

MINUTE

‘A&B’

Harbour Board
Boardroom, Port Administration Building, Sellaness
Wednesday 20 January 2010 at 10.00am

Present:

A T J Cooper	E L Fullerton
I J Hawkins	R S Henderson
J H Henry	R C Nickerson
C Smith	

Apologies:

L Boswell	A T Doull
F A Robertson	J Tait

In Attendance (Officers):

G Greenhill, Executive Director - Infrastructure
R Moore, Head of Ports & Harbours Operations/Harbour Master
B Edwards, Operations Manager - Ports
A Inkster, Engineering Manager – Ports
I Gall, Emergency Planning and Resilience Officer
B Robb, Management Accountant
R McLeod, Committee Officer
L Gair, Committee Officer

Chairperson:

Mr A T J Cooper, Chairperson, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest:

None

Minutes:

The minute of the Harbour Board Meeting held on 18 November 2009, having been circulated, was confirmed, with the exception of the following:

Page 8 of 8 – Vessel Maintenance Facility “Research Engineer” should read “Engineering Manager”

Member’s Attendance at External Meetings – Update:

C Smith and
Head of Ports and Harbours Operations
Operations in Port of Sullom Voe

London, 23 & 24 November, 2009.
Meetings with Industry to promote STS

A T J Cooper

Valencia, Spain, 17 December 2009. Attended

the launch of the first Tug.

01/10 **New Business**

The Board noted a report by the Harbour Master/ Head of Ports & Harbours Operations, attached as Appendix 1.

Ship-to-Ship Transfer

The Head of Ports and Harbours Operations introduced the report and advised that the current stream of Ship-to-Ship transfers would cease once the Artic Russian ice melted the vessel would no longer need to carry out transfers at Sullom Voe.

Oil Vetting Scheme

The Head of Ports and Harbours Operations advised the Board that further discussion with the Terminal would be required in relation to the oil vetting scheme. In response to a query, the Head of Ports and Harbours Operations referred to previous discussions with regard to ships not being allowed to enter the port and explained that being part of the SIRE system would overcome that. He said that although initially happy with the scheme, BP have concerns regarding the pollution response, and that the matter would require further discussion. The Head of Ports and Harbours Operations added that BP had been very helpful throughout the process. Mr R C Nickerson said that he did not want to see another layer of bureaucracy creeping in and was concerned that additional paperwork may put off customers. Mr Nickerson asked that any problems be reported to the Board.

Total

The Head of Ports and Harbours Operations advised that he continued to work with the Economic Development Unit to discuss further options.

The Head of Ports and Harbours Operations also advised that a meeting had been held with Scottish Natural Heritage with regard to the embryonic proposals for the port. SNH did not react negatively but said there would be challenges. They were happy that they had been involved at this early stage, and the matter continued to progress.

The Board were updated on a meeting held with Total regarding work being brought over the construction jetty. The Head of Ports and Harbours Operations said however that this had not been signed, sealed or delivered but officers were working towards that.

Mr Nickerson referred to paragraph 3.7 and commented that the development plan for Sullom Voe had been on the cards for 2 years and queried when it would be in place. The Chairperson explained that at the last cycle of meetings the matter had been considered at the Harbour Board and Development Committee and agreed to go to Scottish Natural Heritage to know that they were progressing in the correct way. He advised that the land had to be Zoned for development and then a business case would be required for decommissioning and ship lift business. The Chairperson confirmed that the ship lift work was being investigated but that work on decommissioning had not yet started. He said that the development plan would be progressed to ensure the business cases could be done properly. The Chairperson said that a report from the Economic Development Unit would be required in two cycles.

Fishing Exhibition in Glasgow

The Head of Ports and Harbours Operations advised that he had received a letter from the British Ports Association (BPA) regarding the Fishing Exhibition in Glasgow. He explained that the stand had previously been shared with Lerwick Port Authority (LPA)

and other agencies in Shetland however he was aware that the LPA were considering taking up the invitation of the BPA to share their stand. Head of Ports and Harbours Operations suggested that the Board also take up the offer made for one year to assess its success or failure. He said that sharing the stand would cost a lot less than Ports and Harbours taking its own stand.

Mr J H Henry confirmed that the LPA were taking up the BPA offer, along with other English companies. The Port Operations Manager expressed his concern that Shetland would get lost in the BPA stand and said that in order to promote landing in Shetland it was important to keep a Shetland stand, bringing in other local partners.

During discussions, Mrs I J Hawkins said it was difficult to know how the BPA stand would look and what personnel would be on it. She said that she would be inclined to have a Shetland stand with other Shetland agencies, such as Baker Tilly and NAFC Marine Centre, for this year to give the Board the opportunity to see how the BPA stand looks and operates.

