

**MINUTES of the FERRIES COMMUNITY BOARD MEETING**  
**held on Friday 31 May 2024 at 0900 hrs**  
**at CalMac Offices, Gourrock – Lewis Meeting Room. Microsoft Teams.**

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

- Present:** Angus Campbell (AC) (Chairman)  
Angus Campbell (AC2)  
Bill Calderwood (BC)  
David Herriot (DH)  
Donnie MacInnes (DMacI)  
Eoin MacNeil (EMacN)  
Gail Robertson (GR)  
Jim Porteous (JP)  
Kirsty MacFarlane (KMacF)  
Mary-Jean Devon (MJD)  
Murdo MacLean (MMacL)  
Rhoda Campbell (RC)
- In attendance:** Kevin Hobbs (KH) – CEO, CMAL  
Blair Moglia (BM) – CMAL  
Brian Fulton (BF) – CMAL  
Duncan Mackison (DM) – Chief Executive, CalMac  
Diane Burke (DB) – CalMac  
Stephen Henry (SH) – CalMac  
Ailsa Stephen (AS) – CalMac  
Chris Wilcock (CW) – Transport Scotland  
Trevor McIlhattan (TMcl) – Transport Scotland  
Mark Hoskins (MH) – Transport Scotland
- Apologies:** Ida Holmstrom (IH)  
Joanna Peteranna (JoP)  
Kevin Peach (KP)  
Brian Gordon (BG)  
Brian Fulton (BF)

**1 GOVERNANCE**

- 1.1** Apologies for Absence
- 1.2** Declarations of Interest  
GR declared an interest as a haulier.
- 1.3** Minutes of meetings held on 01 December and Matters Arising  
The minutes were approved and there were no matters arising.
- 1.4** Actions from previous meeting  
Matters marked as closed to be removed from the list.

**2 TRANSPORT SCOTLAND UPDATE**

CW updated on the small vessel replacement plan (SVRP). This will not be announced until after the pre-election period. Ministers continue to consider this piece of work. There is a 4:30 deadline today (31 May) for the decision-making Board on Arran services. Thank you to Bill for his support in this. TS are working with CalMac on the practicalities of new vessels coming in and look forward to 4 Islay-class vessels and the Glen Sannox – asking how we get ourselves prepared and crewed.

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He continued, there is ongoing work on budgets and the new programme for Government. Several business cases are coming to fruition – a few unfunded projects. We have managed to secure a position that allows us to take to tender ready stage. This is likely to come to us at the end of the financial year with decision then to be taken on funding and prioritising. Work on the new vessel project for Mull and other major pieces of work following the announcement of CHFS extension. We are making sure we have the paperwork and documents in place to support this.

AC2: CMAL want to take the SVRP to tender – does that have funding approval?

CW replied, funding is identified, and Ministers are still considering the business case including the procurement strategy. Once the decision is made (on port works also – with CMAL) there will be quite a lead time on connections.

AC2 asked what the timeline was for Ministerial approval to get this out to contract.

CW: It is not possible to give a timescale other than 'after pre-election period'. We are keen to get the decision out to CMAL as soon as we can.

AC2 asked how long it had been with Ministers for approval.

CW: There have been ongoing conversations for months now. What we have seen in the last 12 months in the small vessel fleet is a need for replacements and we continue to reiterate this requirement.

AC2 commented that small vessel communities are starting to feel the unreliability of the fleet. Keen to help and engage to help push decisions forward.

RC asked about the action on fair fares. Is there any update or engagement with the public?

CW replied, we have consultation responses in from the Island Connectivity Plan (ICP). We are anticipating individual pieces of work on the various elements and further engagement. This is subject to teams being available and they are focussed on other areas currently.

RC asked if this was part of ICP engagement?

CW confirmed that the ICP engagement covered all those aspects. Strong feedback received in the ICP responses and TS are working through these now, devising next steps and timelines.

AC raised the concern of managing capacity using fares. Once things change, it is hard to undo.

CW: It is not a case of using fares to manage demand as an alternative to funding in capacity. There are opportunities to manage peaks throughout the day, and there is a question of affordability and cost that we cannot escape. Ministers have been clear that they want to protect islander travel in some capacity.

DH added that we are used to a reliable small vessel fleet. We are starting to see the small fleet head in the same direction as the large fleet – increased ramp failings for example.

CW added that he will reiterate this point and makes a strong point for these vessels to be replaced. The other thing which is highlighted is the ambition for the SVRP to provide a more reliable fleet. The current Cumbrae example demonstrates this.

KMacF asked about the community needs assessment. Where are the community needs assessments and will they be rolled out soon so that we can have community voice fed into the next contract? Regards the ICP – some of us are not scheduled to see pier works or new ferries until Phases 3 or 4. Are you able to say more?

CW confirmed that he had not seen anything on this yet. There may be statements in parliament after the current recess. For the community needs assessments, we are looking to prioritise where there are upcoming vessel investments to shape this. In an ideal world, we would have these completed before the new contract. The most immediate community needs assessment we are looking at currently is Gourock – Dunoon. We will start to roll out a programme for the remaining ones after this.

AC asked about timetables for the Minch. That process was happening on how we fit around the current setup. There is concern that we are aiming to do a little better instead of maximising benefits and this is a disappointing approach.

BC asked if there was an age at which small vessels start to become less reliable?

CW confirmed that most of the small vessels are way beyond their working life. Reliability issues are mainly with the major vessels, however.

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BC asked if this helped to justify investment in the fleet.

CW replied, we are committed to bringing the average age down to 12-15 years by 2030. We need to start thinking now about replacements for MV Hebrides and other ships that come after that. It will not be long before we are discussing MV Loch Seaforth. We have not seen requests to crew vessels, and we would consider it but would have to test against affordability.

BC asked if the same argument could be made for large vessels? We have been asking for a spare crew for flexibility. Islay have also asked for this.

CW: this is a substantial cost and there are issues around vessel maintenance. We need to bottom this out with CFL and CMAL to have a resilience vessel to use when there is an outage. Hopefully we will have less outages, but what can we do with that vessel for additional capacity.

BC said it might cost the public purse, but it may be costing island economies even more.

AC noted that there seems to be no urgency on this. It is critical this is pushed along. The damage can put businesses and families out.

AC2 added that there is a major economic impact on breakdowns – we need to think about how to measure the impact of breakdowns and issues to local economies.

AC thanked CW for joining the meeting.

### 3 CMAL UPDATE

AC welcomed BM, BF and KH to the meeting. Report submitted in advance of meeting:

[FCB May 2024](#)

BF began by asking the Board if they had any questions.

AC2 asked about the SVRP – when will this be able to go to contract? What is the status of this currently?

KH answered, In December last year we heard that there was a slight delay, and we were ready to go. Since then, it has been with Ministers. Political changes have delayed it – first a new First Minister and now an election. We wait and continue to press the issue but now there is no progress.

BF added that it is safe to say the earliest news will come mid-July.

KH said it is frustrating. We were ready to go to tender and need to give 10 months to get it over the line. Assuming there is a way of carrying over the funding and that there would be interest. You never know until you go out to tender. Basically, it is delayed by 7 months.

AC asked if there was anything on the horizon to give hope in what seems like a continuous limp for new vessels.

KH: We continue to look. We have 7 core people strategically placed but have not yielded anything yet – as far as the west coast is concerned. It is peculiar because vessels can appear very quickly. We are speaking directly with other ferry operators – ones we know have recently had replacement vessels – but there is nothing suitable.

AC asked if a vessel became available on charter, could we do that?

BF said this would be an option for CalMac, but not for CMAL.

KH commented that the government have said if we had a solution that could plug the gap, then they would support it. I have no doubt that they would listen and work with us. Our foot is firmly on the gas to find second hand tonnage.

AC said that almost every community is suffering now, with less than optimum capacity. There is damage being done to communities and economies. This will take years to recover from.

KMacF said that MV Alfred has plugged a gap. Communities do not care for the design of the vessel or how many crew members they have. They just want it to work. I cannot help but feel there are constraints on where we are going with ship design and where we are scouring the globe and discounting ships for

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certain reasons. It is the service that counts, and I would be interested to know if you had a view on how well MV Alfred has performed.

