

## Minute

### Harbour Authority Sub-committee

Tuesday, 30 October 2018, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors Graham L Sinclair, Andrew Drever, David Dawson, Gwenda M Shearer, Magnus O Thomson, Owen Tierney and Kevin F Woodbridge.

### Clerk

- Angela Kingston, Committees Officer.

### In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- Brian Archibald, Harbour Master.
- Colin Kemp, Corporate Finance Senior Manager.
- David Sawkins, Deputy Harbour Master, Strategy and Support.
- Karen Bevilacqua, Solicitor.

### Observing

- Rebecca McAuliffe, Press Officer.

### Declarations of Interest

- No declarations of interest were intimated.

### Chair

- Councillor Graham L Sinclair.

## 1. Revenue Expenditure Monitoring

After consideration of a joint report by the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted:

**1.1.** The revenue financial summary statement in respect of the Scapa Flow Oil Port and Miscellaneous Piers for the period 1 April to 30 September 2018, attached as Annex 1 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance, which indicated a budget surplus position of £901,500.

**1.2.** The revenue financial detail by Service Area statement in respect of the Scapa Flow Oil Port and Miscellaneous Piers for the period 1 April to 30 September 2018, attached as Annex 2 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

**1.3.** The explanations given and actions proposed in respect of significant budget variances as outlined in the Budget Action Plan, attached as Annex 3 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

## **2. Harbour Authority – Annual Performance Report**

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Harbour Master, the Sub-committee:

Noted the Annual Performance Report in respect of the Harbour Authority for the operating period 1 April 2017 to 31 March 2018, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

## **3. Proposed Remediation Works at Lyness**

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Harbour Master, the Sub-committee:

Noted:

**3.1.** That, in 1977, the Council acquired the Lyness Harbour Area from the Ministry of Defence, and subsequent site investigation works had confirmed the presence of historic oil contamination.

**3.2.** That, in order to satisfy the Council's present liability in terms of contamination and to make the site available for any development proposal, it was necessary and essential to address the contamination issue at Lyness.

**3.3.** That, due to the history of the site, attempts to persuade the UK Government to agree to address the contamination were likely to be challenging, with no guarantee of a successful outcome.

**3.4.** That, whilst remediation works at Lyness would not create a new capital asset, the Capital Project Appraisal process was being followed to ensure appropriate governance was in place regarding significant expenditure, estimated at £384,000.

**3.5.** The Stage 1 Capital Project Appraisal, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, in respect of proposed remediation works at Lyness.

The Sub-committee resolved to **recommend to the Council:**

**3.6.** That, in order to make a brownfield site available for re-use, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of proposed remediation works at Lyness.

**3.7.** That the Executive Director of Development and Infrastructure should approach the Ministry of Defence, advising of the Council's commitment to remediation work at Lyness and seeking a financial contribution towards the cost of undertaking the remediation works, as a result of the site being a former Royal Navy/NATO fuel depot.

#### **4. Conclusion of Meeting**

At 11:40 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.