

**The Highland Council**

Minutes of Meeting of the **Harbours Management Board** held in Committee Room 3, Council Headquarters, Glenurquhart Road, Inverness on Friday 9 December 2016 at 10.30 am.

**Present:-**

Mr H Fraser	Mr K Macleod
Mr R Greene	Mr H Morrison
Mr A Henderson (tele conferencing)	Mr B Murphy
Mrs L MacDonald	Mr G Phillips
Mr G Mackenzie	Dr A Sinclair

**In attendance:-**

Mr W Gilfillan, Director of Community Services  
Ms C Campbell, Head of Performance and Resources  
Mr T Usher, Harbours Manager, Community Services  
Mr M Mitchell, Finance Manager, Finance Service  
Mr A MacIver, Principal Engineer, Project Design Unit (Item 4)  
Miss J MacLennan, Principal Administrator, Corporate Development Service

**Also in attendance:-**

Ms L Parsons, Stewart & Parsons Ltd (Item 5)

**Mr G Phillips in the Chair**

**Business**

**1. Apologies for Absence**

There were no apologies for absence.

**2. Declarations of Interest**

There were no declarations of interest.

**3. Minutes**

There had been circulated, and were **NOTED**, Minutes of Meeting of the Harbours Management Board held on 7 September 2016.

**4. Uig New Ferry Redevelopment**

There had been circulated Report No HMB 21/16 dated 29 November 2016 by the Director of Community Services updating Members of the project to redevelop the facilities at Uig Harbour to accommodate the new larger ferry for the Uig, Tarbet, Lochmaddy triangle, which was scheduled to enter service in 2017/18.

During a presentation, Members were provided with information covering proposed funding of the project, velocity monitoring undertaken by CMAL, the Passenger Access study, the topographical survey, the creation of a Planning and Development

Communications Framework and progress made in the inspection of the existing infrastructure. It was hoped that the next stage would be to review findings and to determine scope for the various options moving towards progress design, contractual procurement and community consultation.

During discussion, the following points were made:-

- a request was made for a full detailed report to be provided, if possible, at the next meeting of the Harbours Management Board detailing a timeline, when decisions would be made and a clear statement of costs. It was important that there was proper project governance, that the project did not drift off schedule and that all loose ends were tied up as soon as possible. It was feared that any delays could result in additional costs being incurred;
- it was important that the introduction of the new larger ferry was not delayed because of lack of progress at Uig Harbour and information was sought as to how the Western Isles Islands Council was progressing with their Harbour redevelopments;
- information was sought as to when the next meeting with CMAL was scheduled. It was understood there had been a restructuring within CMAL and that the officer with responsibility for this project had changed. Despite regular meetings with CMAL there was concern that some matters were not progressing as quickly as Highland Council would wish;
- taking the long term view, it was hoped that the Linkspan would be replaced rather than the present one being refurbished;
- information was sought, and received, as to progress being made in relation to the onshore site in regards to parking, access to the pier etc. In this connection, it was pointed out that the community might be interested in some of the properties currently on site and it was important that these aspirations were considered at an early stage to avoid any unnecessary delays;
- a firm decision was required as to what the proposals were for the supply/storage of Liquid Nitrogen Gas given the impact this would have on the layout of the onshore area. In this vein, the Board was reminded of the previous suggestion of possibly relocating the fuel storage facilities from Portree to Uig and confirmation was sought whether or not any progress had been made with that proposal as this too would impact on the onshore layout; and
- information was sought if the dredged material would be suitable for in-filling.

The Board:-

- i. **NOTED** the current position;
- ii. **AGREED** that a full report be prepared to the next Harbour's Management Board detailing all options, decision gateways (together with associated timings), a clear statement of costs and the outcome of the next joint meeting with CMAL which it was hoped would take place in advance of the Board's next meeting; and
- iii. **AGREED** that consideration be given as to the Programme Board meeting more often.

In terms of Standing Order 18, the Board **AGREED** that agenda item 6 be considered at this juncture.

## 6. Seaprobe Atlantis Pontoon at Kyle

There had been circulated Report No HMB 24/16 dated 29 November 2016 by the Director of Community Services providing an update on the request from the owner of

“Seaprobe Atlantis” who currently operated three tour boats from Kyleakin harbour to install a private pontoon at a specific location within Kyle harbour. The report advised that not all of the necessary consents had been obtained due to objections from various parties including the Kyle Harbour Master and presented a letter of appeal from the applicant to the “Duty Holder” for consideration.

A full communication trail of correspondence between the Director and the owner of Seaprobe Atlantis was provided to Members and an opportunity given to them to consider its contents. In particular, it flagged up the owner’s concerns that the Board had not seen all the information and that he be provided this opportunity to present his view.

