

Shetland Islands Council



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Date: 25 February 2019

Dear Sir/Madam

You are invited to the following meeting:

Harbour Board
Council Chamber, Town Hall, Lerwick
Monday 4 March 2019 at 3.30pm

Apologies for absence should be notified to Leisel Malcolmson, at the above number.

Yours faithfully

Executive Manager – Governance and Law

Chair: A Manson
Vice Chair: D Simpson

AGENDA

- (a) Hold circular calling the meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest - Members are asked to consider whether they have an interest to declare in relation to any item on the agenda for this meeting. Any Member making a declaration of interest should indicate whether it is a financial or non-financial interest and include some information on the nature of the interest. Advice may be sought from Officers prior to the meeting taking place.

(d) Confirm minutes of meeting held on 5 February 2019 (enclosed).

1. Ports & Harbours Performance Report 2018/19 – Quarter 3
PH-02
2. Pilotage Accounts – 2018/19 Projected Outturn at Quarter 3
F-022
3. Harbourmaster's Report
PH-01
4. Harbour Board Business Programme 2019/20
ISD-05



MINUTE

B - PUBLIC

**Harbour Board
Council Chamber, Town Hall, Lerwick
Tuesday, 5 February 2019 at 10.00am**

Present:

M Burgess	A Cooper
S Coutts	S Leask
A Manson	D Simpson
R Thomson	

Apologies:

A Duncan

In Attendance:

J Smith, Director of Infrastructure Services
G Maitland, Harbourmaster
A Inkster, Team Leader – Port Engineering
B Robb, Senior Management Accountant
P Wishart, Solicitor
L Malcolmson, Committee Officer

Chair

Ms A Manson, Chair of the Board, presided.

Circular

The circular calling the meeting was held as read.

The Chair ruled, in accordance with Section 43(2) of the Local Government in Scotland Act 2003, the attendance of Councillor Burgess and Councillor Simpson during the proceedings be permitted by telephone link.

Declarations of Interest

Mr Cooper, Mr Coutts and Mr Thomson declared an interest in item 2 “*Infrastructure Services Department – Executive Management Restructure*” as they each had a family member who would be part of the overall structure chart attached in the appendix, but not directly affected by the decisions required. They each advised that they would remain and take part in discussion.

Minutes

The minutes of the meeting held on 17 December 2018 were approved on the motion of Mr Leask, seconded by Mr Coutts.

01/19 **Exceptions from Contract of Standing Orders:
Sullom Voe Harbour Area Marine Spatial Masterplan**

The Board considered a report by the Director of Infrastructure (ISD-02-19-F) that informed the Board of recent works instigated under exception to the Council’s Standing Orders by Ports and Harbour Operations.

The Director of Infrastructure introduced the report and advised that it was likely that the first reports from the NAFC Marine Centre would be provided in April/May 2019.

In responding to a question, the Director of Infrastructure Services advised that the Sullom Voe Harbour Area Marine Spatial Master plan had been commissioned by the Council. He explained that reference in paragraph 4.2 to the Scottish Government was in regard to a separate piece of work that the Scottish Government itself had commissioned from NAFC Marine Centre. He said therefore that no funding would be sought from the Scottish Government for the Sullom Voe Harbour Area Marine Spatial Masterplan but that with the knowledge and experience gained from the earlier piece of work, it meant that the NAFC Marine Centre were uniquely placed to undertake the work required by the Council.

During debate Members noted that Shetland had built up as much knowledge as anywhere on Marine Special Planning and that the Sullom Voe Harbour Area had run as a marine port for 40 years. The point was made that further development required careful consideration and planning and that, with its knowledge and experience, the NAFC Marine Centre were best placed to undertake that work.

Decision

The Harbour Board RESOLVED to NOTE the exceptions applied.

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

(The media, Councillors Burgess and Simpson and Ports and Harbours staff left the meeting)

02/19 Infrastructure Services Department – Executive Management Restructure

The Board considered a report by the Director of Infrastructure that presented proposals to restructure Executive Management of the Infrastructure Services Department following review to reflect changes in the business needs of the Council.

The Director of Infrastructure introduced the report and responded to Member's questions and following some discussion Mr Thomson moved that the Board approve the recommendations contained in the report, Mr Leask seconded.

Decision

The Harbour Board CONSIDERED the proposals within their remit, and RECOMMENDED that the Policy & Resources Committee approve the recommendations contained in the report.

The meeting concluded at 11.50am.

Chair

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Meeting(s):	Harbour Board	04 March 2019
Report Title:	Ports & Harbours Performance Report 2018/19 – Q3	
Reference Number:	PH-02-19F	
Author / Job Title:	Andrew Inkster, Team Leader – Port Engineering	

1.0 Decisions / Action required:

- 1.1 The Harbour Board should discuss the contents of this report and make any relevant comments on the achievements of the service, progress against the priorities set out in the Ports & Harbours service plan, and contribute to the planning process for future years.

2.0 High Level Summary:

- 2.1 This report summarises the activity and performance of the Ports & Harbours service for Q3 - 2018/19, enabling members to analyse its performance against service objectives and the Corporate Plan outcomes.

3.0 Corporate Priorities and Joint Working:

- 3.1 Effective Planning and Performance Management are key aspects of Best Value and features of “Our Plan”, the Council’s Corporate Plan 2016-2020.
- Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared.

4.0 Key Issues:

- 4.1 Ports & Harbours share the outcomes the Infrastructure Directorate aims to deliver;
- reliably and safely deliver our day to day services that meet the needs of our customers;
 - meet our statutory requirements and deliver compliant services;
 - deliver our objectives to ensure the Corporate Plan commitments are met;
 - maintain our existing assets;
 - protect the environment and reduce the environmental impact of our activities;
 - address inequality- supporting those most in need and not making inequalities worse;
 - provide best value for the public funds invested in our services and infrastructure;

4.2 Corporate Plan Outcomes – “Our Plan”

“Our Plan” recognises that Shetland’s future prosperity is dependent on maintaining a sustainable economy. Whilst Shetland is currently in a strong position in terms of employment, earnings, output and growing population, this is likely to be affected in future as the energy industry boom passes and the public sector continues to contract.

Shetland is a group of islands and “Our Plan” identifies transport links to and from, and within, the islands as our lifeblood. Shetland’s Ports and Harbours are the conduit for much of that activity. People, products, goods and supplies go in and out of Shetland and move around the islands by sea. If we do not have the right Ports & Harbours infrastructure and services in place that cannot happen and new associated business opportunities and wealth creation cannot take place.

Economy & Housing

If we are to enjoy a strong economy with well-paid jobs, we have to make sure that we have the Port infrastructure and services required to support key business sectors, especially those depending on the utilisation of local resources, meet individual and business needs and deliver economic growth.

Economy and Housing objectives detailed in “Our Plan” include:

- “We will have clarified the council’s future role in the Port of Sullom Voe, and, after having taken a robust business model approach, we will be seeing the best possible returns from our investments.”
- “We have an economy that promotes enterprise and is based on making full use of local resources, skills and a desire to investigate new commercial ideas.”
- “We will be investing development funds wisely to produce the maximum benefit for Shetland’s economy.”

Community Strength

When it comes to individual communities, very often complicated socio-economic conditions exist, which cannot be controlled by any one agency. As this plan is about making better use of the resources we have available, we can no longer provide money in the hope that it will fix things. Instead, we feel that a better approach would be to actively support communities to understand the reasons for the challenges they face and help build capacity to take positive steps to address them.

Community Strength objectives detailed in “Our Plan” include:

- “Communities will be making use of the provisions contained in the Community Empowerment Act, taking ownership of best use.”

Connection and access

The transport services we provide are the lifeblood of these islands. They enable us all to go about our daily business and take part in community life. Young people highlight transport as one of their top priorities, along with housing and jobs. Similarly, businesses also raise transport as a key requirement, essential to maintaining their current activity and achieving future growth.

Connection and access objectives detailed in “Our Plan” include:

- “We will have a clearer understanding of the options and the investment required to create a sustainable internal transport system over the next 50 years.”

