

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING SUPERVISORY BOARD

QEII MARINA GATE REPLACEMENT (AND THE ASSOCIATED INFRASTRUCTURE)

The States are asked to decide: -

Whether, after consideration of the Policy Letter entitled 'QEII Marina Gate Replacement (and the Associated Infrastructure)' dated 18 May 2026, they are of the opinion:-

1. To authorise the Policy & Resources Committee, following consideration and approval of the Full Business Case, to approve the release of funding of up to a maximum of £10.7 million for the replacement of the QEII Marina gates and associated infrastructure, through an interest bearing loan of up to £5.35 million and a grant from the General Revenue Reserve of up to £5.35 million.

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

STATES' TRADING SUPERVISORY BOARD

QEII MARINA GATE REPLACEMENT (AND THE ASSOCIATED INFRASTRUCTURE)

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

18th May 2026

Dear Sir

1 Executive Summary

- 1.1 The QEII Marina is the island's largest marina. It has berths for more than 700 local vessels, of all sizes, and is evidence of the popularity of boating as a pastime for islanders.
- 1.2 Gates at the entrance enable access to and from the Little Russel, and ensure sufficient water is retained within the marina at low tide to keep boats afloat.
- 1.3 These gates, and the supporting infrastructure, are 40 years old, and a number of structural defects are now apparent. Their operation has, at times, become erratic and unreliable, which presents significant health and safety risks. Unless this is addressed, their condition will continue to deteriorate, meaning they will work less well and become more unpredictable, posing an increasing risk to users. There is also a high likelihood that they will fail beyond repair, which has significant economic and reputational implications.
- 1.4 If the gates fail, the operation of the marina would be compromised, and it will become unsuitable for a very large number of current berth holders. That would seriously impact the provision of facilities for local boat owners, exacerbating an already significant unmet demand for moorings, and would likely impact more widely on the island's marine services sector.
- 1.5 It also represents a significant, material risk to Guernsey Ports finances. The QEII Marina generates an operating surplus of around £1.1 million a year (before depreciation and interest). That is aggregated with other ports-generated revenues to provide funds for the upkeep of the island's ports infrastructure.

- 1.6 A number of options have been identified to address the condition of the gates. These range from limited repair to replacement.
- 1.7 It is estimated that to install a completely new set of gates and supporting infrastructure will cost up to £10.7 million. That is based on a preliminary design, and includes allowances for risks and contingencies, as well as all project management costs and professional fees.
- 1.8 Repair options are likely to be less expensive, in terms of initial capital investment, but with a shorter design life than full replacement. The actual cost, life, and feasibility of repair will depend on the condition of the existing infrastructure.
- 1.9 The STSB has not reached a conclusion on a preferred method. It intends to award a design-and-build contract, based on a performance-related specification, giving potential contractors full scope to develop a suitable design and construction method. That will encourage competition to deliver the project at best value, and also transfer the risk of defects between design and construction to the contractor.
- 1.10 To enable the project to proceed to procurement, in assessing the cost implications it would be prudent at this stage to allow for the replacement option.
- 1.11 Guernsey Ports cannot fund that level of investment entirely from routine operating surplus and capital resources, without there being a disproportionate impact either on user fees or other essential capital requirements.
- 1.12 The STSB has therefore engaged with the Policy & Resources Committee regarding funding options. Assuming an initial capital requirement of up to £10.7 million, it is proposed funding should be split equally between an interest-bearing loan and a grant from the General Revenue Reserve - as detailed in the Major Projects Portfolio policy letter¹.
- 1.13 It is also recommended the Policy & Resources Committee is given delegated authority to approve funding of up to £10.7 million, on approval of a Full Business Case.