There then followed a presentation by the Harbours Manager who provided a number of photographic slides including ones of the existing pontoon, the proposed location, an overview of both and the types of vessels using the Railway pier and slipway. In addition, using the proposed site layout drawing provided by the owner, an interpretation was provided, transposed onto a photograph, as to how this too would look. In summary, there were concerns that, should the private pontoon be installed, there was potential for a collision with the existing and proposed pontoons as a result of less space being available for manoeuvring and that this would, in effect, result in larger vessels no longer using the slipway. In addition, it was pointed out that the situation might arise whereby, should in the event of the Skye Bridge needing to close, that ferries might need to use the slipway. Another possible location for the private pontoon had also been suggested but this too would create difficulties for larger vessels using the Railway Pier. The concerns raised by the Harbour Master had the support of the Marine Superintendent and the Harbour Manager.

Attention too was drawn to the owner’s response to these concerns. He had questioned the competence of the Harbour Master and had pointed out that Marine Scotland had also dismissed these concerns. However, when presented with this statement, Marine Scotland had responded negatively to that stating, in relation to the Harbour Master’s second objection regarding the navigational impacts, that the person who had visited the site had neither the experience or expertise to determine what could or could not restrict access to the slipway and that this was a matter for the Maritime Coastguard Agency and the Harbour Authority. They had similarly also stated that, in relation to Objections 2, 4 and 5, no objections had been dismissed. At this juncture, it was suggested Marine Scotland’s response merited further investigation although it was pointed out the application for a marine licence had been made directly to them and Marine Scotland had not chosen to share this with the Highland Council.

During discussion, the following points were made:-

- referring to the Port Marine Safety Code, the importance of having a Marine Management Safety System in place to ensure that all risks were identified and controlled, with the more severe ones either identified or reduced to the lowest possible level, was pointed out. The manoeuvring of larger vessels, in difficult sea and wind conditions, gave some Members concern in this regard;
- reference too was made for the need to maintain a consensus about safe navigation achieved through stakeholder engagement and it was suggested that this was something that could be given further attention;
- when looking at pontoons it was also important to take into consideration the moorings and the associated exclusion zones and the Proposed Site Layout plan highlighted how movement would be restricted;

- the Duty Holder should have in place a Designated Person who had independent experience and it had been suggested, in an opinion sought from Counsel, that such a person could be sought from operators such as Cal Mac;
- it was argued that the proposed pontoon would narrow the area of safe navigation at the approach of the slipway increasing the risk of collision with either pontoon. However, no objection had been made when the existing pontoons had been installed and it too, it was argued, was not that much further from the Railway Pier and, in fact, these pontoons were closer to the slipway and to the rocks. It was argued vessels approaching the slipway encountered similar problems from the existing pontoons as to those suggested would arise from the proposed pontoon. There were a number of matters needing to be addressed and, until such time, should there be a proposal to endorse a recommendation to reject the appeal, Mr Fraser expressed his intention of dissociating himself of any such decision;
- it was incumbent on the Duty Holder to ascertain the reasons for the objections from the Harbour Master, Marine Superintendent and the Harbour Manager and, if necessary, seek independent advice as to their validity;
- the Marine Coastguard Agency had initially not made a formal objection but had done so after consultation with local staff; and
- confusion remained as to the views of the Marine Scotland Licensing Operations Team and Maritime Coastguard Agency and, given the concerns that remained, it was suggested that determination of a recommendation be deferred until such time as expert opinion from someone with relevant navigational qualifications and Designated Person experience within the meaning of the Port Marine Safety Code could be sought. In so doing Members emphasised that this in no way reflected on the integrity of the professional staff charged with managing the Kyle Harbour facility and who had based their decisions on professional competence.

Thereafter, the Board **AGREED** to defer endorsing any recommendation to the Duty Holder until its next meeting at which an opinion would have been sought from an appropriately qualified Designated Person, the appointment of whom being acceptable to both the Duty Holder and the owner of the Seaprobe Atlantis.

## 5. Strategic Business Plan

There had been circulated Report No HMB 22/16 dated 29 November 2016 by the Director of Community Services updating Members on the progress of commissioning a Strategic Business Plan and presenting Members with the first phase report.

During a full and detailed presentation of the first phase of the report Ms Parsons, Stewart & Parsons Ltd, gave an overview of the harbour infrastructure in Highland together with an indication of the categories they fell into i.e. commercially viable. Continuing, she had considered five market sectors where Highland Council's "Harbours" could potentially service and which would also benefit the local and wider Highland economies, namely, Offshore and Marine Renewables, Timber and Extractive Industries, Aquaculture, Fishing and Sailing. In so doing she looked at the potential for each together with future prospects and made specific recommendations as to how the Council might move forward with developments, if any.

