



# Marine Management Organisation

## Board Meeting Minutes: 14 April 2016

Held at: MMO, Lancaster House, Newcastle Business Park, Newcastle upon Tyne NE4 4YH

### Board

Sir Bill Callaghan (BC) – Chair

Rob James (RJ) – Board member

Derek Langslow (DL) – Board member (item 3 of closed session and item 8 onwards)

Nigel Reader (NR) – Board member (attended by telephone for items 1-7)

Jayne Scott (JS) – Board member (item 2 of closed session and item 8 onwards of open session)

Robin Teverson (RT) – Board member

Andrew Wells (AW) – Board member

### In Attendance

John Tuckett (JT) – Chief Executive Officer

Steve Brooker (SB) – Chief Planning Officer

Phil Haslam (PH) – Director of Operations

Craig McGarvey (CM) – Director of Business Development and Transformation

Stuart Rogers, (SR) – Chief Scientific Advisor

Michelle Willis (MW) – Director of Finance, EU and Licensing

Gary Saunders (GS) – interim Head of HR (item 10 only)

Claire Scutt (CS) – PA to Chair and CEO, Secretariat

Jane Donaldson – PA to Directors, Secretariat

### Staff Observer

Adam Chumbley, Marine Licensing

## 1. Welcome and introductory remarks: Sir Bill Callaghan

1.1 Bill Callaghan (BC) welcomed attendees to the meeting and introduced Professor Stuart Rogers who would be providing Chief Scientific Advisor support to the organisation and Adam Chumbley who was observing the meeting.

## 2. Declaration of Interests

2.1 The standing declaration from Nigel Reader (NR), regarding his interests in Natural England (NE), Natural Resources Wales (NRW), the Joint Nature Conservation Committee (JNCC) and as an ex-officio member of the Defra ARC were noted. Robert James (RJ) advised that he worked for Associated British Ports (ABP) in relation to Ipswich. Stuart Rogers (SR) declared an interest as the Defra-nominated Governor of the UK Marine Biological Association and also in his substantive role as the Chief Scientific Advisor of Cefas.

### 3. Minutes of the 26 February Board meeting and actions update

3.1 BC invited attendees to raise any points of accuracy in respect of the 26 February 2016 meeting. The minutes were confirmed as an accurate record of discussions.

*Action: 38/01:*

**The Senior Management Team to produce a manpower plan for future discussion with the Board.**

3.2 This action was recorded as on-going.

*Action: 47/02:*

**Leadership Development proposals to be taken forward with support from the Remuneration Committee.**

3.3 Jayne Scott (JS) to update the Board on matters arising from the Remuneration Committee later in the meeting.

*Action: 47/04*

**Approval for "go-live" implementation**

3.4 The Board agreed at the 26 February 2016 Board meeting to delegate to the Chair, CEO and Chair of ARAC the responsibility for giving approval for MMO to be included in Defra's SOP "go-live". This agreement would be subject to securing appropriate assurance.

### 4. Matters Arising from 9 March 2016 Audit and Risk Assurance Committee

4.1 BC invited Nigel Reader (NR) to present an update of key points arising from the 9 March 2016 Audit and Risk Assurance Committee (ARAC) meeting.

4.2 NR reported that management were performing well in following up and tracking audit recommendations and provided further details of the ARAC discussion arising from audits into Customer Satisfaction, which had received a 'moderate' assurance rating and Licensing Decision Making, which had received a 'substantial' assurance rating. It was noted that concerns regarding the delivery profile for the 2015/16 audit programme had been discussed and additionally that the ARAC were happy with the draft audit programme for 2016/17.

4.3 NR advised that Steve Killeen (SK), the Senior Responsible Officer (SRO), for Corporate Services Transformation had attended the meeting and given a helpful update, during which the CEO as well as Michelle Willis (MW) and Craig McGarvey (CMc) were able to provide additional insight in relation to their practical engagement with the Programme. Following discussions, SK undertook to follow up on the provision of a robust business case detailing the assumptions relating to the MMO for the CEO and Board as well as formal communication with the CEO and Board prior to any Transformation decisions affecting the MMO and its staff.

4.4 NR gave an update on the ARAC's discussion into Corporate and Strategic Risks highlighting comments that the green mitigation action status may be in conflict with the Risk status and that an added risk of Board and Chair changes in 2017 should be added to the register.

4.5 NR reported that the interim account work was on track and commended MW on the analytical review which was described as an "exemplar" across the Defra group.

4.6 Robin Teverson (RT) commented further on the Customer Satisfaction audit raising his concerns that the main MMO Customer Survey did not appear to be robust or valid. JT updated that the most recent survey may have been subject to sabotage from certain parties which would potentially destroy the validity.

4.7 BC thanked NR for the update which was noted.

Items 5, 6 and 7 were discussed in closed session.

