



# Marine Management Organisation

## **Board meeting minutes: 18 March 2014**

### **Board**

Sir Bill Callaghan (BC) – Chair  
Rob James (RJ) – Board member  
Derek Langslow (DL) – Board member  
Jeremy Loyd (JL) – Board member  
Jayne Scott (JS) – Board member  
Nigel Reader (NR) – 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) – Financial Controller  
Darren Sanders (DS) – Board and Executive Services Manager – Secretariat  
Sam Burgess – Director of Evidence and Chief Scientific Advisor – Observer  
Pete Cosgrove – Marine Plan Implementation Officer - Observer

### **Apologies**

Jane Ryder (JR) – MMO Board member

### **Item 1**

1.1 Item 1 was dealt with in closed session in which only the Board were present.

### **Items 2 to 4**

2.1 Items 2 to 4 were dealt with in closed session in which only the Board, James Cross (JC) and Darren Sanders (DS) were present.

### **Item 5: Welcome and introductory remarks – Board meeting: Sir Bill Callaghan**

3.1 The Chair, Sir Bill Callaghan (BC), opened the Board meeting and welcomed all attendees, including Sam Burgess and Pete Cosgrove as observers. Apologies were noted from Jane Ryder (JR).

### **Item 6: Declaration of interests**

4.1 The standing declaration from Nigel Reader (NR), regarding his interests in Natural England (NE) and Natural Resources Wales (NRW), continue to be noted.

## **Item 7: Minutes of the 29 January 2014 Board meeting and actions update**

5.1 The minutes from the 29 January 2014 Board meeting were agreed.

5.2 The action list and updates provided within the actions update paper were noted by the Board.

## **Item 8: Triennial Review Report**

6.1 JC presented to the Board the draft Triennial Review of the MMO, inviting the Board to consider the conclusions and recommendations. JC informed the Board that the final step in the process was for the review team to secure ministerial authorisation to publish the review.

6.2 The Board welcomed the opportunity to discuss in detail the contents of the draft review, including the conclusions and recommendations. JC advised the Board that once the report is published by Defra, the MMO will communicate the results to staff, stakeholders and public through the website, social media and the Stakeholder Focus Group. In addition, JC advised that the MMO had set itself a target of six weeks to produce an action plan based on the recommendations contained within the review. The Board noted that the action plan will likely be discussed further at the Board meeting in May.

6.3 The Board thanked JC for discussing the draft review report, commending MMO staff for working closely with the review team so that they had a detailed knowledge of our work, our budget allocation and the customers and stakeholders the MMO interacts with.

## **Item 9: Common Fisheries Policy Reform**

7.1 Sir Bill welcomed Kevin Williamson (KW) to the meeting. KW introduced his presentation on Common Fisheries Policy (CFP) Reform – Landing Obligation (Discard ban), detailing the practice of discarding fish and the key elements of the new landing obligation, which aims to reduce discard levels by ensuring fishermen land all their catch and offering incentives for demonstrating more selectivity in the fish that they catch. KW continued by describing the controls that underpin landing obligation, including the requirement for full documentation of catches to be provided and introduction of minimum conservation reference sizes.

7.2 After delivering figures for current fishing activity and landings composition across the English fleet, KW detailed the role at present performed by MMO officers in enforcing fishing activity and how this is expected to change under landing obligation, together with additional checks required by EU legislation. KW continued by highlighting the problems MMO face in monitoring and enforcing landing obligation, specifically how the additional data obtained will add to the complexity of the checks required to be performed.

7.3 The Board then heard about the advice received from the EU in respect of monitoring and enforcement, and proposals for the use of management plans and proportionate regimes, that employ risk modelling to identify the likelihood of illegal discarding. In considering this approach KW flagged the problem that the MMO face

due the number of England fisheries considered as high risk. KW continued by offering the Defra's view on the changes together with their timetable for implementation, as well as MMO specific concerns and considerations for more radical change.

7.4 KW concluded the presentation by listing the next steps and key milestones in implementing Pelagic landing obligation in January 2015 and Demersal landing obligation in January 2016. The Board thanked KW and AB for the detailed presentation and for engaging in detailed discussion. KW and AB gave assurance that the Board would receive regular updates as to the progress of discussions with Defra and preparations for Pelagic landing obligation at a meeting later in the year.

