



Council

**Shetland
Islands**

MINUTE

‘A’ & ‘B’

**Harbour Board
Council Chamber, Town Hall, Lerwick
Thursday 2 June 2005 at 2.15 p.m.**

Present:

J G Simpson N McCracken
C Smith

Apologies:

I J Hawkins	J C Irvine
E J Knight	W A Ratter
G Johnston	J Smith
Capt D C Gray	W Tait

In Attendance (Officers):

J T Dickson, General Manager, Ports & Harbours Operations
R Moore, Deputy Port Operations Manager
S Summers, Administration Manager
L Adamson, Committee Officer
D Haswell, Committee Officer

After a period of 15 minutes had elapsed, the Committee Officer advised that the meeting was inquorate.

CHAIRPERSON



Shetland Islands Council

MINUTE

‘A’ & ‘B’

Reconvened Harbour Board
Council Chamber, Town Hall, Lerwick
Wednesday 8 June 2005 at 10.30 a.m.

Present:

J G Simpson J C Irvine
I J Hawkins D C Gray
J Smith W Tait

Apologies:

E J Knight W A Ratter
N McCracken C Smith

In Attendance (Officers):

J T Dickson, General Manager, Ports & Harbours Operations
D Haswell, Committee Officer

Chairperson:

Mr J G Simpson, Chairperson of the Board, presided.

Circular:

The circular calling the meeting was held as read.

Minutes:

The minute of meeting held on 14 April 2005, having been circulated, was confirmed.

In response to a query from a Member, the General Manager advised that there had been an informal presentation to the Council by the fishmeal plant operator on 18 May 2005 which had been first class. The General Manager said he had been impressed with the size of the company and added that they were very experienced in their field.

Members' Attendance at External Meetings

The Chairperson provided Members with a brief synopsis of his attendance at the following meetings:

North Atlantic Fish Fair, Faroe

The Piermaster, Scalloway had also attended the Fish Fair. The Chairperson said he had been very impressed by the Shetland stand and commended Neil

Harbour Board - Thursday 11 August 2005

Agenda Item No. (c) - Public Report

Henderson and Kevin Moreland of the Economic Development Unit for their work. The Shetland stand had been very busy and it had been a worthwhile exercise.

Fisheries Exhibition, Glasgow

Mrs I J Hawkins, the Piermaster, Scalloway and the Deputy Port Operations Manager had also attended the Exhibition. The Exhibition was a fraction of the size it used to be but there was still a lot of interest in the Shetland stand. It was unfortunate that there had not been any representatives from the North Atlantic Fisheries College (NAFC) at the Exhibition, neither had there been any literature on the NAFC, because there had been a number of enquiries about the College. However, the enquiries had since been passed on to the NAFC.

Mrs I J Hawkins said that there had also been a lot of interest about the new Fresh Catch factory at Scalloway and the potential for the future at Scalloway.

14/05

Ports Project Monitoring Report

The Board noted a report by the Deputy Port Operations Manager (Appendix 1).

The General Manager provided an update on various projects as follows:

Dock Symbister

Costs had now been received from Arch Henderson which were slightly higher than had been estimated. A submission would be made to the Scottish Executive to try and secure more funding and the issue would also be brought to the CPMT. Members would recall that Historic Scotland had also been involved in this project and Historic Scotland were insisting that stone was used under the waterline.

Dolphin at Symbister

This project was now complete.

Walls Pier

Some remedial work will commence on the fendering in August.

Extension to Sella Ness Pier, Sullom Voe

It was hoped that Planning Consent for this project would be obtained by the end of this year. The most important issue for this project was the Environmental Impact Assessment because Sullom Voe was designated as a Marine Special Area of Conservation. Work was progressing quite well since a firm site for the plant had been agreed. Hopefully, a full report on progress would be presented to the Harbour Board in September.

In response to a question from a Member in relation to the expansion that may take place in Scalloway and the dredging that may be required in order to accommodate bigger vessels in the Harbour, the General Manager advised that a minimum approach channel depth of 9.5m

opposite and to the west of the NAFC would be required. Consideration was being given to a channel of approximately 60m wide to cater for the largest craft concerned with the pelagic processing, the reefer vessels. Work on this issue was continuing and Officers were currently collating all background information so that a report detailing costs and options could be presented to Members. Although the Economic Development Unit had not yet received a Business Plan from Fresh Catch, the General Manager did not think this would be problematic because Fresh Catch was a very successful company.

