

TOR BAY HARBOUR AUTHORITY

Expenditure	2014/15 Original Budget £ ,000	2014/15 Revised Budget £ ,000	2014/15 Outturn £ ,000	Note
Harbour Salaries and Wages	622	568	560	1
Operations and Maintenance :-				
Repairs and Maintenance	243	250	262	2
Rent Concessions	4	6	5	
Other Operating Costs	518	517	555	3
Management and Administration :-				
Internal Support Services	153	153	149	
External Support Services	42	42	42	
Other Administration Costs	138	197	195	4
Capital Charges	524	525	498	5
Contribution to/from Patrol Boat Operation	6	0	(7)	
Contribution to General Fund - Cash Dividend	148	148	148	
Contribution to General Fund - Asset Rental	125	125	152	6
	2,523	2,531	2,560	
Income				
Rents and Rights :-				
Property and Other Rents/Rights	484	490	536	7
Marina Rental	397	397	397	
Operating Income :-				
Harbour Dues	149	120	127	8
Visitor and Slipway	56	55	60	
Mooring fees	184	180	190	8
Torquay Town Dock	265	265	265	
Torquay Inner Dock	126	176	176	9
Fish Toll Income	650	530	565	10
Recharged Services	55	81	105	11
Boat and Trailer parking	38	44	46	
Other Income	75	101	114	12
	2,479	2,439	2,581	
Interreg Grants received	0	65	79	13
Contribution to Reserve	0	(113)	(127)	14
Provision for Impairment of Contract Debt	0	0	(34)	15
Operating Surplus /(Deficit)	(44)	(140)	(60)	

RESERVE FUND			
Opening Balance as at 1st April		860	
Interest Receivable		6	
Net Surplus / (Deficit) from Revenue Account		(60)	
Withdrawal - Capital Financing		(159)	16
Withdrawal - Children's Services corporate funding		(86)	17
Contribution from Revenue Account		127	18
Expected Closing Balance as at 31st March		688	
<i>Withdrawals earmarked post 1st April 2015</i>		(112)	

£483k based on 20% of budgeted turnover to meet any deficit in the revenue budget or winter storm damage. The balance is earmarked for harbour related capital projects. Details of the Reserve and a full schedule of capital projects is included at Appendix 2 to the report.

HARBOUR REVENUE ACCOUNT 2014/15 - OUTTURN 2014/15

NOTES

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- 1 Original budget reflected a revised staffing structure implemented to achieve the imposed General Fund contributions. The administration staffing structure has yet to be finalised and costs are not fully reflected in year. Savings identified within the Original Budget in respect of "Green Book" payments were not achieved because of a corporate decision to defer the proposed changes to the existing arrangements. Further pressure on the salary budgets arose from an increase in the Pension Fund rate but were met in the current year from vacancies in current posts. As previously reported there was a reduction in employee costs due to the waiving of superannuation contributions by some employees. The effect of this is now reflected within the Outturn.
- 2 The program for maintenance at Torquay and Paignton Harbours was stripped back by a figure of £48k to achieve the identified savings targets. This provision has been transferred to the Reserve (see note 14) to part fund the contribution to the General Fund in 2015/16. The additional costs at outturn include costs recharged within the "Recharged Services" income line and periodic costs relating to the Moorings contract at Brixham.
- 3 The effect of the harbour rating review was not fully reflected within the approved budget. Additional costs were incurred for waste disposal and craneage at Brixham harbour. These are offset by revenue streams within "Recharged Services" and "Other Income" (see notes 11 & 12).
- 4 The budget was revised to reflect the Interreg European funding program and a related Cruise Ship Study, which will be reclaimed in part within the overall Interreg grant process.
- 5 Capital Charges now solely reflect the costs of prudential borrowing. Other charges have now been rationalised within the Asset Rental Charges element of the General Fund contribution (see note 6).
- 6 The Asset Rental Charges contribution to the General Fund has now absorbed non-prudential borrowing costs previously reflected within Capital Charges (see note 5).
- 7 It was previously anticipated that the forecast rental income might not be achieved at Paignton harbour. Levels for Paignton harbour were subsequently adjusted and targets were exceeded at Torquay and Brixham harbours.
- 8 Income from Dues and Moorings was initially affected by a decrease in occupancy levels but a restructuring of harbour charges has led to a small increase in mooring fee income.
- 9 The budgeted income target for the new Torquay inner harbour berths (Torquay Inner Dock) was prudently based on a 75% ~ 80% occupancy level but a 100% occupancy has been achieved.

- 10 The anticipated level of Fish Toll income was reduced throughout the year to reflect the income levels to date and industry projections. The position improved over the last few weeks of the year to give a healthier final position. The previous five years have produced incomes of (most recent first) £588k, £675k, £739, £557k and £474k.
- 11 New line showing the recovery of utilities and other services costs.
- 12 The budgeted income from advertising could not be realised in 2014/15 but other income streams were generated. Budget targets were exceeded at outturn for winter storage, cargo dues and licence fee income.
- 13 The first three claims for European Interreg funding have been received in relation to various projects and supporting consultancy costs. The grant income has been transferred to the reserve to repay funding of the original costs in previous years (see note 14).
- 14 Contribution to the Reserve in respect of European Interreg funding received (see note 13) and savings in the maintenance program at Torquay and Paignton harbours (see note 2).
- 15 A prudent provision has been made to reflect amounts raised on the new invoicing and accounting system in respect of 2015/16 charges. It is anticipated that the provision will be adjusted back after settlement of invoices in the new year.
- 16 Additional costs of the Torquay Inner Harbour Pontoon capital scheme (Inner Dock) were met from the reserve instead of increasing the prudential borrowing liability. A further withdrawal was required to fund a shortfall in the ferry pontoons capital scheme.
- 17 The Council approved, in November 2014, the funding of a Children's Services 5 year Strategy by borrowing funds from various sources, including the harbour reserve. It has been accepted that this withdrawal is a loan to another Council department and is due to be repaid between 2017/18 and 2018/19.
- 18 Transfer of Interreg grants received in respect of projects carried out in previous years (see notes 2, 13 & 14).