

**Harbour Board****30 May 2013****2012/13 Pilotage Accounts****F-029-F****Report Presented by Executive Manager -
Finance****Corporate Services****1.0 Summary**

- 1.1 The purpose of this report is to present the 2012/13 Pilotage Accounts in compliance with Section 14 of the Pilotage Act 1987.

2.0 Decision Required

- 2.1 That the Harbour Board RESOLVE to review the 2012/13 Pilotage Accounts.

3.0 Detail

- 3.1 There is a requirement to prepare annual accounts relating to pilotage under Section 14 of the Pilotage Act 1987.
- 3.2 The details of what must be included in these accounts is set out in regulations (The Statutory Harbour Undertakings (Pilotage Accounts) (Regulations) 1988, SI 1988/2216).

The accounts must show the details of:

- revenue from pilotage charges and details of the use of pilotage exemption certificates; and
 - total expenditure incurred in providing the service of a pilot, providing, maintaining and operating any pilot boats and administrative or other associated costs.
- 3.3 These accounts must be available for inspection by the public at the harbour authority's offices. Members of the public shall be able to buy a copy for a reasonable fee.
- 3.4 The Council is also under a duty to keep accounts in respect of the "harbour undertaking" in accordance with section 65 of the Zetland County Council Act 1974, (ZCC Act). Pilotage is part of the harbour

undertaking and as such should be also part of those accounts. Any surplus on the harbour undertaking is credited to the Reserve Fund set up under Section 67 of the ZCC Act.

3.5 The 2012/13 Pilotage Accounts are attached as Appendix 1.

4.0 Implications

Strategic

4.1 Delivery On Corporate Priorities

There is a specific objective within the Corporate Improvement Action Plan to ensure that, "the Council has established a rigorous process to ensure that its use of resources is on a footing consistent with implementing and sustaining its financial strategy, and demonstrate that it delivers services in a way which achieves Best Value".

4.2 Community /Stakeholder Issues – None.

4.3 Policy And/Or Delegated Authority

Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Board may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council; more specifically referred to in paragraph 2.7.

4.4 Risk Management – Failure to review the Pilotage Accounts would place the Council in breach of its legal duties.

4.5 Equalities, Health And Human Rights – None.

4.6 Environmental – None.

Resources

4.7 Financial

4.7.1 The net cost of the Pilotage Service in 2012/13 was £0.238m.

4.7.2 This is a reduction in expenditure of £0.147m against the net annual budget of £0.385m and relates to hired & contracted services, training and management support costs.

4.8 Legal – The Council has statutory obligations to keep separate accounts in respect of the harbour undertaking and also separate pilotage accounts. Section 3(1) of the ZCC Act states that the harbour undertaking means "the harbour undertaking for the time being of the Council authorised by this Act". This means that the harbour undertaking must be considered only in terms of what the Council is authorised or duty bound to do under the ZCC Act. Pilotage is part of the harbour undertaking and income and expenditure is accounted for accordingly.

4.9 Human Resources – None.

4.10 Assets And Property – None.

5.0 Conclusions

- 5.1 This report presents the 2012/13 Pilotage Accounts to the Board for review.

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List of Appendices

Appendix 1 – 2012/13 Pilotage Accounts

Background documents:

None

END

2012/13 Pilotage Accounts

F-029 - Appendix 1

	Sullom Voe		Scalloway		Overall Pilotage Account		
	Annual Budget	Actual Outturn £	Annual Budget £	Actual Outturn £	Annual Budget £	Actual Outturn £	Variance (Adv)/ Fav
Charges in respect of :							
Boarding & Landing	-390,322	-378,874	-7,000	-11,780	-397,322	-390,654	(6,667)
Pilotage Services provided as authorised by section 10(1) of the Pilotage Act 1987	-798,329	-813,567	-15,000	-25,812	-813,329	-839,379	26,050
Use of PEC issued as authorised by section 10(3) of the Pilotage Act 1987	0	0	0	0	0	0	0
TOTAL INCOME	-1,188,651	-1,192,441	-22,000	-37,593	-1,210,651	-1,230,033	19,383
Employee Costs:							
Boarding & Landing	462,925	445,253	2,208	2,021	465,133	447,275	17,859
Pilotage	641,378	659,430	19,453	15,135	660,831	674,564	(13,734)
Total Employee Costs	1,104,303	1,104,683	21,661	17,156	1,125,964	1,121,839	4,125
Supplies & Services							
Boarding & Landing	4,616	3,583	16	10	4,632	3,593	1,039
Pilotage	6,150	3,382	95	110	6,245	3,492	2,752
Total Supplies & Services	10,766	6,965	111	120	10,877	7,085	3,792
Transport & Mobile Plant:							
Boarding & Landing	161,712	118,912	10,532	5,894	172,243	124,806	47,437
Pilotage	12,700	6,488	784	809	13,484	7,297	6,187
Total Transport & Mobile Plant	174,412	125,399	11,316	6,704	185,727	132,103	53,624
Property & Fixed Plant:							
Boarding & Landing	4,728	4,563	0	0	4,728	4,563	165
Pilotage	0	0	0	0	0	0	0
Total Property & Fixed Plant	4,728	4,563	0	0	4,728	4,563	165
Meeeting Liabilities under Part III of the Act	0	0	0	0	0	0	0
Administration and other costs not included above in respect of pilotage functions:							
Boarding & Landing	148,191	116,963	6,444	26,846	154,635	143,809	10,826
Pilotage	113,384	57,908	105	718	113,489	58,626	54,863
Total Admin and Other Costs	261,575	174,871	6,549	27,564	268,124	202,436	65,689
TOTAL EXPENDITURE	1,555,783	1,416,481	39,637	51,544	1,595,420	1,468,025	127,395
NET TOTAL COST OF PILOTAGE	367,132	224,040	17,637	13,952	384,770	237,992	146,777

**Harbour Board****30 May 2013****Infrastructure Services Quarter 4 Performance Overview****P&H-18-13F****Report Presented by Director of
Infrastructure Services****Infrastructure Services Department
/ Directorate****1.0 Summary**

- 1.1 This report summarises the activity and performance of the Infrastructure Services Department as it pertains to the functional responsibilities of the Harbour Board for the fourth and final quarter of 2012/13 against the objectives and actions in the Infrastructure Services Directorate Plan endorsed by the Environment and Transport Committee on 6 June 2012 (Min Ref: 11/12) and the Harbour Board on the 27 June 2012 (Min Ref 18/12).

2.0 Decisions Required

- 2.1 Members are requested to discuss the contents of this report and comment on progress against objectives and outcomes to inform activity for the new financial year and to inform the planning process for the current and future years.

3.0 Directorate Plan Objectives and Actions

- 3.1 The Harbour Board endorsed the Infrastructure Services Directorate Plan on 27 June 2012. The Council's Planning and Performance Management Framework and the Council's constitutional arrangements require periodic reporting of activity and performance to functional committees.
- 3.2 The Infrastructure Services Directorate Plan identified 39 Directorate wide objectives. Appendix 1 details the progress made towards these objectives during the financial year 2012/13.
- 3.3 The Infrastructure Services Directorate Plan identified 21 service actions for improvement, operational service delivery, budget savings and risk management in a comprehensive action plan for the Ports and Harbours service within the Infrastructure Services Directorate as part

of the service planning process for 2012/13; the overall performance of the Service against these actions is that 95% of actions are currently on track and classified as Green or Amber and 5% are classified as Red and are “off track” as detailed below:

Service	Number of Actions	RAG Rating	Q1	%	Q2	%	Q3	%	Q4	%
Ports and Harbours Service Action Plan	21	Green	14	67%	12	57%	10	48%	12	57%
		Amber	1	5%	8	38%	8	38%	8	38%
		Red	6	28%	1	5%	3	14%	1	5%

- 3.4 This represents an improvement from the previous quarter when 14% were categorised as off track. Details of the 1 action categorised as RED which pertain to the functional responsibility of the Harbour Board are given in appendix 2 together with the corrective actions which are proposed to bring these actions back on track.

4.0 Performance Indicators

- 4.1. The Infrastructure Services Directorate Plan included an ongoing commitment to develop performance indicators for both the Directorate and the service action plans. Appendix 3 details both the “corporate health” indicators for the Directorate and service specific indicators for the Service.

5.0 Financial Outturn Position

Revenue Expenditure

- 5.1. A detailed outturn report will be presented in due course, however the following paragraphs summarise the provisional outturn position for the Harbour Account.
- 5.2. At the end of the year the Harbour Account made an additional £360k (12%) above its annual budget requirement of £3m, resulting in a trading surplus of £3.4m. These figures include the £2m pension liability payment in relation to the Shetland Towage employees. This represents a £2m improvement on the quarter 3 projected outturn position of a £1.4m trading surplus.
- 5.3. This very positive change in position between quarter 3 and outturn is mainly due to underspending and increased income across all harbour areas including:

Sullom Voe - reduction in throughput shipping dues of £1m offset by underspending on training, new tug financing, management support recharges and vessel hired & contracted costs and increased income on compounded annual dues, storage charges, site rent and harbour agreement throughput charges;

Scalloway - increased income on commercial shipping period dues, pilotage dues, fish landing dues, wharfage charges, fishing pleasure craft dues and lease income;

Other Piers - increased income on salmon landing dues.