4.3 Medium & Long Term Financial Plans – Harbour Account and Reserve Fund

The Council has powers to operate Ports and Harbours and this makes a significant contribution to the availability of funding to deliver Council Services. Income is generated from the fees and charges raised on users of those Ports and Harbour areas and accounted for in the Harbour Account.

The Councils Medium Term Financial Plan (MTFP) maintains a prudent approach to the surplus that can be used for supporting Service costs and that a constant surplus of approximately £6 million will be generated annually by external trading within the Harbour Account.

This will provide a continuing level of income to the General Fund Revenue Budget to support Services and provide time for a greater level of information and knowledge to be obtained to inform future financial modelling and pricing policy.

4.4 Summary of Ports & Harbours Performance – Q3 – 2018/19

Progress on Key Service Actions and Performance indicators are set out in appendix one, which is attached to this report.

4.5 Risk and Service Challenges

Performance monitoring and performance reporting must also consider the areas of risk arising from our operations, the challenges the service faces, actions and projects which have not progressed as planned and where we don't meet Performance Indicator Benchmarks:

- It will continue to be a challenge to meet surplus targets and contribution to reserves. East of Shetland production is likely to decline further and Clair Ridge and associated tanker movements is not anticipated on stream until late 2018. **Corrective Action:** Monitor costs and give early notice to Council of any projected failure to meet the budgeted surplus so that remedial action can be planned and undertaken.
- Management structure temporary arrangements have been implemented, pending further review. **Corrective Action** continued availability of management support arrangements;
- The handover of SVT operation from BP to Enquest has meant changes from an arrangement that has been in place for some 40 years. This continues to present associated risk as well as opportunity. **Corrective Action** - continue close communications with Enquest and active involvement in relevant work streams.

4.6 Financial Performance

Ports & Harbours Operations are expecting to return a revenue surplus of £10.994m by the end of the year; an increase in surplus of £183k compared to the approved budget surplus of £10.811m. The key drivers of this forecast increased surplus are

underspending on terminal works offset by over budgeting of dues across Scalloway and Other Piers.

The projected outturn income from the Shetland Gas Plant is £1.3m; an increase of £276k against budget of £1.024m. This is dependent on throughput and gas price but is considered achievable at this time.

Ports & Harbours Operations are also expecting to spend £10.2m on capital projects by the end of the year; which is an underspend of £3.5m against the approved budget of £13.7m. The majority of the underspending relates to budget profiling on the Scalloway Fishmarket rebuild project, and slippage on the Tug Jetty Cathodic Protection project and the Hamarsness Ferry Terminal painting works.

Appendices 2 and 3 are attached for more detailed information on the revenue and capital outturn projections.

5.0 Exempt and/or confidential information:

5.1 None

6.0 Implications

6.1 Service Users, Patients and Communities:	Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public. The service uses a range of customer engagement forums, customer feedback and complaint analysis to drive service change and service improvement.
6.2 Human Resources and Organisational Development:	There are a number of actions in this service plan with staffing implications. Care is taken to ensure that staff are involved and informed about changes that might affect them, that Human Resources are closely involved and that relevant Council policies are followed. Ensuring staff feel valued and supported especially through periods of challenge and change is a key consideration for the Ports & Harbours management team.
6.3 Equality, Diversity and Human Rights:	The service uses Equalities Impact Assessment to ensure its services are supporting those most in need and not making inequalities worse;
6.4 Legal:	No implications arising directly from this report.
6.5 Finance:	<p>The projected revenue outturn position for Ports & Harbours Operations is an increase in surplus of £187k; and the capital outturn position is slippage of £3.5m which will be required in future years.</p> <p>The projected outturn for the Shetland Gas Plant income is anticipated to be an additional £276k based on projected throughput and current gas price.</p>

	This outturn projection means it is likely that Ports & Harbours Operations and the Shetland Gas Plant income will meet the required surplus in the Council's Medium Term Financial Plan to support service expenditure of £7.081m in the current year.	
6.6 Assets and Property:	Professional Ports & Harbours staff manage a range of high value assets used to provide service, including the Tug Fleet and Tanker Jetties at the Port of Sullom Voe. A number of the actions in the Ports & Harbours service plan relate to maintenance and replacement of these assets for the delivery of commercial services. Capital Programme staff are closely involved in that capital planning and procurement.	
6.7 ICT and new technologies:	No corporate ICT issues at this time, however the new Vessel Traffic Services Port Information system utilises a complex mix of Radar, AIS, radio and other communications technology.	
6.8 Environmental:	The Infrastructure Directorate leads the delivery of the Council's Carbon Management Plan and delivers a programme of works to reduce energy usage across the Council's assets including those managed by Ports & Harbours.	
6.9 Risk Management:	<p>Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to negative external scrutiny.</p> <p>Risk management is a key component of the performance cycle and Ports & Harbours service actions seek to strike a balance between the pursuit of priorities and management of service risks.</p>	
6.10 Policy and Delegated Authority:	<p>Harbour Board</p> <p>Strategic oversight and direction in all aspects of the operation of the Council's harbour undertaking in accordance with overall Council policy and the requirements of the Port Marine Safety Code.</p> <p>Act as Duty Holder required by the Port Marine Safety Code and ensure that the necessary management and operational mechanisms are in place to fulfil that function.</p> <p>Consider all development proposals and changes of service level within the harbour undertaking; including dues and charges, and make appropriate recommendations to the Council.</p>	
6.11 Previously considered by:	None	

Contact Details:

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20 February 2019

Appendices:

Appendix One - 18/19 Service Plan Actions
Appendix Two – Ports and Harbours P9 Revenue Monitoring
Appendix Three – Ports and Harbours P9 Capital Monitoring

Background Documents:

Our Plan 2016-2020

Council Medium Term Financial Strategy

Infrastructure Directorate Plan 2018/19

Ports & Harbours Strategic Overview

Ports & Harbours Service Plan 2018/19

- 1.1 In addition to its routine annual maintenance plans and regimes, Ports and Harbours has an interest in the following significant projects for the 2018/19 financial year.

Scalloway Fish Market

- 1.2 This contract has been awarded to CHAP Construction, with anticipated completion by Spring 2020.
- 1.3 Demolition of the existing structure is progressing well and the project is within agreed programme and budget requirements at this time.



- 1.4 The temporary chilled facility continues to operate to the satisfaction of all users.

Sullom Voe VTS Radar Replacement Contract

- 1.5 This contract will see the replacement of the radar scanner stations at Sella Ness, Brough and Vats Houllands, along with necessary upgrades to communications and monitoring software and equipment in the Sella Ness VTS centre.
- 1.6 Installation works are complete, but final software commissioning has not yet taken place.
- 1.7 Discussions with the Contractor to arrange a suitable date for the site acceptance test are ongoing, and it is hoped that this will take place in the near future.

Tug Jetty Cathodic Protection Renewal

- 1.8 Due to the unusual design of this Jetty, in comparison to most other SIC small Ports, a detailed examination of the structure and review of available future options is ongoing.

- 1.9 Inspection work is now almost complete and a final report on options for the future life of this structure is expected in Q2 of 2019.

SVT Jetty Maintenance Project

- 1.10 Preparations for the 2019 programme of works are now being undertaken.
- 1.11 This year's work will focus on routine fabric maintenance across all four jetties, with most works taking place on Jetties 2&3.
- 1.12 In addition to the routine works, two mooring dolphins on Jetty Three are to receive reinforced concrete repair works to arrest chloride ingress and the subsequent deterioration of reinforcing steel.

Toft Pier

- 1.13 The application for external funding for this project has now been approved, and a grant offer has been made to the Council.
- 1.14 The Full Business Case is now being completed for approval by the Asset Investment Group before submission to the Council for a decision on whether to proceed with the project.
- 1.15 Tenders for this project have been received and evaluated. However, as the funding decision was delayed for this project, discussions are now taking place with the tenderers to ensure that their offers can be held, pending a Council decision.
- 1.16 Planning and other consent applications continue, and while there have been some delays in the planning process so far, all efforts are being made to minimise any effect this may have should the project go ahead..