Mr R C Nickerson said that he was not happy with the suggestion to share the BPA stand and said that PromoteShetland had just been set up. He explained that this scenario had arisen since Economic Development Unit stopped hosting the stand 3 years ago. He said that he did not wish to rush a decision without finding out more about the BPA stand. Mr Nickerson commented that a Shetland stand would also promote Shetland in general and added that having attended the exhibition in the past with KIMO it was important for Shetland to be represented. He said that he would be surprised if Scrabster did not have its own stand this year and he would be willing to raise this issue at the Development Committee meeting tomorrow.

Mrs E L Fullerton said that it would be taking a step backwards if Shetland shared a stand with all ports up and down the country. She said that whatever is promoted individually also promotes Shetland generally. She said that it was important to promote the Shetland Brand and that for this year there should be a Shetland stand with other partners rather than going blind into a shared stand with BPA.

Mr R S Henderson agreed with Mrs Fullerton and suggested that other partners may include the Malakoff, HNP, Ocean Kinetics and Williamsons of Scalloway. He said that more information should be produced in a leaflet form to promote all ports in Shetland including the new designated status for Cullivoe and landing facilities in Whalsay and Baltasound.

The Port Operations Manager said that it was a shame that Economic Development Unit had pulled away from organising this exhibition as they have the expertise in this area.

Following further consideration, Mr A T J Cooper moved that the Harbour Board agree to continue to exhibit Shetland at the Fishing Exhibition in Glasgow. That it seeks the Economic Development Unit's assistance and include Promote Shetland. The matter is to be raised at the Development Committee tomorrow. In the event that the costs falls to the Harbour Board, the Board agreed to meet the cost for one year, offsetting as much of the cost as possible by bringing in other agencies. Mrs I J Hawkins seconded.

02/10 **Exercise "Coast Watch", 16 September and AM only on 17 September 2010**

The Board noted a report by the Emergency Planning & Resilience Service, attached as Appendix 2.

The Emergency Planning and Resilience Officer introduced the report and advised that the last day of the exercise would bring forward the main burning issues in more detail. She advised that in previous exercises and with the Napoli incident in Dorset, the main issue to come out of that was communications. She advised that there had been not much communication before the Napoli was put ashore. The Emergency Planning and Resilience Officer highlighted the importance of staying in touch with individuals on a national basis in order to know what they are planning in such a situation.

The Emergency Planning and Resilience Officer said that the Service was forging links with national agencies and advised that the next planning meeting would be in February at which the MCA would attend.

Mr J H Henry said that communication was the key the problem and it appeared that there was a lack of communication between the ships and shore which was erratic when coming into anchor. Mr Henry added that ships were anchoring outwith the Lerwick Port Authority area. The Emergency Planning and Resilience Officer said that the Lerwick Port Authority was part of the planning process and the exercise and any issues would be identified.

Mr R C Nickerson thanked the Emergency Planning and Resilience Service for bringing the report to the Board. He said however that Members had delegated authority to the Council on this matter and that although it was good for the report to be presented to the Board, it should be reported to the Council also, as there were specific questions to be raised. Mr Nickerson said that the reason the Council asked for this exercise to be carried out was to address the tankers anchored off Gulberwick and questioned whether that was the brief for the exercise. The Emergency Planning and Resilience Officer and the Port Operations Manager confirmed that it was the brief. The Emergency Planning and Resilience Officer suggested that as Mr Nickerson had a number of questions, he may wish to attend the next planning meeting so that he could receive answers from those around the table. Mr Nickerson agreed to resend the questions to the Emergency Planning and Resilience Service and the Port Operations Manager.

In response to a query from the Executive Director – Infrastructure, the Emergency Planning and Resilience Officer advised that the Press were normally invited to all exercises, but their level of involvement had not yet been decided upon.

03/10 **Ports Project Monitoring Report**

The Board noted a report by the Harbour Master, attached as Appendix 3.

Tug Replacement Programme – RCM 2313

The Head of Ports and Harbours Operations advised that the naming ceremony was likely to take place on or near the arrival of the second tug.

Uyeasound – RCM 2314

The Head of Ports and Harbours Operations advised that there were one or two items on the snagging list to be complete. In response to a query from Mr R S Henderson, the Engineering Manager advised that the issue of light pollution had been resolved by realigning the lights, and no further complaints had been received in the last few months.

Walls – RCM 2316

A Gantt graph showing how the project will progress, will be sought from the Capital Programme Services, and reported to the Board next cycle. The Chairperson said that

he wanted to see the work being done and wanted to know that the budget was being spent in current year. He asked for a report, to the next cycle, on how the spend was being achieved.

Water Main, Scalloway – RCM 2315

The Engineering Manager said that with the progress made, it was hoped that a contractor would be in place by spring/early summer.

Navigational Aids – PCM 2104

Members were advised that the problem with the VTS internal telephone-switching device had been fixed, but one small issue was yet to be resolved.

The Board were advised that masts and towers in the harbour are inspected and certificated, however some were showing signs of age and a consultant had been asked to draft up a maintenance programme that could be incorporated into the rolling programme. The estimated cost would be approx £250,000. He said that the maintenance programme would be broken down into smaller works to be incorporated year on year. A report will be brought to the Harbour Board in the next cycle.

