

**Development Committee****22 January 2014****Formal Communication Between Shetland Islands Council and the Shetland Fisheries Sectors**

DV001-F

**Executive Manager – Economic Development****Economic Development Service****1.0 Summary**

- 1.1 The purpose of this report to promote discussion on a formal communication arrangement between Shetland Islands Council and the main representatives of the Shetland fisheries industries. The principal reason for a better communication channel is to make sure that efforts to represent Shetland on fisheries matters are co-ordinated properly and that the main development opportunities and threats to the sectors are identified and acted on in partnership.
- 1.2 A formal Fisheries Support Group will work within the terms of the Single Outcome Agreement and the Community Plan. While dedicated to fisheries, the Group will also have regard for the wider context of marine activity around Shetland

**2.0 Decision Required**

- 2.1 That the Development Committee resolve to approve:
- 2.1.1 The terms of the Fisheries Support Group as set out in appendix 1 to this report; and,
- 2.1.2 Appoint the Chair, Vice-Chair and two other Members of the Committee to represent the Council on the Fisheries Support Group.

### **3.0 Detail**

- 3.1 The marine resources that surround Shetland are valuable, form the main part of the Shetland economy and the basis of much of life in Shetland generally. The importance of fishing and aquaculture is illustrated below:

#### **Fishing**

24% of all fish landed in Scotland in 2012 and 19% of all fish landed in the UK was landed in Shetland (68,000 tonnes).

More fish is landed in Shetland than in any other part of the UK, except Peterhead.

More fish was landed in Shetland in 2012 than in all of England and Wales.

Shetland fishing vessels accounted for 26% of all fish landed by Scottish vessels in 2012 and 17% of all landings by UK vessels.

#### **Salmon Farming**

In 2012 43,010 tonnes of farmed salmon was produced in Shetland, 26.5% of the total Scottish output.

#### **Shellfish Aquaculture**

In 2012 69% of all Scottish produced mussels were grown in Shetland (4,340 tonnes)

In 2012 there were 109 active mussel farming sites in Shetland, 33% of all active Scottish sites.

#### **Employment**

755 people were employed directly in fish catching and in all forms of aquaculture in 2011. A further 363 were employed in fish processing.

The total private sector employment generated in Shetland by fisheries activities is calculated to be 1,789

39% of all Shetland businesses derive all or some of their turnover from fisheries related activities or support.

- 3.2 There is a need to define a process for raising and discussing Economic Development issues with industry and other relevant stakeholders. It would be beneficial for the Council, industry and related organisations to have more formalised ways of communicating with each other. This report aims to identify clearer communication channels and mechanisms for debating issues relevant to the fisheries industries and the Council. The proposal focuses specifically on the seafood sector as this is the largest sector of the economy and some of the most pressing issues to be discussed relate to this sector and fish

catching in particular. The concept can however be replicated for other marine industry areas if a need exists.

- 3.3 There are many issues in all the fishing industry sectors that require intervention at Scottish Government, UK Government, and EU levels and representation works best if Shetland industry and the Council can work together for the common good. For example, the Council and the Shetland Fishermens Association worked very well together in December 2013 to help resist (successfully) an EU attempt to restrict deepwater trawling in EU waters.
- 3.4 The detailed remit for a Fisheries Support Group is set out in appendix 1. This remit is wider than that of the Shetland Oceans Alliance (SHOAL), which is still technically active. Whether or not SHOAL continues depends on the success of the proposed new wider engagement with all of the Shetland fisheries sectors.
- 3.5 Membership of the Fisheries Support Group is an approved duty.

## **4.0 Implications**

### Strategic

- 4.1 Delivery On Corporate Priorities – Working in partnership with industry to achieve sustainable economic growth for Shetland is expressed as an aim in the Healthy Economy- Strong communities section of the Council's Corporate Plan 2013-17.
- 4.2 Community /Stakeholder Issues – Consultation has taken place with the main bodies involved in fisheries in Shetland, Shetland Fishermens Association, Shetland Aquaculture and Seafood Shetland.
- 4.3 Policy And/Or Delegated Authority – Strong communication between the Council and main local industry groups in Shetland is essential if the aim of the Council's Economic Development Policy Statement 2013-17 is to be achieved:

“To improve the economic well-being of Shetland by promoting an environment in which newer industries develop alongside thriving traditional industries.”

This report seeks to improve communication between the Council and the fisheries sectors and is therefore written in line with the aim of the Policy Statement.

The Development Committee has delegated authority to implement decisions within its remit, in accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegations.

As the subject of this report is covered by existing policy the Development Committee has delegated authority to make a decision.

- 4.4 Risk Management – Having closer communication between the Council and the Shetland fisheries sectors will reduce the risk of disjointed

activities and misrepresentation which could lead to some reputational damage to the Council.