KH said it is not chartered by CMAL, so this would be a question for CalMac. It has plugged a gap – of that there is no doubt. Moreso in benign summer conditions. It is not cheap, but the network would be in a mess without it. We are looking at everything that comes up – traditional monohull, catamaran, trimaran – we will consider anything. Lots of people contact us with available vessels, but it's getting into the detail on whether it will work or not.

AC2 asked about CalMac's ability to manage assets – how comfortable are you that maintenance standards are appropriate? There are always breakdowns after dry docking.

KH: we have been having discussions with CalMac about maintenance issues and with TS about dry docking. The number of ships that come out and breakdown immediately is unheard of in my career and there is serious concern. CalMac have reconfigured how they manage maintenance and there is lots of money being spent. Our upgrade money which is £3.5m per year. Ultimately, the maintenance of the fleet has not been particularly adequate. The other issue is the more work you do, the longer the ship is in dry dock and the longer the dry dock season lasts. If you have 32 ships and each is in for a few weeks, then that works but not if they are in for 3 or 4 weeks each.

AC asked about small vessel replacement and power issues – will this hold up the introduction of some vessels?

KH: we have two options – change the order of when they are introduced, or ignore the fact there is no shore power. We are not going to delay new vessels coming into service. Each of those vessels have diesel generators and this is part of the lessons learned from Norway – when they first started doing EVs they would find that if the grid goes down, you cannot reenergise the ferry easily. So, there is the diesel element, but the intention is that this would not be used. When we look at outages in remote locations, the fact is you end up in a situation where if its out for 5 minutes, you can't get it online without human intervention. Ships at any point in time will not be charged overnight. Tank capacity will give you up to 5 days sailing in an absolute emergency. It is impossible to bring a vessel all the way down from Raasay for example to Dales. It would not work. We cannot reserve power to use once in a blue moon. The grid is not set up in that way and we need it for permanent use. The first thing to do is bring them into service and if for whatever reason we are concerned about capacity and diesel generation then we can revert to having a generator on shore to charge it in lieu of proper shore power from SSEN. The grid is not fit for purpose anywhere. The timeline for getting power in place is of concern – more than 36 months. We will not have vessels sat there not powered up.

AC said that the FCB will support this all the way. Our priority is to get ships running. Some politicians are talking about not allowing diesel – so we must be careful. The grid issue is right across the highlands and islands. We recently saw a factory built around 20 years from a transformer unit and their wait could be 3 years.

KH said this is not a problem unique to the UK. Scanlines were occupying one of the slips in Turkey and they have invested in a much bigger ferry, but that vessel will be delivered before the German grid will give them power. There is not an Aggreko generator solution, and they will have a brand-new vessel – just cancelled another because the vessel will sit there not working.

AC thanked CMAL for attending the meeting.

## 4 JOINT DISCUSSION

AC welcomed CalMac, CMAL and TS (DM, BF, BM, KH and CW)

AC opened; we are in a position of real change on how ferries are delivered across our area. The idea for this session was to look at the possibilities and see where we are going with them. We are looking for reassurance that change is on the agenda. The one-year extension announcement sets the tone, but it does not say everything – we want to tease out what will happen. To start, can I ask where we see this year going in terms of community improvements? The announcement does say that the operator is talking to TS to put change into the system – does this include CMAL as well? The hope is that it will be driven by community needs and wants.

CW reiterated Ms Hyslop's message; it will not be BAU. We are working with CalMac on changes to the existing setup – particularly for CHFS3 but it should be in our gift to make some changes at an earlier stage. Some of this comes from public engagement, ICP discussions and our time with your Board. Some of this is around KPIs and how we record the lived experience of islanders, as well as the statistics. The new tonnage coming in and how we make the most of that in the new space (having a resilience vessel).

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We need to have discipline around using a resilience vessel for resilience – whilst also using it for pinch points.

MJD commented that we are working together but there is still mayhem in a lot of communities. We need to get the message out to them that something is happening. There was a consultation on statutory harbours, and I was the only person there. Consultation is the foundation of the result and unless it is done properly, it does not count. We must let communities know we are working together. Everyone's name has gone down and we need to build reputations back.

CW said that we (TS) have had a mixed experience for consultations on CHFS and the ICP – it has been varied. How do we better promote these?

AC added that it is not just numbers which are important, but quality of consultation. Feedback that is within the lines of what communities want – not what organisations want.

DM discussed two areas of improvement for CalMac. They are directly related to what we are discussing – frontline interfacing with communities and regular contact with ports and harbour staff. Feedback on eBooking and Ar Turas is also part of this. There is a lot of activity now to get things done quickly. The update later this afternoon is about what is currently in train. A lot of people say that what they feed in does not seem to reach the top and I did notice this. On MV Hebridean Isles on Tuesday, a flood took out 9 cabins. Our approach to remedying this has changed dramatically after I seen it firsthand. How do we encourage people to be more open and pass things to the top? I have observed and produce a video every few weeks – this is my way of talking to everyone and people can see it on their devices. I'll be encouraging people that if something needs fixed – raise it. We need to start that flow. The other part of this is engaging with unions. In parallel, how can we join up communication between organisations?

CW agreed and asked how does this make the ferry service better? Some of this is what has been asked for, but I would not underplay a stronger link between CMAL and CalMac in the vessel maintenance space.

MJD said it is about the message - the powers-at-be are working on it.

AC agreed – it is a culture change. We need this information to feed into decision making.

BF commented on consultation; Islay enabling works as an example and Port Ellen Development works. CalMac and CMAL both doing consultations – in the background we are now trying to join this up so that it is not confusing for the end user.

AC said that there is space for wider communication with communities on the upcoming contract.

KMacF: The consultations held by TS on the ICP and CHFS3 were poorly attended despite our best efforts. The lack of interest in the subject matter is because our communities are ready and waiting to leap into the community needs assessment stage. At these consultations, we are covering ground which has been discussed heavily before and we want down to the detail. I believe this is why attendance is low and we must put these assessments first. If nothing else, we need to know that changes are happening on the ground. The only time we hear from CalMac is when there is disruption or a generic message – we want it to be more proactive. I had hoped CalMac would be reaching out with the smaller islands and to those not regularly visited. We had the Ministerial statement last November and I hoped from that point we would see change. I appreciate there have been major changes at CalMac, but we are not seeing change and the same day-to-day problems remain.

DM: this feedback is no different to what I have heard on my visits. This is about getting ahead of the stories instead of being locked into managing disruption at the 11<sup>th</sup> hour. I need more Area Managers at the front end and visiting stakeholders. We have 3 now – Robert Morrison absent, Finlay is on leave and there was a weekend just past where we had one AOM available. What you will see this afternoon is something that will enable what we all want.

CW reflected on consultation attendance – I know communities do not confine themselves to parameters in consultation and we get strong messages on a lot of varied topics. There have been opportunities to raise points of all kinds. The nuance around community needs assessments versus the ICP. I am interested to know the message given at those sessions because community needs assessments are quite technical.

KMacF commented that this reinforces the point – conversations are generally pushed beyond the parameters because people are impatient with the parameters. It is not that people do not care but are beyond it. We as a community tell you what we think will make the service better. Those who came to visit were delightful, but they were generalists and could not answer specific questions. We need to get on by doing route by route assessments.

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AC supported this view. In Stornoway, it was a very open discussion, but people wanted to discuss improvements. The feedback was that people weren't too sure what the concentration was on and what will come of it all.

BC said that community engagement is not strictly for CalMac. A lot of communities have consultation fatigue and there is very little obvious feedback coming back from consultations. On a basic level – what are community needs – how does it compare to current service and what should be prioritised? Questions such as 'what would encourage you to not use a car' does not apply – you need a car on an island. Those coming to consult should be informed enough to converse with communities.

AC reflected on his own consultation last year, and feedback was positive on speaking with someone from an island who experiences the same as them.

BM said that last week a session was held on the HRO project last week with CMAL and there is also consultation blindness. There is so much on at one time – is it CMAL, CalMac? Meetings on so many subjects too. We are trying to improve against this and the idea of having an overarching engagement matrix for all projects. We have three separate projects on Islay for example – we do not want to exhaust communities and get the best out of them so we must ask how these can be aligned to cover all. Who do we need there and how do we make sure it is delivered alongside all parties? What else can we cover whilst in consultation? Once the CMAL matrix is compiled, I will speak to TS and CalMac to feed in – and then over to communities to show them when their meetings are and how we can create a better flow. I expect to have more on this over the next month.

