

MINUTE

A&B - Public

Harbour Board

Council Chamber, Town Hall, Lerwick

Tuesday 1 March 2016 at 2.00 pm

Present:

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

Apologies:

M Stout

In Attendance:

M Sandison, Director of Infrastructure Services
J Belford, Executive Manager - Finance
J Smith, Acting Executive Manager – Ports and Harbours
A Inkster, Team Leader – Port Engineering
S Summers, Administration Manager
L Gair, 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 minutes of the meetings held on i) 17 November 2015 were approved on the motion of Mr Henderson seconded by Mr Fox; and ii) 25 November 2015 were approved on the motion of Mr Henderson seconded by Mr Robertson.

01/16 **Management Accounts for Harbour Board – Projected Outturn at Quarter 3**

The Board noted a report by the Executive Manager – Finance (F-005-F), which enabled the monitoring of the financial performance of services within its remit to ensure Members area aware of the forecast income and expenditure and the impact that this will have with regard to delivering the approved budget.

The Executive Manager – Finance introduced the report and in responding to questions he confirmed that the capital asset sale of the tugs would appear in the year end harbour position and would not be seen through the operational budget. In discussing the other piers increase in income, the Director of Infrastructure Services advised that the service had benefited from industry activity and responding to pier users. In order to maintain the income officers are actively working on marketing the available space. Members also noted that the increased fishing and salmon landings is as a result of changes to the common fisheries policy and discard ban and it was likely that there would be more landings through Scalloway Harbour.

Decision:

The Board **RESOLVED** to review the Management Accounts showing the projected outturn position at Quarter 3.

02/16 **Pilotage Accounts for Harbour Board 2015/16 – Projected Outturn at Quarter 3**

The Board noted a report by the Executive Manager – Finance (F-007-F), which enabled the monitoring of the financial performance of the pilotage services provided by the Council.

The Executive Manager – Finance introduced the report.

Decision:

The Board **RESOLVED** to review the Pilotage Accounts showing the projected outturn at Quarter 3.

03/16 **Ports and Harbours Performance Report – 3rd Quarter 2015/16**

The Board noted a report by the Acting Executive Manager – Ports and Harbours (PH-02-16-F), which summarised the activity and performance of the Ports and Harbours Service for the reporting period above.

The Acting Executive Manager – Ports and Harbours introduced the report and advised that Officers were working with Price Waterhouse Coopers (PWC) on the Scalloway Harbour review and more detailed requirements for the fish market, over the lifespan of the investment, would be reported to a future meeting of the Board.

In responding to questions the Acting Executive Manager – Ports and Harbours advised that the workforce development actions had progressed with a change of shift patterns, to overcome the start and finish arrangements, as under the previous arrangements there was a two hour period where it was not possible to bring in tankers. These arrangements are working satisfactorily and would continue to be monitored to ensure that the Port is able to respond to the customer's needs. The Acting Executive Manager – Ports and Harbours also explained why the amber status remained for workforce planning and said that updates had been received from Sullom Voe Terminal last December and January who are in the middle of an exercise within their own workforce. He advised that the shape of the operations needed by the Terminal operators will be significant and options have to be examined on what the operator want ie a 24/7, 365 day facility and the number of jetties that will be required. He said that Officers are working towards that requirement. The Acting Executive Manager – Ports and Harbours added that it was very clear that the VTS needs to be a 24 hour/day operation even if no berthing is taking place. Members also acknowledged that particularly during the winter months the weather windows are often after midnight.

The Acting Executive Manager – Ports and Harbours responded to a question regarding the review of tug management arrangements and advised that the fleet was now down to four vessels and it would be a priority to get the correct balance. He said that any replacement vessels should have all the maintenance arrangements already established. Members were also reassured that there would be no increased cost in changing the pilot launch shift patterns.

Decision

The Board discussed the contents of the report, commenting on progress against priorities to inform further activity within the reminder of this year, and the planning process for next and future years.

04/16 **Harbour Board Business Programme 2016/17**

The Board noted a report by the Team Leader – Administration (GL-11-16-F), which informed of the planned business to be presented to Committee for the financial year 1 April 2016 to 31 March 2017, and sought discussion with Officers regarding any changes or additions required to that Programme.

Members were advised that there may be a need to reschedule meetings set around the election periods in May and June. They were further advised that the Harbour Board meeting in April may be changed to a Harbour Board seminar.

