



Marine Management Organisation

Board Meeting Minutes: 9 February 2017

Held in: Newcastle upon Tyne

Board

Sir Bill Callaghan (BC) – Chair
Anthony Delahunty (AD) – Board member
Terence Jagger (TJ) – Board member
Nigel Reader (NR) – Board member
Jayne Scott (JS) – Board member
Robin Teverson (RT) – Board member
Andrew Wells (AW) – Board member

In Attendance

John Tuckett (JT) – Chief Executive Officer
Phil Haslam (PH) – Director of Operations
Stuart Rogers, (SR) – Chief Scientific Advisor
Michelle Willis (MW) – Director of Finance and EU
Trudi Wakelin (TW) – Director of Licensing
Craig McGarvey (CMc) – Programme Director Overseas Territories Blue Belt (item 9 only)
Russell Gadbury (RG) – Marine Planning Manager (item 13 only)
Leanne Stockdale (LS) – Head of Marine Conservation Team (item 16 only)
Claire Scutt (CS) – Board Secretariat
Jane Donaldson (JD) – PA to CEO and Chief Planning Officer
Paul Kirk (PK) – observer – Marine Licensing Team (from item 9)

Apologies

Rob James (RJ) – Board member
Derek Langslow (DL) – Board member
Stephen Brooker (SB) – Chief Planning Officer

1. Welcome and Introductory remarks: Sir Bill Callaghan

1.1 Bill Callaghan (BC) welcomed attendees, particularly Trudi Wakelin, Terence Jagger and Anthony Delahunty, who were attending their first MMO Board meeting. The Chair noted apologies from Derek Langslow, Rob James and Stephen Brooker. BC advised that a staff observer, Paul Kirk, would also be joining the meeting (from item 9).

1.2 BC confirmed the previously notified changes to the Board sub-committees and asked that the new Chairs took over from the next scheduled meeting. Nigel Reader, as the out-going Audit and Risk Assurance Committee (ARAC) Chair offered to draft the ARAC Annual Report for 2016/17 and Jayne Scott (JS) agreed this would be helpful.

1.3 JS reported that the Remuneration Committee meeting on 27 January 2017 had provided an opportunity to hand over and that Andrew Wells (AW) would take over as Chair from the next meeting.

Action 53/01: NR to provide a draft of the ARAC Annual Report for 2016/17

2. Declaration of Interests

2.1 BC invited attendees to declare any interests. Robin Teverson's (RT) interest as Chair of a Select Committee on EU, Energy, Environment and Fisheries was noted. RT had previously advised the Board that the Select Committee was leading an inquiry into 'Brexit' and Fisheries policy. NR's standing interests in Natural England (NE), Natural Resources Wales (NRW), Joint Nature Conservation Committee (JNCC) and as an ex-officio member of the Defra ARC were noted. NR confirmed that his temporary period as acting Chair of NE had come to an end, as had his period as acting Chair of the Animal and Plant Health Agency (APHA) and he would be handing over to his incoming successor.

2.2 In addition, the Board noted Anthony Delahunty's (AD) interest as a Director of the National Federation of Fishermen's Organisations (NFFO) and Terence Jagger's interest in Inmarsat (UK satellite company) on the development and monitoring and evaluation aspects of several projects, including one aimed at improving fisheries protection in Indonesia.

3. Minutes of the 17 November 2016 Board meeting including actions update

3.1 BC invited attendees to raise any points of accuracy in respect of the 17 November 2016 meeting. None were received and the minutes were confirmed as an accurate record of discussions.

3.2 The Board discussed the recorded actions from the meeting as follows:

Action: 52/01: Marine protected Areas and Overseas Territories to be added to the Forward Look as a standing item. This item is on the agenda - item 9.

Action: 52/02: Remuneration Committee to receive a report on themes emerging from Exit interviews of outgoing staff. The Board noted John Tuckett's (JT) update that HR no longer carry out face to face interviews and now send out a questionnaire to leaving staff for completion. The themes from this questionnaire were been sent to the Board on 3 February. Following discussion, JT confirmed he would discuss this matter further with the Head of HR to determine the best process for capturing outgoing staff's reasons for leaving.

4. Matters Arising from the 15 December 2016 and 27 January 2017 Audit and Risk Assurance Committee (ARAC)

4.1 NR introduced his written report of both meetings asking the Board to note the business discussed.

4.2 NR advised that following the meeting in December, ARAC had expressed their concern regarding the future of the internal audit service following the news that the KPMG contract had been terminated with effect from 31 March 2017. Defra had subsequently advised of their plan to populate each ALB with a Head of Internal Audit drawn from Defra Internal Audit Services or wider Government auditors.

4.3 NR updated the Board that Defra were now in negotiation with KPMG over a contract extension for a further year; news which had been warmly welcomed by the ARAC and would allow more time

for an orderly transition to the new arrangements. The Board discussed the proposed new arrangements and TJ raised the fact that he had experienced some timing issues with government audit service in the past. JS commented that her experiences had been variable though pointed out that some had been positive.

