



Marine Management Organisation

Board meeting minutes: 11-12 November 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) – Board member
Jayne Scott (JS) – Board member (11 November 2014 only)
Robin Teverson (RT) – Board member
Andrew Wells (AW) – Board member

In Attendance:

Andy Beattie (AB) – Acting Chief Executive Officer
Michelle Willis (MW) – Chief Finance Officer
Dickon Howell (DH) – Acting Director of Marine Development
Darren Sanders (DS) – Head of Governance – Secretariat
Adam Kennedy (AKe) – PA to Chair & CEO and Board Support Officer – Secretariat
Sam Evans (SE) – Observer – Defra Deputy Director Marine and Fisheries
Rob Matthews (RM) – Observer – Defra Head of Marine Sponsorship Team

Apologies:

Steve Brooker (SB) – Director of Operations (11 November 2014 only)

11 November 2014

Item 3: Minutes of 23-24 September Board Meeting and actions update

Item 4: Update on CEO recruitment

Item 5: Minutes of closed sessions: 23 and 24 September 2014

Item 6: Remuneration Committee update: Draft minute of 8 October 2014 meeting closed session

1.1 Items 3 to 6 were considered in closed session. Closed session discussions are captured under separate cover - please refer to MMO BM 40xx - Closed Session Minutes

Item 1: 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, including Sam Evans (SE) and Rob Matthews (RM) from Defra Sponsorship Team.

Item 2: Declarations of interest

3.1 The standing declarations from Nigel Reader (NR), regarding his interests in Natural England (NE), Natural Resources Wales (NRW) and the Joint Nature Conservation Committee (JNCC), and Jane Ryder (JR), regarding her interest in Seafish, continue to be noted.

Item 7: Remuneration Committee update: Draft minute of 8 October 2014 meeting

4.1 BC invited Jayne Scott (JS), Remuneration Committee Chair to provide her update. JS advised the Board of the key business transacted at the Remuneration Committee meeting of 8 October 2014, detailing the review of the Performance Appraisal Process for 13/14, including approval of the release of performance related bonus payments, 2014 Staff Survey results and the ongoing work to tighten up processes underpinning a number of policies and contracts.

4.2 In reference to a joint Audit and Risk Assurance Committee and Remuneration Committee session, to consider matters of a mutual interest, JS advised that this would be welcomed by both parties and there was an appetite for this to be scheduled soon.

4.3 JS invited comments from Board members, none were signalled.

Item 8: Staff survey response

5.1 BC invited AB to present a paper providing an update on the management response to the 2014 Staff Survey results. AB detailed a number of initiatives that have been undertaken in this regard, including the all staff "Have Your Say" workshops and a step change in the way management engage with staff to ensure greater transparency. AB continued by updating Board members on efforts to improve Line Management capability, upskilling Line Managers to address underlying concerns and move towards ensuring a fair and equal performance appraisal process.

5.2 Nigel Reader (NR) was assured by the direction of travel in this area, adding that the analysis of results and actions taken in response resonate with the recommendations arising from the lessons learned review he had recently undertaken.

5.3 AB detailed the aim to join the Civil Service Staff Survey from October 2015, allowing management to easily and effectively benchmark results against other comparative bodies. AB confirmed the intention to perform a pulse survey in the New Year to gauge opinion in advance of switch to the Civil Service wide survey. Board members were supportive of this move and the rigorous analysis and benchmarking it will enable.

5.4 The Board formally noted the progress made in response to the staff survey results. JS added that this issue would remain on the Remuneration Committee's agenda while efforts in response are ongoing.

Item 10: Mid-year finance review and Chief Finance Officer report to September 2014

6.1 Michelle Willis (MW) introduced the mid-year finance review and Chief Finance Officer report to September 2014, setting the context emerging across the Defra landscape and funding pressures anticipated, including the possibility Defra requesting further savings in January.

6.2 MW continued by detailing the slippage in budget, due in part to a high level of staff attrition and the underspend in the CEFAS contract, which have delivered more savings in year. MW described the positive position in respect of income, with the early stage validation confirming we are on track to meet the 90% cost recovery target in Q4. On the issue of staff turnover the Board agreed that an item to consider this further would be brought back to a future meeting.

Action 33/01: Item to consider staff turnover and the reasons surrounding this to return for Board consideration at a future meeting

6.3 MW confirmed that the income forecast from navigational dredging has not been realised. Members discussed options to raise industry adherence in respect of navigational dredging licence applications, before detailing efforts to invest resource in SO2 and in particular in responding to issues around data entry time lags. MW welcomed feedback on this portfolio of work and members were agreed that the Board should continue to receive a visible breakdown of capital projects.

6.4 In respect of the revised budget, MW confirmed that monitoring would be against this going forward. The Board discussed the revised budget before giving formal endorsement and noting the mid-year finance review.

Item 11: Scheme of Delegations

7.1 MW described the work undertaken to date in revising the Scheme of Delegations (SoD) and confirmed that the updated document had received Audit and Risk Assurance Committee (ARAC) endorsement on 11 September 2014 before being launched to the Senior Leadership Team at a Governance training day on 13 November 2014. NR commended the Executive Team for the work in updating the SoD, adding how impressed the ARAC were by the rigour that had gone into the development.

