customer Service	35
9	FINANCIAL PERFORMANCE	36
9.1	Revenue	36
9.2	Costs	37
9.3	Funding	37

List of Tables

Table 1	Services of St Sampson's and St Peter Port Harbours	6
Table 2	Schedule of Infrastructure Projects and Operations	12
Table 3	St Peter Port Harbour Ramps	12
Table 4	Schedule of Real Estate Assets Projects	21
Table 5	Schedule of Real Estates Liabilities Projects	22
Table 6	Categorisation of Vessels in the Commercial Sector	26
Table 7	Agents/Operators serving each Commercial Shipping Category	26
Table 8	Distribution of Commercial Fishing Vessel	28
Table 9	Harbour Dues by Commercial Shipping Category (2013)	29
Table 10	Schedule of People and Structure Projects	30
Table 11	Schedule of IT Core Systems Projects	33
Table 12	Schedule of Health and Safety Projects	35

List of Figures

Figure 1	Guernsey Harbours Organisation Chart	6
Figure 2	Value Chain for Visiting Cruise Liners	27

Appendices

Appendix A	Capital Development Programme	39
Appendix B	Infrastructure Map	42
Appendix C	Map of Real Estate Assets	44
Appendix D	Map of Real Estate Liabilities	50
Appendix E	Current Leisure Rates	53
Appendix F	Local Leisure Berths	54
Appendix G	IT Core Systems	57
Appendix H	Profit and Loss 2008 - 2013	58

1). Executive Summary

In 2012, the Public Services Department appointed a team of professional advisers to develop a Guernsey Ports Master Plan. This Master Plan, which was published in January 2013, sets out a framework for Guernsey Harbours over the next decade.

The 2014-2023 Guernsey Harbours Business Plan outlines the current status and sets out the strategic objectives for St. Peter Port and St. Sampson's Harbours.

At the heart of the business plan are 4 key policies and strategic objectives:

- Essential Services – To ensure the on-going provision of essential services to the Bailiwick of Guernsey;
- Value - Protect and grow the inherent value of St Peter Port and St Sampson's Harbours;
- Surplus – To generate sufficient surplus to be self-funding for all but the most exceptional infrastructure capital investment;
- Investment - Arrest decline, avoid deterioration and consequential high-deferred maintenance charges. Protect the inherent economic value of Guernsey Harbours to the island and pro-actively invest in infrastructure and real estate.



The services provided by Guernsey Harbours are significant and wide ranging including managing vessel movements, the transit of passengers and cargo, property and estate management, providing facilities and infrastructure for community leisure activities, managing multiple marinas with over 2000 berths and moorings, facilitating the safe arrival and departure of 100,000 cruise liner passengers, Coastguard services and hosting events.

Guernsey Harbours provides services that touch every islander and business either via the lifeline links to deliver food and fuel to the islands or enjoyment of the leisure activities on the sea.

Central to delivering all the services Guernsey Harbours provide is establishing a sustainable financial position and planning for the future. The business plan includes a capital development plan over the next 10 years. The drivers for each element of the capital development programme vary from essential infrastructure replacement, changes to deliver fit for purpose services and facilities, revenue protection, development to meet international standards, capacity expansion and sound financial planning. The Capital Development Plan is a “living” plan and will evolve over time as individual business cases are developed.

Some of the key elements of the capital programme include:

- International Ship and Port Facility Security (ISPS) compliance
- West Ro-Ro Ramp replacement
- Review and repair Navigational Aids, particularly Platte Fougère and Roustel
- St Peter Port Layout including new terminal and customs shed
- New Port Signal Station building
- Replacement of the Sarnia Harbour maintenance vessel
- Hydrocarbon Supply Project (St Sampson's deep water berth)
- St Peter Port Harbour dredging to maintain suitable depths
- Marina facilities upgrade
- Quay and pontoon development and refurbishments, including inter-island, cruise ships and fish quay

In real terms, the 2014-2023 Business Plan will enable carefully managed private investment, and development of identified areas of the harbour to increase revenue to support all Guernsey Harbours existing services. Development plans and revenue will be linked to support essential services and core community activities.

2). Overview of Guernsey Harbours

Guernsey Harbours is a trading unit of the Public Services Department (PSD). It operates the two major harbours in Guernsey, St Peter Port and St Sampson, and is responsible for substantial real estate at both locations. The harbours are iconic, being integral to the Guernsey's image, identity and life, and are strategically vital to the island.



As an island, Guernsey relies on its ability to import the vast majority of goods for consumption and use by its population, including necessities such as food, clothing, building materials and fuel. The harbours are the main commercial gateway to the island and approximately 98% of all imports/exports pass through them.

The harbour at St Peter Port provides essential links for passengers and vehicles to ports in the UK and France, as well as connections to the other Channel Islands. Approximately 33% of passengers travelling to/from Guernsey do so via these sea routes.

Facilities for visiting vessels (private boats and cruise ships) stimulate tourism and inject money into the local economy. Multiple marinas host facilities for locally-owned boats providing leisure opportunities for residents.

St Peter Port and St Sampson's harbours function co-operatively, facilitating differing services to the island, identified in Table 1.

	ST SAMPSON'S HARBOUR	ST PETER PORT HARBOUR
COMMERCIAL	Bulk cargo (import) Liquid Hydrocarbon Fuel (import) Guernsey fishing fleet	All containerised freight (import/export) Passenger vehicle movements Guernsey fishing fleet
LEISURE	Local berths and moorings	Local berths and moorings Visitor berths Cruise Liner operations

Table 1: Services of St Sampson's and St Peter Port Harbours

Guernsey Harbours also holds responsibility for a number of other functions such as safety at sea (Coastguard/Search and Rescue, navigational aids), legislative, vessel licensing and registry.

Guernsey Harbours currently employs some 73 staff forming a team with a wide range of skills and work experience. The Harbours' team engages operationally and commercially with a wide range of local and international businesses, underpinning the economy of Guernsey. An organisation chart is given in Fig.1:

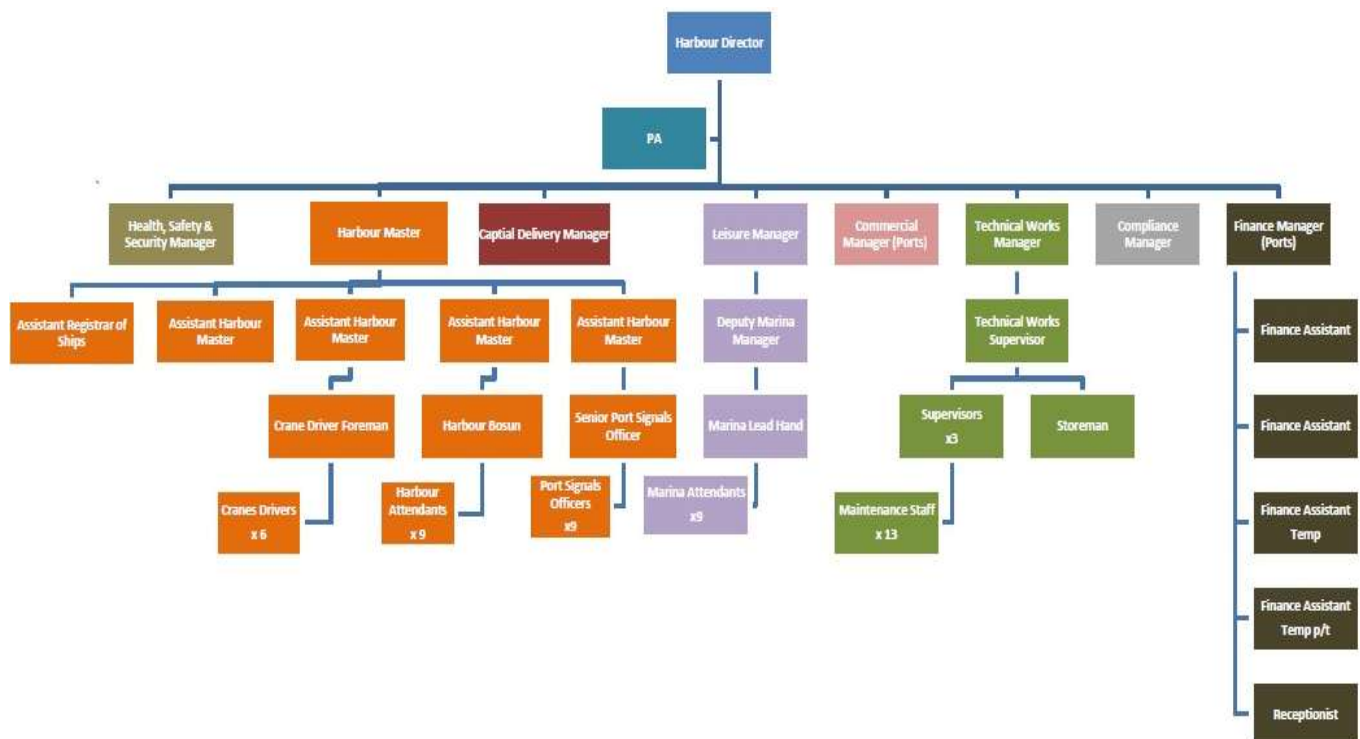


Fig 1: Guernsey Harbours Organisation Chart

Both St Peter Port and St Sampson's harbours are profitable, albeit their historical financial performance has been variable. In 2012 the operating surplus transferred to General Revenue, after a significant depreciation charge, was £2,124,000.

A major Capital Development Programme is underway and, in the main, this will be funded by the surplus created by the harbours. Concurrent with the initiation of this programme, the last year has seen a significant restructuring at the top of the organisation, with the appointment of a Harbour Master with a substantial local and international senior maritime background and a Harbour Director who brings extensive commercial, technical and managerial experience to the role.

Collectively, the Harbour Management Team (HMT) is embarking on a programme to bring new operating efficiencies to the organisation, whilst seeking to commercialise and leverage the many and valuable assets entrusted to Guernsey Harbours' stewardship. These assets, including some of Guernsey's most prized and cherished real estate, have a capital value greatly in excess of their current economic value. Closing this gap is seen by the HMT as vitally important to growing the surplus and thereby funding capital development. This is discussed in Sections 3, 4 and 5.

i. MARKET SECTORS

Whilst Guernsey Harbours serves multiple sectors, these can be broadly classified as leisure or commercial, with the latter defined as a business or individual deriving income or financial benefit from the use of any element of Guernsey Harbours' services or estate.

LEISURE

The leisure sector includes local and visitor marina usage, the model yacht pond, sail training and cruise ship and ferry passenger services. Also not to be forgotten is the enjoyment of the public realm and viewing point areas which the harbours offer.

COMMERCIAL

For the commercial sector, with some 98% of all Guernsey's physical imports and exports passing through the harbours, it is a fact that either directly or indirectly all local market sectors have a dependency to varying degrees on Guernsey Harbours. This includes the tenants of harbour buildings who operate a diverse range of businesses ranging from retailing fish and selling ice cream to operating international freight forwarding services.

It is apparent that operational or commercial decisions made by Guernsey Harbours can all have a direct or indirect impact on local industry sectors such as construction, tourism, retail, hospitality, finance and energy. Furthermore this impact may be favourable or unfavourable.

For example:

- Infrastructure provision and investment,
- Charges and dues levied,
- Real estate development,
- Tenancy agreements,
- Quality of marina facilities,
- Scale and nature of commercial operations supported.



In particular, Guernsey Harbours recognises the existing opportunity to bring into play its real estate and certain other assets to stimulate various market sectors including tourism, retail, hospitality and leisure. These opportunities will be explored and developed on a case-by-case basis in accordance with the vision and key policies laid out in Section 4.

In making operational or commercial decisions, Guernsey Harbours will remain cognisant of their impact on the broader economy. For example import, export and passenger dues currently offset infrastructure costs and adjustments to particular dues can directly affect all market sectors. This knock-on effect is therefore a consideration in making changes to harbour dues.

ii. INFRASTRUCTURE

Guernsey Harbours' day-to-day operations rely on the efficient use and maintenance of substantial infrastructure comprising, for example:

- Cranes and materials handling equipment,
- Specialised buildings and handling areas,
- Roads, ramps and jetties, and
- Sophisticated maritime communication, signalling and safety equipment.

This infrastructure provides the basis for the movement of freight, fuel and people required for the island to function. Guernsey Harbours must maintain, replace or modify the infrastructure to ensure the continuous provision of essential services to the island today and for the future.

Guernsey Harbours procures, owns and maintains this infrastructure and associated spare parts and operates it in compliance with applicable health and safety, legislation, both local and international. A large part of the organisation is given over to this task. Guernsey Harbours continues to develop processes and procedures to operate this infrastructure in the unique Guernsey environment, where space is at a premium and there are multiple conflicting calls on resources.

iii. REAL ESTATE – ASSETS & LIABILITIES

Guernsey Harbours encompasses significant real estate, including property leased to third parties, marinas (and associated facilities), community facilities and land areas. Importantly, within the portfolio, there are both positive assets and also significant liabilities. The latter includes examples where maintenance and investment have been insufficient and where vacant properties or legacy leases carry risks which outweigh the reward.



Guernsey Harbours' strategic focus on real estate is directed at protecting the natural/inherent value, arresting decline, maximising return on assets and managing liabilities efficiently. Guernsey Harbours will work with the appropriate States bodies to rationalise and manage the Harbours' real estate holdings and bring them into line with good commercial practice.

3). Capital Development Programme

The Capital Development Programme (CDP) controls how Guernsey Harbours identifies investment on large scale projects and equipment/systems that will add value to the business. The work planned in the CDP is concurrent with overarching strategy within the business plan and focuses financial resource:

- To ensure suitable infrastructure is in place for provision of essential services;
- To continue a commitment to lifeline and society obligations for the Bailiwick of Guernsey;
- To maximise returns from real estate and assets;
- To arrest decline and protect the inherent economic value of the harbours to the island.

For a project to be considered for capital expenditure, it must be either:

- Part of the Business Plan which has been approved by the PSD Board, or
- A project that has been presented to the Board separately; approved and aligned with the strategic objectives identified within them.

The costs detailed in the Capital Development Plan are estimates from multiple sources including Capital Prioritisation 2014-2017, previous estimates inflated to today's price, and gross estimates derived from industry information.

Major projects will be subject to a specific business case. The purpose of the CDP detailed in this business plan is to give a view of the likely programme of work to execute the plan and indication of surplus requirements.

The CDP is an organic piece of work which is subject to regular updates as it is often the case that changing circumstances can affect the criteria which determine the priority of each project. The Capital Development Programme is included in Appendix A, but in summary it encompasses:

- The Capital Development Programme (CDP):
 - Infrastructure – essential services
 - Real Estate – Assets
 - Real Estate - Liabilities
 - Other CapEx projects

4). Vision & Key Policies

Guernsey Harbours' vision, and policies to achieve this vision, rests on defining and describing the assets deployed and markets served.

