

**Item: 5**

**Harbour Authority Sub-committee: 28 October 2025.**

**Miscellaneous Piers and Harbours.**

**Revenue Maintenance Programme – Expenditure Monitoring.**

**Report by Head of Finance.**

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## **1. Overview**

- 1.1. 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.
- 1.2. Delivery of these planned programmes of work are thereafter monitored throughout the financial year by the relevant service Committee or Sub-committee.
- 1.3. 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.
- 1.4. The table below provides an overview of the expenditure incurred in financial year 2025/26.

| <b>Description.</b>                    | <b>Actual<br/>Expenditure at<br/>30 September<br/>2025.</b> | <b>Approved<br/>Budget<br/>2025/26.</b> | <b>Probable<br/>Out-turn<br/>2025/26.</b> | <b>Overspend/<br/>(Underspend).</b> |
|----------------------------------------|-------------------------------------------------------------|-----------------------------------------|-------------------------------------------|-------------------------------------|
|                                        | £000                                                        | £000                                    | £000                                      | £000                                |
| Major<br>maintenance<br>works at piers | 302.9                                                       | 2,738.6                                 | 2,526.0                                   | (212.6)                             |
| <b>Total</b>                           | <b>302.9</b>                                                | <b>2,738.6</b>                          | <b>2,526.0</b>                            | <b>(212.6)</b>                      |

- 1.5. 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 30 September 2025, against the approved Miscellaneous Piers and Harbours revenue maintenance programme for 2025/26, as detailed in section 1.4 of this report.
  - ii. Note the detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to this report, in respect of the approved Miscellaneous Piers and Harbours revenue maintenance programme for 2025/26.

### For Further Information please contact:

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### Implications of Report

1. **Financial** The Financial Regulations state that Corporate 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 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** An Equality Impact Assessment is not required for financial monitoring.
6. **Island Communities Impact** An 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.

