

OBAN HARBOUR GROUP CONSULTATION MEETING

6 September 2018 – CORRAN HALLS – 1800

<u>Present</u>	<u>Title and Company</u>
Phil Day – Chair (PD)	Director of Marine Operations, Northern Lighthouse Board (NLB)
Lorna Spencer (LS)	Director of Harbours and Piers, Caledonian Maritime Assets Ltd (CMAL)
Jim Smith (JS)	Head of Roads and Amenity Services, Argyll & Bute Council (A&BC)
Tony Bennett (TB)	Chair of Stakeholders Group
Paul Jennings (PJ)	Manager, Oban Bay Management Group (OBMG)
Ewen Mackerchar (EMK)	Marine Operations Manager, Northern Lighthouse Board (NLB)
David McHardie (DM)	Harbour Master, Caledonian Maritime Asset Ltd (CMAL)
Cameron MacPhail (CMP)	Head of Ports and Harbours (CFL)
Mhairi Wren (minutes)	Operations Assistant, Northern Lighthouse Board (NLB)
<u>List of abbreviations</u>	
CMAL	Caledonian Maritime Asset Ltd
NLB	Northern Lighthouse Board
A&BC	Argyll & Bute Council
OBMG	Oban Bay Management Group
CFL	CalMac Ferries Ltd
SHA	Statutory Harbour Authorities
MCA	Maritime & Coastguard Agency
OHDG	Oban Harbour Development Group
POCG	Port of Oban Cruise Group
HRO	Harbour revision order
A&BHB	Argyll & Bute Harbour Board
<u>WELCOME</u>	
<p>Phil thanked everyone for attending the meeting and stated that the meeting followed an OBMG meeting, which included some stakeholder representation and which he felt was a very successful meeting from which we can move things a long way from that which has currently been reported to date. He asked the audience to please listen to what was being said this evening and hoped that the audience was happy with the position we are in.</p>	
<p>PD clarified that any notes or minutes produced would be on the Oban Harbour website.</p>	
<p>Paul Jennings delivered a presentation to the audience.</p>	
<p>Phil Day clarified that the aim now is for the OBMG to work with stakeholders, there is a group which has already come forward which TB will talk about shortly, to work towards and investigate a trust port but as press statements have already said leaving the CMAL extension on the table should the Trust Port not be viable, whether that be commercially or because it can't sustain itself.</p>	

TB stated that as most of the people who attended the meeting in July would have noticed there are a few changes this evening and I just want to explain briefly what has happened since then and also to give an outline of what's got to happen going forward.

After the first public meeting the Management Group endorsed a request from the stakeholders to host a private stakeholders meeting which took place on the 20th August. At that time I invited 30 people to the meeting, 31 people turned up including 4 councilors, and of those 4 councilors three were members of the A&BHB. That was probably most encouraging meeting I have been to in the last 4 years with regard to Oban Bay and the future management, and a very strong message came forward from the stakeholders that they wanted other options to be explored other than the CMAL option. On the same day that we had that meeting the management group put out a press release in which they recognised that the public meeting held in July had given a very strong message that the wider stakeholders wanted a trust port to be more fully evaluated. I should say that the press release was supposed to be issued the previous week, it was purely coincidence that both events took place on the same day. Within the press release the Management Group invited stakeholders to form, or for people to come forward to form, a viable working group, and that request was put forward to the 31 people who were at the meeting at the end of August. At the meeting itself eight people came forward and eight days later we had 18 stakeholders volunteer to work towards establishing the viability, or not, of a trust port or municipal port.

Following on from that meeting a number of representations were made and stakeholders put forward proposals as to how this might go forward that was very much based on stakeholders and the management group working together but with stakeholders taking the lead on the three subjects that Paul mentioned earlier, Navigation and Safety, Legal and Legislation and Financial. Today that proposal was put to the Management Group and they have endorsed and supported that proposal. The Management Group meeting this afternoon was preceded by an A&BC Harbour Board Meeting. The Harbour Board voted to support the principal of a more thorough evaluation of options other than the CMAL option so we are finally beginning to sing from the same hymn sheet.