15/05

Port Operations Report

The Board noted a report by the General Manager (Appendix 2).

The General Manager provided Members with a brief update on Port Operations and Members noted the information provided. It was noted that a tiny crack on the gangway at Jetty 2 had been discovered during a routine inspection but would be repaired as soon as possible.

The General Manager also provided Members with information on the coloured graphs that had been tabled at the meeting (Appendix 2A) and explained that the difference in actual and estimated vessels for February and March compared to other months was because Sullom Voe Terminal was receiving more than the anticipated number of ultra large crude carriers.

The General Manager continued to say that there was a lot of activity at Scalloway Pier at the moment in relation to Foinaven FPSO and this would continue for the next few weeks. He added that the Piermaster, Scalloway and the Deputy Port Operations Manager were very active with regard to marketing Scalloway.

Mrs I J Hawkins said it was pleasing to see the activity in Scalloway and, looking to the future, more dredging would have to be done to attract more business.

CHAIRPERSON



REPORT

To: Harbour Board **11 August 2005**
From: Deputy Port Operations Manager
Report No: P&H-12-05-F
Subject: Collection of Shellfish Dues

1 Introduction

- 1.1 This report is to bring to attention of the Board the current situation with regard to the collection of shellfish dues landed across Council piers and harbours.
- 1.2 This report only considers only the “wild” shellfish business and not the produce from fish / shellfish farms.

2 Link to Council Priorities

- 2.1 Ensuring we manage our financial resources so we can sustain the services we want to provide and help develop our economy are key Corporate Plan objectives (Organising Our Business)

3 Background

- 3.1 As part of the recent West Blackness redevelopment a storage shed was made available for the use of the fishermen at Scalloway on the new pier extension. Access to the shed was first granted September 2003.
- 3.2 The creel and shellfish fishermen are not using the fish market facilities at Scalloway. Shellfish are sold to the customer via an agent.
- 3.3 Previously the shellfish agent calculated the dues to the harbour passing on the charge to the fishermen. The agent was then invoiced by the harbour. However a new agent has taken over the majority of business some time ago and this method of collecting dues has ceased.

- 3.4 Meetings have been held with the shellfish agent and the fishermen to discuss the payment of dues as per the published harbour dues. The last meeting was on 27th July 2005 at Lerwick with the Shetland Fishermen's Association.

4 Present

- 4.1 At present local fishermen engaged in fishing for shellfish and crabs land their catch across council piers including Scalloway.
- 4.2 Present total value of shellfish and creel landings is estimated by the Shetland Fishermen's Association to be between £2 - £3million
- 4.3 At present many of these fishermen do not pay any landing fees as per the published harbours dues (reference "Scale D Rates on Goods") as listed in Appendix A.
- 4.4 The fishermen are unwilling or unable to pay the present rate. The fishermen have stated that, while willing to pay fees, the present level of dues is felt to be too high.
- 4.5 Some shellfish are not landed by boat but are either stored or traded on council owned piers. Normally the product is transported in by vehicle and no fees are collected. Lerwick Harbour Authority current charge is "£27.58 per day or part thereof for vehicles using Harbour Property to purchase shellfish".
- 4.6 Currently some Trust Piers charge approximately £50 per 6 months to allow the landing of shellfish.

5 Proposal

5.1 Charges / Dues

A system of an annual fee is levied in place of the current 2.5% charge.

- 5.1.1 The annual fee would be set at a rate that is both acceptable to the fishermen and the Council. This rate is likely to be low but would be an improvement from the present.
- 5.1.2 Payment of the fee would be demonstrated by the issuance of a "disc" that can be readily displayed and renewed either annually or bi-annually.
- 5.1.3 Payment of the fee would allow the small creel and shell fishermen to land their catch at any Council harbour or pier.
- 5.1.4 The 2.5% charge would remain for those fishermen that do not participate in the proposed annual charge.
- 5.1.5 Paragraph 8 (ii) of the current dues should remain.
- 5.1.6 Normal charges remain and apply to any product landed through the fish market and/or from the aquaculture industry.
- 5.1.7 The fee may include the annual harbour dues.

