

MINUTE OF MEETING OF THE SPEY DISTRICT FISHERY BOARD IN OPEN SESSION held at the Craigellachie Hotel, Craigellachie commencing at 9.30 a. m. on Friday 24th November, 2017

Present:-

Chairman	Brian Doran	Craigellachie Fishings
Proprietors	Peter Graham Angus Gordon Lennox William Mountain Toby Metcalfe Peter Millar Oliver Russell Dr CMH Wills Alan Williams	Roths & Aikenway and Laggan Brae Water Trust Delfur Fishings Crown Estate Orton Ballindalloch Knockando Carron Fishings
Co-Optees	Craig Mackay Grant Mortimer	River Spey Anglers Association Strathspey Angling Improvement Association
In Attendance	Roger Knight Brian Shaw Graeme Henderson Jennifer Heatley William Cowie Duncan Mackison	Director Biologist SEPA SNH Clerk GFG Alliance

Public Attendees

1. INTRODUCTIONS AND APOLOGIES

No apologies had been received and the Chairman introduced Duncan Mackison from GFG (Gupta Family Group) Alliance who was to address the meeting particularly regarding Spey Dam.

2. MINUTE OF PREVIOUS MEETING ON 18th AUGUST 2017

There were no comments as to accuracy and the Minute was proposed by Dr CMH Wills and seconded by William Mountain.

3. MATTERS ARISING FROM PREVIOUS MINUTE

Brian Shaw gave an update on Pacific salmon. Two incubators were being monitored and the trial would come to an end the following week. One of the incubators had been left undisturbed and until this was opened, he wished to reserve his position on the outcome of the trial.

Alan Williams enquired as to the outcome of the meeting Alan Wells was to have attended in September with international experts. In response, Brian Shaw indicated that little new had been learnt from this.

Alan Williams also enquired who within SEPA was looking after Spey interests with regard to Scottish & Southern Energy's water diversions. Brian Shaw responded that it was now Richard Fyfe.

4. PRESENTATION BY DUNCAN MACKINSON

The Chairman then invited Duncan Mackison the "*Chief Executive/Appointed Land Agent*" from the Gupta Family Group "GFG", to appraise the Board of his role and the intentions and position of the Gupta family in respect of their acquisition of Rio Tinto Alcan's former assets.

Duncan Mackison thanked the Chairman for the introduction and advised the Gupta family purchase was driven by the wish to expand power generation. There were a number of potential projects on the Estate which extended to approximately 115,000 acres which the Gupta family would be actively looking at.

Harrisons GSK were brought in to put a plan together to develop the Estate and Duncan Mackison was part of that plan. The intention and idea would be to transform the local economy around Fort William, including a plan to produce a wheel manufacturing facility. An application for planning in principle had now been submitted for the facility, which had received positive feedback.

An important part of the GFG's management of the Estate would involve interaction with the Public Sector and they were involved with a number of organisations in pre-planning consultations for a potential windfarm.

In terms of finance, the wheel factory would represent an investment of approximately £140million and the potential windfarm would extend to approximately 40 turbines in an advantageous site relatively accessible to the Beaully-Denny pylon line. Whilst it was recognised that the application for the windfarm was sensitive, there had generally been a favourable response. The intention of the family would be to create high quality jobs in the area and there would be linkage with other Gupta owned properties such as the Dalziel steel mill in Glasgow, which could potentially be used to produce steel for the turbines.

As far as the Estate Management itself was concerned, they had been forming focus groups to look at the various options to maximise the potential for the Estate, recognising that other than the Hydro plant there had been little consideration given to the Estate in the past and it had become neglected. Duncan's remit was to increase the use of the Estate, to expand its potential as a sporting estate and to develop other opportunities.

Personally, his role was split into two: one as Chief Executive of Jahama Highland Estates; and secondary to that, he was tasked with acting as an interface with Scottish Government, particularly in connection with the wheel factory, the windfarm and necessary worker's accommodation.

Turning specifically to the Spey Dam issue, which was of specific interest to the Board.

Duncan Mackison confirmed that hydro was a critical part of producing power for the projects they intended and formed a useful balance with power generation from wind as it would cover when wind was not possible. It was recognised that the power generation infrastructure was old and there were questions whether there would be a need for an entire overhaul or repair. This was being looked at carefully and the Spey Dam would form part of that study.

