

# MINUTE

# B

## Harbour Board

Council Chamber, Town Hall, Lerwick

Thursday 26 January 2012 at 2pm

### Present:

L Boswell	A T J Cooper
A T Doull	R S Henderson
J H Henry	F A Robertson
D A Sandison	C Smith
J Tait	

### Apologies:

E L Fullerton	R C Nickerson
A Polson	

### In Attendance:

P Crossland, Director - Infrastructure Services  
R Moore, Head of Ports & Harbours Operations/Harbour Master  
J Riise, Head of Legal & Administration  
R Sinclair, Executive Manager - Capital Programmes  
A Inkster, Engineering Manager, Ports  
B Robb, Management Accountant  
S Summers, Administration Manager  
B Sclater, Acting Harbour Master  
L Gair, Committee Officer

### Also in Attendance:

A Spence  
C H J Miller

### Chair

Mr R S Henderson, Chair, presided.

### Circular

The circular calling the meeting was held as read.

The Chair welcomed Mr Spence, Manager of Sullom Voe Terminal, to the Board and advised Members that Mr Spence would be an adviser to the Board until his position as a Member had been confirmed at the Council meeting on 8 February 2012.

## Declarations of Interest

None.

### 01/12 Minutes

The minutes of the Harbour Board meeting held on 17 November 2011 were confirmed on the motion of Mr Tait, seconded by Mr Cooper.

### 02/12 Port Projects

A report by the Harbour Master (Report No: P&H-02-12-F) provided information on issues pertaining to the projects relating to Ports and Harbours Operations and the Planning, Performance Management Framework.

#### Scalloway Harbour – RCM 2208

The Executive Manager - Ports and Harbours Operations explained that the project had been divided into segments and work on the Channel did not re-commence until after the Contractor returned from a planned period in Norway. He said that leaving the Channel until they returned allowed the port to guarantee the vessel working on the Foinhavn anchor chain programme access to the port. He said that the contractor was now working on the Channel and advised that the anticipated finished depth would be not less than 8.7m with an expected completion by the end of February/beginning of March.

The Executive Manager - Capital Programming confirmed that the Crown Estate negotiations were complete.

#### Walls Pier – RCM 2316

Members were advised that following negotiations with the second lowest tenderer, the contract had been re-advertised and expressions of interest were being sought. Members noted an indicative timescale with a new contractor expected on site in April 2012. Members expressed their disappointment in the outcome of the original contract and urged officers to ensure that the contractors invited to tender have a proven track record.

Members were assured that calculations had been carried out on the outstanding work on the Walls Pier and the Executive Manager - Capital Programming advised that the budget was still realistic.

Members commented on the work carried out under the previous contract and the Board were advised that there was concern within the community that the existing pier structure had been undermined as a result of work carried out by the contractor. Concern was expressed regarding the possibility of a weight restriction being imposed and the impact this would have on the imminent mussel harvest. Officers agreed to undertake a survey of the existing pier in early course. In response to a question regarding the possibility of making a claim against the previous contractor, Members were advised that this was commercially sensitive information could only be discussed in private. The Board agreed and this would be raised in the private section of the meeting.

#### **Decision:**

The Board **NOTED** the contents of the report and areas of progress on all Ports projects.

#### 03/12 All Energy 2012

The Board considered a report by the Harbour Master (P&H-03-12-F) that sought endorsement for Officer's to attend the All Energy Event following the successful participation in last year's event.

Members discussed the need to ensure that the correct Officers were chosen to attend the event and it was agreed that these individuals should receive training on how to man the stand in order to get the maximum benefit from attending the event.

The Board also agreed that a political presence would be valuable, and Mr Henderson was put forward as the representative that should attend. However it was noted that the event would take place on the same day as the Council's Statutory Meeting. The Executive Manager - Governance and Law said that the arrangements could be flexible enough to allow attendance by Mr Henderson, or a substitute if necessary, as a returning Councillor or as a consultant. The Board concurred.

Mr Cooper moved that the Board approve the recommendation contained within the report with the addition that training be provided to attendees and that Mr Henderson attend, in the terms suggested by the Executive Manager – Governance and Law. Mr Robertson seconded.

**Decision:**

The Board **RESOLVED** to endorse the Harbour Master's decision for Ports and Harbours to exhibit at the All Energy Event in Aberdeen in May 2012 with training being provided to attendants prior to the event; and

The Board further **RESOLVED** that Mr R S Henderson, or an appropriate substitute, be permitted to attend on behalf of the Council whether as a returning Member of the Council or as an Ex Councillor on a consultancy basis.

