

MINUTE

A - PUBLIC

Harbour Board
Council Chamber, Town Hall, Lerwick
Tuesday 19 August 2014 at 2.00pm

Present:

A Manson	M Burgess
A Cooper	B Fox
M Stout	A Westlake

Apologies:

R Henderson	F Robertson
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In Attendance:

P Bryant, Executive Manager – Harbourmaster and Port Operations
C Reeves, Harbourmaster
A Inkster, Team Leader – Port Engineering
B Robb, Management Accountant
K Marshall, Solicitor
C Anderson, Senior Communications Officer
L Adamson, Committee Officer

Chair

Ms A Manson, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The Board approved the minutes of the meeting held on 27 May 2014 on the motion of Mr Stout seconded by Mr Fox.

23/14 **Management Accounts for Harbour Board:**
2014/15 – Projected Outturn at Quarter 1

The Board considered a report by the Executive Manager – Finance (F-041-F), which enabled the review of the financial performance of services within its remit.

The Management Accountant introduced the report, and advised on the projected outturn being an increase in surplus on Revenue of £142k and an underspend on Capital of £65k.

Decision:

The Board **RESOLVED** to review the Management Accounts showing the projected outturn position at Quarter 1.

24/14 **Pilotage Accounts for Harbour Board:**

2014/15 – Quarter 1 (April – June 2014)

The Board considered a report by the Executive Manager – Finance (F-040-F), which enabled the monitoring of the financial performance of the pilotage services.

The Management Accountant introduced the report, advising on the £11k overspend against annual budget which mainly relates to overtime costs, resulting in a projected surplus of £83k.

In response to a question, the Management Accountant advised that the overtime figures relate to additional marine officer costs to cover sick leave. In response to a comment from Mr Stout, the Board acknowledged that a ban on overtime is not always beneficial, as it is a useful and cost effective means of provision.

Decision:

The Board **RESOLVED** to review the Pilotage Accounts showing the projected outturn position at Quarter 1.

25/14

Ports and Harbours Service Plan Performance Report

3 Month/1st Quarter 2014/15

The Board considered a report by the Executive Manager – Ports and Harbours (PH-23-14-F), which summarised the activity and performance of the Ports and Harbours Service for the first quarter of 2014/15.

In introducing the report, the Executive Manager – Harbourmaster and Port Operations provided a brief update on each of the performance indicators at Appendix 1. In referring to the Service Plan, he informed the Committee on the one Action remaining as a Red ranking, and on progress being made on the actions ranked as Amber.

In response to a question from a Member regarding the high number of staff on temporary contracts, the Executive Manager – Harbourmaster and Port Operations advised that the contracts are mainly within the tug service, as this is considered the best solution, whilst the future of tug provision is reviewed. He added that temporary staff have been employed in other areas of Ports and Harbours, however these staff are now moving to permanent posts.

During the discussion, Members were advised that the long term business development plans for Scalloway and Sullom Voe would to be presented to Harbour Board in October.

In response to a question, the Executive Manager – Harbourmaster and Port Operations advised that options would be explored to find a workable shift pattern for the launch crews in line with Single Status requirements and the Marine Working Time Directive.

Decision:

The Board **RESOLVED** to discuss the contents of the report, making relevant comments on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

26/14

Capital and Revenue Project Progress Report

The Board considered a report by the Team Leader – Port Engineering (PH-19-14-F), which provided an update on the progress of capital and revenue projects for Ports & Harbours Operations.

The Team Leader – Port Engineering summarised the main terms of the report.

Mr Stout made reference to the update provided on the refendering works planned at the ferry terminals. He enquired on whether consultation had taken place with ferry crews to get their feedback, and he questioned the necessity for all the planned replacements to be undertaken. The Team Leader – Port Engineering advised that his responsibility for this project had commenced after the contract had been awarded, however he gave assurance that fenders would only be replaced where necessary.

In response to a question, the Team Leader – Port Engineering advised that the small pontoon from Baltasound pier, which is being returned to Sellaness for storage, could be installed at another pier following some repair works.

Decision:

The Board **RESOLVED** to:

- Note the contents of the report and areas of progress made; and
- Discuss and highlight any areas of concern.

27/14 **Harbourmaster's Report**

The Board considered a report by the Harbourmaster (PH-21-14-F), which informed the Port Marine Safety Code (PMSC) Duty Holder of the professional concerns and current status as reported by the Harbourmaster.