He confirmed that the GFG were happy to play its part and were hoping that, with his involvement, there was a demonstration of an intention to seek a solution, although he did caution this would require to be science led. There would be negotiations to follow, but the GFG would approach matters in the right spirit all the way through. It should be recognised, however, that GFG were highly acquisitive and any focus on particular issues such as the Spey Dam would require to be viewed against the broader funding picture. Their intention, however, would be to consider scientific advice carefully and then agree an Agenda for discussions with the Board.

The Chairman thanked Duncan Mackison for his presentation and invited questions:-

- 4.1 The Chairman himself asked Duncan Mackison to confirm that he fully understood the Water Framework Directive and the resultant classification of the Spey Dam from SEPA as impassable? For his part, Duncan Mackison confirmed he relied on advice from advisors, but was fully aware that SEPA had classified the dam as impassable, although he was not able to state he was fully conversant with the legislation behind it.
- 4.2 Angus Gordon Lennox enquired whether there was likelihood to need more water from the dam and in response, this was not likely.
- 4.3 Peter Graham was disappointed that GFG were not yet ready to acknowledge the SEPA requirements to resolve the categorisation of the dam and felt strongly that SEPA must take enforcement action now. For his part, Graeme Henderson from SEPA indicated that meetings had now been scheduled with GFG, at which the requirements of SEPA would be set out in detail, but Peter Graham still felt that action was required now rather than further meetings.

4.4 Alan Williams advised that in his understanding, the power from the Spey Dam represented less than 10% of what was required in Fort William and the Envirocentre Report had shown that natural flow to Aviemore in certain conditions had reduced by up to 50%. It was clear that the ecology below the dam was in danger and there were illegal barriers such as the Markie Heck. All of this must be fully recognised by GFG and SEPA.

4.5 Peter Graham enquired whether GFG were aware of the SEPA classification as part of their due diligence exercise prior to purchase of the Estate and Mr Mackison confirmed they were aware.

In answer to a query from Toby Metcalfe about whether a budget provision had been made, it was noted that enforcement action may not be taken until 2027 and this informed the decision on budget provision.

This differed from Alan Williams understanding from Anne Anderson that enforcement action would be taken immediately. William Mountain concurred that there was a need for a strict timetable for action required now. Duncan Mackison indicated that they would produce a timetable after meeting with SEPA.

4.6 Members of the Board again reiterated that it was for the regulator i.e. SEPA to produce a timetable and this was agreed.

The Chairman requested that Duncan Mackison take the message back to his Board that the Fishery Board were deadly serious about regulation and that they must understand fully the regulatory issue. The Board themselves would pursue the regulatory watchdog aggressively as they had statutory responsibility to undertake such action as they deemed expedient for the protection of salmon. Time for discussion was up as far as the Board was concerned and action must now be taken.

4.7 Craig Mackay indicated from a local angler's perspective, there was considerable concern that action had not been taken to date and there was a feeling that the Board had not regarded it as a high enough priority. He was personally clear that this was not the case, but the message that the Board would pursue the matter aggressively must be made clear to GFG.

4.8 Toby Metcalfe expressed concern that compliance with the SEPA notice would be timetabled with regard to funding requirements, as previously alluded-to by Duncan, and would not be given the priority necessary. He again stressed that Duncan Mackison must take the message that for this Board, compliance with the SEPA notice was an absolute priority.

4.9 Angus Gordon Lennox enquired what position they were at with the wheel plant and how long that would take and in response, it was indicated that this was likely to be completed by the end of 2019 and to be in operation

in early 2020. Duncan Mackison confirmed that this was a serious project that they wished to pursue.

- 4.10 Angus Gordon Lennox expressed the concern that the Scottish Government would support job creation measures, but would not support enforcement action and the Chairman stated that the enforcement action needed to be part of the process under discussion and part of the solution.
- 4.11 Peter Millar was concerned that the wheel factory had clearly taken priority and was at an advanced stage, but the regulatory issue of the Spey Dam had not been afforded the same resource and attention.
- 4.12 Peter Graham stressed the need to watch the political element of support and so a media campaign must be put in train and the Board must take a very hard line with SEPA and government on regulatory issues.
- 4.13 Craig Mackay suggested that use could be made of the Angling Association to escalate matters, but Brian Doran felt that matters were best directed through the Board with support from the Anglers Association, so that a case of “divide and rule” could not emerge.
- 4.14 Toby Metcalfe would support and encourage Angling Associations to become involved as there was a greater chance of Scottish Government addressing matters if Angling Associations were involved in addition to the Board.
- 4.15 Dr Catherine Wills stressed the need to focus on the economic downside on the Spey if action was not taken at Spey Dam.
- 4.16 Alan Williams suggested a letter be sent now from the Board highlighting the precise issues and that this be sent to the regulator and to Government. Angus Gordon Lennox agreed and recommended a Sub-Committee be formed to put this together. There was a need to clarify from SEPA the correct timetable as well.
- 4.17 The Director did not think another letter would have any effect, but was of the view that a media campaign would. William Mountain felt that the key was coordinating a media campaign properly and suggested Craig Mackay should lead it.
- 4.18 In response to enquiry, Brian Shaw felt that a media campaign should focus on the cost benefit situation and that at the same time the Board should continue to work proactively with GFG. William Mountain acknowledged this, but said that there was now a need for clear and distinct deadlines to ensure that action was taken.