- 5.1.8 An agreed rate / charge would be set for those that do not land, by boat, their product at a council pier but, whose product is either stored or traded on council piers. The fee would be levied against the vehicle / haulier. Any such charge would need to be carefully administrated to avoid double charging for some fishermen.
- 5.1.9 The system has been suggested to the fishermen and received approval both from the local fishermen at Scalloway and at the Shetland Fishermen's Association.
- 5.1.10 The system should make "policing" the landing from the creel and shellfish fishermen easier and generate an income from the Councils piers and harbours.

6 Financial Implications

- 6.1 The annual budget for ledger code PRM2004407 is £30,000
- 6.2 The potential increase in the collection of fee income into ledger code PRM22004407 as a result of the proposed changes to the charging mechanism is expected to bring the actual revenues received up to a level that will reduce the shortfall in the approved budget.
- 6.3 There are no other financial implications arising from this report.

7 Policy and Delegated Authority

- 7.1 Harbour Board has full delegated authority for the oversight and decision making in respect of the management and operation of the Council's harbour undertakings in accordance with the overall Council policy, revenue budgets and the requirements of the Port Marine Safety Code, (min refs. 19/03, 70/03, 86/03).

8 Recommendations

- 8.1 I recommend to the Harbour Board that:
- 8.2 The Harbour Board accepts the need for change with reference to the collection of shellfish dues, and
- 8.3 Accept these proposals in principle, and
- 8.4 Request a further report on this matter for a final decision once negotiations have been concluded with the fishermen on the combined compounded dues and dues on shellfish.

Scalloway and Small Ports - Harbour Dues

VESSELS CALLING AT SCALLOWAY HARBOUR IN EXCESS OF 300 GROSS TONNAGE (INCLUSIVE OF PILOTAGE)

Per gross ton	£0.45
Passengers disembarking per person – (tourist traffic/passenger liners only)	£2.00

ANY OTHER VESSEL CALLING AT A COUNCIL PIER OR HARBOUR

Per gross ton	£0.38
Barges – Gross Tonnage by calculation or certificate	£0.38

Live Fish Carriers

Vessels carrying live fish can apply for an annual composite rate charge equivalent to 40 trips x gt rate.

Fish Feed Ships

Vessels regularly involved in the transport of salmon feed using SIC piers and harbours can apply for an annual composite rate charge equivalent to 40 trips x gt rate.

SALMON CAGES LAUNCHED AND FLOATING IN HARBOUR

Per 4 day period	
70 Metre Cage	£31.28
80 Metre Cage	£35.75
90 Metre Cage	£40.22
100 Metre Cage and over	£44.69
MINIMUM CHARGE PER ENTRY AND STAY	£6.10
Passengers disembarking per person – (tourist traffic/passenger liners only)	£2.00

SCALE B – COMPOUNDED ADVANCE ANNUAL CHARGES COVERING USE OF ALL COUNCIL PIERS AND HARBOURS

1. A seasonal compound annual fee, payable in advance, will be charged for each pleasure craft berthed within a Harbour area, but not within an established Marina.

The following seasonal fee covers 1st April to 30th September inclusive:

(a) Exceeding 15m overall length	£83.19
(b) Exceeding 10m and up to 15m	£61.01
(c) Up to 10m	£38.82

Charge per calendar month between 1st October and 31st March inclusive, in addition to section 1 above:

(a) Exceeding 15m overall length	£20.81
(b) Exceeding 10m and up to 15m	£15.25

(c) Up to 10m	£9.72
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For UK registered fishing vessels and salmon farm tenders:

(a) Up to and including 8m overall length	£24.54
(b) In excess of 8m overall length, per metre or part of overall length	£17.32
Vessels regularly providing services within a Council harbour (over 8 metres overall length) – per gross ton	£27.46

GOODS DUES

Conditions:

8. (i) Goods dues shall apply to all goods discharged or loaded over one of the Council's piers or handled in the fish market, or to any transfer of goods from craft to craft, craft to shore and from shore to craft which takes place within the limits of a Council harbour but which does not involve the use of a pier except as in (ii) below. Goods dues SHALL NOT apply to goods carried on scheduled ferry services operated or subsidised by the Council. Goods dues SHALL NOT apply in respect of oil or gas loaded into tankers over the oil jetties in Sullom Voe.

