

REPORT TO: ENVIRONMENTAL SERVICES COMMITTEE 16 APRIL 2008

SUBJECT: HOPEMAN HARBOUR PONTOON PROJECT

BY: DIRECTOR OF ENVIRONMENTAL SERVICES

1. **REASON FOR REPORT**

- 1.1 To seek the Committee's approval to make a further financial contribution to meet a shortfall in funding for the "Hopeman Harbour all abilities pontoon project".
- 1.2 This report is submitted to Committee in terms of Section E(22 & 47) of the Council's Administrative Scheme relating to maintenance of piers and harbours and promoting tourism development.

2. **RECOMMENDATION**

- 2.1 **It is recommended that the Committee agrees a further contribution of £33,795 to the Hopeman harbour all abilities pontoon system, subject to match funding from HIE Moray and the East of Scotland European Partnership (ESEP) being secured.**

3. **BACKGROUND**

- 3.1 A report to the Environmental Services Committee on 21 June 2006 approved a financial package, including £95,000 from Moray Council, towards the provision of an all abilities pontoon system at Hopeman Harbour. The project is part of a programme of improvements at Moray's harbours and foreshores aiming to improve the image of the harbours and tourism infrastructure along the Moray Coast.
- 3.2 The funding package is currently:-
- The Moray Council - £95,000
 - HIE Moray - £95,000
 - East of Scotland European Partnership - £63,000

Total - £253,000

4. THE PROPOSALS

4.1 The following elements of work have been completed or are underway:-

- Dredging – contract has been completed under the estimated cost.
- Site survey – contract has been completed under the estimated cost.
- Pontoon fabrication and installation – tenders for this work were lower than the estimate and fabrication is now well underway.

4.2 However, the tenders for the piling work are significantly higher than the pre-tender estimates of £100,000. Tenders for this were returned on 12 March 2008 with the lowest price of £189,966 and other prices ranging to £323,975. The steel piles are socketed into the seabed and the pontoons are secured to them.

4.3 Pre-tender estimates for installing the piles were based upon:-

- Experience of Fife Council for similar work at Anstruther harbour in 2004.
- Experience of Aberdeenshire Council for similar work at Banff Harbour in 2006.
- A budget estimate received from one of the contractors for indicative costs for installing 6 no piles similar to what was done in Anstruther of £75,000 total (2007).

4.4 The increased cost for this element of the project can be mainly attributed back to the ground conditions encountered at Hopeman harbour. The sandstone was found to be very weathered and has resulted in the required design being 5 no 457mm diameter piles each to a length of 14.2m and socketed in by an average of 8.5m. This is far more than anticipated and means not only extra lengths of steel piles socketed into the seabed but a significant increase (at least 4 fold) in the length of time spent on site by specialist drilling and other plant. If the piling is not installed the pontoons cannot be fixed in place.

4.5 As the project involves an all abilities ramp to access the pontoon, the option of installing chains to moor the pontoons in place is not possible as the sideways movement of the pontoon would be too great at mid tide.

4.6 This has resulted in a shortfall of £90,000 to complete the project. Immediately after the tenders were checked, officers from Planning and Development and Roads met to discuss potential solutions and contacted funding partners.

4.7 East of Scotland European Partnership has provisionally offered to contribute 24.9% of the £90,000 shortfall (£22,410). HIE Moray has been requested to provide an additional £33,795 and a response is awaited.

4.8 It is proposed that the remaining £33,795 is contributed from the Council's Economic Development budget in 2008/09. The revised proposed funding package would therefore be:-

The Moray Council	£128,795
HIE Moray	£128,795
ESEP	<u>£85,410</u>
	<u>£343,000</u>

5. SUMMARY OF IMPLICATIONS

(a) **Corporate Development Plan/Community Plan/Service Improvement Plan**

The proposal is consistent with the objective of promoting the economy by increasing tourism and leisure use of Hopeman Harbour.

(b) **Policy and Legal**

There are no legal implications as a result of this report.

(c) **Resources (Financial, Risks, Staffing and Property)**

Financial

This report recommends approval of a contribution of £33,795 from the Economic Development Budget for 2008/09. If additional funding is secured from HIE Moray and the East of Scotland European Partnership then the revised funding package set out in paragraph 4.8 would enable the project to be completed.

Staffing

The proposal in this report does not require additional staffing.

(d) **Consultations**

Consultation on this report has been undertaken with the Principal Accountant with regard to the budgetary information.

Consultation has also been undertaken with the Senior Engineer Roads and his comments incorporated into the report.

Cllrs McGillvray, Wright, Hogg and Stewart, as local members, have been advised of the contents of this report.

6. CONCLUSION

- 6.1 **The Council has secured a funding package of £253,000 to install an all abilities pontoon system at Hopeman harbour. The project is part of an ongoing programme to improve facilities at the harbour and promote tourism along the Moray Coast.**

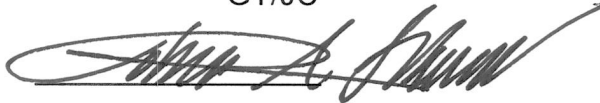
- 6.2 The detailed design and site preparation works have been completed and the pontoons are currently being manufactured.
- 6.3 However, the lowest tender return for the piling works is £90,000 over the budget allocation. This has resulted from the need for significantly longer steel piles to be socketed into the seabed as the sandstone was found to be very weathered.
- 6.4 The Council has approached the funding partners to request additional financial contributions to meet the budget shortfall. ESEP has confirmed in principle that an additional £22,410 is available if the Council secures the match funding. A response from HIE Moray is awaited.

Author of Report: Gary Templeton, Principal Planning Officer

Background Papers:

Ref: GT/JC

Signature:



Designation: Director of Environmental Services

Name: Robert A Stewart