7.2 AB and MW welcomed comments from the Board. In respect of the Financial SoD, Sam Evans (SE) suggested that the Board could adopt the document in principle, subject to a revision to the text regarding MMO budget. Members confirmed that this point related to interpretation but would be clarified before the SoD returns to a future Board meeting for sign off.

Action 33/02: SoD to be added to the Forward Look for February 2015 for formal sign off by the Board

Item 12: MMO Management Reports

CEO Report

8.1 AB presented his CEO report highlighting the MMO's good position in respect of the Thames Tideway Tunnel work, noting that following recent recruitment on the licensing team the business is now set up to receive the associated workload.

8.2 In reference to the European Commission audit of traceability in the South West, BC queried whether the Executive Team had been sighted on the draft report due on 10 November 2014. Whilst the report had not yet been seen, AB confirmed that a running commentary would be maintained.

8.3 On behalf of the Board, BC offered congratulations to all involved in the Marine Planning Team for being shortlisted for two national awards. The Board formally noted the CEO report.

Health, Safety and Wellbeing, including April – September Report

8.4 AB described a recent health and safety incident, involving a member of staff having tripped while out of the office and sustained significant injury. While the incident report had found no unusual circumstances or environmental hazards leading to the fall, it could lead to a RIDDOR reportable incident.

8.5 AB referenced the audit of policies and procedures linked to the provision of Health and Safety, highlighting the positive result of the audit in identifying the major risk in relation to confined spaces. NR enquired as to the management response to the audit and AB confirmed that an item

detailing the programme of work in this area would return for Board consideration at a future meeting.

Action 33/03: An item to detail the work in response to the audit findings to be presented at an upcoming Board meeting

8.6 AB continued by detailing the six month report from April to September 2014. In relation to work-related stress incidents, JS queried the one reported incident and suggested this Executive Team may want investigate this further. AB agreed to look into this and consider further.

Action 33/04: Further consideration to be given to the reporting of work-related stress incidents

Operations Directorate Report

8.7 AB presented the update report from the Operations Directorate. In respect of the IFCA reappointments, AB advised that the full reappointment process would be followed and that, due to the volume of work to be done in a relatively short space of time, an external resource had been commissioned to support the process. AB confirmed the ambition to have the contractor in place before 5 December 2014, to enable appointments to be made in advance of purdah. AB continued confirming the requirement for clarity of the performance appraisal process when appointments are being made, ensuring a more manageable process in future years.

8.8 BC invited Defra colleagues to provide views on reappointments. Rob Matthews (RM) confirmed the Minister's agreement to extend the timetable for reappointments into next year, with publication of appointments in March 2015, prior to purdah. RM also confirmed that the MMO will be sighted on a draft report before publication as it will be shared with the implementation group, on which the MMO are represented.

8.9 AB continued by detailing the ambitions for MMO to undertake coordination of Marine Protected Areas (MPAs), describing the resource required to achieve this and the need to clarify the definition of coordination. Members expressed concerns over the degree to which MMO would be resourced to do this work and AB confirmed that no decision would be made on this without returning to the Board for further discussion.

12 November 2014

Marine Development Directorate Report

8.10 Dickon Howell (DH) presented the update report from the Marine Development Directorate, drawing out points of note, including efforts to prepare for the Rame Head Judicial Review and the transfer of work from CEFAS into the licensing team, *(item withheld)*.

8.11 *Item withheld*

Action 33/05: *Item withheld*

8.12 DH continued by providing a verbal update on Ministerial oversight of marine licensing decisions, confirming the efforts underway to find a deliverable solution and the expectation for wider consultation in the coming weeks. AB confirmed that the Board would be sighted on the consultation document once finalised.

8.13 BC thanked the Executive Team for their respective updates and the Board formally noted the MMO Management Reports.

Item 12: Performance Report to September 2014

9.1 AB presented the report detailing the mid-year performance position.

9.2 In reference to SO3, AB highlighted one particular area of the report, confirming that measures in respect of e-Logs issues remain at an amber/red status, but that good progress was being made against issues to have one hundred vessels reporting through e-Logs by the end of the year. In addition, AB confirmed the Defra decision not to enforce CCTV on pelagic fleet vessels from June 2015.

9.3 AB noted the movement of ratings in relation to the Staff Survey to amber/red, confirming that the results of the planned pulse survey in February 2014 would determine whether the measures will be achieved in year or missed. The Board formally noted the Performance Report up to September 2014.

Item 13: Board and Committee forward Look

10.1 The Board formally noted the Forward Look without amendment.

Item 14: Next meeting: 25 November 2014, Sheffield (workshop)

11.1 BC confirmed that the Board would next meet in Sheffield for the Review of Effectiveness workshop on 25 November 2014. Darren Sanders (DS) will provide further information on this as part of the weekly Board update.

Item 15: Any other business and close of Board meeting

12.1 BC invited items of any other business, none were signalled. BC thanked all attendees for their participation and closed the Board meeting