(ii) Salmon Farmers and Shellfish Farmers operating within or serviced from a harbour area but not making use of a Council pier or landing place are required to pay a due of £124.23 annually. Where a Council pier or landing place is used, the full tariff is applicable.

SCALE C – RATES ON FISHING GEAR

Vessels storing nets on any pier, outwith designated net mending areas.

Per net per day	£29.28
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However, where nets are stored in bins as provided by the Council the following bin rates apply:

Per Glass Fibre Bin per annum	£106.15
Per Small Metal Bin (1.925m x 1.925m) per annum	£231.86
Per Large Metal Bin (1.925m x 2.60m) per annum	£262.48

The above rates are inclusive of insurance and shall be applied to pro rata on a daily basis as appropriate.

Where insufficient bins are available to meet demand, charges are abated for nets left in the designated storage areas to those applicable to a large metal storage bin during the period until a bin is available.

Charge for the use of designated net mending area where not paying compounded dues or landing dues on that visit - £62.42 per net for the first seven days, thereafter the rates for use of hardstanding areas will apply.

Where excessive waste net materials are left behind after use of the net mending area vessels will be charged for collection and disposal of the materials.

Minimum charge per hour	£26.93
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SCALE D – RATES ON GOODS

Fresh fish and shellfish - per £1.00 value	£0.025
Farmed fish and farmed shellfish - per £1.00 value	£0.005
Any fish or shellfish landed outwith a Council pier and stored in the fishmarket - per £1.00 value	£0.025

Fishermen, vessel owners and agents are advised that if the value of fish consigned through a Shetland Islands Council port is not declared within 1 calendar of landing, a charge of £2.50 per box will be levied in lieu of the published dues.

Tractors, lorries, machinery and motor cars (any goods which they might be carrying will be charged separately in accordance with the table of dues) – per tonne	£5.62
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Bulk Materials:

Aggregates both coarse and fine, fertilisers, boulders and cement/sand – per tonne (bulk includes carriage in flexible intermediate bulk containers – FIBC's)	£0.13
Salmon Feed – per tonne	£1.12
Salmon Nets (from/to cages) per net	£17.08
Water – per tonne	£1.46
Any other goods not specified above – per tonne	£1.46
Minimum charge on any one item	£6.10

Electricity – when electricity is provided by SIC a minimum charge of £11.85 for connection is levied in addition to the recharge of units used.

SCALE E – RATED FOR USE OF HARD STANDING AREA

Short Term – per square metre per day	£0.14
Long Term (min. 120 days) per square metre per day	£0.05

However, to avoid any delay to the ship when bulk cargo is being handled e.g. sand, aggregate, limestone, etc, the consignee/shipper shall be assigned an area of the quay for stock piling purposes at the rate of 400m² per 1000 tonnes. The shipper shall be responsible for clearing up the designated area after the total cargo has been shipped. One week (7 days) per cargo will be allowed free of hard-standing storage fees. Any cargo remaining after one week will attract hardstanding storage dues at the above rate.

SALMON CAGES UNDER CONSTRUCTION

Storage of parts before construction commences – as hard standing rate above.

Whilst construction takes place - £53.84 per day plus hard standing charges for parts.

Charges for building aquaculture cages in harbour waters will be based on the area times an assumed GROSS TONNAGE. Therefore charges will be levied as per Scale A plus hard standing charge for parts.

CHARGES FOR HARBOUR CRAFT AND PLANT

9. A daily hire rate of any of the following plant can be negotiated at time of hire.

*Hire of Scalloway Harbour Launch per hour or part thereof	£65.58
*Hire of power washers per hour or part thereof	£14.05

*These items are based at Scalloway Harbour.

