

Tobermory Harbour Association Annual Report November 2022

A FEW WORDS FROM THE CHAIR AND THE BOARD

In 2023 the THA will celebrate 40 years since its founding as a Harbour Association in 1983 and more recently as a Statutory Harbour Authority. The THA was founded by the community to deliver benefits beyond the harbour for our community and for other west coast ports and peoples. We invite ideas from all to help us celebrate this milestone anniversary.

The past three years have been a huge challenge, beyond Covid, for the Board and for the THA Staff. We have installed new breakwater pontoons for larger boats and to protect smaller boats. We have installed a new, dual station fuel berth. Manning this additional infrastructure has been a huge step up for THA Staff - for Rob MacDonald and our harbour team of Joe Gollodge, Bobby Gunn, and of course, Nettie Stirling.

The THA have also worked with Argyll and Bute on new railings and storm surge defences. These should be finished in 2023. Next, we will need to solve the flooding problem in the Ledaig Car Park. Beyond the day-to-day management of the company, Anne Fraser, our General Manager, and I have worked with our funders, planners, Marine Scotland, and Crown Estate Scotland to get approvals for new facilities for the community at Aros Waterfront. Our aim is to provide safe facilities for water sports from wild swimming to canoeing. Many thanks to Anne who will share the latest plans at the AGM.

This year has also seen several key staff changes. For years Mary MacGregor managed our finances. In 2022 Mary retired; thank you Mary. Heather Muckle joined our team, welcome to Heather from the US. Lyndsey Maclaren, who helped the THA found our very special Aquarium, left to run her own boat business; thank you Lynsey. Grace Lambert stepped up after Lyndsey's departure; thank you Grace and the team.

This year we need to strengthen our Board. We need a new Finance Director and new Directors prepared to visit the staff to provide a sympathetic ear and give advice from experience. Please let us know as soon as possible if you wish to join the THA Board.

Finally, we are working on a 10-year Master Plan for the Harbour, and we welcome all your ideas and input.

Brian Swinbanks & the THA Directors.

GENERAL MANAGER REPORT by Anne Fraser; THA General Manager

Overview:

The 2022 summer season has been our busiest yet and you will read more on this in the other departmental sections of this report. Heather will present figures from last financial year, where we understandably had a loss,

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however, it's safe to say we are well on the road to recovery. I am very proud of the staff for the efforts put in this year to welcome all our customers back.

Rob MacDonald & Joe Golledge were joined by Bobby Gunn this year, for our first fully operational season in three years. With a full cruise ship calendar and the addition of fuel sales, the team were kept on their toes throughout the summer. We are happy to announce that Bobby will stay on under a 2-year apprenticeship with a full programme of training for him in the works.

The commercial sector continues to grow throughout the winter period and with all year-round fuel sales, we will need the three-person marine team to manage year-round activity, maintenance program and keep up with our safety management obligations.

This investment in all year-round staff is a direct result of over £1million of investment from our Phase 6 projects. Despite Covid, we continued to work hard to deliver infrastructure projects which we are now seeing the benefit of. The North Arm, south pontoon extension, new heavy-duty east hammerhead, and commercial fuel berth are all fully operational giving us additional berthing for larger vessels, delivering a quality service to fuel customers, and providing protection from northerly and south easterly winds.

Thank you to our funders HIE, Marine Scotland, and EMFF/FLAG in helping us to achieve these goals. As always, thank you to Jim Traynor for his continued support and assistance at key times.

Staffing:

Sadly, we said goodbye to two of our longest serving members of staff this year. Mary MacGregor & Lyndsey Maclaren have both played such key roles for so long it was hard to imagine the THA/Aquarium without them. Lyndsey is now running Tobermory Bay Boat tours, and if you're very lucky you will get to see Mary helping her out on occasion. So, both haven't gone very far and they may no longer be on payroll, but they will always be part of the THA legacy.

It was a baptism of fire for Heather Muckle, who only joined us in October of last year but had to quickly hit the ground running at last year's AGM. Heather has done a fantastic job, streamlining procedures, improving communications, and taking on Mary's finance and administrative tasks. We also brought in Jim Keenan to look after the gardening tasks which Mary cared for so well. Jim has done a fantastic job and I can't wait to see the bulbs and flowers in the spring.

Before Lyndsey left, she and Grace Lambert remodeled the aquarium ahead of opening this year. With Lyndsey's departure, Grace then stepped up as Aquarium manager with her team of Louise King, Michael McKenna, Helen MacCallum, and young volunteer Kathryn Dugdale. They had a fantastic season, and it was lovely to see people back in the building enjoying the amazing interactions, not only with the animals, but with our talented and enthusiastic staff. Michael will stay on part-time over the winter months to help Grace with maintenance, delivering on funding goals, and to provide continuity going into next summer season.

