1. Introduction

An Outline Business case is being prepared in line with the brief dated 12 February 2020. A key part of this is the consideration of different marina layout options with these assessed against the project outputs and *Must have, Should have, Could have and Won't have for now* prioritisations as per PRINCE2.

This short briefing paper summarises the options being considered and highlights the pros and cons of each.

Regardless of option, the proposed location of the new marina will improve its visibility and connectivity with the town. An active waterfront is a key element presently missing in Stranraer and the new marina will bring a renewed focus to the shoreline in terms of people, movement and regeneration. It will also tie in sympathetically with other development (and planned developments) in Stranraer whilst also considering operational requirements.

Additional detail can be discussed at Wednesday's meeting.

2. Market Review

Since completing the FBC, there have been well documented changes in both the new boat sales and second hand (brokerage) boat sales markets. New boat sales are down dramatically (in volume terms) whilst, weaknesses in Sterling against the Euro prompted an exodus of brokerage stock to Euro prices (mainly Scandinavian) markets. Since, 2017 we are now starting to see some vacancy in the market however, the main Clyde-based marinas are still reporting high levels of occupancy.

The current uncertainties cannot be ignored in the preparation of our review but the industry has weathered numerous recessions and fluctuations. The final design enables the phased delivery of the marina and in-time expansion opportunities beyond the current, projected number of berths on completion (c.160). Coupled with the existing marina capacity (70), this will give Stranraer Marina a capacity for around 230 berths. From our experience this is practical balance between market demand and operational efficiency which will see the delivery of a sustainable marina.

3. Marina Layout Options Review

3.1 Background

Stranraer marina has been the subject of development proposals for a number of years however the Borderlands Growth Deal has injected new hope that the project can now be delivered.

The previous options proposed in the 2015 Outline Business Case and the 2017 Full Business Case were ultimately focussed on the strong links to the East Pier reflecting the proposal in place from the preferred East Pier Developer.

New proposals require that any new marina links more strongly with the existing marina, the town and the water sports community, but does not at this stage require formal links to the East Pier. The Stranraer Watersports Association is planning a new centre and consideration should be made of their requirements when considering the options for the new marina.

When considering the preferred options a brief for the Must Have's, Should Have's and Could Have's and Won't Have (for now) was issued with the contract documents and this has been considered when appraising the options for future development. (see appendix 9.1 Brief for Outline Business Case)

3.2 Options appraisal and Marina Design

The current marina has approximately 70 berths over two locations within the harbour. One area is predominantly set aside for commercial operators and there are 7 dedicated berths for visitors. The harbour also berths a number of larger commercial and fishing vessels against the Harbour wall.

The Council has invested in marine leisure on an ongoing basis. The marina had a partial refit in 2012, a new services building was also completed in 2012 with a boatyard, and slipway being completed in 2015 along with the installation of a new boat lift crane.

The Council wish to continue to develop the marina operations to attract more visiting leisure craft and to encourage the regeneration of the waterfront and the town.

Marina Development Options

The development of the outline business case in 2015 considered a large number of options for the extension of the current marina and we have reviewed all of the options that were considered at that time. The options that were heavily biased towards the residential and commercial development of the East Pier have been dismissed as they did not connect as well with the town and required extensive offshore breakwaters and dredging rendering the projects extremely expensive to deliver.

When looking a more viable options the following points were taken into consideration:

- A potential for a total of circa 240 berths is considered the minimum berthing capacity for a marina to be self-sustaining.
- Connectivity to the town and Agnew Park
- A layout that would be easily managed and could be logically developed in phases
- The provision of a fuel jetty
- Easily navigable channels for leisure and commercial vessels
- Accessibility to parking and marina facilities.
- Dredging and wave protection considerations
- The use and location of dredged material. The minimising of dredging whilst producing a viable marina
- The exact mix of berthing was not key at this stage and will be fully developed through market demand assessment and consultation.
- All options require a limited extension of the existing marina breakwater to correct a defect in the original design that causes a larger than desirable waveform in certain wind directions and strengths

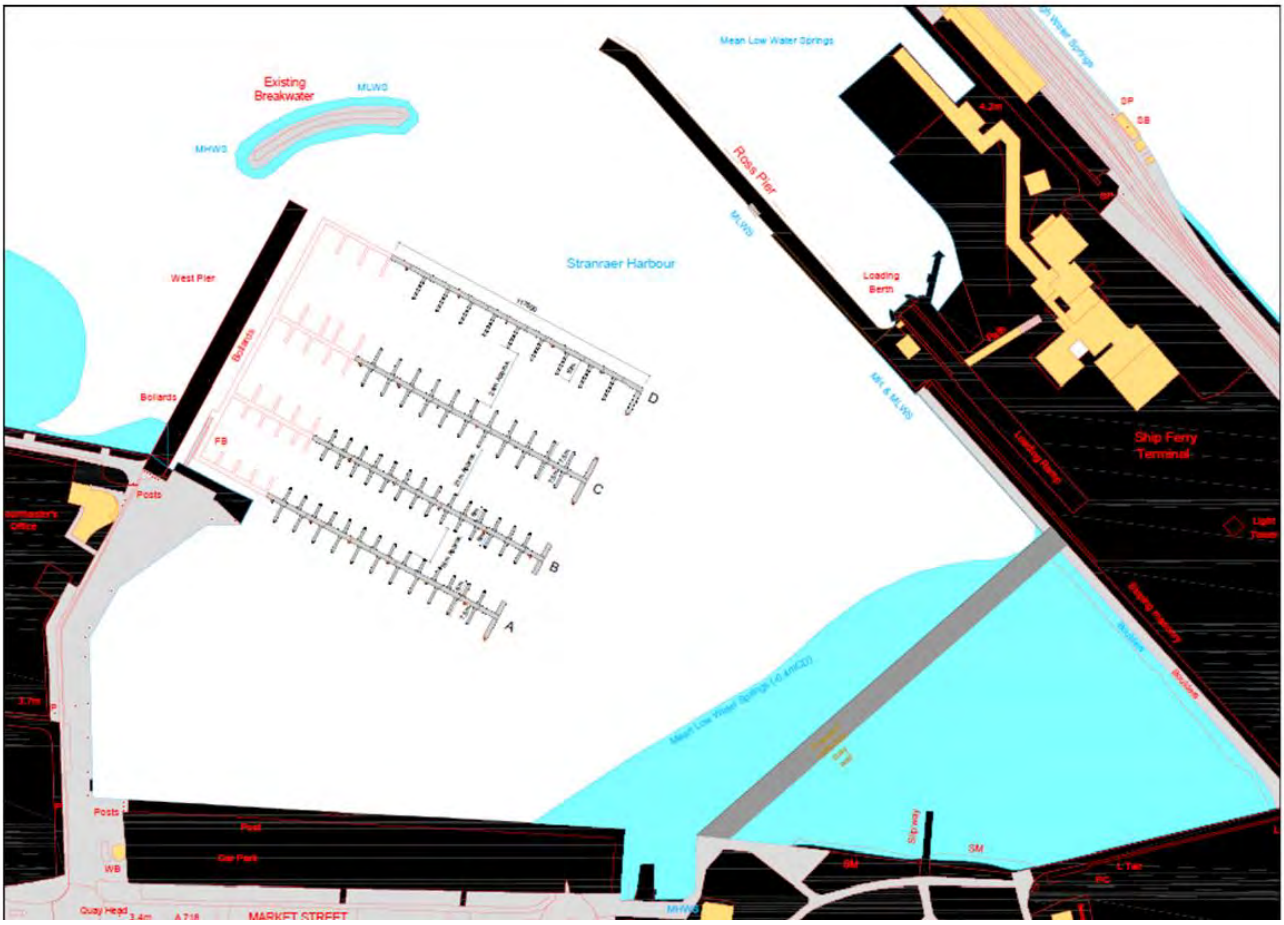
3.21 Option – 20/1 – additional 183 Berths