Collectively, they ensure that Guernsey Harbours continues to fulfil its core 'lifeline' and societal obligations, whilst placing the organisation on a firmer economic footing to safeguard the long term.



i. ESSENTIAL SERVICES

To ensure the on-going provision of essential services to the Bailiwick of Guernsey.

Guernsey Harbours has an overarching responsibility to contribute to the safe and efficient movement of passengers, goods and vehicles into and out of the Bailiwick, supporting multiple industry sectors and providing for the needs and wellbeing of our people. This remains at the forefront of Guernsey Harbours' operations and planning, and it will continue to make the appropriate investments, plans and decisions to continue to achieve this under the auspices of the Public Services Department.

ii. VALUE

Protect and grow the inherent value of St Peter Port and St Sampson's Harbours.

It is recognised that the broad fabric of the harbours comprises sovereign assets, to be deployed for the benefit of all the Bailiwick. Guernsey Harbours recognises the intrinsic contribution that these assets make to life in the Bailiwick, both tangible and intangible, and is committed to protecting and growing the harbours' inherent value.

iii. SURPLUS

To generate sufficient surplus to be self-funding for all but the most exceptional infrastructure capital investment.

Guernsey Harbours recognises the commercial opportunities and scope to develop and deploy the assets under its stewardship. It is committed to achieving market-rate returns wherever possible and appropriate, to contribute to the self-funding of its investments and operations and thereby reducing or removing the need to seek central funding for all but the most exceptional of needs.

iv. INVESTMENT

Arrest decline, avoid deterioration and consequential high-deferred maintenance charges. Protect the inherent economic value of Guernsey Harbours to the island and pro-actively invest in infrastructure and real estate.

Guernsey Harbours will be pro-active in improving, maintaining and developing its plant, infrastructure and real estate. This is consistent with 4).iii above and only through this action, and thereby avoiding the cost of remedial works, can returns be maximised.

5). Infrastructure

Guernsey Harbours is responsible for significant infrastructure required for the operation and functioning of the island. The maintenance and provision of infrastructure to meet today's needs and plan for future requirements underpins Guernsey Harbours' ability to deliver sustainable services to the island.



As part of future planning it cannot be presumed that infrastructure will continue to be located in its current location or maintain its current form. The Future Harbour Requirements Study of 2010 cited the primary issue regarding operations to be limited space. Land usage within St Peter Port Harbour is conflicted and inefficiently configured.

Multiple infrastructure spends contribute to the Capital Development Programme (**Appendix A**). The Programme pulls together all reasonably foreseeable capital infrastructure spend over the next 10 years with other, non-infrastructure based capital expenditure, to create a full picture of planned investment. Business cases for each individual capital project will be developed separately.

Within the Capital Development Programme key projects have been identified. The St Peter Port infrastructure layout project is one of those key projects. The fundamental drivers are to achieve planned development of infrastructure to protect the provision of essential services both today and for the future.

The basic equipment and structures used today for essential service provision to the island, their current known state and identified replacement or development plan are detailed in the sections that follow. A map of the infrastructure can be found in **Appendix B**.

A schedule of key infrastructure projects and operations is provided in Table 2.

	OBJECTIVES	TIMESCALE									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	
PROJECTS	West Ro-Ro Ramp										
	Navigation Aids. Review and repair, and replacement programme with specific solutions to Platte Fougère and Roustel.										
	St Peter Port Layout including new terminal and customs shed.										
	Port Signal Station building										
	Replacement of the Sarnia Harbour maintenance vessel.										
	Hydrocarbon Supply Project (St Sampson’s Deep Water Berth)										
	Introduction of security co-tag system.										
	St Peter Port Harbour dredging to maintain suitable depths										
	Commercial Area Paving/Concrete										
OPERATIONS	Unaccompanied Vehicle handling (outbound/inbound lo-lo and ro-ro) – redesign of handling areas										
	Accompanied outbound, inbound – redesign of areas										
	Freight packing – consideration of relocation										
	Strategic assessment of the long term plans for St Sampson										
	Physical security boundary enhancements and development.										

Table 2: Schedule of infrastructure projects and operations

i. RAMPS

Guernsey has two “roll-on roll-off” (ro-ro) ramps both located in St Peter Port Harbour. The ro-ro ramps are used by commercial and domestic passenger vehicles. Although each provides similar service, the two are substantively different in many respects and are not directly interchangeable. Table 3 illustrates these differences.

Ramp	Operating Drive	Ship Connection	Installed	Refurb'd	Vehicle Lanes
West (No 1)	Pneumatic	Suspended	1987	2011	1
East (No 2)	Hydraulic	Free Floating	1998	2010	2

Table 3: St Peter Port harbour ramps

The existing west ramp is nearing its end of life, with replacement scheduled in the next five to six years. However, changes to the Ro-Ro fleet may expedite the replacement in order to meet the new fleet specifications. The east ramp's useful life is forecast to be a further ten to fifteen years.

ii. CRANES – ST PETER PORT

The Berths 4, 5 and 6 project is in the process of replacing end of life cranes at St Peter Port to service the loading and unloading of the commercial load on-load off (lo-lo) services excluding bulk and aggregate.

iii. CRANES – ST SAMPSON

There are two cranes at St Sampson's Harbour used for lo-lo bulk and aggregate and maintained within Guernsey Harbours' planned maintenance programme.



Useful life is forecast to extend beyond this 10 year business plan. Consideration within the timeline of this business plan will be given to the impact of utilising St Peter Port for bulk and aggregate that is not self-discharged, including examination of potential efficiencies, cost savings and effect on island transport/traffic.

iv. NAVIGATION AIDS

Guernsey Harbours is responsible for maritime safety, the investigation of marine accidents, provision of navigational aids and provision of maritime safety information on behalf of the Public Services Department for the States of Guernsey.

The waters surrounding Guernsey are challenging and Guernsey Harbours is responsible for providing and maintaining a number of navigation aids for sailors (lighthouses, buoys and beacons), these are currently in varying degrees of repair. Platte Fougère and Roustel are known to be in a poor condition and continue to deteriorate due to the harsh environment of their location. It is difficult to predict with any degree of accuracy the time to failure or remaining useful life of these existing navigational aids. Further investigation is recommended to survey them, investigate alternative navigation aid solutions and determine the most appropriate course of action.

Owing to the critical nature of these existing navigational aids, to ensure safety at sea the Capital Development Programme (**Appendix A**) takes a cautious approach and plans for early intervention. This is subject to adjustment from survey and investigation of alternative safe navigation solutions.

v. SECURE PORT OPERATION AREAS – ST PETER PORT & ST SAMPSONS

Guernsey Harbours is required to operate in line with the International Ship & Port Facility Security (ISPS) Code enacted under the Safety of Life at Sea (SOLAS) Convention. The Convention extends not only to port facilities but also to vessels using our ports. The Security of Ship and Port Facilities (Guernsey) Ordinance, 2004 has been enacted locally, thereby extending SOLAS and ISPS requirements to Guernsey.



Commercial vessels using Guernsey Harbours, including passenger and freight ferries, cargo ships, tankers and cruise ships, almost without exception visit a number of other ports in the UK and Europe where international security measures are enforced. Guernsey Harbours aligns itself to this standard, ensuring Guernsey is not isolated from international shipping, and that commercial vessels servicing Guernsey are not subject to additional security clearances causing delays or cancellation of services.

All port operations, except domestic voyages, for both St Peter Port and St Sampson's harbours, are required to be carried out in line with requirements for security.

In order to effect secure port and ship security operations aligned to the ISPS Code, a physical infrastructure is required. The physical infrastructure, combined with security procedures and recourses, are documented in a Security Plan. The Security Plan is audited for compliance to the ISPS Code by the Department for Transport. Guernsey Harbours currently has three secure port operations areas:

1. An area on the White Rock 'Pier'
2. St Sampson's bulk and aggregate area (North Side)
3. St Sampson's fuel facility (South Side)

In addition to the port operations areas, essential equipment such as communications and IT systems, power generation plant and freight equipment (cranes and ramps) are also included in the Port Facility Security Plan and are restricted areas for security purposes.

The physical areas classified as secure areas today are identified on the infrastructure map (**Appendices B(a) and (b)**).

St Sampson's Harbour restricted areas have physical boundaries to ensure their security. Changes to security procedures, resources and physical structures are required to manage access when vessels are occupying berths at St Sampson's Harbour.

St Peter Port Harbour's existing security provision has known issues that need to be addressed, such as:

- Control of access to vessels over No 1 (west) ro-ro ramp by inclusion in the physical boundaries of the secure area,
- Establishing adequate vehicle search facilities,
- Addressing current procedures for handling accompanied freight, and
- Overall control of access.

These elements have previously been identified by the Department for Transport. Existing arrangements have either neglected to address these security issues or used increased manpower to alleviate specific security issues. The St Peter Port layout project is key to establishing an appropriate security line and fit for purpose areas to discharge security obligations.

vi. FREIGHT PACKING

Freight handling facilities are necessary for the loading and unloading of cargo into containers, ro-ro trailers and accompanied commercial vehicles. Freight warehousing sites are located both on and off harbour areas. The 'on harbour' warehousing, storage and parking facilities heavily conflict with pedestrian and public realm areas. The areas are oversubscribed and regularly result in a mixing of commercial traffic (heavy freight vehicles and plant machinery) with private/tourist traffic and pedestrians on the quay.



Improved layouts with suitable freight handling space, particularly for ro-ro operations are required to address these issues. The St Peter Port layout project will address freight handling.

Consideration should be given to the need for freight packing to be located at St Peter Port Harbour, including the transport and traffic implications of relocation elsewhere and suitable segregation from public areas.

vii. UNACCOMPANIED FREIGHT & VEHICLE AREA

Container, trailer and "over-sized" unaccompanied freight is shipped through St Peter Port Harbour. Loose bulk and aggregate is transported through St Sampson's Harbour.

Area size and layout for handling goods significantly influences efficiency, health and safety and security. Current handling areas, due to space constraints and layout, result in increased manpower requirements, heightened health and safety risk, security issues and capacity issues.

Areas dedicated to hold goods in transit are required at St Peter Port; specifically areas for:

- In-bound trailer freight (transit of goods into the island),
- Out-bound trailer freight (transit of goods and freight equipment off-island),
- In-bound container freight,
- Out-bound container freight, and
- In-and out-bound freight for outlying islands

The unaccompanied freight and vehicle handling area for St. Peter Port will be evaluated within the St. Peter Port layout project. Any consequential changes will be made through these project plans.

viii. ACCOMPANIED VEHICLE HANDLING AREA

Check-in facilities are required for all accompanied vehicles with an associated post check-in holding area. Existing check-in holding arrangements are limited and are regularly oversubscribed in the course of routine operations when two or more car carrying passenger ferries are using the port, either simultaneously or within short succession. The current capacity is also exceeded on an ad hoc basis by unforeseen events, for example issues with vessels when

in port. Exceeding existing capacity arrangements results in grid locked operations, congestion within the port and approach roads, inefficient handling, delays, heightened safety risks and poor customer experience.

Introduction of vessels with increased capacity will exceed current vehicle holding capacity on a more frequent basis.

Following check-in and prior to boarding, vehicle security searches must be undertaken in accordance with the operating security level of the port. There are currently no vehicle search facilities to carry out security searches for outbound vehicles.

Existing inbound vehicle handling contributes to congestion, backlog to vessels and slow turnarounds. Inbound handling issues predominately arise from layout and location of facilities including the customs shed. The St Peter Port layout project will address traffic flow and review location of facilities, including relocation if required.

Interim changes will be put in place to meet new vessel requirements and will, as practicable, align to the St. Peter Port infrastructure layout project plans.

ix. ST PETER PORT PASSENGER TERMINAL

Approximately 36% of passengers arriving and departing the island enter or exit using the ferry passenger terminal. The existing ferry passenger terminal was originally constructed as a freight shed in 1929 and later converted. The building is in a poor state of repair and of poor construction:



- The walls are single skin,
- The roof is a flat roof with internal guttering that frequently leaks,
- The building is void of insulation making temperature control difficult and inefficient,
- The port security side doors and pre-security doors are in need of replacement and require a high degree of on-going maintenance.

The passenger terminal is used for international and UK voyages only. The user experience is basic with sparse facilities and furnishings. There is no fibre optic to the building for computer terminals. Sure (Cable and Wireless) provide a free Wi-Fi service for passengers. Manning of the building is varied and mapped to vessel arrivals and departures with long periods of non-use in between.

The terminal location adds to complications in traffic flow and increases conflicting paths between freight movement, domestic vehicle, bicycle and pedestrian.

For inter-island domestic voyages and cruise liner passengers waiting facilities are spread between the domestic commercial operators with limited size of facility and are not processed through the St. Peter Port passenger terminal. Improved terminal facilities are incorporated within the St. Peter Port layout plan.

x. HARBOUR OUTER WALLS, BREAKWATER & CASTLE EMPLACEMENT SEA DEFENCES

The outer walls, breakwaters and Castle Emplacement are vital sea defences for St Peter Port Harbour. The failure of this infrastructure would have potentially catastrophic consequences whereby the port area, berths and associated facilities would become unprotected and untenable during heavy weather conditions. It is highly probable that without these structures, the remaining infrastructure of the port would suffer weather damage due to exposure, rendering the port unserviceable.



St Sampson's Harbour is protected by the Longue Hougue reclamation area and pier heads. A rolling programme of inspection, monitoring and repair continues and will be reviewed to ensure it meets requirements to protect St Peter Port and St Sampson's Harbours. No specific repairs are identified for completion within the timeline of this business plan; however, in the event of storm damage or the inspection and monitoring programme highlighting issues, immediate action is likely to be required. A capital sum has been allocated in the Capital Development Programme to ensure the upkeep of the infrastructure.

xi. ISOLATED COMMUNITY INFRASTRUCTURE: HERM, SARK, ALDERNEY, BRECQHOUE & JETHOU

The outlying islands of the Bailiwick are supported predominantly via Guernsey's harbours, with the exception of some private transfers being undertaken by helicopter to the private islands and a passenger airline service to Alderney.

Freight is loaded using a combination of a fixed crane, mobile crane and HIAB type crane, spread across different locations at St Peter Port Harbour.

A considerable number of 'local' vessels are moored and based at St Peter Port Harbour, in order to deliver both cargo and passengers to the outlying islands of the Bailiwick. There are insufficient moorings available to allow all these local vessels to remain afloat at all states of tide.

Passenger embarkation and disembarkation facilities for inter-island travel are oversubscribed and shared with international cruise liner tender operations. Conflicts arise due to passenger handling and security requirements. This is exasperated at low water where existing landings and steps are inaccessible owing to insufficient depth of water being available.