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Customer Service Changes:

This year we trialed a reception desk in the foyer to give our marine customers a better service and to help alleviate pressure on the aquarium. Our wonderful cleaning contactor Nettie Stirling stepped in and helped man the desk two days per week and provided additional cover on cruise ship days. This trial proved successful, and we hope to make the desk a permanent fixture.

Since Explore Mull closed in 2019, we have missed having a tourist information point in Tobermory. We have tried to get VisitScotland to reintroduce a physical presence in Tobermory but sadly they say they don't have the resources. Therefore, we feel that we have no choice but to step up and offer this service on behalf of the local businesses. We get 100's of tourism questions daily in the summer and we also know that around 30% of cruise ship passengers do not book excursions ahead of time. This is an important requirement for Tobermory, and we will be looking for ideas from you on how it should be run.

It is estimated that cruise ship passenger spends £43 on average per visit to Tobermory. With over 12,000 cruise passengers this year, that is over £500k spend to our local businesses. We need to do more as a community to ensure that tourists have access to the right information and receive a warm welcome. If you would like to volunteer to provide additional support on the desk or on cruise days, please get in touch.

Aros Waterfront Project:

The Aros Waterfront project is steaming ahead. The boathouse redevelopment has been granted planning permission and our architect is currently working on a building warrant submission. We were successful in our first stage funding application to the Scottish government's Regeneration Capital Growth fund, and I have submitted a stage 2 application for over £400k. Thanks to Argyll and Bute council for supporting our application and putting it forward to Scottish government for consideration. We hope to hear if it's been successful in January. If it is successful, then we hope to go out to tender in the new financial year.

The pier and quayside restoration had a few delays at planning stage, but it was finally validated in October, and we hope to have a decision in December. We also have Marine Scotland licence and Crown Estate permissions pending. Grant funding is mostly there, so once permissions are approved, we hope to go out to tender. We still hope to be able to deliver this part of the project in the coming months, but it all depends on permissions being granting in time and having a suitable contractor available. I will put more updates out once there is some positive movement, but we are hopeful the whole stage 1 project can be delivered by Mar 2024. Please see <https://tobermoryharbour.co.uk/aros-waterfront-development/> for more details.

Looking Ahead:

Finally, 2023 is an important year for the THA - it is the 40th anniversary of when the first committee was formed and 20 years since the company was incorporated. What will the THA look like in the next 20 years? We need your input to help form a new business plan for the company and a wider plan for the harbour.

Please come along on Friday, the 25th to help give us your feedback on what we are doing well, what can we be doing better, and what should be included in our strategy going forward. The THA is a community company, so we need your ideas and feedback to take the company into its next stage of development.

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I look forward to seeing you all at the AGM, if you have any question for me before then or after please get in touch: Anne.Fraser@tobermoryharbour.co.uk

Anne Fraser; General Manager

FINANCE REPORT by Heather Muckle; Senior Business Analyst

The THA continues to use the services of RA Clement Associates in the preparation and filing of the annual accounts. For the 2021/22 financial year, all accounts and budgets were managed by Mary Macgregor. Heather Muckle is now in place managing accounts, budgets, financial forecasts, and other financial tasks for the 2022/23 financial year. As the THA is seeking a new [Executive] Finance Director, these tasks are currently overseen by the Board of Directors and Anne Fraser, General Manager.

As was seen in 2020/21, the financial accounts for the year 2021/22 continued to be impacted by Covid 19. We still had not returned to full trading turnover due to lingering travel restrictions, costs remained high, and most significantly, we did not receive the same levels of Covid relief funding/assistance that we did in 2019/20 (which was over £100K). Additionally, we have a very aggressive rate of depreciation on our Phase 6.2 machinery. These circumstances resulted in a £35,884 loss on the year. This deficit occurred with every effort by the Board and staff to bring in as much trade as was permitted within Covid guidelines while, at the same time, returning to normal staffing levels, completing a critical refurbishment of the Aquarium, and making every effort to keep all other costs to a bare minimum.

