

Item: 12

Policy and Resources Committee: 16 June 2026

**Scapa Flow Oil Port and Miscellaneous Piers and Harbours –
Minor Capital Improvement Programmes.**

Report by Director of Enterprise and Resources.

1. Overview

- 1.1. On 17 March 2026, the Harbour Authority Sub-committee approved programmes of Minor Capital Improvements for Scapa Flow Oil Port and Miscellaneous Piers and Harbours costed at £938,000 and £3,179,000 respectively, subject to adequate budgets being established.
- 1.2. The Harbour Accounts are accounted for within the Non-General Fund which in itself contain budget allocations for minor capital improvements for 2026/27 of £150,000 for Scapa Flow Oil Port and £300,000 for Miscellaneous Pier and Harbours.
- 1.3. The revenue budgets for 2026/27 in respect of Scapa Flow Oil Port and Miscellaneous Piers and Harbours and associated loan charges in respect of the minor capital programme approved by the Harbour Authority Sub-committee for 2025/26, were approved at the General Meeting of the Council on 10 March 2026.

2. Recommendation

- 2.1. It is recommended that members of the Committee:
 - i. Approve increases in the allocation within the Non-General Fund capital programme for 2026/27 as follows:
 - from £150,000 to £938,000 in respect of minor works improvement works within Scapa Flow Oil Port.
 - from £300,000 to £3,179,000 in respect of minor works improvement works within and Miscellaneous Piers and Harbours budgets.

For Further Information please contact:

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Implications of Report

- 1. Financial:** The revenue budget for Miscellaneous Piers and Harbours contains loan charges for the minor capital improvement works and are currently considered to be affordable.

It is a requirement of the Capital Project Appraisal process that all planned, capital improvement works of £500,000 and above, and including works to be delivered over multiple phases, be developed into individual Capital Project Appraisal business cases for formal review and approval as may be considered appropriate going forward.

- 2. Legal:** There are no legal implications arising from the recommendation in this report.
- 3. Corporate Governance:** In terms of the Scheme of Administration, the allocation of the financial resources of the Council to the various services which the Council is required or empowered to provide, including the general level of capital and revenue expenditure and the levels of expenditure for individual services is a referred function of the Policy and Resources Committee.
- 4. Human Resources:** Not relevant to this report.
- 5. Equalities:** An Equality Impact Assessment is not required for financial planning and monitoring purposes.
- 6. Island Communities Impact:** An Island Communities Impact Assessment is not required for financial planning and monitoring purposes.
- 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:** Not relevant to this report.
- 10. Risk:** Without an increase in approved budget the programme of works will not be progressed.
- 11. Procurement:** Any contractual arrangements are required to comply with the Council's Financial Regulations and Contract Standing Orders.

- 12. Health and Safety:** Not relevant to this report.
- 13. Property and Assets:** Details as submitted and approved at Harbour Authority Sub-committee on 17 March 2026.
- 14. Information Technology:** Not relevant to this report.
- 15. Cost of Living:** Not applicable.

List of Background Papers

Harbour Authority Sub-committee, 17 March 2026: Item 3 – Miscellaneous Piers and Harbours and Scapa Flow Oil Port – Minor Capital Improvement Programmes – Proposed Programmes for 2026/27.