4.4 NR updated the Committee on the four audit reports which had been discussed at a special teleconference meeting held on 27 January. The reports discussed were: Producer Organisations, Proteus Organisational Readiness, Better Regulation – Small Business Appeals Champion and Customer Complaints and Enquiry Handling.

4.5 The Chair thanked NR for the update which was noted.

5. Matters Arising from the 27 January 2017 Remuneration Committee meeting and Workshop

5.1 JS gave an update on the business conducted at the Remuneration Committee meeting and Workshop held on 27 January.

5.2 JS reported that the Remuneration Committee had undertaken a review of on-going workforce development, discussed the Remuneration Committee Terms of Reference going forward, which would return to the Board in April, and discussed the development of the HR/People Strategy. JS advised that the Staff Survey results would be an agenda item for April's Board meeting when the Board would be provided with further details of the actions taken to address the issues arising.

5.3 JS advised that a Remuneration Committee Annual Report was in the process of being prepared and a draft of this would be circulated to the Board.

5.4 The Chair thanked JS for the update which was noted.

6. Marine Protected Areas and Overseas Territories

6.1 Craig McGarvey (CMc) attended the meeting to give the Board an update on Marine Protected Areas (MPA's) and Overseas Territories (OT's). CMc provided details of the Government's manifesto commitment to create a 'Blue Belt' to protect precious marine habitats around the UK's 14 OTs subject to local support and environmental need to which the government had pledged £20m over 4 years. A map of the OTs and current Marine Protected Areas provided helpful context and CMc informed the Board of the stakeholders currently involved and progress made since the inception of the project in September 2016.

6.2 Following discussion, CMc confirmed that the OTs were responsible for their own legislation and this was an opportunity for the UK to support them; adding that it was expected that by 2020 the OT's would have a plan of how to manage and have the systems in place.

6.3 CMc advised that the Senior Responsible Owner (SRO) was still scoping realistic outcomes and would be providing clarity to the organisations involved. The Board discussed engagement and acknowledged the sensitivities when engaging with non-government organisations. CMc confirmed that the Foreign and Commonwealth Office were managing this aspect of the project. CMc added that engagement was taking place at Governor level in the OTs however the Ascension Islands had expressed some frustration that the work was being imposed upon them.

6.4 BC thanked CMc for the update which would feature as a standing item on future Board agendas.

7. MMO Action Plan 2017/18 – 2019/20

7.1 AW presented the draft MMO Action Plan for 2017/18 – 2019/20 to the Board asking the board to consider and endorse the current draft.

7.2 AW advised that the last iteration of the Action Plan had been before the Board in June 2016; explaining that the Action Plan format was on a Defra wide template designed to show how MMO are delivering and achieving. AW explained that each organisation would be producing an Action Plan and Defra had moved towards a top down approach for the Marine system. AW outlined some of the changes to the last document and advised that the Action Plans were for internal use only and a first draft submission was due by 10 February.

7.3 NR commented that he was not clear about what related to Defra group and what the MMO's contribution was. Additionally, NR pointed out that the Action Plan should be owned by the Board and this should be reflected in the foreword which should be signed jointly by the Chair and Chief Executive.

7.4 The Board engaged in a lengthy discussion about the changes from the previous Corporate Plan model and members felt that the current document did not capture what the MMO represented. The Board expressed concern that the Action Plan in this form was not a clear and concise strategic document and would not support the MMO in managing its business.

7.5 Following the discussion the Board confirmed that the Action Plan could go forward to the next stage of the process with the caveat that it was not yet an MMO Board endorsed draft and they would want the opportunity to discuss again. AW agreed to go back to Defra with the following:

- a) the Chair's signature to be added to the foreword
- b) clarify where the use of the word 'our' refers to MMO and where it refers to Defra
- c) sharpen language and avoid promising delivery on matters where MMO have no control
- d) bring back to the Board a version to be shared with MMO stakeholders
- e) circulate a revised version within the next 7-14 days and set up a conference call if required to get sign off. Chair to sign off final version.
- f) upon receipt of the letter advising of MMO's budget for 2017/18, MW and AW to work on the detail.
- g) Sonia Phippard to be invited back to meet with MMO Board to discuss role of NDPB within Defra group (Action: Secretariat)

Action: 53/02: As listed above (a-g)

8. MMO Framework Document

8.1 MW presented a paper to Board to outline progress with the revision of the MMO/Defra Framework Document (FD).

8.2 MW gave a brief introduction regarding the purpose of the FD which sets out the overarching framework which allows our sponsoring department to formalise arrangements for the monitoring and understanding of the MMOs strategy, performance and delivery. MW explained that as a result of the NAO's review of 'Departments' oversight of ALB's' Defra's position in respect of FDs required improvement. MMO were in the group which required action by 31 March 2017 and Defra had produced a template for the FD, agreed by HM Treasury and based on that set out in Managing Public Money, to which each department would reflect its own body-specific requirements.

8.3 MW pointed out the sections where the material changes had been made to the original FD which reflected the addition of the new Defra Target Operating Model (TOM), Defra Executive

Committee (ExCo) and a section correlating MMOs strategic aims with the new Defra Strategy to 2020 and the Single Departmental Plan.