Capital Expenditure

- 5.4. At the end of Quarter 4 the Harbour Account capital spend was £1.1m (69%) from a revised annual budget of £1.6 m.

6.0 Implications

Strategic

- 6.1. Delivery On Corporate Priorities – Effective Planning and Performance Management are key features of the Councils Improvement Plan and part of the “Organising our Business” priority in the Council’s Improvement Plan.

- 6.2. Community /Stakeholder Issues – NONE

- 6.3. Policy And/Or Delegated Authority –

The Councils Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;

“Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –

(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.

(b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus.”

- 6.4. Risk Management – Embedding a culture of continuous improvement and customer focus are key aspects of the Council’s improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to further negative external scrutiny.

- 6.5. Equalities, Health And Human Rights – NONE

- 6.6. Environmental – NONE

Resources

- 6.7. Financial – The actions, measures and risk management described in this report have been delivered within existing approved budgets.

6.8. Legal – NONE

6.9. Human Resources - NONE

6.10. Assets And Property – NONE

7.0 Conclusions

7.1. The report demonstrates good progress against the priorities identified in the 2012/13 Infrastructure Services Directorate Plan in delivering 96% of the actions identified at the beginning of the year and also demonstrates an improvement in the performance of the Directorate from one quarter to the next. For actions that are rated as Red or Amber corrective action has been or will be taken. Officers have worked hard to identify and deliver additional savings, both one off and recurring that have been made to offset the identified potential overspend at earlier points in the year to effectively deliver Departmental budgets to within 2% of that budgeted at the beginning of the year.

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21 May 2013

List of Appendices

Appendix 1 – Directorate Objectives

Appendix 2 - Off Target Actions and Corrective Action

Appendix 3 - Monthly Performance Indicator Results (where available)

Appendix 1 Infrastructure Services Directorate Plan Objectives

Customer relations:	Target	Progress
<ul style="list-style-type: none"> We will improve our customer relationships by reviewing our existing customer intelligence and feedback processes and develop user friendly feedback forms/methods. Executive Managers will evidence how we have acted on the feedback to improve our services so we can implement service improvements. 	Ongoing	Building and Transport Operations have implemented an electronic customer feedback on all works carried and completed.
Other partners:		
<ul style="list-style-type: none"> We will improve our relationship with Community Councils and other partners by engaging in face to face dialogue about Infrastructure Services in particular and rest of the Council in general. We will be clear about our roles and what we can and can't do. We will respond positively to invitations to meetings/site visits or other opportunities. We will identify issues early to engage before a problem arises. We will ensure issues identified are passed on the next working day and response provided before their next scheduled meeting keeping the informer in the loop. 	Ongoing	<p>Infrastructure Services staff attended 14 consultation events in June / July 2012 as part of Infrastructure Services Review consultation. Staff have also attended Community Council meetings when requested.</p> <p>A comprehensive community and stakeholder consultation exercise was undertaken in November as part of the Inter Island Ferries Review</p>
<ul style="list-style-type: none"> We will prepare an engaging programme of induction for the new Councillors. 	May 2012	Infrastructure Services management team undertook a number of sessions during the members induction fortnight.
<ul style="list-style-type: none"> We will commit to offer Members opportunities for ward walks to build relationships and understanding. 	Ongoing	<p>Several Members attended ferry Review consultation events. Invitation issued to Chair and Vice Chair of Environment and Transport Committee to visit ships and office.</p> <p>Joint Member/Officer consultations undertaken as part of the interisland Ferries Review</p> <p>Infrastructure services represented at members seminars as appropriate.</p>
<ul style="list-style-type: none"> We will involve Committee Chairs in regular meetings with the Director and Executive Managers. 	Ongoing	Chair and Vice Chair of Environment and Transport are involved in the ferries review project

		board and also involved in the early stages of the development of a prioritisation system for road improvements. Chair and Vice Chair involved in the overall Infrastructure review programme, Chair involved in the development of the Infrastructure medium term budget process.
<ul style="list-style-type: none"> We will discuss Member concerns 'Face to Face' rather than emails where possible. 	Ongoing	<p>A number of meetings have taken place with members on ward specific matters involving Director and Executive Managers</p> <p>Member's seminars held for Inter Island Ferries Review and MTFP Directorate Budget.</p>
BV2:		
<ul style="list-style-type: none"> We will evaluate our services using 'How Good is Your Council?' or other industry standards in preparation for BV2. 	December 2012	Building Services, Roads, waste management and cleansing services are compiling APSE performance benchmark data which will compare our performance against that of other Scottish Local Authorities. Other services are also looking at benchmarking data. Data has been received and will be reported to Environment and Transport and Audit and Standards Committee.
<ul style="list-style-type: none"> We will use the evaluation to benchmark our services. 	December 2012	As above
Bottom lines:		
<ul style="list-style-type: none"> We will identify the statutory and mandatory baselines for our services 'bottom lines' for service change. 	August 2012	Work is ongoing to identify additional in year savings to bring the Directorate spend in line with available budgets which will involve identifying statutory and mandatory service levels.
<ul style="list-style-type: none"> We will not lose sight of the need to remain compliant and functional in the process. 	Ongoing	Ports and Harbours have recently been audit by the MCA in regards with the operation of VTS and also have recently retained their ISO accreditation following and audit by DNV. Ferry service and towage service DOC audits undertaken and DOC has been renewed.
Savings targets:		

<ul style="list-style-type: none"> We will identify project leads, timelines, project plans, key milestones, and support and governance arrangements for all the reviews Infrastructure are leading. 	April 2012	The Infrastructure review team are coordinating all reviews which are being led by Executive Managers and are ensuring that reviews progress as effectively as possible within the resources available. Ferry Services, Street Cleansing, Street Lighting Public Toilets, Tingwall Airport, Viking Bus Station and winter roads maintenance reviews completed and being implemented. Vehicles Review is ongoing.
<ul style="list-style-type: none"> We will participate in corporate and other reviews as needed throughout the year; we will have a clear picture of who is involved in what and a feedback mechanism to ensure Infrastructure views are heard. 	Ongoing	Executive Manager - Roads is member of ICT Board and member of Planning Review. Executive Manager Environmental Health and Trading Standards is a member of the Admin Review Team Director led the review of the Employee Review and Development Policy
<ul style="list-style-type: none"> We will update DMT monthly on the progress of reviews. 	Monthly	Service Reviews and Budgets are a standing item on the DMT agenda
<ul style="list-style-type: none"> We will keep elected members updated throughout the year via the agreed governance arrangements. 	Ongoing	Quarterly performance and budget reports are submitted to the relevant committees
Supporting staff :		
<ul style="list-style-type: none"> Regular team meetings will be in place in each service where we will be open about all issues including the Council's financial position. 	Ongoing	Team meetings are in place and seminar on the council's budget has been held for the Infrastructure Services wider management team to ensure all managers are aware of the up to date budget position so staff can be appropriately briefed
<ul style="list-style-type: none"> We will develop mechanisms to encourage staff involvement, innovation, staff recognition and communication by actions such as Executive Managers speaking directly to all front line staff at least once a year and ensuring that Team Briefs are enabling two way communication up and down the organisation. 	Ongoing	Director undertakes front line service visits Building Services carrying out a "Lean2" exercise to explore further areas for improvement. Ports Project involves a staff representative and staff working group. The project has also held an away day for staff with another one planned for December, overall project put on "hold" due to

		resourcing difficulties.
<ul style="list-style-type: none"> We will undertake team building involving the team leaders. 	August 2012	Wider Management team meeting held 2 August 2012
Internal relationships:		
<ul style="list-style-type: none"> Executive managers will participate in other meetings such as Corporate Improvement Theme Groups, Corporate Savings Reviews, Strategic Partnerships and Local Service Delivery Groups 	Ongoing	Executive Managers attending improvement theme groups Lead Director for Improvement Areas 5 and 8 and also a member of Area1 improvement group
<ul style="list-style-type: none"> Self Assessment – peer support to be offered across directorate following the Executive Influence event in June 2012. 	Ongoing	To be progressed
<ul style="list-style-type: none"> Member involvement in cyclical meetings, away days, briefings and seminars will be initiated by the Director at least quarterly or more often when significant service issues arise. 	Quarterly	Member Involvement in the Infrastructure Services away day, ferries review and roads prioritisation project and the development of the Directorate budgets to meet the agreed MTFP
<ul style="list-style-type: none"> Department meetings to include Team Leaders at least 6 monthly. 	Bi-Annual	Wider Management team meeting held 2 August 2012
<ul style="list-style-type: none"> Individual Service Review Projects need to consider cross service implications and ensure appropriate consultation with other Executive Managers. 	Ongoing	Workshop Session held with stakeholders including other Exec. Managers on 7 June 2012 for Infrastructure Services Reviews ongoing dialogue with other services as part of the ferries review project
Balanced budget:		
<ul style="list-style-type: none"> Monthly monitoring and management of directorate budget by DMT 	Monthly	Monthly budget reports presented by Directorate accountant at DMT
<ul style="list-style-type: none"> Quarterly budget reporting to DMT and CMT 	Quarterly	Quarter 4 budget and performance report to CMT and Environment and Transport Committee in May and Harbour Board in May.
<ul style="list-style-type: none"> Budget delivered to balance or below by March 2013 	March 2013	Quarter 4 monitoring has identified a potential £525k underspend which is an improvement on the £55k overspend predicted at Quarter 3.