## 8. Update from 18 March 2016 Remuneration Committee Workshop

8.1 Jayne Scott (JS) gave an update on the 18 March 2016 informal Workshop advising that the discussion had centred around people issues and shaping a clear vision and structure for the organisation to enable a new HR Strategy to be developed. JS advised that the Board Workshop in June 2016 would be an important starting point for this piece of work. Andrew Wells reiterated that it had been a positive meeting.

8.2 JS stated that notes of the discussions at the Remuneration Committee Workshop would be circulated to Board Members.

**Action: 48/01 - Notes from the 18 March Remuneration Committee Workshop to be circulated to all Board Members**

## 9. Operations Directorate Development

9.1 Phil Haslam (PH) presented an update on progress and development within the Operations Directorate highlighting that the function was now 96% populated; long-term gaps in leadership and management had been filled and there had been twenty-one appointments since September 2015. PH confirmed that the recruitment drive had contributed to greater morale and confidence recent leadership training had resulted in greater clarity of purpose.

9.2 PH shared with the Board the new construct of the Directorate, which resulted in a net saving of one G6 member from the current structure, advising that the new construct ensured there was a mechanism in place for ensuring the top level of staff are fully deployable. PH pointed out some key changes to the Board, with Marine Conservation coming under Fisheries and Environmental management as a more comfortable fit and Control Information and Statistics having its own function.

9.3 The Board were updated on some of the major initiatives which had taken place over the last six months with the Brixham campaign being singled out for special mention. PH advised that this operation had stabilised prices and confirmed that a 'surge' initiative of deploying a number of offices in one location would be used as a model in other areas in the future. PH also updated on IFCA and Maritime Security collaboration as well as a recent campaign launch to target the illegal sale of fish.

9.4 PH presented his thoughts on the opportunities and risks which the organisation were facing and drew the Board's attention to an improved agreement with the Royal Navy and a move away from the 'parent-child' relationship with some sectors to that of a partnership relationship.

9.5 RT raised the issue of mis-reporting and the Board discussed the merits of issuing rebuttals. BC pointed out a noticeable development in the MMO's relationship with some areas of the press which had been due to targeted engagement from the Communications Team.

## 10. People Survey – key findings

10.1 Gary Saunders (GS) introduced a paper to notify the Board of the key findings from the 2015 MMO People Survey. GS began his presentation by announcing the MMO had received Investors in People (IiP) accreditation at Bronze standard.

10.2 GS ran through the qualitative findings and staff responses relating to particular areas, acknowledging that there were some areas that were either beyond the leadership team's control, or they had limited control over, an example of this being pay and job security. GS advised that

other areas identified were being addressed by both the Leadership Team and the Top Place to Work Forum (TPTWF), an internal staff group recently set up. The TPTWF, with support from GS, were looking at issues such as office environment and equipment, equality, engagement and integration.

10.3 In relation to the quantitative findings, GS reported that staff had responded that they were generally more positive than in the previous year about the work they do, their team and resource and workload. The responses had been less favourable in relation to leadership and change, pay and benefits and there were reports of staff experiencing bullying, harassment and discrimination.

10.4 GS advised that in response to the quantitative findings, he would be exploring rewards and benefits as part of this year's Pay Remit. In addition, a leadership development programme was being developed to ensure that all leaders had the opportunity to develop requisite skills. GS reported that the MMO had committed to offering all staff five days of development across the reporting year and further work would be undertaken on talent identification and succession planning.

10.5 The Board discussed the constraints of the pay remit, particularly in relation to pay advancement and salary in areas of the country where the cost of living was particularly high and agreed that allowances would be explored further as part of future Remuneration Committee discussions.

10.6 GS provided the Board with information regarding further investigation into comments regarding bullying and harassment and advised that an independent company had been commissioned to look into this; a report on any findings was expected to come back to the July Board.

10.7 GS also took the opportunity to update the Board in relation to new government targets regarding apprentices.

10.8 Rob James (RJ) asked for an update on staff turnover and attrition rates. GS reported that the current figure was at approximately 16% and there was a lower differential between coast and HQ.

10.9 BC thanked GS for the update and offered congratulations on the IIP award. BC noted the fact that the bullying, harassment and discrimination report would be on the agenda for the July 2016 Board meeting and that a full Staff Survey would take place in November or December 2016.

## **11. Developing UK Maritime Security**

11.1 PH provided a presentation to inform the Board of developments in UK Maritime Security beginning by highlighting the drivers for change and giving details of the Maritime Integration Project (MIP). The drivers included protecting the UK's resources and population and the overseas territories from illegal and dangerous activity, including serious organised crime and terrorism, with the principles guiding this work being integration and collaboration.

11.2 PH updated the Board with details of the National Maritime Assets Co-Ordination (NMAC) trial which involved: MMO, IFCAs, Royal Navy, Maritime and Coastguard Agency, UK Border Force and the National Crime Agency.

