

Meeting: Harbour Committee **Date:** 30 March 2026

Wards affected: All Wards

Report Title: Tor Bay Harbour Budget Monitoring – Q3 2025/26

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 2025/26 outturn position for Tor Bay Harbour Authority as at the end December 2025 (quarter 3 (Q3)), compared against the annual budget for 2025/26 – as approved on 2nd December 2024.

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 2025/2026 as set out in Appendix 1 to the submitted report.

Appendices

Appendix 1: Harbour Revenue Account 2025-26 – Q3 2025/26

Supporting Information

1. Introduction

- 1.1 The 2025/26 Tor Bay Harbour Authority annual budget was approved by the Committee on 2nd December 2024. This monitoring report is for the 2025/26 financial year and covers the period up to the end of December 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 2025/26 as at the end of December 2025 (Q3), with associated notes and summary of the adjustments to the reserves.

3. Financial Opportunities and Implications

- 3.1 As at the end of Q3 we are projecting an underspend on the Harbour revenue account of £27k, against the balanced budget set in December. This is a favourable movement of £6k from the Q1 projection, mainly due to a more detailed approach to monitoring employee costs and additional fish toll income offsetting other overspends.
- 3.2 An overspend of £131k is projected on the repairs and maintenance budget due to critical works that includes planned repairs to Brixham Fish market floor, East Cardinal Marker and TJ's restaurant roof and ballast. Expenditure on utilities and cleaning/waste have also increased since Q1 and are now also forecast to exceed budget, albeit by a much smaller amount.
- 3.3 The projected overspend against the staffing budget has significantly reduced since Q1 and continues to be tightly managed to try and mitigate the risk of overspend, whilst meeting operational requirements.
- 3.4 Fish toll income is the most significant income for Harbours and although the budget was increased by £200k for 2025/26, current projections show income expected to exceed budget by £200k and this additional income is helping to offset the overspends highlighted above. Income from rent, moorings and pontoon booths are 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 £462k of one-off spend is planned in 2025/26, to be funded from the Harbours reserve. An amount of £362k was identified as part of setting the 2025/26 budget and includes replacement of Harbour chillers (£160k) and replacement of Brixham Harbour moorings, (£100k). A full list can be found in Appendix 1 (notes) and shows how the addition of repairs to Millenium Bridge has increased this spend by further £130k. The reserves balance at the start of the year was £1,459k and based on a year-end surplus of £27k, is forecast to reduce to £1,090k, which exceeds the minimum recommended level. The table below summarises the estimated movement.

Drawdown from Reserves	Initial forecast	Projection
	2025/26	Q3
	£k	£k
Balance at 1/4/25	(1,069)	(1,459)
Projected Outturn deficit/(surplus)	0	(27)
Interest received	(10)	(66)
Budgeted contribution from reserves for one-off spend	332	462
Est balance at year end 31/3/26	(747)	(1,090)

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

Capital Scheme	Amount Borrowed	Start of Repayments	Principal Outstanding 01/04/25	Principal Outstanding 31/03/26
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£273,007	£253,506
Town Docks (Torquay Harbour) - replacement	£1,201,000	2024/25	£1,132,797	£1,063,059
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£638,767	£586,674
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£3,171,404	£3,031,588
Torquay Inner Harbour pontoons (Inner Dock)	£800,000	2014/15	£553,226	£524,167
Brixham Harbour Jetty	£840,000	2020/21	£783,850	£771,502
TOTAL			£6,553,051	£6,230,497

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	£210k	£5k	£191k	£252k
Bad debt provision	£80k			

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