Cathodic Protection

- 1.17 As part of the ongoing annual programme of cathodic protection installation, the tender for the installation of a sacrificial system on West Burrafirth Pier has been awarded to local company Ocean Kinetics.

Foula Harbour / Ferry Terminal

- 1.18 Foula Harbour and Ferry Terminal water depth has reduced due to silting, and dredging to return the harbour to its original depth is now required.
- 1.19 Marine Scotland have approved the dredging and disposal licence and it was issued in January 2019.
- 1.20 Work is now in progress to seek quotations from suitable experienced contractors to carry out the works in late spring/early summer 2019.

Symbister Harbour Breakwater repairs

- 1.21 The emergency repair works to this breakwater have been awarded to Tulloch Developments.
- 1.22 Tulloch Developments have mobilised plant and equipment to site and preparatory

works have now begun.

- 1.23 To minimise disruption to ferry users, local stone already in Whalsay will be utilised wherever possible. There will however be a shortfall in the quantity of suitable sized armour stone required to complete the works, and for that reason, some stone will be taken into Whalsay.
- 1.24 A grant of up to £75k towards repair costs has been confirmed by Marine Scotland, with a deadline for completion of 31 March 2019. To secure this funding, Tulloch Developments will have to continue with the full extent of repairs if that deadline is to be met.

Ports & Harbours Operations

Projected Revenue Outturn Position for 2018/19 at Quarter 3

Projected Outturn Variance at Quarter 2 (Adv)/Pos £000	Service Area	Revised Annual Budget at Quarter 3 £000	Projected Outturn at Quarter 3 £000	Budget v Projected Outturn Variance Quarter 3 (Adv)/Pos £000
(9)	Sullom Voe	(9,446)	(9,382)	(63)
(6)	Scalloway	64	236	(172)
(179)	Other Piers	(2)	146	(147)
193	Terminals	(1,427)	(1,993)	566
(1)	Total Ports & Harbours Operations	(10,811)	(10,994)	183
276	Shetland Gas Plant	(1,024)	(1,300)	276
275	Overall Total	(11,835)	(12,294)	459

An explanation of the significant projected outturn variances by service area at quarter 3 are set out below.

1. Sullom Voe – projected outturn variance (£63k)

The projected variance is mainly due to:

- one less tanker visit than anticipated (£227k);
- additional overtime costs for Towage staff undertaking training on the new tug vessels (£116k);
- pre-contract drydocking costs for the new Tug Shalder (£63k); offset by
- underspend on loan charges for the new Tug Tirrick due to timing of borrowing requirement £136k;
- reprofiling the drydocking for Tug Tystie into 2019/20 to better meet operational requirements £120k; and
- vacant Executive Manager - Port Operations awaiting the outcome of the departmental management restructure £60k.

2. Scalloway – projected outturn variance (£172k)

The projected variance is mainly due to:

- over-budgeting on commercial shipping and salmon landing dues not anticipated to be achievable (£314k); offset by
- additional due on fish landings in line with fishing industry activity £100k; and
- fendering works at Scalloway Pier unlikely to be fully completed in 2018/19 due to the new Fishmarket build £65k.

3. Other Piers - projected outturn variance (£147k)

The projected reduction in income is mainly due to over-budgeting on fish and salmon landing dues and wharfage charges not anticipated to be achievable (£151k).

4. Terminals – projected outturn variance £566k

The projected variance is mainly due to:

- underbudgeting of the terminal berthing charge for additional shuttle runs and vessel hires £153k; and
- delays in terminal works to 2019/20 for licensing requirements and consultation timescales; mainly dredging at Foula, Fair Isle and Gutcher, and waiting room, toilet and store works at Symbister and general underspending across other terminals £415k.

5. Shetland Gas Plant - projected outturn variance £276k

The projected increase in income is due to the increased gas price £276k.

Ports & Harbours Operations**Projected Capital Outturn Position for 2018/19 at Quarter 3**

Overall Projected Outturn Variance Quarter 2 (Adv)/Pos £000	Service	Revised Annual Budget at Quarter 3 £000	Projected Outturn at Quarter 3 £000	Budget v Projected Outturn Variance Quarter 3 (Adv)/ Pos £000	Slippage required in 2019/20 £000	Overall Projected Outturn Variance Quarter 3 (Adv)/ Pos £000
(74)	Ports & Harbours Operations	13,654	10,169	3,485	(3,567)	(82)
(74)	Total Controllable Costs	13,654	10,169	3,485	(3,567)	(82)

An explanation of the significant projected outturn variances at quarter 3 are set out below.

1. Ports & Harbours Operations – projected outturn variance (£82k)

Additional spend for new Tug Shalder vessel purchase due to unfavourable exchange rate on transaction date (£35k); and additional consultancy costs for Toft Pier to get to tender stage to meet tight funding application deadline (£34k).

2. Slippage

A total of £3.567m budget will be slippage into 2019/20. This relates to:

- the Hamarsness Ferry Terminal Painting project which is delayed due to pressure of other projects and difficulty in obtaining required consultancy work £350k;
- the Tug Jetty Cathodic Protection project also delayed whilst detailed surveys and feasibility options are investigated £917k; and
- the Scalloway Fishmarket new build project due to delays at the pre-tender stage, and budget profile scheduling £2.3m.



Meeting(s):	Harbour Board	4 March 2019
Report Title:	2018/19 Pilotage Accounts – Projected Outturn at Quarter 3	
Reference Number:	F-022-F	
Author / Job Title:	Jamie Manson, Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 The Harbour Board RESOLVE to review the Pilotage Accounts showing the projected outturn position at Quarter 3.

2.0 High Level Summary:

- 2.1 The purpose of this report is to enable the Harbour Board to monitor the financial performance of the pilotage services provided by the Council.
- 2.2 There is a requirement to prepare accounts relating to pilotage under Section 14 of the Pilotage Act 1987. The details of what must be included in these accounts are set out in regulations (The Statutory Harbour Undertakings (Pilotage Accounts) (Regulations) 1988, SI 1988/2216).
- 2.3 The accounts must show the details of revenue from pilotage charges and the use of pilotage exemption certificates; and total expenditure incurred in providing the service of a pilot, providing, maintaining and operating any pilot boats and administrative or other associated costs.

3.0 Corporate Priorities and Joint Working:

- 3.1 It is a corporate priority to ensure that the Council has excellent financial management arrangements.

4.0 Key Issues:

- 4.1 This report presents the projected outturn position for 2018/19 as at the end of the third quarter.
- 4.2 The projected outturn position is a reduction in net surplus of £5k (0.5%) against net income budget of £1.019m which results in a net surplus of £1,006k. This is due to minor variances.
- 4.3 The detailed 2018/19 Pilotage Accounts Projected Outturn Position at Quarter 3 is attached as Appendix 1 to this report.

5.0 Exempt and/or confidential information:	
5.1	None
6.0 Implications :	
6.1 Service Users, Patients and Communities:	None
6.2 Human Resources and Organisational Development:	None
6.3 Equality, Diversity and Human Rights:	None
6.4 Legal:	The Council has statutory obligations to keep separate accounts in respect of the harbour undertaking and also separate pilotage accounts. Section 3(1) of the ZCC Act states that the harbour undertaking means "the harbour undertaking for the time being of the Council authorised by this Act". This means that the harbour undertaking must be considered only in terms of what the Council is authorised or duty bound to do under the ZCC Act. Pilotage is part of the harbour undertaking and income and expenditure is accounted for accordingly.
6.5 Finance:	The projected outturn position is a surplus of £1.006m which is a decrease in net surplus of £5k against annual budget. This is due to minor variances.
6.6 Assets and Property:	None
6.7 ICT and new technologies:	None
6.8 Environmental:	None
6.9 Risk Management:	Failure to keep Pilotage Accounts would place the Council in breach of its legal duties.
6.10 Policy and Delegated Authority:	Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Board may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council; more specifically referred to in paragraph 2.7.