AC2 said that what BM and DM have said is welcomed. Ultimately, we want sustainable islands, growth for our youth, living and thriving. This needs to be a joined-up approach with the right vessels on the right timetable to the right capacity. It is still very fragmented until we have a clear line of sight.

DM gave an example of working with AC2 over capacity issues on Cumbrae where additional sailings were able to be put into place within contracted hours. This example was received positively. Flexibility around crewing is a theme that we will keep working on. There is need for us and me to engage with unions and move us into a more pragmatic and flexible space.

MJD noted that the tripartite working together will lift the profile of all three parties and give people confidence.

AC suggested going around as a 4-party group. There is scope to build up the confidence as a united front and have these discussions openly with communities.

JP returned to the point on community engagement. Unfortunately, TS engagement was not well supported nor well-advertised on Islay. A lot more could have been done and it came at a time when people could not book space on our ferries. People wanted to discuss the service – not ICP. It would help if they engaged with our local FC or community council to build interest and discuss timings. We are fortunate to have good communication from CMAL on the new ferries. He raised a point about the booking system being closed for certain periods of time and cancellation and medical protocol. CalMac's port staff are good and try to help, but this is a system weakness. I also agree about the patronising question regarding not taking a car.

CW assured that this question about encouraging people not to bring a car is tied with onward connecting travel rather than seeking a shift in behaviour. It is not an alternative to providing deck space – just about barriers to timetabling. For example, Mull and Arran. We know there are many islands where it is unlikely that people will take public transport for the whole journey. On booking outages, TS is aware, and we are not recording it in our figures. The Cabinet secretary is aware, and this is something that needs addressed with CalMac. An advantage of the new system was to smooth disruption and for some reason this is not yet the case.

AC requested clear sight of communications and what they mean for communities.

DM: the 'drag and drop' resolve for disruption is not working as it should. I have spoken at port level, and it is as much to do with processes as it is about system. I have put time and effort into making it clear that the system is not good. Discussions on tweaks are not reassuring when there are fundamental concerns about how everything works.

KMacF reflected on the life of the current contract – it is highly politicised because of unions, and various breakdowns. There is concern over the future of the tripartite if it gets closer to government. For CMAL, the difficulty in hooking up to SSEN, LNG Issues – these are decisions made in the political sphere. What scope is there to put out more in the public domain about this? We are living with the consequences of many of these decisions and I am concerned that when we roll back on the closeness between political aims and actual service on the ground – how can we be assured that this will not continue?

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KH disagreed that the examples given were political. Grid connections are a well-known issue caused by the forging towards net zero and this is happening in lots of countries. It is a major problem. The LNG decision was made several years ago and the records at the time indicate this was not political. There was firm decision at the time based on 3 LNG facilities that were eventually not built. Grid connectivity does not lie in the domain of Scottish Government.

KMacF replied, if the infrastructure is not there and we can demonstrate this, then that should inform decisions that are made.

AC: it is political in terms of how it is implemented. The Faroes for example – quality power to rural areas is a demand. This is a very different approach to the UK. There needs to be a balance between net zero and keeping people in a good quality of life. Apply resources to make it work.

KH stated that the SVRP going down the battery route was not a government decision, it was the right thing to do. We are not going to end up with brand new ferries which are not deployed.

CW: we are not delivering sub-optimal vessel types to meet net zero. It is about being fit for purpose and the fact we should be able to do both is well aligned.

BF added that in terms of major vessels, we do not know what the technology will be 20 years from now. We are futureproofing as best we can.

BM: you want assurance that we are having conversations with your input involved.

KMacF asked if in the interim period they would be charged on diesel generators.

KH replied, we would deploy them as and when they became available. If it happens that we do not have full scale connection at a particular port by then, we will not have the vessel sitting there. We will use the new ones on diesel and would move routes potentially.

AC2 asked about progress on winter timetable for 2024/2025.

CW answered, we are looking in CHFS3 to give more autonomy to the operator for timetable. The delays we have seen in recent years in relation to agreeing fares increase. We hope this will regularise this year – no request yet on timetable issues or any blockers on our side.

AC2 asked where this request was and if CalMac was accepting.

CW: CalMac can readily agree.

AC said that when going out to communities on timetable, 99% of requests are knocked back because they are not cost efficient. We understand there are financial limits to be worked to, but the big picture must come into it.

CW: we have put forward cases strongly for growing the major vessel fleet. We will put those cases forward.

AC said there are plenty of examples where small changes and small costs have been rejected for being too much. We have had this discussion often.

BC commented on the new contract giving more autonomy to CalMac for the timetables. The new contract should not define a timetable but discuss a level of service. Where you only have 2 or 3 sailings per day, or weather dictates otherwise, the contract should put the onus back to the operator.

CW replied, in regards to a direct reward, this would be more challenging.

AC asked if we will be going back out to tender or if there will be a direct award.

CW confirmed the Minister's aim is to direct award this to CalMac subject to the due diligence piece taking place.

AC2 asked again about timetables for 2024/25 – who does this sit with?

CW answered, it does not sit with us. DM and I need to pick this up with our teams. We do not need to wait until the new contract. How do we empower more decision-making in that space and what can TS do to hand more autonomy to the operator to allow more decisions?

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AC commented that the reason for this question is that it is high on our list for community responses. Both the high level you have with the Community Voice, but also at local level in consultation with Community Councils and Ferry Groups.

DM: in the new model we are presenting you will see the AOMs much more.

AC commented, decentralisation and walking the walk.

DM agreed that this has been remarked on a lot. Over time there is a rebalancing of heads, and I am very open to that. If that gets folded into the future contract, then it is easy to do. Have more operational heads out there.

AC said that jobs can be done from any location on the network We want to encourage islanders and be location neutral.

GR mentioned a role posted without the option to work from the islands.

AC2: In terms of replacement vessels coming in – who in the tripartite has decisions about which are deployed and in what order?

CW replied, this is a joint piece of work between the three parties. We are working through those at some point in time and discussion will need to be with communities. We are starting to put detail into how this will be communicated, and we will share it as soon as we can with FCB, and more widely. Staff and unions too for certainty and understanding. It needs refined and changed.

KMacF returned to the topic of the tripartite. Angus reported through Project Neptune consultation that there was not a clear view – an amalgamation between the tripartite. I am wondering if anything can be shared on this if it is a separate process. Does it go back out for community consultation again and is there an intention to reboot some kind of expert body, all under one roof?

CW replied, on Neptune, the Cabinet Secretary is clear that no more project work will be done until the shape of CHFS3 is determined. We will need to look at the shape of CalMac and David MacBrayne to ensure Teckal compliance. No activity on it now does not stop us improving how we work together in some of the examples given previously.

AC raised unmet demand. There is a wish to capture some of that going forward. It relates to reacting to change and what the economy and market needs. There are things in the offing – offshore wind will put a huge demand on ferries to some areas and in the past, there has been no future planning on keeping services available whilst meeting that new demand. Where is the flexibility to meet this?

CW said that Community Needs Assessments will capture some of this. We spoke with the Scottish Whisky Association (SWA) the other week on how we can manage spikes in demand and better plan (collectively). Can we use bulk carriers? We did see that happen successfully in relation to the Shetland Windfarm development. There are still pressures, but they worked well with the operator. We are actively discussing the SSEC interconnectivity for the Western Isles, what the volumes are and how we are managing these.

AC: we have time to plan for it.

DM added that the Cumbrae situation recently was a good example of this. Major construction project was taking place where the transport plan submitted by the contractor included provision of their own transport over. A lot ended up with CalMac, however. There is a point in the planning process which links in advance to a discussion around if the planning process and those making plans sign up to the tonnage capability to take things across. This is when you get comfort and certainty on the impact to local service.

AC agreed – I can see that for the bigger projects and for whisky too. There is also the issue of general growth on the economy. If we start to reverse population issues, then its generically more manned.

CW said that this was raised with colleagues at the Scottish Government and there is a local government space for local planning. The analogy I use is if someone wanted to expand Hillington



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Estate, they would need to upgrade the junctions. What the Minister does not want to do is constrain growth. We have built in additional capacity (i.e. Little Minch scope to increase flex across the space).

AC asked – in two weeks though that capacity can be used up – from a resident's point of view.

BC highlighted a deterioration of road infrastructure. Local authorities trying to get materials on and off are restricted. Other islands have local authority infrastructure requirements.