The Harbourmaster introduced the report.

In referring to the delay with the installation of the software to review and manage marine risk assessments, the Harbourmaster advised that the new servers are to be in place by the first week in October. He referred Members to the final paragraph of the Designated Person Report, at Appendix 1, where he advised that the implementation of the software should result in an unqualified report from the Designated Person at the next meeting.

In providing an update to Members on the Incident as reported at Section 3.3, involving the Olympic Challenger while departing from Scalloway, the Harbourmaster advised that the Admiralty have acknowledged the incident and are to put out a chart correction.

In response to a suggestion, it was agreed that the Marine Risk Assessments should feature in the Performance Action Plan.

Decision:

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

Small Ports – Conditions Survey and Future Major Maintenance

The Board considered a report by the Team Leader – Port Engineering (PH-16-14-F), which advised on the current condition of its small ports assets, and indicated where maintenance priorities are considered greatest for prioritisation to the Council's Capital Programme Gateway process.

In introducing the report, the Team Leader – Port Engineering referred Members to the priority ranking on small ports for installation of cathodic protection works and estimated costs set out in Section 7.1. He advised that in addition to the priority list, substantial repairs would be required to the Toft Pier, Scalloway Old Fish Market Quay and Baltasound Pier, as detailed in Section 7.3 of the report.

In response to a question regarding the omission of Grutness Pier from the priority listings, the Team Leader – Ports Engineering advised that Grutness Pier is deemed a ferry terminal, rather than a small port. He advised that the condition and proposed works required at the ferry terminals will be considered in due course.

In response to questions relating to the proposed works at Baltasound Pier, the Team Leader – Port Engineering explained that the estimated £250k would be for initial works required to the pier, with the cathodic protection system installed at a later stage. In response to a suggestion, the Team Leader – Port Engineering undertook to look into whether installation of the cathodic protection during the proposed repair works could be a spend to save option.

Some Members made comment on the significant costs as estimated for the installation of cathodic protection systems at the small ports. During the discussion Members sought additional information to be provided on the average annual income and dues from the small ports, the usage of the ports and the economic impacts on the communities. In response to a question, the Team Leader – Port Engineering advised that the further report would be prepared in conjunction with the Long-Term Asset Investment Programme report.

In referring to the erosion at the jetties, a Member questioned whether cathodic protection was the complete solution to preventing further erosion. The Team Leader – Port Engineering advised that cathodic protection is proven to be a very effective solution in preventing erosion, where he reminded Members that cathodic protection only protects structures under the water.

Mr Cooper advised of his concern at the proposed demolition and removal of the Toft Pier as outlined in Section 7.3 of the report, and some Members commented on the strategic position of the pier for landings and repair works by local fishermen. In that regard, Mr Cooper asked for a report to be prepared to inform on options and costings for repairs to extend the life of the Toft pier.

In response to questions relating to the installation of CCTV cameras at piers to evidence pier usage, the Team Leader – Port Engineering advised that the significant cost of the initial installation would outweigh the income generated from the pier.

Mr Cooper said he accepted the technical assessments of the condition of the piers as outlined in the report. However, he questioned the proposal to proceed to spend significant amounts of money on capital and outlay, when in some instances, the income and dues generated and use of the facility are minimal. Mr Cooper moved

to defer the report for one cycle, to allow for additional information to be presented on the operational aspects of the small ports, in order that Members are better informed before submitting projects into the gateway process. Ms Westlake seconded.

Decision:

The Board **RESOLVED** to defer the report for one cycle, to allow for additional information to be presented on the operational aspects of the small ports, in order that Members are better informed before submitting projects into the gateway process.

29/14 **Harbour Board Business Programme 2014/15**

The Board considered a report by the Team Leader – Administration (GL-13-14-HB-F), which informed of the planned business to be presented to Committee/Boards over the remaining quarters of the current financial year to 31 March 2015, allowing for discussion with Officers regarding any changes or additions required to that Programme.

The Committee Officer briefly introduced the report. In response to a question, it was advised that the 3/4 tug model will be covered in the Harbour Investment Model report to the Board in October.

Decision:

The Board noted the business planned for the remaining quarters of the current financial year to 31 March 2015.

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

30/14 **Commercial Report**

The Board noted a report by the Harbourmaster which informed of recent commercial activity in the port.

The Harbourmaster summarised the main terms of the report.

Decision:

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

The meeting concluded at 3.20pm.

Chair