**SCALLOWAY HARBOUR AREA SCHEDULE OF PILOTAGE CHARGES
(PILOTAGE ACT 1987) EFFECTIVE FROM 1ST APRIL 2005**

1. The following charge is payable for piloting a vessel less than 300 Gross Tonnage inwards or outwards in the Pilotage District to or from either an anchorage, buoy or berth and for each piloted movement within the harbour:

Per act of pilotage	£27.18
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2. Vessels in excess of 300 Gross Tonnage entering Scalloway Harbour shall pay the following charge, which is a proportion of a composite harbour charge levied on all such vessels:

Per gross ton	£0.07
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3. A charge of £24.95 per hour or part thereof shall be applicable in the following cases:

(i) when a pilot is requested for the departure, shifting or arrival of a vessel and the vessel fails to move or arrive within one hour of the stated time of departure, shift or arrival;

(ii) when a pilot is requested and the request is cancelled after the pilot has set out to undertake pilotage, and

(iii) for detention aboard ship of a pilot by request of the Master, Owner or Agent and no pilotage service is being rendered.

4. Vessels that are being towed by a vessel under pilotage and any vessel being led within the Pilotage District by a vessel which is under pilotage shall pay pilotage dues as if the pilot were on board.

5. Marine Officers of the Shetland Islands Council undergoing training may from time to time accompany the licensed pilot but such trainees shall not be considered to be assistants to the pilot and no extra charge shall accrue to any vessel in respect of such trainees.

6. An International Tonnage Certificate (1969) shall be produced to the Harbourmaster.

7. In calculating charges a fraction of a gross ton shall be reckoned as one gross ton.

8. Special rates are applicable for the performance of duties outside those normally associated with pilotage and these are available on request from the General Manager - Ports and Harbours Operations.

SCALLOWAY HARBOUR AREA SCHEDULE OF BOARDING AND LANDING CHARGES (PILOTAGE ACT 1987) EFFECTIVE FROM 1ST APRIL 2005

1. For each act of pilotage undertaken every vessel shall pay a boarding fee or a landing fee of:

£65.58 per hour or part thereof for use of the pilot cutter plus, outside normal working hours, there shall be an additional charge for labour involved. Rates available on application.

2. If the pilot launch is detained by virtue of any of the circumstances in paragraph three of the scale of charges for pilotage a charge shall apply as follows:

For each hour or part thereof	£65.58
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3. An International Tonnage Certificate (1969) shall be produced to the Harbourmaster.

4. In calculating charges a fraction of a gross ton shall be reckoned as one gross ton.



REPORT

To: Harbour Board **11 August 2005**

From: Deputy Port Operations Manager

Report No: P&H-11-05-F

Subject: Ports Project Monitoring Report

2 Introduction

- 1.1 The most up to date information on all projects is incorporated in this report.
- 1.2 Budget Information is attached as Appendix A.

2 Reserve Fund Programme Areas

- 2.1 Dock Symbister – RCM 2309
The project was delayed to financial year 2005/6. A revised estimate has been received from Henderson's. Currently awaiting final approval on the work to be done from Historic Scotland.

3 Harbour Account

- 3.1 Plant, Vehicles and Equipment – PCM 2101
New vehicles purchased. Budget will be fully utilised this year.
- 3.2 Navigational Aids, Sullom Voe – PCM 2104
 - 3.2.1 Consultants have carried out a survey of the VHF radio systems at Sullom Voe VTS and their report complete with recommendations is due to be received shortly. If received, a verbal report will be given to the Harbour Board at this meeting.
 - 3.2.2 The AIS receiver and display has been installed at the Scalloway harbour office.
 - 3.2.3 All budget will be spent by the year end.

3.3 Dolphin at Symbister – PCM 2127

Mooring lines have now been received and fitted. Handrails, safety barriers on horizontal legs to the dolphin, bollard and tide board all to be fitted shortly.

4 Revenue Projects

4.1 Sullom Voe Terminal Maintenance Contract

Contract awarded to Malakoff Ltd. Year 1 of 3 completes September 2005.

6 Other Business

6.1 Walls Pier

No change. Awaiting decision from Infrastructure services regarding Papa Stour ferry service.

5.2 Extension to Sella Ness pier, Sullom Voe

5.2.1 Seabed survey contract has been placed and is scheduled to commence week beginning 22 August.

5.2.2 Work on the design of, and the environmental impact study for, the fish meal/oil facility continues to progress to schedule with a view to planning application submission by 1st November 2005.