Income (Turnover)	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 (to Nov 2022)
Marine Trading	£214,693	£85,116	£199,157	£260,114
Taigh Solais rental/other	£21,616	£20,684	£20,647	£19,907
Taigh Solais Facilities	£32,425	£9,217	£18,701	£23,099
Mull Aquarium	£75,000	£0	£29,412	£91,711
Totals:	£343,734	£115,017	£267,917	£394,831*
Expenses (excl. Payroll)				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 (to Nov 2022)
Marine inspection/repair	£66,006	£49,760	£39,390	£28,011
Cleaning and Janitorial	£14,265	£10,519	£13,537	£10,616
Taigh Solais Facilities	£15,333	£19,381	£12,832	£17,141
Insurance	£17,944	£15,572	£21,908	£23,799
Totals:	£113,548	£95,232	£87,667	£79,567*

**Numbers do not include fuel sales turnover/expenses. Final fuel sales numbers are currently being calculated.*

The table above provides a snapshot of some of our significant income and expenditure lines while also showing the variability in income over the last several years pre and post Covid. Costs continue to rise but as the 2022/23 numbers show, our income is in a healthy position compared to the last few years.

While we are in a year that has shown tremendous recovery, there are many costs that we are tracking and will need to stay on top of moving forward. The THA is locked into fixed rates with our utility providers until

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December 2023, but we will begin the process of renegotiating our rates towards the end of this financial year. The increase in energy and utility rates has the potential to hugely impact the THA. As such, we have slightly increased rental rates for the first time this year since 2019 and will be evaluating berthing and mooring fees ahead of the 2023 season. Our aim is to continue to provide a high level of service to our tenants and visiting vessels while remaining competitive and covering costs.

Despite significant delays with delivery, the new laundry equipment was installed at the end of May and brought in additional income that was missing last year. There are still several capital costs, primarily in Taigh Solais, that will need to be addressed this winter including refurbishment of the showers, replacing the change machine in the lobby, fixing, or possibly removing the turnstile, and completing a general refurbishment of the lobby area if we intend to utilize it as more of a tourist information point.

The THA has committed to covering some costs related to the Aros Waterfront project. These numbers are currently being finalized as we wait on funding confirmation. With the increase in trade this year, we expect to be able to cover these costs with cash in the bank.

Finally, on a positive note, over the 2022 season, the THA saw a return to trading that has exceeded, in almost every instance, pre-Covid levels of trading. The Harbour saw visitor vessel numbers and visiting cruise ships exceed pre-Covid levels while the fuel berth proved to be very popular with both commercial and leisure customers during its first full season of trading.

We expect the 2022/23 fiscal year to show the highest levels of trading in the THA's history.

Heather Muckle; Snr. Business Analyst

[HARBOUR REPORT by Rob MacDonald; Harbour Manager](#)

Annual Recap:

2022 has been a successful year, despite the weather, or perhaps due to the weather. The season started off well with us reaching our July/August daily numbers by early June. It has been a full-on year, with greater numbers of visiting yachts, cruise ships and commercial vessels so I'd like to start by offering huge thanks to my Marine Team, Joe Gollidge, Bobby Gunn, and Nettie Stirling for their valuable input this year. I am very grateful for all the work they have put into to ensuring this year has been the success that it has. I would also like to add a massive thanks to Jim Traynor who has assisted with Cruise Ship Days, West Highland Week, movement of boats, and with general advice.

I feel we have a good team ahead of next year and am hopeful we will be able to further improve on the service we deliver to our customers. Our general focus is still on improving customer service for locals, community and visiting vessels - both leisure and commercial. As our marine team grows, we will hopefully be able to build on this.

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We have this year, after trying different methods, put down non-slip strips on the pontoon surface. Bobby has worked tirelessly preparing the strips and installing them on the wooden pontoon sections.

Last year we installed the new fuel berth. This installation was geared towards commercial vessels, but this year, we have found ourselves fueling many leisure vessels as well. We have implemented a service where we can refuel, deal with declarations, and take payment all on the pontoon as the fuel is dispensed at 40-50 litres per minute, or over 90 litres per minute on the high flow. We have had ongoing teething troubles with the new system, but we continue to work through them.

This year has been an excellent year for cruise ships. We are now seeing more and more expedition type cruise ships which while boasting lower passenger numbers, bring a larger financial gain into the community which is far better for the town and infrastructure of the island. It is essential that we support the cruise industry. The numbers were good this year; far better than we could have expected following Covid. Earlier in the season we did have several cancellations, however those cancellations were nearly offset by several last-minute bookings. We already have 40 ships booked for the 2023 season which is excellent news for the THA and the cruising industry.