Sullom Voe Terminal Jetty Maintenance Contract

The Engineering Manager informed the Board of ongoing maintenance required on the four jetties and advised that he would be attending a meeting with BP on 26 January to discuss budgets and programmes.

Scalloway Dredging – RCM 2208

The Chairperson advised that if the project continued with the current design, it was anticipated that the cost would be well in excess of the budget. He said that consideration was being given to taking the design back in line with the budget. A report will be brought back to the Harbour Board.

Fetlar Breakwater GYC7214

The Board were advised that the Chairperson, Head of Ports and Harbours Operations and representatives from Capital Programme Services and Ferry Services would be meeting to discuss final design and layout. The Chairperson confirmed that ERDF funding had been secured again.

Projects Requiring Consideration

Administration Building, Sella Ness – the Engineering Manager advised that the building does not form part of the Building Services maintenance programme, however they were looking at the issues reported. He advised that a condition survey was being drawn up and a report would be presented to the Harbour Board when that was received.

Revenue Significant Maintenance in Other Areas

The Board thanked the Engineering Manager for the work done on the landing facility in Fair Isle and Mr R C Nickerson said that this was a valuable asset to the Island.

04/10 **Port Operations Report**

The Board noted a report by the Head of Port & Harbours Operations, attached as Appendix 4.

The Port Operations Manager explained the probable cause behind the incidents and advised that a member of staff now attends all transfers in order to monitor the process. He said that since the last report, there had been two or three transfers with no

problems. Mr R C Nickerson thanked the Ports and Harbours Operations staff for responding so quickly and said that it should be noted that the incidents were small.

The Port Operations Manager advised that the Sullom Voe Oil Spill Plan was approved for another 5 years and the Scalloway Plan had also been approved.

The Head of Ports and Harbours Operations advised that at paragraph 2.2.2, it should read “ten pilots” for Sullom Voe as one pilot had now retired.

The Chairperson referred to Walls and commented on the level of income from some areas and said that this should be looked into. He said that more landings should be encouraged at Symbister. Mr R S Henderson said that Symbister had no ice facility or fuel, therefore vessels would not land where the full service was not available. The Board discussed the resources provided for collecting dues and the use of part-time and retained staff. The Head of Ports and Harbours Operations explained that as there was a no growth policy in place for staff numbers and any income received would have to cover the cost of any full time harbour staff. Mr Henderson suggested that there was a need for a Harbour Master for Cullivoe and Baltasound.

The Chairperson said that there was a public perception that the Council made a lot of money from harbour dues but that was not always the case and there was a need to maximise income. In response to a request for a report on the piers and harbour masters, the Chairperson advised that it would form part of the overall restructuring report which would be presented to the Board in the summer.

Mr R C Nickerson referred to the post required in Fair Isle and the Head of Ports and Harbours Operations advised that the position would be re-advertised, in line with the Council's recruitment policy and it was hoped that staff from the new Bird Observatory might be suitable for this post. Mr R C Nickerson said that he would provide assistance where he could.

Mr R C Nickerson said that there had been significant income from the Ship to Ship Transfers and said that achieving a 6 figure sum was excellent.

05/10 **Revenue Monitoring**
Ports & Harbours Operations (April to October 2009)

The Board considered a report by the Head of Finance, attached as Appendix 5.

The Management Accountant briefly introduced the report, highlighting the main variances within the Ports and Harbours Operations budgets.

The Head of Ports and Harbours Operations and Ports Operations Manager advised that Ship to Ship transfers had offset the loss caused by the reduction in Schehallion throughput, which also meant that the tugs did not burn as much fuel. Members were advised that Schehallion was expected to bring oil through in Mid February.

In response to a query from Mr R C Nickerson, the Head of Ports and Harbours Operations advised that there was no budget in the current year for Ship-to-Ship (StS) transfers, however it would appear next year and that would put more onus on the Port to attract more StS business.

The Management Accountant confirmed to Mr Nickerson that back pay was a one off cost, but the issue had not been settled therefore the budget provision would be moved from this year into next year.

Mrs E L Fullerton queried the overtime overspend. The Head of Ports and Harbours Operations advised that the overspend was due to staff covering sickness and annual leave, and the only option available was to grant overtime. The Chairperson confirmed to Mrs Fullerton that her suggestion that there should be a pool of staff, would be addressed within the overall restructuring review. He advised that the Executive Director – Infrastructure would present an update report on the review, to the Special Harbour Board to be held on Wednesday 10 February 2010. The Head of Ports and Harbours Operations added that under the Single Status terms and conditions, overtime would be available to senior staff where it previously had not been. He said therefore that there would continue to be a need for an overtime budget.

The Board agreed that the topic for the next report would be agreed after the Special Harbour Board meeting.

The meeting concluded at 11.20am.

A T J Cooper
CHAIRPERSON