The extension of the existing marina was considered as first option as it would appear to have immediate advantages:

- Using a single point of access would be more cost effective
- It would reduce an element of access walkway
- It could be easier to manage and control access
- It would access the current facilities and administration building
- Does not encroach on the commercial vessel berths

The disadvantages are:

- The current marina has been developed for predominantly smaller craft and therefore a direct extension would be compromised and less adaptable to varying boat sizes
- Being near to the entrance the extended marina would be more exposed and would require an a considerably extended breakwater, which could not be used for berthing and would raise costs considerably
- It would require an extensive new dredged channel to be developed and maintained
- It would be remote from the town, would not add the visitor appeal of the Stranraer Waterfront
- Links less well with the town



3.22 Option – 20/2 – additional 161 Berths

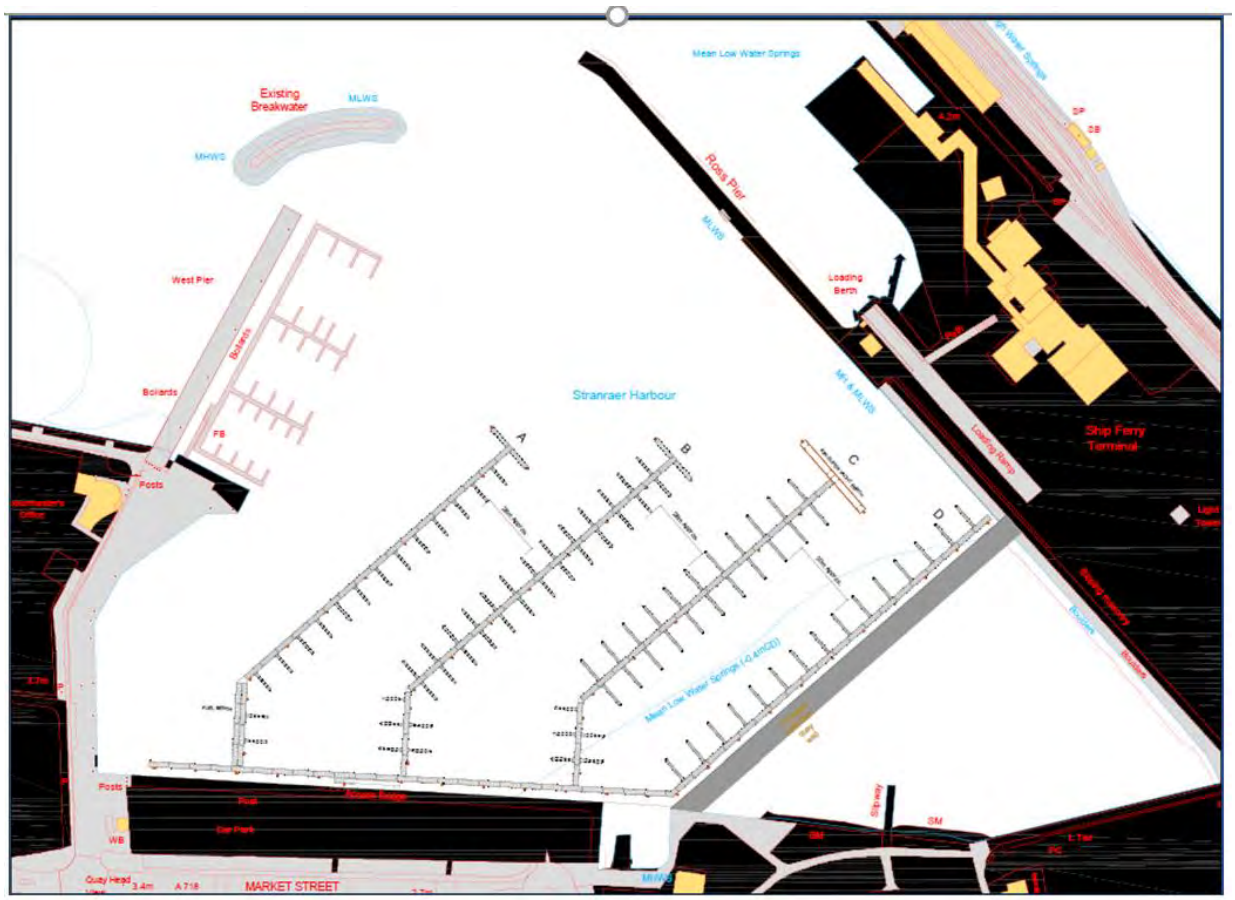
The second option is designed to link strongly to the southern breastworks and a causeway formed by reclamation using dredged material.

The advantages of this proposal are:

- It is highly visible and therefore adds positively to regeneration and tourism
- It connects well with the town
- Is sufficiently embedded in the inner harbour area to be well protected without major breakwater works
- If dredged material is used in reclaimed land this layout attractively integrates with the resulting causeway
- Potentially enhances future values of the East Pier, should future development take place
- Does not encroach on the commercial activities
- Can be phased in a number of ways, but all link well to the breastworks from the outset
- Easy design to respond to a developing market
- Long length of alongside berthing are very flexible for events

The disadvantages are:

- It is less well connected to the marina facilities
- It is less well connected to Agnew Park
- Requires extensive dredging in the shallowest areas
- Less manoeuvring space that some other options



3.23 Option – 20/3 – additional 161 Berths

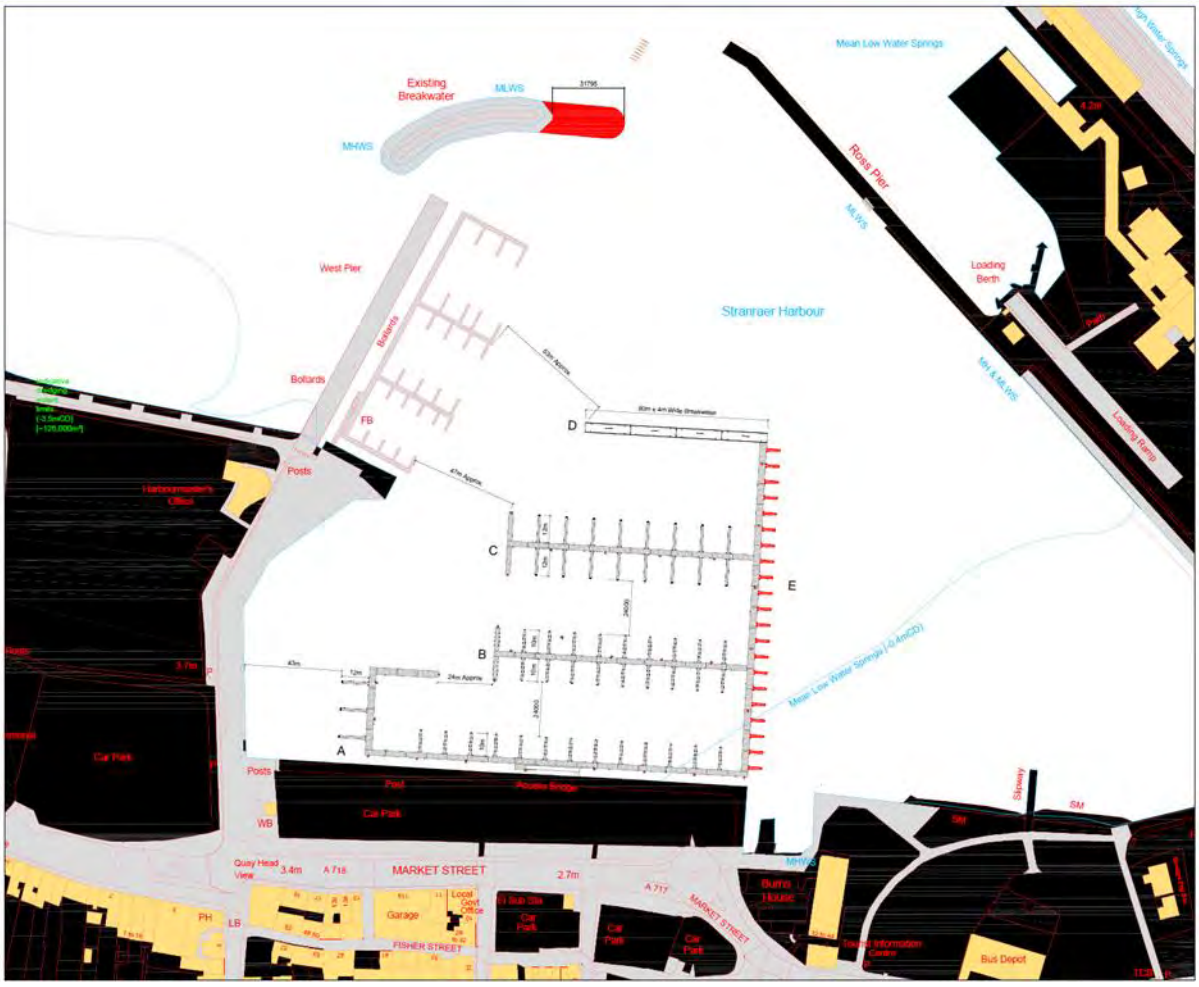
The third option is designed to link well with the current operations, the breastworks and to be both adaptable and efficient in terms of dredging and wave protection. This design is also designed around enhancing the commercial operations and providing a practical fuelling point.

