



Briefing Report No: **262/2009**

Public Agenda Item: **Yes**

Title: **Harbour and Marine Services Budget Monitoring 2009/10**

Wards Affected: **All Wards in Torbay**

To: **Harbour Committee** On: **7th December 2009**

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1. Key points and Summary

- 1.1 This report provides Members with projections of income and expenditure for the year 2009/10 compared with approved budgets.
- 1.2 This report identifies the overall budgetary position for Harbour & Marine Services as at the end of October 2009, 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 Executive Head of Harbour & Marine Service's use of delegated powers to make decisions in relation to the budget allocated to Harbour & Marine Services.
- 1.5 Both harbour accounts are currently expected to remain within the approved budget.
- 1.6 The Committee is asked to note the Harbour Master's use of delegated powers to waive certain harbour charges, which this financial year amounts to £785.35 (excluding VAT) and which have been spread across both harbour accounts. No additional charges have been levied.

2. Introduction

- 2.1 The Harbour & Marine Services budget was approved by the Harbour Committee on 8 December 2008.
- 2.2 This is the third budget monitoring report presented to the Harbour Committee for the financial year 2009/10.
- 2.3 The projected outturn at Appendix 1 reflects amendments to the budget made within the Executive Head of Harbour & Marine Service's delegated powers.

Details of each amendment can be found in the associated note.

2.4 The performance against budget is summarised below:

	Original Budget 2009/10 £000	Current Budget 2009/10 £000	Projected Outturn 2009/10 £000
Torquay and Paignton Harbours Surplus/(Deficit)	19	43	61
Brixham Harbour Surplus/(Deficit)	(53)	(65)	(47)

2.5 The current progress of Harbour capital schemes is detailed below:

	Total Budget £000	Actual to Date (including prior years) £000	Projected Outturn £000	Notes
Torquay Harbour – Town Dock	1,140	1,127	1,153	(i)
Torquay Harbour – Haldon Pier (Phase 1)	1,200	178	1,800	(ii)
Brixham Harbour – Various Repairs	640	647	647	(iii)
Brixham Harbour – New Fish Quay & Commercial Units	2,000	0	2,000	(iv)

- (i) Additional costs have been incurred to protect the structure from accelerated low water corrosion. This expenditure was not originally expected. The project, otherwise, has been delivered on budget.
- (ii) Tenders for the main contract have come in higher than anticipated requiring an increase to the approved budget within the Capital Plan. Work on the spray concrete element of the contract has now commenced and this will be followed next year by the placement of rock armouring, which is expected to be completed by the end of March 2010.
- (iii) Further repair work is required to the ladders and fenders. Funding for this spend has already been approved from the Brixham Harbour Reserve but is not currently reflected in the Capital Plan.
- (iv) Work commenced in February 2008. The servicing of prudential borrowing will not be required until the latter stages of the project. Borrowing has been approved up to £4.75m from the Brixham harbour account.

- 2.6 Under the Council's Scheme of Delegation the Harbour Master can vary (by addition or waiver (in full or as to part)) the approved Schedule of Harbour Charges in such manner as shall be considered reasonable. However, the Harbour Master shall maintain a proper written record of all variations approved using the delegated powers and shall, at least twice a year, report to the Harbour Committee the total value of the additional charges levied and the total value of the charges waived (see paragraph 1.6).

Capt. Kevin Mowat
Executive Head of Harbour and Marine Services
Tor Bay Harbour Master

Pete Truman
Principal Accountant

Appendices

Appendix 1 Harbour Revenue Accounts 2009/10

Documents available in members' rooms

None

Background Papers:

None