

MINUTE

‘A&B’

Special Harbour Board
Council Chamber, Town Hall, Lerwick
Thursday 31 January 2008 at 9.30am

Present:

E L Fullerton	I J Hawkins
R S Henderson	J H Henry
N McCracken	R C Nickerson
J Tait	

Apologies:

A T J Cooper	A T Doull
F A Robertson	C Smith

In Attendance (Officers):

J T Dickson, General Manager, Ports & Harbours Operations
A Inkster, Port Engineer
H Tait, Management Accountancy Service Manager
L Gair, Committee Officer

Chairperson:

Mr I J Hawkins, Vice-Chairperson of the Board, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest:

Mr J Tait declared a non pecuniary interest in agenda item 1 relating to the shellfish dues.

Mr N McCracken declared an interest in all oil industry matters.

Minutes:

Except as undernoted, the minutes of the meeting held on 10 January 2008, were confirmed.

06/08 - Scalloway Harbour – Manning Reorganisation

Mr R S Henderson said that he understood that it had been agreed to review the arrangements after 6 months, but this had been recorded as a year. The Chairperson said that the record was correct, and following discussion, the Board agreed that the matter would be brought up and discussed again at the Council meeting on 6 February 2008.

05/08 – Sullom Voe Strategic Plan

Mr R C Nickerson advised that the Sullom Voe Strategic Plan which appeared as agenda item 3 on the Executive Committee agenda, was due to meet after the Harbour Board. He advised that recommendation 8.1 c, recommended that the Chief Executive setup a working group to co-ordinate the project and carry out resulting actions. Mr Nickerson said that he was under the impression that the Strategic Plan would be carried out through the Harbour Board, and not a Working Group that would meet in private. He added that the report had been written by the Head of Business Development and not the Service Manager – Waste Services who had prepared earlier reports to the Board. Mr Nickerson said that there was no mention of the Harbour Board's role, in the report being presented to the Executive Committee.

During further discussions, the Board agreed that Mrs E L Fullerton and Mrs I J Hawkins, both Members of the Executive Committee, would raise the matter at the meeting. Although the Board hoped that Members from the Board would be appointed to the Working Group, concern was expressed and the Board acknowledged that might not happen.

07/08 **Table of Dues 2008/09**

The Board considered a report by the Management Accountancy Service Manager (Appendix 1)

The General Manager – Ports and Harbours Operations briefly introduced the report and advised that the Table of Dues had been presented to the 2 User Panels on 10 January 2008. He said that he had contacted Mr C Smith for any comments from Ship Owners, and advised that no feedback had been received.

Mr R C Nickerson drew attention to the second sentence in paragraph 4.4 and asked what was meant by “minimum”. The Management Accountancy Service Manager advised that as an absolute minimum, the Port was required to break even. She added that a subsidised port would go against what the Council would want. The General Manager – Ports and Harbours Operations said that the Port would still make a substantial input to the reserves.

In response to a query from Mr R C Nickerson, the General Manager – Ports and Harbours Operations, confirmed that the actual charges were built into the shipping dues, as in the Ports and Harbours Agreement.

Mr N McCracken said that he had received feedback from the oil industry and advised that they had indicated that they wanted to pay their own way, they had been disappointed at the magnitude of the rise in charges, they had sympathy with the inflationary increase and the cost of bunkering, and said that they would work with the Council to keep the costs down and work together in the future. Members welcomed the comments and Mr R C Nickerson said that if throughput was below what was required to achieve the bear minimum to operate, the Board would welcome any initiatives that would provide sufficient capital to undertake what was needed.

The General Manager - Ports and Harbours Operations advised that the Port was almost at the minimum manpower required to provide the current 24-hour service. He said that it was close to the minimum level required without affecting the level of service.

Mr J H Henry moved that the Board approve the recommendations contained in the report. Mr R S Henderson seconded.

08/08 **Ports and Harbour Estimates – 2008/09**

The Board considered a report by the Management Accountancy Service Manager (Appendix 2).

The Management Accountancy Services Manager introduced the report. In addition to the comments made in the report regarding Table 2, the General Manager – Ports and Harbours Operations advised that the variance to operating costs was due to the tugs dry-docking cycles. He explained that major surveys were carried out every five years and that one year they may survey two tugs and the next year there may be one tug. He advised that two tugs would be dry docked

in 2008/09. Mr J H Henry said that it would be useful to Members if that information were included in the report.

Mrs E L Fullerton moved that the Board approve the recommendations contained in the report, Mr R S Henderson seconded.

09/08

Revised Permit to Work Arrangements, Sullom Voe Terminal – Further Advise

The Board noted a report by the Port Engineer, (Appendix 3).

The Port Engineer advised that he had met with both Legal Services and Safety and Risk Services. He said that both parties welcomed this and they had commented that by clarifying the arrangement, it made the process clearer.

Mr R C Nickerson expressed his thanks for assurances provided.

As the meeting drew to a close, Mr R S Henderson asked whether the Ports and Harbours Operations had been asked to provide a tug to transport a barge from Cullivoe to Basta Voe, commenting that a tug from Flotta in Orkney had been used. The General Manager – Ports and Harbours Operations said that he had not heard about this particular instance, but advised that Ports and Harbour Operations were usually approached and where possible they would respond. He said however, that there was a duty to Sullom Voe to provide four tugs for berthing, and as this often depended on the weather, they could not release tugs for alternative duties unless there could be a guarantee that they would not be required to carry out their basic service.

The meeting concluded at 9.50am.

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I J Hawkins
CHAIRPERSON