6.11 Previously considered by:	n/a	n/a

Contact Details:

Brenda Robb, Management Accountant, 744690, brenda.robbs@shetland.gov.uk,
16 February 2019

Appendices:

Appendix 1 – 2018/19 Pilotage Accounts Projected Outturn at Quarter 3

Background Documents:

None

Shetland Islands Council
2018/19 Pilotage Accounts
Projected Outturn at Quarter 3

F-022 - Appendix 1

2018/19 Pilotage Accounts	Sullom Voe			Scalloway			Overall		
	Annual Budget at Quarter 3	Projected Outturn at Quarter 3	Budget v Projected Outturn Variance at Quarter 3 (Adv)/Pos	Annual Budget at Quarter 3	Projected Outturn at Quarter 3	Budget v Projected Outturn Variance at Quarter 3 (Adv)/Pos	Annual Budget at Quarter 3	Projected Outturn at Quarter 3	Budget v Projected Outturn Variance at Quarter 3 (Adv)/Pos
	£	£	£	£	£	£	£	£	£
Boarding & Landing	-693,600	-645,530	(48,070)	-10,000	-10,000	0	-703,600	-655,530	(48,070)
Pilotage Services provided as authorised by section 10(1) of the Pilotage Act 1987	-1,672,800	-1,694,516	21,716	-25,000	-25,000	0	-1,697,800	-1,719,516	21,716
Use of PEC issued as authorised by section 10(3) of the Pilotage Act 1987	0	0	0	0	0	0	0	0	0
Total Income	-2,366,400	-2,340,046	(26,354)	-35,000	-35,000	0	-2,401,400	-2,375,046	(26,354)
Boarding & Landing	372,753	372,753	0	4,740	5,262	(522)	377,494	378,016	(522)
Pilotage	808,910	810,479	(1,569)	17,301	17,322	(21)	826,211	827,801	(1,590)
Sub-Total Employee Costs	1,181,663	1,183,233	(1,569)	22,041	22,584	(543)	1,203,705	1,205,817	(2,112)
Boarding & Landing	10,494	11,343	(849)	1,710	1,095	616	12,205	12,438	(233)
Pilotage	3,109	4,669	(1,560)	41	61	(21)	3,150	4,731	(1,581)
Sub-Total Supplies & Services	13,603	16,012	(2,409)	1,751	1,156	595	15,355	17,168	(1,814)
Boarding & Landing	48,261	40,952	7,309	8,175	8,175	0	56,437	49,128	7,309
Pilotage	1,677	1,640	37	22	22	0	1,699	1,662	38
Sub-Total Transport & Mobile Plant	49,938	42,592	7,346	8,198	8,197	0	58,136	50,789	7,346
Boarding & Landing	20,732	14,645	6,087	2,052	2,052	0	22,784	16,697	6,087
Pilotage	148	99	49	2	1	1	150	100	50
Sub-Total Property & Fixed Plant	20,880	14,743	6,136	2,054	2,054	1	22,934	16,797	6,137
Boarding & Landing	12,672	10,063	2,608	15,047	15,013	34	27,718	25,076	2,642
Pilotage	56,826	52,241	4,585	5,748	1,588	4,160	62,574	53,829	8,745
Sub-Total Admin and Other Costs	69,497	62,304	7,193	20,795	16,601	4,195	90,292	78,905	11,387
Meeting Liabilities under Part III of the Act	0	0	0	0	0	0	0	0	0
Total Expenditure	1,335,581	1,318,885	16,697	54,840	50,592	4,248	1,390,421	1,369,477	20,945
NET TOTAL	-1,030,819	-1,021,161	(9,657)	19,840	15,592	4,248	-1,010,979	-1,005,569	(5,409)



Meeting(s):	Harbour Board	4th March 2019
Report Title:	Harbourmasters Report	
Reference Number:	PH-01-19F	
Author / Job Title:	Greg Maitland – Harbour Master	

1.0 Decisions / Action required:

- 1.1 That the Harbour Board resolve to consider the content of this report in its role as duty holder, and note that the necessary management and operational mechanisms are in place to fulfil that function.

2.0 High Level Summary:

- 2.1 Captain Trevor Auld is appointed as the designated person (HB Min. ref 29/12) and provides independent assurance to the Duty Holder that the Marine Safety Management System (SMS) for which the Duty Holder is responsible, is working effectively. Captain Auld's report is attached as Appendix 1.
- 2.2 5 incidents have been reported, 4 at Sullom Voe, 1 at Scalloway
- 2.2.1 On 30th December 2018 a tanker departing Sullom Voe was unable to offer pilot boarding arrangements that complied with regulations due to the vessel's design constraints. The Harbour will, in conjunction with the Terminal, advise the vessels owners that she cannot return until suitable arrangements have been confirmed are in place.
- 2.2.2 On 2nd January 2019 a mooring boat while assisting a tanker mooring at Sullom Voe, suffered a mechanical failure of an engine control cable causing the vessel to lose control full astern, causing contact with the tanker she was assisting and minor injury to one of the mooring boat, crew.
- 2.2.3 On 26th January 2019 a fishing vessel in Scalloway accidentally pumped oily bilge water overboard. The vessel did not report the incident to the Harbour and attempted to treat the spill with detergent. The vessel owner has been written to for an explanation with the MCA and SEPA being advised.
- 2.2.4 On 29th January 2019 a mooring boat suffered a mechanical failure of an engine control cable resulting in a constant speed on the main engine.
- 2.2.5 On 1st February 2019 while transferring lube oil from an IBC (Intermediate Bulk Container) to a tug berthed at Sella Ness a minor pollution incident occurred when a hose coupling parted. The reason for the failure of the coupling is being investigated by the manufacturer.

<p>The failure of the engine control cables on 2 occasions within 1 month (3 within 1 year) prompted an investigation into the cause of these failures. They have occurred on different boats for different reasons but to prevent reoccurrence the control cable system will be thoroughly examined at regular intervals as part of the planned maintenance program.</p>	
<p>2.4 Captain Greg Maitland is appointed as the Designated Person Ashore (DPA) for the towage fleet, to provide assurance that this Safety Management System (SMS) is working effectively. His report is attached as Appendix 2.</p>	
<p>3.0 Corporate Priorities and Joint Working:</p>	
<p>3.1 Effective Planning and Performance Management are key aspects of Best Value and features of “Our Plan”, the Council’s Corporate Plan 2016-2020.</p> <ul style="list-style-type: none"> • Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared. 	
<p>4.0 Key Issues:</p>	
<p>4.1 VTS system replacement – Xanatos/Marico have yet to complete this contract which continues to suffer from software issues. The marine team have risk assessed harbour operations and have additional safeguards in place to mitigate any issues from this and ensure safe and efficient port operations. In addition a standalone workstation from Kongsberg Norcontrol has been installed to ensure the harbour can maintain VTS coverage during this period.</p>	
<p>4.2 Legal Services continue to work with officers from Ports and Harbours on changes required to the Scalloway and Small Ports Directions. A working group is meeting to progress this.</p>	
<p>5.0 Exempt and/or confidential information:</p>	
<p>None</p>	
<p>6.0 Implications :</p>	
<p>6.1 Service Users, Patients and Communities:</p>	<p>That the SIC continues to provide a competent service to port users in line with the Service Plan.</p>
<p>6.2 Human Resources and Organisational Development:</p>	<p>Scalloway staff and shift arrangements have been reviewed with a new supervisor and shift system put in place. This will be closely monitored to ensure it meets the need of the port.</p> <p>Ross Gordon has been appointed as Deputy Harbour Master and the port is currently recruiting a second Port Safety Officer to ensure resilience to meet current demands.</p>

6.3 Equality, Diversity and Human Rights:	None	
6.4 Legal:	The Port Marine Safety Code states that organisations must develop, implement and maintain an effective Marine Management System (MSMS). The MSMS is intended to manage hazards and risks along with any preparations for emergencies and must be operated effectively and revised periodically.	
6.5 Finance:	None.	
6.6 Assets and Property:	None	
6.7 ICT and new technologies:	None	
6.8 Environmental:	None	
6.9 Risk Management:	<p>Failure to comply with the requirements of the Port Marine Safety Code could lead to regulatory action.</p> <p>Since the publication of the new Port Marine Safety Code and the Guide to the Port Marine Safety Code, the Safety Management System (SMS) for Ports and Harbours is being reviewed and updated. The status of assessments may be taken into account by regulatory authorities when investigating any marine accident or incident. Depending on the nature and severity of the matters in question, failure to address overdue risk assessments exposes the Council to risk of unfavourable outcomes from any such investigations.</p>	
6.10 Policy and Delegated Authority:	<p>The scheme of Administration and Delegations states that the role of the Harbour Board is:</p> <ul style="list-style-type: none"> • Strategic oversight and direction in all aspects of the operation of the Council's harbour undertaking in accordance with overall Council policy and the requirements of the Port Marine Safety Code. • Act as Duty Holder required by the Port Marine Safety Code and ensure that the necessary management and operational mechanisms are in place to fulfil that function. • To consider all development proposals and changes of service level within the harbour undertaking, including dues and charges, and make appropriate recommendations to the Council. 	
6.11 Previously considered by:	The last Harbourmasters Report was presented to the Harbour Board on 17 December 2018.	