I would like to thank the Management Group for listening to what the public had to say, after the last public meeting, but more particularly to thank the stakeholders who came to the August meeting and who volunteered to step forward onto a working group because without that we would be where we were back in July. That's been the easy bit, the difficult bit now starts, and we have to work forward to establish whether or not a trust port is going to be viable and if it is, how we are going to do it. Transport Scotland were present today at the management group meeting and they made it very clear that whilst they are supportive of trust ports we have to be able to demonstrate sustainable governance and sustainable financial viability for the application to be acceptable. Those of us who have been involved in the stakeholders have heard things over the last four years, with different degrees of credibility, I think is the word I would choose to use, but I do feel this evening, and this is the reason I am sat up here and not with you in the floor, I do feel that at this moment in time there is a genuine wish to move forward collectively and in partnership. Some examples of that are that CMAL have agreed this afternoon to put forward their own protective provision so that they are now locking themselves in with all the other stakeholder groups to have their interests protected, the terms of reference for the stakeholders are going to be redefined and Transport Scotland have already offered to come and speak to stakeholders and to work with us on a trust port model, so the future looks promising but there is still a lot of work to be done and I would ask that we don't take our foot off the peddle and that we keep on going, thank you.

QUESTIONS

<p>JB</p> <p>PJ</p> <p>PD</p>	<p><u>Question - John Beaton</u> <u>Answer – Paul Jennings</u> <u>Answer – Phil Day</u></p> <p>I noticed in the presentation and on that map that you referred to the Oban harbour limits and the southern one was well outside. Is there somewhere we can check where that actually is?</p> <p>If you look at the wording of the code of practice and the map in support of what the code says it defines it very clearly.</p> <p>Defines the limit that code covers. There is no proposed boundaries to any harbour at the moment that would come as part of the development of the harbour order which is still something which needs to be consulted on.</p>
<p>DM</p> <p>PD</p> <p>DM</p> <p>PD</p>	<p><u>Statement - Duncan Martin</u> <u>Comment – Phil Day</u></p> <p>I think it might help some people to realise the financial situation, as Paul said the charges for a minimal trust port would be actually quite minimal. I took the opportunity to download the fees from Stornoway, now Stornoway Port owns its assets as well as their water but you'll remember last week, all of you who live here, the Astor was in the Bay, in the bay you don't need paid for the passengers who came ashore, if it had anchored off Stornoway it would have paid £2,600 anchoring and about £15 a boat for each tender. That's their level for reduced from their formal conservancy rate which is 28p per tonne to somewhat less, approximately 13p a tonne because they want to encourage them. The fees that are proposed here are peanuts, a harbour trust here charging normally conveyance rates would have a great deal of money to invest in the Harbour and Oban.</p> <p>Thank you very much, I think your right, it depends what you charge but the money within the legal framework can only be spent in the harbour area, it's not something which can be spent further abroad in the town etc.</p> <p>I think in the trust document there is a fair degree of discretion as to what the money can be spent on. I was in Shetland about two weeks ago and I think the community of Shetland as opposed to the individuals, who obviously may have very good jobs, a huge amount of money has been invested and I think most of that income has come ultimately from harbour dues. That is how the trust in Shetland have made their money, the harbour trusts have quite a degree of almost like common good fund like flexibility as to how they spend their money, they have to spend it in the town. They would have to spend it in Oban, they couldn't spend it anywhere else but it has to be in some way connected to the prosperity of the harbour and the town itself</p> <p>I take your point on board, from what I'm hearing it depends on how it's constituted but I think that is something that the working groups will need to look into. What charges can be levied, what the operating costs are and where income could be spent.</p>

<p>AS</p> <p>PD</p>	<p><u>Question - Andrew Spence, Bid4Oban</u> <u>Answer – Phil Day</u></p> <p>Whilst I welcome some of the changes that we have heard tonight I have to agree with Tony that a lot of action has to be taken and we have to pursue all the different options. Just one comment I would like to make is the communication of this evening's meeting, there have been no press releases or public notices, I attended a stakeholder meeting last week and highlighted this fact and I think it is very disappointing that more people weren't able to attend this evening because we are reliant on the good will of the Oban Times and the Press and Journal to publish the details of the meeting in a general press release and I don't think that that is acceptable and I think that going forward the OBMG must publicise these meetings effectively and properly in the press and give all other stakeholders and partners notice so that this can be shared on social media because if this meeting this evening hadn't been circulated around the 500 odd Bid4Oban members, the numerous members of Oban and Lorn Tourism Alliance, among others we wouldn't have had this turnout, that is also despite the fact that last Wednesday to Mr Jennings here that there was no public notice going out and I think it's remiss of you and I think we need an assurance and everyone in this room needs an assurance that all future meetings are well publicised.</p> <p>I think you are absolutely right, we should have advertised it, we didn't, and we made a mistake. We will be advertising meetings, it was an oversight on our part.</p>
<p>MW</p> <p>PJ</p>	<p><u>Question - Michael Watt</u> <u>Answer – Paul Jennings</u></p> <p>Question for the presentation at the start, a statement was made that there are a lot of near misses and incidents in the harbour, where do we collate this information? Is there a record kept of every incident that goes on? Is there a reporting system in existence as there is in the wider ocean and the nautical institutes, so where does that information come from to make a bold statement that was made at the start of the conference.</p> <p>The first thing that happened in March 2017 when I started this role was that OBMG wanted to set up a safety management system for the incident reporting, we purchased a system, the system is accessible through the Oban Harbour website so anyone can report on it and I manage the system to make sure that the reports that go in are fully completely factually. We cannot investigate as we are not a statutory harbour area, the reports are made available to the management group and a summary of reports can be made available to anyone who requests them. Occasionally we have made it agenda items to stakeholders, we didn't do it last time as that wasn't asked to be an agenda item but stakeholder group can have access to the summary reports. So incidents are reported by anyone and if anything they under reflect the amount of near misses that actually happen in the Oban Bay area. If it is an actual incident rather than a near miss it is reported to the MCA so they can investigate as required as Oban Bay are MCA waters.</p>
<p>KP</p>	<p><u>Statement - Kenneth MacLeod</u> <u>Comment – Phil Day</u></p> <p>My recent remit is that I was for 23 years the clerk to Inverness Harbour Trust, a trust port and my experience is with trust ports, almost every port in the North West of Scotland apart from those which are owned by the Local Authority and the opportunity here I see is</p>

<p>PD</p>	<p>to go back to the way that used to happen. I asked the Law Library in Edinburgh, which I'm a member of, to tell me what legislation affected Oban and they tell me that the Oban Harbour Order 1862, which was amended and confirmed in 1864 and the Oban Pier and Harbour of 1896, these latter two orders were actually promoted by the town council of Oban, for the people of Oban and here is an opportunity for the people of Oban to grab and say "yes we want to control our port, it's ours, not that of the government in Holyrood" make sure and take this opportunity and I would suggest the way to do and get everyone in Oban involved and let every voter in Oban be asked "do you want the people of Oban to own the harbour once again?" Now how did they lose it? It was because in 1973 we had the Local Government Scotland Act which took away and broke up local government, the powers of Oban town council were taken away and control of the assets were vested in Strathclyde Regional Council. They kept a bit of it, they disposed at a later stage of the Railway Pier which is now owned by Cal Mac, and it was the people of Oban who put the blasted thing in place! Who paid for the doing up of the piers and so on! I've trawled through the internet and found that the in the 1920 the town clerk of Oban was controlling things there on behalf of the magistrate, councilors and people of Oban. So here is the chance to go back and say "yes, let's control it again folks, let's not leave it to Holyrood or a department of Holyrood!" I've looked round and seen most of the trust ports in the North of Scotland and quite a few in other parts as well, when I became clerk to the harbour trust in Inverness in the early 1980's I had to go and carry out a harbour revision order and I travelled all the way to London to the parliamentary agents and it was an enjoyable experience and when I got back I thought "hold on a minute, I could do this myself" so the next three I did myself and then came the reorganisation required by the government White Paper which was a trust port, an aid to governments so I had to do one of them to revise what inverness was doing, it put me out of a job because they no longer required to the harbour trust, but none the less, we got a proper management structure in the end. So I was then asked to do Mallaig, so I did that as well, so you know you don't have to go to London to do a harbour order, you can get it done in Scotland and I would suggest that as it is so expensive, as I don't think a London lawyer turns a piece of paper without £500 per hour. But still I would suggest the opportunity now is for the people of Oban to say "we want to control this harbour, it's ours, it's our heritage and the chance is here to do it now and not to give it to Holyrood or a department of Holyrood"</p> <p>Thank you very much, that inspiring and I think that that's the challenge which Tony and the stakeholder group have got to really see if that is achievable and we really hope that it is.</p>
<p>JA</p> <p>PD</p>	<p><u>Question - John MacArthur</u> <u>Answer – Phil Day, NLB</u> <u>Answer – Jim Smith, A&BC</u></p> <p>It is great to see the progress that has been done in the last week and we and the stakeholders will make the maximum of this, I hope, and see a trust port examination done in some great detail. There is just one question on the presentation and maybe I missed it, I think CMAL were going to make application in January 2019 is that now postponed to January 2020?</p> <p>That was something that came out of the meeting today, we looked at the length of time that was required for the stakeholder group to do this preparatory work and really move forward with possibilities of a trust port, we also were trying to balance that with the safety case and the reason that the OBMG has brought forward the proposals in the first</p>

<p>JA</p> <p>JS</p>	<p>instance and we feel that if we got the legislation started in January 2020 that allows us to be hopefully ready for the following spring and summer season of 2020, which is really when the risk reaches its peak in the summer season, that is why it has gone out to that point.</p> <p>The second point is for Mr Smith representing A&BC, we know that the council has great experience in running harbours and marine offices in Lochgilphead and Oban. Can Mr Smith say why the Council, to date, seem very reluctant to come forward with any views on this or even to suggest that they might, as a reserve situation, be willing to look at a Harbour Authority municipally run?</p> <p>Thank you, before my time I believe the Council initiated the OBMG around about 2003 or thereabouts so it has had involvement in the overall process. The Councils position is that it is supportive of a safe harbour, its recognised the fact that there is a need for regulation with the harbour, so far the Council has been on the view, and continues to be of the view that it wouldn't be appropriate to run a municipal harbour for Oban Bay purely and simply because we are one of the minority users, there is around about 13,000 vessel movement within the bay, those are predominantly CFL operated vessels and it is the view that either a trust port or alternatively CMAL might be the better alternative in terms of running that. We seem to be moving towards a trust port which is something that the council is supportive of. Looking at the elected members in the audience tonight, I think that is something the elected members are quite supportive of. In terms of today's harbour board meeting what was agreed was that the Council formally ask that CMAL pause the process of expanding their harbour area until further consultation is carried out given the interest expressed locally in establishing a trust port. There was a second part in that there is a further report to come back to the harbour board, which is part of the normal council process, so I think the term pause and what is actually happening are one in the same effectively in that there is further consultation taking place. We have now got the group in place, which Tony is taking forward, and I think that that really gives us the input from stakeholders generally, but in terms of the question that you asked directly, the council at the moment doesn't feel that it is appropriate to progress that municipal harbour or port, purely and simply because of the number of vessels that are out with the Councils control.</p>
<p>PH</p>	<p><u>Question – Phil Hamerton</u> <u>Answer – Jim Smith, A&BC</u> <u>Answer – Tony Bennett</u></p> <p>The issue of municipal port has not had any airtime this evening at all which I think is shame for anybody who isn't familiar with idea of municipal as being something run by the local council on behalf of the people of the community. One of the reasons why this became an issue at the stakeholder group meeting was because it was seen as a potential step towards a trust port if the trust port couldn't be delivered quickly enough to satisfy issues to do with safety. I wanted to ask the representative of the council specifically why the report to the meeting to the board it was said that office concurred with the view that they should not be leading this extension of the councils area on the basis and I quote "that we do not possess sufficient specialist knowledge of harbour management at a senior level in order to do this" and it strikes me that if the council that running a municipal port as a step towards running a trust port was the right thing to do would it not be able to do what it would do with any other task which was new or additional which is a question of retraining, or recruiting, or if necessary seconding expertise from outside.</p>

