

## **Item: 7**

**Harbour Authority Sub-committee: 23 August 2022.**

### **Miscellaneous Piers and Harbours Revenue Maintenance Programme.**

**Report by Head of Finance.**

#### **1. Purpose of Report**

To monitor expenditure incurred against the approved Miscellaneous Piers and Harbours revenue maintenance programme for financial year 2021/22.

#### **2. Recommendations**

The Sub-committee is invited to note:

##### **2.1.**

The summary outturn position of expenditure incurred for financial year 2021/22, in respect of the Miscellaneous Piers and Harbours revenue maintenance programme, as detailed in section 5.1 of this report.

The Sub-committee is invited to scrutinise:

##### **2.2.**

The detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to this report, in order to obtain assurance with regard to significant budget variances and progress made with delivery of the approved Miscellaneous Piers and Harbours revenue maintenance programme.

#### **3. Background**

##### **3.1.**

The Corporate Asset Management Plan 2019 to 2023 takes account of guidance produced by the Chartered Institute of Public Finance and Accountancy and has streamlined the suggested framework to incorporate and complement the existing Capital Project Appraisal system.

##### **3.2.**

The Corporate Asset Management Plan summarises the Council's aims and objectives for its assets to ensure that they are used in an effective and efficient manner. This has been further supplemented by the Property Asset Management Plan approved on 10 December 2019.

### 3.3.

The purpose of this report is to present an overview or summary of the expenditure incurred in financial year 2021/22 and allow members the opportunity to scrutinise the spending levels against approved budgets and gauge the extent to which the Council's assets are routinely being maintained and replaced.

## 4. Maintenance Requirements

### 4.1.

A rolling multi-year maintenance plan is being developed by the Harbour Authority to ensure that all maintenance items are attended to on a planned basis.

### 4.2.

In agreeing to this change in approach it was accepted that there would be an initial requirement to catch up with some outstanding maintenance issues.

### 4.3.

At its meeting held on 31 January 2017, the Harbour Authority Sub-committee recommended that contributions from the operations of the respective Harbour trading activities be made, on an annual basis, to the Repairs and Renewals Fund to support development of a long-term Property, Plant and Equipment Maintenance Programme.

## 5. Budget Monitoring

### 5.1.

The undernoted table shows the position of expenditure incurred for the period 1 April 2021 to 31 March 2022, against approved programmes:

Description.	Expenditure at 31 March 2022.	Approved Budget 2021/2022.	Overspend/ (Underspend).
	£000	£000	£000
Major maintenance works at piers	651.9	1,795.0	(1,143.1)
<b>Totals</b>	<b>651.9</b>	<b>1,795.0</b>	<b>(1,143.1)</b>

### 5.2.

Appendix 1 provides an explanation for each variance identified.

## **6. Corporate Governance**

This report relates to the Council complying with its governance and financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **7. Financial Implications**

The Financial Regulations state that service directors are able to incur expenditure within an approved revenue budget. Such expenditure must be in accordance with the Council's policies or objectives subject to compliance with these Financial Regulations and approved schemes of delegation.

## **8. Legal Aspects**

Regular financial monitoring and reporting help the Council meet its statutory obligation to secure best value.

## **9. Contact Officer**

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## **10. Appendix**

Appendix 1: Miscellaneous Piers and Harbours Revenue Repairs and Maintenance Outturn Report as at 31 March 2022.

## Revenue Repairs and Maintenance Monitoring Report up to 31 March 2022

<u>Pier / location</u>	<u>Actual Expenditure at 31 March 2022</u>	<u>Approved Budget 2021/22</u>	<u>Overspend/ (Underspend)</u>	<u>Comments/Update</u>
	£	£	£	
Eday Pier approach road / including water main redirection	34,660	15,000	19,660	Approach road completed on time. Eday water main realignment started late (2021/22) due to lengthy legal query - with further costs involved.
Electrical supply / earthing works at inter-island ferry terminals	0	75,000	(75,000)	Awaiting internal staff time in order set specification.
Electrical supply system upgrade to Kirkwall Pier	0	80,000	(80,000)	Awaiting internal staff time in order to proceed with specification.
Kettletoft stone deck slab and bitmac	0	20,000	(20,000)	Waiting for North Isles Landscape Project involvement to get work scope finalised.
Kirkwall linkspan paint	129	200,000	(199,871)	Tender documents being finalised, due to go out to Tender early 2022/23.
Kirkwall pier capsil rail replacement	130,941	110,000	20,941	Contract started but additional unexpected costs incurred.
Lyness remediation	951	458,000	(457,049)	Tender documents issued - evaluation in hand, not yet awarded. Final details being considered for contract award asap.
Nevi Skerry beacon re-bolt.	7,176	55,000	(47,824)	Awaiting internal staff time, likely to be moved to next year's budget due to weather restrictions, although some parts purchased and in storage.
North Isles carparks and marshalling areas, including white lining/pedestrian markings.	7,432	50,000	(42,568)	Works completed.
North Isles fender chains and hydac rubber replacement to Eday, Stronsay and Rapness.	124,966	145,000	(20,034)	Some fenders ordered, in order to progress works.
North Isles surface dressing to Loth and Rapness	75,825	75,000	825	Completed.
North Ronaldsay ferry terminal / pier repairs	0	25,000	(25,000)	Works completed - coded direct to North Ronaldsay Pier budget.
Papa Westray ferry terminal / pier repairs	0	115,000	(115,000)	Site visit completed, scope of work being generated, works planned.
Pier ladders	0	30,000	(30,000)	Awaiting internal staff time to complete.
Planned maintenance Hatston passenger walkway - swap out hydraulic rams	26,222	30,000	(3,778)	Work specification slightly changed and in hand, completed, may require further additional works in the future.
Repairs to main hydraulic ram fixing point - Hatston ro-ro linkspan	0	100,000	(100,000)	Further detail investigation works no longer required.
Rousay ferry terminal car park drainage flooding to be repaired	0	9,000	(9,000)	Works completed - coded direct to Rousay Pier budget.
Scapa pier - electrical supply and building	184	150,000	(149,816)	Final scheme completed, not yet out to tender. Awaiting internal staff time.
Stronsay west pier bollards and stone deck slabs repair	0	35,000	(35,000)	Awaiting internal staff time, some patching and pier repairs completed. Bollards remain to complete. Bollard replacement in hand coded to Stronsay Pier.
Tingwall ferry terminal re-lining	0	6,000	(6,000)	Quotation received, awaiting completion of works.
Various car markings - ferry terminals	0	12,000	(12,000)	Works completed, with costs charged direct to various piers.
Egilsay and Wyre pier lighting	3,323	0	3,323	Carry forward from unexpected delays at end of previous year. Wyre completed. Egilsay in hand. These costs reflect initial feasibility costs.
Sanday / Loth linkspan painting	32,898	0	32,898	Retention payments from previous years budgeted work.
Houton ferry terminal fenders	965	0	965	Retention payments from previous years budgeted work.
Scapa pier fendering	3,575	0	3,575	Urgent repairs to fenders required.
Stronsay linkspan	925	0	925	Retention payments from previous years budgeted work.
Burwick linkspan	3,782	0	3,782	Contract retention payment - project completed last financial year.
Copland's Dock - access road wall and planting	61,794	0	61,794	Condition of planning permission for access road to Copland's Dock.
Rousay Pier Concrete Repairs	27,268	0	27,268	Urgent concrete repairs to upper quay edge surface.
	<b>543,014</b>	<b>1,795,000</b>	<b>(1,251,986)</b>	
Apportioned Costs	108,900			Fees for work carried out by Engineering team on project design and delivery