Contact Details:

Greg Maitland, Harbour Master, 01595 744209, greg.maitland@shetland.gov.uk

Appendices:

Appendix 1 – DP report to Harbour Board

Appendix 2 – Towage DPA report to the Harbour Board

Background Documents:

NONE

END

Designated Person Report: 4 March 2019

This Designated Person (DP) report is provided as an independent view on Shetland Islands Council's (SIC) performance against the requirements and standards under the latest edition of the Port Marine Safety Code (PMSC). The report is submitted to the SIC Harbour Board, and copied to the Harbour Master for information.

Introduction

Since my report to the Harbour Board meeting of 10 December 2018, I have maintained a regular dialogue on marine matters with SIC's Harbour Master through telephone calls and an exchange of emails. I have also monitored both SIC's website <http://www.shetland.gov.uk> and SIC's port specific website <http://www.shetland.gov.uk/ports> for items relating to the reported actions, involvement and decisions taken by the Harbour Board and SIC's appointed officers. Prior to writing this report I had a conference call with SIC's Harbour Master and Deputy Harbour Master, in which we discussed the monitoring measures and effectiveness of the current Marine Safety Management Systems.

Monitoring Measures

The following report sections describe each monitoring measure in turn.

Technical Working Group: A meeting of the Technical Working Group (TWG) took place on 16 January 2019. The minutes record attendance by a representative group of port stakeholders, including shipping agency representatives.

The minutes record discussions on a number of topics including: the creation of a working group to review the Pilotage Directions for Scalloway, a draft record book for SIC's pilot vessels, an information pack for SIC's tugs, finalisation of the external PMSC audit report, continuing issues with the VTS system replacement, recent local marine incidents and MAIB Accident Investigation Report (17/2018). The latter describes the circumstances in which the UK registered container ship *CMA CGM Centaurus* made heavy contact with the quay and two shore cranes while under pilotage during its arrival at Jebel Ali, United Arab Emirates. As an example of good practice, the minutes also record that meetings are to be set up to look into the MAIB report and other marine incidents to identify the lessons that may be learned from them.

The minutes do not record the formal closure of any open marine incident reports in the MarNIS database.

Examination and Technical Group: There have been no meetings of the Examination Panel since 18 September 2018. Training of the new pilot trainee has been closely monitored through informal monthly meetings between the Harbour Master and authorised pilots.

Safety Sub-Committee: Ports: A meetings of the Safety Sub-Committee - Ports was held on 14 February 2019. The draft minutes of the meetings continue to demonstrate the active involvement of marine personnel in all aspects of marine safety.

The minutes record discussions on recent local incidents, recurrent issues with control of mooring boat *Sullom C* and MAIB Accident Investigation Report (1/2019). The latter describes the circumstances in which the Bahamas registered general cargo vessel *Celtica Hav* grounded on a stone training wall in the approach channel to the River Neath, South Wales, while under pilotage. The

report identified three safety lessons of relevance to SIC and made a recommendation to the port authority and the ship's owners to improve the planning of pilotage and the quality of the master/pilot exchange of pilotage information.

Small Ports: The table entitled 'Operational and Safety Visits to Small Ports & Harbours and Scalloway 2019', as posted on the website www.shetland.gov.uk, records visits to Mid Yell, Cullivoe, Uyeasound and Baltasound in January 2019. Safety visits to other small ports and harbours have been completed in accordance with the requirements of the Small Ports Marine Safety Management System, but have yet to be recorded in the table.

The operational and safety visits programme for small ports and harbours remains under review.

Towage: The Towage operations DPA's report to the Harbour Board meeting in December 2018 was posted on the website www.shetland.gov.uk in a timely manner. Formal meetings between management representatives, Tug masters and Tug engineers continue to take place on a regular basis.

Incidents and Accidents: The following incident reports were recorded in the MarNIS database (Appendix A) in the period 20 November 2018 to 18 February 2019 inclusive.

Date	Vessel / Location	Incident
30 December 2018	Sea Ranger /Sullom Voe	Non-compliant pilot boarding arrangements
02 January 2019	Sullom C/Sullom Voe	Mooring boat loss of control
26 January 2019	Fairway II/Scalloway	Minor pollution
29 January 2019	Mooring boat/Sullom Voe	Mooring boat loss of control
01 February 2019	Scalloway	Minor pollution

All incidents have been reported to the MCA but not to the MAIB.

Internal Audits: A number of internal audits have been completed since June 2018. However, copies of the audits were not available for review at the time of compiling this report.

External Audit: An extension of the direction allowing Shetland Islands Council to refuse any application for a Pilot Exemption Certificate for Sullom Voe until 3 July 2021 has been obtained from Scottish Ministers, thereby addressing the single non-compliance with the PMSC identified in the ABPmer audit undertaken in August 2018.

The 71 observations identified in the ABPmer audit have been reviewed and a number of improvement actions have been completed. An update of the marine training matrix, matching training schemes to the applicable national occupational standards and reviewing job roles to provide a basis for assigning essential training remain as future improvement actions.

Consultation: Following a period of internal consultation the wording of the draft 'Sullom Voe General and Pilotage Directions' has been agreed. In accordance with Section 3.3.3 of the Sullom Voe MSMS (V2 2015) the draft Directions will now go out for consultation with Harbour users.

An internal review of the General Directions and Pilotage Direction for the Scalloway Harbour Area and the Small Ports is ongoing.

The Harbour Master has maintained active involvement with stakeholder groups on a range of national and local issues.

Harbour Board Meetings: The public agenda for the Harbour Board meeting of 17 December 2018 and the associated decision note were posted on the website www.shetland.gov.uk in a timely manner.

Training: Updating the training matrix to include essential and desirable training aligned, where applicable, with relevant national occupational standards remains an outstanding action. Until such time as this process is complete it has been agreed that the use of training as a key performance indicator should continue to be suspended. Essential training of marine personnel is ongoing. The three existing training matrices, VTS and Marine Officers, Scalloway Small Ports Officers and Launch Crews, continue to be updated as staff change, training courses are completed and qualifications are obtained or revalidated.

Marine Circulars and Notices to Mariners: No marine circulars have been issued since 30 August 2018. The most current in force Notice to Mariners posted on SIC's ports specific website <http://www.shetland.gov.uk/ports> is Notice 09/2018 - Sullom Voe VTS Area.

Marine Safety Management Systems: Copies of SIC's updated Marine Safety Management Systems for Sullom Voe, Scalloway and the Small Ports have yet to be published on SIC's ports specific website <http://www.shetland.gov.uk/ports>.

MSMS procedure G-SMSP-2023 has been amended to show that it is now a requirement of the Technical Working Group to review accidents / incidents and near miss reports with a view to their investigation, follow - up actions and completion with final close out authority being noted in the minutes. The Engineering element of SIC's Marine Safety Management System's procedures and work instructions remain under formal review.