| Pier / location                                                                              | Actual<br>Expenditure at 30<br>September 2025 | Approved<br>Budget<br>2025/26 | Estimated<br>Outturn 2025/26 | Predicted<br>(Underspend)/<br>Overspend | Comments                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------|------------------------------|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                              | £                                             | £                             | £                            | £                                       |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2024/25 - Retention Due from Previous Projects                                               |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| NI Fender Replacement - Eday and& Stronsay                                                   | 0                                             | 3,000                         | 3,000                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Kettletoft Pier                                                                              | 0                                             | 6,500                         | 6,500                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Stromness South Pier Repairs                                                                 | 0                                             | 2,800                         | 2,800                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Pier Lighting Replacement - Stromness, Burray, Loth and Rapness                              | 0                                             | 7,500                         | 7,500                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Stromness Walkway and Linkspan Painting                                                      | 0                                             | 10,000                        | 10,000                       | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Kirkwall Pier Break Tank                                                                     | 0                                             | 6,000                         | 6,000                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Scapa Pier Power Upgrade                                                                     | 0                                             | 24,000                        | 24,000                       | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Hydrographic Surveys - Year 4                                                                | 0                                             | 25,000                        | 25,000                       | 0                                       | Survey completed at Eday, Rousay, Stronsay, Tingwall, Wyre.                                                                                                                                                                                                                                                                                                                                      |
| Hatston Linkspan Painting                                                                    | 0                                             | 7,000                         | 7,000                        | 0                                       | Awaiting retention invoice - one year after completion of works.                                                                                                                                                                                                                                                                                                                                 |
| Misc Pier Ladders (Kirkwall, Sutherland, Moaness, Shapinsay, Hatston)                        | 7,883                                         | 6,000                         | 8,000                        | 2,000                                   | Additional works over and above found after starting works. This is now complete.                                                                                                                                                                                                                                                                                                                |
| Hatston Slip Repairs                                                                         | 2,934                                         | 6,800                         | 6,800                        | 0                                       | Awaiting the retention invoice, one year after completion of works. Additional works were carried out to prepare it for the Island Games.                                                                                                                                                                                                                                                        |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2024/25 - Projects (carried over)                                                            |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| Hatston Passenger Walkway Painting                                                           | 198,716                                       | 280,000                       | 500,000                      | 220,000                                 | Repairing and painting works have been completed. However, an early warning indicates that additional work on the floor structure is required. The Non Competitive Action (NCA) process has been completed; therefore, there may be a potential over-budget situation.                                                                                                                           |
| Pole Star Pier concrete repairs and ladder replacement                                       | 0                                             | 50,000                        | 50,000                       | 0                                       | Initial design and specification work has been completed. Further investigation is required.                                                                                                                                                                                                                                                                                                     |
| Eday Ferry Terminal wave screens, fenders, ladders and timber capsil                         | 6,038                                         | 450,000                       | 100,000                      | (350,000)                               | Initial design and specification work has started. Some parts are intertwined with the Ferry Replacement Programme and Master Plan Phase 2; hence, an underspend is expected for the current year.                                                                                                                                                                                               |
| Stronsay East Pier Repairs                                                                   | 0                                             | 75,000                        | 75,000                       | 0                                       | 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 investigation report is expected to be received by Q3 2025/26. Any further actions will be subject to the findings of the investigation report. The construction phase is expected to extend into 2026/27. |
| Rousay Pier surfacing and timber fenders                                                     | 1,194                                         | 100,000                       | 100,000                      | 0                                       | Some design works started.                                                                                                                                                                                                                                                                                                                                                                       |
| Longhope Pier Lighting                                                                       | 0                                             | 75,000                        | 75,000                       | 0                                       | Design was completed. All materials are in hand.                                                                                                                                                                                                                                                                                                                                                 |
| Kirkwall Pier Lighting                                                                       | 59,531                                        | 250,000                       | 100,000                      | (150,000)                               | Three light columns and 68 lights have been replaced. It is expected to complete the work by Q3 2025/26, the project is expected to come in under budget.                                                                                                                                                                                                                                        |
| Stronsay Ferry Terminal Lighting                                                             | 0                                             | 100,000                       | 100,000                      | 0                                       | All materials are in hand and they will be installed by Q4 2025/26.                                                                                                                                                                                                                                                                                                                              |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2025/26 - Proposed Projects                                                                  |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| Holm Pier Repairs                                                                            | 0                                             | 80,000                        | 80,000                       | 0                                       | Client brief has been provided. Designs and drawings are currently in progress by OIC Engineering.                                                                                                                                                                                                                                                                                               |
| Kirkwall North Pier Deck Slabs - quay side by tanker and north berths                        | 0                                             | 75,000                        | 25,000                       | (50,000)                                | Initial drawings and inspections have been completed by OIC Engineering. This is a two-year project, and an underspend is expected for the current year.                                                                                                                                                                                                                                         |
| Coplands Dock fender ladders                                                                 | 0                                             | 130,000                       | 130,000                      | 0                                       | Inspections have been carried out. Further investigation is required.                                                                                                                                                                                                                                                                                                                            |
| Stronsay West Pier Repairs - Investigation / design                                          | 0                                             | 50,000                        | 50,000                       | 0                                       | To be carried out as part of the Ferry and Terminal Replacement project, Q3 2025/26.                                                                                                                                                                                                                                                                                                             |
| Loth Pier deck slabs                                                                         | 0                                             | 150,000                       | 150,000                      | 0                                       | Initial drawings and inspection completed by OIC Engineering.                                                                                                                                                                                                                                                                                                                                    |
| Rapness Pier deck slabs                                                                      | 0                                             | 175,000                       | 175,000                      | 0                                       | Initial drawings and inspection completed by OIC Engineering.                                                                                                                                                                                                                                                                                                                                    |
| Scapa Pier, cracked cope beam, sheet piles split, galvanised steps poor. Fendering to corner | 710                                           | 160,000                       | 300,000                      | 140,000                                 | The tender for the design work has been carried out. Further diving investigations are necessary. During the initial investigation, a void was observed under the slab, indicating a potential over-budget situation. A portion of the construction phase may be carried out next year.                                                                                                          |
| Hatston WeighBridge Control Upgrade as per Stromness 2023 system                             | 0                                             | 31,000                        | 31,000                       | 0                                       | The initial specification work will be completed shortly, and the procurement process will begin soon. The work is expected to be completed by Q4 2025/26.                                                                                                                                                                                                                                       |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2025/26 - Pier Lighting Upgrades (material supply)                                           |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| Shapinsay                                                                                    | 0                                             | 28,000                        | 28,000                       | 0                                       | Design has been completed and materials have been received.                                                                                                                                                                                                                                                                                                                                      |
| Eday                                                                                         | 0                                             | 30,000                        | 30,000                       | 0                                       | Design has been completed and materials have been ordered.                                                                                                                                                                                                                                                                                                                                       |
| Tingwall                                                                                     | 0                                             | 20,000                        | 20,000                       | 0                                       | Design has been completed and materials have been received.                                                                                                                                                                                                                                                                                                                                      |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2025/26 - Maintenance Dredging                                                               |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| Stronsay channel dredge                                                                      | 568                                           | 150,000                       | 150,000                      | 0                                       | Contractor is ready, now waiting to obtain licence for Marine Licensing Directorate.                                                                                                                                                                                                                                                                                                             |
| Flotta dredge                                                                                | 0                                             | 75,000                        | 75,000                       | 0                                       | 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.                                                                                                                                                                                                                      |
| Stromness harbour                                                                            | 0                                             | 50,000                        | 0                            | (50,000)                                | Pre-dredge sampling has been completed, the BPEO report is in hand, and the application has been sent to Marine Licensing Directorate.                                                                                                                                                                                                                                                           |
| Preparation works for following year dredging                                                | 0                                             | 50,000                        | 50,000                       | 0                                       | Pre dredge sampling carried out for Rousay, Egilsay, and Wyre.                                                                                                                                                                                                                                                                                                                                   |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2025/26 - Additional Works                                                                   |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
| Houton Marshalling area                                                                      | 9,871                                         | 0                             | 9,871                        | 9,871                                   | Required construction surveys for the feasibility study of a new marshalling area.                                                                                                                                                                                                                                                                                                               |
| Lyness storage area                                                                          | 9,107                                         | 0                             | 9,107                        | 9,107                                   | 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                        | 6,382                                   | Yearly inspection and maintenance works.                                                                                                                                                                                                                                                                                                                                                         |
|                                                                                              |                                               |                               |                              |                                         |                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                              | 302,934                                       | 2,738,600                     | 2,525,960                    | (212,640)                               |                                                                                                                                                                                                                                                                                                                                                                                                  |