GR agreed with the discussion. Small businesses are the backbone of a lot of communities. Small projects sustain the islands, and they need room for growth too. A year ago, the waitlist product was removed which would perhaps help with unmet demand statistics. It was replaced by advanced standby meaning you can no longer calculate how many people are waiting because you must meet certain criteria for standby.

She continued, we may gain capacity with more vessels, we may not. There are constraints on what can be offered. My own fear is that Lochboisdale will get cut off because it is not fit for purpose. Any capacity on the Minch would, therefore, be reduced.

CW said there are no immediate funding constraints. Depending on time of year there may be scope to do more sailings.

AC thanked all parties for their discussion – it was good to have all together. He concluded with an example from Barra, a small business struggling to change a stove in the kitchen. To get the stove certified (a two-hour job) they had to get people from the mainland to come. The costing was £3k because the contractor feared that his employees would get stuck on the island, so he priced for a week that hit the bottom line of that business severely.

CW said there is a resilience piece here about giving people assurance.

AC agreed – it is about how we communicate back to the communities.

## 5 CHFS3 WORKSHOP (PART I)



CHFS3 - Meetings -  
FCB Workshop - Agt

AC welcomed CW, TMcl and MH.

CW opened by discussing the purpose of this workshop. It is partly about what CHFS3 looks like, but also what does the Board look like – does it continue in its current form, or change how the Board works? We have no fixed ideas or blueprint on this, but we might want to test and challenge you. This is an open discussion and will not be our last conversation on this topic. We have not gone to the Cabinet Secretary about this but there is an opportunity to bring this input to Ms. Hyslop.

MH shared screen.

He discussed 8 key themes which consultation was built on. There were two questions aligned to the Ferries Community Board, with 435 responses. The questions asked were:

- Is the FCB representative of Island Populations?
- Does the FCB reflect your interests for the next contract?

MH: this is about how it evolves. People are entitled to an opinion and some people gave suggestions too. Interfacing with islands – MACS etc, there is opportunity to expand.

AC that is something I want to change, making it more apparent and accessible.

MH yes, it is about access.

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GR asked if there was feedback on the perception that the Board are paid? We are volunteers.

MH my understanding is that the majority know it is voluntary. That seems to be a widely known fact, and this did not arise from the responses. Of those commenting, we have identified that FCB do the work, but they have difficulty or don't know how to feed into it.

CW TS have a responsibility to clarify the wider engagement structure out there to make way for those voices alongside this.

KMacF interesting research. We are aware of having a low public profile. We must be careful what we say – no press officers. My understanding under CHFS2 is that there was an appointed community liaison officer who was removed quite early on. That post could have done a lot more to raise our profile. Our minutes are published on CalMac's website. We have a web page, but we do not employ anyone – all voluntary. At the beginning of March, the RMT union put out a piece which was covered on Gaelic radio accusing Board members of having self-interest.

MJD said she was involved with CHFS2. 360 recommendations on it and wondered if any of them were successful – were they learned from? I was an auditor previously – have we done an audit; do we know the outcome? I know we are approaching the end of contract, but I feel that this has been dismissed and accepted as is. Have we learned from it? Good and bad.

CW that is a weakness on our part. We have not managed to scrutinise and audit it to the degree we should have. We should be reconciling before the end of the contract to take stock. We do need to pick up on this and will take it away – perhaps not an audit but a reconciliation. We are reflecting on the management of the contract – do we have the correct level of resourcing, or a different structure. [Action].

MJD: we had Serco and CalMac vying for the contract and there is a big difference this time, zoning in on CalMac. Is there a copy of these recommendations to be viewed?

MH: we have taken the good parts of CHFS2, and we will take these forwards. The elements that did not work well will not be taken forward. The number of commitments made (and the best intentions to fulfil these) changed over time and we need it to be more streamlined and manageable this time. Anything agreed to must be fully managed to completion.

TMcl, we have looked back and are taking themes from how CHFS2 worked. How do some of these issues coming up time and time again – can we build something into CHFS3 to solve? It is not a case of ripping off the front page and putting on another one.

MH CalMac do good stuff – like any business when there are disruptions, they rightly take the flack for when things do not work well but CalMac should sell themselves more on what goes well. They do a good job.

MJD agreed – good stories should be out there.

AC: it's important to add a community view on assessing performance.

TMcl replied, this is one part of the agenda – how you get a say on assessing performance. Reporting.

BC said there is a perception that we represent our individual islands which is not how we as members see the role. We look at services, where is the consistency and how can we, as a network, improve. It is not route specific – collectively using our skills and experience.

AC said that in everyone's interview, an important part was that people are impartial. For example, situational question on bringing bad news back to your home community.

BC said one danger is people seeing us as representing our locations, everyone will want a seat.

CW: our intention has always been that the Board is there for strategic, network wide issues. There are different community types, geographies and areas represented.

JP said that we used to have posters on every vessel and in offices which advertised the community Board and member contact details. People could take a photo of this and make contact later. There were commitments also which do not appear in your executive summary. Some commitments have not been fulfilled and if they are to be rewritten into CHFS3, they must be stronger and there must be a way to monitor delivery. The operator should publicise what they have achieved.

He continued, our Board has changed a lot, and it would be a good answer to some of the negative aspects of the study if we had posters back up again.

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KMacF said that in the absence of renewed posters – the CalMac website, on the corporate section, our minutes are published. CalMac's website is like a travel agency. "About communities, for communities" are hidden down the bottom. It's no wonder people do not know what we do. It is buried.

CW agreed to put information on the TS website with a link to FCB minutes. Perhaps it would be easier to signpost from our website. In time we can consider whether your place on the CalMac website is correct. [Action].

AC raised a point about not wanting to be seen as acting too closely with any party, but anything that can be done to raise the profile of the group is good.

TMcl suggested putting this in the text online – a strategic, network-wide body.

AC said we are not a geographical body. We try to cover the network, but you cannot cover every part of it. With our paper we submitted, we tried to see how governance could be improved. There are things we need to address, but we must reiterate the purpose of the Board. We are still under the banner of CalMac. We attempted to find a younger member and feel a greater independent space is needed with clearly defined ways of working.

TMcl asked if this still suited the current model?

AC continued; we took the posters off because it seemed geographical. We recently decided to do a description of who we are, and then a generic contract. We cannot define what we are until the process has gone through to say where we will end up.

CW: it will be a requirement of the contract, born from a place of trying to demonstrate independence from the operator. I do not think setting up a new public body or organisation is the right thing but is there something we can be doing – and have tentatively discussed with previous Ministers. Do we make the Chair appointment a public Ministerial appointment? An independence of process. Ministerial is a demonstration of a remit that flows through to the Board. There is an administrative question around support – how do we support you as a tripartite?

AC commented that the link to that level of organisation has been lost. If we are to look at how the Board becomes more accessible to a wider geography, we need more support.

CW said it makes sense to sit with the Operator. Maybe the requirement is not to have a Ferries Community Board, but to provide the administrative support to the FCB. I would like to see the operator required to have community engagement at Director level. It was a big signal when that was removed that it was not valued.

BC said that to have community voice at that level shows importance on community engagement.

CW commented that community engagement has been looked at in terms of the next contract. It is about more than one person at CalMac and about having a named person in the tripartite. Someone who you can go to, not the exclusive route, but someone in a team whose job it is to be at the forefront of that engagement.

KMacF raised the point of having an appointed chair - one of the things that makes the FCB work is that it has nobody from an NGO on it. We've all come from different backgrounds, but there is nobody who is in a paid job like an NGO and that's what make the FCB more worthwhile. It's an immediate turn off. It would be good to have administrative support and build our public profile. It's frustrating because we're not professional NGOs and cannot find the time to travel and visit where we want to go. Could we expand the expenses to cover modest business losses? It would be good to get out and about more.

CW: There is a question on budget for that last part – not sure how that works. Do CalMac have a pot to manage things like that? We need to get an estimate of what that means.

AC: CalMac have never refused anything we have with. You do get the feeling it's restricted though. There has not been a huge ask from us back into CalMac. We don't know what the limit is.

CW: we must make sure that a mandatory requirement is that an islander is appointed.

AC2: in terms of the paper we produced, the purpose of the board...Are you happy that all the elements of that – equal partner in strategic issues. Is that something you are comfortable with?

CW: What do you mean by equal partner?

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AC2: lots of the communications and discussions around ferries seem to take place behind closed doors and the community are not kept updated. The SVRP for example, is sitting with Government and nobody knew there was a decision waiting to be made there. We are out of the loop.

CW: there's something for me in provision of more detail on what's going on. We've stated that the business plan is with Ministers and that should not be news to people today. What does equal partner mean to all of us, because the tripartite aren't equal partners in a mix of things. Some things are done as a collective - some are not.

TMcl said that it depends on what part of the tripartite you are talking about. Funding decisions then its TS and they are the accountable officer.

AC said it is policy, where you have the community voice at the table to help with decisions. We had a talk this morning about funding decisions. If we don't have a voice at the table for funding decisions, there is a missed opportunity.

CW: if I look at the drafting of the ICP, happy to evolve that but we saw the FCB as a key partner in getting early sight of that. The argument is then if you see it in a more developed phase. Those are the things we usually value the ability to come to this group with the early draft.

AC it's not about the fact that you have done th consultation, it's how effective the consultation and views taken from it are. If you are to be open about having community voice in the mix, why not have it round the table. For instance, if the tripartite work as a collective, you could increase 3-4 and not damage the efficiency of the process.

CW: I would question how manageable this would be - back to Kirsty's point on volunteers and the appropriate point to have that. The network resilience plans and route prioritisation matrix – good example on being round the table on developing that. The development of that was a good CalMac-led example.

KMacF said route prioritisation matrix was an interesting and positive thing to do. They need to now come back on it. This is where they are not being proactive, they need to assess now how it's working. I'm not convinced it is. It is a step in the right direction.

CW: The escalation point here was originally an escalation point for Ferry committee. What we meant by that was – in a vessel or port project – I would still see the key body as the Ferry Committee. There is a separate piece of work to be done on making sure we have representation across the network, which we have gaps in now. That may well be existing bodies – we will not be prescriptive about that. I am keen to see a FC or equivalent spread across the network. For new vessel project for example, that would be with those bodies and feed directly to me.

BC asked about ferry stakeholder group structure.

CW said that our thinking has been that there is a gap at the top. This was evidenced during Covid when there was rapid change. 4 local authority chief execs, CalMac, and sometimes CMAL We could evolve this at a top level to also have a representative from the FCB there as an equal partner on those calls. Possibly with more bodies there which would need defined (e.g. Hi Trans). For escalation point – we would speak to local ferry committee but if something came out of it which had network wide impact (e.g. strong view that a mid-size class vessel and no catering onboard which might be a policy rolled out elsewhere) that is the kind of topic that we would like to bring to this body.

TMcl: we will kick off with the initial KPIs, but they are not static. We can improve on these, and we need your help to review these things and make sure we're getting what we want out of it, i.e. capacity and performance metrics.

AC: I would think we have something to offer in an overlooking capacity.

CW: because we are moving out of a contractual space, penalties and incentives are very different. We are reflecting on how we use KPIs. What do they trigger? An improvement plan?

TMcl said that specification in a commercial space can be reviewed on an annual basis. Effectively an annual business plans every year which will reflect performance on previous year and lay out targets.

BC provided new performance reports from the new eBooking system – just numbers. Nothing attached to this to indicate good/bad. No idea on measurement. This is what KPIs should be driving.

CW brought up consultation and policy involvement. How can TS use the Board more to get out there and share a message? Perhaps this is an untapped resource.

AC – there are things we can do. It's a lot of work but it might help.

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KMacF: in response to point in consultation and policy development, we have been very busy in the last while but the thing that concerns me most is that we have safeguards built into the contract (KPIs going to TS, etc) as a member of the public and as an islander, when Ar Turas came in – did TS not see something happen with income streams? If there is no tendering process, and everything comes inhouse, it will become part of a government entity. My concern is transparency and accountability of everything that we do. We have standards in that contract at the moment but what is happening with shortcomings? We have compliance issue.

CW: I want to give assurances that my team do hold Calmac to account with levers in the contract, i.e. penalties we extract from them which goes to other measures like the MV Alfred. We could drill down in more detail in the future. We're managing the contract with the tools available to us. We're not bringing it inhouse, they will still be separate and one of the levers to charge them will not be there to us in the way that is just now. They're not coming inhouse as part of TS or Scottish Government, they are standalone.

TMcl: we hold the purse strings. And they must provide in certain areas. We still have the leverage.

AC: When you have two government-controlled institutions working together and you use the penalties to reinvest in your own budgets for things like the Alfred – could there not be a tendency to move money around that circle when it suits. When the operator does something wrong, there is no recompense for communities or back into the huge loss caused to the islands. There has been no word of addressing this.

CW replied that this has come to the Minister several times – Lochboisdale for example. Should some monies from performance deductions go there? It is a separate conversation and argument.

BC: there must be accountability and an incentive for improvement. Right now, everyone sees the direct award as a reward for failure. They have failed to deliver CHFS2. Service is getting poorer and island communities are suffering badly with no compensation or back payments.

AC: in the short term, saying that this is not working and then going out to tender.

TMcl said there are review points in the process. There will be accountability built into this and opportunities to feed into this.

JP: In a private company, the board would be on a bonus scheme, certainly the Managing director or chief executive. If the company didn't perform, they would not get the bonus. There is a culture at CalMac of people not putting their heads above the parapet or being seen to be a whistle-blower. If a company is not performing, there should be a sanction if they do not come close to meeting targets. Since CHFS2 was implemented, there are not enough KPIs and lots of topics not covered by KPIs that should be. The point to doing this is to enforce them.

CW replied, public facing and naming is a key tool. Falling below a set level for a defined period, will have a consequence. Ministers have appointed Board members for that purpose, and we need to understand how it will all work.

TMcl suggested an FCB annual report for certain views to be expressed.

AC asked about the annual report. Would this be a public document?

TMcl said it would be subject to FOI.

AC asked who would compile it?

TMcl said that it would be open for discussion.

CW added, there is something around these which forms part of a community statement, which can be as scathing or complimentary as it needs to be. An interested reflection from our side is that TS do not sit on the CalMac Board. We do go to the DML Board which usually follows the CFL Board. This is due to contractual position and will no longer be an issue following direct award. There is a question – is there space for greater attendance or representation on the CFL Board.

AC asked if a CFL and DML Board was needed going forward? Do you need two public boards to run CMAL and the ferry operation? Having one would not only be cost-effective but would also bring operations together. I would say that the FCB should have a place on that Board.

CW asked what form this might take -as full attendance or a member? We have regular catch ups. This morning's joint session worked well. Is there a better way for us to give updates and not have everyone separately? It spares us some time too.

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AC said that if the FCB are to produce an annual report, resource is required. It is a heavy commitment already.

CW: we need to be careful in setting our collective ambitions. It will be voluntary, and we need to ensure that we can still attract people to this as it comes with lots of duties. The CalMac Board now only has one member of the executive on it. Touching on membership appointment and specific roles – your paper which suggested an independent body with appointment system for Board members. He continued to discussion point on operator communications.

AC said that one of the major areas to improve are operator communication. They have to be a major part of the new contract. Messages have little explanation or nothing at all. How do you test options and what works?

MH: we have convened that to CFL, and we are working with them. It's about transparency and people need to be updated. An app for example which has not been updated in several hours.

GR: they have been working on improving this for years, and often the 'improvements' make things worse.

MH said this is not about bringing things that do not work in CHFS2 into CHFS3. CalMac are aware and are working. It's about getting a contract that is fit for purpose and if everyone feeding in says the same thing, we can get a mechanism that works effectively.

GR commented that things that were not broken were 'fixed' and are now worse.

AC: what is the mechanism for people to find accommodation or arrangements during times of disruption? It is a grey area. When working with airlines, it's quite clear what you do.

MJD commented on islander voices not fully being represented at ferry community meetings.

CW said that this is something we are very aware of.

MH agreed; we do have a view on how many are business vs. community voices when doing consultation. Businesses have a different requirement to resident islanders.

KMacF commented that CalMac carried out a superb consultation two months ago about supporting the Islay festival – Feis Isle. A few days before the plan kicked off, CalMac made changes due to a tour operator on Mull who had requirements for something else. You can understand why CalMac react the way they do, because if they do not comply with the tour operator, they will get into bother in the media. It is down to lack of tonnage but that is why we keep talking about flexible working hours and spare crews because it is the only flexibility we see in the system to help CalMac out. I was astonished to hear that Duncan managed to get some flexibility in discussions with the RMT. The next contract should be transparent – no redactions. We must know all factors that go into running a service.

