TORBAY COUNCIL

Meeting: Harbour Committee **Date:** 21 September 2026

Wards affected: All Wards

Report Title: Tor Bay Harbour Budget Monitoring – Q1 2026/27

Report Contact Details:

Matt Reeks, Divisional Director for Place Operations: matt.reeks@torbay.gov.uk

Ian Rowswell, Deputy Director of Finance: ian.rowswell@torbay.gov.uk

1. Purpose of Report

1.1 This report updates the Committee on the forecast 2026/27 outturn position for Tor Bay Harbour Authority as at the end June 2026 (quarter 1 (Q1)), compared against the annual budget for 2026/27 – as approved on 5th January 2026.

2. Reason for Proposal and its benefits

2.1 As a standing agenda item, this quarterly report is presented to each Committee meeting to enable appropriate oversight of spend against the budget. It will help to understand any spending pressures and the mitigating actions necessary in order to manage spend and maintain reserves at appropriate levels.

3. Recommendation(s) / Proposed Decision

3.1 That the Harbour Committee note the projected revenue outturn position and estimated adjustments to the reserve for Tor Bay Harbour Authority for 2026/2027 as set out in Appendix 1 to the submitted report.

Appendices

Appendix 1: Harbour Revenue Account 2026-27 – Q1 2026/27

Supporting Information

1. Introduction

1.1 The 2026/27 Tor Bay Harbour Authority annual budget was approved by the Committee on 5th January 2026. This monitoring report is for the 2026/27 financial year and covers the period up to the end of June 2026.

2. Options under consideration

2.1 Appendix 1 to this report provides a summary of the Harbour revenue account, showing the projected outturn position for 2026/27 as at the end of June 2026 (Q1), with associated notes and summary of the adjustments to the reserves.

3. Financial Opportunities and Implications

3.1 As at the end of Q1 we are projecting an overspend on the Harbour revenue account of £14k, against the balanced budget set in January.

3,2 An overspend of £66k is projected on the repairs and maintenance budget due to critical repairs and maintenance works that were identified in 25/26 financial year but not commenced until the 26/27 financial year. Expenditure on remaining premises costs are projected to be £20k over budget.

3.3 The staffing budget is projected to be underspent by £50k based on profiled spend and known changes. Recruitment is underway for vacant posts.

3.4 Fish toll income is the most significant income for Harbours and current projections show income is expected to exceed budget by £100k. This additional income is helping to offset the overspends highlighted above. Income from rent and moorings also currently expected to exceed budget.

3.5 The Harbours contribution to Torbay Council's general fund is expected to be in line with budget at £652k, around the same level as the previous year. There is a general understanding (supported by previous reports and minutes) that this figure represents both a cash dividend and asset rental fee, but further detail on this has been requested. Further work is taking place to review this contribution and provide more detail to the Committee.

3.6 £800k of one-off spend is planned in 2026/27, to be funded from the Harbours reserve, which had a balance of £1,721k at the start of the year. This was an increase from the expected reserve balance as some planned works from prior year had not occurred as originally intended and some works were funded from within the revenue budget in 25/6. Planned reserve spending includes £220k for Brixham Harbour chiller repairs and £242k for Millenium bridge repairs. A full list can be found in Appendix 1 (notes). The reserves balance at the start of the year was £1,721k and based on a year-end deficit of £14k, is forecast to reduce to £973k, which exceeds the minimum recommended level. The table below summarises the estimated movement.

Drawdown from Reserves	**Initial Budget 2026/27 £k**	**Projection Q1 £k**
Balance at 01/04/26	(1,099)	(1,721)
Projected Outturn deficit/(surplus)	0	14
Interest received	(54)	(66)
Planned contribution from reserves for one-off spend	0	800
Est balance at year end 31/3/27	(1,153)	(973)

3.7 The Harbour’s outstanding borrowing liability is as follows:

Capital Scheme	Amount Borrowed	Start of Repayments	Annual Unsupported Borrowing Charge 26/27	Principal Outstanding 31/03/27
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£19,500	£234,006
Town Docks (Torquay Harbour - replacement	£1,201,000	2024/25	£95,226	£991,753
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£80,544	£532,260
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£281,895	£2,885,508
Torquay Inner Harbour Pontoons (Inner Dock)	£800,000	2014/15	£54,402	£493,778
Brixham Harbour Jetty	£840,000	2020/21	£37,823	£758,752
Harbour Light Building	Interest Only	2019/20	£13,694	Interest Only
		Total	**£583,084**	**£5,896,057**

3.8 The Harbour’s aged debt position is set out below. The reported figures for 0-60 days will vary between quarters depending on timing of invoices raised. The outstanding Harbour Charges debt largely reflects payment of user charges by instalments, and the overall figure should continue to reduce throughout the year.

	Corporate Debtor System & Harbour Charges			
	<60 days	61-120 days	121-365 days	>365 days
Debt outstanding	£130k (was £5k at Q4)	£470k (was £18k at Q4)	£10k (was £148k at Q4)	£122k (was £139k at Q4)
Bad debt provision	£153k			

4. Legal Implications

4.1 Not applicable

5. Engagement and Consultation

5.1 The service continues to listen to feedback from:

- Harbour users and liaison forums
- Committee members
- Fishing industry leaders

6. Procurement Implications

6.1 Not applicable

7. Protecting our naturally inspiring Bay and tackling Climate Change

7.1 Not applicable

8. Associated Risks

8.1 There is a risk of further predicted expenditure relating to repairs and maintenance, which could impact further on the drawdown from reserves.

8.2 If quayside facilities and services do not remain aligned with user need/requirements then there is a risk that income will decline.

8.3 If income is not sufficient to cover all costs within the year there would need to be a drawdown from Harbour reserves, which would not be sustainable over a number of years. Work will continue throughout 2025/26 to review expenditure and income budgets to provide confidence on financial sustainability.

9. Identify the potential positive and negative impacts on specific groups

9.1 Not applicable

10. Cumulative Council Impact

10.1 Not applicable

11. Cumulative Community Impacts

11.1 Not applicable