No domestic passenger terminal exists and passengers are spread between inadequate and limited facilities provided by the vessel operators and Visit Guernsey. Improvements will be made through identified Capital Expenditure, including leisure pontoon and inter-island quay refurbishments and enhancements, commercial pontoons and terminal plans within the St. Peter Port layout project.

xii. PORT CONTROL & COASTGUARD SERVICE, FACILITIES & EQUIPMENT

The States of Guernsey has obligations under the International Convention on Maritime Search and Rescue (the SAR Convention) to ensure adequate search and rescue (SAR) services are provided in Bailiwick waters. Responsibility for this has been delegated to the Public Services Department and, in turn, Guernsey Harbours provides the Guernsey Coastguard service.



Guernsey Coastguard (GCG) Maritime and Rescue Co-Ordination Centre (MRCC) is responsible for SAR activity within the Channel Island North Search and Rescue Region (SRR) covering an area of 1200 nautical miles. The MRCC is located at the White Rock Pier of St Peter Port. The facility also accommodates Port Control (PC).

Existing arrangements comprise a temporary 'portacabin', which was established to ensure continuity of services whilst a replacement Port Signal Station facility is put in place. The MRCC co-locates with Port Signal Officers in the portacabin and upon completion of the new facility Guernsey's Coastguard services will relocate in tandem with Port Control.

The systems and equipment used by both the GCG and PC services are becoming aged and increasingly unreliable. In particular IT, radio and monitoring systems are out-dated and certain elements are gradually becoming unsupported. High dependency currently exists with a single support agent for radio equipment.

GCG has been included in the project to establish a Joint Emergency Services Control Centre (JESC). Only the call handling element of GCG will move to JESC; therefore the MRCC will remain at the Harbour Offices and, in the future, this will hopefully combine with a new-build Signal Station. Guernsey Coastguard will continue to work with the Joint Emergency Services Control Centre to align its services as the fourth emergency service.

xiii. ST PETER PORT PUBLIC CAR PARKS

All five piers (Salerie Corner, White Rock, Crown Pier, Albert Pier and Castle Pier) are maintained by Guernsey Harbours and host public car parking, providing access to the St Peter Port town area and outlying seafront areas. A town parking provision forms part of the infrastructure requirements for the island. Over 1750 public parking spaces are spread across the piers currently providing free parking for 2, 3 or 10 hours.



At certain points, passage from the car parks to town crosses 4 lanes of traffic, and natural pedestrian flows are not well aligned to crossing points.

Guernsey Harbours' parking provision contributes to the issues created by the mixed and heavily oversubscribed use of the White Rock area by pedestrians, vehicles, freight and plant machinery. Solutions to deal with the conflicting uses of the White Rock area and make use of other piers to land passengers ashore are also constrained by the existing parking infrastructure.

Guernsey Harbours recognises that some islanders would prefer to be able to park for extended periods when off-island, when travelling or when using leisure vessels.

Consideration will be given to alternative parking infrastructure as part of the programme to - ameliorate existing high traffic areas, manage industry-specific capacity issues, enable maximum potential of waterfront real estate to be derived and reduce existing health and safety risks.

xiv. HYDROCARBON SUPPLY FACILITY

Community and economic life on Guernsey is dependent on the timely delivery of hydrocarbon fuels (petrol, diesel, kerosene, aviation fuel, heavy oil and LPG) for transport, heating and electricity. The purpose of the Hydrocarbon Supply Facility project is to develop a secure future hydrocarbon supply for the Island.

Hydrocarbon supply is currently facilitated via St Sampson's Harbour. Specifically designed 'Not Always Afloat But Safe Aground' (NAABSA) vessels discharge fuel at St Sampson's Harbour, pumping it directly into pipelines connected to storage facilities.

The way the fuels are uploaded onto the island has some unique elements and challenges. These include:

- A harbour with an approach with strong tidal currents
- Strict limits on ship length and draught
- Access only during spring tides
- A narrow harbour mouth
- Berths which dry out
- Discharge facilities relatively close to residential properties, and
- A need to use specialised vessels which can rest on the harbour bed.

For a host of reasons this arrangement is not sustainable. It creates significant vulnerabilities in the short-and medium-term whereby a single event could result in the supply mechanism being severely disrupted.

This risk has long been recognised and has led to the production of initial designs for a deep water berth outside of St Sampson's Harbour. A Hydrocarbon Supply Programme Strategy has been completed with States Property Services and a Project Board has been identified to progress a long term solution.

6). Real Estate

Guernsey Harbours is custodian of a sizeable estate owned by the States of Guernsey. The estate has developed over the last couple of hundred years, evolving as new requirements have been identified and addressed. Both harbour estates are integral to the island's image. The inherent beauty of the areas, the marinas and their proximity to the two towns provides immeasurable value to the island.



The estate includes a mixture of pontoons, buildings, piers, land areas, slipways and structures. Individually each of these may be an asset or a liability. The latter includes elements of the estate which incur costs and are low or non-revenue generating. Further examples of real estate which represent a liability are buildings which have been neglected, where vacant properties or legacy leases carry risks which outweigh the reward and where tenancy agreements are weak or non-existent.

The main aim for our real estate over the next few years is utilising assets to maximise their economic value to Guernsey Harbours, the States of Guernsey and our island community. We will also aim to manage the estate's liabilities effectively. This programme of work includes arresting the gradual decline of the areas to protect their inherent value, establishing an investment programme based on achieving clear returns and gradually trending existing asset use to market based pricing, to support the four strategic objectives.

i. ASSETS

Guernsey Harbours' fixed assets are wide ranging in type. The core asset is 630,000 square metres of waterfront prime real estate. **Appendix C** shows rental units at St Peter Port and St Sampson's Harbours. It should be understood that, whilst these units have been listed on the 'Asset' list, there is work to be done to survey and review the buildings. It is possible that, when completed, some of these units may become re-classified as liabilities on the grounds of condition/work required rendering them a drain on resources.

Opportunities exist to maximise returns from the estate, use the estate to stimulate market sectors and derive improved economic return for the island:

- In the short to medium term by migrating all rental rates to market value. Guernsey Harbours administers over 100 leases for rental units, including buildings and land areas of varying age and condition, and over 1650 berths and moorings;
- In the medium to long term optimising the use of the space, tying town and harbour together in St Peter Port, making use of private investment opportunities.

An overarching strategy to marry elements of the infrastructure capital development plans with private investment for commercial gain, and ties to support community based activities, is core to Guernsey Harbours' aims/vision. This strategy specifically regards the St. Peter Port layout project, embracing private investment to maximise opportunities to tie terminal footfall, retail, hospitality business and leisure together.

Consideration will be given to options for private investment in new terminal facilities and a dedicated large leisure vessel berth area with 24/7 tidal access.

OBJECTIVES	TIMESCALE								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Survey assets to ascertain condition and develop plans to maintain or improve them									
Contract out specialist conditions surveys (including asbestos)									
Marina Facilities Upgrade									
Increase quantity of 24/7 tidally accessible walk ashore pontoons to meet demands of local leisure and visiting vessels, de-conflict facilities and manage capacity									
24/7 tidal access large vessel berths. (Quantify market, investment cost, ROI)									
Examine potential for private investment in new terminal site (as part of the St Peter Port layout project)									

Table 4: Schedule of real estate assets projects

ii. LIABILITIES

Portions of the estate incur costs and are also low or non-revenue generating. A map of current liabilities is detailed in **Appendix D**. Areas currently included as liabilities are:

- Public realm areas, such as slipways, piers, New Jetty walkways, St Julian's Emplacement, La Crocq Pier, Castle Bridge and adjoining walkway leading to the Castle Breakwater light.
- Areas of use for community social activities, clubs and society facilities, such as the Model Yacht Pond.
- Weighbridge Mast.

As highlighted in section 6.1 above, it is possible that condition surveys to be undertaken may rather classify some rental units as liabilities, so this list may evolve in due course. Large portions of the harbours' estates are public realm areas, which are in varying states of repair or disrepair and there is an on-going maintenance programme in place for these areas.

A wide variety of community organisations occupy and make use of various elements of existing real estate and services. It is recognised that providing land for the use of relatively small sections of the public, which could otherwise gain a greater income from other sources, can be hard to justify financially. However, equally, it is recognised that community and activity uses present a great benefit to the groups involved and to society at large.

A balanced use of harbour areas for public realm, specific community activities and revenue generation is essential.

Areas designated for community activities need to be supported with suitable facilities such as slipways, ground areas and units. Equally, these facilities need to have assured funding.

Guernsey Harbours will consider the value derived from the use of the land and the wider community at large. Where the economics cannot be justified against other potential uses, Guernsey Harbours will consider innovative solutions linking financial support from those potential new uses, possibly including private investment, to alternative solutions for the provision of community activities.

OBJECTIVES	TIMESCALE								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Survey the public realm areas and formulate an informed maintenance / repair / refurbishment / replacement and improvement schedule									
Refurbishment of Castle Bridge									
Public realm and community services facilities review (activities, clubs, societies, requirements, current facilities and options).									

Table 5: Schedule of real estate liabilities projects

7). Market Sectors & Customers

i. LEISURE

The Guernsey Harbour leisure market is made up of multiple user groups including local leisure vessel owners, visiting vessels, disembarking/embarking cruise liner passengers, inter-island tourists (Herm, Sark, Alderney) and a wide variety of clubs and societies undertaking water-borne activities.



Facilities and services required by the leisure user groups vary considerably. However a requirement or desire for access to 24/7 non-tidally restricted walk-ashore berths is common to many leisure users. Non-tidally restricted capacity within the harbours 24 hours a day is limited and, there are few areas of the harbours serving the leisure sector with sufficient protection from the weather to allow walk-ashore access.

Guernsey Harbours will explore opportunities to:

- Increase the amount of 24/7 non-tidally restricted berths with walk-ashore access;
- Improve user experience;
- Examine capacity for growth to service Cruise Liner visits;
- De-conflict traffic improving safety in high risk areas, both sea and land-based.

LOCAL BERTHS AND MOORINGS

There are approximately 1650 leisure boat berths and moorings available at St Peter Port and St Sampson's Harbours for local vessels, largely located in the QEII, Albert and St Sampson's marinas, with some also in the central 'Pool' and drying areas of the main St Peter Port harbour.

The marinas are tidally restricted, but provide berth users with protection from the weather for their vessels and ease of accessibility for walk ashore berths. Local boat owners also have access to water and electricity within the marinas. Alternatively, a limited number of parish mooring options are available through the parish constable offices, but offer no protection from the weather and access to vessels is via tender.

One issue that faces Guernsey Harbours in respect of the marinas is the depth of water available, versus the move towards increasing draft of vessels.

The profile of berth users and their use of vessel is defined by the following parameters and there is wide variation amongst users:

- **Vessel size.**
- **Vessel value.**
- **Amount of use** - (daily, weekly, monthly annually, never - some vessels are disused or dumped).
- **Type of use** - racing (both power boat and sailing), local ad hoc pleasure day trips, holiday use, on board corporate entertainment).

To demonstrate one aspect of variation, **Appendix F(i)** provides a table and pie chart illustrating the range in length of vessels holding local leisure berths in Guernsey Harbours' marinas. It can be seen that some three-quarters of the vessels are less than ten metres in length. The majority of the marinas are configured for smaller vessels. In general, the leisure market has moved towards larger vessels.

The majority of private vessels are berthed at marina pontoons. The marine environment is harsh and pontoons across the ports are subject to a maintenance and replacement programme to ensure they are retained in a suitable condition, with installed pontoons projected to have a twenty-year lifespan.

The marinas significantly contribute to the beauty and attractiveness of St Peter Port and St Sampson's. In turn, this undoubtedly contributes to economic value derived from the tourist industry. It is also recognised that leisure boat ownership and access to berths and moorings (including parish moorings) is ensconced in the psyche of the island to use and enjoy the water.

However, local leisure vessel ownership, and therefore use of the States marina berth provision, lies with a minority of islanders. It does not form a lifeline service to the island in the same way that freight and fuel delivery does, nor is the facility currently run to enable access to all islanders (in the way other States services such as health, education etc are provided).

FACILITIES

Guernsey Harbours recognises the requirement to carry out customer surveys to better understand customer needs and compare this with the services and amenities currently available for local leisure boat owners.

DEMAND FOR LOCAL BERTHS

There is a waiting list for local residents requiring a berth or mooring. At the end of 2013 there were some 573 names on the list. During 2014 a programme of customer contact has commenced to formulate a more accurate picture of demand for leisure berths and moorings.

PRICING

The existing pricing model is based on a set square footage charge for all leisure berths, with separate rates for leisure moorings (swinging moorings). The existing rate is at the bottom end of typical marina charging rates and the square footage rate, compared to a per-metre length rate (the industry standard charging metric) creates a significant disparity in yield between smaller vessels and larger vessels.

Appendix F(b) provides a chart illustrating average marina berth charges for Guernsey, Jersey and a range of other marinas on the south coast of England. For this purpose Guernsey's sq ft charge has been translated to a £/m charge, based on total annual projected income from the current vessel stock and the total of all vessel lengths. It is seen, as a result of this simple benchmarking exercise, that Guernsey offers rates at the low end of the range surveyed.

As a consequence of Guernsey Harbours' berth pricing tariff being based on vessel area (sq ft) rather than vessel length (m), the price of a berth is not directly proportional to vessel length. To demonstrate this **Appendix F(c)** provides another chart illustrating the distribution of price per metre length paid by each vessel in local leisure berths. The distribution is shown relative to Guernsey Harbours' overall average charge per metre vessel length, which has been calculated as £165.35. It is also seen that the overall average charge per metre vessel length in Guernsey is less than half of that in Jersey's cheapest marina – the Elizabeth Marina.

Quantifying the size and type of demand for local leisure vessels will enable effective decision making on the "make up"/layout of the existing marinas, price elasticity of demand, perceived value, pricing, and premium services and facilities which may be offered.

Guernsey Harbours has used a model to explore various pricing scenarios and the impact of all charges including marina berths. It factors in demand, capacity, competitor pricing and total cost of ownership with the intention to introduce a phased shift to market-based pricing. This 'graduated' approach is intended to maintain and support Guernsey's longstanding cultural ethos of boat ownership and maritime pastimes. Aligning marina charges will support the four strategic objectives for Guernsey Harbours along with all other charges levied.

VISITING VESSELS

Marina owners and operators usually view resident vessels (local berths and moorings) differently from short stay visiting boats. The commercial benefits of the resident berth holder are prima facie much greater - they pay an annual rent (usually in advance), are quite likely to have annual maintenance and other work done by adjacent or integral boat yards and create the demand that sustains on-site services such as a chandlery.

The Victoria Marina, which accommodates visiting vessels, is more vulnerable to the weather than the other marinas, particularly in easterly gales.