<p>JS</p> <p>TB</p>	<p>If the alternative to a municipal port as a step towards a trust port has to CMAL then surely the council should look at that position. I'm staggered that a council that runs 36 ports and piers already feels that it lacks the expertise to take this on.</p> <p>Thank you that's an interesting question and a good question, certainly the discussion that I have had with the harbours and ports so far, it is actually 39 piers and harbours which we run, and we have got expertise in running them, they are all very different to Oban Bay. Campbeltown is our busiest pier in terms of the type of vessels and diversity of vessels we get through there and we are quite happy to manage that. The point which I made is that so far offices have given advice to member that we wouldn't be keen on moving forward is purely and simply because of the number of vessels which we don't have direct control over. We are not currently equipped to actually run or manage a port which has 13,000 vessel movements which are predominantly ferry type movement. So the councils current position is as stated, there isn't any council policy or position to actually move forward to a municipal port, a trust port is the better option if we are moving that way. The other thing to say about the council's position is that it could have change but the current position is that we wouldn't be stepping forward to take forward a municipal port.</p> <p>When we held the stakeholders meeting in August the consensus that came forward at that time was that 24 of the 25 would prefer a trust port but given the information at that time if they couldn't have a trust port then the municipal port was the preferred option. What became apparent today with the transport Scotland representative at the management group meeting is that a trust port could be brought forward in a sensible timescale, we had previously been told that it would take significantly longer. With that piece of information, amongst others, the management group revisited the programme and schedule, in particular the one which had been tabled to the stakeholders last week, that had included starting work on the first draught of the Harbour Revision Order next month, the 'pause the process' that the council have agreed on today. What the management group have agreed to do instead is to work collectively with the stakeholders in preparing the information that is going to be needed for the legislation and in doing the preparatory work irrespective of who is going to be the new SHA by putting the actual drafting of the Harbour Revision Order or the Harbour Order on hold, but doing the preparatory work, all the options can be taken forward simultaneously. If the decision is then taken that the trust port is viable we have done the preparatory work for that, and if it isn't then we have to look at the other two options and work hasn't been suspended on those in the interim. We are trying to cover bases to keep important issues being addressed but a significant change since the August meeting is that the timescale of a trust port has altered from that which we were lead to believe at that time.</p>
<p>BH</p>	<p><u>Question – Boyd Holmes</u> <u>Answer – Lorna Spencer, CMAL</u> <u>Answer – Tony Bennett</u></p> <p>There is an a issue of resource here because the imperative for CMAL and CFL is a statutory harbour authority in interest of safety, it has been driven by safety, there has been a shift which has been recorded away from the CMAL solution to an acknowledgment of the trust board solution. As the imperative is coming from CMAL and CFL is CMAL prepared to put some resource into the trust port option or are you going to sit back and devote your resource exclusively to the CMAL solution and then if the trust port solution collapse through lack of resource say “well that’s tough”?</p>