- 4.19 Craig Mackay confirmed that he would be happy to lead a Sub-Committee which would be supported by the Board, but lead by the Angling Associations.
- 4.20 In summary, the Chairman confirmed that Craig and Roger would meet and report back on a strategy at the February meeting.

5. DIRECTOR'S REPORT

The Director's report was as annexed to the Minute, but subject to the following additional points using the numbering therein:-

4.4 Fisheries Management Scotland

It was noted that the proposal for weighted voting was to be considered in the New Year and the Chairman would like a direction from the Board on their position. He reminded the Board Members that without the big rivers, Fisheries Management Scotland could not function and there could be a situation in the future where the Board was not represented. It was felt that if matters were not resolved now, then the Board may be accused of complacency and he therefore sought direction from the Board to support a weighted vote position.

Angus Gordon Lennox reminded Board Members of the ultimate option that the Board had of withdrawing from FMS altogether and, after debate, the Board confirmed they would support the stance on voting and representation proposed by the Director in his report. This would allow the Chairman to lobby for permanent representation on the Board and, in the absence of a permanent position, then weighted voting would be required.

7 Ranunculus

After discussion it was agreed to proceed with the press release rather than to re-engage with the Ranunculus Working Group.

8 Beaver introduction

It was made clear that the Board would be staunchly opposed to this and a report would be given by the Director at the February meeting.

9 Spey Catchment Initiative

A new Project Officer appointment had been made.

The Director then invited questions on the report and it was noted that Angus Gordon Lennox requested a Pacific salmon update in the following year.

6. BIOLOGIST REPORT

The Biologist, after presenting the current position on Pacific salmon to the Board, invited questions. In response:-

Q William Mountain enquired how many fin-clipped fish had been caught last season?

A In response, Brian Shaw indicated there were only a very few maybe 3 or 4. William requested further information on this.

Alan Williams was of the view that too many fish were being stripped in the hatchery and this was noted.

Q Angus Gordon Lennox enquired whether removal of hogweed and balsam was the best use of funds?

A In response, Brian Shaw indicated that they had to set realistic targets for control, with a mix of realistic strategic control and eradication.

Q Craig Mackay asked whether it was a surprise that the percentage of smolts dying on the way to the sea was 60%?

A Brian Shaw indicated that this was only of those reported. It was not a definite figure and the results were variable, so may not be reliable. There was a request made for the circulation of Dr Newton's paper, which was agreed.

Q Toby Metcalfe asked Brian Shaw how close the Spey had come to the category 2 threshold?

A In response, Brian Shaw advised that if the model remained unchanged, then we were very close, but there may be a change to egg deposition calculations which would act in our favour.

Q Toby Metcalfe also enquired how Marine Scotland were prioritising matters with regard to categorisation?

A In response, the Biologist confirmed that their priority was to look at matters on a stock basis.

Q Toby Metcalfe asked whether the Biologist was happy with the direction of travel with Marine Scotland and whether they were getting the categorisation correct?

A The Biologist felt matters were moving forward in a better direction and David Summers was certainly helping.

Q Alan Williams enquired whether the Salmon Liaison Group were part of the revision process and was the Biologist comfortable endorsing their methodology?

A In response, the Biologist confirmed that they were a part of the process, but he was not necessarily endorsing their methodology. There were robust discussions that were taking place which would be confirmed in the relevant Minutes.

Finally, Peter Graham commended Kyle Young's report to everyone, which he felt was a very useful summary and he requested Brain Shaw produce a synopsis.

7 AOCB

There were none

8 DATES FOR 2018 MEETINGS

Friday 9th February 9.30 a.m. AGM 2 p.m.

Friday 18th May, 9.30 a.m.

Friday 17th August, 9.30 a.m.

Friday 23rd November 9.30 a.m.

The meeting then closed.