The advantages of this proposal are:

- Well located in terms of wave protection
- Less Dredging required in the shallowest areas of the harbour
- Provides a good option for fuel jetty and small commercial berthing
- Good manoeuvring space for commercial vessels
- Compact layout which still incorporates large craft berthing option
- Easily phased and extended
- Can provide easily accessible superyacht berthing

The disadvantages are:

- It does not link well to any causeway that is created by dredging



3.24 Option – 20/4 – additional 247 Berths

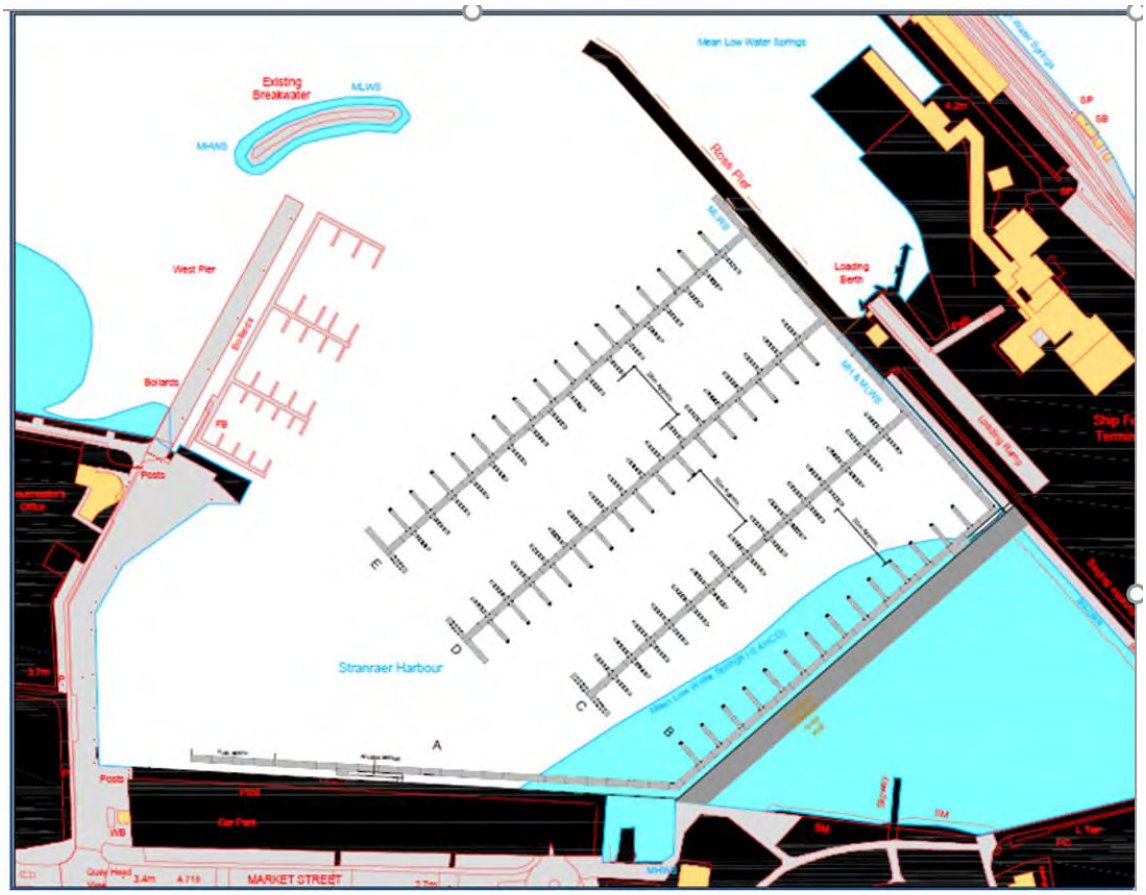
The fourth option was an exercise to test whether a marina could provide early benefits for the town whilst still adding value to the East Pier in the future. By using a regular rectangular marina layout the berthing capacity is maximised

The advantages of this proposal are:

- Easy to create large capacity marina
- Would ultimately support development at East Pier
- Provides potential to bring larger vessels close to the South Breastworks

The disadvantages are:

- Disconnected from the main marina operation
- Larger amount of dredging required
- Phases less easily
- Ultimately more exposed
- Does not create a tourist focus

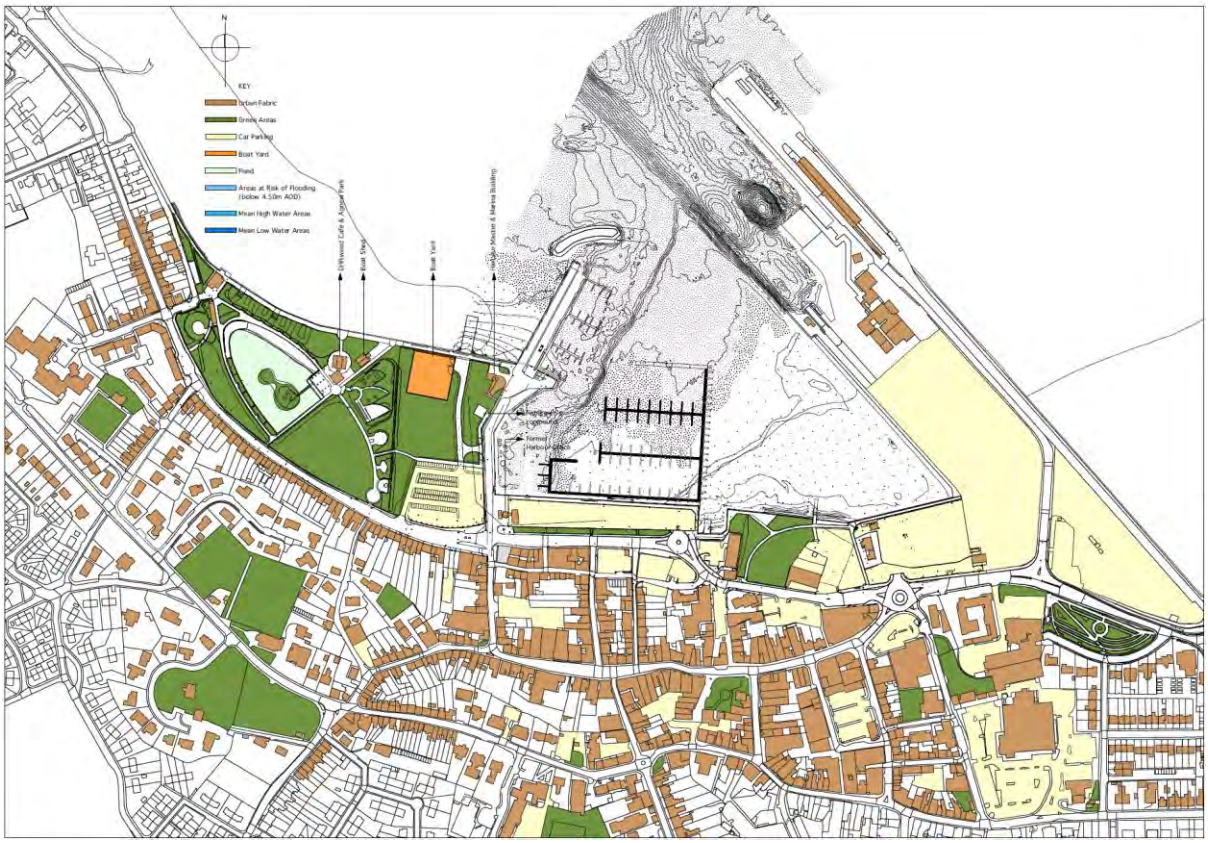


3.25 Preferred Option – for consultation

Options 20/2 and 20/3 provide well connected marinas that will provide attractive and easy to phase and develop solutions. Whilst option 20/2 provides the most appealing solution in terms of visibility, connecting as it does with the entire waterfront and causeway, option 20/3 is more efficient, requires less dredging, shares a common channel and can support the commercial operation more effectively.

In the future option 20/3 could, with additional dredging easily extend eastward, and connect to the East Pier.

Option 20/3 can with the least dredge provide commercial vessel fuelling, superyacht berths, the highest level of protection whilst being highly visible and connecting well to the town current marina and future Watersports area.



Option 20/3 is the option we recommend taking to consultation, with an option to also discuss option 20/2.

Option 20/3 will be developed up to confirm the location of toilets and showers, final access point (likely to be in the south-west corner of the commercial quay), relationship to the causeway, links to the town and railway station and boatyard and support service.

In refining the design the team will look at the final proposals for berth sizes based on market assessment), wave protection and consider management efficiency.

4. Technical

The layout options presented reflect the range of possibilities appropriate for present conditions. The engineering and infrastructure required can all be developed from previous work on the earlier OBC and FBC. However, from an infrastructure perspective, there are considerations that affect the overall cost that could be refined.

4.1 Land reclamation for car Parking

The premise to date has been to provide as much parking as possible to serve berth holders, staff, customers and visitors to the marina. With its proximity to the town, there is a potential overlap with existing provision and a broader view of parking could reduce the cost of new provision.

The provision with option 20-3, the preferred option, is 171 spaces in the area of reclaimed land behind the causeway. The benefit of this area is connection to the East Pier, provision of new open space and an area for parking, but the overall cost of this element is significant and could be reduced if made smaller. Part of the current exercise is to consider the volume of material that is to be dredged to establish whether the full area of reclaimed land is needed, or whether alternative strategies can deal with the dredged material.

4.2 Breakwaters

All options require the attenuation of wave energy from Loch Ryan. The wave climate generated within the marine will differ between options because of the different dredged profiles and eave modelling will be required to consider the arrangement of specific measures. Previous modelling led to an extension of the existing rock revetment, an additional rock revetment to the north east of the existing, a wave wall across the top and a series of floating breakwaters parallel to, but independent of, the Ross Pier.

The current breakwater provision is known to not fully protect the existing marina pontoons and the extension to the existing breakwater is primarily to deal with this to provide the acceptable wave climate. The layout of new attenuation measures can be refined with less expensive measures considered. These might include the introduction of shallows to the north, or more use of floating break waters. With such measures there may be compromises to operational life; inspection and maintenance requirements; seasonal availability and risk of exceeding preferred maximum wave heights which would all need to be explored.

4.3 Flood levels

The risk of coastal inundation is having a greater influence of the determination of building ground floor levels, or the incorporation in the design of measures to accommodate flooding. New buildings for the marina may need to be set higher than existing, even recent buildings. There can be a balance of risk and cost about how this is best achieved.

4.4 On site renewable energy generation

An extensive Ground Investigation will be required for the project and the opportunity exists to extend boreholes to a greater depth to allow the installation of ground source heat recovery systems. Initial enquires have been positive from a number of suppliers and this option could be explored alongside specification and procurement of the GI.

5. Budget Estimates

The team previously provided budget estimates for the preferred Option 3B-2, and a development of this that created maximum benefit for future development of the East Pier. The 3B-2 cost could be used as the basis for the high level summaries with adjustments made to the relative scales of different components with an allowance for inflation taken from ONS statistics.

The budget costs will be show current options to be less expensive than the previously considered scheme.

APPENDIX 3.3.3 – PART 1 BSC 2 MARKETING RESEARCH AND PRICING REPORT

STRANRAER MARINA EXPANSION –
MARKET FACTORS, INFLUENCES, OPPORTUNITIES AND PRICING PROJECTION

Summary

There are many strong points represented in the proposed marina development. Stranraer needs to reconnect with the water and the proposed location of the marina brings it to the forefront of the town especially, given Stranraer's maritime heritage. Combined with a cohesive tourism strategy, the marina will be a catalyst to deliver a sustainable and active community which stands to make a positive change to the physical infrastructure of Stranraer and to the local population.

We believe a phased marina development over 5 years will deliver approximately 233 berths.

Following a comprehensive market review we have set the pricing at £280.00 (annual single payment) in the South Quay and £225.00 (annual single payment) in West Pier

Key factors affecting the industry

General Market

Awakening The Giant – Marine Tourism Strategy Review (2018) and Giant Strides – Scotland's Marine Tourism Strategy (2019) both highlight Scotland's significant potential for tourism growth. With the right support and development, Loch Ryan offers a unique backdrop to develop Dumfries and Galloway's marine tourism offering. The marina development could lead to the development of the right facilities in the right location and to a meaningful scale and make Stranraer a marine tourism destination.

However, in the short-term the effects of COVID-19 on the economy cannot be ignored. A general statement is provided at the end of this report with regard to COVID-19

Population & Demographics

Consumers will travel up to 4hrs to their 'home' port. This brings a target population as far south as Manchester within reach of Stranraer. However, some caution should be taken when considering the likely customer travel distance as some more established cruising grounds and marinas are also within similar (or less) distances from these locations. We foresee most customers coming from; Dumfries & Galloway, South West Scotland, Scottish Borders and North of England (Lake District to Newcastle)

Location	Distance	Approx. Drive Times
Dumfries	72 miles	1hr 26 min
Glasgow	86 miles	1hr 52 min
Edinburgh	129 miles	2hr 34 min
Carlisle	106 miles	2hr 04 min
Newcastle	162 miles	3hr 05 min
Preston	194 miles	3hr 31 min
Manchester	223 miles	3hr 56 min
Leeds	230 miles	4hr 10 min
Liverpool	230 miles	4hr 10 min

Consumer Age & Requirements

The age of participants is expected to change. The average age of UK boaters (power and sail) is 54. This partly affects the barriers to entry of boat ownership (see Leisure Boat Usage below) but age is an important factor when considering layout, usage and facilities. Locally the largest increases in population have been in the 45-75 age categories whilst there have been marked decreases in the population between 0-15 and 25-44.

Leisure Boat Usage

Recent studies indicate a future change in boat usage. The facility will be designed to accommodate future boating requirements which are likely to be different to those seen in the last 20-30 years.

One driving force to change is affordability. Boating has a perception of being an expensive past time but participation is actually far more inclusive than the external commentators would believe. There are a large number of second hand vessels available enabling people to get afloat for a modest amount of money. However, new boat sales are one area which is distorting the market and affecting participation. The price of new boats has increased significantly since the early 2000's with even modest sized boats costing upwards of £100,000. With no immediate signs of this changing users and manufacturers alike are looking at alternative models of participation and purchase. Finance, leasing, fractional ownership and short-term hire (pay as you play) are being reviewed at all levels of boating and in time this will affect the type of boat, customer and usage seen at the marina.