LS	<p>I think that's not our position, at the last public meeting, and at some of the stakeholder meetings I said very clearly that we are happy to work with and support the development and viability of a trust port, that position still stands, financially it is very difficult for us to put money into the development of that kind of environment because we are a government owned business. We can't put direct financial funding into it but what we can do is provide our own information, advice and experience. We are also providing legal advice in terms of the review of the existing legislation and will continue to do whatever we can to promote and provide guidance and development on the viability of the trust port but we can't put direct funding into, our business model won't allow for that. We have also discussed at the OBMG in bringing forward some additional resources onto the management group, the costs would get split between the three main organisations or the terminal owners in Oban. We are going to bring Mike Brew back into the fold who some of you may know from previously to provide additional resource and offer guidance and advice. Mike is a very experienced harbours individual, ex Merchant Navy, he is now of the trustees of NLB and I think that is a very positive thing that we are bringing forward in terms of providing additional support to the work that is being taken forward, but our offer of assistance has been there from the very beginning and over the years I have provided quite a lot of help and guidance to other Harbour Authorities in terms of their legislative environment, their governance, their funding modelling, drafting of HRO's. I spent quite a lot of time working with Tobermory with what they were trying to achieve so there is quite an extent of knowledge and experience in the work that I do anyway alongside the things that we are trying to do.</p>
TB	<p>Just to pick up a wee bit on that from my point, I'm not going to get round to the detail this evening but there already signs that were a trust port to go ahead as a viable option that there would be a degree of grace and favour from some of the legislators that are already out there, that has already been indicated and from some of the other interested parties. I think it is unreasonable to expect that some of the commercially operated harbours are going to step up and fund a trust port in that it could potentially conflict with their own interests, but there is a commonality through a lot of the work that has to be done irrespective of who the harbour authority is going to be. So far we have done quite a good job of getting the management group to agree to pay for the expert advice that is going to be needed for some of that. One of the challenges that will face a potential trust port is the funding that is needed to get to the starting line. Once, and if, a trust port is formed, then the sustainability thereafter is I think the more straightforward question, but it is getting to the starting gate that is going to be the challenge and that is where the working group looking at finances is going to have to pull its finger out and find a way to get us there.</p>
	<p><u>Statement - Linda Battison, Oban and Lorn Tourism Alliance</u></p> <p>As I have been quoted quite regularly in the press with very vociferous opposition to the CMAL plan I am quite encouraged this evening to hear that OBMG has indeed listened to public opinion, I am delighted that a decision has been made to pause plans to allow the stakeholders group to get their act together, which I'm sure they will do, there is a lot of expertise in Oban and a lot of enthusiasm and hopefully we will get a trust port in place in time so thank you for showing a degree of flexibility and I look forward to working collaboratively with a lot more transparency and honesty in the future.</p>

Statement - Kenneth MacLeod

One or two things have been raised on management and I have served until a year ago, I was ten years on Highland Council on their transport committee as well so I have a wee bit of experience on what happens in a local authority, and I see a difficulty in a local authority giving the support because the number of ports that they have, because certainly in Highland Council they are all scattered over the West and the North as well but think to the trust port scenario in the UK, the number of “number 2’s” in these ports that are looking for a job who have trust port experience. The law of the sea is the same in England and Wales as it is in Scotland, I know of very little difference and I have handled quite a few maritime matters as well in my professional time and really there is very little difference and there is no reason why you can’t get a “number 2” in Southampton or Greenwich, there is management expertise and it is available for hire, and don’t forget they would only be concentrating in one area and how to look at the multitude of tasks that are required rather than 30 or 40 geographic areas. So I don’t see management expertise as being a difficulty, you can hire, that is certainly what happened in Inverness and it running successfully now and there is another port on its way in Inver Gordon, I don’t know they are going to do there but none the less it is probably going to be a trust port as well. Don’t fight shy of employing the best that you can get, you have to pay for it, but none the less if you can them they need to multi tasked. What we did first of all we appointed a Harbour Master, a Deputy Harbour Master to be Harbour Master and then they became the Chief Executive, he’s retired now, and we got a Marine expert from outside to run the port so it can be done. I’ll leave that with you.

THANK YOU FROM PHIL DAY

Thank you very much for coming tonight, we now have a much better situation from that we were in the last time we all met, thank you for all coming at short notice and listening to what we have to say. We want to keep you updated and informed and I know the stakeholder group will no doubt keep people updated on an ad-hoc basis. Our intention is to have another public meeting in a couple of months’ time, maybe the early part of November where we hope by then the stakeholder group and the OBMG can report what progress we have made and what avenues we are able to pursue. As has already been said we don’t always do this in a transparent and open way and I think hopefully we have got over the misunderstanding that started this consolidation process.

DISCLAIMER

Every reasonable effort has been made to ensure that the information provided in these minutes is comprehensive, accurate and clear. If there are any changes to be made please contact mhairw@nlb.org.uk within two calendar months from the date of the meeting so these changes can be checked. After this date the recording will be deleted and no more changes will be made.