

# MINUTE

# B - PUBLIC

## Harbour Board

Council Chamber, Town Hall, Lerwick

Thursday 26 September 2013 at 10am

### Present:

A Manson	M Burgess
A Cooper	B Fox
R Henderson	F Robertson
M Stout	A Westlake

### Apologies:

None

### In Attendance:

M Sandison, Depute Director - Infrastructure Services  
C Reeves, Harbour Master  
A Inkster, Team Leader – Port Engineering  
A Cogle, Team Leader – Administration Services  
B Robb, Management Accountant  
E Harmer, Assistant Accountant  
L Gair, Committee Officer

### Chair

Ms A Manson, Chair, presided.

### Circular

The circular calling the meeting was held as read.

### Declarations of Interest

None

### 34/13 Minutes

The Board approved the minutes of the meeting held on 15 August 2013 on the motion of Mr Henderson, seconded by Mr Robertson.

### 35/13 Management Accounts for Harbour Board 2013/14 – Projected Outturn at Quarter 1

The Board considered a report by the Executive Manager – Finance (F-041-F) which enabled the monitoring of the financial performance of services to ensure that expenditure incurred and income generated will be delivered within the approved budget.

The Management Accountant introduced the report.

In response to a question on progress with recruitment to vacant posts, the Team Leader – Port Engineering explained that the Council has not attracted any interest to these posts. The Council is unable to offer a salary in line with the private sector, but in addition there are not enough well experienced tradesmen and other organisations are experiencing difficulty in recruiting in some areas. He said that the option of offering enhanced rates has not progressed but arrangements were in place with local providers

to fill this skills gap. A Member asked that a comparison be provided between using external contractors and providing the service internally.

In addition a Member referred to a report at a recent meeting of the Audit and Standards Committee and asked for the number of posts within Ports and Harbours Operations that attract a salary of over £50K/pa.

**Decision:**

The Board **RESOLVED** to:

- Review the Management Accounts showing the projected outturn position at Quarter 1; and
- Instructed the Depute Director of Infrastructure Services to ensure that the approved budget is achieved by the end of the year.

**36/13 Pilotage Accounts for Harbour Board  
2013/14 – Quarter 1 (April – June)**

The Board considered a report by the Executive Manager – Finance (F-045-F), which enabled the monitoring of the financial performance of the pilotage services.

The Management Accountant introduced the report.

In responding to a question from a Member, the Board was advised that Officers were working on changing the charges so that the pilotage account would no longer run at a deficit but keeps the costs the same for the customers. It was also noted that an additional piece of work would be required to take account of the non tanker pilotage in Scalloway.

**Decision:**

The Board **RESOLVED** to review the Pilotage Accounts, from 1 April 2013 – 30 June 2013.

**37/13 Capital and Revenue Project Progress Report**

A report by the Team Leader – Port Engineering (PH-28-13-F) provided updates on issues pertaining to projects relating to Ports and Harbours Operations.

The Team Leader – Port Engineering introduced the report.

**Walls – RCM2316**

A Member commented that this was a first class piece of work, and advised that subject to a reasonable period of weather during October the project should be complete by the end of October.

**Navigational Aids – PCM 2014**

The Board were advised that the Lamba leading light was being replaced today and the Queyfirth light would be replaced by Christmas.

In response to a question, the Team Leader – Port Engineering confirmed that the vessel “Shoormal” was standing in for “Lyrie” whilst it received work on a defective engine. He said that this was another example of a delayed piece of work as no contractor had been available to carry out the repairs any sooner.

### Sullom Voe Terminal Jetty Maintenance Contract

A Member asked if permits were still required from BP to carry out the jetty works. The Team Leader – Port Engineering advised that the Council had been doing their own permits for the last 18-24 months but Council Officers continue to work closely with BP for the planning of any works required.

### **Decision:**

The Board **RESOLVED** to note the contents of the report and areas of progress made.

### 38/13 **Harbourmaster's Report**

A report by the Harbour Master (PH-27-13-F) informed of the professional concerns and current status of the operation of the Ports and Harbours within Shetland.

The Harbour Master introduced the report and updated Members as follows:

#### Navigational Risk Assessment (NRA)/SMS review

Since the report was written DNV (Det Norske Veritas) advised that they are happy with the new draft NRA which meets the requirements of the ISO 9001:2008. The letter of confirmation from the DNV is expected shortly.

In response to a question regarding the two tugs “Solan” and “Bonxie”, the Harbour Master confirmed that the tugs are operational as far as going to sea is concerned. He explained that modifications since the collision was required and Officers were in discussions with manufacturers to see how the speed buttons can be adjusted. He said that once the modifications were complete the tugs would be tested with tankers. He stressed that only after successful completion of that process would the tugs be put into full operational services. He advised that this was expected by the end of the year.

The Harbour Master confirmed that the MAIB (Maritime Accident Investigation Bureau) had sent an acknowledgement letter which advised that they would not be progressing any matters. He added that he did not expect any further communication from MAIB.

The Harbour Master informed Members he had set up a computer based system that allows the crews of the tugs to input data relating to any errors, modifications, or problems that they have experienced during their shift. This system is accessible by all crew members and relevant officers. He said that previously the distribution of such information relied on officers and crew contacting each other and this system has inevitably made communication more efficient and effective.

During further discussions, the Harbour Master advised that it would not be necessary to test the vessels in another location, such as Rotterdam as suggested by a Member, as the Council's crews are professional and well experienced in these tugs to carry out the required testing. In responding to a comment from another Member, he confirmed that there had been no decision to sell the tugs at this stage. He added that with the terminal expected to be open for the next 30 years an assessment would need to be done on all options to ensure the Port can meet industry needs into the future.

### **Decision:**

The Board **RESOLVED** to note the report in its role as Duty Holder, and that the necessary management and operational mechanisms are in place to fulfil that function.

In order to avoid the disclosure of exempt information, Ms Manson moved, Mr Robertson seconded, and the Board **RESOLVED** to exclude the public in terms of the relevant legislation during consideration of the following item of business.

39/13 **Commercial Report**

The Board considered and noted a report by the Harbourmaster, which informed of recent commercial activity in its ports.

The Harbourmaster summarised the main terms of the report and responded to Members questions on a number of business opportunities.

**Decision:**

The Board **RESOLVED** to note the potential business opportunities detailed in the report.

The meeting concluded at 10.50a.m.

Chair