Medium term budget strategy:		
<ul style="list-style-type: none"> DMT to identify what we continue to do across the Directorate by September 2012 	September 2012	Ports project suspended as a result of the need to work on other key priorities such as Ferries review and Directorate budgets for 13/14 and the MTFP
<ul style="list-style-type: none"> Identify budget trends & predictions 	Ongoing	Monthly budget meetings between BRO's and finance.
<ul style="list-style-type: none"> DMT to feed into CMT's formulation of medium term budget through representation on the Financial Improvement Theme group. 	Ongoing	Infrastructure Services has developed and implemented activity costing model for the development of budget for 13/14 and beyond
<ul style="list-style-type: none"> Review twice a year 	Bi-Annual	Initial Members seminar held on 28 November 2012 as part of the 13/14 budget development process.
<ul style="list-style-type: none"> Develop an asset maintenance plan with budget as part of Improvement Theme Group by October 2012. 	October 2012	<p>Completed for Ferry Terminals.</p> <p>Revised budgets implemented; draft building maintenance policy to be issued for comments Q2; objective is to reduce the Council's footprint and the number of offices in operation.</p> <p>Roads Asset management plan aligned with Activity based budgeting which aligns the RAMP to the Council's budget Strategy which aligns resources to the SOA and Community Plan outcomes.</p>
Improved reputation:		
<ul style="list-style-type: none"> Be proactive in contact with members & customers by using the Communication Team and engaging them in the work of our services. 	Ongoing	Communications team actively participating in Infrastructure reviews and working closely with Infrastructure management team on both review and service specific issues.
<ul style="list-style-type: none"> Work to promote our successes 	Ongoing	Success stories passed to communications team where appropriate e.g. Building Services Apprentice won the national apprentice of the year award
<ul style="list-style-type: none"> DMT will define our public reputation aspirations. 	June 2012	Still to be Started

<ul style="list-style-type: none"> DMT will, with support from Communication Team identify the gaps between our aspirations and reality. 	September 2012	Still to be Started
<ul style="list-style-type: none"> DMT will develop and implement a reputation management action plan. 	November 2012	Still to be Started
Sound performance management:		
<ul style="list-style-type: none"> DMT to develop Infrastructure Performance Indicators that are customer focussed. 	June 2012	Ongoing, performance indicators continue to be refined and developed.
<ul style="list-style-type: none"> Quarterly reports to Committee & DMT & CMT by Infrastructure Director 	Quarterly	Quarter 4 performance report to CMT and Environment and Transport Committee in May and Harbour Board in May
<ul style="list-style-type: none"> Make full use of software 	Ongoing	Covalent reports for some indicators now being regularly circulated, ongoing development in place
<ul style="list-style-type: none"> Executive Managers to develop Service plans and team plans that are customer focussed in terms of outcomes and performance measures. 	June 2012	Draft 13/14 directorate and service plan endorsed by Environment and Transport Committee and Harbour Board in February.

Appendix 2 Off Target Actions And Proposed Corrective Action (Red Indicators in Service Plan)

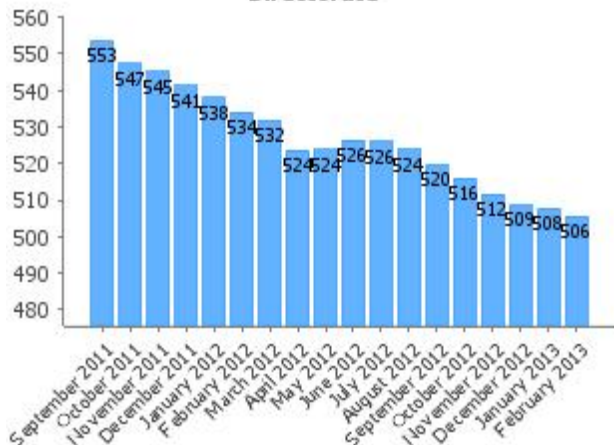
4th Quarter: January to March 2013 Inclusive

Operational Service Delivery Actions									
Ref	Outcome for the Customer	Objective	Action	Alignment with Council Action Plan			Targets	Timescales	Reason For Off Target Performance And Corrective Action For Next Quarter
				SOA Ref	IP Ref	BS Ref			
PHS1	Better service delivery	Improve income stream and service at Sella Ness for small craft	Review and instigate procedure to allow commercial operation of boat hoist facilities. (PE)	1 (2)	8.2 8.4 8.5		Increase service to customers. Increase income generation.	01 Oct 2012	Staffing shortages have made it difficult to operate this, however revised usage conditions and alternate options are being considered.

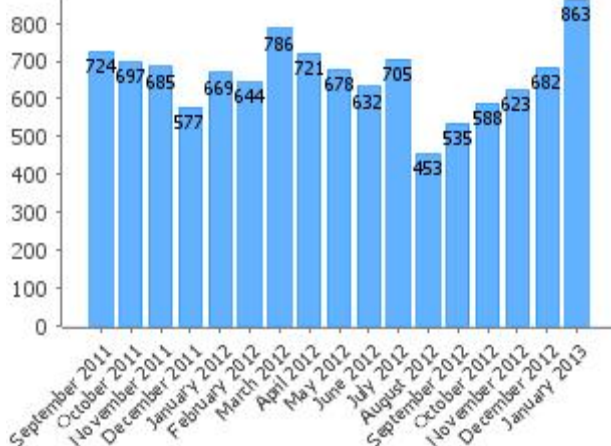


Appendix 3

Infrastructure Services Performance Indicators

Full-time equivalents in Infrastructure Services - Contracted Hours only

February 2013 result 506	OPI-4A-H FTE (Contracted Hours) - Infrastructure Directorate																																								
	 <table><caption>OPI-4A-H FTE (Contracted Hours) - Infrastructure Directorate</caption><thead><tr><th>Month</th><th>FTE (Contracted Hours)</th></tr></thead><tbody><tr><td>September 2011</td><td>553</td></tr><tr><td>October 2011</td><td>547</td></tr><tr><td>November 2011</td><td>545</td></tr><tr><td>December 2011</td><td>541</td></tr><tr><td>January 2012</td><td>538</td></tr><tr><td>February 2012</td><td>534</td></tr><tr><td>March 2012</td><td>532</td></tr><tr><td>April 2012</td><td>524</td></tr><tr><td>May 2012</td><td>524</td></tr><tr><td>June 2012</td><td>526</td></tr><tr><td>July 2012</td><td>526</td></tr><tr><td>August 2012</td><td>524</td></tr><tr><td>September 2012</td><td>520</td></tr><tr><td>October 2012</td><td>516</td></tr><tr><td>November 2012</td><td>512</td></tr><tr><td>December 2012</td><td>509</td></tr><tr><td>January 2013</td><td>508</td></tr><tr><td>February 2013</td><td>506</td></tr></tbody></table>				Month	FTE (Contracted Hours)	September 2011	553	October 2011	547	November 2011	545	December 2011	541	January 2012	538	February 2012	534	March 2012	532	April 2012	524	May 2012	524	June 2012	526	July 2012	526	August 2012	524	September 2012	520	October 2012	516	November 2012	512	December 2012	509	January 2013	508	February 2013
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Note		Short Trend	Improving	↑																																					
Service/Directorate	Infrastructure Services	12-month Trend	Improving	↑																																					
Linked Performance Indicators	FTE (Contracted Hours) - Whole Council			2486																																					
	FTE (Contracted Hours) - Environmental Health & Trading Standards			17.5																																					
	FTE (Contracted Hours) - Ferry Operations			146																																					
	FTE (Contracted Hours) - Infrastructure Services Director's Section			19.4																																					
	FTE (Contracted Hours) - Harbour Master & Port Operations			96																																					
	FTE (Contracted Hours) - Roads			85.9																																					
	FTE (Contracted Hours) - Environment & Trans Ops			140																																					

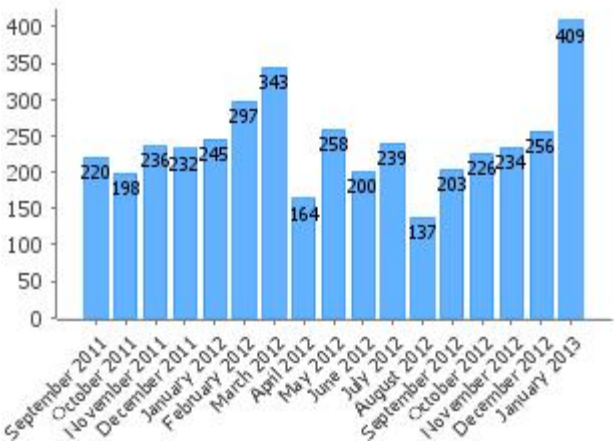
Days lost due to sickness in Directorate - Infrastructure Services