CW suggested having another of these sessions as it has been very helpful. We wanted to have this conversation first and we are happy to do this again to start to refine some of the thoughts from today.

AC said that it has been frustrating for the last while, but we are starting to see some of the topics come to the fore.

BC agreed, it has been useful, and we need another. We need the new contract to drive change. Do you still have a deliverable date for the Minister to say that the new terms will be furnished by?

CW said we have two things to deliver. The first is Duncan's reference to enhancement and improvement plan. It is not BAU past the 30<sup>th</sup> of September. Things need to change and improve. We need to formalise that improvement plan and measure – bringing in KPIs at an earlier stage, albeit they would not be contractual yet. The shape of the FCB is another thing that we want to see some momentum on.

AC expressed a fear that the extension might take pressure off the gas.

BC: I suggest that we do try to have KPIs in place for October 1 and run them as a trial. Some may be right, and some may need revised.

CW thanked the Board for their time and promised to follow up with another session.

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Introductions: DM, SH, and DB.

DM began, there are two priorities. One is getting the front end of the customer experience correct and the other is focussing on the eBooking system.

DB presented slides on operations front and eBooking. We will present the 'enhanced engagement model' which looks at the front-end structure operations team. The structure that faces the community as well as the support around port operations.

She continued, we are now one year on from eBooking and have had quite a lot of challenges and pain in that year. The system is stable and performing. We have a couple of known areas where there remain residual issues – TUAG being one. Commercial customers, invoicing and data capture around businesses is the other. It is now around the business, processes, and optimising the system as-is. We are seeing a more positive response from most customers now and colleagues too. Many tickets picked up show lack of familiarity with our staff – no blame, but the system and processes are not familiar. We created up a model office (next door to meeting room). A focus on new starts at first for seasonal workers who had not used Compass before. It is a 2-day course, hands-on which covers the day-to-day. There are 6 spaces on every course, and it is about building confidence and capability.

She provided an example of a new start who had completed the course. This has led to a wider discussion and having spent time with port colleagues on general training, there is no real role specific training, which is fundamental. It is very much 'learn on the job' and people pick up workarounds – no CalMac standard. The Centre of Excellence and model office is the creation of a fit-for-purpose training environment for specific roles. Although it is for all colleagues, the ideal scenario would be 2-3 weeks before starting a port or vessel, coming to the training, bespoke for the role you are going to do. We have to find a way of getting the training out there to those who have been with us longer, so that they have the same support.

GR asked about the mock office. Are there mock customers?

DB: they do deal with real scenarios. We don't have customers in there (yet) but we could look not this in the future. The trainers are not people who have learned eBooking, they are colleagues who are using the system optimally who are doing the training. Not a trainer – it's real staff who know the transactions, and scenarios that take place in the real world. Training in the past was over PowerPoint and not effective.

AC: we very much welcome that approach to training. We were assured that all staff were trained, and yet after consultation, the number of port offices doing things differently. You can be trained on the system, but is the system itself at the right level?

MJD: a very good news story – a young lad starting in the Isle of Mull in the Galley, he is now skipper on the Glen Rosa. A success story on the apprenticeships.

BC said that the Centre of Excellence – is it system or customer focussed?

DB: very much system focussed now. A good test bed to test the existing processes and to test changes. In doing a good job with system training, this will ultimately give an improved customer experience. Customer service training is a module of the future training environment, but we are not there yet.

BC said his reason for asking was detecting some frontline staff seeing their roles as eventually being phased out.

DB: I hope that we can allay that fear with our next presentation.

BC asked if CalMac had gone back to some of the valued staff who left after being disillusioned by the new system and leaving?

DB answered, not that I am aware of. The objective of digital ticketing was to close ticket offices in the rail industry – unfortunately at the same time as our eBooking launch and perhaps we never done enough to reassure people that this was not our intention.

SH said that if our colleagues are spinning too many plates, the onus is on us to minimise the time they spend on tasks which can be done much faster with the right tools.

KMacF said; we all know people working locally who are not yet comfortable using eBooking. Have you ascertained whether there are people working already at CalMac Ports who would benefit from the course, but perhaps can't make it down to Gourock?

DB: this will reach those people. We are working with colleagues to make this more mobile and more of a 'toolbox talk' style coaching – more on the job. It is difficult to do this in the port office – no dedicated space or time to focus on learning. It depends on each scenario – it may be a refresher at the port. For

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example, we have two members of staff returning to Lochboisdale after maternity leave. How do we work through situations like that, where we can't expect someone to come down here for two days.

KMacF: do you have a view of how secure staff are?

DB replied, partially. From the tickets that are being raised, we are analysing by location. Is there a particular location with more? We are going out and having conversations on where people see themselves and their teams. Tell us what you need, but also looking at where issues arise from by location.

JP added that this is welcome. Two of the big issues on our route (Islay) are human error in the system can lead to hundreds of text messages sent in error, cancelling bookings, or informing people about bookings they have not made. These errors can be wide reaching, and we never experienced anything like that with Compass. Is this being addressed, or fixes put in place to avoid this? The second issue is a resource issue. However trained people are, when you have a situation where the timetable is altered, to enable people to make bookings and deal with this. It is all on port staff, they do not have sufficient resources to deal with this. It costs people money or prevents them being able to book when they want to if the system closes to allow staff to manage this. It's not in the statistics but it is a situation where people cannot book. Your service is effectively closed for that period. Is there some kind of resource assistance that can be provided?

SH answered about texts, human error has caused several errors. We recognise that and look to our internal processes. We have modified them. There is now an escalation process before texts are sent and this has had an immediate impact in avoiding this going forward. There is a change request into our supplier also which is in test currently. We anticipate this going live at the end of June to ensure that erroneous texts are caught in advance of them being sent out.

JP that is great. It was causing reputational damage for CalMac also.

DB said that we recognise resource issues in Ports. There is work ongoing now to review how traffic moves take place – should it be a central function? A combination of ensuring we are resourced to undertake these activities but also thinking on a route basis. Oban for example – a large team due to the number of routes. Could we centralise it there because they know the traffic and vehicle movements? Making sure we understand resource requirements is important.

JP said that port staff are second to none and they should be in control. What about temporary assistance?

DB replied, we do have a team going to Islay from the 17<sup>th</sup> of June for 3 weeks. This is to take some of the pressure away during the busy period but also to highlight any areas of support needed.

AC2 asked about deck utilisation.

DB replied that there is an impact on not making traffic moves quickly enough, not opening space soon enough. There are a few vessels where an independent person is coming in to measure space.

AC – we continue to get reports of full ships online, travelling with lots of space. I think this could be improved.

DB said that there are polarised views between masters and loading officers depending on who is on shift for each vessel. We want to set a standard and its important to do this independently.

GR: the car deck in compass was the same size, why is this different?

DB: we did not use general lane metres and high lane metres and that is what the new system works to. Louis de Wolff is owning this.

AC said that one of the advantages of the system was to be utilisation. There is an urgency to do this, and CalMac's income in the summer.

BC: We used to have PCU data per vessel. Earlier this year we were told that lane metres is now the measurement. This raised concerns on routes that are already restricted to now only be revising the planning tool to take 20% less capacity.

DB said we want to stop tweaking here and there. We have a number of vessels we want to look at quickly. Where we have capacity constraints, we must sort this out. By next Friday, this will have gone to market to engage potential partners.



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DM reassured, none of this is being done with a sense of comfort or due process. There is a ruthless focus on our priorities, and these are at the top.

MJD asked if you had thought of Duncan sending a video out to all staff, to say their dedication is appreciated?

DM replied, I communicate to everyone via video. I have done one so far [we can share this – Action]. I acknowledge the front-end experience is not good and it is a concern – particularly for freight and TUAG routes. Another video on Mull will be filmed on Monday.

AC asked if there were drawings of the ships? Surely something to be used as a tool without sending teams out to measure?

GR raised an issue of height/lengths of every vessel and linkspan. The information is not all in one place. I am not surprised deck space is not available.

DB said we must be rigorous with standards to ensure it is consistent. We need to move away from it being separate. You can go to one vessel, and if a certain Master is on, you can load to a certain level. We need a standard to work to. This is the goal.

