

HAMPSHIRE COUNTY COUNCIL

Decision Report

Committee	River Hamble Management Committee
Date:	30 September 2022
Title:	Patrol Boat Replacement Options
Report From:	Director of Culture, Communities and Business Services

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Purpose of this Report

1. The purpose of this report is to inform decision on patrol craft capability for the next 30 years.

Recommendations

2. That the Management Committee agrees to support to the River Hamble Harbour Board investment in 3 long-life replacement patrol vessels.
3. That the Management Committee agrees that the Harbour Master should present options in commercial confidence and within the allocated budget to the Board for approval.

Executive Summary

4. This report seeks to:
 - set out the balancing judgement for investment in this long-term essential capability;
 - Align decision-making with the Strategic Vision and Plan;
 - consider the finance for the project and the impact on both Revenue and the Asset Replacement Reserve and quantify mid and long-term savings opportunity;
 - confirm optimum hull materials and propulsion options;
 - identify and optimise carbon-efficient production methods.

Contextual information

5. The supporting argument for investment now is at the Appendix. In summary:
 - Balancing Judgement. Patrol craft lifespan for current craft is 12 years. Our primary patrol vessels reach that age this year. They are in good condition because of sound maintenance and lifespan had been prudently extended. The benefit of extension will be disadvantageous. The cost of replacements is rising. Patrol vessels have value on the second-hand market that will not rise at the same rate as replacement cost. The aim of replacement now will be to minimise the cost of an investment targeted at lasting at least 30 years and maximise residual value.
 - Strategic Vision and Plan. These important guiding documents highlight the importance of enhanced carbon efficiency. The opportunity to become more efficient forms part of the replacement judgement.
 - Financial impact of investment now. The Asset Replacement Reserve has been geared for replacement from 2022. Replacement now is forecast to deliver £11k year-on-year revenue savings through reduced maintenance and reduction in spending from the Asset Replacement Reserve because of the need for fewer outboard petrol engines over time. There is an associated forecast increase in the minima of the ARR from £101k to £200k in 2037.
 - Hull material and Propulsion opportunity. New, more robust and longer-life hull materials are now available, extending the lifespan of a new capability considerably and reducing the need for further replacement for conservatively 30 years. While electrical propulsion systems are currently not suitable for RHHA tasking requirement, they will become so in time. New craft should be diesel-powered and convertible to new propulsion methods – including electric as they become more viable.
 - Carbon-efficient Production Methods. As well as having a longer life, available new hull materials include those more carbon efficient in production and 100% recyclable.

Climate Change Impact Assessment

5. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience impacts of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
6. **Climate Change Adaptation and Mitigation**. Hampshire County Council's decision-making tool on Climate Change and Mitigation does not apply because this project is at minimal risk to climate vulnerability.

7. **Carbon Mitigation.** Carbon emissions from this project arise from production methods of the chosen hull and propulsion materials. Materials proposed for hull construction include those such as High Density Polyethylene. This material uses less than 20% of the carbon required to produce an equivalent hull in traditional materials and is 100% recyclable. Principle considerations in propulsion relate to the provision of statutory safety capability. The Appendix shows that electrical propulsion systems are not yet at the requisite state of development. The recommendation for propulsion takes account of the need to fit appropriate systems when they become suitable.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	Yes
People in Hampshire live safe, healthy and independent lives:	Yes
People in Hampshire enjoy a rich and diverse environment:	Yes
People in Hampshire enjoy being part of strong, inclusive communities:	Yes

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Because of its nature, this report does not have a bearing on groups with protected characteristics.

CLIMATE CHANGE IMPACT ASSESSMENTS

Climate Change Adaptation

Given its nature, this proposal does not require the use of the County Council's Climate Change Adaptation Tool.

Carbon Mitigation

This decision takes account of the carbon emissions relating to manufacture and recyclability. Newer hull materials are selected first on the basis of suitability for the operational task. In also being more carbon-efficient in production and better in terms of their recyclability and longevity, the HDPE option is the clear winner, enabling as it does flexibility in the selection of newer propulsion capabilities when those reach greater levels of maturity and suitability.