4.5 Equalities, Health And Human Rights – None

4.6 Environmental – One of the objectives of the Fisheries Support Group is to maintain healthy seas around Shetland.

#### Resources

4.7 Financial – The actions, measure and risk management described within this report will be delivered within existing approved budgets.

4.8 Legal – Any specific initiatives that may emerge from the Fisheries Support Group will be assessed by the Council's Legal Service before they are recommended to the Development Committee for approval.

4.9 Human Resources – None

4.10 Assets And Property – None

### **5.0 Conclusions**

5.1 Achieving a meaningful arrangement to discuss policy development and representation relating to the substantial fisheries sectors in Shetland is very important at a time when so many political changes are being proposed. The implementation of the "discards ban" and the consequences of the Scottish Referendum are examples of process that need a co-ordinated approach to keep the fisheries sectors strong in Shetland.

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#### List of Appendices

Appendix 1 – Shetland Fisheries Support Group – Terms of Reference.

END

## **Appendix One**

### **Shetland Fisheries Support Group**

#### **Terms of Reference**

##### **Objectives**

To provide a mechanism for discussing Shetland seafood related matters including fish catching, aquaculture and fish processing within the framework of the Shetland Community Plan

To assist the Council to develop relevant fisheries development policies

To improve communications between the Council and the Shetland fisheries industries

To consider commercial fisheries as part of a healthy natural marine environment and in the context of other users of the seas around Shetland

To inform political representation

To allow structural debate on issues where there may be diverging views

##### **Representation**

Two representatives from each of Shetland Fishermens Association, Shetland Aquaculture and Seafood Shetland

The Chair, Vice-Chair and two Members of Shetland Islands Council's Development Committee

Council Staff (Executive Manager – Economic Development, Project Managers, Coastal Zone Manager, Marine Planning Officers, as required)

Representatives of such other bodies, NAFC Marine Centre, LHD Ltd, SNH etc will be invited as required.

##### **Administration**

The Economic Development Service will take the lead in arrangements, with an understanding that cross-service working will be required when particular issues are raised.

Any topics which fall within the remit of the Marine Spatial Planning Advisory Group's remit will be routed to that Group.

The first point of contact for industry to raise issues will be the Executive Manager – Economic Development.

The Economic Development Service will be responsible for taking a note of the meetings.

Any matter raised by the Group that needs Council approval will be recommended to the Development Committee for decisions.

The general progress of the Group will be reported to Members in the Councillor Information Bulletin.

### **Meetings**

Meetings will be held at least twice a year and more frequently if issues arise.

### **Duration**

The Shetland Fisheries Support Group will continue until the conclusion of the present Council in May 2017.

**Development Committee****22 January 2014****Statement of Intention for Protecting Shetland's Marine Environment**

DV002-F

**Executive Manager – Economic Development****Economic Development Service****1.0 Summary**

- 1.1 This report has been prepared to obtain the Development Committee's approval for a draft policy statement on protecting Shetland's marine environment. Once approved the policy statement will be issued for consultation to local industry and organisations with an interest in the marine environment. At the end of the process the completed policy statement will be used mainly to guide the Council's engagement with various levels of Government on marine policy development. One pressing need at this time is to use the policy statement as the basis for a shared policy, including all three islands Councils, in the Our Islands Our Future process.

**2.0 Decision Required**

- 2.1 That the Development Committee RECOMMENDS that the Council resolves to accept the draft Statement of Intention for Protecting Shetland's Marine Environment as detailed in Appendix 1.

**3.0 Detail**

- 3.1 This report ties in with the report for better communication between the Council and the Shetland seafood industries, also on this agenda. It recognises the importance of our marine resources for supporting life in Shetland. Having an agreed Statement of Intent for Protecting Shetland's Marine Environment will place the Council in a stronger position when discussing marine policy development with all levels of Government and potential developers working in the marine environment. The agreed Statement would, for example, inform the marine policy aspects for the Our Islands Our Future debate with the Scottish and UK Governments.

- 3.2 Once the draft Statement is approved by the Development Committee it will be issued for consultation to local industry and organisations with an interest in the marine environment. The consultation period will run until 28 February 2014.
- 3.3 The Statement should be regarded as a political dimension to the successful Marine Spatial Plan that Shetland has in place and which sets out the agreed Council policies for marine development and marine resource use.

## **4.0 Implications**

### Strategic

- 4.1 Delivery On Corporate Priorities – The purpose of this report resonates well with the Healthy Economy –Strong Communities section of the Corporate Plan 2013-17.
- 4.2 Community /Stakeholder Issues – The preparation of the Statement of Intention includes a consultation exercise with interested parties.
- 4.3 Policy And/Or Delegated Authority – One of the objectives of the Council's Economic Development Policy Statement 2013-17 is to "develop local control and management of resources". This report complies with that objective.

The Development Committee has delegated authority to implement decisions within its remit, in accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegations.

However, determining the overall goals, values and strategy framework, or matters of new Policy, is reserved to the Council.

