

MINUTE

A&B - Public

Harbour Board

Council Chamber, Town Hall, Lerwick

Wednesday 7 October 2015 at 10.00 am

Present:

M Burgess R Henderson
A Manson F Robertson
A Westlake

Apologies:

A Cooper B Fox
M Stout

In Attendance:

M Sandison, Director of Infrastructure Services
J Smith, Acting Executive Manager – Ports and Harbours
A Inkster, Team Leader – Port Engineering
S Summers, Administration Manager
P Wishart, Solicitor
L Gair, Committee Officer

Also in Attendance:

G Cleaver

Chair

Ms A Manson, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

23/15 Scalloway Harbour – Strategic Options – Progress and Next Steps

The Board considered a joint report by the Director of Infrastructure Services and the Acting Executive Manager – Ports and Harbours (PH-14-15-F), which summarised work done to date on the strategic options for the future operation of Scalloway Harbour and made recommendations about further activity.

The Acting Executive Manager – Ports and Harbours introduced the report and provided an overview of the long list of options considered.

Members welcomed the report and commented that the options were realistic. A Member referred to paragraph 4.7, and in noting that there would be a charge of £5k to be factored into the harbour dues, suggested that this was a trivial amount when there would be a projected surplus of £600k. The Acting Executive Manager – Ports and Harbours said that the £5k had been included in order to inform the next report on this project. He said it was important to demonstrate the consequences of this work as the Harbour Account must break even with a return to Council reserves therefore although it would have a minor consequence it was technically correct to report it.

The Chair commented that to date there had been little liaison with the users of the Port or the community. In referring to the former Blackness Pier Joint Committee she suggested that a similar group should be set up, even in the short term. In that regard, she proposed an additional recommendation to Policy and Resources Committee and the Council that a similar body be set up on a formal basis, and that the minutes from the group can be presented to the Harbour Board. The Acting Executive Manager – Ports and Harbours referred to Section 8 of the Appendix, “Communications and Stakeholder Engagement” where he suggested that the objectives of the group could be included.

Members acknowledged the need for stakeholder engagement, and it was suggested this should include the fishing industry as well as the community, other users and consultants. It was also recognised that the Council was not in a position to create jobs, but by providing a suitable facility and supporting infrastructure that would allow individuals to create business from using those facilities.

Mr Robertson moved that the Board approve the recommendations contained in the report with the addition of the Chair's suggestion that a group, similar to the Blackness Pier Joint Committee, be established on a formal basis that would allow the minutes to be presented to the Harbour Board. In seconding, Mr Henderson stressed the need for suitable lay down space in Scalloway and other ports including Cullivoe to secure the future of the ports.

Decision:

The Board

- (i) noted the information contained in the report, concerning the strategic options for Scalloway Harbour, (ii) commented on those areas within their remit and informed the Council of their views; and
- **RECOMMENDED** that the Council resolve, (i) to consider the views of the Harbour Board and Policy and Resources Committee and (ii) to instruct the Director of Infrastructure, or her nominee, to further examine the options recommended for short-listing in section 3 and provide recommendations once more economic, commercial and financial information on those options has been established; and
- **RECOMMENDED** to Policy and Resources Committee and the Council set up a similar body to the Blackness Pier Joint Committee to enable consultation with stakeholders on a formal basis that would allow the minutes of that body to be presented to the Harbour Board.

24/15

Port of Sullom Voe – Strategic Options – Progress and Next Steps

The Board considered a joint report by the Director of Infrastructure Services and the Acting Executive Manager – Ports and Harbours (PH-13-15-F), which set out the strategic options for the future operation of the Port of Sullom Voe and made recommendations on further activity.

The Director of Infrastructure Services introduced the report and advised on progress made to date and explained that the key options would be brought back to the Policy and Resources Committee and Council to establish the economic and financial cases.

A Member commented on the substantial fee charged for the work undertaken so far and it was questioned whether this had included reasonably well costed options for the future operation of the port. The Director of Infrastructure Services confirmed that for this fee the Council would expect genuine testing of options to determine whether it is in the Council's interest to further consider outsourcing, for example. The Director of Infrastructure Services commented that the involvement of Price Waterhouse Cooper brought access to contacts that the Council could not pursue as broadly alone.

Mr Henderson moved that the Board approve the recommendations contained in the report, seconded by Mr Robertson.

Decision:

The Board

- (i) noted the information contained in the report, concerning the strategic options for the Port of Sullom Voe, (ii) commented on those areas within their remit and informed the Council of their views; and
- **RECOMMENDED** that the Council resolve, (i) to consider the views of the Harbour Board and Policy and Resources Committee and (ii) to instruct the Director of Infrastructure, or her nominee, to further examine the options described in section 3 with additional support from Price Waterhouse Coopers LLP and provide recommendations once more economic, commercial and financial information on those options has been established.

25/15 **Service Needs Case Application – Ports and Harbours**

The Board considered a report by the Team Leader – Port Engineering (PH-15-15-F), which provided an update on the current list of proposed projects that have been submitted as Service Needs Cases, for consideration for inclusion on the Council's Capital Programme.

The Team Leader – Port Engineering introduced the report and responded to questions. He confirmed that the price for the Toft Pier was as good an estimate as was possible based on providing the same sized structure and comparing with work carried out at Uyeasound and Walls. He was also able to confirm that the deadlines for the VTS were set out in the Ports and Harbours Service Plan and these deadlines were being met. He explained that a following discussions with a consultant it was established that the current system is appropriate for our services and the new system will replace that.

In responding to further questions, the Team Leader – Port Engineering explained that it had not been possible to set a rolling programme on cathodic protection of structures in Sullom Voe until the Port's future was known. It is now possible to put a 5 year programme into place to maintain the structures into the longer term. In response to a question where a Member queried how the price for cathodic protection of the tug jetty was the same as all small piers, the Team Leader – Port Engineering explained that this was due to the water depth and mass of steel required for the coffer dams and sheet pile structures. He added that the price was based on size and the nature of the construction.

A Member referred to the works required at the Scalloway Fish Market (refrigeration and door maintenance) and questioned whether external grant aid from funding bodies such as EFF (European Fisheries Funding) had been explored to minimise the cost to the Council. The Director of Infrastructure Services explained that this was the minimum work required to maintain the fish market in the short-term and confirmed that external funding would be sought for the final scheme once the Business Case had been developed.

The Team Leader – Port Engineering was in a position to confirm that the Scalloway Old Fish Market Quay was deteriorating and some works would be carried out under the Small Ports Cathodic Protection item referred to at paragraph 3.10. He also confirmed that surveys of ports are carried out on a 5 year rolling programme therefore Officers have a good understanding of which sections are in the worst condition. The Team Leader – Port Engineering confirmed that the pontoon from the Baltasound Pier was now being held within the Sella Ness compound and in terms of the Baltasound Pier repairs the piles would be completed in the next year or two. He commented that this work was a priority and the sooner it is carried out the cheaper it will be. He advised Members that it was essential that the Council maintains its assets and that the presentation of the report provided a “ball park” figure.

Mr Robertson moved that the Board approve the content of the report, seconded by Mr Henderson.

Decision:

The Board noted the contents of the report.

The meeting concluded at 10.30am.

Chair