

## The Highland Council

Minutes of Meeting of the **Harbours Management Board** held **REMOTELY** on Friday 26 February 2021 at 10:30 am.

### **Present:-**

Mr R Balfour	Mr W MacKay
Mr A Henderson	Mr D Rixson
Mr D Louden	Mr A Sinclair
Mr A MacInnes	

### **In attendance:-**

Mr M MacLeod, ECO Infrastructure and Environment  
Mr C Howell, Head of Infrastructure  
Ms T Urry, Head of Roads and Transport  
Mr M Bain, Project Manager  
Mr M Mitchell, Finance Manager  
Mr R Porteous, Roads Operation Manager  
Mr T Usher, Harbours Manager, Community Services  
Mr A MacIver, Principal Engineer, Project Design Unit  
Miss J MacLennan, Principal Administrator, Chief Executive's Service  
Ms O Bayon, Administrative Assistant, Chief Executive's Service

### **1. Apologies for Absence**

Apologies for absence were intimated on behalf on Mr B Boyd, Mr J Gray and Mr D MacLeod.

### **2. Declarations of Interest**

Mr A MacInnes declared a financial interest in any item relating to harbour dues and the purchasing of fuel via Highland Council harbours and piers given his involvement in the seafood industry and as a director of organic sea harvest.

Item 7- Mr D Rixson (non-financial)

### **3. Minutes**

There had been circulated, and was **NOTED**, the Minutes of Meeting of the Harbours Management Board held on 16 October 2020.

### **4. Uig Harbour Redevelopment - Update**

There had been circulated Report No HMB/1/21 dated 17 February 2021 by the Executive Chief Officer Infrastructure and Environment.

Following an update in amplification of the report, Members raised the following points:-

- the 801 ferry vessel was having to go through the same hazardous substances consent and there could therefore be some economies of scale to be achieved;
- the timescale proposed was tight given the complexities involved;
- officers were congratulated on their management of the project, especially over the last year when Covid 19 had compounded issues;
- Members were assured that the financial risk to the Council was minimal as Transport Scotland would fund 80% of the project and the remaining 20% would be covered by increased Harbour Dues;
- It was hoped that the problems identified by the two remaining bidders could be resolved timeously; and
- LNG would be delivered by road tanker twice a week and there were significant Health and Safety concerns involved with its storage at the end of the pier in the event of a tank rupturing. In this regard, discussions and consultations would be taking place with an independent specialist LNG consultant, Highland Council H&S Department, Trade Unions, harbour users and the local community.

The Board **NOTED** the position.

## **5. Corran Ferry Project – Outline Business Case – Update**

There had been circulated Report No HMB/2/21 by the Executive Chief Officer Infrastructure and Environment.

During discussion, the following issues were considered:-

- CMAL's help and advice was welcomed, especially as there were economies of scale to be gained by both parties;
- the considerable capital investment required was recognised and it was suggested that there might be opportunities to source grants for green energy such as the Salix fund;
- in addition to the ongoing revenue implications, the costs involved for securing replacement ferry vessels were equivalent to building a secondary school. Nevertheless, as the MV Corran had been bought 20 years, time was of the essence;
- other avenues should be explored such as the acquisition of a nearly new ferry although it was acknowledged that they were a scarce commodity source. Similarly, there might also be ferry designs already available which could be used. However, there were specific requirements of a vessel able to navigate the Corran Narrows;
- multi fuel technology was to be welcomed but it was questioned if this was complicating the project further. In response, it was explained that when considering replacement vessels it was necessary to take a long term approach to make it efficient and able to switch from one fuel source to another; and
- the Corran Narrows had a tidal speed of 7 knots and it was suggested that this was sufficient to charge a turbine which could, in turn, be used to charge the vessels batteries

The Board **NOTED**:-

- i. that The Highland Council (as opposed to the Scottish Government) had to find the capital cost for the replacement vessels and slipways;
- ii. there was a requirement for The Highland Council to have Naval Architects and Marine Consultants in place to commence work on the design and costing of the 2 new Vessels and the supporting Slipways and Infrastructure;
- iii. a meeting was set to take place between Kate Forbes MSP and the Corran Ferry lobbying group on 2 March 2021 where clarity would be sought from the Scottish Government regarding the Council's request for financial support with the design tender costs and the Capital funding options available to the Council; and
- iv. that the Corran Ferry Project team continued to have positive discussions with Transport Scotland and CMAL and had recently reached an informal agreement to align vessels replacement (design stage) work with their small fleet low-carbon vessel replacement programme if possible.

## 6. Requests for Leases

There had been circulated Report No HMB/3/21 dated 16 February 2021 by the Executive Chief Officer Infrastructure and Environment.

In relation to the lease at Kinlochberrie Harbour, the Board warmly welcomed the recycling of disused fishing nets into fenceposts for general sale to the public, especially as disposing of old fishing nets was a particular problem. This was a good news story and offered an opportunity for some good corporate communication. In relation to the Gairloch lease, the Boat Club were recognised as a professional outfit and the additional land would help them to store boats belonging to their members.

The Board **AGREED** to recommend that the Environment and Infrastructure Committee agree:-

- i. that the area of land currently occupied by the Gairloch Boat club and used for the storage of boats be formally leased to the club; and
- ii. that an area of the Old Fish market building at Kinlochberrie Harbour be formally leased to the local Community Interest Company (CIC) for the purpose of recycling and processing plastic waste.

## 7. Schedule of Rates and Dues for 2021/22

**Declaration on Interest: Mr D Rixson declared a non-financial interest in this item as the Council's representative on the Isle of Rum Community Trust but, having applied the test outlined in Paragraphs 5.2 and 5.3 of the Councillors' Code of Conduct, concluded that his interest did not preclude his involvement in discussion.**

There had been circulated Report No HMB/4/21 dated 16 February 2021 by the Executive Chief Officer Infrastructure and Environment.

The harbour dues for the Small Isles were proposed to be increased by 50% and constituents were looking for assurances that this would be accompanied by an enhanced regime of inspections and repairs to avoid disruptions of the

ferry service. Repairs and pro-active maintenance were needed to the fenders systems which were suffering from corrosion and impact damage from the ferry. Where damage was caused by the ferry it was usually and owner of the vessel who had responsibility to pay but it was frequently difficult to prove.

The Board:-

i. **NOTED** the contents of the Scheduled of Rates and Dues, inclusive of the annual inflationary uplift, applied at 1.5%;

and **AGREED** to recommend to the Environmental and Infrastructure Committee to approve:-

ii. the publication Schedules of Rates and Dues for The Highland Council Harbours for the financial year 21/22; and

iii. the uplift in Harbour Dues at the Small Isles.

## **8. Financial Performance 1 April 2020 to 31 January 2021**

There had been circulated Report No HMB/4/21 dated 16 February 2021 by the Executive Chief Officer Infrastructure and Environment.

Following discussion about the effect of Brexit in January and the need for a long term plan to ensure investment, the Board **NOTED** the improved financial position to 31 January 2021.

## **9. Debt Management**

There had been circulated Report No. HMB/6/21 dated 12 February 2021 by the Executive Chief Officer Infrastructure and Environment.

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

The meeting ended at 12.10 pm