Looking to the future water sports participation is on the increase with recent research showing a marked increase in people spending time on the water. This participation is right across the age and socio-economic spectrum and bodes well for future boating participation.

Another factor to consider is the facility itself. The traditional marina / private yacht club facility is losing popularity with users whilst those facilities able to offer multi-activity or multi-use are showing that the future is less exclusive, less formal and more accessible amenities.

Marina Pricing

- Desirable location (although remote)
- An appealing destination that can only get better
- With a new marina will always attract more attention
- Within a small but comprehensive service marina (not full service)

Pricing (2020): £177.60 per m (annual single payment)

We have set the marina pricing as; South Quay: £280.00 per m (annual single payment) whilst the existing marina (West Pier) would be £225 per m.

Our justification for this pricing is:

- Dredged area facility all tide access for vessels of drafts up to 2.5m in the main marina and 4.5m in the superyacht berth.
- Provision of new facilities which are modern and designed for the location
- Expanded facilities and additional onshore team

This price level is still extremely competitive when compared to other marinas in Scotland, Ireland and North of England. As an example; marina prices have been increasing between 1.5-3% each year since our last report. 2020 prices for the Clyde and Ireland/NI are included below:

Clyde Marinas (2020)

Marina	Operator	Annual	Summer	Monthly	Weekly	Daily
Largs Marina	Yacht Havens Ltd	£ 455.00	£ -	£ 62.00	£ -	£ 3.40
Kip Marina	Holt Leisure Group	£ 455.00	£ 363.00	£ 60.00	£ 17.00	£ 2.70
Rhu Marina	Quay Marinas	£ 399.50	£327.86	£ 58.00	£ 17.70	£ 2.95

Holy Loch Marina	Private	£ 338.33	£ 246.76	£ 45.44	£ 14.30	£ 2.40
Troon Marina	Yacht Havens Ltd	£ 358.00	£ 295.00	£ 56.00	£ 14.50	£ 2.90
Ardrossan Marina	Clyde Marina Ltd	£ 354.00	£ 295.00	£ 55.00	£ 15.30	£ 2.95
James Watt Dock Marina	Marina Projects	£ 343.00	£ 302.45	£ 55.35	£ 15.90	£ 2.65
Rothesay Marina	Bute Berthing Co Ltd	£ 244.00	£ 205.00	£ 42.00	£ 12.00	£ 2.20
Campbeltown Marina	Council	£ 195.00	£ 110.00	£ 35.00	£ 12.00	£ 2.50
Stranraer Marina	Council	£ 177.60				£ 2.65

Ireland / NI Marina Pricing (2020)

Marina	Operator	Annual	Summer	Monthly	Weekly	Daily
Bangor Marina, NI	Quay Marinas	£ 285.00	£ 228.90	£ 41.00	£ 18.00	£ 3.00
Dun Laoghaire, IRL	Private	£413.85	£ 313.28	£ 27.30	£ 16.91	£ 3.38
Ballycastle Marina, NI	Council				£ 13.65	£ 2.65
Foyle Marina, NI	Foyle Port	£ 107.00	£ 76.00	£ 39.00	£ 9.20	£ 2.00

*Converted at GBP/EUR: 0.89

Marinas considered within market review include:

Marina	Location	Distance from Stranraer Marina	Comments
Kip Marina	Inverkip	60nm	Popular marina and one of the first developed in the UK back in 1963.
Clyde Marina	Ardrossan	45 nm	A very popular destination marina with good services, yard facilities and rail connections
Largs Marina	Largs	53 nm	One of the most popular and well-equipped marinas in the UK
James Watt Dock	Greenock	70 nm	The closest marina to Glasgow by sea, opened in 2011
Holy Loch Marina	Dunoon	66nm	Sheltered, rural marina with good access to Argyll
Rhu Marina	Rhu	71nm	Owned by Crown Estate Scotland and leased to Boat Folk (formerly Quay Marinas). Attractive location
Rothesay Marina	Isle of Bute	54nm	Town centre marina. Extended but showing its age. Popular visitor location
Port Bannatyne	Isle of Bute	54nm	Medium sized marina on the Isle of Bute
Tarbert Harbour	Loch Fyne	63 nm	Probably one of the most popular cruising destinations for the area and famous for the Scottish Series Regatta
Girvan Harbour	South Ayrshire	25 nm	Recently redeveloped and modernised the marina is appealing

			and a short walk from the town centre. Tidal restrictions apply
Campbeltown	Campbeltown Loch	38 nm	Campbeltown has been the subject of a significant waterfront regeneration project. 53 berth transit marina
Bangor Marina	Belfast Lough	37 nm	Although in Northern Ireland this marina is the closest marina. Recent developments in Belfast make the City an appealing destination from Stranraer.
Kirkcudbright Harbour	Solway Firth	75 nm	Whilst close by road, Kirkcudbright is a significant distance by sea. It is likely though that the marinas will share customers
Whitehaven Marina	Cumbria Coast	85 nm	A large marina with full facilities
Douglas Harbour	Isle of Man	89 nm	Popular as a tourist destination this town centre marina is a hive of activity during the TT events

Market Influencers

Financial

Gross weekly earnings for residents in Dumfries and Galloway are 16% lower than the average Scottish and UK levels;

As stated in the Dumfries and Galloway Regional Economic Strategy, while there have been improvements to the economy in the past 20 years, the rate of growth is lower than Scotland and the UK and the economic prosperity gap continues to widen;

Typical of largely rural areas, Stranraer and the wider Dumfries and Galloway region suffers from outward migration, with the loss of young and skilled people, resulting in the demographics detailed in the previous section.

As Stranraer has a higher proportion of employment in agriculture and fishing than the national average, which is unsurprising given the rural and coastal nature of the area. It also has a higher proportion employed in transport, storage and communications which is a result of the ferry terminal at Cairnryan and transport links to Ireland.

