

Item: 3

Harbour Authority Sub-committee: 25 August 2026.

Miscellaneous Piers and Harbours.

Revenue Maintenance Programme – Expenditure Outturn.

Report by Head of Finance.

1. Overview

- 1.1. This report presents the expenditure outturn position as at 31 March 2026 in respect of the annual revenue maintenance programme for Miscellaneous Piers and Harbours for financial year 2025/26.
- 1.2. To demonstrate a focus on maintaining existing assets of the Council and ensuring that our buildings and infrastructure are maintained at levels expected by the Orkney public and that our IT, plant and vehicles achieve modern standards of security, safety and emissions, annual capital improvement and replacement programmes of work are agreed by the relevant service Committee or Sub-committee.
- 1.3. Delivery of these planned programmes of work are thereafter monitored throughout the financial year by the relevant service Committee or Sub-committee.
- 1.4. The annual revenue maintenance programme for Miscellaneous Piers and Harbours for financial year 2025/26 was approved by the Harbour Authority Sub-committee on 18 March 2025.
- 1.5. The table below provides an overview of the expenditure incurred in financial year 2025/26.

Description	Actual Expenditure at 31 March 2026	Approved Budget 2025/26	Overspend/ (Underspend)
	£000	£000	£000
Major maintenance works at piers	1,210.2	2,738.6	(1,528.4)
Total	1,210.2	2,738.6	(1,528.4)

- 1.6. Appendix 1 to this report provides a detailed breakdown of the approved programme of work for financial year 2025/26, including individual project updates.

2. Recommendations

- 2.1. It is recommended that members of the Sub-committee:
- i. Note the summary position of expenditure incurred, as at 31 March 2026, against the approved Miscellaneous Piers and Harbours revenue maintenance programme for 2025/26, as detailed in section 1.5 of this report.
 - ii. Note the detailed analysis of expenditure figures and programme updates in respect of the approved Miscellaneous Piers and Harbours revenue maintenance programme for 2025/26, attached as Appendix 1 to this report.

For Further Information please contact:

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Implications of Report

1. **Financial** The Financial Regulations state that Directors can incur expenditure within approved revenue and capital budgets. Such expenditure must be in accordance with the Council's policies and objectives and subject to compliance with the Financial Regulations.
2. **Legal** Regular financial monitoring and reporting helps the Council meet its statutory obligation to secure best value.
3. **Corporate Governance** In terms of the Scheme of Administration, monitoring, on a quarterly basis, the levels of expenditure incurred against the approved annual revenue maintenance programme for assets held on the Miscellaneous Piers and Harbours account, funded through the approved revenue budget, is referred to the Harbour Authority Sub-committee.
4. **Human Resources** N/A.
5. **Equalities** Equality Impact Assessment is not required for financial monitoring.
6. **Island Communities Impact** Island Communities Impact Assessment is not required for financial monitoring.
7. **Links to Council Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
☐ Growing our economy.

☐ Strengthening our Communities.

☐ Developing our Infrastructure.

☐ Transforming our Council.

- 8. Links to Local Outcomes Improvement Plan** The proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:

☐ Cost of Living.

☐ Sustainable Development.

☐ Local Equality.

☐ Improving Population Health.

- 9. Environmental and Climate Risk** Where resources allow, improvement works can include ‘greener’ solutions.

- 10. Risk** Improvement of existing assets can help reduce risks associated with these assets.

- 11. Procurement** Any contractual arrangements require to comply with the Financial Regulations and Contract Standing Orders.

- 12. Health and Safety** Well-maintained assets will assist the Council in complying with relevant Health and Safety requirements for both staff and the public.

- 13. Property and Assets** Included throughout the report and detailed in the Appendix.

- 14. Information Technology** Up to date IT systems should help reduce risk to the Council.

- 15. Cost of Living** N/A.

List of Background Papers

Harbour Authority Sub-committee, 18 March 2025, Miscellaneous Piers and Harbours Proposed Revenue Maintenance Programme for 2025/26.