In conclusion, she suggested that industries that could be eliminated from further development, for the reasons stated, were:-

- large cruise liners – the need for boats to come alongside harbours and for landside resource being available

- rig storage – this was opportunistic, difficult to plan ahead for and required deep water anchorage
- ship-to-ship – the need for considerable service support
- fabrication – lack of space and a specialised workforce
- residential based marina development – dependent on property prices and market forces

Industries with oblique or associated opportunities were:-

- fishing quota holding – any expansion to be kept in a trust and leased out
- Crown Estate transfer – an opportunity to bring in revenue from moorings
- LNG bunkering – Orkney were willing to barge LNG to Highland if and when tanks were provided
- property development of redundant infrastructure – there might be some heritage value for some of the unprofitable harbours but this could be hindered due to the lack of associated land. In negotiation with landowners it might be possible to combine the harbour and land together, offering better value and opportunity to both parties

Suggested areas meriting active investigation were:-

- in the short term, collaborating with timber initiatives already underway to ascertain where grant funding was available
- sailing – a report was due to be published shortly detailing where marine facilities and pontoons should be located, where there was demand and their potential economic impact. Once the contents of this report were known this would be examined in greater detail at the next meeting of the Harbours Management Board.

Recognising the importance of some of these industries to rural economies, the Board **NOTED** the latest position of the creation of a Strategic Business Plan.

## **7. Fish Farm Moorings Licence, Uig Harbour**

There had been circulated Report No HMB 24/16 dated 29 November 2016 by the Director of Community Services advising Members of a request from a fish farm operator for a licence to moor fish farm cages within the Statutory Harbour Limits in Uig Bay. Members were asked to consider the implications of the siting the farm in an area where dredging operations were required and the possible impact of the operations on the health of the farmed fish. A suitable licence fee for this and other fish farm licences was also proposed.

Members were reminded that dredging was required to accommodate the new vessel planned for the “Uig Triangle”. Dredging would however impact on Farmed Fish and discussions had therefore taken place with the operators of the proposed Fish Farm operation regarding preventative measures that they themselves could implement. In addition, while supporting business development and considering the licence request, the Council had a responsibility to ensure access to port services were not hampered and to manage the port for the safe and efficient navigation of the waters within the Harbour Area. Consequently a list of licence conditions had been drawn up to which the operator had responded to. To address all the points they had raised it was therefore proposed to defer consideration of this matter until the next Harbours Management Board.

During discussion, the following points were made:-

- it was essential that the granting of any Licence did not obstruct the Uig Harbour redevelopment and the dredging requirement was an important component of this;
- it was hoped that the licencing conditions could be addressed expeditiously recognising the considerable investment the fish farm operator was making to the local economy and the potential employment opportunities associated with it; and
- the report to the next Harbours Management Board should explain the rationale behind the setting of the annual licence fee rates.

The Board **AGREED** to defer consideration of this matter until its next Board and, in the report being considered at that meeting, an explanation be provided as to the rationale of the annual licence fee rates.

## 8. Disposal of Marine Facilities

There had been circulated Report No HMB 25/16 dated 29 November 2016 by the Director of Community Services advising Members of a number of requests to purchase or take ownership of four minor marine facilities. Members were asked to consider each request and approve the actions for disposal where appropriate.

Having emphasised the need to ensure communities still had access to these piers post-disposal, the Board **AGREED** to recommend to Community Services Committee that:-

- i. Ullapool slipway be declared surplus to the requirements of the service and transferred to Ullapool Harbour Trust;
- ii. following confirmation with the local community that they were not interested in taking ownership, Kintail jetty be declared surplus to the requirements of the service and associated Crown Estate lease be either terminated or assigned to the owner of Kintail Lodge;
- iii. the facility at Culkein Stoer be declared surplus to the requirements of the service and sold to the Assynt Crofters Trust at valuation;
- iv. Portskerra be declared surplus to the requirements of the service and transferred to the Portskerra community group as and when constituted; and
- v. the matter of the transfers of the subjects be passed to the Director of Development and Infrastructure for conclusion.

## 9. Financial Performance 1 April 2016 to 31 October 2016

There had been circulated Report No HMB 26/16 dated 29 November 2016 by the Director of Community Services setting out the financial performance of Highland Council Harbours for the period 1 April 2016 to 31 October 2016.

Fuel sales were up on previous years and, overall, it was anticipated that a balanced budget would be achieved. However, a clearer indication would be available early in 2017.

During discussion, the following points were made:-

- concern had been expressed at the last Audit and Scrutiny Committee about rental income collections and a report on this, as it related to Harbours, was requested for the next meeting of the Harbours Management Board; and

- assurances were sought, and received, that if anticipated fuel sales targets were not met, this would be alleviated by a corresponding amount being saved by not purchasing fuel.

The Board:-

- i. **APPROVED** the financial position to 31 October 2016;and
- ii. **AGREED** a report be submitted to the next meeting of the Harbours Management Board regarding rental income collections.

## **10. Debt Management**

There had been tabled Report No HMB 27/16 dated 8 December 2016 by the Director of Finance providing details of the outstanding debt for piers and harbours as at 2 December 2016.

The Board **NOTED** the current debt position.

The meeting ended at 1.40 p.m.