<div>January 2013 result</div> <div>863</div>	<div>OPI-4B-H Days Sick - Infrastructure Directorate</div>  <table><caption>OPI-4B-H Days Sick - Infrastructure Directorate</caption><thead><tr><th>Month</th><th>Days Sick</th></tr></thead><tbody><tr><td>September 2011</td><td>724</td></tr><tr><td>October 2011</td><td>697</td></tr><tr><td>November 2011</td><td>685</td></tr><tr><td>December 2011</td><td>577</td></tr><tr><td>January 2012</td><td>669</td></tr><tr><td>February 2012</td><td>644</td></tr><tr><td>March 2012</td><td>786</td></tr><tr><td>April 2012</td><td>721</td></tr><tr><td>May 2012</td><td>678</td></tr><tr><td>June 2012</td><td>632</td></tr><tr><td>July 2012</td><td>705</td></tr><tr><td>August 2012</td><td>453</td></tr><tr><td>September 2012</td><td>535</td></tr><tr><td>October 2012</td><td>588</td></tr><tr><td>November 2012</td><td>623</td></tr><tr><td>December 2012</td><td>682</td></tr><tr><td>January 2013</td><td>863</td></tr></tbody></table>				Month	Days Sick	September 2011	724	October 2011	697	November 2011	685	December 2011	577	January 2012	669	February 2012	644	March 2012	786	April 2012	721	May 2012	678	June 2012	632	July 2012	705	August 2012	453	September 2012	535	October 2012	588	November 2012	623	December 2012	682	January 2013	863
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December 2012	682																																							
January 2013	863																																							
Note		Short Trend	Getting Worse																																					
Service/Directorate	Infrastructure Services	12-month Trend	Getting Worse																																					
Linked Performance Indicators	Days Sick - Whole Council			3974																																				
	Days Sick - Environmental Health & Trading Standards			9																																				
	Days Sick - Ferry Operations			168																																				
	Days Sick - Infrastructure Services Director's Direct Reports			12.4																																				
	Days Sick - Harbour Master & Port Operations			193																																				
	Days Sick - Roads			197																																				
	Days Sick - Environment & Trans Ops			284																																				


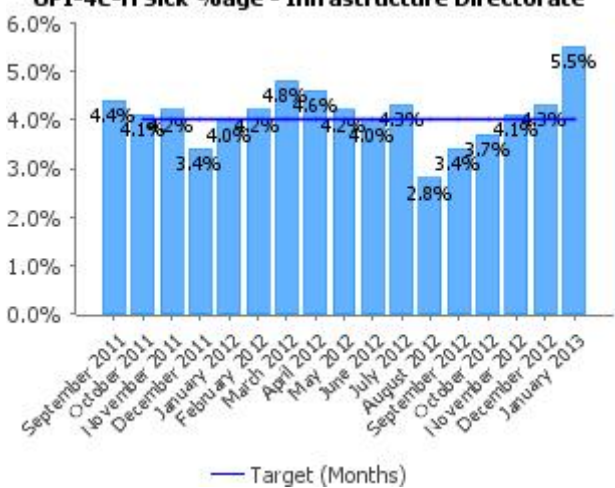
Days lost due to long-term sickness in Directorate - Infrastructure Services

<p style="text-align: center;">January 2013 result 455</p>	<p style="text-align: center;">OPI-4BI-H Days Sick (Long-term) - Infrastructure Directorate</p> 			
Note		Short Trend	Getting Worse	↓
Service/Directorate	Infrastructure Services	12-month Trend	Getting Worse	↓
Linked Performance Indicators	Days Sick (Long-term) - Whole Council			2019
	Days Sick (Long-term) - Env Health & TS			0
	Days Sick (Long-term) - Ferry Operations			75
	Days Sick (Long-term) - Infrastructure Services Director Direct Reports			0
	Days Sick (Long-term) - Harbour Master & Port Operations			97
	Days Sick (Long-term) - Roads			114
	Days Sick (Long-term) - Environment & Transport Operations			168.7


Days lost due to short-term sickness in Directorate - Infrastructure Services

<p style="text-align: center;">January 2013 result 409</p>	<p style="text-align: center;">OPI-4Bs-H Days Sick (Short-term) - Infrastructure Directorate</p> 			
Note		Short Trend	Getting Worse	↓
Service/Directorate	Infrastructure Services	12-month Trend	Getting Worse	↓
Linked Performance Indicators	Days Sick (Short-term) - Whole Council			1955
	Days Sick (Short-term) - Environmental Health & Trading Standards			9
	Days Sick (Short-term) - Ferry Operations			92.6
	Days Sick (Short-term) - Infrastructure Services Director Direct Reports			12.4
	Days Sick (Short-term) - Harbour Master & Port Operations			95.9
	Days Sick (Short-term) - Roads			83
	Days Sick (Short-term) - Environment & Transport Operations			115.6

Percentage Rate Of Sickness in Directorate - Infrastructure Services

 <p>January 2013 result</p> <p>5.5%</p>	 <p>OPI-4C-H Sick %age - Infrastructure Directorate</p> <table border="1"><thead><tr><th>Month</th><th>Sick %age</th></tr></thead><tbody><tr><td>September 2011</td><td>4.4%</td></tr><tr><td>October 2011</td><td>4.1%</td></tr><tr><td>November 2011</td><td>4.2%</td></tr><tr><td>December 2011</td><td>3.4%</td></tr><tr><td>January 2012</td><td>4.0%</td></tr><tr><td>February 2012</td><td>4.2%</td></tr><tr><td>March 2012</td><td>4.8%</td></tr><tr><td>April 2012</td><td>4.6%</td></tr><tr><td>May 2012</td><td>4.2%</td></tr><tr><td>June 2012</td><td>4.0%</td></tr><tr><td>July 2012</td><td>4.3%</td></tr><tr><td>August 2012</td><td>2.8%</td></tr><tr><td>September 2012</td><td>3.4%</td></tr><tr><td>October 2012</td><td>3.7%</td></tr><tr><td>November 2012</td><td>4.1%</td></tr><tr><td>December 2012</td><td>4.3%</td></tr><tr><td>January 2013</td><td>5.5%</td></tr></tbody></table> <p>— Target (Months)</p>				Month	Sick %age	September 2011	4.4%	October 2011	4.1%	November 2011	4.2%	December 2011	3.4%	January 2012	4.0%	February 2012	4.2%	March 2012	4.8%	April 2012	4.6%	May 2012	4.2%	June 2012	4.0%	July 2012	4.3%	August 2012	2.8%	September 2012	3.4%	October 2012	3.7%	November 2012	4.1%	December 2012	4.3%	January 2013	5.5%
Month	Sick %age																																							
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November 2012	4.1%																																							
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January 2013	5.5%																																							
Note		Short Trend	Getting Worse	↓																																				
Service/Directorate	Infrastructure Services	12-month Trend	Getting Worse	↓																																				
Linked Performance Indicators	Sick %age - Whole Council			5.1%																																				
	Sick %age - Environmental Health & Trading Standards			1.7%																																				
	Sick %age - Ferry Operations			3.7%																																				
	Sick %age - Infrastructure Services Director's Direct Reports			2.1%																																				
	Sick %age - Harbour Master & Port Operations			6.4%																																				
	Sick %age - Roads			7.4%																																				
	Sick %age - Environment & Trans Ops			6.5%																																				

Overtime Cost in Directorate - Infrastructure Services (non-contractual)

February 2013 result £108,411	<div>OPI-4D-H Overtime Cost - Infrastructure Directorate</div>  <table border="1"><thead><tr><th>Month</th><th>Overtime Cost (£)</th></tr></thead><tbody><tr><td>September 2011</td><td>£119,520</td></tr><tr><td>October 2011</td><td>£146,148</td></tr><tr><td>November 2011</td><td>£102,031</td></tr><tr><td>December 2011</td><td>£133,808</td></tr><tr><td>January 2012</td><td>£138,808</td></tr><tr><td>February 2012</td><td>£101,780</td></tr><tr><td>March 2012</td><td>£112,256</td></tr><tr><td>April 2012</td><td>£147,777</td></tr><tr><td>May 2012</td><td>£105,256</td></tr><tr><td>June 2012</td><td>£100,883</td></tr><tr><td>July 2012</td><td>£158,298</td></tr><tr><td>August 2012</td><td>£114,987</td></tr><tr><td>September 2012</td><td>£119,826</td></tr><tr><td>October 2012</td><td>£122,663</td></tr><tr><td>November 2012</td><td>£177,676</td></tr><tr><td>December 2012</td><td>£101,230</td></tr><tr><td>January 2013</td><td>£108,411</td></tr><tr><td>February 2013</td><td>£108,411</td></tr></tbody></table>				Month	Overtime Cost (£)	September 2011	£119,520	October 2011	£146,148	November 2011	£102,031	December 2011	£133,808	January 2012	£138,808	February 2012	£101,780	March 2012	£112,256	April 2012	£147,777	May 2012	£105,256	June 2012	£100,883	July 2012	£158,298	August 2012	£114,987	September 2012	£119,826	October 2012	£122,663	November 2012	£177,676	December 2012	£101,230	January 2013	£108,411	February 2013	£108,411
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Note		Short Trend	Getting Worse	↓																																						
Service/Directorate	Infrastructure Services	12-month Trend	Improving	↑																																						
Linked Performance Indicators	Overtime Cost - Whole Council			£126,608																																						
	Overtime Cost - Env Health & TS			£0																																						
	Overtime Cost - Ferry Operations			£19,325																																						
	Overtime Cost - Infrastructure Services Director's Direct Reports			£0																																						
	Overtime Cost - Harbour Master & Port Operations			£15,685																																						
	Overtime Cost - Roads			£38,006																																						
	Overtime Cost - Environment & Trans Ops			£35,395																																						