Assessing Measures

Key Performance Indicators (KPI):

1. Open Incident KPI Reports (from the MarNIS database) for Sullom Voe, Scalloway and the Small Ports: Open Incident status for the year ending 18 February 2019

Location	Open NS Reports	Open PE Reports	Open EP Reports	Open CM Reports	Open PS Reports
Sullom Voe	4	1	1	0	0
Scalloway	1	0	2	0	0
Small Ports	1	0	0	0	0
Total Shetland	6	1	3	0	0
'Open' Reports which have yet to be closed formally by the TWG. NS Nautical Safety PE Port Efficiency EP Environmental Protection CM Crisis Management PS Personnel and Public Safety					

2. Closure of marine incident reports (from the MarNIS database) for Sullom Voe, Scalloway and the Small Ports: Mean weeks to close status for the year ending 18 February 2019

Location	Mean Weeks to Close NS Reports	Mean Weeks to Close PE Reports	Mean Weeks to Close EP Reports	Mean Weeks to Close CM Reports	Mean Weeks to Close PS Reports
Sullom Voe	17	0	0	0	0
Scalloway	0	0	19	0	0
Small Ports	0	0	0	0	0
Total Shetland	17	0	19	0	0

Note: Formal closure of marine incident reports has not been recorded in the Technical Working Group minutes.

3. Risk assessments KPIs (from the MarNIS database) for Sullom Voe, Scalloway and the Small Ports for the period ending 18 February 2019

Location	Nautical Safety Assessments	Port Efficiency Assessments	Environmental Protection Assessments	Crisis Management Assessments	Mean Assessment Score
Sullom Voe	20	5	7	0	3.7
Scalloway	16	6	5	0	3.8
Small Ports	16	3	4	0	3.8
Total	52	14	16	0	3.8

* A mean assessment score between 3 and 5.99 means that the risks are as low as reasonably practicable (ALARP).

4. Overdue risk assessments KPIs (from the MarNIS database) for SIC Ports (including Sullom Voe, Scalloway and the Small Ports) for the period ending 18 February 2019

Overdue Risk Assessment KPIs	Total Shetland*
Overdue Nautical Safety Assessments	0
Overdue Port Efficiency Assessments	0
Overdue Environmental Protection Assessments	0
Overdue Crisis Management Assessments	0

* Target KPI for overdue risk assessments is 0

5. Number of port marine employees with in-date qualifications required for their job role, expressed as a percentage of the total number of employees undertaking port marine activities and requiring job specific qualifications

Employee Group	Group Number	Number Holding Essential In Date Qualifications	KPI (%)
Managers			
Marine Pilots			
Vessel Traffic Service Officers (including relief VTSO)			
Small Ports Officers (including relief SPOs)			
Launch Crews			
Total Overall			

Note: The KPI for training is currently suspended.

6. Availability of Aids to Navigation (in three classification bands) expressed as a percentage of total availability over the three-year period 20 February 2016 to 20 February 2019

IALA Category	No of Aids	No of Failures	Availability (%)	Target Availability (%)
Category 1*	51	4	99.84	99.80
Category 2**	68	9	99.68	99.00
Category 3***	14	1	99.60	97.00
Total	133	14		
<p>* Category 1. An aid to navigation that is considered by the NLB to be of primary navigation significance. It includes the lighted aids to navigation and racons that are considered essential for marking landfalls and primary routes.</p> <p>** Category 2. An aid to navigation that is considered by the NLB to be of navigational significance. It includes lighted aids to navigation and racons that mark secondary routes and those used to supplement the marking of primary routes.</p> <p>*** Category 3. An aid to navigation that is considered by the NLB to be of less navigational significance than Cat 1 and 2.</p>				

Note: The availability of all aids to navigation exceeds the target set by the Northern Lighthouse Board (NLB).

Effectiveness of the Marine Safety Management Systems

The monitoring and assessing measures described in this report provide assurance that the Marine Safety Management Systems for Sullom Voe, Scalloway and the Small Ports of West Burra (Hamna Voe); West Burrafirth; Housa Voe, Papa Stour; Mid Yell, Yell; Cullivoe, Baltasound; Unst; Uyeasound, Unst; Hamars Ness, Fetlar; Symbister, Whalsay Out Skerries (two separate areas: West Voe and South North-East Mouth); and North Haven (Fair Isle) are working effectively and in compliance with the current edition of the Port Marine Safety Code.

Captain Trevor Auld
Designated Person (PMSC)

Appendix A MarNIS Output Report - 20 November 2018 to 18 February 2019



Selected Ports Actual and Potential Incident Report Summary 20 November 2018 to 18 February 2019

Nautical Safety - Accidents / Incidents

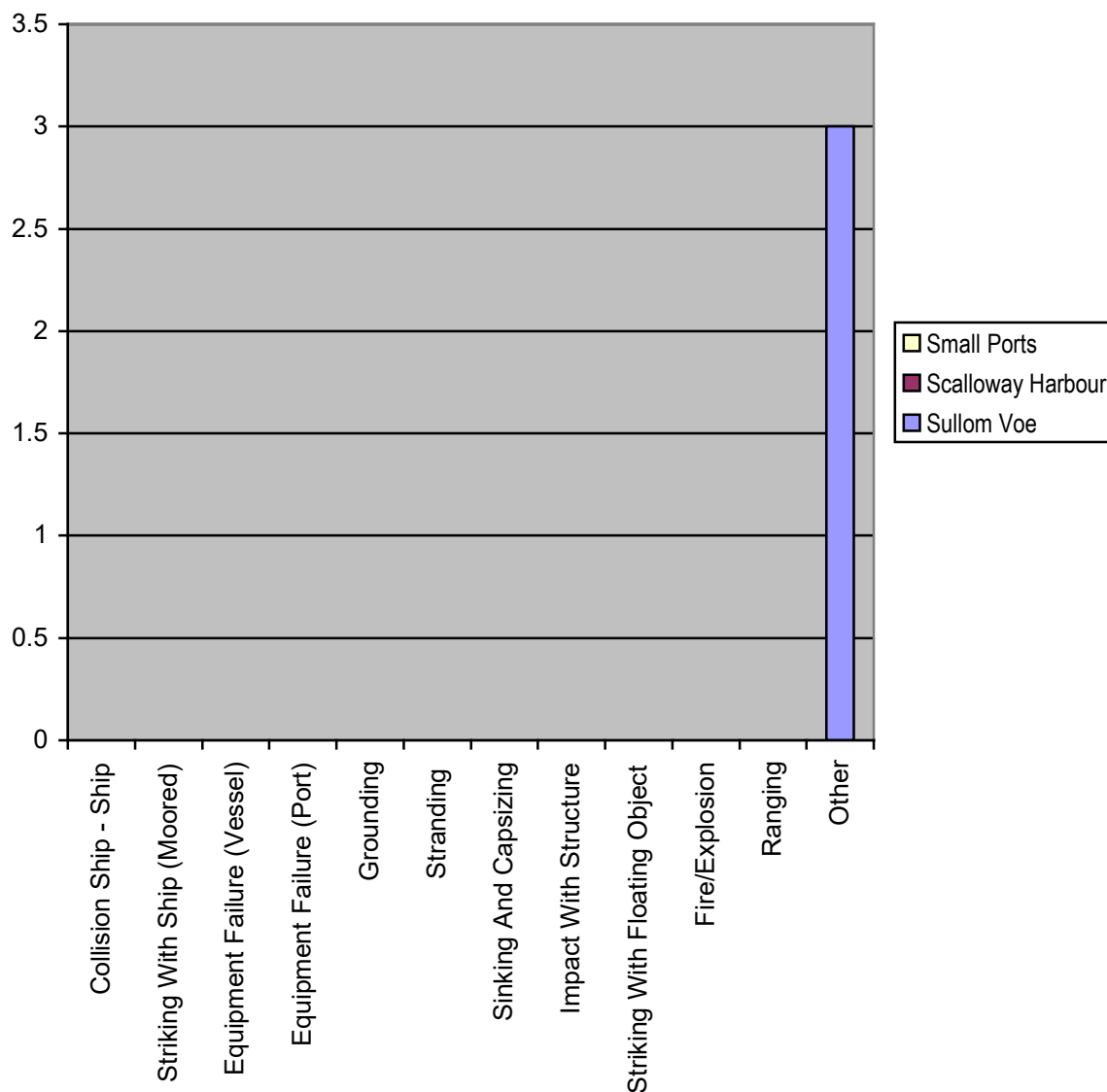
	Collision Ship - Ship	Striking With Ship (Moored)	Equipment Failure (Vessel)	Equipment Failure (Port)	Grounding	Stranding	Sinking And Capsizing	Impact With Structure	Striking With Floating Object	Fire/Explosion	Ranging	Other
Sullom Voe	0	0	0	0	0	0	0	0	0	0	0	3
Salloway Harbour	0	0	0	0	0	0	0	0	0	0	0	0
Small Ports	0	0	0	0	0	0	0	0	0	0	0	0

