

REDACTED MINUTES

CALEDONIAN MARITIME ASSETS LIMITED BOARD MEETING

Meeting	Caledonian Maritime Assets Ltd	Date/Venue	23 May 2017 Brodict, Arran
Meeting Chair	Erik Østergaard	Start Time	1200Hrs
		End Time	1445Hrs

Members Present		In Attendance	
Name	Title	Name	Title
Erik Østergaard	Chairman	Chris Kane (Minutes)	Executive Assistant
Morag McNeill	Non-Executive Director		
Mark Forrest	Non-Executive Director		
Alistair Whyte	Non-Executive Director		
Graham Laidlaw	Transport Scotland		
John Nicholls	Transport Scotland		
Kevin Hobbs	Chief Executive		
Jim Anderson	Director of Vessels		
Gillian Bruton	Director of Finance		
Lorna Spencer	Director of Harbours		

1. MEETING OPENS – WELCOME AND APOLOGIES

The chair welcomed those present and noted apologies from Ramsay Muirhead.

2. APPROVAL OF PREVIOUS MINUTES

Minutes of the previous meeting were noted as a true and accurate record.

Approved: approval was given to publish the redacted minute on the CMAL website.

3. REVIEW OF ACTION REGISTER

The action register was reviewed; GB noted the pension section, pension repair plan to be brought to the board during the next meeting.

4. PUBLIC SERVICES REFORM (Scotland) ACT

Members noted the PSR(S) Act Disclosures.

FOR DISCUSSION

5. FMEL UPDATE

KH stated things had rapidly moved on since the paper was sent to the board.

JA stated the yard will have a challenge to meet the necessary timescale for the launch, stating the vessel would be watertight.

EO asked if the focus is on 801, JA stated works on 802 has stopped and all focus is on 801. AW stated this was a risk, JA noted due to lack of space in the shipyard (from the construction

works) 802 cannot continue, once 801 is in the water there will be more space for 802 and berth join up can commence.

MF stated the risk register should be shared during the next board meeting.

Action: Risk register to be included in the next board meeting agenda.

8. CEO UPDATE

The previously circulated CEO update was agreed and noted as read.

KH stated Network rail discussions regarding leasing of Oban siding no3; they offered an 18-month lease however we are pushing for a 3-5year lease.

KH noted 6 bids for the Kerrera replacement ferry, JA and George McGregor to visit the preferred bidder. AW asked what the owners plan was for the current vessel; KH stated the owner will keep the vessel and use it for waste collection and day charters which he has a contract for. In addition, it would be used for refit and breakdown cover and a formal agreement was being discussed.

JN updated the board regarding the SG policy review, there has been 5/6 seminars to gauge public opinion and engagement with trade unions; they are in favour of stopping the tender process. JN stated the EU have been kept informed. There is no concern around a teckal exemption. The focus is currently on state-aid matters and whether compliance can be achieved. The timescale has not changed (still November 2017). The European Commission are to make the final decision regarding state-aid. LS asked if CMAL could be consulted regarding the policy review? GL will discuss an appropriate time to engage with CMAL and Alan Malone will be in contact regarding the matter. A possibility is at the next Board Meeting 28th June 2017

KH's request for participation in the Scottish Maritime Cluster was approved.

Action: Include SG policy review consultation at the next board meeting

9. HEALTH AND SAFETY UPDATE

The previously circulated health and safety update was agreed and noted as read.

The update included:

- Health, Safety and Welfare committee update
- H&S legal register
- Training matrix
- Risk Register
- Oban traffic management plan
- Training
- Harbour safety campaign

10. FINANCE UPDATE

The previously circulated finance update and attached papers were agreed and noted as read.

GB update the board regarding financial matters.

Cumulative profit after tax and before asset revaluation/pension is £2.7m expected to be in line with predictions. Our cash resources are £13.2m which is a good result.

The Financial results for April 2017 are in line with expectations, a slight underspend regarding operating costs.

GB made the board aware Appendix A will no longer be included in the hard-copies of the Board packs to save paper all members receive Board Papers electronically.

GB congratulated JA and George McGregor for their work on the Kerrera Ferry tender.

GB stated that our new IT managed service provider (Microtech) make us feel very comfortable. Especially since the recent cyber-attack. MF mentioned he was forwarded an email addressed to himself (sent to CMAL) about cyber security from Scott Moncrief, GB assured MF that this was in hand.

From April 2018, the data protection law is changing GB asked GL if he could identify someone within SG who can support us in the transition period.

Action: GL to identify someone at SG who can liaise with CMAL regarding data protection law changes.

11. VESSELS

The previously circulated vessels update was agreed and noted as read.

MV Canna has been sold and CMAL are happy with the figure received.

Both graduate naval architects are doing well, Declan MacDonald is to lead on the construction of the Kerrera Ferry.

JA mentioned that future vessel design would have to begin now to ensure vessels are built in line with our vessel replacement plan.

LNG bunkering, this is sitting with CFL, we have a specialist consultant on board to help, JA stated there will not be infrastructure in place in May 2018 (in-service date of 801). The short-term plan is to bunker the vessel using a tanker, if this is the case refuelling could affect vessel operations. JA + Andrew Duncan lead the project during Jan/Feb but gave ownership back to CFL as they must identify a supplier. JN said he would include LNG bunkering in the Ministerial Task Force meeting agenda.

Action: JN to include LNG bunkering in Ministerial Task Force Meeting Agenda.

12. ENGINEERING

The previously circulated engineering update was agreed and noted as read.

The update included:

- Tarbert and Lochmaddy works; design development work is progressing.
- Colintrave and Rhubodach; due to start early June expected 52 weeks' work.
- Brodick Redevelopment
- Oban Masterplan; 3 options have been prepared.
- Oban Network Rail initial 18-month lease offered CMAL want longer-term agreement.
- Gourock Masterplan various options have been prepared to be shared with TS on 15 May 2017.

13. HARBOURS UPDATE

The previously circulated harbours update was agreed and noted as read.

The update included:

- Oban Harbour Management plan; work continues and has been led by new Harbour Master at Oban.
- HOA Contract is continuing in a collaborative manner.
- Port Safety and Operations; incidents as noted.
- Skye Triangle Project; design development phase is underway.
- CMAL won the RICS Award for Wemyss Bay.
- Rates, appeal had been lodged through our professional advisors
- Lochranza and Portavadie Waiting Rooms are at design stage
- Harbour Revision Orders work is underway for Tarbert (Harris) and proposed assistance for Lochmaddy (WIC).

14. CORPORATE

The previously circulated Corporate Services update was agreed and noted as read.

The update included:

- ISO9001:2015 progress
- PR and Communications

15. HUMAN RESOURCES UPDATE

The previously circulated Human Resources update was agreed and noted as read.

Topics covered included:

- Graduate Naval Architects and Finance assistant who are progressing well,
- GB advised that HR systems overhaul in close collaboration with HBJ Gateley.

17. AOB

Change of date for September board meeting. New date is now 29 September 2017.

MF noted that this would be his last appointment as Chair of the Audit committee and has appointed MM as the interim chair until MF's replacement feels comfortable to take over.

GB stated we must prepare our 10-year plan and our operation plan to go to TS for funding approval.

DATE OF NEXT MEETING

28 June 2017 – CMAL Offices, Port Glasgow

Meeting Closed