

MINUTE

B - PUBLIC

Harbour Board

Room 10, Islesburgh Community Centre, Lerwick

Monday 6 March 2017 at 3.30pm

Present:

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

Apologies:

M Burgess

In Attendance:

M Sandison, Director of Infrastructure Services
J Smith, Acting Executive Manager – Ports and Harbours
B Dalziel, Harbourmaster
A Inkster, Team Leader – Port Engineering
B Robb, Management Accountant
S Summers, Administration Manager
P Wishart, Solicitor
C Anderson, Communications Officer
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 meeting held on 10 February 2017 were approved on the motion of Mr Henderson seconded by Mr Cooper.

02/17 Ports and Harbours Performance Report – 3rd Quarter 2016/17

The Board considered a report by the Acting Executive Manager – Ports and Harbours (PH-01-17-F), which summarised the activity and performance of the Ports and Harbours Service for the reporting period to 31 December 2016.

The Acting Executive Manager – Ports and Harbours introduced the report.

Reference was made to the Scalloway Fishmarket and in response to comments on the timeframe for tender documents; the importance of liaising with the Lerwick Port Authority; and concern that the timescale for this project was starting to drift, the Director of Infrastructure Services advised that through discussions with Capital Programme Services the tender documents are to be ready for June and the work programme will be adjusted. She confirmed that it would not be possible to retrieve the time lost. The Acting Executive Manager – Ports and Harbours added that the risk register would be updated in terms of the EMFF contribution and condition of the

Scalloway Fishmarket and to understand how it fits in with the Lerwick Port Authority improvements. He advised that there continues to be dialogue with the Lerwick Port Authority and officers would continue with the development of the tender package. He said that he hoped to minimise the time lost and manage the risk around that.

The Director of Infrastructure Services said that the Asset Investment Group understood the importance of securing external funding but wanted to ensure that the right package is presented and although there was a risk, achieving the right outcome for the fishmarket took priority. She said that time pressure has been an issue as this is a big project being progressed by a small team of staff. Although it will take time to do the business case staff know what has to be done by June.

In terms of the Vessel Transfer System (VTS) the Board was informed that there are four tenders returned and the preferred supplier should be identified shortly.

Decision

The Harbour Board NOTED the performance of the Ports and Harbours Service against its stated objectives and planned actions as Duty Holder under the Port Marine Safety Code.

03/17 Management Accounts for Harbour Board: 2016/17 - Projected Outturn at Quarter 3

The Board considered a report by the Executive Manager – Finance (F-016-17-F), which enabled the Board to monitor the financial performance of services within its remit.

The Management Accountant introduced the report and Members noted the content of the report.

Decision

The Harbour Board NOTED the Management Accounts showing the projected outturn position at Quarter 3.

04/17 2016/17 Pilotage Accounts - Projected Outturn at Quarter 3

The Board considered a report by the Executive Manager – Finance (F-017-17-F), which presented the projected outturn position for 2016/17 as at the end of the third quarter enabling the Board to monitor the financial performance of the pilotage services provided by the Council.

The Management Accountant introduced the report and in response to a question she advised that the overall surplus goes into the Harbour Account. She advised that these funds are available to cover any requirements under the Pilotage Act.

In responding to a further question the Director of Infrastructure Services agreed that there is a high cost to operating a 24/7 services but advised that work was ongoing with BP on options around moving from a 24/7 operation. She said that consideration was being given to a standby arrangement but staff would still be required for this, however it would reduce overtime and unsociable hours.

Decision

The Harbour Board NOTED the Pilotage Accounts showing the projected outturn position at Quarter 3.

05/17 **Harbourmasters Report**

The Board considered a report by the Interim Harbourmaster (PH-02-17-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 responding to questions relating to Capt. Auld's report at Appendix 1, Officers advised that Recommendation 2 was unlikely to be concluded until EnQuest were in place. The Board were assured that the two safety management systems had existed together for some time and in practice they do work but this piece of work would ensure that the systems dovetail each other.

