



Marine Management Organisation

Board meeting minutes: 10 June 2014

Board:

Sir Bill Callaghan (BC) – Chair
Rob James (RJ) – Board member
Derek Langslow (DL) – Board member
Jeremy Loyd (JL) – Board member
Nigel Reader (NR) – Board member
Jane Ryder (JR) – MMO Board member
Jayne Scott (JS) – Board member
Robin Teverson (RT) – Board member
Andrew Wells (AW) – Board member

In Attendance:

James Cross (JC) – Chief Executive Officer
Andy Beattie (AB) – Director of Operations
Steve Brooker (SB) – Director of Marine Development
Michelle Willis (MW) – Chief Finance Officer
Claire Scutt (CS) – PA to Chair and Chief Executive Officer – Secretariat
John Gargett (JG) – Customer Services manager – Item 8 only

Apologies:

Darren Sanders (DS) – Board and Executive Services Manager – Secretariat

Item 1 to 3

1.1 Items 1 to 3 were dealt with in closed session in which only the Board, James Cross (JC) and Claire Scutt (CS) were present.

Item 4: Board meeting - welcome and introductory remarks: Sir Bill Callaghan

2.1 The Chair, Sir Bill Callaghan (BC), opened the Board meeting and welcomed all attendees. BC welcomed John Gargett to the meeting for the Customer Survey agenda item and confirmed that the session following lunch would take the form of a Strategic Review and consultants would join the Board and Executive to facilitate the session. BC advised Board members that he and JC were to be guests of the Natural England Board that evening and saw this engagement as a good opportunity to maintain contact with a key stakeholder and to cement relationships.

Item 5: Declarations of interest

3.1 The standing declarations from Nigel Reader (NR), regarding his interests in Natural England (NE) and Natural Resources Wales (NRW), and Jane Ryder (JR), regarding her interest in Seafish, continue to be noted. NR also advised at the previous Board meeting that he was a reserve Audit Committee member for the Joint Nature Conservation Committee (JNCC) on behalf NRW. No other declarations of interest were noted.

Item 6: Minutes of 13 May Board meeting and actions update

4.1 The minutes of the 13 May 2014 Board meeting were agreed and the actions update was noted by the Board.

4.2 *Minute withheld*

4.3 James Cross (JC) advised Board members that the Head of HR, Paul Boyd (PB) was looking into an anomaly relating to sickness data held by MMO and that held by the Shared Services Directorate. JC stated that PB would report back to the Board with further details on this matter out of committee. NR advised he would shortly be attending a meeting of Audit and Risk Chairs and offered to raise the data anomaly if it was found to relate to a systemic issue.

Item 7: Survey Results

5.1 Michelle Willis (MW) presented to the Board a paper to inform the Board of the 2014 People/Staff and Customer Surveys results and to outline the actions being taken in response.

People Survey

5.2 MW outlined to the Board that the annual MMO People Survey provides the opportunity for staff to provide their views on working within the organisation and to inform learning and development provision, Corporate Business Planning and the future HR Strategy.

5.3 MW set the context of the People Survey acknowledging to the Board that the results had been disappointing, although not surprising, as the survey had followed a difficult year: one which had seen the rollout of an Organisational Development Programme, a recruitment pause and a 1% pay rise. On the positive side, MW reported that the response rate to the survey had been high at 79% and this had reflected the Executive's steer to the business on the importance of the survey.

5.4 JC said the survey had identified themes for further scrutiny and a real appetite from staff to set who we are and the direction of the organisation. JC explained that the results had highlighted inconsistencies in performance management and identified some training needs in this regard, particularly at middle management level. JC described staff turnover as a potential challenge as well as the ability to keep staff motivated at a time when other sectors were able to offer more in the way of financial incentives and career development.

5.5 The Board engaged in a detailed discussion regarding the results, noting common themes and positive trends, as well as areas which required further development.

5.6 JC advised that a decision had been taken last year that due to budgetary considerations the MMO would not hold the annual staff Conference in 2014. JC

said the Executive had challenged themselves on this decision following the survey results on account of the fact that the MMO was a small organisation, despite being spread over a number of geographical locations, and previous conferences had led to real and tangible results for staff engagement and establishing cohesive working relationships across coastal and HQ staff.