2 Introduction

- 2.1 The QEII Marina was constructed in the mid-1980s. It provides more than half of all Guernsey Ports marina moorings for local boatowners, accommodating more than 700 vessels. These range from small motor craft to large racing yachts.
- 2.2 At Guernsey Ports' other marinas, a fixed sill at the entrance/exit is used to impound water around low tide, so berthed vessels are kept afloat at all times. Boats can only enter or leave when the tide is high enough for them to pass safely

¹ Billet d'État VI, 2026: Major Projects Portfolio, P.2026/19

over the sill. The lower a vessel sits beneath the water - termed its 'draught' - the higher the tide level has to rise before they can safely clear the sill.

- 2.3 In the QEII Marina, this function is performed by four gates at the entrance, which act like a moving sill. At low tide they sit above the level of the fixed sill, which has the effect of impounding more water. This means boats remain afloat, and the area along the eastern (seaward) side provides deeper moorings than the other marinas - suitable for vessels with large draughts that may not otherwise be accommodated locally.
- 2.4 When the tide rises, the gates will lower to increase the clearance height and extend the tidal window in which vessels can safely leave or enter.
- 2.5 The gates and the infrastructure supporting them (comprising concrete sills, towers, pulleys, counterweights, sensors and control equipment) are 40 years old. They have been maintained over that time, but their operation has become erratic and unpredictable. There are occasions when a gate has either failed or been slow to rise, or is slow to fall. They have also been observed to rise suddenly and quickly, before they are expected to, which poses an obvious risk should that occur when a boat is passing over them. These operational issues are requiring more frequent maintenance, but that will not resolve the underlying problems, which are due to the age and condition of the gates themselves and the associated infrastructure.
- 2.6 A condition survey in 2022 concluded there was a significant risk of them failing permanently, and that risk would increase over time. A more recent survey, in 2026, identified further structural defects, particularly in the deterioration of the concrete sills at the base of the gate mechanism.
- 2.7 Unless the gates function correctly, the marina cannot operate in the way it is designed to. If one set were to fail permanently, current depths could be maintained, but access would become more restricted. However the issues are not limited to one set, and the likelihood of both sets failing is high.
- 2.8 This would most likely result in water levels within the marina being reduced by around one metre, making most areas unsuitable for vessels with standard draughts. If the fixed sill was raised to the level required to maintain current depths – or the gates fixed to that level - many vessels would not have sufficient clearance to enter or leave, other than on the highest spring tides.
- 2.9 Even if the gates do continue to work, they will increasingly do so less well and more unpredictably, with increasing risk to users.
- 2.10 There is already unmet demand for moorings, as evidenced by the waiting list for marina berths, which at the end of 2025 stood at approximately 100. Any reduction in capacity through the failure of the gates would seriously exacerbate this. It would also result in considerable erosion of income and worsen Guernsey Ports' financial position.

3 Strategic Context

- 3.1 In April 2026, the States of Guernsey approved the Major Projects Portfolio¹, which included the QEII Marina Gates Replacement as an addition to the delivery stage. That identified the clear operational requirement to ensure the continued safe and effective operation of the gates, recognising their failure would create health and safety, economic and reputational risks.
- 3.2 The States' Trading Supervisory Board is responsible for the efficient management and operation of Guernsey Ports. Guernsey Ports is operationally responsible for maintaining the harbour infrastructure, facilities and equipment required to support commercial port activity, which includes marina facilities for local and visiting leisure vessels.
- 3.3 The Ports Capital Programme identifies substantial demands on harbour and airport capital over the medium term. The anticipated cost of the QEII Marina gates project is of a scale which cannot reasonably be met from the routine Ports Capital Programme alone.

4 Summary of Project Outline Business Case

- 4.1 The objective of the project is to provide safe access arrangements for the QEII Marina, which maintain the current tidal window and ensure sufficient depth of water to retain the current operational capacity, to protect income, reduce risks, and to minimise future operational and maintenance costs.
- 4.2 It is intended that any solution should have a minimum design life of 25 years. Do minimum options, involving limited repair of the current infrastructure, do not provide a long-term solution and have therefore been discounted.
- 4.3 Replacing the current gates with a fixed sill would either reduce the depths and therefore capacity of the marina, or result in severely limited access. That has therefore similarly been discounted.
- 4.4 Currently, each channel (in/out) has a pair of gates – one inner and one outer. The project's technical advisers are unaware of another marina with this arrangement and level of back up.
- 4.5 The remaining options therefore focus on repairing one of the existing sets of gates and infrastructure, or installing one new set of gates.
- 4.6 The STSB does not have a preferred option. The intention is to award a design-and-build contract, based on a performance-related specification. This will give potential contractors full scope to develop a suitable design and determine the optimum construction method. That will encourage competition to deliver the project at best value.

- 4.7 In preparing the OBC, high level cost estimates have been developed for the shortlisted options. These include anticipated construction costs and allowances for risk and optimism bias, and project management and professional fees.
- 4.8 The cost of repairing the outer gates and infrastructure has been estimated at between £5.4 million and £8.9 million, and the most basic replacement is estimated at between £5.2 million and £8.4 million.
- 4.9 A more comprehensive replacement is estimated would cost between £6.0 million and £10.5 million, and would have a longer design life.
- 4.10 The large range in cost estimates for each of these options reflects the fact they are based on a concept design at this stage. It should also be noted that they rely to some extent on the condition of the current infrastructure, which will have a significant bearing on cost.
- 4.11 The final option is to install a new set of gates between the two existing sets. It is estimated this will cost between £9.0 million to £10.7 million. That is based on a more detailed design, which is reflected in the narrower range of costs for this option. It is also not reliant on assumptions regarding the condition of the existing infrastructure, and would have the longest design life.
- 4.12 As well as varying in cost, there are different risks associated with each option, which potential construction contractors will have to consider.
- 4.13 Options which depend materially on the existing gate infrastructure or existing civil structures carry greatest residual risk. That is because the present condition of the gates, sills and supporting structures is already known to be poor, and further defects or deterioration are likely to be identified during construction.
- 4.14 A new gate in a new position offers a strong overall combination of design life, risk reduction, whole-life cost and deliverability, but is likely to require a higher initial capital investment.
- 4.15 With the design-and-build contract, potential contractors will be free to base their proposals on any of these options, in putting forward a fully costed scheme.
- 4.16 The States is therefore not being asked to approve a fully settled technical design, but a strategic approach to ensuring the best whole-life value and risk profile, developed through design-and-build procurement and confirmed in the Full Business Case.

5 Procurement Strategy

- 5.1 It is proposed that the project be delivered under a design-and-build contract. That approach is appropriate because the construction methodology, access arrangements, temporary works and detailed gate solution will materially affect price, programme and risk.

- 5.2 A design-and-build procurement will permit contractors to respond to a performance specification and to develop the detailed design and construction methodology accordingly. It will also place responsibility on the contractor for the interface between design and construction.
- 5.3 This will encourage competition, improve value for money and allocate design and construction risk more effectively than an approach based on a fully prescriptive employer's design.
- 5.4 Haskoning are the specialist technical advisers for the project, and will assist in preparing tender documentation, Expressions of Interest, Invitation to Tender, Full Business Case, appointment of contractor, followed by works on-site. Professional fees for this are included in the high-level cost estimates.

6 Funding

- 6.1 The final project cost will not be known until the tender of the design-and-build contract has been completed, and any subsequent value engineering carried out.
- 6.2 At this stage, the option that has been developed to the greatest level of detail indicates a total capital requirement within the range of £9.0 million to £10.7 million. That includes risk contingency, an allowance for optimism bias, project management costs and professional fees. Other options, based on current high-level estimates, fall within this overall cost envelope.
- 6.3 Guernsey Ports cannot fund this level of expenditure entirely from routine operating surpluses and capital resources, without there being a disproportionate impact on fees or on other essential capital requirements.
- 6.4 It is therefore proposed that 50% of the required capital requirement would be funded by an interest-bearing States loan and 50% by grant from the General Revenue Reserve. This has been agreed with the Policy & Resources Committee and was the basis of funding set out in the Major Projects Portfolio policy letter¹.
- 6.5 In terms of repaying the loan, to recover this through QEII Marina fees alone would require an uplift in mooring charges of more than 15% (above RPI). This is considered a disproportionate increase for a single category of customer. A broader approach is therefore proposed, with recovery achieved through harbour fees generally.

7 Timescale and Implementation

- 7.1 Subject to States approval, procurement will proceed in 2026, with the Full Business Case expected to be ready for approval in early 2027, following tender evaluation. Depending on contractor and plant availability, this should enable construction to be completed during 2027.

7.2 Until construction begins, the existing gates will continue to be monitored and maintained, so far as can be done safely.

8 Compliance with Rule 4

8.1 Rule 4 of the Rules of Procedure of the States of Deliberation and their Committees sets out the information which must be included in, or appended to, motions laid before the States.

8.2 In accordance with Rule 4(1):

(a) The Proposition would enable the States' Trading Supervisory Board, through Guernsey Ports, to discharge its responsibilities in respect of the maintenance of harbour infrastructure and to progress the QEII Marina Gates Replacement included within the Major Projects Portfolio for 2026;

(b) The Policy & Resources Committee supports in principle the submission of this Policy Letter and the progression of the project subject to a Full Business Case.

(c) The Proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

(d) The financial implications of the proposition are set out in this Policy Letter.

8.3 In accordance with Rule 4(2):

(a) The Proposition relates to the mandate of the States' Trading Supervisory Board in respect of ensuring the efficient management, operation and maintenance of any States-owned unincorporated trading concerns.

(b) The Proposition has the unanimous support of the States' Trading Supervisory Board.

Yours faithfully

M Helyar
President

A Niles
Vice-President

B Kay-Mouat
Member

S J Thornton
M R Thompson
Non-States Members

Appendix 1 – Long List Options Consideration

Option	Description	Anticipated life (years)	Main advantages	Can meet Investment Objectives?
1. Do nothing	Keep gates serviceable & safe in short-term pending long-term solution.	1-5 years	Very little financial outlay.	No Discounted
2. Do minimum	Complete some works planned for long term solution as initial contract. Upgrade to opening & closing system the main operational improvement.	5-10 years	Some works can be selected to minimise the amount of abortive works prior to the main works. Provides some time to decide on long-term solution.	No Discounted
3. Repair the outer gates	Repair & reinstate outer gates; in-situ repair of outer civils works; replace outer operating systems with hydraulic cylinders. Inner gates to remain submerged for possible future maintenance use.	30 years	The majority of materials are already in use, only repair materials will be required.	Yes Shortlisted
4. Replace the outer gates	Replace outer gates, then as Option 3.	30 years	Prefabricate new gates off-site to reduce site programme; less risk from prolonged use of inner gates; lower cost as not requiring second mobilisation of temporary works.	Yes Shortlisted

Option	Description	Anticipated life (years)	Main advantages	Can meet Investment Objectives?
5. Replace gates & install prefabricated sill frames	Reconstruct the outer sills and quoins with a prefabricated frame, then as Option 3.	45 years	Prefabrication & assembly denote workshop conditions to achieve tight tolerances & material contamination. Meeting faces would return to as-new condition.	Yes Shortlisted
6. Replace gates in a new position with new supporting infrastructure	Construct new gate between existing gates, in precast sill structures. New civils; new cut-off walls beneath new sill structures; replace operating system. Inner gates to remain submerged for possible future maintenance use.	60 years	Achieves as-new construction throughout with long design life. Significant amount of structure prefabricated off site, minimising material contamination.	Yes Shortlisted
7. Remove the gates and have sill only	Remove existing gates, dredge high bed levels in the marina.	-	Once created, little structural maintenance.	No Discounted
8. Repair or replace all four gates	Repair or replace all inner and outer gates in the same arrangement & system as now	-	Replication of a system that has operated for nearly 40 years	Yes, but at unnecessary expense. Discounted