JP said that when sailings are unbookable when transfers are being done, the daily service updates – route status updates. They are done several times a day. If they were to include that certain dates are temporarily unbookable due to transfers being made, that at least would tell people it is worth coming back again and not just giving up. Now, they try to make a booking on one of those ships and it says unavailable. This gives no hope, so people give up.

DB – great feedback. I will take that away and explore how we can do that [Action].

BC added a note about messages showing 'product = car not available for sailing'. Sometimes it shows as available, sometimes limited. Rather than saying 'full' when it is full. It can be misleading.

DM added to this – if a cancellation or change of route, people are not necessarily informed that there is an alternative way off an island. This has been noted.

DB continued; we have been out on the network discussing what is getting in the way. We are asking a very small number of people to do a great number of things, sometimes in very challenging situations. On top of this, we have eBooking, disruptions, vessel breakdowns, weather. Finlay is driving this change, to split the areas and create more area managers. Given that for Arran and Islay, we have new vessels arriving and a number of infrastructure projects, they now have their own mention. The North and South Hebrides also, this is a vast geography with new vessels planned there too. The Area Manager role really focusses on external facing into communities, local stakeholders, and customers. They will make sure that alignment with operations, customer needs and driving home standards and values around the operation. This is a much more proactive energy. The introduction of a deputy will take the pressure from them. Our two current AOMs are in reactive mode all the time – we need to create space for them to do a role that you need. This is 9 new roles. 3 new AOMs and 6 Deputy AMs. The deputy job is the day job – safety, compliance, and quality management so that AOMs can do the proactive piece and get ahead of the plans.

MJD we are lucky to have our local girls. They are so dedicated and make sure everything is running smoothly.

BC how empowered would area managers feel?

DB replied, they would be empowered. This elevates that role and is a key decision maker and influencer. One of the objectives here is to drive culture change. Operations is the internal customer and support services are there to support operations in delivering for customers.

BC asked, where do Area Managers report?

DB: into the Head of Operations – Finlay MacRae.

DM said the primary objective is to get ahead of the game. Each week brings a new festival or competition or event on an island. Week to week, can we not see these things coming? It is not always possible, but this empowerment is about having the bandwidth to see something coming up and having time to do something about it. If they have more time, we can manage these things.

MJD added that most events are the same week every year.

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AC commented that this is a great frustration when communities need a change in timetable. If you can be proactive on that, it would be a real positive message to send out.

KMacF remarked that this is a very promising change. How are these different areas interacting with one another when there are disruptions? Some will be standalone, but some will interact on a reasonably regular basis because of lack of tonnage, working hours etc. The prioritisation matrix was a start to pull some complicated manoeuvres together, but I am not convinced that it is completely working as it should. A review would be useful, but how do you envisage cross referencing between areas when required?

DB answered, Finlay and Jane (head of IOCC are having those conversations now. Jane's initial reaction was having 3 managers to satisfy, now to 6. It is about ensuring we have network wide view, and we need to review the matrix. We need the 'Head of' to be the ultimate decision maker where there are conflicts.

DM provided some examples of what we do not want. Cumbrae – Angus had to get Diane and I onto the island, pointed us to the island, we met with the contractor, and then we come back here and try to get everyone's efforts on it. This is the kind of thing that an AOM would be ahead of when the planning application was in. The next example is the prioritisation at Lochboisdale versus Mull. Out of the blue, there were fuel issues 2 or 3 days before the decision was needed to be made. We mitigated it and spoke to stakeholders, but this is an example of something that an AOM with more bandwidths would identify sooner.

AC: if you are investing this level of resources, that should deliver you space within the organisation to deal with these things in plenty time too. Dealing with 6 proactive AOMs should be easier than dealing with 3 reactive ones.

DB agreed – we can get on the front foot and plan better.

KMacF added that the prioritisation matrix was confined to just major vessels. The impact is often on the small vessel fleet. MJD was at a meeting in Kilchoan and the community there were affected by deployments. They hadn't heard of the matrix.

MJD yes, 121 people were in the small hall that day. There are a few other issues in Kilchoan.

DM: the matrix is a useful theoretical exercise on how things unfold. The given set of circumstances when something happens always means it comes down to agility. The funding for this will come from reducing headcount in the centre. The recovery of costs will come from reducing footprint in the centre. This is how rebalancing will come about.

GR asked if people within the business would go to these roles, islanders, external?

DM it does matter who we have. I would like these people to be local and part of the community.

BC asked about the timeline of this.

DB replied that consultation with frontline colleagues has started. There are further consultations next week with port management teams and they have a few weeks to digest and feedback. It is underway. Please keep this confidential for now. There are already 2 people in the commercial team who are leaving. We are restructuring to save those heads. This is also underway.

MJD asked if arrangements are made between CalMac and Ferry Committees? E.g. a ferry committee said that when the MV Isle of Mull is deployed North, there must be two ferries on Lochalain – Fishnish.

DM: there are no deals or arrangements with ferry committees.

AC said that the FCB were involved in the matrix discussion for fairness across the piece. IT's not perfect, and some things trump the matrix, but the fairness is what we want.

DM said CalMac will redeploy a vessel because we believe there will be a demand for that service. We must listen to communities and make trade-offs. Sometimes it might not be correct.

MJD, sometimes the voice of the community is not correct either.

AC said that this is where AOMs knowledge will come in.

AC2 commented that the new model will add value. The vessel deployment piece and the local issues – thanks to Diane for proactively getting involved in something that should be an operations manager's job. Shipping concrete and tar over is not your job. It's a positive step forward and in terms of structure and vessel deployment plan – you can see CalMac doing their best. The system itself can be refined and more transparent.

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DM spoke about Deputy Managers. This is around consistency, standards and operating ports and harbours safely and in a standardised way. There are lots of inconsistencies from location to location. The corporate risk register, quality, and feedback – there are concerns there. The people tasked with solving these are not able to get round to it. Deputies will cover compliance, audits etc. Making the organisation as strong and modern as it can be.

AC asked if there was any conflict with port managers on the model?

DB said that those she had spoken to were open to it and appreciated it in customer interfaces when they have several customers and situations to deal with. There is a whole piece of work around this – people and structure, but there is also a workstream on standards, processes, and work instructions. How do we measure success and give people the tools to know they are doing a good job.

SH updated the Board on eBooking [From slides].

AC2 asked about some of the key functional areas – freight bookings etc. The ability to shift sailings easily, viewing capacities etc. These are not in the improvement plan.

SH replied, this is a focus on the current functional enhancements. We could not fix all change requests simultaneously, so we are homing in on specific aspects of the programme and prioritised them. Right now, we are working through them in priority order. I will later talk about the TUAG activity happening. What I am covering now are solutions that have been developed and are coming into our test and production environments. That end-to-end process takes around 12 weeks.

AC2 said the community messaging element is not there. How do you communicate with people on these things?

DB answered, a few weeks ago we started with the full-page information in newspapers and a door drop. This was to start the journey of keeping island communities on what was happening. We will continue to do this with every update where there is improvement or fixes to talk about. This is a commitment, and we will keep doing that. On the commercial side, we have a team working with finance around a plan for communicating, individually to customers, but also through the haulier group (Gail - if we can use this as an outlet too).

GR agreed – this is needed. Happy that it is being picked up.

DB stressed this is not always a technology problem – sometimes it is about our approach that needs fixed. Important to note.

BC asked if this addresses concerns about vessels changing at short notice.

SH replied, if you are a customer online and we have disabled a vessel online, if you had a booking, you could not transfer it. This will now allow you to make the amendment yourself.

BC confirmed, so today, nobody can change their booking.

SH – correct. You can soon change it.

BC asked about ticket redesign. Will this include a readable receipt?

SH commented that a lot of content is being added to the ticket.

DB said that font size is on the list.

SH continued to discuss slides regarding marketing campaign for buying digital.

DB said that this is about giving customers more choice. You can do things yourself, or you can still phone or visit the port office.

MJD added that it is a social thing for older people. They enjoy going into the office and speaking with people.

AC commented that sometimes people need reassurance that they have what they need to get from A to B. If that choice remains.

SH: always. We want to make it as frictionless as possible. The channels are there for people, including payment also – giving them choices.

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AC spoke about connectivity. When there are outages, it is unaffordable.

