Harbours Advisory Committee

4 March 2026

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:
J Britton, Executive Director for Place Services

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Statutory Authority: Weymouth Harbour Revision Order 2021, Local Legislation

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 January 2026.

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 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 predicted surplus £12,918**

4.1 The Bridport Harbour budget was originally set with an anticipated year-end surplus of £80,130; this surplus has now reduced to £12,918.

4.2 The main factor contributing to this change is the cost of dredging works. The initial Water Injection Dredging trials were impacted by the weather so to gain a more accurate assessment; a further trial was commissioned.

4.3 In addition to that, recent storms pushed an exceptional volume of shingle into the harbour entrance, creating a significant and unforeseen dredging requirement which has been costly to clear.

4.4 Other variances to the budget forecast are detailed below.

4.5 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.

4.6 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.

4.7 There are additional factors relating to pay related costs that have resulted in an overspend; a higher-than-budgeted pay award, the re-evaluation of pay (JE) for a number of posts and increased seasonal hours worked.

4.8 Overspend is expected due to Business Rates (NNDR) being slightly above budget, increased charges for Bank/Cash Collection and Merchant Charges and the Legal costs associated with the Harbour Revision Order

4.9 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.

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5 Lyme Regis budget predicted deficit £14,266:

5.1 Similar to Bridport, an overspend is forecast on service recharges due to HR and ICT recharges being recalculated post-budget setting. In addition to this, there has been a further overspend as an insurance excess charge has been processed.

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.

5.3 An increase in contractor expenditure is forecast due to works arising from recent storm damage.

5.4 Overspend is expected due to Business Rates (NNDR) being slightly above budget, increased charges for Bank/Cash Collection and Merchant Charges and the Legal costs associated with the Harbour Revision Order.

5.5 A saving is forecast on the dredging budget at Lyme, as full-year dredging is not expected in this financial year.

5.6 Income overall is either on track or likely to exceed budget expectations, with increases from the onsite short stay car park, fuel sales, kayak storage and slipway usage. However, a shortfall is forecast for annual mooring and visiting craft income plus reduced concession income following several licence surrenders. However, a shortfall is forecast for annual mooring

5.7 Reimbursements and contributions relate to income generated from memorials. Although an income shortfall is expected, this is offset by a corresponding saving under the budget heading Supplies & Services. Income and associated expenditure are expected to remain at this level and will be reflected in future budgets.

5.8 The current forecast shows a net cost of just over £14,000 for the Lyme Regis budget, compared with earlier projections of a cost neutral position. This adverse position reflects some recent unavoidable costs and reduced concession income. As there is no balance in the reserve, the overspend will fall to the overall Place Directorate outturn.

5.9 Budgets and spend will be closely monitored over the next few months and where possible savings will be made to try and reduce this net cost.

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6 Weymouth Harbour budget predicted surplus £989,801:

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 £989,000.

6.2 Income: overall £555,000 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 Income from visiting recreational vessels is lower when compared to last year, however, income has been boosted by winter berthing income and visits from super yachts. Budgets are estimated using various scenarios and takes 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 exceed budget forecasts.

6.5 The marina remains busy, although overall occupancy is lower than in recent years, this is not unexpected. Combined income from annual berth holders and temporary lets is expected to come in above the budget projection.

6.6 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.

6.7 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.

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

6.9 Expenditure overall £19,000 adverse

6.10 Although the pay award was higher than budgeted and additional costs were incurred to cover long-term sickness, savings from a recruitment gap and reduced spending on seasonal staff have helped bring the budget back on track.

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6.11 A new electrical supply was installed as part of the regeneration project. Following discussions with Assets and Property, this supply far exceeds the harbour's operational requirements and attracts high fixed charges that cannot be reduced or avoided. For future harbour developments, it is unlikely that we will require a supply of this size, so we are working with A&P to explore options to remove this cost from the harbour budget.

6.12 Electricity consumption in the commercial area has increased further due to the ongoing Walls F&G works. These additional costs are being recharged to the contractor.

6.13 Recent monitoring of electricity usage in the commercial area shows that the solar installation is successfully reducing costs on our original supply. We are also in discussion with a contractor about directing more of our electricity consumption to the solar installation to further reduce costs.

6.14 An ongoing issue with a water meter at the Peninsular believed to be recording inaccurate readings has now been resolved with a replacement, leading to a cost saving. However, this saving has been offset by a significant undetected water leak. Once identified, the detection and repair process took considerable time, resulting in costs of approximately £20,000. Some of these costs can be recharged.

6.15 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.

6.16 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

6.17 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.

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.

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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 £126,769. In this financial year, works set out in the business plan totalling £81,942 have been funded from reserves. This includes pontoon maintenance works, timber pile replacement and replacement chains.

7.4 Lyme Regis does not currently have a balance in reserves.

7.5 The reserve balance for Weymouth is forecast to be £3.1 million. This is split into several separate reserves detailed in the financial plan at appendix 3.

Project	Predicted or Actual cost
CCTV – slipway, marinas commercial area	£25,000
Refurbish Port Traffic Signals	£5,000
Cargo Stage enhancements	£100,000
North Quay Toilet enhancements	£30,000
Stone Pier Railings (replace, repair)	£92,000 (Actual)
Waste Pump Out	£35,000

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 2025/26 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.

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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

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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).