11.3 Details of the five workstream missions of the MIP were provided: Intelligence; Enablers; Command and Control (Governance); Infrastructure and Logistics; and Control Strategy, with PH leading on the Infrastructure and Logistics workstream. PH advised that the costs benefits analysis were due the following week.

11.4 PH described to the Board the objectives of the MIP and the design principles and the next step was to turn the trial into an operational basis.

11.5 BC thanked PH for the update.

## **12. Royal Navy Contract**

12.1 MW updated the Board that the Royal Navy contract had ended on 31 March 2016 and from 1 April 2016 a new contract had come into force. Under the Scheme of Delegation, MW advised that the Board are required to formally delegate approval for the CEO to sign the contract.

12.2 The Board discussed the contract and potential pressures faced by the Royal Navy. PH confirmed that he was happy with the terms that had been negotiated. The Board agreed that more innovative solutions may need to be explored in the future.

12.3 The Board confirmed their approval to delegate the signing of the contract to the CEO which had been sought out of committee due to timescales.

## **13. CEO and Director Report, including Finance Report to February 2016**

13.1 JT introduced the CEO and Directors report, inviting the Board to note key updates and developments.

13.2 JT updated the Board on Guernsey, informing the Board that the MMO are currently named as an interested party in the judicial review process. JT confirmed that one particular vessel is fishing the UK skates and rays quota which may lead to closure of the fishery. JT advised that the MMO are keeping all those affected informed.

### **Operations**

13.3 PH highlighted the recent operation in the South West and confirmed this had been very successful in terms of visible and effective regulation. PH advised that the MMO and Communications team were monitoring social media interest closely to protect staff.

### **Finance, EU and Licensing**

13.4 MW informed the Board that the final outturn had an underspend of £6k and advised that the business had delivered extremely well.

13.5 MW advised that the licensing team continued to work hard on high profile cases and a number of recent Freedom of Information (FOI) and EIR requests had placed a substantial burden on the team. MW added that it was disappointing that some inappropriate comments had been made through social media and steps had been taken to ensure the staff involved were adequately supported.

13.6 MW updated the Board that an application for a marine licence had been received in relation to a proposed pedestrian bridge over the River Thames. MW advised that this case would be likely to attract significant media interest.

13.7 Following the Stakeholder Focus Group in March and a recent industry interchange, MW was pleased to feed back to the Board that favourable reports had been received in relation to MMO Licensing. MW advised that personal interaction with customers had been used to positive effect and this would continue.

13.8 MW informed the Board on current issues regarding challenging timescales from the developer's perspective in relation to the Moorside Nuclear Build. MW gave her reassurance that MMO were working closely with the Environment Agency (EA) and Natural England (NE) to ensure a collaborative approach was adopted and the licence was scheduled to be determined later this week.

13.9 RJ enquired as to whether the Minister had exercised his 'call in' powers on novel and contentious licensing decisions. MW confirmed that the Minister had not yet done so.

### **Planning**

13.10 SB updated the Board on the Marine Planning Programme Board which took place on 8 March 2016 advising that it had been successful and well attended. SB highlighted the fact that other departments had provided similar feedback regarding a lack of resource although all were supportive of the Board. SB thanked AW for his contribution to the Programme Board.

### **Business Development and Transformation**

13.11 CMc gave an update on the success of the Natural Environment Research Council (NERC) advising they have agreed to fund research to identify relevant scientific research to support MMO.

13.12 CMc also highlighted the success in MMO achieving ISO9001 and ISO14001 accreditation which relates to an annual inspection of our quality management and environmental management standards.

13.13 RT passed on his admiration for the organisation's performance in delivering within budget and asked for the Board's thanks to be passed on to the staff.

### **14. Board and Committee Forward Look**

14.1 The Board noted the forward look and agreed that the MMO Action Plan would be on the agenda at the Board Workshop/meeting planned for 16 June meeting.

14.2 Following a suggestion from PH, the Board agreed that the two-day meeting/visit planned for 5-6 July should take place in the Kings Lynn area, with a visit to the Eastern IFCA.

### **15. Next meeting: Board Workshop/Meeting, 16 June 2016**

15.1 BC confirmed the next Board workshop/meeting will be held on 16 June 2016 in Newcastle.

### **16. Any other business and close of meeting**

16.1 BC invited attendees to signal any items for discussion under any other business.

16.2 The Board discussed the fact that since the Board's Terms of Reference (ToR) were agreed, there were now two less Board members. Following a proposal from JS, which was seconded by RJ, it was agreed that the ToR be amended to reflect that quorum was five Board members (four plus Chair).

16.3 BC advised that this may be reviewed upon further appointments to the Board.

16.4 BC thanked attendees for their participation and closed the meeting.