6 Financial Implications

6.1 There are no financial implications as a result of this report.

7 Policy and Delegated Authority

6.1 Harbour Board has full delegated authority for the oversight and decision making in respect of the management and operation of the Council's harbour undertakings in accordance with the overall Council policy, revenue budgets and the requirements of the Port Marine Safety Code, (min refs. 19/03, 70/03, 86/03). However, this report is for information only and there are no Policy and Delegated Authority issues to be addressed.

7 Recommendations

8.1 I recommend that the Harbour Board note areas of progress and requirements for future projects.

Harbour Board - Thursday 11 August 2005
Agenda Item No. 02 - Public Report

Our Ref: MA5 RM/MGH

25 July 2005



REPORT

To: Harbour Board 11 August 2005

From: General Manager

Report No: P&H-13-05-F

Subject: Port Operations Report

1 Introduction

- 1.1 This report provides an overview of port operations since the issue of the last Port Operations Report.

2 Pilotage

2.1 Sullom Voe

- 2.1.1 Since the issue of the last Port Operations Report, pilotage operations have been mainly routine with no major incidents.

- 2.1.2 There are, at present, fifteen first class pilots.

2.2 Scalloway

- 2.2.1 During May / June there were 6 acts of Pilotage.

- 2.2.2 There are three authorised pilots for Scalloway.

- 2.2.3 Since the last report, there have been no incidents, no reports of pilot gear failures and no problems with boarding and landing.

- 2.2.4 Details of ship visits to Scalloway are shown in Appendix A. Up to date figures will be provided to the next meeting.

2.3 Small Piers and Harbours

- 2.3.1 Appendix B shows the current actual income for small piers and harbours.

3 Staffing – Port Operations

- 3.1 Appendix C gives the staffing position as at 30 June 2005 showing a total of 91 staff.

4 Port Operations

4.1 Sullom Voe

- 4.1.1 Appendix D shows the exports and imports at the Port of Sullom Voe.
- 4.1.2 Appendix E is an abstract of weather delays for May / June and the cumulative totals for 2005.
- 4.1.3 A satisfactory annual audit of the Sullom Voe Harbour Authority Safety Management System was completed by DNV on 6 July 2005. Two minor non-conformances were reported and will be acted upon within the target time.
- 4.1.4 Following the terrorist attacks in London on 7 July 2005 Sullom Voe Terminal increased its Security Level but reverted to Level 1 the following day. Advice from the Department for Transport at the time, and repeated after the incidents on 21 July 2005, was that there were no indications that the Security Level should be raised.

4.2 Scalloway

- 4.2.1 Appendix F shows the fish landing statistics for Scalloway.
- 4.2.2 Appendix G shows the cargo statistics for Scalloway.
- 4.2.3 Appendix H shows the summary management accounts for Scalloway.
- 4.2.4 In accordance with the advice from the Department for Transport the Security Level at Scalloway has remained at Security Level 1.

4.3 Small Piers and Harbours

- 4.3.1 Appendix I shows the summary management accounts for other small piers and harbours.

5 Shipping Standards

The following incidents have occurred since the last report.

5.1 Ship Incidents

On 9 June 2005 the tug Stanechakker had a total loss of power whilst approaching the bow of SCF Khibiny in preparation for the sailing of that vessel from Jetty 1. There was slight damage to tug fendering, no apparent damage to vessel. The fault was traced to a problem with the electrical switchboard, which has since been rectified.

5.2 Pollution Incidents

5.2.1 There were no pollution incidents during this period.

6 Financial Implications

6.1 There are no financial implications arising from this report.

7 Policy and Delegated Authority

7.1 The Harbour Board has full delegated authority for oversight and decision making in respect of the management and operation of the Council's harbour undertaking in accordance with overall Council policy and the requirements of the Port Marine Safety Code (Minute References 19/03, 70/03 and 86/03). The purpose of this report is to inform members on port operations which fall within the responsibility of the General Manager of Ports & Harbours Operations and does not seek any decision. However, this report is for information only and there are no Policy and Delegated Authority issues to address.

8 Recommendation

8.1 This report is for noting.