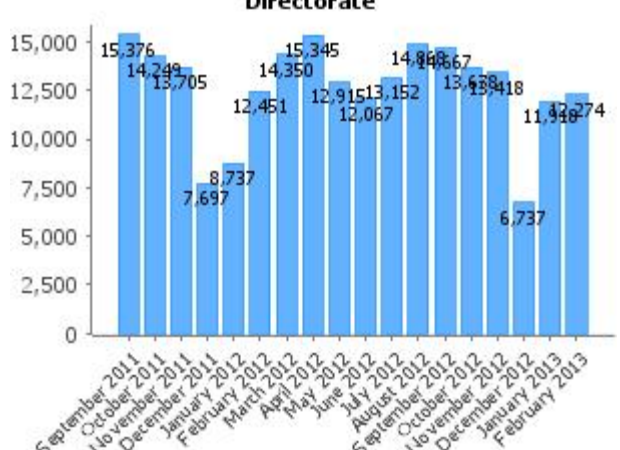
Overtime Hours in Directorate - Infrastructure Services (non-contractual)

February 2013 result 5084	<div><div>OPI-4E-H Overtime Hours - Infrastructure Directorate</div><table><thead><tr><th>Month</th><th>Overtime Hours</th></tr></thead><tbody><tr><td>September 2011</td><td>4224</td></tr><tr><td>October 2011</td><td>6068</td></tr><tr><td>November 2011</td><td>4307</td></tr><tr><td>December 2011</td><td>6213</td></tr><tr><td>January 2012</td><td>5730</td></tr><tr><td>February 2012</td><td>4504</td></tr><tr><td>March 2012</td><td>4452</td></tr><tr><td>April 2012</td><td>6855</td></tr><tr><td>May 2012</td><td>4703</td></tr><tr><td>June 2012</td><td>4935</td></tr><tr><td>July 2012</td><td>6294</td></tr><tr><td>August 2012</td><td>4512</td></tr><tr><td>September 2012</td><td>5255</td></tr><tr><td>October 2012</td><td>5100</td></tr><tr><td>November 2012</td><td>5044</td></tr><tr><td>December 2012</td><td>7872</td></tr><tr><td>January 2013</td><td>4325</td></tr><tr><td>February 2013</td><td>5084</td></tr></tbody></table></div>				Month	Overtime Hours	September 2011	4224	October 2011	6068	November 2011	4307	December 2011	6213	January 2012	5730	February 2012	4504	March 2012	4452	April 2012	6855	May 2012	4703	June 2012	4935	July 2012	6294	August 2012	4512	September 2012	5255	October 2012	5100	November 2012	5044	December 2012	7872	January 2013	4325	February 2013	5084
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Note		Short Trend	Getting Worse	↓																																						
Service/Directorate	Infrastructure Services	12-month Trend	Improving	↑																																						
Linked Performance Indicators	Overtime Hours - Whole Council			5,890																																						
	Overtime Hours - Env Health & TS			0																																						
	Overtime Hours - Ferry Operations			934																																						
	Overtime Hours - Infrastructure Services Director's Direct Reports			0																																						
	Overtime Hours - Harbour Master & Port Operations			477																																						
	Overtime Hours - Roads			1805																																						
	Overtime Hours - Environment & Trans Ops			1868																																						

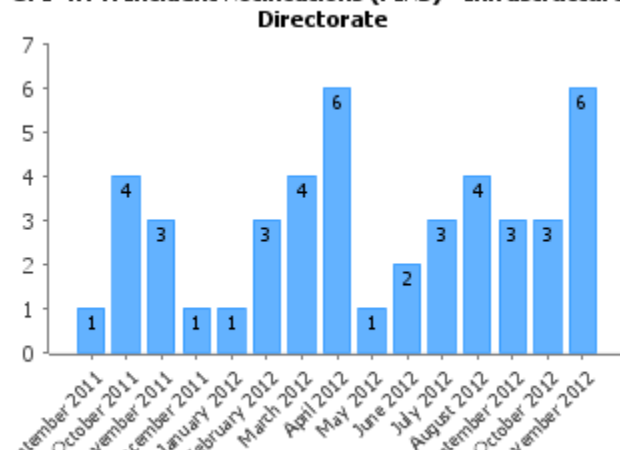
Employee Mileage/Vehicle Cost in Directorate - Infrastructure Services

February 2013 result £10,159	<div><p>OPI-4F-H Employee Mileage/Vehicle Cost - Infrastructure Directorate</p><table><thead><tr><th>Month</th><th>Cost (£)</th></tr></thead><tbody><tr><td>September 2011</td><td>£11,736</td></tr><tr><td>October 2011</td><td>£13,028</td></tr><tr><td>November 2011</td><td>£11,478</td></tr><tr><td>December 2011</td><td>£8,184</td></tr><tr><td>January 2012</td><td>£8,448</td></tr><tr><td>February 2012</td><td>£10,927</td></tr><tr><td>March 2012</td><td>£11,819</td></tr><tr><td>April 2012</td><td>£11,829</td></tr><tr><td>May 2012</td><td>£10,407</td></tr><tr><td>June 2012</td><td>£10,145</td></tr><tr><td>July 2012</td><td>£12,470</td></tr><tr><td>August 2012</td><td>£11,781</td></tr><tr><td>September 2012</td><td>£11,780</td></tr><tr><td>October 2012</td><td>£11,780</td></tr><tr><td>November 2012</td><td>£7,434</td></tr><tr><td>December 2012</td><td>£10,081</td></tr><tr><td>January 2013</td><td>£10,159</td></tr></tbody></table></div>				Month	Cost (£)	September 2011	£11,736	October 2011	£13,028	November 2011	£11,478	December 2011	£8,184	January 2012	£8,448	February 2012	£10,927	March 2012	£11,819	April 2012	£11,829	May 2012	£10,407	June 2012	£10,145	July 2012	£12,470	August 2012	£11,781	September 2012	£11,780	October 2012	£11,780	November 2012	£7,434	December 2012	£10,081	January 2013	£10,159
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Note		Short Trend	Getting Worse																																					
Service/Directorate	Infrastructure Services	12-month Trend	Improving																																					
Linked Performance Indicators	Employee Mileage/Vehicle Cost - Whole Council			£71,349																																				
	Employee Mileage/Vehicle Cost - Env Health & TS			£774																																				
	Employee Mileage/Vehicle Cost - Ferry Operations			£1,635																																				
	Employee Mileage/Vehicle Cost - Infrastructure Director's Section			£66																																				
	Employee Mileage/Vehicle Cost - Harbour Master & Port Operations			£1,745																																				
	Employee Mileage/Vehicle Cost - Roads			£4,389																																				
	Employee Mileage/Vehicle Cost - Waste Mgt & Energy			£1,550																																				
	Employee Mileage/Vehicle Cost - Infrastructure Directorate			£10,159																																				

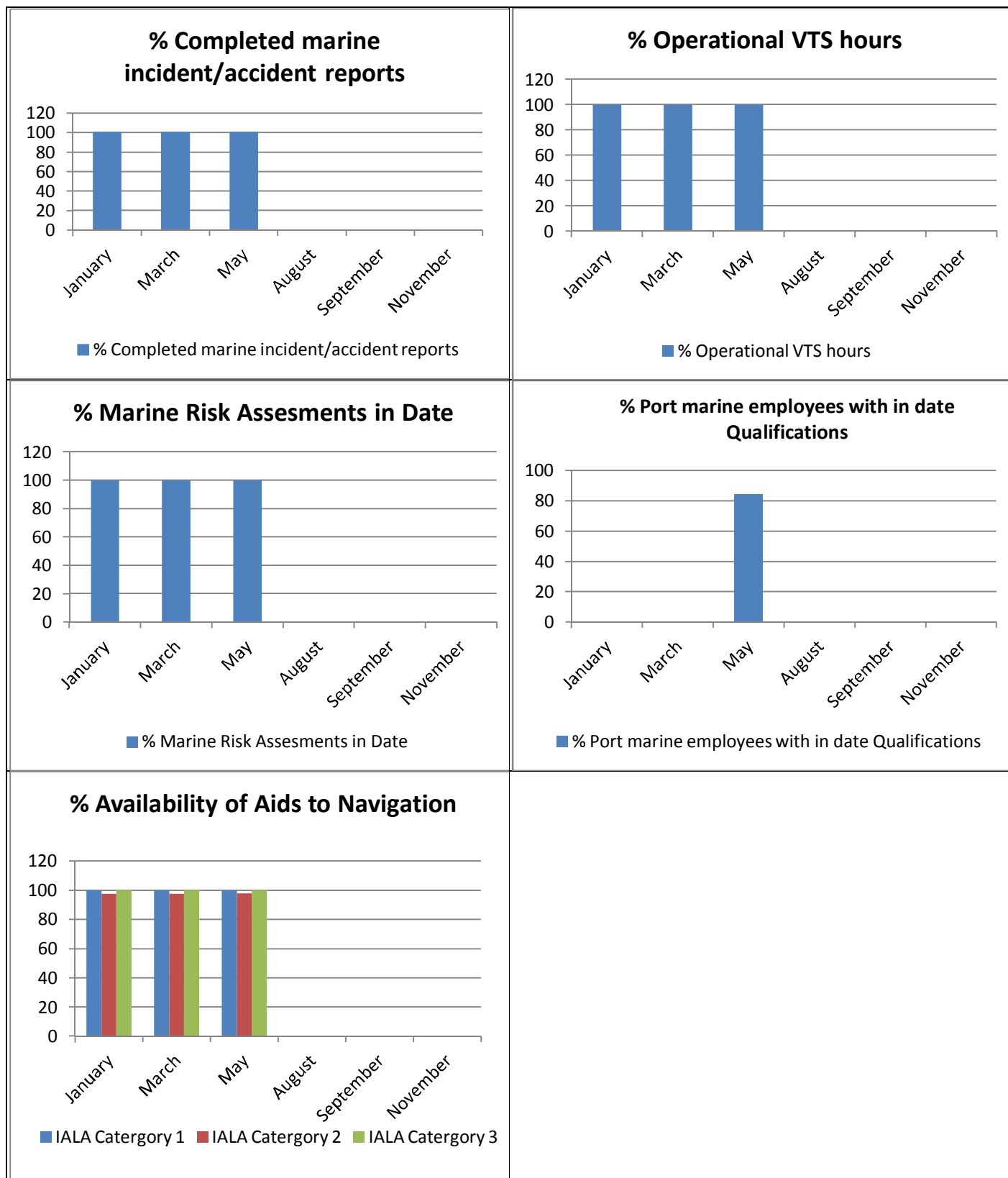
Employee Miles Claimed in Directorate - Infrastructure Services

