

Item: 6

Harbour Authority Sub-committee: 26 August 2025.

Miscellaneous Piers and Harbours.

Revenue Maintenance Programme – Expenditure Outturn.

Report by Head of Finance.

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 2024/25 was approved by the Harbour Authority Sub-committee on 19 March 2024.
- 1.4. The table below provides an overview of the expenditure incurred in financial year 2024/25.

Description.	Actual Expenditure at 31 March 2025.	Approved Budget 2024/25.	Overspend/ (Underspend).
	£000	£000	£000
Major maintenance works at piers	1,427.0	3,469.0	(2,042.0)
Total	1,427.0	3,469.0	(2,042.0)

- 1.5. Appendix 1 to this report provides a detailed breakdown of the approved programme of work for financial year 2024/25, including individual project updates.
- 1.6. An Environmental Levy is charged on every vessel entering Harbour Authority waters, aimed at encouraging owners and operators of vessels to switch to more carbon neutral power systems. Income generated by the Environmental Levy is used by Marine Services to fund environmental works, both capital and revenue in nature. No revenue expenditure has been incurred in financial year 2024/25 by this income source.

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 2025, against the approved Miscellaneous Piers and Harbours revenue maintenance programme for 2024/25, 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.

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, 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, 19 March 2024, Miscellaneous Piers and Harbours Revenue Maintenance Programme – Proposed Programmes 2024/25.

Appendix

Appendix 1 – Miscellaneous Piers and Harbours Revenue Maintenance Programme 2024/25.