Reported on 18/02/2019





Selected Ports Actual and Potential Incident Report Summary 20 November 2018 to 18 February 2019



Reported on 18/02/2019





Selected Ports Actual and Potential Incident Report Summary 20 November 2018 to 18 February 2019

Accident / Incident Details

Date	ID Code	Incident / Potential	Externally Reported	Accident Category	Name and Detail
30/12/2018	SUV0058REP	P	R	Pilot Boarding Arrangements	<p>Sea Ranger - Combination Ladder issues</p> <p>On disembarking Vessel was not able to offer Pilot a combination arrangement as per IMO A.1045</p> <p>When offered single Pilot ladder vessel did not have dedicated pad eyes</p> <p>Primary Cause - Ship design/poor ship design Secondary Cause(s) - 1.Human error - Ship Personnel</p> <p>Consequences (rated 0 to 4) for - People(0)/Property(0)/Planet(0)/Port(0) Marine incident / MAIB Reportable</p>
02/01/2019	SUV0059INV	I	N	Mooring Operation	<p>Mooring Boat - Control Cable</p> <p>Mooring Boat Sullom C, lost control full astern. Collided with Tanker. Deckhand knocked head against side of tanker and knee against bulwark.</p> <p>Primary Cause - Mechanical Failure</p> <p>Consequences (rated 0 to 4) for - People(-)/ Marine incident / Optional MAIB Report</p>
29/01/2019	SUV0062REP	P	N	Mooring Operation	<p>Mooring Boat - Control Cable</p> <p>Morse Cable Jammed resulting in a constant speed on Main engine</p> <p>Primary Cause - Mechanical Failure</p> <p>Consequences (rated 0 to 4) for - People(0)/Property(0)/Planet(0)/Port(0) Marine incident / MAIB Report not applicable</p>

Number of Accidents listed = 3

For the period 20 November 2018 to 18 February 2019.

Reported on 18/02/2019





Selected Ports Actual and Potential Incident Report Summary 20 November 2018 to 18 February 2019

Environmental Protection - Accidents / Incidents

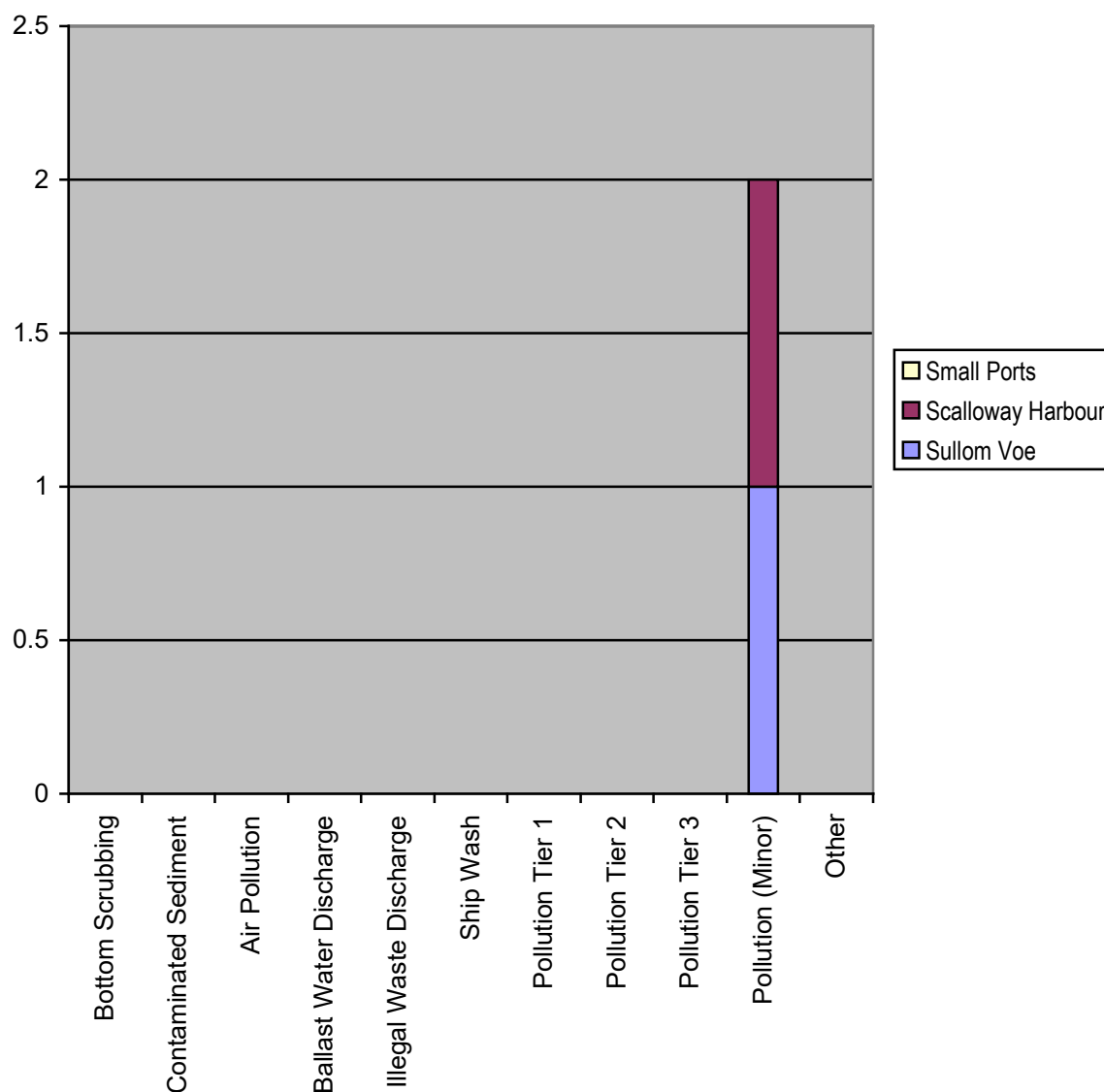
	Bottom Scrubbing	Contaminated Sediment	Air Pollution	Ballast Water Discharge	Illegal Waste Discharge	Ship Wash	Pollution Tier 1	Pollution Tier 2	Pollution Tier 3	Pollution (Minor)	Other
Sullom Voe	0	0	0	0	0	0	0	0	0	1	0
Scalloway Harbour	0	0	0	0	0	0	0	0	0	1	0
Small Ports	0	0	0	0	0	0	0	0	0	0	0

Reported on 18/02/2019





Selected Ports Actual and Potential Incident Report Summary 20 November 2018 to 18 February 2019



Reported on 18/02/2019





Selected Ports Actual and Potential Incident Report Summary

20 November 2018 to 18 February 2019

Accident / Incident Details

Date	ID Code	Incident / Potential	Externally Reported	Accident Category	Name and Detail
26/01/2019	SLW0018INV	I	N	Pollution (Minor)	<p>Fairway II</p> <p>Fishing Vessel Pumped Bilges</p> <p>Primary Cause - Human error - Ship Personnel</p> <p>Consequences (rated 0 to 4) for - People(0)/Property(0)/Planet(1)/Port(0)</p> <p>Marine incident / MAIB Reportable</p>
01/02/2019	SUV0060INV	I	R	Pollution (Minor)	<p>Lube Oil Pollution</p> <p>Failed Coupling when bunkering Lube Oil</p> <p>Primary Cause - Light pollution/obscuring</p> <p>Consequences (rated 0 to 4) for - People(0)/Property(0)/Planet(1)/Port(0)</p> <p>Marine incident / MAIB Reportable</p>

Number of Accidents listed = 2

For the period 20 November 2018 to 18 February 2019.