### **Item 10: Review of the MMO's fisheries data entry processes and practices**

8.1 AB introduced a paper that informed the Board of emerging findings from an end-to-end review of MMO data processes and systems and to highlight the key risks and constraints relating to these processes and systems. AB confirmed that paper had been subject to a detailed review by the MMO's Audit and Risk Assurance Committee (ARAC) on the 6 March 2014.

8.2 AB explored aspects of the paper including background; progress to date in a data review and the constraints and risks identified. AB confirmed that the initial review concludes at the end of March 2014 and described to the Board the next steps planned for the next 12 months.

8.3 AB invited the Board to consider the paper. The Board discussed the paper in detail having noted the feedback provided by NR on behalf of the ARAC; the Board welcomed the paper and agreed that the next steps were both appropriate and proportional for addressing key issues identified within the paper and during discussion. The Board noted that the matter will be kept under continual review by the ARAC with a view to providing updates to the Board as next steps are delivered.

### **Item 11: Outcome Focussed Compliance and Enforcement**

9.1 Sir Bill welcomed David Abbott (DA) to the meeting. DA and AB introduced a presentation on the principles for a working party that will explore outcome focused compliance and enforcement, confirming that the working party will have its inaugural meeting in April to agree purpose, outcomes and timescales. AB confirmed that he will chair the meeting, with support from David Abbott (Head of Marine Compliance) together with Derek Langslow, Jeremy Loyd, Robin Teverson and Andrew Wells.

### **Item 12: Finance Strategy**

10.1 Michelle Willis (MW) introduced a presentation on a working party that will consider a finance strategy. MW confirmed that the finance strategy will be developed in the context of that which can be delivered in 14/15 and 15/16 and that which can be implemented over a longer period. In discussing the proposal, MW touched upon on areas for exploration in developing the strategy and confirmed that Jayne Scott and Nigel Reader will form part of the working party.

### **Item 13: Future Ways of Working**

11.1 Steve Brooker (SB) delivered a presentation which set out the role of a working party that will consider future ways of working. The Board discussed noting that Jane Ryder and Rob James will feed into the work of this working party.

## **Item 14**

12.1 Minute withheld

## **Item 15: Interim 2013/14 Annual Report and Accounts and process for approval**

13.1 MW presented to the Board the interim 2013/14 Annual Report and Accounts (AR&A) for comment together with a process for approving the AR&A in readiness for laying before Parliament in July 2014.

13.2 MW informed the Board that the ARAC had considered the interim AR&A at their meeting on the 6 March 2014. MW confirmed that the feedback had been most helpful and that suggestions will be impacted in time for presenting the first draft Annual Report in May 2014. NR, as Chair of the ARAC, confirmed that the AR&A was well drafted; balanced and proportionate, confirming also that National Audit Office had welcomed the Analytical Review during their recent audit. The Board discussed the AR&A, offering some suggestions in terms of content, presentation and tone. MW accepted the suggestions.

13.3 MW outlined to the Board a proposed timeline for approving the AR&A, culminating with final approval on the 4 July 2014 in readiness for laying before Parliament. The Board discussed the timeline noting that a first draft Annual Report will be presented in May 2014. The Board also noted that final audit commences on the 9 June 2014 and that the Board will review the final AR&A on the 24 June 2014, in advance of final ARAC scrutiny in early July 2014.

13.4 The Board welcomed the early view of the AR&A, confirming that it is progressing well. The Board agreed the timeline for approving the AR&A.

## **Item 16: Health, Safety and Wellbeing Report**

14.1 JC presented to the Board the Health, Safety and Wellbeing Report. JC explained to the Board that health, safety and wellbeing continues to be championed across the MMO, advising that AB had chaired the last Health and Safety Working Group.

14.2 *Minute withheld*

14.3 The Board welcomed the report and initiatives underway as part of improving the health, safety and wellbeing culture within the MMO. The Board also noted that JC will present to the Board a six-month report in May 2014 exploring October 2013 to March 2014.

## **Item 17: CEO Report**

15.1 JC presented to the Board the CEO Report. JC confirmed that AB will give a short update later on a confidential matter.

15.2 JC asked the Board to consider the delivery of the 13-16 Corporate Plan as at 31 January 2014. JC advised that 15% of Key Performance Indicators and Key

Steps are reported as being either at significant risk or missed, and that some 85% are on track for delivery by the end of March 2014. JC also advised that year to date variance is £304k and that they are forecasting a balanced outturn at the end of the financial year. JC advised that these matters are discussed in more detail later in the Performance and Delivery Report and the Finance Pack.

