

Meeting: Harbour Committee

Date: 5th January 2026

Wards affected: All wards in Torbay

Report Title: Harbour Budget 2026/27 and Schedule of Fees and Charges

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1. Purpose of Report

1.1 The Harbour Committee is required annually to approve the Harbour Authority revenue budget and to set the level of fees and charges, for the forthcoming year.

2. Reason for Proposal and its benefits

2.1 This report seek approval for the proposed Harbour Authority budget to be included within the 2026/27 budget proposals for Torbay Council. The proposed balanced budget includes £4,391,000 expenditure from the revenue budget, funded from various income including rental income, and income from pontoon berths and fish tolls. These figures have been based on proposed increases to fees and charges as outline in a separate paper, also for inclusion within the Torbay Council Budget proposals.

3. Recommendation(s) / Proposed Decision

- i. That the Tor Bay Harbour Authority Schedule of Charges, Dues & Fees for 2026/27 as set out in Appendix 1, be approved, subject to public consultation commencing ending mid-January 2026.
- ii. That the Cabinet be recommended to include the proposed balanced budget for the Harbour Authority 2026/27 and the associated Schedule of charges, dues and fees 2026/27, as set out in this report and Appendix 1 and 2, within its budget proposals to Council.

Appendices

Appendix 1: Proposed Tor Bay Harbour Authority Schedule of Charges, Dues & Fees 2026/27.

Appendix 2: Proposed Tor Bay Harbour Authority revenue budget 2026/27

Background Documents

Tor Bay Harbour Authority Schedule of Charges, Dues & Fees 2025/26

Tor Bay Harbour Act 1970

Tor Bay Harbour (Torquay Marina Act &c.) Act 1983

Supporting Information

1. Introduction

1.1 Following a review of the in-year financial position, a draft budget for 2026/27 has been finalised (Appendix 2) based on previous years outturn and latest projections for the current year. It has also been based on recommended increases for the 2026/27 schedule of charges, dues and fees as set out in Appendix 1, which recognise the current and predicted level of pay and price increase.

2. Options under consideration

2.1 The Harbour Committee, on behalf of the Harbour Authority, are to annually set and approve a balanced revenue budget and to set the level of fees and charges accordingly. Both the Proposed Budget and Schedule of Charges, Dues & Fees for 206/27 will be included within Torbay Council's budget consultation papers for further consideration, leading up to final approval of the Councils Budget in February 2026.

2.2 Fees and charges have been raised by an average of 3.5%, rounded up to the nearest £, based on estimated pay and price increases for 2026/27. Raising fees and charges at an above inflation rate could have an adverse impact on the take up of services from Harbour customers and could result in an under achievement against income targets.

2.3 The proposed budget has been prepared using an estimate of 2.5% for general inflation and costs increases and 4% for pay increases in 2025/26. The current UK CPI figure for Sept 2025 was 3.8%, projected to reduce to around 2% over the next year or two.

3. Financial Opportunities and Implications

3.1 The 2026/27 budget remains challenging due to increasing costs, particularly in respect of repairs and maintenance and security, as well as uncertainty relating to the level of pay award expected. The opportunity to manage these pressures through increases to fees and charges is limited due to cost of living and market restrictions.

3.2 The income projected from fish tolls in 2025/26 is however, higher than budgeted and this is expected to increase into 2026/27 and beyond, offsetting these estimated spending pressures.

3.3 The opening balance of the Harbour Reserves fund is estimated to be £1.099m at 1/4/2026, following drawdown of almost £0.5m to fund a programme of one-off repairs, maintenance and improvements. A programme of works for 2026/27 will be agreed with the Head of Tor Bay Harbour Authority and funded by a transfer from Reserves.

- 3.4 The Fish Toll income budget is prudently proposed at a level below the projected year end outturn for 25/26, recognising risk/uncertainty. If similar levels to 2025/26 were achieved next year, this would help offset any unforeseen expenditure and possibly result in a surplus that would top up the reserves.
- 3.5 Over the coming months a full review and inspection of Harbour assets, infrastructure and operating procedures will take place with a view to establishing a long-term maintenance and replacement programme to inform future budget strategy. This work will also inform a review of the annual contribution to the Council's general fund, which has been held at the same level of previous years.

4. Legal Implications

- 4.1 There are no legal implications that arise from this report.

5. Engagement and Consultation

- 5.1 The Harbours budget and the fees and charges for 2026/27 are included within the budget proposals for Torbay Council, which have been published for public consultation for a 6-week period from 3 December 2026.
- 5.2 The Harbour Committee received an update on the proposed budget 2026/27 at a training session on 4 December 2026, prior to the Committee Meeting on 22 December 2026.

6. Purchasing or Hiring of Goods and/or Services

- 6.1 Not applicable

7. Tackling Climate Change

- 7.1 Not applicable

8. Associated Risks

- 8.1 There is a **medium** risk that the budget will not be met due to the variability related to income from Fish tolls. A similar risk relates to the income from quayside facilities and services budget. Income budgets have been set based on previous years actual income and latest projections for 25/26.

8.2 There is a **medium** risk that unforeseen expenditure e.g. to fix storm damage, could impact on achievement of the budget and may deplete the Harbour Reserve Fund. Across the local authority asset repair and maintenance has been managed to balance financial, maintenance and health and safety issues. The condition of the Harbour Estate is reviewed regularly however given the maritime locality there is a risk that weather events will result in this unforeseen expenditure. A further £65k (17% increase) has been added to the proposed Harbour's repairs and maintenance budget for 2026/27 and further work will be undertaken to review condition and assess risk.

8.3 There is a **medium** risk that continued withdraws from Harbour reserves, without any top ups, will see reserves reduce over the coming years to an unacceptable level. Further work is required following the review of harbour assets and infrastructure, to assess future drawdowns and the potential impact on reserve levels.

8.4 There is a **low** risk that boat owners will relocate their vessels or business to other harbours which are cheaper. This has been mitigated by analysing the regional market to ensure that our prices remain competitive.

8.5 There is a **low** risk that the scale of the General Fund contribution could attract a challenge under the Local Audit and Accountability Act 2014, auditing the Harbour Account alongside the Council's audit would allow any issues to be identified. The Harbour Committee is reminded that any qualified objection is likely to require substantial administrative effort to resolve.

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

	Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
Older or younger people			X
People with caring Responsibilities			X
People with a disability			X
Women or men			X
People who are black or from a minority ethnic background (BME) (Please note Gypsies /			X

Roma are within this community)			
Religion or belief (including lack of belief)			X
People who are lesbian, gay or bisexual			X
People who are transgendered			X
People who are in a marriage or civil partnership			X
Women who are pregnant / on maternity leave			X
Socio-economic impacts (Including impact on child poverty issues and deprivation)			X
Public Health impacts (How will your proposal impact on the general health of the population of Torbay)			X

10. Cumulative Council Impact

10.1 None

11. Cumulative Community Impacts

11.1 None