

REDACTED MINUTES

CALEDONIAN MARITIME ASSETS LIMITED BOARD MEETING

Meeting	Caledonian Maritime Assets Ltd	Date/Venue	30 January 2018 Saint Andrew's House Edinburgh
Meeting Chair	Erik Østergaard	Start Time	0930Hrs
		End Time	1230Hrs

Members Present		In Attendance	
Name	Title	Name	Title
Erik Østergaard	Chairman	Chris Kane (Minutes)	Executive Assistant
Morag McNeill	Non-Executive Director	Ramsay Muirhead	Head of Engineering
Paul Croucher	Non-Executive Director	Humza Yousaf (HY)	Minister for Transport and the Islands
Graham Laidlaw	Transport Scotland	Paul Mathewson (PM)	Microtech
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 to the meeting -no apologies were received.

Mr Yousaf (HY) attended the meeting.

Paul Mathewson (PM) attended the meeting to discuss IT only.

2. APPROVAL OF PREVIOUS MINUTES

The minutes of the previous meeting were approved.

3. REVIEW OF ACTION REGISTER

The meeting reviewed the action register. Closed items were agreed.

EØ noted that items 5 and 6 are an ongoing pieces of work and will stay on the register as required.

The action register was accepted.

4. PUBLIC SERVICES REFORM (Scotland) ACT

Members noted the PSR(S) Act Disclosures.

FOR DISCUSSION

5. Risk Register review

The risk register was discussed, KH noted the Corporate Risk Register is reviewed weekly. As discussed at the audit committee meeting Cyber Security was added as a threat.

KH noted terrorism was not added to the Risk Register, EØ stated he believes this rests with the operator and should not be included – this matter will be kept under review

After these points were discussed the risk register was agreed.

6. CEO UPDATE

KH update the meeting regarding 801 and 802.

It was noted that 3 milestone payments are due within the 17/18 Financial Year

KH mentioned the LNG tank had been damaged in Antwerp and returned to China for assessment for repair/replacement.

MM asked if the yard is using consultants to assist them; JA confirmed the yard are using consultants but it is not as cost effective as employing directly.

KH mentioned FMEL's accounts hadn't been filed for 2016.

7. HEALTH AND SAFETY UPDATE

KH updated the board regarding health, safety and environmental matters. KH noted CMAL has been awarded the silver level award for Environmental Excellence "Keep Scotland Beautiful" LS stated we only began this award scheme last year and believes it's a good scheme to be a part of as it's an independent audit which we can use as a benchmark for continual improvement. MM asked if the Board could be advised of the award (Gold, Silver, Bronze) for each of our locations

After discussing this the update was noted as read.

8. FINANCE UPDATE

GB then noted we've anticipate a better than expected result for the full year noting we have spent less than was originally anticipated.

GB noted our budget process is underway and that our new Financial Controller, Janet Murray, has picked this up and this will be her first big task at CMAL.

Next GB shared information regarding the External Audit Tender process that had been undertaken and confirmed that Scott Moncrieff has retained the tender and we are currently in a standstill period - this will be a 5-year contract.

GB stated the SG Budget for 18/19 budget has been allocated. PC asked if we are happy with the allocation? GB advised that we had received appropriate amounts of money regarding the current vessels under construction, Funds to Purchase the 3 x NIFS Vessels and funding for Piers and Harbours.

9. VESSELS

The sale of Eigg and Raasay is underway with inspections ongoing but we anticipate receiving good offers and we expect to sell in the region of £250-300k per vessel. A discussion ensued regarding Cromarty to Nigg Ferry. This is a local community support request, where a private ferry company has requested to purchase or charter the Eigg.

Second-hand tonnage was mentioned by JA, JA noted we are looking at a vessel in Greece, EØ asked what class the vessel was; Euro C. EØ asked if we could get pre-approval from MCA and noted it can be very costly to buy a ship from overseas noting that although it's Euro C MCA might not agree and have to inspect it themselves.

The vessels update was noted as read.

10. ENGINEERING

HY asked for an update regarding Brodick Terminal and expressed his concerns and frustration about the delays that had been experienced – this was noted and accepted. The target date for completion of the terminal and PAS is 20th March 2018.

LS stated as Stornoway/Ullapool have the same PAS we should make them aware of the issue which was raised during the audit for the CE marking.

JA advised the Minister that the Simulations were due to take place on 15th February and 5th March 2018.

Before leaving the Board Meeting HY requested that a meeting was arranged with EO and KH in Q1 2018

RAMM updated the board regarding other engineering projects noting, the supplier event at Hampden went well, Highland council have decided to split the Uig Works into 5 tenders, grant in aid was discussed. RAMM reported that other than the CE marking Brodick is effectively finished and within budget or thereabouts.

The Engineering Paper was noted as read.

11. HARBOURS UPDATE

Considerable work has been carried out regarding the future structure and Management of Oban – this is being conducted within the Oban Harbour Management Group. There are 2 Harbour Authorities within the area; namely CMAL and A&BC. The model for future management is beginning to crystallise and it seems that the proposal for CMAL to extend its harbour area is seen as the preferred option. LS is to bring Oban Harbour Management Plan formal proposal to next board meeting

RAMM reported there had been damage to the Kerrera Breakwater. This is an Insurance Matter.

LS reported we currently have 7 Grant-in-Aid requests in process with TS.

12. CORPORATE

KH advised the Board that CMAL are in the process of recruiting 2 posts that are vacant – both are within the Corporate Team and are filling posts that are already funded

There are a number of Projects and additional responsibilities that CMAL have at this time including works on the Skye Triangle, NIFS Freight and Ropax Vessels and assisting TS with Projects that require Marine or Vessel Expertise.

There are a total of 3 requests for additional resources as follows

- Harbours – Assitant regarding Buiding and Property Management
- Engineering – Civil or Project Engineer (preferably Chartered)
- Vessels – Technical Manager

13. IT UPDATE

Paul Mathewson joined the meeting to discuss our IT. He described how when Microtech started they performed an on-boarding process. This process reviewed the entirety of our IT systems and noted areas for improvement. PM mentioned many areas which were immediate risks, these have been rectified and Microtech has begun improving and upgrading our IT Systems. Projects include

- Office 365 migration.
- SharePoint 2016 Upgrade.
- Cyber Essential Accreditation.

PM discussed the key actions under the Public Sector Action plan.

Cyber Security will be discussed at board level and it was agreed Cyber Security will be included in the Audit Committee Meeting. Cyber resilience training will be provided to employees. A cyber incident response plan will be put in place.

There is a forthcoming body of work implementing further Policies and resilience concerning Memory Sticks and also the use of Phones and laptops in order to fully comply with Cyber Essentials and also the requirements laid down by SG as minimum standards.

14. AOB

GL noted a VDRP update will be issued shortly, this will cover formal strategy, value for money and procurement.

The purchase of the NIFS Ropax vessels is progressing well.

DATE OF NEXT MEETING

16 March 2018, CMAL Offices, Port Glasgow

Meeting Closed