<p>February 2013 result 12,274</p>	<p>OPI-4G-H Employee Miles Claimed - Infrastructure Directorate</p> 			
Note		Short Trend	Getting Worse	↓
Service/Directorate	Infrastructure Services	12-month Trend	Improving	↑
Linked Performance Indicators	Employee Miles Claimed - Infrastructure Directorate			12,274
	Employee Miles Claimed - Whole Council			89,873
	Employee Miles Claimed - Env Health & TS			241
	Employee Miles Claimed - Ferry Operations			2,339
	Employee Miles Claimed - Infrastructure Services Director's Section			112
	Employee Miles Claimed - Harbour Master & Port Operations			1,840
	Employee Miles Claimed - Roads			6,106
	Employee Miles Claimed - Waste Mgt & Energy			1,636

Incident Notifications (PINS) in Directorate - Infrastructure Services

<p>November 2012 result 6</p>	<p>OPI-4H-H Incident Notifications (PINS) - Infrastructure Directorate</p> 			
Note		Short Trend	Getting Worse	↓
Service/Directorate	Infrastructure Services	12-month Trend	Getting Worse	↓
Linked Performance Indicators	Incident Notifications (PINS) - Whole Council			232
	Incident Notifications (PINS) - Env Health & TS			0
	Incident Notifications (PINS) - Ferry Operations			0
	Incident Notifications (PINS) - Infrastructure Director's Section			3
	Incident Notifications (PINS) - Harbour Master & Port Ops			0
	Incident Notifications (PINS) - Roads			1
	Incident Notifications (PINS) - Waste Mgt & Energy			2

Ports and Harbours Performance Indicators



**Harbour Board****30 May 2013****Capital and Revenue Project Progress Report****P&H-17-13F****Team Leader – Port Engineering****Infrastructure Services Department****1.0 Summary**

- 1.1 This report updates the Board on issues pertaining to the projects relating to Ports and Harbours Operations and Appendix 1 provides photographs of project progress for Members information.

2.0 Decision Required

- 2.1 The Harbour Board is recommended to:
- 2.1.1 Note the contents of the report and areas of progress made; and
- 2.1.2 Discuss and highlight any areas of concern.

3.0 Detail

Ports and Harbours currently has an interest in the following projects:

Capital Programme Projects**3.1 Dock Symbister**

- 3.1.1 Further to the report presented at the last Board meeting, Executive Committee approved that the Director of Infrastructure enter into negotiations with Shetland Amenity Trust (Min Ref 35/13).

3.2 Walls – GCM 2316

- 3.2.1 The contractor Frank L Johnston (Shetland) Ltd started work on site on 16 April 2012 with an agreed completion date of the end of June 2013. It was reported to the Board at the last meeting that there had been slippage to the Works programme, primarily

due to slower than expected progress on the piling works. The Team Leader – Port Engineering verbally updated the Board that the Contractor had submitted a revised programme with a later completion date of 31 August 2013. Work has progressed steadily since the last Board meeting and the project is on schedule to be finished by the revised completion date.

- 3.2.2 The piling work has progressed past the South East corner of the pier and work is now focused on the last outer section of piling. Infilling of the pier structure and the construction of the concrete capping beam are progressing behind the piling works.
- 3.2.3 The installation of cathodic protection anodes, bollards, ladders and fender studwork has been completed on the inner berthing face. The Contractor has also begun installing the concrete deck slabs and has almost completed the construction of the reinforced concrete heavy lifting area along the inner berthing face.
- 3.2.4 The new ferry store/waiting room building and storage compound is approximately 90% complete. All major services work into the site is complete, as is the foul drainage and surface water drainage pipework.
- 3.2.5 The project remains on course to be completed within budget.

3.3 Skerries South Mouth Dredging – GCD7002

- 3.3.1 This is a Development Services transport project; however since it is located within a Harbour Area this project has been included in this report for information to Members.
- 3.3.2 The contract was awarded to Tulloch Developments Ltd. A start date was agreed with the contractor of 27 August 2012 with a contract period of 4 weeks. Unfortunately a suitable weather window was not available within this period so no work other than mobilisation of the contractor's barge in Lerwick has taken place. The contractor was asked to provide his proposals for completion of the project and responded by indicating that he intended to undertake the work during the summer of 2013.
- 3.3.3 The contractor has now indicated that he proposes to commence on site during June when a weather window is available. Site operations are expected to take 4 weeks.
- 3.3.4 The licence to undertake work on the historic wreck site has been extended by Historic Scotland so all consents are in place to allow the work to proceed.

Harbour Account Capital Projects

3.4 Plant, Vehicles and Equipment – PCM 2101

3.4.1 This budget will be utilised to continue major servicing of Pilot vessel engines and the replacement of plant and equipment where absolutely necessary.

3.5 Navigational Aids – PCM 2104

3.5.1 This budget has been used to continue the upgrade of navigational aids and in particular, the adoption of new LED technology. Incorporation of LED lanterns has already proved to be a complete success, with availability much increased through the dark winter months.

3.5.2 Design work for the proposed LED replacement of the Gluss leading lights is now complete, and a final quotation is expected in the very near future. It is planned to procure the equipment this financial year with works taking place in the Spring of 2014, thereby spreading costs over two years and removing the need to seek additional funding this financial year.

Harbour Account Revenue Projects

3.6 Sullom Voe Terminal Jetty Maintenance Contract

3.6.1 Malakoff Limited has won the recent Tendering exercise and is mobilising resources for this year's element of the three year Contract.

3.6.2 Blast cleaning and painting works are spread over all four jetties this year to minimise down time due to adverse weather, BP operations and shipping delays. Other fabric maintenance tasks such as cable tray replacement, walkway grating replacement and timber fender system repairs are included in this year's scope of work.

3.6.3 Replacement of the Jetty Two "slops" drainage system is in progress, and work on the system on Jetty Three is scheduled to commence in August 2013. This is significant additional work underneath the jetty head to replace surface water drains where surface water can be contaminated with hydrocarbons and has to be treated before discharge. Works under the jetty head are very difficult to access and a photograph of the access structure showing the innovative platform design is included in Appendix one.

3.6.4 The concrete repair sub-contract was again won by Concrete Repairs Limited, and works will commence on Jetty Three Dolphins seven and eight in June.

3.6.5 Particular emphasis is being placed on the Schiehallion shutdown, and where possible, works will be directed on Jetty Three to ensure that future delays and disruption to this Jetty are minimised. A significant amount of work and planning is being done to arrange the concrete repair and fender replacement of the Jetty Three berthing dolphins. This work will take Jetty Three completely out of service, and it is imperative that the works are completed before the Schiehallion field shutdown ends. Close contact with Terminal operators is being maintained to ensure that this project proceeds in line with this deadline.

3.7 Small Ports – Condition Surveys

3.7.1 A local Civil Engineering Consultant has provided condition surveys on all small ports. These will form a baseline to allow maintenance activities for the next ten years to be formulated. Of particular concern, is the widespread evidence of Advanced Low Water Corrosion (ALWC), which has manifested itself in the last few years on a number of small ports. This phenomenon results in particularly aggressive rates of corrosion on steel sheet piled structures, significantly reducing their working lives.

3.7.2 The reports have now been passed to the Capital Programme Service, where Engineers will consider the content. It is likely that significant additional resources will be required to address this issue, and Capital Programme Service will assist in creating a detailed asset management plan, which will be reported to a future meeting of the Board.

3.8 Baltasound Small Craft Landing Facility

3.8.1 The small craft landing pontoon at Baltasound pier was installed to allow small cruise liners to safely transfer passengers ashore.

3.8.2 Despite a comprehensive design specification, the pontoon has been significantly damaged by adverse weather conditions and currently awaits repair. There is little doubt that the position of the pontoon is too exposed to facilitate a year round service.

