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DAVID MACBRAYNE LIMITED ("DML")
MINUTES of the BOARD MEETING
held on Wednesday 15 June 2022 at 11.30 a.m.

in Hope Room, The Studio, 67 Hope Street, Glasgow, G2 6AE and by audio/video conference

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs) Section 33 (Commercial interests) and Section 36 (Confidentiality)]

Present: E Ostergaard (EO) – Chair
S M Browell (SMB)
M Comerford (MC)
R Drummond (RD)
T Ingram (TI)
D Mackison (DM)
G Macrae (GMac)

In attendance: C Wilcock (CW) — Head of Ferries Unit, Transport Scotland
J Ward (JW) – Finance Director
S R Griffin (SRG) – Company Secretary

Apologies: S O'Connor (SOC)

Item	Action
1. <u>GOVERNANCE</u>	
1.1 SAFETY & ENVIRONMENT MOMENT R Drummond outlined the CalMac process for investigation of incidents, including that the reports went to the HSEQ Committee for review. He gave the Board an overview of the recent incident when the MV Caledonian Isles had hit the quayside due to a combination of low tide and pier infrastructure and had required repairs to a pierced hull. R Drummond detailed the current safety issues with the Ardrossan harbour berth and confirmed that making the necessary repairs and ensuring the safety of the berth was the responsibility of the harbour authority, Peel Ports. In the meantime CalMac were not using the main berth and instead using the Irish Berth at Ardrossan or Gourrock which had reduced the number of sailings. He confirmed that there had been communications from CalMac on this issue and some negative press had been received although it was a Peel Ports responsibility and CalMac was merely the user of the berth.	
1.2 APOLOGIES FOR ABSENCE Apologies for absence had been received from S O'Connor.	
1.3 DECLARATIONS OF INTEREST There were no new declarations of interest.	
1.4 MINUTES FROM BOARD MEETING OF 7 APRIL 2022 The Minutes of the Board meeting held on 7 April 2022 were APPROVED and the Chairman was AUTHORISED to sign the minutes.	

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1.5 ACTION LOG

The action log was discussed as follows:-

03.22 GROUP CEO REPORT

➤ Transport Minister change – the new Transport Minister was noted.

Action: E Ostergaard noted that the Minister had been invited to a dry-dock visit in late February and asked that she be invited to attend a DML Board meeting. In progress.

The Minister had agreed to attend the September Board meeting in person. Action complete.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

All other actions were complete, not yet due or Agenda items.

2. STRATEGIC ITEMS

2.1 [FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

3. BOARD COMMITTEES

3.1 AUDIT & RISK COMMITTEE (ARC) MINUTES OF 11 MAY 2022

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

3.2 HEALTH, SAFETY, ENVIRONMENT & QUALITY COMMITTEE MINUTES OF 19 MAY 2022

The Board noted the draft minutes.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

3.3 REMUNERATION COMMITTEE (REMCO) – MINUTES OF 11 MAY 2022

The Board noted the draft minutes circulated previously.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

4. GROUP REPORTS

4.1 GROUP CEO REPORT

The report from D Mackison was noted

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

Communications Report

This report was noted.

4.2 GROUP FINANCE UPDATE

The Board noted the reports from J Ward.

4.2.1 Group Profit Performance – to FY 21/ 22

J Ward reported **[FOISA Status – Exemption under Section 33 (Commercial Interests and the Economy)]**

The results reflect performance trends highlighted through the year such as: **[FOISA Status – Exemption under Section 33 (Commercial Interests and the Economy)]**

J Ward reported that the audit of the Annual Report & Accounts 2021-22 was progressing well, with adjustments being reviewed & made and the Finance Team assessing controls to be implemented to improve this area for future audits.

4.2.2.1 Group Profit Performance – to May 2022

J Ward reported **[FOISA Status – Exemption under Section 33 (Commercial Interests and the Economy)]**

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Key variances were:

[FOISA Status – Exemption under Section 33 (Commercial Interests and the Economy)]

[FOISA Status – Exemption under Section 33 (Commercial Interests and the Economy)]

4.3 CASHFLOW POSITION – CURRENT YEAR AND CY7 & CY8

This report was noted.

4.4 GROUP CHANGE EXECUTIVE BOARD UPDATE

The report was noted **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**

4.5 GROUP GROWTH EXECUTIVE BOARD UPDATE

The report was noted

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

4.6 [FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

4.7 DELEGATED AUTHORITIES POLICY

This report was noted and J Ward reported on the work carried out to pull together all the existing delegated authorities across the business into one central document, the Delegated Authorities Policy. **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**

J Ward reported that the Delegated Authorities Policy had been reviewed by the Audit & Risk Committee who had recommended it for Board approval. She noted that it would be reviewed regularly by management and submitted to the Audit & Risk Committee.

[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]

Decision

The Board **APPROVED** the Delegated Authorities Policy.

4.8 POLICIES REVIEW

The following Policy was reviewed:

Whistleblowing – R Drummond reported that minor changes had been made to the wording of this Policy and it had been reviewed by the OpExCo. **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**

Decision

The Board **APPROVED** the Whistleblowing Policy.

5. ANY OTHER BUSINESS

5.1 RESILIENCE

M Comerford felt that good work was being carried out on managing resilience **[FOISA Status – Exemptions under Section 30 (Prejudice to effective conduct of public affairs)]**

5.2 MV FINLAGGAN

R Drummond reported that he had spent three days shadowing modern apprentices on deck, in the bridge and in the engine room and noted that a detailed level of training was being done with them. He would be doing a further two days in port, in a ticket office and in the

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marshalling area. He would be suggesting to the rest of the Executive Team that they undertake a similar programme.

5.3 **PERMANENT SECRETARY VISIT**

It was noted that the Scottish Government Permanent Secretary would be paying a half day visit to CalMac in Oban shortly.

6. **DATE OF NEXT MEETING**

Thursday 1 September 2022 at 9.00am in Gourock and by audio/video conference. The Minister would be attending this meeting in person.

Signed:
E Ostergaard, Chair

Date: