

Item: 11

Harbour Authority Sub-committee: 27 October 2020.

1. Recommendations

It is recommended:

1.1.

That the Committee approves the attached minute as a true record.

1.2.

That the Committee considers the recommendations at paragraphs 5.5 to 5.7, 6.5, 6.6, 7.4 and 7.5.

2. Appendix

Draft Minute of the Meeting of the Harbour Authority Sub-committee held on 27 October 2020.

Minute

Harbour Authority Sub-committee

Tuesday, 27 October 2020, 10:30.

Microsoft Teams.



Present

Councillors Graham L Sinclair, Andrew Drever, Robin W Crichton, David Dawson, Magnus O Thomson, Owen Tierney and Heather N Woodbridge.

Clerk

- Angela Kingston, Committees Officer.

In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- James Buck, Harbour Master.
- David Sawkins, Deputy Harbour Master: Strategy and Support.
- Colin Kemp, Corporate Finance Senior Manager.
- Karen Bevilacqua, Solicitor.
- Hazel Flett, Senior Committees Officer.

Observing

- Paul Olvhoj, Business Development Manager.
- Lorraine Stout, Press Officer.

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Graham L Sinclair.

1. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the business to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll or recorded vote.

2. 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:

2.1. The revenue financial summary statement in respect of the Scapa Flow Oil Port and Miscellaneous Piers and Harbours for the period 1 April to 30 September 2020, 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 deficit position of £2,328,700.

2.2. The revenue financial detail by Service Area statement in respect of the Scapa Flow Oil Port and Miscellaneous Piers and Harbours for the period 1 April to 30 September 2020, attached as Annex 2 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

The Sub-committee scrutinised:

2.3. 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, and obtained assurance that action was being taken with regard to significant budget variances.

3. Miscellaneous Piers and Harbours

Revenue Maintenance Programme – Expenditure Monitoring

After consideration of a report by 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:

3.1. The summary position of expenditure incurred, as at 30 September 2020, against the approved Miscellaneous Piers and Harbours revenue maintenance programme for financial year 2020/21, as detailed in section 5.1 of the report by the Head of Finance.

The Sub-committee scrutinised:

3.2. The detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to the report by the Head of Finance, and obtained assurance that action was being taken with regard to significant budget variances and progress made with delivery of the approved Miscellaneous Piers and Harbours revenue maintenance programme.

4. Miscellaneous Piers and Harbours and Scapa Flow Oil Port

Minor Capital Improvement Programmes – Expenditure Monitoring

After consideration of a report by 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:

4.1. The summary position of expenditure incurred, as at 30 September 2020, against the approved Miscellaneous Piers and Harbours and Scapa Flow Oil Port minor capital improvement programmes for 2020/21, as detailed in section 4.1 of the report by the Head of Finance.

The Sub-committee scrutinised:

4.2. The detailed analysis of proposed expenditure figures against the approved programmes, attached as Appendix 1 to the report by the Head of Finance, and obtained assurance that action was being taken with regard to significant budget variances and progress made with delivery of the approved Miscellaneous Piers and Harbours minor capital improvement programmes.

5. Harbour Charges

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:

5.1. That the Harbour Authority issued a Schedule of Charges annually for the use of facilities and provision of services within the Harbour Area.

5.2. That the current Schedule of Charges did not contain terms and conditions regarding the provision or otherwise of services, resulting in no clarity for users regarding their responsibilities as customers of the Harbour Authority.

5.3. That administration costs were not highlighted or identifiable within the current Schedule of Charges.

5.4. The proposal to review the current Schedule of Charges, following which a revised Schedule would be drafted and consulted on with stakeholders, together with a new set of Terms and Conditions.

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

5.5. That the Executive Director of Development and Infrastructure should review the current Schedule of Charges, taking the following into account:

- To reflect and demonstrate the cost associated with the administration of both charges and the Harbour Authority in providing services.
- To make the document more user friendly, simplify charges where possible, making them easier to understand and implement.
- To encourage a shift away from long term storage on quays and piers to promote a safe working and leisure environment for all Harbour Authority users.
- To allow the Harbour Authority to easily move towards a greener, environmentally conscious port in preparation for opportunities in the alternative offshore power markets.

5.6. That the Executive Director of Development and Infrastructure, in consultation with the Solicitor to the Council, should draft a set of comprehensive Terms and Conditions of Trading.

5.7. That the Executive Director of Development and Infrastructure should undertake consultation with stakeholders on the revised Schedule of Charges and proposed Terms and Conditions of Trading, and thereafter submit a report, to a meeting of the Harbour Authority Sub-committee in early 2021, detailing the outcome of the consultation and presenting final versions of the Schedule of Charges and Terms and Conditions of Trading for consideration.

6. General Directions

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:

6.1. That, although the Harbour Authority had authority to create and issue General Directions and Byelaws, to date, only a set of Byelaws to regulate harbour activity had been issued.

6.2. That it was recognised throughout the maritime industry that Byelaws were no longer fit for purpose as a regulatory structure for ensuring user safety within ports and harbour areas.

6.3. That General Directions were simpler and easier to implement and could be done so under the direct control of the Harbour Authority, making them easier to enforce to ensure considerate behaviour by harbour users.

6.4. The proposal to draft a set of General Directions, following which consultation with stakeholders should take place.

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

6.5. That the Executive Director of Development and Infrastructure, in consultation with the Solicitor to the Council, should draft a set of comprehensive General Directions.

6.6. That the Executive Director of Development and Infrastructure should undertake consultation with stakeholders on the General Directions, and thereafter submit a report, to a meeting of the Harbour Authority Sub-committee in early 2021, detailing the outcome of the consultation and presenting the final version of the General Directions for consideration.

7. Pilotage Directions

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:

7.1. That, in terms of the Pilotage Act 1987, the Harbour Authority had authority to create and issue Pilotage Directions.

7.2. That it was good practice to regularly review, and if necessary, update Pilotage Directions, to accommodate the changing nature and use of a harbour as well as advances in vessel technology.

7.3. The proposal to review the current Pilotage Directions, which were last amended in 2016, with the amendments coming into force on 1 January 2017.

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

7.4. That the Executive Director of Development and Infrastructure, in consultation with the Solicitor to the Council, should review the Orkney Pilotage Direction 1988 and Amendments.

7.5. That the Executive Director of Development and Infrastructure should undertake consultation with stakeholders on the Orkney Pilotage Direction, and thereafter submit a report, to a meeting of the Harbour Authority Sub-committee in early 2021, detailing the outcome of the consultation and presenting the final version of the Orkney Pilotage Direction for consideration.

Councillor Robin W Crichton left the meeting during discussion of this item.

8. Conclusion of Meeting

At 11:42 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.