5.7 Board members agreed that a staff conference would allow the Executive Team to speak to all staff together so that messages are clear and consistent across the organisation and that there is ample opportunity to foster open and honest dialogue across all levels.

5.8 MW highlighted some interim next steps stating that she was developing an HR strategy with input and direction from the Remuneration Committee. Once the strategy was developed, MW said she would introduce the strategy to the Grade 6 and 7 managers at their next meeting and engage with staff to ensure recognition and buy in.

5.9 Board members agreed that they would take a steer from the Executive Team on how they could be deployed to increase their visibility.

5.10 JC said the Executive were meeting in the next two weeks to develop their response to the matters identified and would send this to the Remuneration Committee for further scrutiny and challenge. JC said a proposal for discussion would be presented at the September 2014 Board Meeting.

Action 30/01: MW to develop HR strategy with input and direction from Remuneration Committee

Action 30/02: MMO Executive Team to develop next steps and share with the Board at the September 2014 meeting

Customer Survey

5.11 John Gargett (JG) reported the Customer Survey results to the Board. JG advised that the survey had been open for a five week period and had followed a best practice approach which involved targeting complainants and using Facebook, Twitter and the MMO website as a mechanism for notifying customers that the survey was open. JG confirmed that all customer bases were well represented and a high proportion of responders were from customers accessing licensing functions. JG reported that the survey had attracted a 12% response rate, with numbers between 10% and 15% being considered as representative.

5.12 JG outlined the results to the Board highlighting areas in which responses had been favourable and had increased from last year. These included politeness and customer service skills (the highest the MMO had ever achieved), knowledge of staff and a belief that the MMO is enabling sustainable development in our seas.

5.13 JG also outlined areas in which customers felt the MMO could do better, which included keeping them informed at various stages of dealing with their correspondence and giving customers access to the evidence used by the MMO when making their decisions.

5.14 JG informed the Board that he would continue to develop processes to ensure that they enhance the service on offer. In addition, customer journey maps have been developed with action plans for significant operational areas of the business. JG advised that the journey maps would give the organisation the opportunity to drill down and get scrutiny in all areas.

5.15 *Minute withheld*

5.16 BC thanked MW and JG for the survey information and noted the areas for follow up which he said would be useful to feed into the afternoon's Strategy session.

Item 8: ARAC Annual Report

6.1 NR introduced the Audit and Risk Committee's (ARAC) Annual Report which encompassed the MMO's 2013/14 financial year and provided a summary of business conducted by the ARAC at its meetings.

6.2 The Board discussed the report in detail and suggested some slight amendments to the text which NR agreed to reflect in the final report.

6.3 Following discussion, the Board agreed to add the following items to the list already agreed for ARAC consideration in 2014/15:

- Cyber threat and ICT security
- Value for money
- ARAC Chair and Membership succession

6.4 Robin Teverson (RT) expressed a concern regarding the policies in place to protect staff from the risk of bribery and corruption due to their handling of goods with high value. NR agreed that this matter would be covered as part of the planned scrutiny and continuous development of HR policies and procedures.

6.5 Jayne Scott (JS) commended a recent Cabinet Office presentation on combatting cyber threat and the Board agreed that this might appropriately be included as the topic for a future Board workshop.

Action 30/03: Item on combatting cyber threat to be added to the Board forward look.

6.6 NR advised Board members that the MMO had a new Head of Internal Audit from KPMG. NR advised that ARAC members would have the opportunity to meet the new audit team at the ARAC meeting on 4 July and those new arrangements for internal audit would be an opportunity to get a fresh perspective on the MMO's control environment and the overall assurance framework.

6.7 BC thanked NR and the ARAC members for this report and their excellent work to date.

Item 9: Next meeting: 24 June 2014, Open Board meeting

7.1 BC confirmed that the next meeting of the MMO Board will be an open meeting to which members of the public are invited to observe. The meeting will take place on the 24 June 2014 in Newcastle at the Centre for Life.

Item 10: AOB and close of meeting

8.1 MW asked Board members for any final comments on the Annual Report by Monday 16 June.

8.2 BC closed the Board meeting, thanking all for engaging in the meeting and for their valuable contributions.