

## NORTH EAST SCOTLAND FISHERIES DEVELOPMENT PARTNERSHIP

WOODHILL HOUSE, ABERDEEN, 17<sup>th</sup> NOVEMBER, 2017

**Present:** **Aberdeenshire Council** – Councillors D Beagrie, J Cox (Chair), G Reynolds and I Sutherland (as a substitute for Cllr Kille).  
**Aberdeen City Council** – Councillors C Allard and J Laing.  
**Members of the Scottish Parliament** – P Chapman, S Stevenson and M Foley (on behalf of M Watt MSP).  
**Members of the Parliament** – T Mason (on behalf of R Thomson) and D Duguid.  
**Marine Scotland Science** – C Needle  
**Scottish Pelagic Producers Association** – I McFadden  
**Scottish Seafood Association** – J Buchan  
**Seafish Industry Authority** – I Land  
**Seafood Scotland** – D Fordyce

**Apologies:** Aberdeenshire Council - Councillor A Kille and C Buchan.  
Aberdeen City Council - Councillors R Houghton and Donnelly.  
Moray Council - Councillor S Warren and C Cowie.

MSPs: A Burnett, G Dey, M Evans, J Fitzpatrick, L Kerr, L Macdonald, M McDonald, J Marra, G Martin, S Robison, M Rumbles, K Stewart, S Stevenson, R Thomson and M Watt.  
MEPs: I Hudghton, D Martin, A Smith and C Stihler.  
MPs: A Bowie, C Clark and D Duguid.

Aberdeen Fish Producers Organisation - D Anderson  
Fraserburgh Harbour Commissioners – T Boyle  
HIE Moray - A Kearney  
Lunar Fish Producers Organisation - R Stevenson  
North Sea Advisory Council - L Duguid  
North East of Scotland Fishermen's Organisation - A Birnie  
North & East Coast Regional Inshore Fisheries Group - I Maddox  
Peterhead Port Authority - I Laidlaw  
Scottish Enterprise – G Ford and I Garrett  
Scottish Fishermen's Federation – B Armstrong and M Morrison  
Scottish Fishermen's Organisation - J Anderson  
Scottish Maritime Academy NESCOL - L Hope  
Scottish Pelagic Fishermen's Association – I Gatt and A Wiseman  
Scottish Seafood Association - D Leiper  
Scottish White Fish Producers' Association Ltd - J Mouat and M Park  
Seafood Scotland – P Hughes

**Officers:** Derek McDonald - Industry Support Executive, AC  
Anna Ziarkowska – Assistant Committee Officer, AC.

**In presence of:** Simon Turner (Peter Chapman' office MSP)  
Michael Robertson (Joseph Robertson Ltd)  
Michael Clark (IFC NOR-SEA)

### 1. WELCOME, INTRODUCTIONS AND DECLARATIONS OF INTEREST

The Chair welcomed all present to the meeting. Members were asked if they had any interests to declare in terms of the Councillors' Code of Conduct and no declarations were intimated.

## 2. PUBLIC SECTOR EQUALITY DUTY

In taking decisions on the undernoted items of business, the Partnership **agreed**, in terms of Section 149 of the Equality Act 2010:-

- (1) to have due regard to the need to:-
  - (a) eliminate discrimination, harassment and victimisation;
  - (b) advance equality and opportunity between those who share a protected characteristic and persons who do not share it, and
  - (c) foster good relations between those who share a protected characteristic and persons who do not share it; and
- (2) to consider, where an equality impact assessment had been provided, its contents and to take those into consideration when reaching a decision.

## 3. MINUTE OF MEETING OF 15<sup>th</sup> SEPTEMBER, 2017

The minute of meeting of 15<sup>th</sup> September, 2017 was circulated and **approved** as a correct record.

## 4. MATTERS ARISING

Derek McDonald confirmed that the presentations from the previous meeting were available online and that a Scottish Seafood Centre of Excellence Project progress update would be provided to Members at a future meeting of the Group. Derek McDonald also advised that it was not possible on this occasion for the Partnership to agree a consensual response to the Economic Link Consultation and thanked all Members for taking the time and trouble to convey their views on this vitally important matter.