**04/12 Development and Marketing of Council's Ports and Harbours**

The Board noted a report by the Harbour Master (P&H-01-12-F), which presented proposals for the development and marketing of the Council's ports and harbours facilities.

During discussions, Members questioned whether the specialist expertise existed within the Council and a Member took the view that this role had to be outsourced in order to bring in new business from the UK and abroad.

However Members were advised that the staff member identified for this work had international skills and experience across all sectors of development and would have a keen interest and ability in this work. In addition the individual had proven skills and a rapport and respect within local industry. It was acknowledged that once the role was set up, the individual would be able to determine if specialist input was necessary and under delegated authority the Director of Development would be able to source that.

Members also expressed concern about the impact this would have on other development activities if the member of staff were directed onto Ports and Harbours work for 50% of the time. The Board were advised that this would have an impact but the Director of Development was supportive of the proposals and this option encompassed the Council's objective for working in a corporate, cross departmental way.

A Member suggested that Officers make contact with the Lerwick Port Authority (LPA) to establish whether there is the potential for joint working to maximise the potential for both ports. The Board were advised that this had been done before but agreed that this was worth revisiting.

Mr Cooper moved that the Board approve the recommendation contained within the report, Mr Robertson seconded.

**Decision:**

The Board **RESOLVED** to:-

- Approve Option 3 with the addition that should any suitably displaced staff be identified they are seconded to the project; and
- Instruct Officers to review the progress made and report back to the Board within one year's time at which the Board will consider further options for future development and marketing.

05/12 **Management Accounts for Harbour Board – Harbour Master and Port Operations: April – Sept 2011**

The Board considered a report by the Head of Finance (F-002-F), which allowed for the monitoring of the financial performance of services within the Board's remit, on the revenue and capital accounts, in order to determine that the expenditure levels and income generated would be delivered within the approved budget for the year.

The Board unanimously approve the recommendations contained within the report.

**Decision:**

The Board **RESOLVED** to:-

- Review the Revenue Management Accounts, from 1 April 2011 – 30 September 2011
- Review the Capital Management Accounts, from 1 April 2011 – 30 September 2011
- Review the progress on ensuring that the budgeted return to Reserves is achieved in the current financial year.

06/12 **Harbour Master's Report**

The Board considered a report by the Harbour Master (P&H-04-12-F), which briefed and informed of the professional concerns and current status as seen by the Harbour Master.

The Executive Manager - Ports and Harbours Operations introduced the main terms of the report and responded to Members questions. He explained that the Council currently has three separate Safety Management Systems (SMS) namely: Sullom Voe Harbour Authority SMS, Scalloway and Small Ports SMS and a Towage SMS. He advised that following changes in the harbour's activities, changes to the harbour operation and to prepare for potential activities such as decommissioning, marine renewables, it was an appropriate time to review the Sullom Voe Harbour Authority SMS.

Mr Spence advised that he as Manager of the Sullom Voe Terminal supported the Executive Manager - Ports and Harbours Operations in carrying out this risk assessment, as it is key to ensuring that the port remains compliant.

The Executive Manager - Ports and Harbours Operations referred to paragraph 2.1.3 of the report and confirmed to the Board that the additional resources to be identified for Scalloway would be from within the service from efficiencies and at no additional cost to the Harbour Account. He said that this would be undertaken in

line with Council policy, involving the appropriate departments and committees of the Council.

Mr Robertson moved that the Board approve the recommendations contained within the report, Mr Cooper seconded.

**Decision:**

The Board **RESOLVED** to:-

- Agree the Harbour Master's decision to tender for appropriate external assistance in undertaking a major review and updating of the Safety Management System and Formal Risk Assessment;
- Note that the Harbour Master and Director were reviewing the operation of the pilot launch service; and
- Agree the Harbour Master's decision to identify suitable additional resources to ensure the 24/7, 365 day operation of Scalloway.

**In order to avoid the disclosure of exempt information, Mr Henderson moved, and Mr Cooper seconded, to exclude the public in terms of the relevant legislation during consideration of agenda item 6.**

07/12 **Walls Pier – RCM 2316**

The Board **NOTED** information from Officers on the legal position regarding the Walls Pier Contract.

The Board acknowledged the need for a survey in early course to determine the condition of the existing pier's structure and assess whether the recent works to the new pier has undermined the pillars.

The Board **RESOLVED** to instruct Officers to carry out a survey of the existing pier.

08/12 **Towage Incident December 2011**

The Board **NOTED** a verbal briefing on the Towage Incident that occurred in December 2011 and the current position regarding the M.V. Bonxie and M.V. Solan.

The meeting concluded at 4.10pm.

Chair