In terms of Recommendation 9 the Board were advised that the Safety Drill Matrix for pilot boat crews had now been produced and once agreed the Board would be updated. Safety checks were still being done but the existing arrangements remained competent in the harbour.

Reference was made to the Towage Paragraph on page 3 of Capt. Auld's report and the Director of Infrastructure advised that Capt. Auld was not fully aware of the option for a bare boat charter and this information was therefore not up-to-date.

In response to a request, the Harbourmaster agreed to circulate, to Members, more detail of the Environmental Protection Open Report listed on page 4 of appendix 1.

Decision

That the Harbour Board NOTED the content of this report in its role as duty holder, and noted that the necessary management and operational mechanisms are in place to fulfil that function.

06/17 **Fresh/Caught Shellfish Landing Dues 2017/18**

The Board considered a report by the Acting Executive Manager – Ports and Harbours (PH-04-17-F), which presented options on arrangements for live caught fish landing charges detailed in Appendix 1 to the report and presented for consideration of the removal of the live fish/fish feed x 40 trip charges to live provide clarity for aquaculture vessel charging.

The Acting Executive Manager – Ports and Harbours introduced the main terms of the report.

In discussing the matter of charges, it was suggested that there was no way of implementing a charge that would be considered fair by the different classes of vessels, other than to introduce an ad valorem charge. Comment was made that shell fishermen do not have the same facilities available, at Council piers, as there are in Lerwick, and until such time as the Council can provide facilities of safe harbour for safe landings the ad valorem rate should be set lower at 2%. It was suggested that discussion are required with the Industry around which Council's piers and harbours are important to the industry. In addition to the ad valorem charge it was suggested that a £30/landing be levied to anyone that does not declare their catch. It was suggested that the £30 charge would be monitored by the pier master.

During further discussion, the Board were advised that there are approximately 50 of the 106 licensed boats that use Council piers. The Acting Executive Manager – Ports and Harbours explained how the fees would be collected and cross checked with

buyers and agents, which he said would provide a well informed position about the boats and what was landed. He said that care had to be taken in regard to queen scallop landings as these fees are paid through agents and due to the high value catch these may be better paying a flat fee for non-declaration than the ad valorem charges.

(A Westlake left the meeting)

Following further comments around the facilities provided by Lerwick Port Authority for under the 2½ ad valorem rate, Members acknowledged that 2% ad valorem rate for Council piers was reasonable.

Mr Cooper moved that the Board approve Proposal 1 with the amended 2% ad valorem rate of 2% or face a charge of £30 per landing for undeclared landings, and approve the recommendation at paragraph 1.1.2 of the report. Mr Robertson seconded.

Decision

The Harbour Board RECOMMENDED to Policy and Resources Committee and the Council that they approve:

- **Proposal 1 - Caught Shellfish - discounted ad valorem rate** - Vessels under 15 metres who undertake to provide weekly details of the weight/value of their caught shellfish landings directly to the Council, including place of landing, or who provide the Council with authorisation to access their landing information from the relevant agent/buyer will qualify for a reduced ad valorem rate of 2% or face a charge of £30 per landing for undeclared landings; and
- The removal of the Live Fish/Fish Feed x 40 trip charges to provide clarity for aquaculture vessel charting as set out in 2.4 of the report.

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

07/17 Disposal of tugs Tirrick and Shalder

The Board considered a report by the Acting Executive Manager – Ports and Harbours, which informed the Board on the current position with regard to the Tugs Tirrick and Shalder and sought delegated authority in regard to the disposal of the Tugs.

Mr Stout moved that the Board approve the recommendation contained in the report, seconded by Mr Henderson.

Decision

The Harbour Board approved the recommendations contained in the report.

The Chair thanked her fellow Councillors for their constructive debate over the last 5 year Council term and said that she had great confidence that she was leaving the Harbour in the safe hands of the staff until Members hopefully return in May. Members and Officers thanked the Chair.

The meeting concluded at 4.30pm.

Chair