## 5. PRESENTATION: SCIENTIFIC ADVICE 2017 BY DR COBY NEEDLE, FISHERIES PROGRAMME MANAGER, MARINE SCOTLAND

The Chair invited Dr Coby Needle, Fisheries Programme Manager at Marine Scotland to deliver a presentation on Scientific Advice 2017. Dr Needle explained that the International Council for the Exploration of the Sea (ICES) is a global organisation which develops science and advice to support the sustainable use of marine resources. He then gave an overview of ICES advice released on 30<sup>th</sup> June, 2017 and indicated that further advice was issued on 29<sup>th</sup> September, 31<sup>st</sup> October and 14<sup>th</sup> November, based on analysis of catches, recruitment, fishing mortality rate and spawning stock biomass for each species and using a consistent methodology.

Dr Needle introduced the detailed advice for each species including North Sea Cod, North Sea Whiting, North Sea Plaice, Northern Shelf Haddock, Northern Shelf Saithe, Monkfish, NE Atlantic Hake (Northern), Northern Atlantic and Arctic Ling, Fladen and North Sea Nephrops, North Sea Herring, Atlantic Mackerel, Atlanto-Scandian Herring, West of Scotland Cod, West of Scotland Whiting, Rockall Haddock, West Coast & Northern North Sea Megrin, West of Scotland Nephrops, and West of Scotland & Ireland Herring and Blue Whiting.

During discussion, Members queried the approach taken in respect of the collection of data for particular species and considered the provision of advice to the fishing industry in UK waters post-Brexit and resources required.

The Chair thanked Dr Needle for his presentation and the Group **agreed** to note the content of the presentation.

## **6. BULLETIN REPORT: SEAFISH BRIEFING PAPER ON BUSINESS RATES**

There had been circulated a report dated 9<sup>th</sup> November, 2017 by the Director of Infrastructure Services which provided Members with a briefing note prepared by Seafish which compared business rates paid by seafood processing businesses in NE Scotland and Humberside. Information had been gathered from the Central and Scottish Government websites, their associated valuation/assessor agency websites and other official sources. Members were informed that the most recent rates revaluation in Scotland came into effect on 1<sup>st</sup> April, 2017. Rateable values are based on 2015 property value estimates (tone date). The increases in Aberdeen City and Aberdeenshire represented the second and the third largest increases in rateable values in Scotland. The Seafish report concluded that Scottish fish processing enterprises are bearing a significantly higher business rates burden than their competitors in Humberside.

After consideration, the Working Group **agreed** to note information provided in the update.

## **7. PRESENTATION: NON-DOMESTIC REVALUATION 2017 BY IAN MILTON, GRAMPIAN ASSESSOR AND ELECTORAL REGISTRATION OFFICER**

The Chair invited Mr Ian Milton, Grampian Assessor and Electoral Registration Officer, to deliver a presentation on Non-domestic revaluation 2017. Mr Milton described the process for valuing non-domestic rates and explained the role of the three parties engaged in the process, namely Assessor, Scottish Government and local authorities. Mr Milton advised that there are currently 233,386 properties in Scotland with total rateable value of £7,358M and 26,036 properties with a total rateable value of £989M in Grampian. He then described the valuation method employed by assessors and the appeal process for challenging the assessments. Members were also informed about future reforms to business rates in Scotland (Barclay report). During the post-presentation discussions, Members asked numerous questions on the current processes for setting non-domestic business rates and the options available to challenge or mitigate recent increases.

Thereafter, the Group thanked Mr Milton for his presentation and **agreed** to note the content of the presentation.