Visiting vessels contribute to the overall economy, forming an important segment of the tourism market.

CRUISE LINERS

The cruise liner industry in the UK has significantly grown in the past 15 years and the number of passengers disembarking in Guernsey has steadily increased year-on-year; from 36,701 in 2009 to 113,380 in 2013. Guernsey Harbours recognises the need to increase its cruise liner handling capacity, to accommodate both more vessels and more passengers coming ashore. To maintain and grow the already strong cruise liner business it is also imperative that Guernsey Harbours improves the cruise liner passenger experience. Alongside this, Guernsey Harbours will also undertake to identify additional cruise liner revenue streams.



OTHER LEISURE USERS

Guernsey Harbours' estate and services are used by other leisure user groups, including for sailing, rowing, Jet Ski, yacht clubs, powerboats and model boat club. A significant portion of this activity is currently undertaken on the Castle Pier. Multiple clubs and societies are located in the area.

ii. COMMERCIAL

In analysing the commercial sector, Guernsey Harbours applies the categorisations shown in **Table 6 below**:

CATEGORY	DEFINITION
Commercial Shipping	Capacity greater than 250 passengers (e.g. ferries to/from UK, Jersey, France)
	Capacity 12 – 250 passengers (e.g. inter-island craft to/from Sark, Herm)
	Capacity less than 12 passengers
	Cruise liners
	General cargo – Ro-Ro and Lo-Lo
	Fuel – petrol, diesel, oil
	Fuel – gas
	Bulk
Commercial Fishing	Larger vessels which land their catch in France
	Smaller vessels which land their catch in Guernsey
Marine Traders	Third party users deriving an income from operating on harbour assets e.g. divers, survey vessels, maintenance vessels, water taxis, fuel suppliers

Table 6: Categorisation of vessels in the commercial sector

Commercial shipping is served by shipping agents. **Table 7** shows the number of agents/operators serving each commercial shipping category.

CATEGORY	NUMBER OF SHIPPING AGENTS/OPERATORS*
Capacity greater than 250 passengers	1 Operator
Capacity 12 – 250 passengers	3 Agents
Capacity less than 12 passengers	18 Operators
Cruise liners	2 Agents
General cargo – Ro-Ro and Lo-Lo	5 Operators
Fuel – petrol, diesel, oil, gas	4 Agents
Bulk	1 Agent

Table 7: Agents/Operators serving each commercial shipping category

**Operator refers to where interaction is direct with the company running the ship. Agent refers to the involvement of an intermediary.*

In 2013 there were over 1800 arrivals/departures by commercial vessels falling into the above categories, split broadly 90% through St Peter Port, 10% through St Sampson's Harbour. These movements are dominated by vessels of the Condor fleet: Condor Express, Condor Vitesse, Condor Rapide, Condor Clipper and Condor Goodwill.

CRUISE LINERS

Guernsey is the leading non-berthing destination in Northern Europe for cruise liner visits. During 2013 Guernsey Harbours landed 110,000 cruise liner passengers, from 84 cruise liner arrivals. This is more than double the 50,000 passengers landed during 2012. Guernsey's popularity for cruise liners derives from a number of factors including:

- Attractive views and scenery both on Guernsey and also on-board ship in the harbour surrounded by the islands of the Bailiwick;
- Short ship-to-shore distance by tender;
- Proximity of the harbour to the attractions of St Peter Port and beyond.

In addition, Guernsey Harbours understand there are tax advantages obtained by the cruise operators as a consequence of visiting a Channel Island and effectively 'leaving the territory of the EU'. Guernsey Harbours recognises that the arrival onshore of 110,000 cruise liner passengers contributes significant value to the Guernsey economy. **Figure 2** shows a simple value chain for visiting cruise liners.



Fig. 2: Visiting cruise liner value chain

CRUISE LINER VALUE CHAIN ANALYSIS

Cruise Operator - The cruise operator will typically use its own tenders to ferry passengers ashore. They may require the services of the inter-island ferries as a back -up, pre-arranged with the Agent. The cruise operator sells tours, excursions, packages and 'experience activities' to passengers before arrival.

Shipping Agent - The shipping agent is paid by the cruise operator for local services.

Guernsey Harbours – Unlike other harbours, Guernsey Harbours do not levy a 'per-passenger' fee. This is under review as Guernsey Harbours is studying how it may improve its service for cruise liners and the passenger 'gateway experience'.

On-Island Sales and Service – Passengers enjoy, for example, the following on-island:

- Transport and tours from local bus operators. Island Coachways has 13 coaches, ranging from 16 to 43 seaters, and at peak times, these may all be simultaneously deployed to serve cruise liner passengers;
- Restaurants and bars;
- Local retailers such as Guernsey Pearl, Catherine Best, Bruce Russell and Guernsey Knitwear Company have strong appeal to visiting cruise liner passengers;
- 'Experience' trips such as rib voyages, cycle tours and kayaking;
- Attractions such as Castle Cornet and Fort Grey Ship Wreck Museum.

Guernsey Harbours recognises and supports the growing importance of the cruise liner business and the opportunities it brings to Guernsey. It will continue to maintain a strategic focus on the sector.

COMMERCIAL FISHING

The Commercial Fishing fleet is spread across the Bailiwick of Guernsey. **Table 8** shows the distribution.

LOCATION	NUMBER OF COMMERCIAL FISHING VESSELS
Guernsey	139
Alderney	17
Sark	14

Table 8: Distribution of commercial fishing vessels

Guernsey Harbours recognise that a significant number of local livelihoods depend on commercial fishing and the services which surround the sector including the retailing and wholesaling of fish, shellfish, crab and lobster; supplying local restaurants and fleet support of chandlery and maintenance businesses. Also, the presence of the fishing fleets in the harbours of Guernsey, Sark and Alderney add greatly to the visual appeal of the harbours.

Guernsey Harbours is seeking to develop a deeper understanding of the economics of the local commercial fishing sector and how this may develop over time. Guernsey Harbours will work with other States departments to develop a shared view which will underpin future investment decisions.

HARBOUR DUES

Guernsey Harbours charge harbour dues for goods and passengers that transit into or out of the island. **Table 9** shows harbour dues by commercial shipping category for 2013.

	AMOUNT		REVENUE £		TOTAL REVENUE £
	Arrival	Departure	Arrival	Departure	
Passengers	188,156	303,341	£515,501	£581,381	£1,096,883
General Cargo (t)	169,194	29,187	£1,505,822	£259,766	£1,765,589
Bulk Cargo – sand, stone, aggregate (t)	56,863	7,332	£86,215	£54,791	£141,006
Bulk Cargo – cement (t)	24,268	-	£41,499	-	£41,499
Oil, Petrol Diesel (t)	111,015	-	£517,331	-	£517,331
Gas (t)	7,176	-	£33,440	-	£33,440
TOTAL					£3,595,748

Table 9: Harbour Dues by commercial shipping category (2013)

These charges are passed on via the shipper to the freight company or passenger. Harbour dues form a small proportion of freight transport costs and in turn the transport costs form part of the cost of the overall goods at wholesale or retail. Therefore, adjustment of harbour dues for passengers, freight or fuel affects market sectors that are not direct customers of Guernsey Harbours' services.

Guernsey Harbours recognise differences in the relative ease of adjustment between harbour dues (commercial sector), berth and mooring charges (leisure sector) and alternative revenue streams from developing real estate. The broad approach is, over time, to rebalance the revenue from both sectors whereby:

- Real estate and leisure sector charges are brought in line with market rates
- Harbour dues are adjusted to contribute to fulfilling the funding needs (both operating expenditure and capital expenditure) of the business

8). Operations

i. PEOPLE

Guernsey Harbours is in a period of change to align its structure and working practices to the needs of the trading entity, ensuring it is fit for purpose, operating efficiently, has an inbuilt resilience and addresses succession planning. Changes to the management structure have taken place and continue to develop.



Guernsey Harbours currently has 73 staff spread throughout a number of locations.

Working practices and shift patterns have changed little over the years. Guernsey Harbours will, working closely with staff and staff organisations, review these to ensure they are fit for purpose and meet the business and customer needs.

Staff at all levels are encouraged to participate in business improvement and are appreciated for their contributions. Guernsey Harbours will seek input from staff on the business plan and elicit ideas and input into operations and ways in which to improve the business and service to customers.

OBJECTIVES	TIMESCALE									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Develop staff ethos so Customer Service and H&S is at the heart of Guernsey Harbours’ business										
Review staff structure and establish appropriate succession planning and recruitment initiatives										
Review staffing cover and needs										
Develop an annual appraisal system for all staff and processes										
Establish Standard Operating Procedures (SOPs) for the operation of the ports reviewed and updated annually										
Establish a staff newsletter to disseminate information relating to matters discussed by the Guernsey Harbours Management Team to improve communications										

Table 10: Schedule of people and structure projects

ii. MARKETING

As a service enterprise, Guernsey Harbours and its customers can benefit from carefully targeted marketing along with seasonal campaigns and promotions aimed at both the existing customer base and new business.

Management recognises the need to develop its marketing activities and place more emphasis on data capture and analysis, whilst reviewing and improving the quality and content of its promotional material across a range of media channels including social media, e-mail, website and print.

In the Leisure market there is presently little or no formal understanding of the incidence of repeat business from visiting vessels, nor an understanding of other marinas frequented by these visitors (i.e. our competition). Subject to conformance with applicable Data Protection Law, which may need to be reflected in Guernsey Harbours' Terms and Conditions, there is clearly massive potential to capture valuable marketing information from visitors and use this to mount various marketing programmes.

The value arising from Guernsey Harbours' historical participation in international Boat Shows and related events has not been measured and Guernsey Harbours recognises the need to formulate and apply some cost/benefit metrics to justifying such activities, whilst explicitly measuring future outcomes.

Guernsey Harbours also recognises the opportunity to share data with Visit Guernsey and work more closely with the Culture and Leisure Department in selectively marketing Guernsey Harbours' attributes within the Tourist sector.

iii. EVENTS

Guernsey Harbours' facilities and resources play a central role in an exciting range of seasonal, water-based and harbour-based events.

There is opportunity for Guernsey to carve out a name for itself in the annually recurring, must-be-seen-there, summer events league, in the same way that 'Cowes Week' is synonymous with Cowes.



Guernsey Harbours will work with local and international agencies, other States departments and non-governmental organisations such as the Guernsey Sports Commission and parish-based organisations, to support and encourage Harbour based events.

The investment of time and effort in developing such events will be highly supportive of Guernsey's tourism and leisure industries, synergistic with the visitor yachts market and cruise liner passengers.

The appointment of a Leisure Manager to head the leisure side of Guernsey Harbours offers a starting point for these initiatives, and the opportunity for Guernsey Harbours to become more centre-stage in island life, for locals and visitors alike.

At the same time, Management wishes to see Guernsey Harbours' facilities and resources more closely integrated with the smaller scale and continuously on-going events which are co-ordinated by the Culture and Leisure Department in support of tourism in Guernsey. Guernsey Harbours proposes working more closely with the Culture and Leisure Department to ensure that events-related activities are broadly congruent with, and demographically aligned with, the thrust of Guernsey's on-going plan for tourism.

iv. IT CORE SYSTEMS

Guernsey Harbours utilises a number of IT systems to manage the various facets of its business. A list of the core systems used and their purpose can be found in **Appendix G**.

A number of IT initiatives have been identified to complete the transition to using centralised services; capture and analyse data, improve customer service and interaction and transition paper based process to mobile technology solutions.

This includes:

- Migrating from legacy unsupported billing and bespoke accounting software to new systems thereby mitigating risks, realising processing efficiencies and capitalising on the ability to use centralised technology and services;
- Replacing out-dated, inefficient, separate and, in some cases, unsupported software used in processes for the generation of commercial shipping Harbour Dues;
- Updating the M3 marina management and local boat registration software to a more efficient and better interfacing solution that includes the ability to interface with SAP and to use Shared Transaction Services (STS);
- The continued deployment of a Marina mobile solution, in order to better interact with visiting yachts and later to give mobile local marina management.
- Building upon the success of Guernsey Harbours' website by appropriately incorporating registration and pre-booking capability, providing features for commercial users and keeping abreast of current and emerging technologies and trends including social media;
- Replacing local IT infrastructure and servers as appropriate to suit current and future operating systems and other software, to respond to increasing demand for data storage space and data transfer speed as appropriate and in harmony with evolving States of Guernsey technology uses. Broaden availability of IT solutions to all staff at Guernsey Harbours.

OBJECTIVES	TIMESCALE								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Replace the Harbour Scheduling System and Harbour Dues programs with a single integrated system capable of exploiting SAP and STS.									
Replace Sage with accounts receivable package that is capable of exploiting SAP and STS									
Update M3 marina management system to better interface with other systems to streamline and be capable of exploiting SAP and STS and include web based customer interface.									
Continued development of Marina mobile software, to improve customer interface, increase efficiency and capture data.									
Develop existing website, keep current with emerging trends. Create additional functionality for leisure and commercial users.									
Develop SAP planned maintenance use to include FTE (full-time equivalent) mapping									
Replace Servers and infrastructure to keep current and broaden IT availability to all staff.									

Table 11: Schedule of IT Core Systems projects

v. LEGISLATION

Guernsey Harbours is the Division of the Public Services Department tasked with delivering the implementation and enforcement of various Laws, Ordinances and subordinate legislation relating to maritime matters. In addition, the Harbour Master has certain express statutory powers, functions and duties.



Guernsey Harbours works closely with the Law Officers of the Crown and the Channel Islands office in Brussels to ensure awareness of modern international standards and development, and that appropriate and proportionate compliance, is maintained. Such compliance is also consistent with, and a necessary consequence of, Guernsey's ship registry being a Category 2 Registry under the Merchant Shipping (Categorisation of Registries of Relevant British Possessions) Order 2003 (as amended). A number of international maritime Conventions have been extended to the Bailiwick of Guernsey, and are implemented by domestic legislation, and the extension of several other Conventions is currently being considered; Guernsey Harbours works closely with governmental colleagues in the United Kingdom in this area, as in others.

Work is on-going with the Law Officers' Chambers to bring into force, as appropriate, the remaining uncommenced provisions of the Merchant Shipping (Bailiwick of Guernsey) Law, 2002, along with other necessary legislative updates.

The Law Officers' Chambers is responsible for drafting legislation for Alderney and Sark relating to maritime matters, and such legislation is often Bailiwick-wide, and Guernsey Harbours frequently liaises with colleagues in the other islands on such issues.

Multiple pieces of legislation apply to the suite of commercial, leisure, administrative and pilotage charges set by Guernsey Harbours. Changes to charging structures may drive the need for legislative change for this aspect.