Pier / Location	Actual Expenditure at 31 March 2025	Approved Budget 2024/25	(Underspend/ Overspend)	Comments
	£	£	£	
2023/24 - Projects Final Retention				
Kettletoft Pier Repairs and lighting	0	4,000	(4,000)	Awaiting close out of defects and subsequent final invoice.
Kirkwall Pier Repairs - cross berth	7,026	7,000	26	Works complete.
Rousay Pier Car Park	48,179	0	48,179	Complete
Copland's Dock Wall	2,100	0	2,100	Very late invoice received for final balance for this project.
	0			
2023/24 - Projects (carried over)	0			
NI Fender Replacement - Eday and Stronsay	47,127	48,000	(873)	Eday complete, Stronsay complete but resulted in structural defect found on West Pier, which has led to partial closure of this facility.
Kettletoft Pier - additional surfacing works	124,108	50,000	74,108	Works completed, additional surfacing required.
Stromness South Pier Repairs	5,704	95,000	(89,296)	Works completed, waiting for final invoice.
Pier Lighting Replacement - Stromness, Burray, Loth and Rapness	0	140,000	(140,000)	Works completed, see additional works below.
Stromness Walkway and Linkspan Painting	179,250	150,000	29,250	Linkspan and walkway works complete. Overspend due to additional works found as project progressed. Will be completed in 2024/25, with retention due in 2025/26.
Kirkwall Pier Break Tank	0	110,000	(110,000)	All installation works completed, final commissioning and water test results awaited before putting into service. This project has been transferred to capital.
Scapa Pier Power Upgrade	0	75,000	(75,000)	Due to unknown and unforeseen issues this project has incurred additional costs which are ongoing. A detailed report will be submitted to the Sub-committee in due course. Civil and electrical works completed, awaiting permanent main system connection. Will be retention payments due in next financial year. The project was transferred to capital
Hydrographic Surveys - Year 3	0	25,000	(25,000)	All surveys completed, drawings and invoice not yet received. Delay in invoicing due to specification check required on survey drawings. Works completed but not invoiced in this period.
Lyness Remediation	103,142	0	103,142	On going works - not completed by end of 2024/25. Completion letter sent to authorities - who have requested (new) limits and works. This is now under discussion as to whether needed or required. Although apparent overspend in this year, remains within overall project budget over four years.
2024/25 - Proposed Projects				
Hatston Linkspan Painting	152,016	280,000	(127,984)	Contract awarded, works started but encountering some weather delays, with some works to be c/f to next year. Final invoices will be in 2025/526.
Hatston Passenger Walkway Painting	0	100,000	(100,000)	After discussions and with weather delays to last two linkspan and last walkway contracts, this work is carried forward to next year in order to ensure that present works are completed.
Pole Star Pier concrete repairs and ladder replacement	0	40,000	(40,000)	Initial drawings and details started, works unlikely to start in this financial year.
Eday Ferry Terminal wave screens, fenders, ladders and timber capsil	0	450,000	(450,000)	Inspections completed, consultant preparing scope of works in readiness to go out to tender. Works will likely to start in next financial year.
Kirkwall Pier Ladders	13,452	35,000	(21,548)	Drawings completed, tender documents completed. Works in hand but not completed before year end.
Sutherland Pier ladders	12,661	60,000	(47,339)	Drawings completed, tender documents completed. Advert placed, procurement process in hand.
Moaness Pier ladder and fender frame	0	30,000	(30,000)	Drawings completed, tender documents completed. Advert placed, procurement process in hand.
Shapinsay Pier fenders and ladders	0	110,000	(110,000)	Drawings completed, tender documents completed. Due to go out to tender ASAP.
Stronsay East Pier Repairs	1,800	345,000	(343,200)	Inspections completed, consultant preparing scope of works in readiness to go out to tender. Works will likely to start in next financial year.
Hatston Slip Repairs	354,625	350,000	4,625	Works practically completed, overspend due to additional works required found after start of works - could be expected due to tidal / underwater nature of work - retention due 2025/26. Awaiting final invoices.
Rousay Pier surfacing and timber fenders	0	100,000	(100,000)	Design still to be prepared.
Longhope Pier Lighting	0	75,000	(75,000)	Initial drawings and details started. See additional works below.
Kirkwall & Hatston Pier Lighting	26,234	250,000	(223,766)	New lighting purchased and installed. This also includes 75% of lighting at Hatston Pier. See additional works below.
Stronsay Ferry Terminal Lighting	0	100,000	(100,000)	Initial drawing and details started, unlikely to be completed in this financial year, although materials purchased - see additional works below.
	0			
2024/25 - Pier Lighting upgrades (material supply)	0			
Stronsay, Whitehall Pier Lighting (Material supply - works by Contractor)	0	25,000	(25,000)	Specification in hand.
Hoy, Longhope Pier Lighting (Material supply - works by Contractor)	0	25,000	(25,000)	Specification in hand.
Flotta, Sutherland Pier Lighting (Material supply - works in house)	0	25,000	(25,000)	Specification in hand.
Flotta, Gibraltar Pier Lighting (Material supply - works in house)	0	12,000	(12,000)	Specification in hand.
Stromness North Pier Lighting (Material supply - works in house)	5,307	22,000	(16,693)	Most materials purchased and ready to install.
Stromness South Pier Lighting (Material supply - works in house)	5,307	21,000	(15,693)	Most materials purchased and ready to install.
Stromness Middle Pier Lighting (Material supply - works in house)	3,306	5,000	(1,694)	Most materials purchased and ready to install.
Stromness, Copland's Dock Lighting (Material supply - works in house)	12,312	25,000	(12,688)	Most materials purchased and ready to install.
	0			
2024/25 - Maintenance Dredging	0			
Stronsay channel dredge	0	150,000	(150,000)	Drawings prepared and initial application to Marine Directorate made. It is unlikely that this work will be fully completed in this financial year.
Burray dredge	0	35,000	(35,000)	Drawings prepared and initial application to Marine Directorate made. It is unlikely that this work will be fully completed in this financial year.
Flotta dredge	0	60,000	(60,000)	Drawings prepared and initial application to Marine Directorate made. It is unlikely that this work will be fully completed in this financial year.
Egilsay and Wyre dredge	0	35,000	(35,000)	Drawings prepared and initial application to Marine Directorate made. It is unlikely that this work will be fully completed in this financial year.
	0			
Additional Works	0			
Provision of access to Burwick breakwater navigation light	60,708	0	60,708	A serious safety concern was raised regarding the access to the navigation light on the end of Burwick breakwater. This being the main navigation aid for entrance to this facility and due to the possibility of serious harm to personnel if not corrected, a new safe access has been installed.
Pier Lighting in general	95,891	0	95,891	Pier lighting as per listed above, materials and works completed.
Pole Star Pier - Stromness. Complete clean of underwater structure	1,974	0	1,974	Required in order to understand condition of pier.
Pierowall	23,418	0	23,418	Building and associate works required on Gill Pier.
OIC apportion Costs for all works / projects	115,900	0	115,900	As per attributed from each service.
Stromness Walkway Passenger POD checks and repairs	8,043	0	8,043	Required due to possible structure problems discovered during year.
Hatston Walkway Passenger POD checks and repairs	5,347	0	5,347	Required due to possible structure problems discovered during year.
Flotta Fenders	10,950	0	10,950	Works required in order to be able to berth vessels safely.
Initial design works on North Isles Linkspan control system replacement	1,140	0	1,140	Initial design works in order to be able to progress NI linkspan control system replacement.
	1,427,027	3,469,000	(2,041,973)	