



Briefing Report No:

Public Agenda Item:

Yes

Title: **Marine Services Budget Monitoring 2008/09**

Wards Affected: **All Wards in Torbay**

To: **Harbour Committee**

On:

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1. Key points and Summary

- 1.1 This report provides Members with projections of income and expenditure for the year 2008/09 compared with approved budgets.
- 1.2 This report identifies the overall budgetary position for Marine Services as at end of May 2008 to enable appropriate action to contain expenditure and maintain reserves at appropriate levels.
- 1.3 The Committee is asked to note any amended outturn positions of the two harbour accounts and the resulting change in reserve movements.
- 1.4 The Committee is asked to note the Director of Marine Service's use of delegated powers to make decisions in relation to the budget allocated to Marine Services.
- 1.5 The Torquay and Paignton Harbours budget is currently expected to remain within the approved budget.
- 1.6 The Brixham Harbour expenditure budget has been increased to reflect ongoing ancillary costs relating to the Brixham redevelopment. This increase has been met by a contribution from the Reserve which represents the balance of a specific provision relating to unspent capital charges from previous years. Although income is expected to exceed the original budget within fish tolls, based on the 2007/08 outturn, the current trend is not reflecting this so the projected outturn will be reviewed in the next report.

2. Introduction

- 2.1 The Marine Services budget was approved by Council on 3rd December 2007 as part of the Council's overall revenue budget.

- 2.2 This is the first budget monitoring report presented to the Harbour Committee for the financial year 2008/09.
- 2.3 The projected outturn at Appendix 1 reflects amendments to the budget made within the Director of Marine Service's delegated powers. Details of each amendment can be found in the associated note.
- 2.4 The Director of Marine Services is currently in discussions about procuring an Automatic Identification System (AIS) data capture, analysis and viewing software system for commercial shipping in the Bay. The system is likely to cost less than £12,000. If the Director of Marine Services exercises his delegated powers in conjunction with the Chairman of the Harbour Committee to purchase such a system then the budget will need to be varied accordingly. If necessary such variation will be reported in future monitoring reports.
- 2.5 The performance against budget is summarised below:

	Original Budget 2007/08	Projected Outturn
	£000	£000
Torquay and Paignton Harbours Surplus/(Deficit)	34	34
Brixham Harbour Surplus/(Deficit)	(13)	(13)

- 2.6 The current progress of Harbour capital schemes is detailed below:

	Total Budget	Actual to Date (including prior years)	Projected Outturn	Notes
	£000	£000	£000	
Torquay Harbour – Town Dock	1,100	1,078	1,140	(i)
Brixham Harbour – Various Repairs	637	653	655	(ii)
Brixham Harbour – New Fish Quay Commercial Units	2,000	0	2,000	(iii)

- (i) Additional costs have been incurred to protect the structure from accelerated low water corrosion. This expenditure was not originally expected. The project, otherwise, will be delivered on budget.
- (ii) As this work was overseen by Council Engineers it was anticipated that the professional fees would be attributed to the internal support revenue charges, however, these fees have subsequently been applied to the capital cost. The capital scheme, which would otherwise be on budget, therefore shows an overspend due to these internal charges.
- (iii) Work commenced in February 2008.

Capt Kevin Mowat
Director of Marine Services

Pete Truman
Principal Accountant

Appendices

Appendix 1 Harbour Revenue Accounts 2008/09

Documents available in members' rooms

None

Background Papers:

The following documents/files were used to compile this report: