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Harbours Advisory Committee
3 December 2025
Harbour Budget Monitoring Report 2025-26
For Review and Consultation

Cabinet Member:
Cllr J Andrews, Place Services

Local Councillor(s):
All Councillors

Senior Leadership Team:
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Statutory Authority: Dorset Council

Report status: Public Choose an item.

Executive summary

1. The purpose of the report is report is to set out the current budget forecasts and reserve balances for Dorset Councils Harbours for 2025/26. The financial summaries are given in the appendices.

2. **Recommendation(s)**

2.1 That the Harbours Advisory Group note the 2025/26 budget monitoring figures and reserve balances for Dorset Councils harbours as at the end November 2025.

3. **Reason for the recommendation(s)**

3.1 The Dorset Council Harbours Strategy and Business Plan provide comprehensive five year financial and investment framework that guides the future allocation and use of harbour budgets.

3.2 Strategic goal number 4 of the harbour strategy is to maintain a balanced budget while building the capacity for ongoing investment in the harbours. The

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overarching aim is for Dorset's harbours to become financially self-sufficient, with the ability to manage and reinvest reserves to support strategic aims.

3.3 Regular budget monitoring and reporting to the Harbours Advisory Committee plays a key role in managing financial risks. This process ensures that income is reviewed against expectations and that any potential under or overspending is identified and addressed promptly.

4. **Bridport Harbour budget predictions: overall £18,000 adverse**

4.1 The Bridport Harbour budget was originally set with an anticipated year-end surplus of £80,130; this has now reduced to £62,110. The primary reason for this change is that several projects identified in the business plan were originally scheduled to be funded from reserves. However, with a surplus forecast, these costs will instead be met from the revenue budget.

4.2 Other variances to the budget forecast are detailed below.

4.3 An overspend is currently forecast on service recharges due to HR and ICT recharges being recalculated after the original budget was agreed at the December 2024 committee. These have been reviewed and updated for future budgets.

4.4 A saving is expected due to the vacant Harbour Mechanic post. However, this vacancy is also contributing to a shortfall in income, due to unrealised income-generating activities linked to the role. The saving is further offset by a higher-than-budgeted pay award.

4.5 The cost for dredging is likely to be £50,000 lower than budgeted as a full-year dredging programme is not anticipated in this current financial year.

4.6 Income from harbour owned car parks are expected to exceed budget expectations. Additionally, income from boating/mooring activities, shop sales and licensing and rents are expected to be on budget.

5 **Lyme Regis budget predictions overall £3,968 favourable**:

5.1 Similar to Bridport, an overspend is forecast on service recharges due to HR and ICT recharges being recalculated post-budget setting.

5.2 An overspend is forecast due to a higher-than-budgeted pay award and the effects of the re-evaluation of pay (JE) for a number of posts.

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5.3 A minor overspend is expected due to Business Rates (NNDR) being slightly above budget and increased charges for Bank/Cash Collection and Merchant Charges.

5.4 A saving is forecast on the dredging budget, as full-year dredging is not expected in this financial year

5.5 A minor shortfall is forecast on mooring income, but other income areas are broadly on target.

5.6 Reimbursements and Contributions relate to income generated from memorials. This is below budget; however, this shortfall is offset by a reduction in related expenditure.

6 Weymouth Harbour Budget Predictions overall £529,800 favourable:

6.1 The Weymouth Harbour budget was originally set with an expected year-end surplus of £453,200. The latest forecast shows an improved financial position, with the projected surplus now estimated at £983,000.

6.2 Income: overall £543,500 favourable

6.3 Revenue is expected to exceed budget expectations across several areas; the primary driver of this increased surplus is a return to normal levels of parking income. This is because of the delay in planned works to Walls F & G, further detail of the financial impact of this is provided later in the report.

6.4 In addition, parking income in general across all harbour-owned car parks has shown an increase and the forecast has been adjusted to reflect this improved performance

6.5 Income from visiting recreational vessels is lower when compared to last year. However, as budgets are estimated using various scenarios and taking into account a 3-year average, this means that income for recreational visitors including overnight stays slipway usage, and water sports permits, is expected to be on budget.

6.6 The marina remains busy. Although overall occupancy is lower than in recent years, it is not outside of expected annual fluctuations.. Income from annual berth holders remains stable and is expected to meet budget targets and income from temporary berths has increased by 30%.

