

REDACTED MINUTES



CALEDONIAN MARITIME ASSETS LIMITED BOARD MEETING

Meeting	Caledonian Maritime Assets Ltd	Date/Venue	1 March 2019 Victoria Quay Edinburgh
Meeting Chair	Erik Østergaard	Start Time	0900hrs
		End Time	1230hrs

Members Present		In Attendance	
Name	Title	Name	Title
Erik Østergaard	Chairman	Chris Kane (Minutes)	Executive Assistant
Morag McNeill	Non-Executive Director		
Paul Croucher	Non-Executive Director	Graham Laidlaw	Transport Scotland
Vacant Position	Non-Executive Director		
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, apologies were received from Ramsay Muirhead.

2. APPROVAL OF PREVIOUS MINUTES

The minutes of the previous meeting were agreed.

3. REVIEW OF ACTION REGISTER

The Action Register was reviewed

It was agreed that Item No2; produce a tracking document for variations to contract would be removed as this is kept by KH and Addleshaw Goddard

Item No11- LS reported she has shared her comments.

Item No13 – Recruitment of a replacement NED was discussed.

After these points were noted the action register was agreed.

4. PUBLIC SERVICES REFORM (Scotland) ACT

Members noted the PSR(S) Act Disclosures.

FOR DISCUSSION

5. RISK REGISTER REVIEW

PC (as Chair of the ARC) reported the Risk Register will look at risks associated with FMEL and update accordingly.

KH confirmed that the Risk Register was updated as appropriate in line with the review dates.

After this was discussed the Risk Register was noted as read.

6. CEO UPDATE

FMEL have not supplied CMAL with a new Cardinal Date Program or indeed new Deliver Dates, FMEL state they cannot provide a cardinal date program. We will continue to request the CDP and Delivery Dates. MM asked GL if they have shared a new cardinal date program with SG to which the response was "no".

The matter of the Surety Bond was discussed at length.

KH then discussed the purchase of Helliari and Hildasay. KH will continue to negotiate price.

KH talked about Loch Seaforth.

Action: KH to negotiate the best price achievable for the purchase of the Helliari and Hildasay – Board Approval given. KH to inform the Board of final negotiated price.

7. HEALTH AND SAFETY UPDATE

The health and safety paper was noted as read.

8. FINANCE UPDATE

GB reported the External Audit plan has been agreed.

An internal "lite" audit will be performed to identify gaps and any areas that overlap bearing in mind our ISO Accreditation, External Audit requirements and the upcoming PCIP Audit and identify if there are any areas that further controls can be put in place. It was noted that it is an SG requirement that we have an internal audit function.

GB reported a small predicted loss this year of circa £500k, the cash position remains strong.

GB stated 2018/19 accounts would be prepared and the FMEL situation will be monitored closely. Scott Moncrieff remain as our external auditors

We have commissioned Barnett Waddington to give CMAL, as principal employers, advice regarding the 2018 Triennial Revaluation. We are working with the Trustees to achieve a balanced valuation and assumptions. KH/GB to keep the Board advised.

GB then discussed our budget for 2019/20. MM asked LS if any compromises had to be made regarding Harbours Capital Projects, LS reported, no.

GB submitted a paper on the matter of pensions as an employee had requested CMAL to investigate the rules relating to persons that were in a long term relationship but were neither Married or in a Civil Partnership.

There was a full discussion on the matter

CMAL has taken advice and has been advised that the current rules are not discriminatory.

After these points were discussed the paper was noted as read.

Action: GB/KH to keep the Board advised regards the Triennial revaluation

9. VESSELS UPDATE

JA updated the board regarding the vessels section, he started by stating the statement of requirements for the Islay Vessel has moved forward since writing his paper. PC asked for clarification around costings and the tender process, this will be an open tender so submissions from Europe and the rest of the world would be considered.

KH stated to GL that we need commitment from SG for an investment strategy, rather than building 1 ship at a time the economical solution is to enter into an agreement with a Shipyard for multiple vessels thus taking advantage of the economies of scale. KH and EØ would like to take this forward with TS finance and Roy Brannen. GL will take this forward.

After these points were discussed the paper was noted as read.

10. ENGINEERING UPDATE

KH discussed the Engineering Paper in RM's absence.

The Tiree and Coll linkspan replacement project has been awarded, the main contractor George Leslie is in the process of mobilising. We await an updated freight service from CalMac during the outages.

The Skye Triangle joint procurement selection stage commenced on 4th February and has a deadline of 15th March. Following the shortlisting of contractors, individual ITTs will be issued for each of the three sites. Revised budget submissions have been made to TS following completion of detailed design. The Lochmaddy estimate remains unchanged at circa £16m. The Tarbert estimate however has risen from as a result of very poor ground conditions identified during ground investigation.

Tenders for the pier crosshead replacement at Lochboisdale were received in November 2018, although the tenders have yet to be awarded.

Lochaline Aligning Structure Replacement: The contractor (George Leslie) will start on site 23rd April 2019, with works planned to last 1 year. Planned closure period confirmed as 21st October to 1st December 2019, during which CFL will operate a passenger only service from the nearby timber pier. A public drop in session was held at on 19th February 2019 and went well, with most queries relating to the service provision during the shutdown.

After this was discussed the paper was noted as read.

11. HARBOURS UPDATE

LS discussed the harbours paper and noted the Trust Port at Oban is of concern. A trust port will cause significantly more costs to TS. GL noted the concerns.

LS then went on to talk about the harbour legislation strategy, noting that currently CMAL promote harbour revision orders and harbour empowerment orders on a port by port basis. LS recommends to the board that we standardise across all our ports by promoting a Harbour Confirmation Order. LS described the benefits of this. The board approved.

After these points were discussed the paper was noted as read.

12. CORPORATE

EØ noted the board do not meet for another 2 months and should a need arise a meeting will be arranged at short notice.

The GDPR paper was discussed. After some discussion it was suggested GB discuss with our DPO the possibility of using AdminControl as a secure means of sharing information.

After these points were discussed the paper was noted as read.

13. AOB

No other business was discussed.

DATE OF NEXT MEETING

21 May 2019

Meeting Closed – 1230hrs