As part of the structural review of Guernsey Harbours, outdated legislation will be reviewed and, where necessary, modified to reflect current and future needs. A key element of this process is likely to be the impact on existing and future maritime legislation of any future extension of the Bailiwick's territorial waters from 3 to 12 miles, which offers both risks and opportunities.

vi. HEALTH & SAFETY

Health and safety is viewed from three perspectives within Guernsey Harbours:

- Health and safety of Guernsey Harbours (States of Guernsey) employees;
- Health and safety of third parties operating within harbour areas and deriving commercial benefit;
- Health and safety of the public within the harbour areas.



The implementation of suitable health and safety policy, procedures, structure, reporting and management is particularly important where use of plant machinery, automated tools, high frequency vehicle movements, conflicted use areas (public and commercial) and hazardous materials exist.

The Guernsey Harbour Management Team, in conjunction with the Guernsey Harbour Health and Safety Committee, have identified a number of work streams to improve health and safety standards for staff, third parties and the public.

OBJECTIVES	TIMESCALE								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
De-conflict White Rock multi-use area, improve traffic flow, de-lineate commercial operating areas and public areas, reduce “overcrowding” to safe usage levels									
Risk Assessment Method Statement (RAMS) gap analysis and signed staff confirmation.									
Implementation of accident, incident and hazard system to all staff (Safety Management System)									
Develop Key Performance Indicators (KPI's), monthly and annual reporting including accident, incident and hazard system statistics and 3 rd party health and safety metrics									
Develop and implement mandatory health and safety training for all staff									
Develop and implement website, terms and conditions and information forum for 3 rd party and leisure users									

Table 12: Schedule of Health and Safety projects

vii. CUSTOMER SERVICE

Guernsey Harbours will focus on developing its customer service package for the benefit of all customer groups. This will encompass:

- Locating staff closer to specific customer groups and improving customer access to all staff;
- Establishing focused user groups to better understand customer priorities, satisfaction levels and market direction;
- Developing a comprehensive interactive website used to disseminate information, complete activities and receive feedback;
- Changing procedures, processes and “norms” to apply customer focused methods and decision making;
- Staff development through specific customer service training;
- Capitalising on, extending and investing in the areas of good customer services currently established.

9). Financial Performance

Guernsey Harbours has historically contributed the surplus generated into the Ports Holding Account (Harbour and Airport). In 2009/10 the Ports Holding Account was in effect put on hold and surplus flowed into general revenue. The recent capital prioritisation submission approved by the States of Deliberation recommended surplus return to the Ports Holding Account and Guernsey Harbours become 'self-sustaining' with the exception of major strategic projects.



Historically annual operating surplus has varied significantly year to year. Profit and loss figures 2008 to 2013 are provided in **Appendix H**.

Guernsey Harbours will analyse the historical variable results and focus on stabilising performance, managing revenue and controlling costs over the next ten years to fulfil its commitment to self-funding. The aim is that the surplus generated, combined with investment resulting from closer working with private institutions, is sufficient to fund the capital and operating expenditure requirements of the harbour.

i. REVENUE

Our three broad revenue streams are Harbour Dues, Leisure Services and Real Estate Rents. These are defined as follows:

- **Harbour Dues.** Charges associated with commercial operations for the importing (and discharge) and exporting of freight, goods, passengers and vehicles;
- **Leisure Services.** Charges levied on local and visiting leisure vessels for the provision of berths (walk ashore) and moorings (non-walk ashore);
- **Real Estate rents.** Income from rents and leases charged to tenants of property and facilities forming part of Guernsey Harbours' extensive property portfolio.

In addition to these broad revenue streams, further income accrues from the provision of a wide range of defined maritime and miscellaneous services including:

- Pilotage
- Registry of British Ships
- Dive team and workboat hire
- Equipment hire
- Port parking permits
- Provision of electricity, provision of documents
- Use of Harbour piers/car parks for events.

Work is underway to understand how these may be optimally rebalanced. This includes, across each revenue stream, assessing the impact of tariff and rent adjustments on not just demand and volumes but also evaluating the broader implications for the Guernsey economy and considering the equitable provision of resources and services across Guernsey society.

Increases in revenue are predicated on an approach to:

- Transitioning real estate and leisure charges to market-based rates.
- Investing to meet market needs for services and facilities to protect and develop existing revenue streams.
- Capitalising on real estate development opportunities with private investment.
- Continuing to rebalance harbour dues (freight, bulk, fuel, vehicle and passenger charges) to align with infrastructure costs and maintain dues at a level consistent with Guernsey Harbours' aim for self-funding.

At the same time, Guernsey Harbours will seek to stimulate demand and thereby increase revenue by taking a bigger role and deploying its resources more actively in the leisure and tourism arena. Additional revenue is forecast from enhanced services.

ii. COSTS

Operating costs will be actively managed and financial controls and reporting processes will be developed and implemented to manage operating costs. Guernsey Harbours will continue to drive forward a programme of efficiency aligning resources to meet the requirements of operating the ports and managing the real estate to current day standards.



iii. FUNDING

Against the backdrop of the move to self-funding, Guernsey Harbours is undertaking a ten-year investment programme - the Capital Development Programme – investing in infrastructure, real estate and other assets which, in many cases, are expected to provide an economic return over twenty or more years. It follows that even with long-run self-funding, Guernsey Harbours will require interim short-term financing, to meet its peak annual investment requirements during the early years of the programme. These financing arrangements, which should be transparent and at arms-length, have not yet been agreed. Management will work closely with the appropriate States bodies to agree and manage the funding facility.

In addition, a range of options can be explored to acquire funding from external sources. There are numerous examples, drawn from the commercial world, of mechanisms or structures to be considered and Management will give consideration to these bearing in mind the gap between the financial value and the economic value of Guernsey Harbours' capital assets. Examples include:

- **‘Sale and lease-back’**. Capital is freed up from the sale of an asset but continued use of the asset is guaranteed under the terms of a contemporaneous lease agreement;
- **‘Build-operate-transfer’**. An operator develops a facility at their cost and enjoys the commercial rewards from operating that facility for an agreed fixed term on behalf of the central body before ownership and all rights are transferred permanently to the central body – in our case Guernsey Harbours/the States of Guernsey;
- **‘Concessionary operation’**. The concessionaire pays for the right to operate a facility for a fixed term, either for an agreed absolute amount or a percentage of revenue or profits etc, within a defined Service Level Agreement.

APPENDIX A – Capital Development Programme

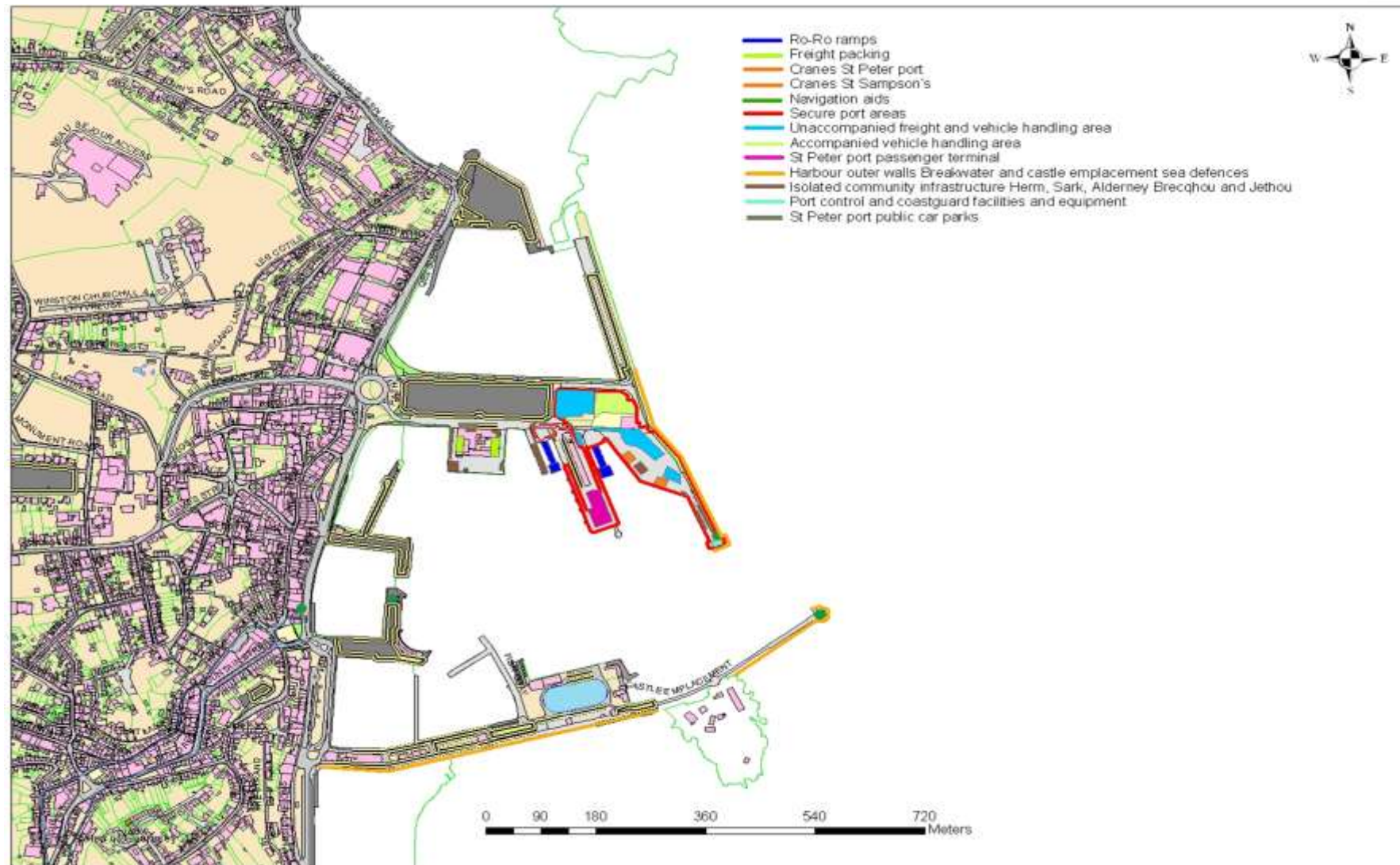
£k (2014pb)			TOTAL	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Capital Projects	Description	Key drivers											
States Cap Prioritisation Category A, B or C Projects													
Hydrocarbon supply†	A Hydrocarbon Supply Programme Strategy has been completed with States Property Services and a Project Board has been identified to progress a long term solution.	Sustainable hydrocarbon supply	£ 110,000		£ 500	£ 750	£ 750	£ 47,000	£ 61,000				
Infrastructure													
HSPP Layout (incl customs shed)	Re-configure the St Peter Port land side port layout including improvements to flow, safety and security. New terminal and customs facilities.	International Security Standards; Improved. User experience; expanded service for different users; improved safety and traffic flow;	£ 40,000				£ 5,000	£ 20,000	£ 15,000				
Inter Island Quay	Refurbishment & enhancement	Inter-island ferry services	£ 1,000			£ 1,000							
Signal Station	Building to accommodate Port Signal Station function and other port staff.	Sustainable service provision, alignment to HSPP Layout project, risk reduction	£ 700		£ 500	£ 200							
Navaisds refurbishment (P Fougere, Roustel etc)	Repair to essential navaisds	Safe navigation at sea	£ 3,000			£ 100	£ 900					£ 1,000	£ 1,000
Commercial area paving/concrete	Essential infrastructure	As part of the overall St Peter Port layout plan	£ 1,750				£ 500	£ 1,250					
West Ramp	Routine end of life replacement. The existing west ramp is nearing its end of life, with replacement scheduled in the next five to six years.	Sustained Ro-Ro service. Changes to the Ro-Ro fleet may expedite the replacement in order to meet the new fleet specifications.	£ 3,000			£ 1,000	£ 2,000						
East Ramp	Routine end of life replacement. The east ramp's useful life is forecast to be a further ten to fifteen years.	Sustained Ro-Ro service	£ 3,000										£ 3,000
Granite Walls Refurbishment Programme	Maintenance and repair of essential infrastructure	Vital sea defence for St Peter Port Harbour.	£ 2,900	£ 200	£ 300	£ 300	£ 300	£ 300	£ 300	£ 300	£ 300	£ 300	£ 300
HSPP Dredging	Dredging areas within St Peter Port Harbour and marinas.	Maintaining depth of water to support user demand	£ 600			£ 600							
HSS Cranes	Maintenance and replacement of parts on St Sampson's Cranes to prolong their useful life.	Financial planning	£ 600			£ 300	£ 300						
Security	All port operations, except domestic voyages, for both St Peter Port and St Sampson's harbours, are required to be carried out in line with requirements for security.	International Ship & Port Facility Security (ISPS) Code enacted under the Safety of Life at Sea (SOLAS) Convention.	£ 530	£ 30	£ 100	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50
Radio Equipment	Replace demolished Port Control station, currently operating from portacabin, keep current radio and telemetry equipment.	Safe vessel movement management, Safety at sea.	£ 280			£ 140					£ 140		
Fendering & fendering structure on Berths 1 & 2	Infrastructure and replacement pending survey	Reduced impact on Condor??	£ 1,000				£ 1,000						

New Jetty mid life survey and CP system	As part of the overall St Peter Port layout plan	As part of the overall St Peter Port layout plan	£ -										
Bridge at St Martins Point	February 2014 storm damage repairs	Safe access for navigational aid	£ 100			£ 100							
	Parking infrastructure review	De-conflict existing high traffic areas, manage industry-specific capacity issues, enable maximum potential of waterfront real estate to be derived and reduce existing health and safety risks.											
Car park			£ 4,000			£ 2,000	£ 2,000						
Real Estate - Assets													
General Property Refurbishment	Maintenance and repair programme	Financial planning	£ 1,500	£ 150	£ 150	£ 150	£ 150	£ 150	£ 150	£ 150	£ 150	£ 150	£ 150
Leisure Pontoon Refurbishment and enhancements	Maintenance and repair programme	Financial planning	£ 1,750	£ 250	£ 250	£ 250	£ 250	£ 250	£ 250	£ 250			
General Marina Security Access	Pontoon security gates	Security enhancements for vessels moored in marinas	£ 300				£ 300						
Marina Facilities Upgrade	Upgrade to very outdated visitor shower and laundry facility blocks on Crown Pier and Albert Pier.	Visitor expectations and the urgent need to align facilities to minimum industry standards.	£ 1,100			£ 1,000					£ 100		
St Sampsons Wave wall	Design and build	Vital sea defence requirement for St. Sampson's harbour	£ 1,000				£ 200	£ 800					
Marina gate refurbishment	Life expectancy replacement	Operational requirement	£ 500				£ 500						
Albert Wave wall structural survey	Condition survey	Structural marina protection	£ 50			£ 50							
Marina optimisation	Maximise pontoon and finger configurations to provide maximum marina capacity	User demand	£ 1,000			£ 500	£ 500						
Cruise Liner tender operation	Review of cruise liner passenger dis/embarkation point at inter-island quay, with regard to re-locating to a safer, more appropriate area within the harbour	Cruise liner passenger experience and safety.	£ 300		£ 300								
Commercial pontoons	Maximise pontoons in pool area, particularly in deep water areas	User demand			£ 200	£ 400	£ 400						
Fish Quay	Refurbishments and Enhancements	User demand	£ 2,300				£ 2,300						
Real Estate - Liabilities													
Castle Bridge Refurbishment	Maintenance and repair of existing infrastructure	Public access to Castle Cornet	£ 500		£ 100	£ 400							
Abraham's Bosom Improvement	Provide a secure area for boat lay up	User demand	£ 50		£ 50								
St Peter Port harbour public realm	Maintenance, upgrade and repair of existing infrastructure	As part of the overall St Peter Port layout plan	£ 1,000	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100	£ 100
St Peter Port top walkway	Maintenance and repair of existing infrastructure	As part of the overall St Peter Port layout plan	£ 25						£ 25				
Longue Hougue Breakwater	Maintenance and repair of essential infrastructure	Vital sea defence for St Peter Port Harbour.	£ 200					£ 200					
Castle Breakwater damage	Maintenance and repair of essential infrastructure	Vital sea defence for St Peter Port Harbour.	£ 150	£ 150									