- 4.4 Risk Management – An agreed Statement of Intention for Protecting the Marine Environment should clarify what the Council's position is on a number of marine related issues. Better defined policy usually results in clearer understanding in discussions and reduces the risks associated with indecision and poor communications.
- 4.5 Equalities, Health And Human Rights – None.
- 4.6 Environmental – A policy to help conservation of the marine environment would be a positive step for keeping development in line with sustainability.

### Resources

- 4.7 Financial – The actions, measures and risk management described within this report will be delivered within existing approved budgets.
- 4.8 Legal – The main reason for having a Statement of Intention to Protect the Marine Environment is to guide discussion on issues that may lead to a change in Government policy and possible changes to laws. A strong legal input would be required should the Council engage on some of the detail included in the Statement of Intent.



4.9 Human Resources – None.

4.10 Assets And Property – None.

## **5.0 Conclusions**

5.1 The Council is continually engaging with Government and industry on developments in the sea around Shetland. Of significance at present is the need to inform the discussions on marine related matters as part of the Our Islands Our Future debate with the Scottish and UK Governments. Having an agreed Statement of Intention for Protecting Shetland's Marine Environment, which has been consulted on, would place the Council in a stronger position in such policy discussions.

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### List of Appendices

Appendix 1 – Draft Statement of Intention – Protecting Shetland's Marine Environment

END

## **Appendix One**

### **Statement of Intention**

#### **Protecting Shetland's Marine Environment**

Shetland Islands Council recognises that the sea around Shetland provides the resources that have ensured nourishment and prosperity in our community for thousands of years. The proper stewardship of our marine environment works best when the people who interact most with it are involved in its protection and commercial use. This is exemplified by the development of the Shetland Marine Spatial Plan that the Council has agreed to adopt as Supplementary Guidance to its Local Development Plan.

International competition for marine resources continues to increase. Hydrocarbon exploration, renewable energy, fisheries, transport, tourism and leisure activities all have an impact. Making the most of commercial opportunities while still keeping the nourishing environmental qualities of the sea is a vital equation that needs the utmost care and attention. The purpose of this Statement is to make clear to all levels of Government that the people who depend most on the sea for their living should have greater involvement in marine resource policy development and decision making.

First of all the Council insists that the EU principle of subsidiarity (As defined in Article 5 of the Treaty on European Union – the principle of subsidiarity ensures that decisions are taken as closely as possible to the citizen) should apply to the marine environment and that this principle should be enforced by the UK and Scottish Governments.

Second, the powers of the ZCC Act should remain and should be promoted as an example of good practice for empowering local control of development in the marine environment. These powers should be protected whatever changes take place in Scotland's sovereign status.

Third, that Shetland, along with other coastal communities, is given more say in the policies that govern the use of the seabed, administered by the Crown Estate Commission. Revenue raised from renting the seabed should be distributed more equitably to ensure sustainable development and protection of the marine environment and the communities that depend on the sea in the areas where development is proposed.

Fourth, that Government at all levels understands that better local fisheries management systems will help to make the Common Fisheries Policy work better as a framework that can protect fish stocks for the international fishing community. In particular, we need the UK and Scottish Governments to support Shetland's efforts to use the fish quota and licensing system to pilot a project for a practical solution to the "discard ban" as part of the Common Fisheries Policy.

Fifth, the success of the Shetland Shellfish Management Order, which has protected the marine environment while keeping a successful inshore fishery

operational, needs to be promoted as an example of best practice to the whole EU, and needs to be built on.

Sixth, the identification of marine conservation and marine protection methods should begin with the involvement of both the fishing and local communities who understand the sea best. The Shetland agreement to restrict sand eel fishing in the 1990s for environmental reasons is a good example of the practical approach that could be delivered.

Seventh, the lead body for the Marine Planning Partnership should be the local authority for that area where the Scottish Marine Region comprises a single Local Authority.

Eighth, the marine licensing system should be transferred to those Local Authorities that seek it, as prescribed in the Marine (Scotland) Act 2010, for reasons of subsidiarity and to ensure local accountability, transparency, better integration of land and marine planning, and improved community planning.

Ninth, the Council should have involvement in the development of future fiscal, regulatory and licensing regimes for Oil and Gas development and extraction in the North Sea and Atlantic Continental Margin. This should include strong local influence and control in marine safety and environmental protection to make sure current extraction using aging infrastructure and future development in very challenging conditions do not compromise the islands' natural environment or safety in the seas around us.

Tenth, arrangements should be made to ensure direct financial and other community benefit are secured from current and future Oil and Gas development with additional arrangements to ensure further significant island participation in Oil and Gas support and supply chains, including decommissioning. This is to secure sustainable development, protection of the environment and support for communities that depend on the seas where development is taking place.

Eleventh, arrangements should be made to ensure direct financial and other community benefits are secured from developers of marine renewable energy projects. Such developments must link to the local supply chain, offer local employment opportunities and contribute to a community development fund.