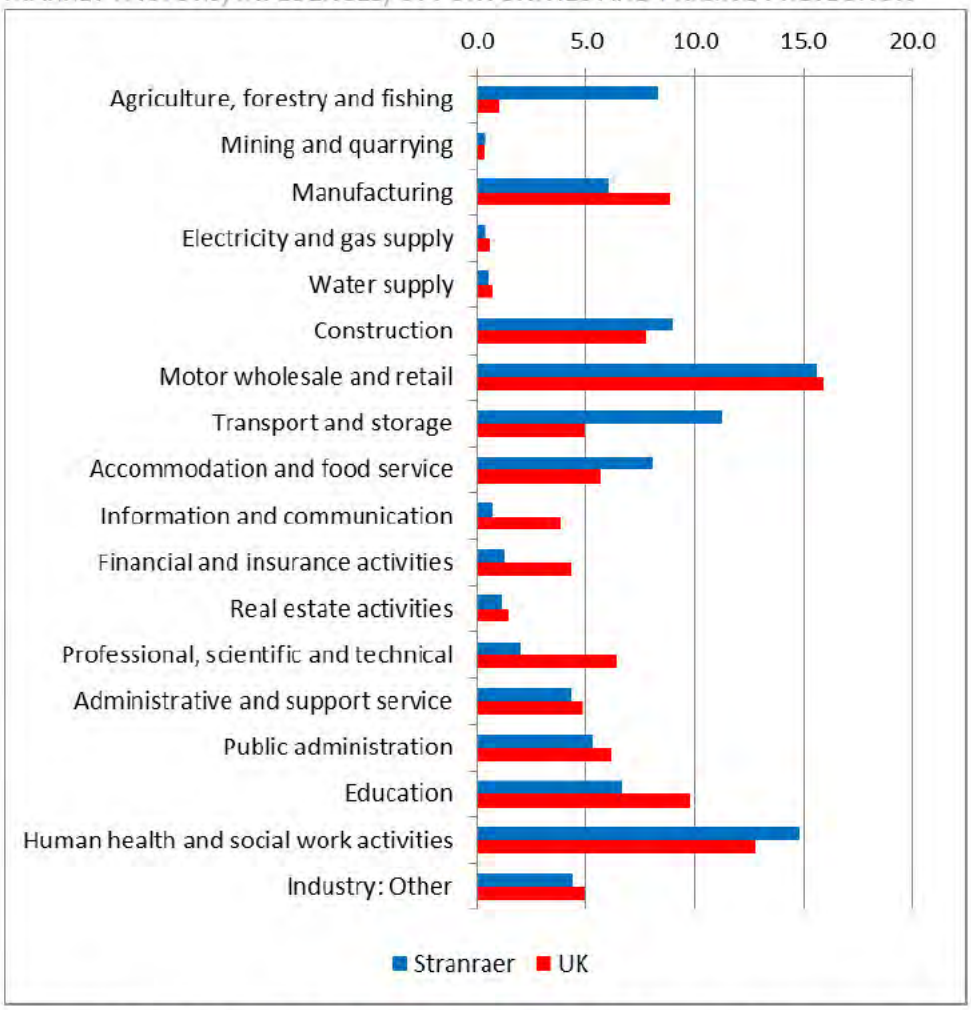


Figure XX: compares the social grade status of Stranraer residents against the national average. It shows that, when compared with the national average, Stranraer has an underrepresentation of the population with the AB and C1 categories (which generally correlate management or professional occupations). There is an above average representation of those in the C2 and DE categories (which reflects largely skilled and unskilled manual work, as well as non-working groups). This highlights both the lower economic profile of the area and the high proportion of retired residents;

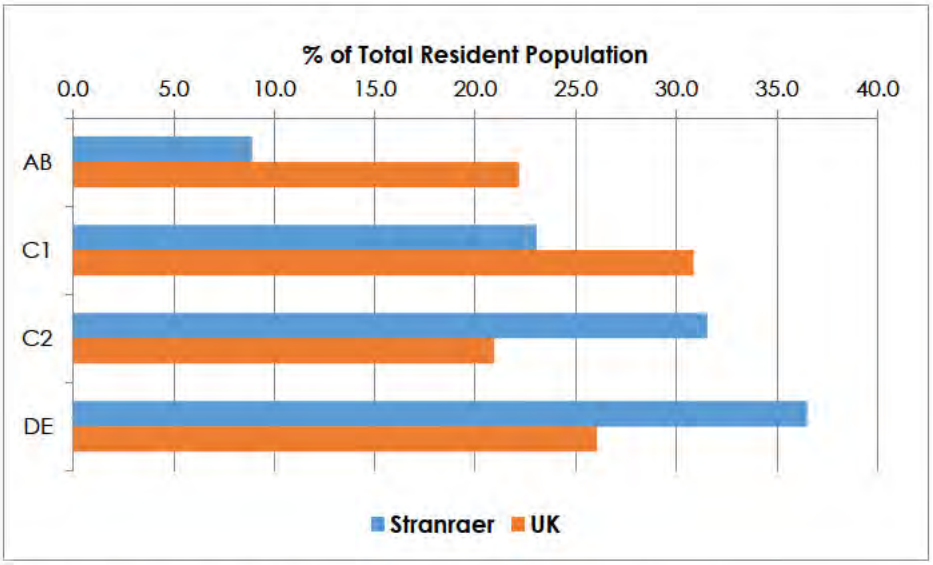


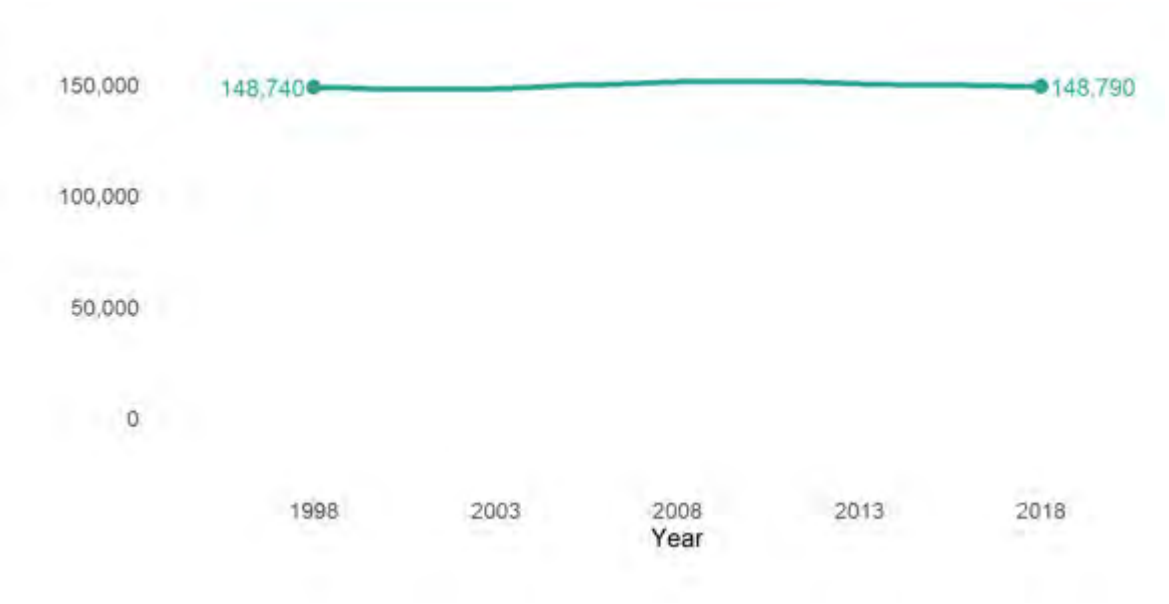
Figure XX Social Grade Status Comparison – Stranraer and the UK

Source: EGi

Political & Macro Economic Review

Generally, the population of Dumfries and Galloway has remained constant at around 148,000 between 1998 – 2018. On 30 June 2018, the population of Dumfries and Galloway was 148,790. This is a decrease of 0.3% from 149,200 (2017). This is slightly down on the ONS figures reported in the FBC which shows the population to be just under 150,000 (2017). Over the same period, the population of Scotland increased by 0.2%

Figure XX: Dumfries and Galloway Population 1998-2018



Source: National Record of Scotland

Other

While the outlook among British consumers sank following the vote to leave the European Union (declining by **-0.9%**in Q2-3 2016), there has been a stuttering recovery since then, with confidence growing by **+0.2%**between July 2016 and January 2017. Fears over Brexit dampened towards the end of 2016 with UK macro-economic data remaining strong throughout this period. However, instability and uncertainty returned in 2017 with a generally unstable political climate affecting public confidence including the conversation on Scottish Independence once again coming to the fore north of the border. The election in December 2019 saw the Conservatives gain a majority and with it a clearer mandate for leading the country. However, whilst some markets viewed this as a positive others showed concern for the Prime Ministers hard line on Brexit.

Figure XX: UK Consider Confidence Trends (2017)

Source: British Marine (2017) and OECD

The performance of the FTSE100 has tracked much of the political uncertainty outlined above but perhaps the biggest challenge facing the economy is the current COVID-19 pandemic. The FTSE has fallen from a high of 7,877 (22 May 2018) to 4,993 (23rd March 2020). The FTSE recently concluded the second worst quarter performance in the history of the exchange and commentators are still unsure what the future will hold. Further commentary on the COVID-19 pandemic and possible effects are considered later in this report.