Community activities facilities	Public realm and community services facilities review (activities, clubs, societies, requirements, current facilities and options).	Leisure User Group expectations and customer demand	£ 300			£ 100			£ 100			£ 100	
Other													
Sarnia Replacement	Replacement of the Guernsey Harbours work boat. Routine end of life replacement.	Ongoing annual maintenance and repair non cost-effective in the long term	£ 900		£ 900	£ -							
Mobile Crane	Replacement of existing mobile crane, at end of life	User demand	£ 300					£ 300					
Plant & Equipment General Replacement	Maintenance, repair and replacement programme	Financial planning	£ 800	£ 80	£ 80	£ 80	£ 80	£ 80	£ 80	£ 80	£ 80	£ 80	£ 80
Hiab Truck Replacement	Replacement of existing truck, at end of life	Operational requirements	£ 160	£ 80						£ 80	0		
General Vehicle Replacement	Maintenance, repair and replacement programme	Financial planning	£ 120		£ 40		£ 40		0	£ 40	0		
General Plant and Tools	Maintenance, repair and replacement programme	Financial planning	£ 200	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20
Operational Minor Capital	Maintenance, repair and replacement programme	Financial planning	£ 500	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50	£ 50
Non-Operational Minor Capital	Maintenance, repair and replacement programme	Financial planning	£ 300	£ 20	£ 120	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20	£ 20
CCTV Upgrade	Routine replacement	Routine replacement	£ 300			£ 100						£ 100	£ 100
IT/technology	Replacement of the Harbour Dues and Marina Management Software. On - going technology hardware and software replacement plan.	Improved Customer Service, risk management, efficiency	£ 370	£ 30	£ 100	£ 30	£ 30	£ 30	£ 30	£ 30	£ 30	£ 30	£ 30
Guernsey Harbour office re-location/refurbishment	Relocate Harbour office administrative personnel to non customer facing location and customer facing staff to one location.	Improved Customer Service, risk management, efficiency	£ 250			£ 250							
Capital Expenditure, incl Hydrocarbon Supply			£ 189,635	£ 1,160	£ 3,810	£ 11,040	£ 17,740	£ 70,600	£ 77,175	£ 1,170	£ 1,040	£ 2,000	£ 4,900
Capital Expenditure, excl Hydrocarbon Supply			£ 79,635	£ 1,160	£ 3,310	£ 10,290	£ 16,990	£ 23,600	£ 16,175	£ 1,170	£ 1,040	£ 2,000	£ 4,900
†Funded from States revenue													

APPENDIX B – Infrastructure Map

i. INFRASTRUCTURE MAP OF ST PETER PORT HARBOUR



ii. INFRASTRUCTURE MAP OF ST SAMPSONS HARBOUR



APPENDIX C – Map of Real Estate Assets

i. REAL ESTATE ASSETS: LIST OF RENTAL UNITS, ST PETER PORT HARBOUR

Key:

AP	Albert Pier
CB	Cambridge Berth
CE	Castle Emplacement
CP	Castle Pier
FQ	Fishermen's Quay
IIQ	Inter-island Quay
NB	North Beach
NJ	New Jetty
P	Central 'Pool' area of harbour
QEII	QEII Marina
SC	Salerie Corner
VP	Victoria Pier
WB	Weighbridge
WP	White Rock Pier
SPS	States Property Services

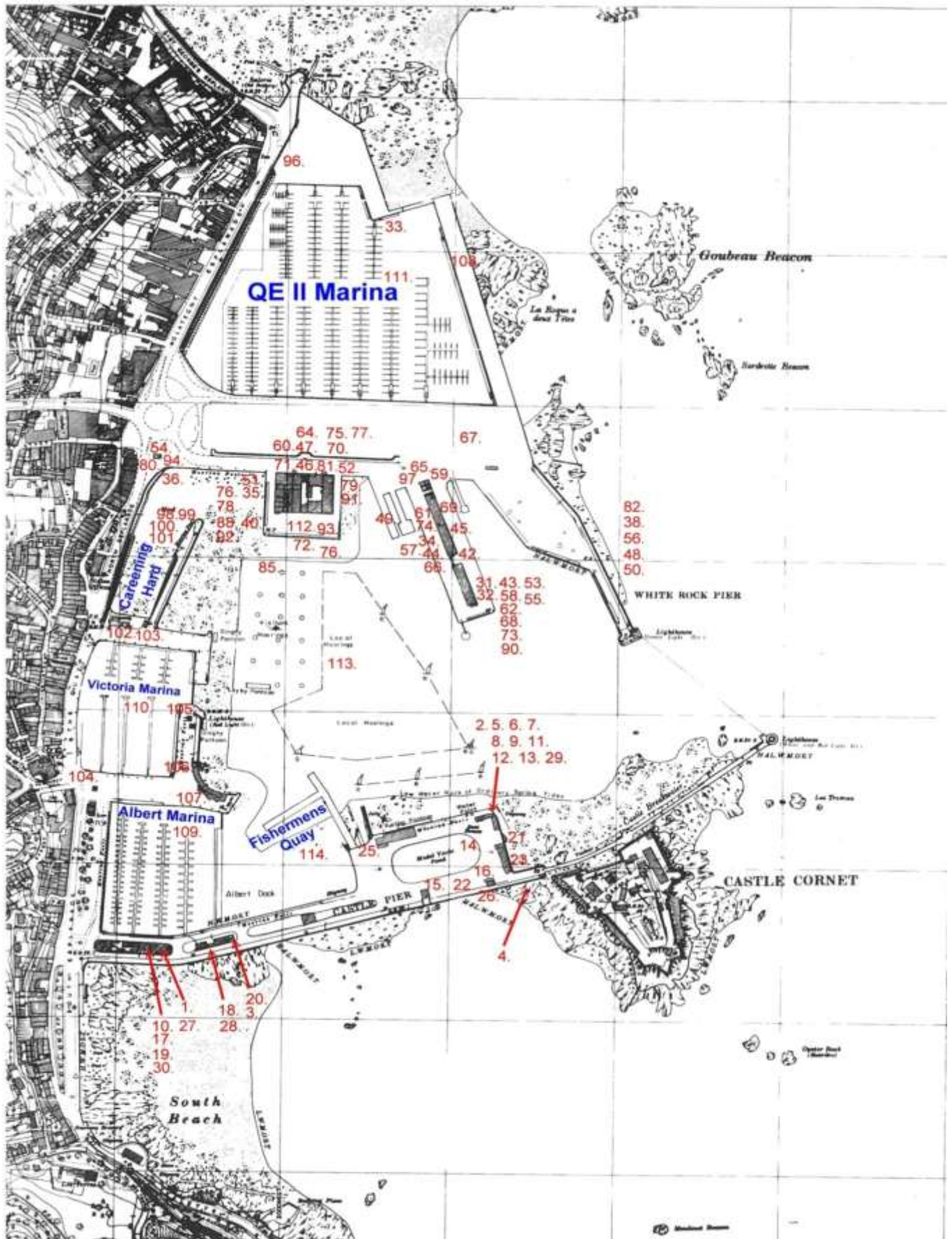
RECORD NO	SPS REF NO (FOR MAP)*	LOCATION	RENTAL UNIT	USAGE TYPE
1	104	AP	Unit D12 Kiosk Albert Pier	Kiosk
2	105	AP	Unit D4, Albert Pier	Office
3	106	AP	Unit D7, Store, Albert Pier	Storage - General
4	107	AP	Restaurant, Albert Pier	Café/Restaurant
5	109	AP	Albert Marina and pontoons	Leisure Berths
6	35	CB	Unit C3	Office
7	40	CB	Unit E (No. 7 Berth)	Storage - General
8	46	CB	Cafe	Café/Restaurant
9	47	CB	Antenna - Cambridge Berth Complex	Telecommunications Equip
10	51	CB	Unit C18 Store Cambridge Berth Complex	Storage - General
11	52	CB	Unit C6C Cambridge Berth Complex	Storage - General
12	60	CB	Unit C1 Store Cambridge Berth	Storage - General
13	64	CB	Antenna - Cambridge Berth Complex	Telecommunications Equip
14	70	CB	Antenna on Roof of C13A Store Cambridge Berth	Telecommunications Equip
15	71	CB	Unit C2 Cambridge Berth	Office
16	72	CB	Ground Rent for No.7 Berth Crane	Storage - General
17	75	CB	Unit C5C	Office
18	76	CB	Unit C15/16 Store	Office
19	77	CB	Unit C5 Store	Office
20	78	CB	Unit C17 Store	Office

21	79	CB	Unit C6A Office	Office
22	81	CB	Offices above Cafe	Office
23	85	CB	Unit D, Quay Storage	Storage - General
24	88	CB	Unit C17A Office	Storage - General
25	91	CB	Unit C6B Warehouse	Storage - General
26	92	CB	Unit C19 Store	Storage - General
27	93	CB	Unit K1 Ground rent Kiosk - Travel Trident	Ground Rent
28	112	CB	Guernsey Harbours offices	Offices
29	2	CE	F9 Fisherman's Store	Office
30	4	CE	Store on New Havelet Slipway	Storage - General
31	5	CE	F7 Fisherman's Store	Storage - General
32	6	CE	F5 Fisherman's Store	Storage - General
33	7	CE	F3 Fisherman's Store	Storage - General
34	8	CE	F4 Fisherman's Store	Storage - General
35	9	CE	F2 Fisherman's Store	Storage - General
36	11	CE	F1 Fisherman's Store	Storage - General
37	12	CE	F8 Fisherman's Store	Storage - General
38	13	CE	F6 Fisherman's Store	Storage - General
39	14	CE	F9/2 Dinghy Store	Storage - General
40	15	CE	Unit F14	Storage - General
41	16	CE	Kiosk Ground Rent, Castle Emplacement	Kiosk
42	21	CE	Club House	Café/Restaurant
43	22	CE	Castle Emplacement Boat Storage	Storage - General
44	23	CE	F300 Store Bunker	Storage - General
45	25	CE	Pontoon, Land and Building	Retail
46	26	CE	Unit F13	Storage - General
47	29	CE	Store	Concession – other
48	1	CP	E5 Offices Stores Workshops Castle Emplacement	Office
49	3	CP	E6A E6S2 Cold Store Castle Emplacement	Storage - General
50	10	CP	Unit E	Office
51	17	CP	Unit E6S4 Castle Pier Emplacements	Storage - General
52	19	CP	Unit K, Castle Pier	Storage - General
53	20	CP	Unit E8 Workshop	Storage - General
54	27	CP	Unit E3 Workshop	Storage - General
55	28	CP	Offices Stores Workshops	Office
56	30	CP	Unit E7A Office, Store, Laboratory	Storage - General
57	108	EA	East Arm boat park area - St. Peter Port Harbour	Storage - General
58	114	FQ	Fishermens' Quay moorings	Moorings
59	49	II	Inter Island Quay Portacabin	Office
60	67	NB	Ferry Marshalling Area	Car Parking
61	31	NJ	Unit T4, Harbour Terminal	Kiosk
62	32	NJ	Unit G1 Customs Hall & Secure Area	Office
63	34	NJ	Unit B9B	Office

64	41	NJ	B7 New Jetty	Office
65	43	NJ	Ticket Desk N7, Harbour Terminal	Kiosk
66	44	NJ	B9D, New Jetty	Office
67	45	NJ	Unit B16 New Jetty	Office
68	53	NJ	Advertising Banner, Harbour Terminal	Concession – other
69	55	NJ	TF1, Harbour Terminal	Concession – other
70	57	NJ	Unit B9A New Jetty	Office
71	58	NJ	HC1 Hire Car Concession Harbour Terminal	Concession – other
72	59	NJ	Unit B12 New Jetty Grd Rent	Office
73	61	NJ	Unit B3B, New Jetty	Office
74	62	NJ	Unit B1 Customs Area Harbour Terminal	Office
75	65	NJ	Unit B7A/B, New Jetty	Office
76	66	NJ	Unit B4, New Jetty	Office
77	68	NJ	Unit B8B, Harbour Terminal	Office
78	69	NJ	Unit B20 New Jetty	Office
79	73	NJ	Photo Booth, Harbour Terminal	Concession – other
80	74	NJ	Unit B9C, New Jetty	Office
81	90	NJ	Jewellery Concession area	Concession – other
82	97	NJ	Office Suite B7	Office
83	113	P	Pool moorings	Moorings
84	111	QEII	QEII Marina and pontoons	Leisure Berths
85	33	SC	Salerie Corner Beach Fuel Pontoon land and Structure	Retail
86	96	SC	Electricity Substation - Salerie Car Park	Land - Other
87	98	VP	Unit C29 - Roundtop No. 6 Store - Victoria Pier	Storage - General
88	99	VP	Unit C28 - Roundtop No. 5 Store - Victoria Pier	Storage - General
89	100	VP	Unit C26 - Roundtop No. 3 Store - Victoria Pier	Storage - General
90	101	VP	Unit C27 - Roundtop No. 4 Store - Victoria Pier	Storage - General
91	102	VP	Victoria Pier Cafe	Café/Restaurant
92	103	VP	Victoria Pier Cafe - Decking	Café/Restaurant
93	110	VP	Victoria Marina and pontoons	Leisure Berths
94	54	WB	Weighbridge Clock Tower	Office
95	80	WB	D11 Kiosk - Liberation Monument	Kiosk
96	94	WB	Ice Cream Concession area	Concession – other
97	38	WP	Commercial Quay Storage No 5&6 Berth	Storage - General
98	48	WP	Unit F Quay Storage No.6 Berth	Storage - General
99	50	WP	Unit A2 No.6 Berth	Storage - General
100	56	WP	Quay Storage Store No. 5 & 6 Berth	Storage - General
101	82	WP	Unit CQS Quay Storage 5&6 Berth White Rock Container Berth	Storage - General
102	89	-	Yachtsman's Guide to Guernsey Concession	Concession – other