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6.7 The fish landing quay and its associated facilities, including ice production and catch storage became operational in 2025, creating a new income stream that was not included in the original forecast.

6.8 With the Commercial Area now fully re-opened, a review of space and the charging policy for parking and vehicle storage has resulted in new, additional income.

6.9 There have been delays in commissioning the new fuel service. Once operational this is expected to generate further income.

6.10 Expenditure overall £13,700 adverse

6.11 An overspend on pay-related costs is forecast, driven by a higher-than-budgeted pay award and additional expenditure to cover long-term sickness absences.

6.12 An ongoing issue with a water meter at the Peninsular believed to be recording inaccurate readings has now been resolved with a replacement. As a result, water usage has decreased leading to a cost saving.

6.13 Waste management costs have been reviewed. We have implemented enhanced recycling practices across the harbour, and these costs have been offset by reducing the number of bins and collection frequencies across several sites.

6.14 There have been some additional costs for Legal Services provided in support of the latest Harbour Revision Order

6.15 Service recharges for HR and ICT were recalculated after the original budget was agreed at the December committee, for Weymouth, this has resulted in a saving**.** A review is being undertaken to ensure budgets reflect current service level and costs; adjustments are expected in the 2026/27 budget process

6.16 There have been increased costs associated with bank and cash handling charges.

6.17 SeaFeast (previously The Seafood Festival) will return to Weymouth Quayside in 2026, and it has been agreed that the harbour will contribute to the event in recognition of the significant value it brings to both the harbour and the town.

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7 Reserves Balances and Asset Management Plans

7.1 Any Budgeted surpluses for all three harbours go into designated reserves. Any extra surplus at year-end will also be added to these reserves. Decisions on how to use the additional funds will be made at year-end based on priorities and financial needs.

7.2 Reserves balances are committed to delivering a programme of works aimed maintaining and improving harbour facilities. These investments are essential to protect income streams and support the strategic priorities outlined in the Dorset Harbours Strategy and Business Plan

7.3 Bridport’s reserve balance is forecast to be £257,900. A review comparing planned expenditure from reserves against spend from the forecasted surplus will be presented in the next budget monitoring report.

7.4 Lyme Regis favourable position of £3,968 will be transferred into a reserve.

7.5 The reserve balance for Weymouth is forecast to be £3.2 million. This is split into several separate reserves detailed in the financial plan at appendix 3.

7.6 While reserves are currently healthy, over the next few years, several costly projects are scheduled as part of the business plan. Weymouth Harbour has extensive infrastructure that is expensive to maintain and replace so it is essential to recognise that these funds are required to support this level of work.

8 Financial Implications

The report covers harbour budgets. The summary information is presented under the standard corporate headings. Dorset Council has outlined its financial plans for Bridport, Lyme Regis, and Weymouth Harbours for the 2026/27 financial year, with a focus on maintaining safe, sustainable, and economically viable operations. Revenue adjustments and any cost pressures have been considered when setting forecasts.

The harbours accounts form part of the Councils overall Statement of Accounts, which is considered and approved by the Audit Committee.

9 Legal considerations

This report has been reviewed and signed off by the Monitoring Officer and Section 151 Officer, confirming compliance with relevant legal and financial regulations. All proposed fees and use of reserves are in line with the Council's statutory powers and financial governance requirements.

10 Natural environment, climate & ecology implications

The Harbours' budgets funds items that have implications for sustainability and climate change. In utilising future budgets every effort will be made where possible to consider how carbon output can be minimised and operations made more sustainable.

11 Well-being and health implications

The harbour budget supports safe, well-maintained facilities that contribute to the well-being of harbour users, including local fishermen, recreational boaters, and visitors. Continued investment in infrastructure and services helps promote a safe working environment and supports the economic and social vitality of coastal communities.

12 12 Other implications

Harbour issues are subject to regular consultation with customers, the Harbour Consultative Group and the Harbours Advisory Group.

13 Risk implications

HAVING CONSIDERED: the risks associated with this decision; the level of risk has been identified as:

Current Risk: Low

Residual Risk: Low

14 Equalities

There are no equalities implications arising from this report

15 Appendices

Appendix 1 Bridport Harbour Financial Summary

Appendix 2 Lyme Regis Harbour Financial Summary

Appendix 3 Weymouth Harbour Financial Summary

16 Background papers

None

17 Report sign-off

This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s).