2022 Boat Numbers:	
Cruise Ships	35
Commercial Vessels (Sept 2021 – Sept 2022)	2727 (includes moorings)
Pontoon (Jan – Oct 2022)	6492
Moorings (Jan – Oct 2022)	2653 (includes local use of visitor moorings)
Total:	11,872 nights

Safety Report:

Accidents Incidents and Near Misses; 1st November 21 – 1st November 2022	
Accidents • An event that results in injury or ill health	0
Dangerous Occurrences • One of a number or specific, reportable, adverse events, as defined in the RIDDOR act 2013	0
Near Misses • An event not causing harm, but has the potential to cause injury or ill health	3
Undesired Circumstance • A set of conditions or circumstances that have the potential to cause injury or ill health	3
Other Near Miss • Event resulting in damage to property, with no risk of harm to persons involved	3

Safety Plan:

Last year we identified five key Targets on our safety plan. While we are still working towards these 5 items, the additional staff and how they relate to the running of the harbour in the peak season next year, will ensure that

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Rob can focus more on policies, procedures, audits, safety, and security plans. We are going to keep these five items as a priority and have added one additional item to the list. Our targets are as follows:

1. **Increasing staffing levels in the summer months** with the aim to of freeing up time for going through policies and procedures. This is on-going. Since we identified this target, we have employed Bobby in his apprenticeship role. We will also take on one more full-time employee next summer.
2. **Continue to learn from near misses, accidents, incidents, and dangerous occurrences.** Every one of the above that we encounter are documented and suggestions / recommendations made.
3. Go through any **points raised by our DP, Ron Bailey.** We consult with Ron on a regular basis, and we are working towards points raised from the last Audit.
4. **Simplify the MSMS (Marine Safety Management System).** This is an on-going project and we have put a deadline of mid- January in place for this. We are aiming to simplify this document and bring it in line with the MCA Audit sheet which will make it simpler and easier for persons doing an audit to follow it. This is what we call a living document, and it will continue to change and evolve.
5. **Increase weekly and monthly staff training and exercises.** This is in process and Rob is currently pulling together materials for training, exercises, and staff discussions.
6. **Increased Marine Team Meetings.** We will aim to have brief once-weekly marine team meetings, especially now we have increased staff. These meetings may include basic training and running through some of our EMOP, Emergency Marine Operating Procedures.

Rob MacDonald; Harbour Manager

[AQUARIUM REPORT by Grace Lambert; Mull Aquarium Manager](#)

Operational Overview:

- Operated a full season in 2022, April to October.
- Still using an online booking system and limiting numbers in the aquarium as fall out from Covid.
- Changing the layout of the aquarium and offering the Touch Pool demonstration as soon as visitors arrive has meant that every person through our doors has received a high level of customer engagement from the Aquarium team.
- During the shoulder seasons we had slots for touch pools every half an hour (12/day) and during school holidays we did them every 20 mins (19/day).
- We have had 12,411 visitors through our doors, as well as 69 season passes and 380 cruise passengers.
- This year we operated with two part time members of staff, one full time member of staff, and one staff member on a casual hours contract. This has allowed us to adjust our staffing levels depending on whether it is the school holidays and is definitely something we would consider continuing in the future. It's the ideal role for a young person still at school, or a school leaver.

Highlights:

- The new aquarium layout has enabled us to provide bespoke sessions for every group as part of their visit, which has enhanced our visitor experience. It looks more modern, and the zones give the illusion there is more in the aquarium and that the space is bigger than it is.

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- This year has been our most profitable year since we opened, and we have done this with only being open to the public 5 days a week.
- We have had a fantastic young volunteer this year, giving over 130 hours of her time.
- Release day was, as always, a fantastic community event, with 108 people joining us on the boats (Staffa Tours and Tobermory Bay Tours), and others joining for shore release. This year we were joined by the Foodie Shack serving pizza and had cakes donated by The Gallery Restaurant.
- As Lyndsey stepped away from the aquarium to pursue her own business venture (Tobermory Bay Tours) this has both been a great loss to the team and a great opportunity for Grace to challenge herself in the manager role.

Schools:

- For the second year running we have offered every school child on the island a free visit through school visits and toddler visits. This has been made possible by the Co-op local community fund who awarded the Aquarium £3036.73.

Looking Ahead:

The Aquarium refit completed over winter 21/22 will allow us to easily remain in the current aquarium space for the next five years. We are currently looking to the future and looking at the next steps of moving the aquarium into a custom-built building. Whether that's on land, stilts, or floating has yet to be decided but there are exciting times ahead!

Grace Lambert; Aquarium Manager

CONCLUSION

The THA has had a fantastic year so far and we look forward to planning for an even better year in 2023!

We hope you will join us at our AGM on Friday, 25th November at 7:00pm in Aros Hall to share your ideas and feedback and help us plan for our future.

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