15.3 JC advised the Board that following the announcement of the first tranche of marine conservation zone (MCZ) designations in November 2013, Defra publicly announced plans for Tranche 2 and Tranche 3 designations in February 2014. The Board discussed this, noting that the MMO's Marine Conservation and Enforcement Team (MCET) is continuing to review priority management requirements for the first tranche of MCZs. JC advised that the MCET will present to the Board in May 2014 on the management and enforcement of marine protected areas to allow for wider discussion.

**Action 28/01:** Session on MPA management to feature at the May 2014 Board meeting.

15.4 JC advised that he had given evidence to a House of Commons Select Committee on 5 March 2014. JC confirmed that the Environmental Audit Committee's new inquiry focussed on marine protected areas and was examining plans for implementing MCZs and the arrangements proposed for monitoring, managing and enforcing them going forward.

15.5 JC described to the Board the MMO's response to recent extreme weather highlighting the common-sense approach of the MMO to speed up flood repair efforts, and where legislation allowed, the application of exemptions to activity relating to the floods. The Board welcomed such initiatives and noted the MMO's offer of rapid redeployment of marine offices to assist where possible.

15.6 JC discussed in detail the plan for Defra and its wider network to increasingly operate as "one business" in response to the wider Civil Service Reform, advising that this includes bringing together structures, systems and processes across the network to deliver a better and more consistent customer experience at a lower cost. The Board discussed this with JC confirming that he will make the offer for one of the leads to come and talk to the Board.

**Action 28/02:** JC to invite a "One Business" lead to a future Board meeting to engage with the Board.

15.7 JC updated the Board with regards delivery of the European Fisheries Fund (EFF) advising of UK de-commitment in December 2013 and that there had been an interruption in February 2014. MW described the context to these two issues with the Board noting risk management and actions underway to address these matters.

15.8 AB informed the Board of a confidential investigation. The Board noted the detail and the actions underway, agreeing that they are reasonable and that they will be advised further in due course as the matter progresses.

## **Item 18: Organisational delivery overview**

### ***Performance and Delivery Report up to 31 January 2014***

16.1 The Board considered the Performance and Delivery Report up to the 31 January 2014. The Board discussed the detailed report, exploring the five Strategic

Outcomes, thanking the Executive Team for producing the paper. During discussion on Strategic Outcome 3, the Board noted that an audit report on the Electronic Recording Systems (ERS) had been completed.

**Action 28/03:** DS to share with the Board the ERS audit report.

### ***Finance Report up to 31 January 2014***

16.2 MW presented to the Board a Finance Report detailing delivery up to the 31 January 2014. MW described in detail the report, providing analysis into January's position whilst also exploring income and expenditure, the Capital Programme 2013/14 and EFF performance. The Board considered and discussed the report, commending the quality of the analysis and noting that the MMO remains on track to report a strong position at the end of the financial year.

### **Item 19: Summary of business from 6 March 2014 ARAC meeting**

17.1 NR presented to the Board a summary of business from 6 March 2014.

17.2 NR described the paper as a digestible record of the formal business and explored a number of items with the Board including the ARAC's review of effectiveness; internal audit and work underway in refreshing the MMO's Scheme of Delegations and work on governance. NR stated that the next meeting of the ARAC would take place in July where the committee would be approving the Final Annual Report and Accounts, in readiness for their laying before Parliament, which the Board had previously discussed.

### **Item 20: Board Review of Effectiveness Action Plan: update**

18.1 The Chair introduced a paper that provided an update on the progress being made in the delivery of the Board review of effectiveness action plan, following a workshop in December 2013, and a subsequent paper in January 2014 that articulated the actions captured as part of the workshop. The Board noted the action plan presented at Annex 1 and that an open Board meeting will take place on the 24 June 2014. The Board touched upon some of the likely protocols for this and agreed that the Executive Team should raise awareness with stakeholders.

### **Item 21: Forward Look**

19.1 DS presented to the Board the Forward Look. NR explained that a new date for the July ARAC will be confirmed soon. The Board discussed the paper, noting the detail of a Strategic Review Workshop planned for 10 June 2014.

### **Item 22: Next meeting (13 May 2014)**

20.1 BC confirmed that the next meeting of the MMO Board will take place on the 13 May 2014 in Newcastle.

### **Item 23: AOB and close of meeting**

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