

MINUTE

A&B - PUBLIC

Harbour Board
Council Chamber, Town Hall, Lerwick
Monday 28 August 2017 at 3.30pm

Present:

A Cooper	S Coutts
A Duncan	S Leask
A Manson	D Simpson
R Thomson	

Apologies:

M Burgess

In Attendance:

J Belford, Executive Manager - Finance
J Smith, Acting Executive Manager – Ports and Harbours
G Maitland, Harbourmaster
K Adam, Solicitor
C Anderson, Senior Communications Officer
L Malcolmson, Committee Officer

Also:

J Fraser

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 14 June 2017 were approved on the motion of Mr Thomson seconded by Mr Leask.

13/17 **Ports and Harbours Performance Report – 1st Quarter 2017/18**

The Board considered a report by the Acting Executive Manager – Ports and Harbours (PH-08-17-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.

In responding to questions Officers advised that following the recent announcement from the Minister for Transport and the Islands it was important to continue the drive for

sustainable transport and although there was no solution at this time it was important to work together with the political leadership and to work with other external colleagues. The Executive Manager – Finance advised that sustainable transport was working within financial limitations but there would continue to be a quest for increased funding which was vital for the delivery of all Council services including ferries. He said that clearly Councillors will continue to take forward the discussions with Ministers but in the meantime it was important to plan for the medium and long term on the assumptions available and as accurately as possible with the information to hand. The Executive Manager – Finance responded to a question on fixed links and advised that this was a question for ZetTrans and the Transport Planning Service but he understood this was a matter to be taken forward with the Scottish Government as it was not something that could be done alone because the Council does not have the resources to do that. The Executive Manager – Finance was asked if there were resources for replacing aging vessels and the infrastructure, to which he explained that could not be done immediately from funds the Council has available and that an alternative is to borrow funds which comes with costs that will impact on revenue funds.

During further discussions Members commented on the next ferry vessel replacement in Fair Isle. Concern was also expressed in regard to impact on maintenance as a result of reduced revenue budgets and whether there are enough staff to deal with the day to day work as well as unforeseen repairs. The Acting Executive Manager – Ports and Harbours advised that maintenance work is contracted out to sub-contractors. He informed the Board that a report would be provided on the strategic objectives overview on what the estate of ports and harbours do, including everything from large piers to small landing stages, and will be about why the Council is carrying out this business. He said that as work is undertaken on other economic development objectives for the network of piers it would be useful for the Harbour Board to consider its intent and give an appropriate steer. The Executive Manager – Finance added that ferry terminals are specific to Ports and Harbours Operations and ferry operations provides income to the harbour account.

Further consideration was given to the sickness figures, overtime figures and the shortage of certain staff groups including Pilots. The Acting Executive Manager – Ports and Harbours Operations commented on the shift patterns and specialised training of staff and associated costs and advised that a review of the whole set of arrangements for the whole Port would include contracting services out. He said that the review would also include internal operations and this work should be worked up by the end of the financial year.

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.

14/17 Management Accounts for Harbour Board: 2017/18 - Projected Outturn at Quarter 1

The Board considered a report by the Executive Manager – Finance (F-069-F), which enabled the Board to monitor the financial performance of services within its remit.

The Executive Manager - Finance introduced the report and in noting its content, Members expressed concern in regard to the outline business case for the Multratug 29 and its reporting directly to the Policy and Resources Committee without the Harbour Board first having strategic oversight of the proposals. Following discussion on this point it was agreed that consideration will be given to how operational

committees/boards can be incorporated in the process of Outline business case reporting before a decision by the Policy and Resources Committee and/or Council is taken.

Decision

The Harbour Board:

- NOTED the Management Accounts showing the projected outturn position at Quarter 1; and
- AGREED the actions set out by the Director in paragraph 4.3 to mitigate the projected reduction in surplus.

15/17 2017/18 Pilotage Accounts – Projected Outturn at Quarter 1

The Board considered a report by the Executive Manager – Finance (F-072-F), which presented the projected outturn position for 2017/18 as at the end of the first quarter enabling the Board to monitor the financial performance of the pilotage services provided by the Council.

The Executive Manager – Finance introduced the report and in noting its content Members were pleased to see that Scalloway Harbour was trading positively for this quarter.

Decision

The Harbour Board NOTED the Pilotage Accounts showing the projected outturn position at Quarter 1.

16/17 Harbourmasters Report

The Board considered a report by the Harbourmaster, Ports and Harbours Operations (PH-10-17-F), which summarised the activity, issues and incidents across the Ports and Harbours sector for Quarter 1, and informed the Port Marine Safety Code (PMSC) Duty Holder of the professional concerns and current status as reported by the Harbourmaster.

The Harbourmaster introduced the report and in responding to a question in regard to the changes required to the General Directions and Pilotage Direction 2001, the Harbourmaster advised that this item had now been with Legal Services for a year and that he had been in conversation with Legal Services to move this forward. The Solicitor assured Members that this matter would be progressed with urgency.

In referring to the Towage Operations Designated Officer's report and in particular the External DOC Audit the Harbourmaster was asked why the necessary work was not carried out. The Harbourmaster explained the staffing issues that included changes within the towage operations team and the Harbourmaster's role having been covered by 3 different individuals. He said not everything had been done as it should be however, following restructuring and his recent appointment, these matters had now been progressed.

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.

The meeting concluded at 4.20pm.

Chair