3.8.3 Due to the design of the pontoon, a heavy crane is required to lift the structure into and out of the water. The costs of doing so along with the necessary repairs significantly outweigh the income generated by this facility.

3.8.4 Discussions have taken place with the Unst Community Council, and it has been agreed that the current style of pontoon is not viable.

3.8.5 Unst Community Council have requested that rather than remove the pontoon completely, a different design of pontoon be investigated, which could be more easily positioned for summer months only utilising craneage available within the Isle.

3.8.6 The Team Leader-Port Engineering is investigating such options, and will report to a future meeting of the Board.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – The actions in this report will contribute to the SOA outcomes 1, 3, 13, 14 and 15 in the Council's Action Plan 2012/13 of

“Shetland has sustainable economic growth with good employment opportunities”

“We have financial sustainability & balance across all sectors”

“Our internal and external transport systems are efficient, sustainable, flexible and affordable, meet our individual and business needs and enable us to access amenities and services”

“We live and work in a renowned natural and built environment which is protected and cared for”

“We deliver sustainable services and make decisions, which reduce harmful impacts on the environment “

- 4.2 Community /Stakeholder Issues – The community and stakeholders of the Ports and Harbours operation have an interest in ensuring that new capital projects are properly monitored and ensuring that they are completed within budget and on schedule.

- 4.3 Policy And/Or Delegated Authority – The Scheme of Administration and Delegations states that the role and authority of the Harbour Board is:

4.3.1 Strategic oversight and direction in all aspects of the operation of the Council's harbour undertaking in accordance with overall Council policy and the requirements of the Port Marine Safety Code;

4.3.2 Act as Duty Holder required by the Port Marine Safety Code and ensure that the necessary management and operational mechanisms are in place to fulfil that function; and

4.4.3 To consider all development proposals and changes of service level within the harbour undertaking, including dues and charges, and make appropriate recommendations to the Council

- 4.4 Risk Management – Failure to tackle the Advanced Low Water Corrosion where it occurs, will eventually lead to a failure of the structure affected. Failure to address this issue may, over time, also raise the risk of harm to persons or property using the facility. Failure to reduce the net ongoing running costs of the Council carries a significant risk of the Council's financial policies not being adhered to and will require a further draw on Reserves.

4.5 Equalities, Health And Human Rights – None arising from this report.

4.6 Environmental – None arising from this report.

Resources

4.7 Financial

4.7.1 It is likely that significant additional resources will be required to address the effects of Advanced Low Water Corrosion. A detailed assessment management plan and programme will be developed and any capital work commencing will be subject to the capital gateway process and the revenue maintenance will need to be met from within approved budgets.

4.8 Legal – There are no known legal issues arising from this report. Governance and Law provide advice and assistance on the full range of Council services, duties and functions including those in this report

4.9 Human Resources – None arising from this report.

4.10 Assets And Property – None arising from this report.

5.0 Conclusions

5.1 Projects in this report continue to be monitored in line with Council procedures and guidelines.

For further information please contact:
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17 May 2013

List of Appendices:

Appendix 1 – Project Progress Photographs.

Background documents:

None.

Appendix One – Project Progress Photographs

Walls Pier



1. View from finger pier looking back across to the main quay area.



2. Work continues on piling the outer end of the finger pier.

Appendix one continued.



3. Concrete deck slab construction is making good progress.



4. New Ferry building is now 90% complete.

Jetty Two Slops Pipework Replacement



1. Photo of the innovative access arrangement underneath the Jetty Two head which shows a series of primary and secondary beams supported on clamps attached to the steel support piles. Access is by sea, although an escape ladder allows access onto the jetty head. This will allow the existing cast iron surface water drains to be removed and replaced with a Glass Reinforced Epoxy system. A similar arrangement will be utilised to carry out similar works on Jetty Three later this year.

**Harbour Board****30 May 2013****Harbourmaster's Report****P&H-16-13F****Harbour Master, Ports & Harbours Operations****Infrastructure Services Department****1.0 Summary**

- 1.1 The purpose of this report is to brief and inform the Members and Port Marine Safety Code (PMSC) Duty Holder of the professional concerns and current status as reported by the Harbourmaster.

2.0 Decision Required

The Harbour Board is recommended to:

- 2.1 consider the content of this report in its role as Duty Holder, and note that the necessary management and operational mechanisms are in place to fulfill that function.

3.0 Detail

- 3.1 Navigational Risk Assessment. Work is continuing on improving the management in light of the report from ABPMer. The agreed close out date is July 2013 and progress will be reported to the Harbour Board meeting on 15 August 2013.
- 3.2 Designated Person. The designated person, Captain Trevor Auld, has provided his report (Appendix 1) to provide independent assurance directly to the duty holder that the marine safety management system, for which the duty holder is responsible, is working effectively.

DPA Report comment	Progress / Action Taken	Due date
IMO "area to be avoided"	This was informally discussed at the TWG on 16 May – as there was limited attendance this was an informal discussion. The Harbourmaster will progress this.	July 2013
Port Marine Safety Code	Request by DPA that Harbour Board members are aware of the content of the revised Code – link in his	August 2013

familiarisation	report. Harbourmaster to arrange a presentation for Board Members.	
Vessels transiting Yell Sound	As these are primarily fishing vessels it was agreed at the TWG that the Harbourmaster write to the Shetland Fishermen's Association as an initial action.	Redated to June 2013
Procedure for near miss reporting	This is part of the ABP audit recommendations and will be addressed as part of the overall review of procedures	July 2013
Audit recommendations, observations and non-compliances	Progress on-going – approximately 50% now in revised draft form and work continues	July 2013

- 3.3 Maritime & Coastguard Agency (MCA) audit of VTS. The latest audit was reported to the Harbour Board at previous meetings. NCN No 3 is yet to be closed out. However the MCA is aware of this and discussions with them over how to achieve closure is on-going.

No	Audit comment	Progress / Action Taken	Due date
3	VTS annual assessment documentation to prepare	Draft copies with MCA – will need their acceptance to close this item and to date no response has been received	August 2012

- 3.4 Tug DOC audit. This audit was completed on 9 November 2012. There was one non-conformity open which has been closed out.
- 3.5 Tug SMC audits. The Safety Management Certificate audits on Dunter, Tystie, Tirrick and Shalder were carried out on 18 and 19 December 2012. There were four non-conformities were raised on each vessel, these have all now been closed out.
- 3.6 Scalloway Manning. Progress is continuing on looking at working patterns and number of staff required to maintain an adequate level of service at Scalloway. Discussions have taken place with the existing workforce and their input to taking the port forward is invaluable
- 3.7 Solan – Loch Rannoch Collision. Following the consideration of the Incident Report into this collision by the Harbour Board on the 9 May 2013 the Harbourmaster has submitted the report to the MAIB as required.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – The actions in this report will contribute to the SOA outcomes 1 and 3 in the Council's Action Plan 2012/13 of

“Shetland has sustainable economic growth with good employment opportunities”

“We have financial sustainability & balance across all sectors”

- 4.2 Community /Stakeholder Issues – Community and stakeholders have a vested interest in ensuring that the port operation is managed and operated safely and in accordance with legislation and industry best practice.
- 4.3 Policy And/Or Delegated Authority – The Scheme of Administration and Delegations states that the role and authority of the Harbour Board is:
- 4.3.1 Strategic oversight and direction in all aspects of the operation of the Council's harbour undertaking in accordance with overall Council policy and the requirements of the Port Marine Safety Code; and
 - 4.3.2 Act as Duty Holder required by the Port Marine Safety Code and ensure that the necessary management and operational mechanisms are in place to fulfill that function; and
 - 4.3.3 To consider all development proposals and changes of service level within the harbour undertaking, including dues and charges, and make appropriate recommendations to the Council.
- 4.4 Risk Management – Failure to comply with the requirements of the PMSC could lead to regulatory action.
- 4.4 Equalities, Health And Human Rights – None.
- 4.5 Environmental – None.

Resources

- 4.6 Financial – There are no direct financial implications to this report.
- 4.7 Legal – None.
- 4.8 Human Resources – None.
- 4.9 Assets And Property – None.

5.0 Conclusion

- 5.1 This report is an update of current issues in the operation of Ports and Harbours within Shetland.

For further information please contact:
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17 May 2013

List of Appendices

Appendix 1 Designated Person Report – Captain Trevor Auld

Background documents:

None

Designated Person Report – 30 May 2013

This Designated Person report is provided as an independent view on Shetland Islands Council's (SIC) performance against the requirements and standards under the Port Marine Safety Code (PMSC). The report is submitted to the SIC Harbour Board, and copied to the Harbour Master for information.

Introduction

Since my report to the Harbour Board meeting of 28 March 2013 I have maintained a regular dialogue on marine matters with SIC's Interim Harbour Master through an exchange of emails. I have also monitored both SIC's website <http://www.shetland.gov.uk> and SIC's ports specific website <http://www.shetland.gov.uk/ports> for items relating to the reported actions, involvement and decisions taken by the Harbour Board and SIC's appointed officers. Prior to writing this report I had a telephone conversation with the SIC's Interim Harbour Master in which we discussed, in accordance with an agreed questionnaire: monitoring measures, assessing measures and effectiveness of the current Marine Safety Management System.