SH gave an example of a contractor digging into a fibre cable in Uig. Digital services could not be provided to the port. Where we have areas where there is less resilience, we are introducing Starlink as a solution. Rather than introducing 4G or 5G connectivity, we are using Elon Musk's Starlink solution. This should get us to a point where as 4G drifts off, Starlink will pick up when needed. We have two at ports and have two on vessels too. We see this as the resilient option.

DM commented on if you go to Portavadie to Tarbert, the assistant's handheld machine links to a system with 4 sim cards which scans between different mobile signals and links to the Wi-Fi. That is ok if you are static, but when they are moving around halfway through a transaction, they must restart. The teams going out on to the network are identifying and solving these issues. There are some technical things which are quite material to those selling tickets.

SH discussed priority Wi-Fi. For the new vessels coming in, we are separating customer, crew, and business Wi-Fi. There will be a separate channel purely for business applications and another for crew and customer. They should not interrupt one another, and it should always guarantee connectivity, if one goes down.

AC gave an example of the Seaforth having poor signal for some weeks now.

SH: what does the landing page show? Is there an error message?

AC: you are shown as connected but it reads 'no internet'.

DB took note and SH agreed to investigate this, [Action].

SH our organisation is going to be data led. This is equally important as information technology.

He continued to discuss the 'swat team' going to the network to bring back evidence and feedback. We will go around our TUAG routes with laser focus on each to be action orientated. It is not one-size-fits-all. There may be things we can put in place with material impact, but we will make one change at a time, move at pace, and optimise the experience for internal colleagues. The process starts next week. I am leading this team and making sure focus remains.

BC asked if this could be transferrable to bookable routes?

SH replied, ultimately, it's the same process, so yes.

AC2 asked if it was efficient to sell tickets on Cumbrae and return to return only. Not everything is about connectivity or resourcing. Can things be done to make it more slick in other ways?

SH: it's about processes. If we can streamline processes, things will move much faster and there will be less variability from route to route. We want to refine our systems to optimise and support the process. The TUAG routes are the focus of our tactical team. If the opportunity is there to talk to community reps whilst on the go, we will embrace that. The more datapoints and views we can get, the better solution we will have.

SH continued to cover the strategic elements from slides.

DM said that these things, in the context of this morning's discussion on direct award, there is no reason why this group cannot make these conditional elements of it.

DB said there is a larger conversation here on what the port of the future should look like.

AC welcomed the change in attitude – experience before system, whereas the impression before was system driving experience.

DB we are clear that this is very much customer led.

DM commented that we would need to justify things such as ticket machines, etc. If we do things that ensures that everyone buys a ticket, that is the business case.

AC gave the example of travel in other countries being very simple. BC mentioned that TUAG should be looked at increasing.

DM said that his vision for the future is that roles should be checking tickets rather than selling them. The assumption should be that people have tickets before travelling.

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GR said that the proactiveness is welcome.

SH presented the final slide – ensuring we do the right thing by staff and colleagues. Ensuring they have the tools they need at the right time and that they have the confidence.

MJD, we need to go back to staff being respected and admired. Being proud to work for CalMac.

GR gave caution to using the phrase ‘business as usual’. Some people do not see it this way, it is not business as usual for them.

DM thanked the Board and reassured them that this is underway. Please hold us to account over the next few months. We have presented our intentions. Looking forward, there is a to-do list that is executable – we just need to get on and do it now.

AC thanked DM, DB and SH for their presentation. This is moving in a good direction, and we feel more encouraged to feed into it and raise points.

### 7. YIN / MACS Update

Deferred.

### 8 AOB

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*AC concluded the meeting with thanks to all for their contribution.*

**DATE OF NEXT MEETING: Friday 13 September 2024**

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No.	Action	Owner	Status
19	<p><b>RELIEF CREWING</b> BC noted that relief crewing may be incorporated into future Ferries Plan discussions however it was recognised that it was not practical to discuss it now and the cost may be prohibitive. It could be raised during recruitment for crews for 801 and 802. C/fwd.</p>	AC	Item to remain on action list for discussion later.
2	<p><b>ROUTE PERFORMANCE DATA</b> Possibility of separating route performance data for Coll &amp; Tiree to be investigated.</p>	RD	It will be possible to do this although there may be some limitations around carrying data (can show passengers shipped but not necessarily landed). When statistics are published in the coming months, each port will be reported individually. <b>Suggest complete.</b>
3	<p><b>CMAL REPORTING &amp; EXPENDITURE TRACKING</b> KMacF asked whether it would be possible to include a timeline on planned projects. A graphic to show plan, vs slippages. KH and BF confirmed resourcing was there to do this and agreed to try new ways of presenting this information.</p>	KH/BF	<p>CMAL is now working on an interactive map of the network which details timelines of forthcoming projects.</p> <p><b>Update 08/03:</b> this is in progress. Estimate that this will be ready for the next board meeting. AC2 suggested sharing this information to allow the Board to push for funding. MMcN said that there was hope to have a meeting– 2 or 3 hours for this.</p> <p>KH agreed to come forward with some potential dates.</p>
4	<p><b>FAIR FARES ENGAGEMENT</b> CW took action to go back to TS colleagues for an update on what the engagement there would be for the public on the fair fares piece of work.</p>	CW	
5	<p><b>TIMELINE OF NEW CONTRACT WORK</b> AC asked if it would be possible to share an outline and timeline of work on the new contract.</p>	CW/TMcl	<b>Suggest complete.</b>
6	<p><b>FCB CONTACT POSTERS</b> FCB Contact posters to be created, updated, and put back up for greater visibility – ferries &amp; ports</p>	AC	
7	<p><b>SMALL VESSEL REPLACEMENT – WEBSITE INFORMATION</b> AC2 asked if information could be added to the CMAL website about the small vessel replacement plan to alleviate fears. KH said that this can be done.</p>	KH	An update will be placed on the project page shortly, expecting presentation of the funding decision in January 2024.
8	<p><b>EBOOKING FIXES &amp; AR TURAS MEETING</b> RD agreed to share a list of fixes [eBooking] with the FCB. DH agreed to prepare this detail for sharing. Meeting to be set up for Ar Turas concerns.</p>	RD/DH	<b>Ongoing.</b>

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9	<p><b>CARRYING STATISTICS</b> Carrying statistics to be provided for the network, and/or a date by which they can be provided. No data has been provided since May.</p>	RD	<p><b>Update 08/03:</b> Approval now received by Transport Scotland of CalMac's contractual performance report, including carryings data, for the period May-September. <a href="https://www.calmac.co.uk/article/7308/Annual-Carrying-Statistics">https://www.calmac.co.uk/article/7308/Annual-Carrying-Statistics</a></p>
10	<p><b>TS CHFS3 CONSULTATION</b> The output from consultation will be analysed and presented back to communities. Would TS consider putting all project milestones onto one page, with anticipated dates for consultation, feedback, publication, and an overview of the programme (even if indicative).</p>	TMcl	<p><b>Presented at TS workshop.</b></p>
11	<p><b>ACCESSIBLE VESSELS</b> AC2 asked if entryways and seats could be modified on vessels for greater accessibility. Ramps for example, or folding tables. RD agreed to investigate.</p>	CalMac	
12	<p><b>CONSULTATION RESULTS</b> LK agreed to share plan relating to community needs assessment. Communities need to know that their needs have been accurately collected – can this be published?</p>	LK	
13	<p><b>INVITATION TO RMT TO MEET THE BOARD</b> AC suggested inviting RMT representatives to meet some of the Board.</p>	AC	<p><b>Closed.</b></p>
14	<p><b>CHFS2 RECONCILIATION EXERCISE</b> CW agreed that CHFS2 has not been scrutinised or audited to the degree it should have. Before the end of the contract, it should be reconciled. CW agreed to pick up on this and take it away. A reconciliation and reflection on management of the contract, to cover resourcing levels, structure, etc.</p>	CW	
15	<p><b>FCB CONTACT DETAILS – TS WEBSITE</b> CW agreed to put information on the TS website with a link to FCB minutes.</p>	CW	<p><b>Closed.</b></p>
16	<p><b>STAFF COMMUNICATIONS</b> DM agreed to share recent video addressing staff.</p>	DM	
17	<p><b>TEMPORARILY UNBOOKABLE MESSAGING – ONLINE</b> JP offered feedback on when booking is temporarily unavailable. Messaging to say that transfers are being made and it is worth trying again later. This may prevent people from giving up entirely when unable to book. DB agreed to take this away and explore how this can be done.</p>	DB	