* Numbers referenced on map are those allocated in States Property Services records

ii. REAL ESTATE ASSETS: MAP OF RENTAL UNITS, ST PETER PORT HARBOUR



iii. REAL ESTATE ASSETS: LIST OF RENTAL UNITS, ST SAMPSONS HARBOUR

SPS REF NO (FOR MAP)	RENTAL UNIT	USAGE TYPE
1	North Pier Weighbridge	Office
2	Pier including refuelling facility (quay area and pontoon)	Retail
3	Northside Oil Yard	Community Facility
4	Hoist and Layby Pontoon	Storage - General
5	Shipyards (quay area ground rent and storage building)	Storage - General
6	North Pier Store	Storage - General
7	HSS1 - La Crocq Office/Store	Office
8	Mont Crevelt Bunker	Storage - General
9	Mont Crevelt	Storage - General
10	Trafalgar Quay	Land - Other
11	Marina View Flat	Residential
12	Southside Clocktower Flat	Residential
13	St Sampson's Marina (Inner) and pontoons	Leisure berths
14	St Sampson's Marina (Outer) and pontoons	Leisure berths

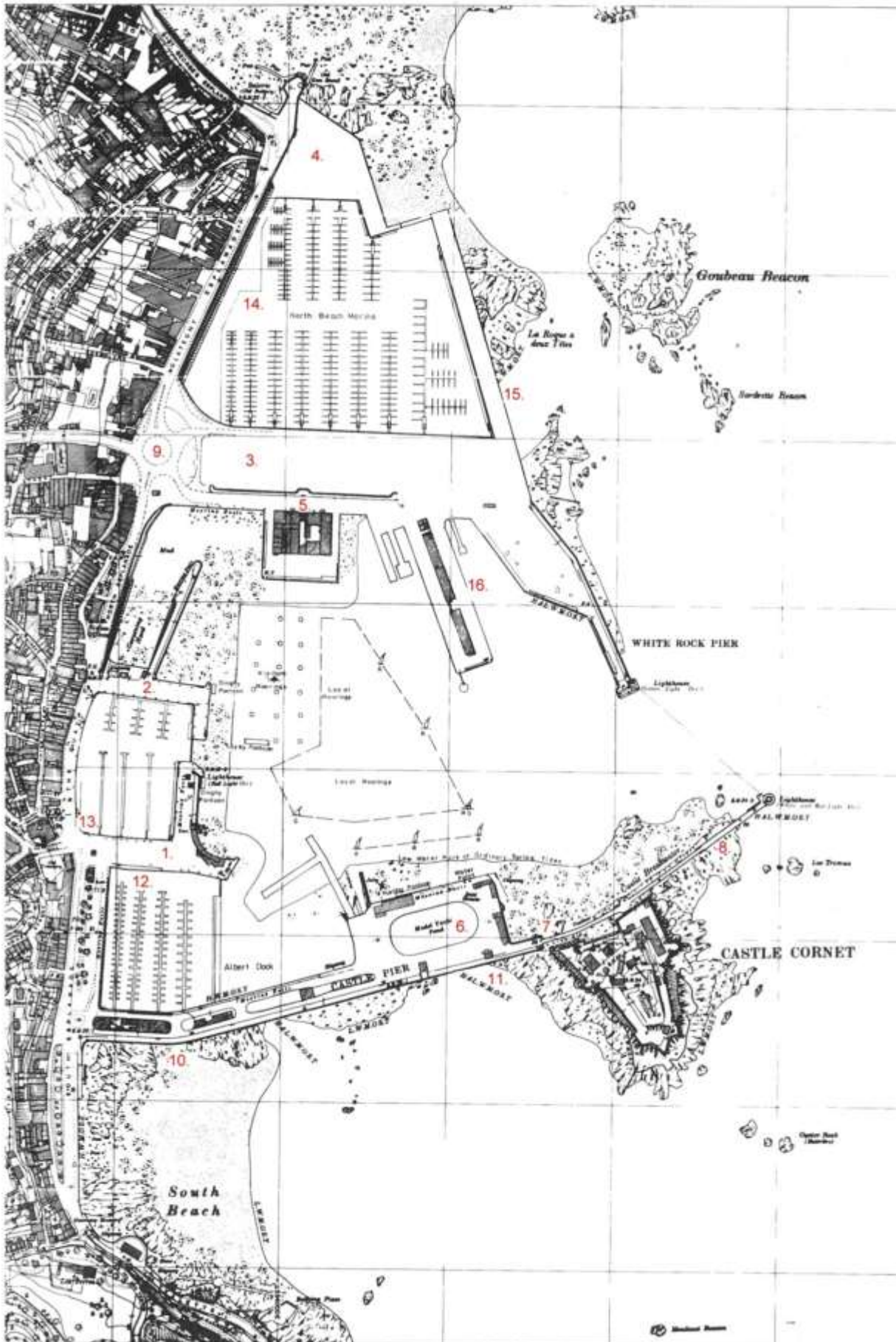
APPENDIX D – map of real estate liabilities

i. REAL ESTATE LIABILITIES: ST PETER PORT HARBOUR

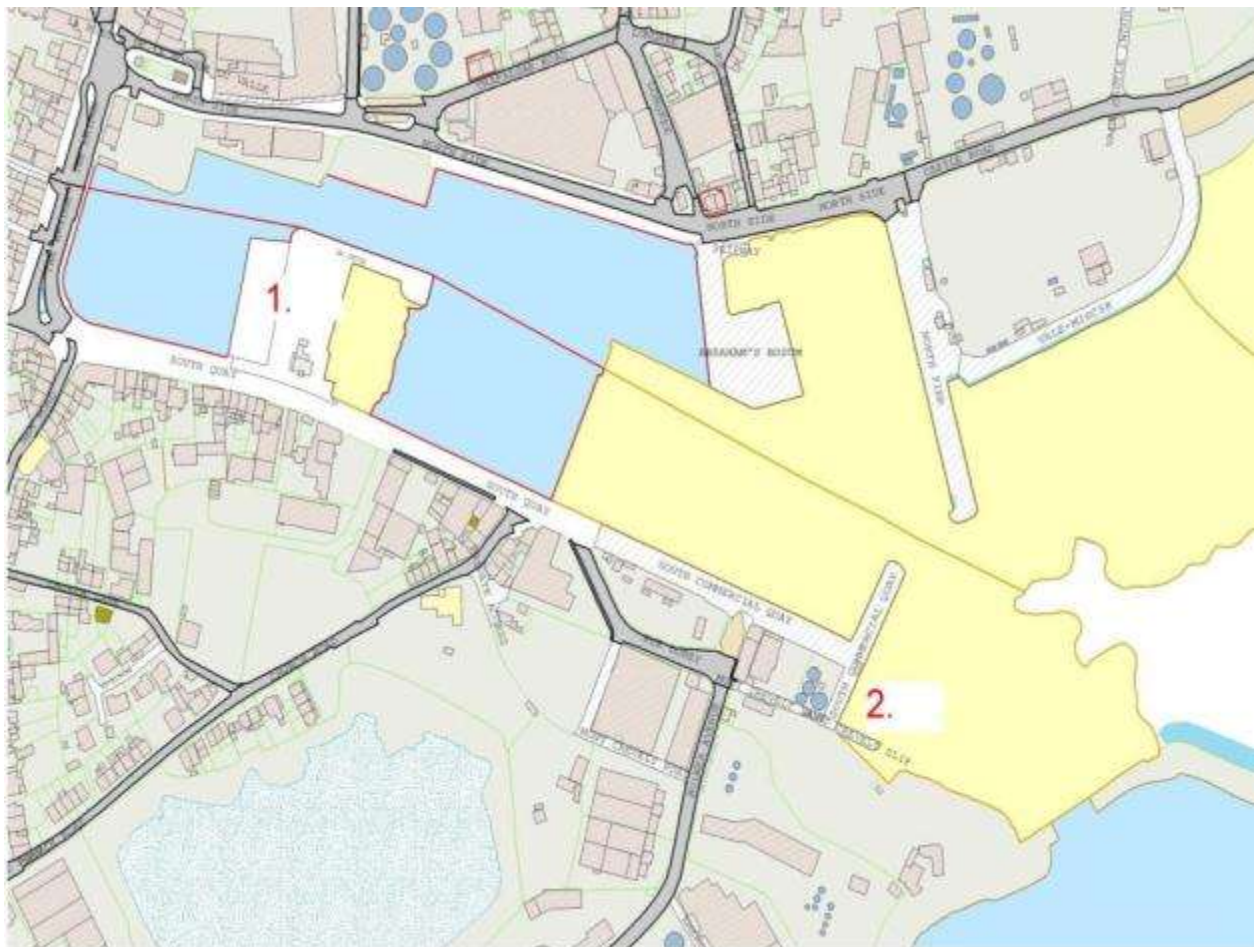
REF NO (FOR MAP)	LOCATION	NAME
1	AP	Albert Pier car park and public realm
2	VP	Victoria Pier car park and public realm
3	NB	North Beach car park and public realm
4	SC	Salerie Corner car park and public realm
5	CB	St Julian's Emplacement
6	CE	Model Yacht Pond
7	CE	Castle Bridge
8	CE	Walkway to Castle Breakwater light
9	WB	Weighbridge Mast
10	CP	Castle Pier car park and public realm
11	CE	New Havelet slip
12	AP	Albert Slip
13	VP	Quay Slipway
14	QEII	QEII Slipway
15	EA	East Arm car park and public realm
16	NJ	New Jetty Walkway

Key:

AP	Albert Pier
CB	Cambridge Berth
CE	Castle Emplacement
CP	Castle Pier
EA	East Arm
NB	North Beach
NJ	New Jetty
QEII	QEII Marina
SC	Salerie Corner
VP	Victoria Pier
WB	Weighbridge



REF NO (FOR MAP)	NAME
1	La Crocq Pier
2	Mont Crevelt Slip



APPENDIX E – Current Leisure Rates

EFFECTIVE FROM 1 APRIL 2014

- Leisure Boats
- Ordinarily Guernsey Resident Owned Registered Boats

AREA	PER SQUARE FOOT PER ANNUM
Local Leisure Berths*: Albert, QEII and St Sampsons marinas	£5.17
<i>e.g. length (30ft) x breadth(10ft) = 300ftx£5.17=£1,551.00 per annum</i>	

AREA	PER FOOT LENGTH PER ANNUM
Moorings**: Pool (always afloat)	£18.33
Drying Moorings: St Peter Port – maximum tidal time	£8.85
Drying Moorings: St Peter Port/St Sampsons – minimum tidal time	£5.17
<i>e.g. Pool mooring – length 30ft x £18.33 = £549.00 per annum</i>	

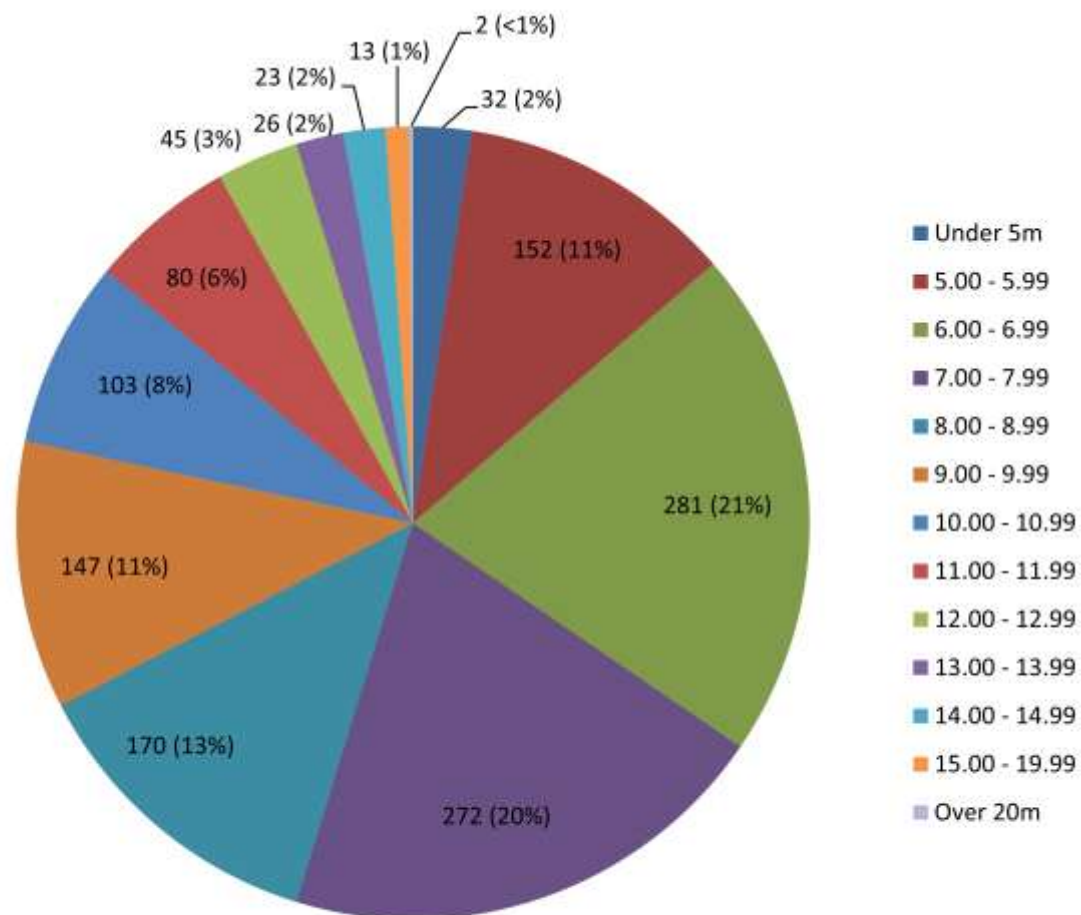
*Berths are 'Walk Ashore'