Reported on 18/02/2019



Shetland Islands Council
Towage Operations Designated Persons' Report
SIC Harbour Board February 2019



Under the ISM (International Safety Management) Code the responsibilities and the minimum authority of the Designated Person Ashore (DPA) is: To ensure the safe operation of each ship and to provide a link between the Company and those on board, every Company, as appropriate, should designate a person or persons ashore having direct access to the highest level of management. The responsibility and authority of the designated person or persons should include monitoring the safety and pollution prevention aspects of the operation of each ship and ensuring that adequate resources and shore-based support are applied, as required. Ref: ISM Code.

Accidents/Incidents/Hazardous Occurrences

On 1st February 2019 while transferring lube oil from an IBC (Intermediate Bulk Container) to a tug berthed at Sella Ness suffered a minor pollution incident when a hose coupling parted. The reason for the failure of the coupling is being investigated by the manufacturer.

Training

The ISM Code states: *"the Safety Management System should ensure that the master is:*

- 1. Properly qualified for command*
- 2. Fully conversant with the company's safety management system; and*
- 3. Given the necessary support so that the master's duties can be safely performed.*

A five day training program in Human Element Leadership and Management (HELM) is being delivered to candidates in early March. This will give Masters and Chief Engineers the opportunity to develop skills to ensure:

- The crew are allocated duties and informed of expected standards of work and behaviour in a manner appropriate to the individuals concerned;
- Training objectives and activities are based on assessment of current competence and capabilities and operational requirements;
- Operations are planned and resources are allocated as needed in correct priority to perform the necessary tasks;
- Communication is clearly and unambiguously given and received;
- Effective leadership behaviours are demonstrated;
- Necessary team member(s) share an accurate understanding of current and predicted vessel state and operational status and external environment;
- Decisions are most effective for the situation;
- Operations are demonstrated to be effective and in accordance with applicable rules.

External Audits

During this period, the MCA conducted a Safety Equipment Survey on Shalder and Tirrick. In addition, both vessels were inspected and certified under International Labour Organisation. The following details all Non Conformance and Observations raised:

Type	Date Raised	Responsible	Vessel	Deficiency	Status
NC	21/01/2019	Master	Shalder	Fire Locker in accommodation obstructed	Closed
NC	21/01/2019	Master	Shalder	Emergency light at E/R escape hatch defective	Closed
Obs	21/01/2019	Master	Shalder	EEBD Due for Service on 31/01/19	Closed
Obs	21/01/2019	Master	Shalder	Fixed Fire Fighting system (Co2) due for service	Closed

Shetland Islands Council
Towage Operations Designated Persons' Report
SIC Harbour Board February 2019



Internal Audits

The 2019 Audit program for SIC Towage Operations has begun with an Office Audit on 17th January, no deficiencies raised.

Legislation Changes

Shetland Islands Council Towage Operations are engaged with the British Towage Associations in leading a consultation on Towing Winch Emergency Release System Requirements, ahead of new International Class standards which will come into force on 1 January 2020.

ISM Review

The Towage Operations Safety Management System is continuously under review. Following the completion of training in Emergency Response, the approach to Incident response has changed considerably and is now reflected in the Towage Safety Management System.



Meeting(s):	Harbour Board	4 March 2019
Report Title:	Harbour Board Business Programme – 2019/20	
Reference Number:	ISD-05-19-F	
Author / Job Title:	John Smith, Director of Infrastructure Services	

1.0 Decisions / Action required:

That the Harbour Board:

- 1.1 CONSIDERS the business planned for Harbour Board in the financial year 2019/20;
- 1.2 ADVISES the Director of Infrastructure Services of any changes required including new items where the timescale will be confirmed at a later date.

2.0 High Level Summary:

- 2.1 The purpose of this report is to facilitate discussion of the Business Programme of the Committee for the financial year 1 April 2019 to 31 March 2020 including items where the date is still to be determined.
- 2.2 The Business Programme 2019/20 will be presented to the Harbour Board at least quarterly to ensure that it is kept up to date incorporating new items as work programmes across the Council are taken forward.

3.0 Corporate Priorities and Joint Working:

- 3.1 Our Plan 2016, in its 20 by 20 states that:-

“High standards of governance, that is, the rules on how we are governed, will mean that the Council is operating effectively and the decisions we take are based on evidence and supported by effective assessments of options and potential effects”.

Maintaining a Business Programme for each Committee/Board of the Council contributes to an effective governance framework for the Council.

4.0 Key Issues:	
4.1	A range of business scheduled or to be scheduled over the coming year in consultation with the Board.
5.0 Exempt and/or confidential information:	
5.1	None
6.0 Implications :	
6.1 Service Users, Patients and Communities:	<p>The Business Plan provides the community and other stakeholders with important information regarding the planned business for the coming year.</p> <p>The Business Programme complements the Council's Corporate and Directorate Plans and the Shetland Partnership Plan.</p>
6.2 Human Resources and Organisational Development:	None arising directly from this report. Any implications for staff arising from individual reports in the Business Programme will be addressed through the work on those reports.
6.3 Equality, Diversity and Human Rights:	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.
6.4 Legal:	The Business Programme supports the governance framework of the Council which is underpinned by statute.
6.5 Finance:	<p>None arising directly from this report. Any financial implications arising from individual reports in the Business Programme will be addressed through the work on those reports.</p> <p>Ensuring the budget setting and PPMF meetings are scheduled well in advance should help Members to keep these dates/times clear in their diaries so that they are able to contribute to financial decision making and quarterly budget monitoring.</p>
6.6 Assets and Property:	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.
6.7 ICT and new technologies:	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.
6.8 Environmental:	None arising directly from this report. Any implications in this regard arising from individual reports in the Business Programme will be addressed through the work on those reports.

6.9 Risk Management:	The risks associated with setting the Business Programme are around the challenges for officers meeting the timescales required, and any part of the business programme slipping and causing reputational damage to the Council. Equally, not applying the Business Programme would result in decision making being unplanned and haphazard; aligning the Council's Business Programmes with the objectives and actions contained in its corporate plans could mitigate against those risks.	
6.10 Policy and Delegated Authority:	<p>Maintaining a Business Programme ensures the effectiveness of the Council's PPMF.</p> <p>The Business Programme supports each Committee/Board role, as set out in paragraph 2.3 of the Council's Scheme of Administration and Delegations.</p>	
Previously considered by:	N/A	

Contact Details:

John Smith, Director of Infrastructure Services

Email: jrsmith@shetland.gov.uk

Appendices:

Appendix 1 – Harbour Board Meeting Dates and Business Programme 2019/20

Background Documents:

None



Harbour Board - Meeting Dates and Business Programme 2019/20 as at Monday, 25 February 2019

Date / Type of Meeting	Agenda Item	Referred/Delegated
07 May 2019 10am Ordinary	Infrastructure Services Departmental Plan - 2019/20	D
	Port of Sullom Voe Review (Service Redesign Programme)	D
	VTS / Radar Update	D
02 July 2019 10am Ordinary	Scalloway and Small Ports Review (Service Redesign Programme)	D
04 September 2019 2pm Ordinary	Mooring Boats – Strategic Outline Case	D
	Port of Sullom Voe Review (Service Redesign Programme)	D
20 November 2019 2pm Ordinary		
21 January 2020 10am Ordinary		



**Harbour Board - Meeting Dates and Business Programme 2019/20
as at Monday, 25 February 2019**

Date / Type of Meeting	Agenda Item	Referred/Delegated
05 February 2020 10am Special – Budget Setting	Infrastructure Services Budget Proposals	R
	Development Services Budget Proposals	R
10 March 2020 2pm Ordinary		

Planned Committee business still to be scheduled - as at Monday, 25 February 2019

- Performance Reporting

..... END OF BUSINESS PROGRAMME as at Monday, 25 February 2019