Decision

The Board considered its planned business for the financial year 1 April 2016 to 31 March 2017 and **RESOLVED** to approve any changes or additions to the Business Programme.

05/16 **Harbourmaster's Report**

The Board noted a report by the Interim Harbourmaster (PH-04-16-F), which briefed and informed the Port Marine Safety Code (PMSC) Duty Holder of the professional concerns and current status as reported by the Harbourmaster.

The Director of Infrastructure Services introduced the report and in referring to the Designated Person's Report Members noted that the Marine Safety Management Systems, for the ports listed, are working effectively and in compliance with the Port Marine Safety Code. She advised that the recommendations are being acted upon and the audits were useful in directing activities to ensure continued compliance. In addition the Director of Infrastructure Services said that the intention would be to build the recommendations into next year's service plan so that Members can see that matters are moving forward, however some recommendations had been completed already.

In responding to questions the Director of Infrastructure Services confirmed that the recommendations are not non conformities but will be used to enhance systems to demonstrate continued improvement. In terms of recommendation three the Director of Infrastructure Services explained that there has to be a clear role between the Harbourmaster and the Executive Manager role on safety grounds. The Harbourmaster also has a direct reporting line to the Director of Infrastructure Services as well as to the line manager. She explained that towage is managed under the Towage Safety Management System. The Harbourmaster has overall management responsibility for the activities in the port but not towage. The Acting Executive Manager – Ports and Harbours added that there had previously been a joint post for Harbourmaster and Executive Manager but this did not provide the clear structure that is required for the day to day towage to be separate from the port management role.

Decision

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

06/16 **Emergency Dredging at Gutcher Ferry Terminal**

The Board noted a report by the Team Leader – Port Engineering (PH-01-16-F), which informed of emergency dredging works at Gutcher Ferry Terminal carried out under exception to the Council's Contract Standing Orders.

The Team Leader – Port Engineering introduced the report and provided an overview of the circumstances that led to the emergency dredging works. In responding to question the Team Leader – Port Administration advised that it was too soon to tell whether this would be a one off requirement but checks would be carried out in the spring when conditions were better. He confirmed that hydrographic surveys were being carried out, in house, on other ferry terminals and small ports and thus far there were no problems with siltation and dredging as Gutcher experienced. Members were also advised that the dredging material was transferred to the shore at Cullivoe which provided a neat and quick solution without the need to use the dump. He said that this solution also allowed the early release of the dredger.

Members acknowledged the need for the emergency works but were concerned that the ferry crew had not been more aware of the issues before the vessel hit the bar.

Decision

The Board noted the exception applied.

07/16

Fender Purchase and Oil and Gas Production Forecast

The Board considered a report by the Acting Executive Manager – Ports and Harbours (PH-03-16-F), which concerned the purchase of second hand fendering and the commissioning of an Oil and Gas production forecast under the terms of the Council's Contract Standing Orders.

Fender Purchase - The Acting Executive Manager – Ports and Harbours introduced the report and in commenting on the purchase of the fenders he advised that they would be deployed on hire shortly. In responding to questions the Team Leader – Port Engineering advised that the fenders were not large enough to be used in ship to ship transfers but would be used again at the Scalloway pier and could be used at Sella Ness when required. Members were advised that the fenders would be hired at a charged of £67 per fender per day. It was also noted that the fenders were easily transportable.

Reference was made to the long term berthing on the outside of the Scalloway pier and the Team Leader – Port Engineering was asked if there was a programme in place to restore the wear and tear caused. The Team Leader – Port Engineering advised that a survey had been undertaken before the Gemini accommodation vessel took up its berth and another had been carried out since the vessel had left. Works were being priced to repair the damage caused and officers were in discussions with Petrofac regarding this.

Members also noted that a large construction ship had come into Scalloway but this would not have been possible if Scalloway did not have the fenders available to allow the vessel to berth.

Oil and Gas Production forecasts - The Acting Executive Manager – Ports and Harbours advised that he had received a copy of the updated report this morning, and provided a brief overview of the contents, which he said was the first step in the process of looking at the future activity of the port.

Decision

The Board noted two exceptions applied in accordance with the Contract Standing Orders for the purchase of second hand fendering and the commissioning of an Oil and Gas production forecast.

The meeting concluded at 2.45 pm.

Chair