**Moorings are not 'Walk Ashore'

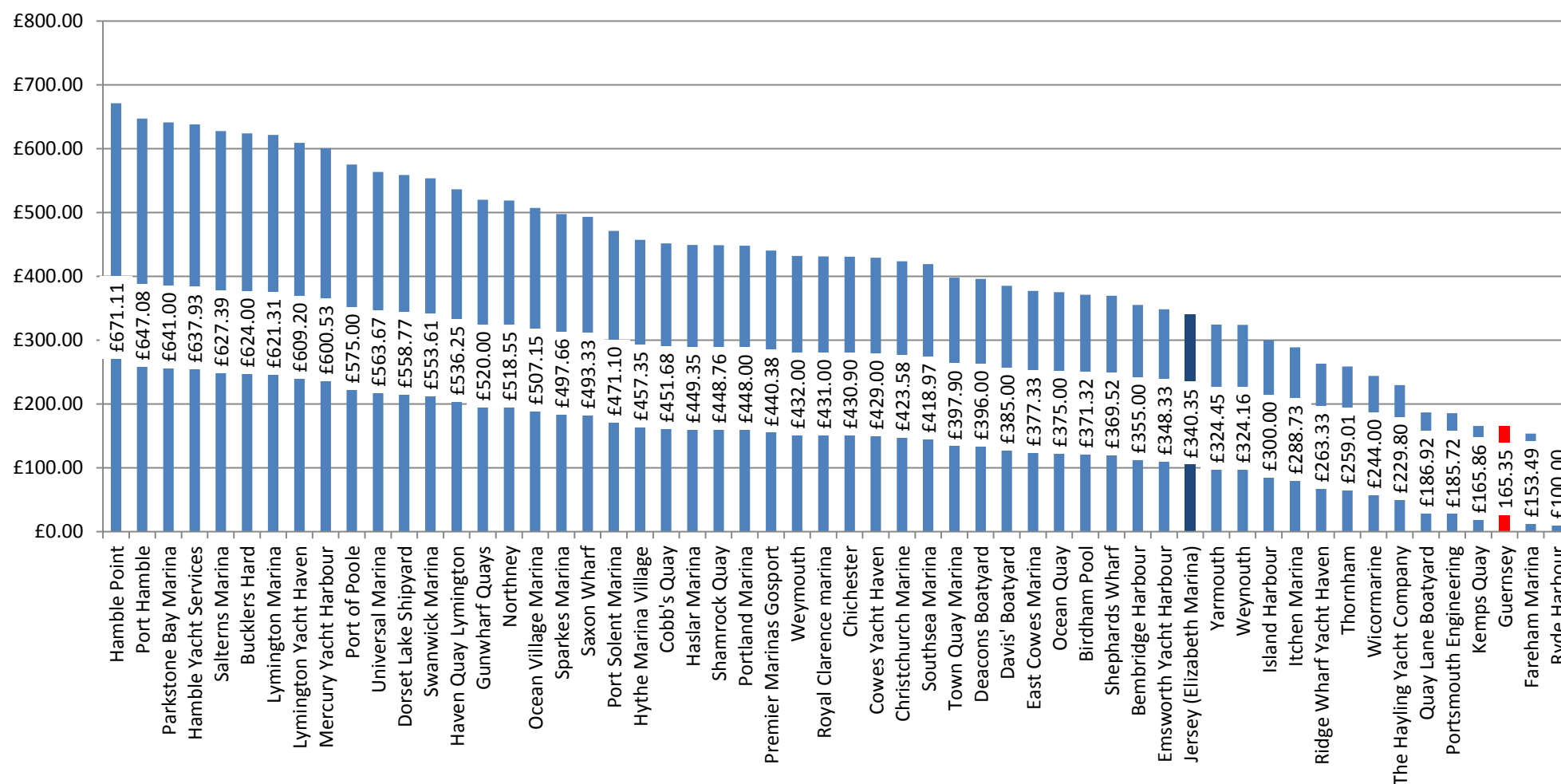
APPENDIX F – Local Leisure Berths

i. LOCAL LEISURE BERTHS: CURRENT MARINA BERTH HOLDER PROFILE – VESSEL LENGTH (m)

LENGTH (M)	NO OF VESSELS	% OF TOTAL VESSELS
Under 5	32	2.38%
5.00 - 5.99	152	11.29%
6.00 - 6.99	281	20.88%
7.00 - 7.99	272	20.21%
8.00 - 8.99	170	12.63%
9.00 - 9.99	147	10.92%
10.00 - 10.99	103	7.65%
11.00 - 11.99	80	5.94%
12.00 - 12.99	45	3.34%
13.00 - 13.99	26	1.93%
14.00 - 14.99	23	1.71%
15.00 - 19.99	13	0.97%
Over 20	2	0.15%
TOTAL	1346	100.00%

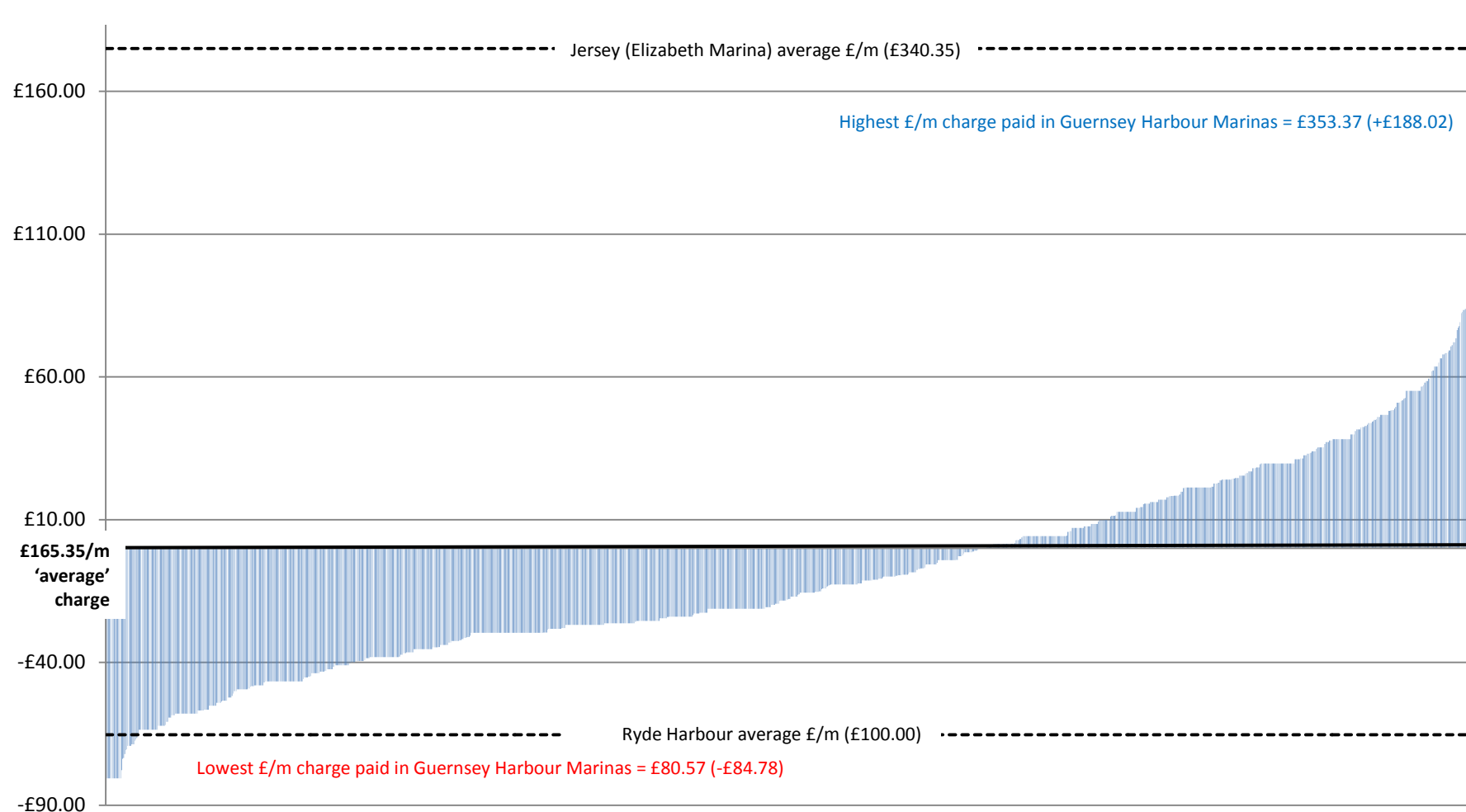


ii. LOCAL LEISURE BERTHS: AVERAGE £/m LENGTH ANNUAL CHARGE FOR MARINA BERTHS



With the exception of Guernsey and Jersey's Elizabeth Marina, marinas listed are located along the south coast of England. Prices for other marinas are taken from the Practical Boat Owner (PBO) Marina Price Guide. Prices shown are average rates for the marinas in question and include tax (where applicable). Guernsey's average price has been calculated by dividing expected income from the current vessel stock in 2014 by the total of all current (as at 01.04.14) vessel lengths.

iii. LOCAL LEISURE BERTHS: DISTRIBUTION OF ACTUAL £/m CHARGES BEING PAID BY CURRENT VESSELS IN GUERNSEY HARBOUR MARINAS (IN RELATION TO THE AVERAGE £165.35)



APPENDIX G – IT Core Systems

IT CORE SYSTEMS	PURPOSE
Microsoft	Server and desk top operating systems along with MS Office products, used extensively in the day-to-day business undertakings including email, spreadsheets and databases (ie post records and local ships skipper/engineer licences. In conjunction with ITU there is a work stream to replace the file server and backup solution, both being dated and having reached capacity.
SAP	Personnel and pay management, purchasing, stock control and maintenance management.
HSS	The Harbour dues system is a legacy system no longer benefiting from developer support. Shipping company details, schedules and real time arrival and departure data is placed here by manual inputting, it interfaces with the harbour web site in order to deliver the arrival and departure screens viewed by the public in the terminal building and on the internet. It also generates data used in the collection of harbour dues. A work stream is underway to replace HSS with a system that interfaces with SAP and streamlines data inputting.
M3	Holds the Guernsey Boat Registration database and is used for leisure marina management including berth allocation, local marina fee charging and interfaces with 3 automated electricity-metering systems. A work stream is underway to replace a Sage interface with one for SAP.
M3 mobile	A mobile solution has been successfully piloted this year, the aim being to replace a paper based system used for visiting yachtsman with an Android based tablet system that will interface with the states receipting system and SAP via M3. M3 will also hold pricing tables. If successful M3 mobile will be developed further to allow for interaction with harbours web site to improve the customer experience and help with marketing and promotions. There may also be some scope for intelligence sharing with Guernsey Border Agency.
SAGE	An accounting package that directly interfaces with M3 and separately, via manual input, with the HSS harbour dues system. Work streams are underway to migrate functionality to SAP.
MeterMacs/ Mainstar & Electrotech	MeterMacs, Mainstar and Electrotech. There are over 800 electricity meters in the local marinas and lay-up areas. These systems interface with M3 in order to automate electricity switching, meter reading and invoicing. Only MeterMacs remains in business, the others are being phased out as hardware replacement and pontoon refurbishment allow. MeterMacs technology does offer the potential for electric car charging stations.
Digimap	A digital mapping service used to provide mapping of buildings, utilities and other assets and to hold some data associated with these assets.
Zetron/DSC/ AIT/TMS	These are the main, bespoke hardware with software systems associated with marine radio primarily for Coastguard and Port Control operations. They facilitate the switching of marine radio channels to areal sites maintained by harbours in St Peter Port, Pleinmont, Fort George and Sark, communicated with via leased lines. They allow for radio communications, receipt of automated marine distress calls and recording of all communications. Instantaneous weather and tide data is also available. There are other systems that provide radio direction finding capability and vessel tracking. There is significant redundant capacity to allow for major marine incident management or local equipment failure. There is also a UHF marine radio facility for local, private marine based communications. Coastguard call handling technology will be introduced and aligned to the central JESCC technology.
CCTV	The CCTV network extends from St Sampsons to the Castle, providing a view of the port approaches. There are other cameras in both St Sampsons and St Peter Port used for public safety and port security, they are separately owned, operated and maintained by Guernsey Harbours but are integrated into the island network used by Home (Police, Prison, Guernsey Border Agency) and Airport so can be commonly viewed, subject to permissions during incident management. The network is being expanded to suit harbour operations and security requirements separately but cognisant of Home Department's Cat A CCTV upgrade SCIP initiative.
Access Control	Phase One of a smart card based access control system has been implemented to control access to restricted areas of the port, as part of the same initiative a pilot is being undertaken to evaluate on line safety and security inductions for staff and third parties, this has some significant cross departmental support from HSSD and ITU . The smart card based access will continue to be rolled out in phases.
Ships Registry	This is a standalone system with server, backup and work station holding the Guernsey Ships Registry database.

APPENDIX H – Profit & Loss 2008 - 2013

APPENDIX I - Capital expenditure 2008 - 2013						
capital exp St PP	2008 actual	2009 actual	2010 actual	2011 actual	2012 actual	2013 actual
Radio Equipment upgrade	0	0	78623.00	20,460.57	0	0
pontoon replacement	210,534.00	0	0	0	0	0
fork lift	16,693.00	0	0	0	0	0
Panel Van Replacement	0.00	10186.85	0	0	0	0
QEII marina dredging	100322.63	0	0	0	0	0
Direction finding equipment	61726.19	9632.00	0	0	0	0
inter island quay cruise liners	63792.47	0	0	0	0	0
interisland quay passenger	0.00	40,000	98468.00	0	0	0
East Ramp Repair Works	0.00	137,617.60	0	0	0	0
Jetty Clad Replacement	4,734,002.84		0	0	0	0
Jetty Clad Replacement	121,138.25	46,363.40	0	0	0	0
Jetty Clad Replacement	1,434,295.26	11,789.05	0	0	0	0
Jetty Clad Replacement	624.46	0.00	40.00	0	0	0
Concrete Repairs Ltd	0.00	0.00	0.00	0	31,037.03	1,467,332.40
Dawson Wam	0.00	0.00	0.00	0	1,484,668.07	1,498,885.68
Other Minor Contracts	0.00	0.00	0.00	0	54,797.41	55,462.02
Crane Strategy Consultants	3,771.71	116,205.25	825,105.64	273,151.53	242,621.43	1,801,130.87
Gottwald Port Technology					360,383.13	3,468,400.71
Transfer from ports holding account	-6,746,900.81	-371,794.15	-1,002,236.64	-293,612.10	-2,173,507.07	-8,291,211.68
capital exp St SS	2008 actual	2009 actual	2010 actual	2011 actual	2012 actual	2013 actual
Miller & Baird		10,464.00	0	0	0	0
Unforeseen Additional Works	3,600	5,665.00	0	0	0	0
Transfer from ports holding account	-3,600	-16,129.00	0	0	0	0
Profit & Loss						
BOTH PORTS	2008 actual	2009	2010	2011	2012	2013
INC	7,360	7,206	8,075	7,749	8,638	8,271
EXP	5,310	5,815	5,932	5,545	5,428	5,988
OPERATING SURPLUS/DEFICIT	2,050	1,391	2,143	2,204	3,210	2,283