Figure XX: FTSE 100 5-year Performance

Source: London Stock Exchange (2020)

Local Clyde, Ireland and UK North Considerations

Sailing Tourism in Dumfries and Galloway

- The Tourism Resource Company (TRC) undertook the 'Sailing Tourism in Scotland' on behalf of Scottish Enterprise in 2010. It highlights a number of points in regards to sailing tourism in Dumfries and Galloway:
- The Clyde and the West Coast (incorporating Dumfries and Galloway) hosts the largest number of resident vessels in Scotland. It also hosts almost 50,000 visiting boat nights per year;
- Dumfries and Galloway is home to 4% of the Clyde's pontoon stock (103 resident and 16 visitor berths) and 16% of its mooring stock (323 resident and 3 visitor moorings). 8% of the total formal berthing stock is in the region (2009 figures);
- 80% of Dumfries and Galloway's resident demand is from Scotland, with 20% from England. In 2009 there were 90 boats on resident berth waiting lists;
- There are approximately 1,700 visiting boat nights spent in the D&G area per annum (2009 figures), with an average length of stay of one night. This is 6% of the total formal visiting boat nights spent in the Clyde.
- 74% of visiting boat night demand is from UK residents outside of Scotland, 16% from Scotland and 10% from overseas. Dumfries and Galloway acts as an important link between residents from other parts of the UK and Scotland's sailing waters.

Whilst a large proportion of the berth holders at Stranraer originate from within the Dumfries and Galloway region, a number travel from out with the area to use their vessel. This catchment area is not clearly defined but could be considered to cover an area spanning Newcastle, the Lake District, Scottish Borders and South Ayrshire. At the present time it is likely that potential customers in Glasgow, Edinburgh, Manchester, Liverpool and other large north of England settlements will use more local facilities or if they are going to travel, use marinas with a higher level of service that are closer in proximity to established cruising grounds. As the marina develops and more services are available locally, it is not unreasonable to expect an increasing number of berth holders to come from these established locations especially if there is a time and financial saving on offer.

Travel Distances

Location	Distance	Approx. Drive Times
Dumfries	72 miles	1hr 26 min
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Edinburgh	129 miles	2hr 34 min
Carlisle	106 miles	2hr 04 min
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Preston	194 miles	3hr 31 min
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Clyde Marinas Pricing (2020)

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Ireland / NI Marina Pricing (2020)

Marina	Operator	Annual	Summer	Monthly	Weekly	Daily
Bangor Marina, NI	Quay Marinas	£ 285.00	£ 228.90	£ 41.00	£ 18.00	£ 3.00
Dun Laighaire, IRL	Private	£413.85	£ 313.28	£ 27.30	£ 16.91	£ 3.38
Ballycastle Marina, NI	Council				£ 13.65	£ 2.65
Foyle Marina, NI	Foyle Port	£ 107.00	£ 76.00	£ 39.00	£ 9.20	£ 2.00

*Converted at GBP/EUR: 0.89

North of England Pricing (2020)

Marina	Operator	Annual	Summer	Monthly	Weekly	Daily
Royal Quays, Newcastle	Quay Marinas	£ 291.50	£ 211.05	£ 30.00	£ 17.40	£ 2.90
St. Peters Basin, Newcastle	Private	£ 250.00	£ 146.00	£ 39.00	£ 12.00	£ 2.50
Maryport Marina	Maryport Harbour	£ 196.00	£ 20.00	£ -	£ 8.00	£ 1.60
Fleetwood Haven	AB Ports	£ 263.50	£ 143.00	£ 39.40	£ 13.20	£ 2.50
Preston Marina	PMS Ltd	£ 199.00	£ 110.00	£ 30.00	£ -	£ 2.00
Whitehaven, Cumbria	Marina Projects	£ 289.45	£ -	£ 39.00	£ 15.00	£ 2.60

Current Charging Regime

Visiting yacht rates Stranraer Marina (2020)

Length (m)	Per Day	Per m Equivalent
<8m	£21.50	£2.69 (8m)
8.1m – 10m	£26.50	£2.65 (10m)
10.1m – 12m	£32.50	£2.70 (12m)
>12m	£35.50	£2.73 (13m)

Annual Berthing rates Stranraer Marina (2020)

Description	£/m
Annual Standard	£177.60
Annual Pontoon 5	£106.80
Rib berths	£ 78.00

Pricing includes VAT. Minimum charge 5m

The location of the marina, remote from the main Clyde cruising areas means that despite a waiting list it will be difficult to initially charge premium rates. The current headline annual charge of £177.60 per metre including VAT (up from £103/m in 2016 – increase of 72%) which reflects a charge for only the simplest of facilities, is not sustainable in terms of maintaining a viable project when considerable investment is required to expand the marina and waterfront. It will, therefore, be necessary to increase charges over time. Despite a large increase in headline pricing, the current price puts Stranraer at the bottom of the charging league of Clyde Marinas and even below marinas in the north of England and West Coast of Scotland which have far less facilities.

The Council have been very progressive in developing not only a modern marina services building, small yard and slipway but also installing a modern boat lift and boat transporter facility - a first in the area and a modern solution to the traditional hoist and pier. This investment, well in excess of £1m, in marine support and services has meant that the current marina, although small is well served by basic facilities and in a good position to move forward. The boatlift has allowed the quayside to remain available to commercial fishing boats when not in use, which would not be the case with a travel hoist and pier. Further investment in the restoration of the West Pier and investments in Agnew Park (including the new Boat House) have made the area around the marina extremely attractive.

There is a strong case for the current modernised marina to increase its charges to reflect the Council's investment, however there may be reluctance to do this in order to maintain a full marina and continue regular support from visiting boaters.

An expanded marina, will provide enhanced services and support and be able to sustain increasing charges. The most significant changes, recent and proposed, are:

Current Investment:

- Offices and toilets
- 30 tonne Lifting Crane, Cradle Mover, Heavy Duty Cradles and Service Pontoon
- Secure boatyard for approximately 24 boats
- Leisure and Events Slipway

New facilities - as the marina expands;

- Sea wall improvements and safer berthing
- Fuel Jetty (Petrol and Diesel)
- Modern heavy-duty pontoons
- Larger marina operational team – leading to increased service and hours
- Marina more convenient for the town
- Improved facilities coming on stream as the marina and waterfront develops
- Events will make the marina more interesting and enjoyable
- Larger marina will increase sailing community and should support yacht club activities, social and community involvement

When considering at what level the marina charges can be set the pricing levels of competitive marinas should be considered. Whilst in the ideal scenario pricing would be set only by the necessity to gain a financial return it is necessary to understand that to draw boats to berth in Stranraer the marina will have to offer competitive value for money and will necessarily need to remain cheaper than the main Marinas on the Clyde.

The principal competition for clients and berthing should be considered as marinas that offer full - service facilities within reach of the population centres that could also feed Stranraer Marina.

With an average annual price on the Clyde of £324.37 (up from £302.00/m in 2016) and on the wider West Coast of £324.00 (up from £292.00/m in 2016), **it can be seen that the ultimate, pre-inflation, price of £245.00 per metre for Stranraer Marina offers good value, especially once the major facilities and increased sea wall installations are complete**. By year five, the figures will be well below the average for comparable marinas and will offer excellent value, which will be attractive to the market. Updated Financial Projections are included **at Appendix X**. These projections are based on current market perceptions. As the marina develops, charges should be reviewed annually in the context of the market and marina business performance at the time.

The local residents have been used to a lower charging regime and it is proposed that as the current Marina will be older, that the price for berthing can be lower in this location. The Council may wish to offer local residents, small boat commercial operators, yacht club members (within a defined radius of Stranraer) a discount to remain in this facility (there ais already a discount for some berths in the current marina – Pontoon 5 and Rib Berths).

