

Item: 4

Harbour Authority Sub-committee: 19 March 2024.

Miscellaneous Piers and Harbours and Scapa Flow Oil Port.

Minor Capital Improvement Programmes.

Proposed Programmes 2024/25.

**Report by Corporate Director for Enterprise and Sustainable
Regeneration.**

1. Purpose of Report

To consider proposed programmes for 2024/25 in respect of Minor Capital Improvements for Miscellaneous Piers and Harbours and Scapa Flow Oil Port.

2. Recommendations

The Sub-committee is invited to note:

2.1.

That the Non-General Fund capital programme includes annual budget allocations for 2024/25 as follows:

- Miscellaneous Piers and Harbours - £300,000.
- Scapa Flow Oil Port - £150,000.

2.2.

That the draft programmes in respect of minor capital improvements for 2024/25 are costed to be delivered within the budget allocations referred to at paragraph 2.1 above.

2.3.

That the revenue budgets in respect of the Miscellaneous Piers and Harbours and Scapa Flow Oil Port accounts for 2024/25, recommended for approval by the Harbour Authority Sub-committee on 23 January 2024, reflect the associated loan charges in respect of the proposed minor capital improvement programmes.

It is recommended:

2.4.

That the programmes of Minor Capital Improvements for Miscellaneous Piers and Harbours and Scapa Flow Oil Port for 2024/25, attached as Appendices 1 and 2 respectively to this report, be approved.

3. Proposed Minor Capital Works Programmes

3.1.

Appendix 1 shows the proposed minor capital works programme for Miscellaneous Piers and Harbours for financial year 2024/25, summarised as follows:

- Electricity upgrades – £280,000.
- Works at Houton Ferry Terminal – £20,000.

3.2.

Appendix 2 shows the proposed minor capital works programme for Scapa Flow Oil Port for financial year 2024/25, summarised as follows:

- Upgrades to buildings – £150,000.

3.3.

The proposed minor capital works programmes for 2024/25 carry a risk of further emergent work due to unforeseen circumstances or opportunities that may arise at relatively short notice. If this occurs, this will be reported to the Sub-committee in accordance with the relevant Council policies or procedures.

4. Corporate Governance

4.1.

This report is presented in order to comply with internal financial processes and procedures and is not for the exclusive purpose of supporting or relating to improved outcomes for communities as outlined in the Council Plan or the Local Outcomes Improvement Plan.

4.2.

However, well maintained harbour infrastructure will assist the Council in delivering milestones as outlined in Priority I1 Improve Isles transport links of the Council Delivery Plan.

4.3.

In terms of the Scheme of Administration, the establishment and review of the annual capital improvement and revenue maintenance programmes for assets held on the Scapa Flow Oil Port and the Miscellaneous Piers and Harbours accounts, funded through the approved Capital Programme and revenue budgets is delegated to the Harbour Authority Sub-committee.

5. Financial Implications

5.1.

The revenue budgets in respect of the Miscellaneous Piers and Harbours and Scapa Flow Oil Port accounts for 2024/25, recommended for approval by the Harbour Authority Sub-committee on 23 January 2024, reflect the associated loan charges in respect of the proposed minor capital improvement programmes.

5.2.

The Miscellaneous Piers and Harbours and the Scapa Flow Oil Port operations are considered sustainable over the medium term, such that these proposals are considered affordable.

5.3.

It is a requirement of the Capital Project Appraisal process that all planned capital improvement works of £150,000 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.

6. Legal Aspects

There are no legal implications arising directly from the recommendations of this report.

7. Contact Officers

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8. Appendices

Appendix 1: Proposed Minor Capital Works Programme for Miscellaneous Piers and Harbours 2024/25

Appendix 2: Proposed Minor Capital Works Programme for Scapa Flow Oil Port 2024/25

Appendix 1:

Proposed Miscellaneous Piers and Harbours Minor Capital Works for 2024-2025		
Detail	£	Details
2023/24 Projects (carry over)		
Scapa Pier Power Upgrade	150,000	Carry over – project permissions were late being granted, therefore late start to contract.
Sub total	150,000	
Proposed 2024/25		
Kirkwall Harbour – Basin Area	130,000	To upgrade existing electricity supply, upgrade quay edge shore power facilities in readiness for increase demand for shore power connections to this part of Kirkwall Harbour.
Initial works – Houton Ferry Terminal Access and Marshalling Area	20,000	To provide a new access route, vehicle marshalling area and increase in parking at Houton Ferry Terminal. Start of project, likely to carry forward into next financial year.
Sub total	150,000	
TOTAL	300,000	

Appendix 2:

Proposed Scapa Flow Oil Port Minor Capital Works for 2024-2025		
<u>Detail</u>	<u>£</u>	<u>Details</u>
Upgrade to main electric supply, installation of solar panels and upgrade of offices in "workshop" building (not carried out since construction 35 years ago)	150,000	The offices at the east end of the workshop building, Scapa have not been upgraded since construction. The installation of solar panels to the workshop roof and rationalisation of electric supplies to the Harbour Authority Building site will generate overall revenue savings
VTS Service Site - disaster recovery/business continuity back up off site		Not started in the previous year and will now be subject to a separate report with regard to overall equipment upgrade. Therefore, not included in Minor Capital Works
Sub total	150,000	
TOTAL	150,000	