Port Marine Safety Code [PMSC] and Guide to Good Practice on Port Marine Safety

In my discussion with the Interim Harbour Master we agreed that through this report I should bring the following information to the Harbour Board's attention. The Department for Transport has published updated versions of:

1. *The Port Marine Safety Code [dated December 2012]*
2. *The Guide to Good Practice on Port Marine Safety. [Last amendment dated February 2013.]*

[Copies of both publications may be downloaded from the Maritime & Coastguard Agency website, link: <http://www.dft.gov.uk/mca/mcga07-home/shipsandcargoes/mcga-shipsregsandguidance/navigation/dms-nav-pmsc-gtgp.htm>].

The introduction section in the revised PMSC includes the following comment: 'The Code is primarily intended for the 'duty holder', for most harbour authorities this means members of the harbour board, both individually and collectively, who are directly accountable for marine safety in harbour waters. All board members are therefore, urged to familiarise themselves with the updated Code and review its implications on local port operations. Could I ask, for the benefit of the next DP report, that the minutes record the fact that the Harbour Board will familiarise themselves with the updated Code?

Special Harbour Board meeting – 9 May 2013

From the Shetland Islands Council's website and from discussion with the Interim Harbour Master I am aware of a special meeting of the Harbour Board held on 9 May 2013 to discuss agenda items:

- 001) Solan and Bonxie – directional stability issue; and
- 002) Incident investigation – Solan and Lock Rannoch collision.

Other than noting the meeting as evidence of the Harbour Board's active involvement in marine issues of concern, I will not make further reference to the matters under discussion in this report.

Monitoring Measures

Technical Working Group – Minutes of the meeting held on 14 March 2013 continue to demonstrate an ongoing proactive approach to marine safety through the involvement of SIC personnel from different disciplines and port stakeholders in discussion about a wide range of issues relevant to safe navigation and efficient port operations.

From the minutes it is noted that in accordance with Marine Accident Investigation Branch (MAIB) recommendations [Red Jasmine/Flying Phantom 2007¹] those present reviewed the port authority's current procedure for towage in restricted visibility but deferred a final decision until tug crews have had the opportunity to comment. The evaluation of MAIB recommendations and the involvement of interested parties, particularly, tug crews and pilots in the preparation of procedures is evidence of good practice.

It is further noted from the minutes that an enquiry about the berthing limitations to be applied to vessels visiting the construction jetty led, in a timely manner, to an evaluation exercise and finally to the issue of a clear directive from the Harbour Master to all port users stating the port's requirement for the maximum acceptable length of vessel to use the jetty. Consultation with port users in reaching agreement on an operational matter is further evidence of good practice.

It is again noted that clarification of International Maritime Organization's (IMO) position with regard to the 'areas to be avoided in bad weather' around the Shetland Islands coast and the non-reporting of transiting vessels through Yell Sound, remain outstanding agenda items.

Examination Panel – Informal and un-minuted meetings of the examination panel have taken place to discuss information relating to the port's new tugs.

Safety Sub-Committee Ports – Minutes of the meeting held on 17 April 2013 continue to demonstrate the active involvement of marine personnel in all aspects of port safety, although it is also noted that the minutes record the poor attendance of staff, with a recommendation that on duty tug and launch crews should attend if no ship movements are underway.

Incidents and Accidents – The failure of a tug winch during the towage of an inbound tanker in Sullom Voe on Sunday 3 March 2013 was not recorded as a reportable incident. An investigation into the cause of the winch failure identified (as recorded in Minute 4.5 of the Safety Sub Committee meeting held on 17 April 2013) a mechanical problem. The problem was addressed locally and successful trials undertaken, with lessons learned being applied to other tug winches.

I have also been informed by the Harbour Master about two events in Sullom Voe in which divergence from normal marine operations occurred but neither event was deemed to be a reportable accident or an accident. In the first event a vessel's departure was delayed resulting in an under strength mooring party being available to let go the after tug. In the second event it was alleged that a vessel had not

¹ The Harbour Board, as Duty Holder, should be aware that the port authority and tug company are to face charges in the High Court under the Health and Safety at Work Act 1974 in relation to events surrounding this incident

cleared anchors before arrival. I have sighted the exchange of correspondence associated with these events and would concur with the Harbour Master's assessment.

A procedure and format for 'near miss' reporting in Sullom Voe and Scalloway remains under review.

Audits – Consultation with marine department personnel on the observations, recommendations and non-compliances identified in ABPmer's PMSC audits of Sullom Voe's and Scalloway Harbour's Marine Safety Management Systems continues, with approximately 50% of the work now complete in draft format. Full implementation of all agreed actions is set for 31 July 2013.

With regard to the Maritime and Coastguard Agency's (MCA's) VTS Audit in June 2012 I am advised that despite the Harbour Master's continued attempts to clarify the MCA's requirements for the annual review of VTS officers' log books has not as yet, received a formal definitive response.

Consultation – The public agenda for the Harbour Board meeting of 28 March 2013 and the decision note from the same meeting, plus the agenda for the Harbour Board meeting of 9 May 2013 were posted on the SIC's dedicated website www.shetland.gov.uk in a timely manner. In relation to public available information, it is noted that some (but not all) of the pages on the SIC ports' specific website www.shetland.gov.uk/ports have been updated to include current information of relevance to port users, particularly where information relates to marine safety.

The Harbour Master continues good lines of communication with attendance at a range of meetings as a stakeholder and Harbour Authority representative, these include:

- Wildlife Response Coordinating Committee (WRCC) and Shetland Oil Terminal Environmental Advisory Group (SOTEAG) on 22 March 2013;
- Shetland Marine Spatial Plan meeting on 26 March 2013;
- Sullom Voe Oil Spill Advisory Committee (SVOSAC) on 3 April 2013;
- Transec meeting on 17 April 2013; and
- Chamber of Shipping Seminar on 1 May 2013.

Active engagement with port and harbour stakeholders continues to provide evidence of SIC's commitment to the active involvement of their officers in meaningful consultation with local and national organisations.

Training – Three training matrices were completed at the end of March 2013.

1. VTS & Marine Officers' Training Matrix;
2. Launch Crews' Training Matrix; and
3. Scalloway Pier Masters' Training matrix.

In accordance with the sample training matrix described in the Guide to Good Practice on Port Marine Safety, the training matrices are divided into columns to distinguish between 'essential' and 'desirable' qualifications and provide 'at a glance' indication of expiry dates. Also in accordance with a recommendation in the Guide to Good Practice, maintenance of the training matrices has been assigned by the Harbour Master to a specific SIC administrator.

In total, thirty-two employees are identified in the matrices as requiring 'essential' qualifications. Unfortunately, a VTS revalidation course (deemed 'essential' in the matrix) which two pilots were due to attend in July 2013 has been cancelled by the college and rescheduled for September 2013.

Assessing Measures

Key Performance Indicators (KPI):

- 1 **Number of completed marine incident/accident reports for Sullom Voe and Scalloway Harbour reviewed by the Technical Working Group expressed as a percentage of all completed marine incident/accident reports.**

All incidents and accidents have been reviewed in accordance with the applicable Safety Management System procedure.

KPI = 100%

- 2 **Number of hours in which the Sullom Voe's Traffic Organisation Service VTS functioned as a fully operational service expressed as a percentage of the total number of operational hours.**

VTS functioned without incident in the period January 2013 to May 2013.

KPI = 100%

- 3 **Number of Marine Risk Assessments for Sullom Voe and Scalloway Harbour exceeding the review date as a percentage of the total number of marine risk assessments.**

As a consequence of the Harbour Master's decision to complete the review of ABPmer's audit of Sullom Voe and Scalloway Harbour and implement recommendations by 31 July 2013, all current marine risk assessments will remain in force until that date.

KPI = 100%

- 4 **Number of port marine employees with in date qualifications required for their job role, expressed as a percentage of the total number of employees undertaking port marine activities and requiring job specific qualifications.**

If the MCA's requirements for VTS officers' annual assessment is ignored until such time as the MCA provide guidance, a KPI figure can now be determined for 'essential' qualifications.

The total number of employees undertaking port marine activities and requiring 'essential' job specific qualifications is 32. The total number of employees from this group with in-date qualifications is 27.

KPI = 84%

5 **Availability of Aids to Navigation (in three classification bands) expressed as a percentage of total availability over the three year period 10 May 2010 to 10 May 2013**

KPI	IALA Category 1	Availability	99.98%	Target	99.8%
KPI	IALA Category 2*	Availability	97.78%	Target	99.0%
KPI	IALA Category 3	Availability	100%	Target	97.0%

* After successfully addressing issues with bridge lights it is expected that the availability of Category 2 Aids to Navigation will rise to meet or exceed the target value.

Effectiveness of the Marine Safety Management Systems

The monitoring and assessing measures described above provide assurance that the ports and harbours of Sullom Voe and Scalloway are functioning safely and efficiently. However, until such time as the non-compliances identified in ABPmer's PMSC audits have been reviewed and addressed and clear guidance has been obtained from the MCA with regard to VTS Officers' log books, I can not give the Harbour Board an assurance about the effectiveness of the current Marine Safety Management System in ensuring compliance with the Port Marine Safety Code.

Captain Trevor Auld
Designated Person (PMSC)