Stranraer Marina – the market

We have been informed by the Regional Harbour Master that there is presently a waiting list for berths at Stranraer Marina. As of April 2020, the number and mix is as follows:

Berth Types	No. Waiting
8m	18
10m	10
>12m	9
Total	37

Future

Scotland's Marine Tourism Sector 'Giant Strides' published February 2020

Our Vision: *That Scotland will be a world leader in 21st century sustainable marine tourism.*

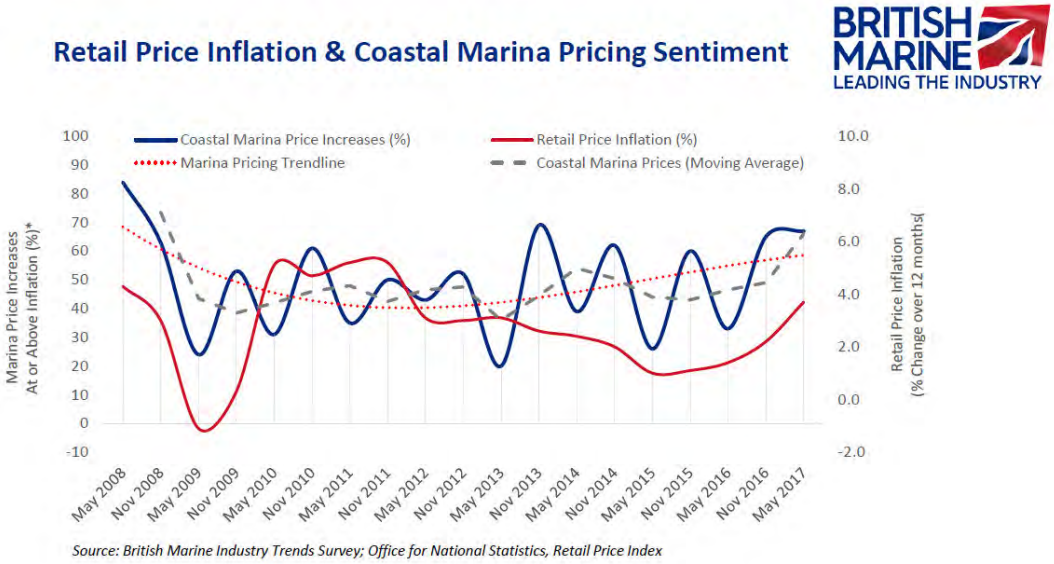
Our Mission: *Marine tourism is sustainable and meets changing consumer, workforce, community and environmental needs and expectations, whilst growing the industry's overall economic contribution to over £500 million by 2025.*

Marina pricing has followed a gradual increase year on year however, in 2008/9 following the financial crash there was a marked downturn. This sharp dip in pricing manifested itself in the market around 18-24 months later as vacancy in coastal marinas increased and pricing was negatively affected. Since 2010, marina pricing has steadily risen, buoyed by generally positive market sentiment. The biggest increases in average prices were seen in 2013 and again in 2016/17 but tapered off in some South Coast locations due to uncertainty surrounding Brexit. Some of this negative effect was balanced by the weak pound which brought interest from non-UK boaters. The effect of COVID-19 is not yet known but many financial commentators are likening the effects to the financial crash of 2008/9 but unlike these years (and subsequent recession) more people and businesses are likely to be affected. Efforts by the UK Government to reduce the impact of COVID-19 on the economy are well documented (at the time of writing) but their effectiveness has yet to be seen. We anticipate that the effects of the 'shut-down' will affect market sentiment and we will see disruption in the use of boats and ultimately marinas for at least the next 6-12 months. The severity of the impact will depend on the length of time

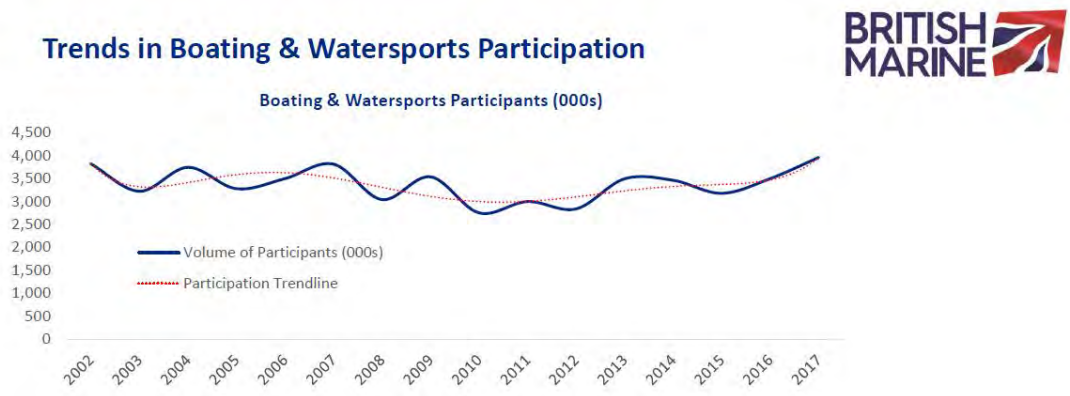
measures are in places for the management of COVID-19 and increasing outlay the UK Government, businesses and individuals have to make to get through it.

On a more positive note, once the country is on the other side of the pandemic there is likely to be a 'bounce' in leisure activities. With the general population being confined for a protracted period and during the main boating season some forecasters are anticipating a spike in interest and participation in readily available, domestic leisure activities. Those who have access to boats, are able to extend time off and can afford to participate are predicted to make up for lost time. This may yield a renewed interest in boating and higher utilisation later in 2020 or once people become aware of the outcomes of managing the pandemic.

In the future, we may see a dip in marina pricing and market sentiment similar to the profile seen in the 2008/9 (onwards) recession countering the bullish predictions of British Marine in 2017 for increasing marina pricing.



Another factor to consider in the layout, services and facilities is the type of user that will be visiting Stranraer Marina. According to British Marine statistics around 7.5% (2017) of the UK population partake in some form of water sports. This can range from water skiing to yacht racing with the numbers participating in each sport affecting the type, size and number of facilities required.



The development of Stranraer Marina comes at a time when plans are being developed to build a facility for Stranraer Watersports. The marina caters to Yacht Cruising and Power / Motor boating and whilst these are core elements in participation they make up a relatively small number of the population who enjoy water sports activities. Activities such as small boat sailing, canoeing and rowing make up a larger segment and it is these areas which are most likely to grow over the coming years. That is not to say that participation in sailing and motor boating will diminish (British Marine are forecasting a small increase over 5 years) more that, the ease of access to some water sports means that these are better positioned to benefit from the interests of the next generation. Many people who participate in yacht and motorboating also list their interest and participation in many other forms of water sports. Stranraer is uniquely positioned at the present time, in that it could lead the development of a water sports destination which genuinely caters for the majority of mainstream water sports. The success of the water sports facility will be a function of the marina and vice versa, with the marina set to benefit in years to come from a local catchment of motivated and interested participants who usually retain their interest in boating until very late on in life (if given the facilities and ability to participate).

	Participants	Share of UK adult Population (%)	1 Year Growth*	3 Year Growth*	5 Year Growth*	10 Year Growth*
Small Sailboat Racing	205,299	0.4	0.1	0.0	0.0	-0.1
Small Sailboat Activities	498,942	0.9	0.0	-0.1	0.1	-0.2
Yacht Racing	154,571	0.3	0.1	0.1	0.1	0.0
Yacht Cruising	445,292	0.8	0.1	0.2	0.2	0.0
Power Boating	364,054	0.7	0.2	-0.1	0.1	0.0
Motor Boating	680,828	1.3	0.3	0.2	0.4	-0.1
Canal Boating	352,357	0.7	0.1	-0.1	0.1	-0.3
Canoeing	1,856,435	3.5	0.6	0.4	1.0	1.3
Rowing	404,082	0.8	0.0	0.0	0.4	0.1
Windsurfing	184,903	0.3	0.1	0.0	0.1	-0.1
Water skiing	288,746	0.5	0.1	-0.1	0.2	-0.2
Using personal watercraft	229,966	0.4	0.0	0.0	0.2	-0.1
Any Boating Activity	**3,955,138**	**7.4**	**0.8**	**0.4**	**1.6**	**-0.4**

Age