Appendix

Appendix 1 – Miscellaneous Piers and Harbours Revenue Maintenance Programme 2025/26.

Revenue Repairs and Maintenance Monitoring Report up to 31 March 2026

<u>Pier / location</u>	<u>Actual</u> <u>Expenditure at 31</u> <u>March 2026</u>	<u>Approved</u> <u>Budget</u> <u>2025/26</u>	<u>(Underspend)/</u> <u>Overspend</u>	<u>Comments</u>
	£	£	£	
2024/25 - Retention Due from Previous Projects				
NI Fender Replacement - Eday and Stronsay	5,708	3,000	2,708	The retention payment has been completed.
Kettletoft Pier	0	6,500	(6,500)	Full costs were incurred in 2024.25.
Stromness South Pier Repairs	0	2,800	(2,800)	Full costs were incurred in 2024.25.
Pier Lighting Replacement - Stromness, Burray, Loth and Rapness	0	7,500	(7,500)	Full costs were incurred in 2024.25.
Stromness Walkway and Linkspan Painting	10,912	10,000	912	The retention payment has been completed.
Kirkwall Pier Break Tank	0	6,000	(6,000)	The final payment was made in April 2026 but costs were transferred to capital.
Scapa Pier Power Upgrade	0	24,000	(24,000)	Payment was made in March 2026 but costs transferred to capital.
Hydrographic Surveys - Year 4	0	25,000	(25,000)	Survey completed at Eday, Rousay, Stronsay, Tingwall, Wyre. Total costs of £29,255 were coded to various piers and not transferred before year-end.
Hatston Linkspan Painting	7,333	7,000	333	The retention payment has been completed.
Misc Pier Ladders (Kirkwall, Sutherland, Moaness, Shapinsay, Hatston)	58,170	6,000	52,170	The project was extended into 2025, and the associated payments were made accordingly. The project has been completed.
Hatston Slip Repairs	9,556	6,800	2,756	The final payment was made in February 2026. Additional works were carried out to prepare it for the Island Games.
2024/25 - Projects (carried over)				
Hatston Passenger Walkway Painting	475,428	280,000	195,428	Repair and painting works, as well as flooring replacement, have been completed.
Pole Star Pier concrete repairs and ladder replacement	600	50,000	(49,400)	Initial design and specification work has been completed. Further investigation is required, and the work is expected to be carried forward to the next year.
Eday Ferry Terminal wave screens, fenders, ladders and timber capsil	102,667	450,000	(347,333)	Initial design and specification work has started. Some parts are intertwined with the Ferry Replacement Programme and Master Plan Phase 2. It will be carried forward into 2026/27.
Stronsay East Pier Repairs	0	75,000	(75,000)	Combined with the initial inspection work for the Ferry Replacement Programme and Master Plan Phase 2, it was decided to use a third-party multibeam sonar for the investigation. The condition report received. Any further actions will be subject to the final report. It will be carried forward into 2026/27.
Rousay Pier surfacing and timber fenders	1,194	100,000	(98,806)	Some design works started. The construction phase will extend into 2026/27.
Longhope Pier Lighting	8,915	75,000	(66,085)	Design was completed. All materials are in hand and construction will extend into 2026/27.
Kirkwall Pier Lighting	148,209	250,000	(101,791)	Three light columns and 68 lights have been replaced. The project came in under budget.
Stronsay Ferry Terminal Lighting	0	100,000	(100,000)	The project has been incorporated into Stronsay East Pier repair and will be carried forward into 2026/27.
2025/26 - Proposed Projects				
Holm Pier Repairs	162	80,000	(79,838)	Client brief has been provided. Designs and drawings have been completed. It will extend into the 2026/27 financial year.
Kirkwall North Pier Deck Slabs - quay side by tanker and north berths	0	75,000	(75,000)	Initial drawings and inspections have been completed by OIC Engineering. This is a two-year project.
Coplands Dock fender ladders	0	130,000	(130,000)	Inspections have been carried out. The works only require modification of the existing ladder, resulting in a lower cost solution. The works will extend into the 2026/27 financial year.
Stronsay West Pier Repairs - Investigation / design	0	50,000	(50,000)	To be carried out as part of the Ferry Replacement Programme. It is expected to commence following receipt of the final report in 2026.
Loth Pier deck slabs	3,511	150,000	(146,489)	Initial drawings and inspection completed by OIC Engineering. The construction phase will extend into 2026/27.