**Action point 1: Derek McDonald to engage with seafood industry representatives, the Assessor and Scottish Government to try to mitigate the high business rates burden being borne by large and medium-sized seafood processing businesses in NE Scotland.**

## **8. VERBAL OVERVIEW ON ABERDEENSHIRE COUNCIL'S ROLE IN BUSINESS RATES BY ALAN WOOD, HEAD OF FINANCE, ABERDEENSHIRE COUNCIL**

The Chair invited Mr Alan Wood, Head of Finance at Aberdeenshire Council to provide a verbal overview on Aberdeenshire Council's role in business rates. Mr Wood explained that local authorities are responsible for calculating and collecting rates due as well as applying local relief schemes. Members were provided with statistics on the level of income generated by Council from business rates and the collection rates in Aberdeenshire. Mr Wood outlined the various business rate reductions and relief offered by the Council including Small Business Bonus Scheme (SBBS), Empty property relief, Charitable relief, Discretionary relief, Rural relief, Disabled relief, Renewable energy producers relief, Fresh start relief, New start relief,

Transitional Relief and the local revaluation relief scheme. Mr Wood also advised that the council had a very substantial rates bill of its own to meet.

Thereafter, the Group thanked Mr Wood for his update and **agreed** to note the content of the presentation.

**Action point 2: Derek McDonald to provide statistics on the uptake of local business rates relief at the next meeting.**

## **9. BULLETIN REPORT: EU FAROE BILATERAL AGREEMENT – MINISTERIAL RESPONSES**

There had been circulated a report dated 9<sup>th</sup> November, 2017 by the Director of Infrastructure Services which provided Members with the update on EU Faroe Bilateral Agreement. At the Partnership meeting on 10<sup>th</sup> February, 2017 Members were provided with an insight into the 2015 EU - Faroe Bilateral Agreement by Ms Jennifer Russell of Anderson Solutions (Consulting) Ltd. The report had been commissioned by Seafish - at the request of the pelagic fisheries sector - and advised that the value of landings to Faroe under the Agreement in 2015 was estimated at £30.5M whereas the corresponding value to the EU was just £4.8M, including the UK share of £1.9M. Members were concerned at the stark divergence in the relative benefit of the Bilateral Agreement to the respective parties and agreed UK and Scottish Governments should be lobbied to urge a review of the Bilateral Agreement as it offered minimal benefit to the UK but provided a competitive advantage to Faroe by allowing their fleet to access higher quality stock than is generally available in their own waters. Letters were sent to the respective ministers urging a review of the Agreement. Ministerial responses had been received from both UK and Scottish Governments and they were shared with members.

After consideration, the Group noted the responses received and **agreed** to revisit the subject at a future meeting of the group.

**Action point 3a: Ministerial responses to be posted on the NESFDP webpage.**

**Action point 3b: Bilateral agreement to be considered at a future meeting of NESFDP**

## **10. INDUSTRY REPORTS AND ROUND TABLE ROUND-UP**

The Partnership **noted** updates from the industry representatives in respect of their areas of responsibility and interest.

## **11. ANY OTHER BUSINESS**

It was reported that some pelagic processing businesses in Aberdeenshire continue to experience a shortage of pelagic landings from Scottish vessels. Lack of supply is impacting adversely upon the performance of affected businesses and has already led to job losses. It was reported that several Scottish pelagic vessels are choosing to land their catches in Norway, to the extent that less than 50% of Scottish pelagic quota is now available to domestic processors. Business is also being lost due to stock shortages. Mr McFadden advised that Scottish Government was well aware of the issue and was committed to securing for Scottish processors a higher share of the landings arising from Scottish quota. There is, he advised, an immediate supply issue which, if not addressed urgently, could damage the long-term capacity of the Scottish pelagic processing industry. Members noted and shared these concerns and agreed that the Scottish Government should be contacted to urge the Cabinet Secretary to take all necessary steps to increase the level of supply of pelagic stocks.

**Action point 4: Derek McDonald to arrange a letter on behalf of the Partnership to the Cabinet Secretary for the Rural Economy and Connectivity to urge that a means be found to secure higher levels of pelagic landings to safeguard the future of the domestic processing sector.**

**Action point 5: Presentations from the meeting to be posted on NESFDP webpage and Members to be advised accordingly.**

### **13. DATE OF NEXT MEETING**

It was **agreed** that the next meeting of the Partnership would take place on 16<sup>th</sup> February 2018, Committee Room 5, WHH, Aberdeen.

DRAFT

