

**Meeting:** Harbour Committee

**Date:** 4<sup>th</sup> December 2023

**Wards affected:** All wards

**Report Title:** Tor Bay Harbour Budget Monitoring 2023-24

**Cabinet Member Contact Details:** Not a Cabinet function

**Director/Assistant Director Contact Details**

Rob Parsons, Harbour Master, [rob.parsons@torbay.gov.uk](mailto:rob.parsons@torbay.gov.uk)

Pete Truman, Principal Accountant, [pete.truman@torbay.gov.uk](mailto:pete.truman@torbay.gov.uk)

## 1. Purpose of Report

---

- 1.1 This report updates the Committee on the overall budgetary position for Tor Bay Harbour Authority as at end October 2023 compared against the budget approved on 14<sup>th</sup> December 2022.

## 2. Reason for Proposal and its benefits

---

- 2.1 As a standing agenda item, this report is presented to each Committee meeting to enable appropriate oversight and action to contain expenditure and maintain reserve at appropriate levels.

## 3. Recommendation(s) / Proposed Decision

---

The Committee is asked to note:

- i. the amended revenue outturn projections and adjustments to the Reserve (Appendix 1);
- ii. the change in projected level of the harbour reserves by end 2023/24 (below the Committee's recommended level);
- iii. the Head of Torbay Harbour Authority's' use of delegated powers to make decisions in relation to the harbour budget;
- iv. the Harbour Master's use of delegated powers to waive certain harbour charges (not exercised in the current year to date).

### **Appendices**

Appendix 1: Harbour Revenue Account 2023-24

### **Background Documents**

DfT [Ports Good Governance Guidance](#)

# Supporting Information

## 1. Introduction

---

- 1.1 The 2023/24 Tor Bay Harbour Authority budget was approved by the Committee on 14<sup>th</sup> December 2022. This is the second monitoring report for the 2023/24 financial year.

## 2. Options under consideration

---

- 2.1 Appendix 1 to this report provides the Harbour revenue account statement with projected outturns and associated notes.

## 3. Financial Opportunities and Implications

---

- 3.1 There is a slight reduction in the latest projected deficit of the harbour revenue account against the original budget:

	<b>Original Budget £000</b>	<b>Projected Outturn Sept Cttee £000</b>	<b>Projected Outturn Dec Cttee £000</b>
Operational Surplus/(Deficit)	(44)	(41)	(37)

- 3.2 Increased expenditure on Repairs & Maintenance and Energy has been partially offset in-year by salary savings on vacant posts. Income levels remain generally on target with some additional revenue from licences and miscellaneous charges.
- 3.3 Fish toll levels are currently buoyant, but it remains too early in the season to forecast beyond the approved budget target.
- 3.4 The Harbour Reserve balance at the start of the year was £1,038k but is expected to fall back to £528k, below the minimum recommended level, by year end once all earmarked spends are completed. A breakdown of planned schemes is detailed in the table below and further expenditure of £100k is earmarked in 2024/25.

<b>Earmarked Funding from Reserve 2023/24</b>	<b>£k</b>
New Humberside Rib	76
Brixham Harbour Concrete pads	1
Harbours & Prom LED lighting	8
Paignton Harbour TJ's roof	25
Torquay Harbour truck replacement	30
Brixham Harbour Chillers	160
Brixham Town Pontoon Fendering	40
Brixham Harbour moorings replacement	50
Brixham Offices Fire Alarm	63
<b>Total from Reserve</b>	<b>453</b>

### 3.5 Prudential Borrowing

The Harbour's outstanding borrowing liability is:

<b>Capital Scheme</b>	<b>Amount Borrowed</b>	<b>Start of Repayments</b>	<b>Principal outstanding 01/04/23</b>	<b>Principal outstanding 31/03/24</b>
Town Dock (Torquay Harbour)	£1,140,000	2008/09	£358,087	£292,508
Haldon Pier (Torquay Harbour)	£1,200,000	2010/11	£736,384	£688,639
Brixham Harbour New Fish Quay Development	£4,750,000	2011/12	£3,433,307	£3,305,224
Torquay Inner Harbour Pontoons (Inner Dock)	£800,000	2014/15	£607,581	£581,012
Brixham Harbour Jetty	£840,000	2020/21	£807,392	£795,809
<b>TOTAL</b>			<b>£5,942,751</b>	<b>5,663,192</b>

### 3.6 Debt Position

The aged debt position is set out below. The outstanding Harbour Charges debt largely reflects payment of user charges by instalments and the overall figure will reduce throughout the year.

	Corporate Debtor System		Harbour Charges	
	< 60 days	> 60 days	< 60 days	> 60 days
Debt outstanding	£76k	£186k	£31k	£101k
Bad Debt Provision	£27k			

## 4. Legal Implications

---

- 4.1 The Harbour finances are currently not being run in accordance with the DfT's Ports Good Governance Guidance (March 2018). While not a statutory publication this is considered national 'best practice' for the ports industry.

## 5. Engagement and Consultation

---

- 5.1 Feedback from harbour users and liaison forums  
 Feedback from Committee members  
 Feedback from fishing industry leaders  
 Previous Harbour Committee reports

## 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 With the harbour reserve at a low level there is a risk that the Harbour will require a General Fund precept to retain a balanced budget.
- 8.2 If quayside facilities and services do not remain aligned with user need/requirements then there is a risk that incomes will decline.

## 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