<u>Pier / location</u>	<u>Actual</u> <u>Expenditure at 31</u> <u>March 2026</u>	<u>Approved</u> <u>Budget</u> <u>2025/26</u>	<u>(Underspend)/</u> <u>Overspend</u>	<u>Comments</u>
Rapness Pier deck slabs	81	175,000	(174,919)	Initial drawings and inspection completed by OIC Engineering. The construction phase will extend into 2026/27.
Scapa Pier, cracked cope beam, sheet piles split, galvanised steps poor. Fendering to corner	41,853	160,000	(118,147)	The tender for the design work has been carried out. During the initial investigation, a void was observed under the slab, indicating a potential over-budget situation. Diving investigation and concrete coring carried out as a further investigation. Construction phase will be carried out next year.
Hatston Weighbridge Control Upgrade as per Stromness 2023 system	0	31,000	(31,000)	The initial specification work has been completed. Quote received from the original manufacturer. Non Competitive Action (NCA) process has been completed. Installation will extend into 2026/27.
2025/26 - Pier Lighting Upgrades (material supply)				
Shapinsay	24,272	28,000	(3,728)	Design has been completed and materials have been received. Work will be carried out in 26.27.
Eday	17,899	30,000	(12,101)	Design has been completed and materials have been ordered. Work will be carried out in 26.27.
Tingwall	23,533	20,000	3,533	Design has been completed and materials have been received. Work will be carried out in 26.27.
2025/26 - Maintenance Dredging				
Stronsay channel dredge	137,374	150,000	(12,626)	Dredging licence received. Dredging completed.
Flotta dredge	2,879	75,000	(72,121)	Pre-dredge sampling has been completed, the Best Practice Environmental Option (BPEO) report is in hand, and the application has been sent to Marine Licensing Directorate. Tender process and construction phase will extend into 2026/27. The relevant dredging projects have been incorporated into the Minor Capital Improvement – Misc. Piers and Harbours 2026/27 programme.
Stromness harbour	2,920	50,000	(47,080)	Pre-dredge sampling has been completed, the BPEO report is in hand, and the application has been sent to Marine Licensing Directorate. Tender process and construction phase will extend into 2026/27. The relevant dredging projects have been incorporated into the Minor Capital Improvement – Misc. Piers and Harbours 2026/27 programme.
Preparation works for following year dredging	8,071	50,000	(41,930)	Pre dredge sampling carried out for Rousay, Egilsay, and Wyre. Applications were sent to Marine Licensing Directorate. The relevant dredging projects have been incorporated into the Minor Capital Improvement – Misc. Piers and Harbours 2026/27 programme.
2025/26 - Additional Works				
Houton Marshalling area	36,816	0	36,816	Required construction surveys for the feasibility study of a new marshalling area.
Lyness storage area	29,839	0	29,839	Required works for the feasibility study on the best use of the existing building in Lyness.
Kirkwall water tank maintenance	6,382	0	6,382	Yearly inspection and maintenance works.
Papay pier lighting	7,600	0	7,600	The need for and urgency of the pier lighting improvements were identified during community engagement meetings held as part of the Ferry Replacement Programme and Master Plan Phase 2.
Kirkwall linkspan	9,460	0	9,460	Carry out required inspection and load calculation.
Shapinsay Pier steps repair	28,860	0	28,860	Carry out necessary repairs to Balfour Pier,
	1,210,204	2,738,600	(1,528,396)	