8.4 NR confirmed that this exercise was being carried out across Defra with NE asking their audit committee to stand over the piece of work.

8.5 The Board discussed the FD and were keen to reassure themselves that the MMOs status as a non-departmental public body (NDPB) was not eroded in the new draft and that reference to cross departmental sponsorship was retained.

8.6 Copies of the revised FD were provided to those members who wished to look at this in further detail and MW advised she would bring back the final version to the Board for comment prior to adoption.

Action: 53/03: MW to provide a draft version of the revised FD to the Board for final sign off.

9. Update on European Maritime and Fisheries Fund (EMFF) access by the MMO

9.1 MW provided an update on the European Maritime and Fisheries Fund (EMFF) following the recent political developments highlighting the three main areas of funding support: EMFF Core, EMFF Control and EMFF Data Collection.

9.2 MW reported that Her Majesty's Treasury (HMT) had had written to all Accounting Officers of Structural Funds across the UK with clear assurance and reporting requirements pertaining to their Guarantee for these long term financial liabilities. Compliance with the HMT Guarantee involves additional reporting requirements and assurance to the Permanent Secretary on a quarterly basis.

9.3 MW confirmed that projects must be approved within 2 years and that the Fisheries Local Action Groups (FLAGs) had received the same message although the details were not yet explicit. MW advised that we would need to ensure that our selection criteria and assessment of projects had an emphasis on value for money and benefits realisation linked to domestic priorities as Treasury have committed to underwrite projects which are on-going beyond 2019.

9.4 JS enquired as to whether we need to change the objectives of the scheme as these are currently based on the reformed Common Fisheries Policy. MW advised that there would be a change to the guidance on how we evaluate success and value for money.

9.5 The Board noted the update and the fact that there was an appetite to have a replacement scheme post-Brexit.

10. Draft South Marine Plan update

10.1 Russell Gadbury (RG), Marine Planning Manager, commenced his presentation by giving an overview of the process of producing the South Marine Plan. RG stated that the plan document itself had reduced in size however it would also include a technical annex which would provide further detail and supporting evidence.

10.2 RG informed the Board that the consultation process for the South Plan closed on the 27 January. The consultation had received approximately 1570 comments from stakeholders and customers which were currently being RAG rated. RG also advised that some of the comments from stakeholders concerned litter; both marine litter and litter through tourism, which had ended up in our seas. RG added that MMO were working closely with Defra, to better understand the impact of this and would provide further update if necessary.

10.3 RG outlined the next stages in development of the South Plans, explaining that the team would now begin to respond to the comments received. RG stated that the South Plans are proposed to go to Ministers for adoption on 21 April 2017.

10.4 The Board requested clarification around the use of the Marine Information System (MIS) and RG confirmed that MMO were working closely with Defra colleagues on this and on the development of digital plans to support viewing the maps in real time.

10.5 BC thanked RG for the update which the Board found useful and timely.

11. MMO Corporate Risks and Issues

11.1 JT presented the paper on MMO Corporate and Strategic Risks and Issues, inviting the Board to consider and discuss.

11.2 The Board drilled down into Corporate Risk (CR082), loss of suitably qualified experienced persons (SQEPs) and the potential impact on MMO resilience. The Board considered mitigation actions regarding the loss of SQEPs to the Overseas Territories Blue Belt Programme and a large recruitment exercise taking place within Defra for Policy and EU Exit posts. NR enquired as to whether Defra were consulting with MMO on the possible impact if MMO staff were to be successful in these new opportunities. JT confirmed that Defra had not consulted the MMO to date and was aware that Defra are looking to recruit approximately 200 new staff.

12. CEO and Director Report (including Performance and Finance Pack to December 2016)

12.1 JT introduced the CEO and Directors Report and provided the Board with an update on the Environment Audit Committee (EAC). JT added that he wasn't expecting anything further to materialise as a result of the EAC, but would update the Board if necessary. The Chair and Board congratulated John Tuckett on his appearance before the Committee.

12.2 JT provided the Board with an update on Rame Head, confirming an alternative disposal site had been identified and that Plymouth Marine Laboratory (PML) had expressed that they were content with the site.

12.3 PH provided an update on Proteus, explaining issues had been raised with the development which had resulted in a go-live date in January 2017 having to be postponed. PH reported that MMO had worked with Government Digital Service (GDS) and Defra DDTS to identify a compromise solution whereby GDS have agreed to the new service going live on a non .gov.uk server, hosted by Cefas. The planned go live date was now mid-February 2017.

12.4 The Board noted the Finance and Performance pack to December 2016.

12.5 The Chair thanked the CEO and Directors for their contributions and for the thorough update.

13. Marine Conservation Briefing

13.1 Leanne Stockdale (LS) presented a briefing in relation to Marine Conservation.

13.2 LS updated the Board on the makeup of the Marine Conservation Team (MCT) as well as their key responsibilities and gave an outline of the MMO's role in Marine Protected Areas (MPA) management and an update on the team's achievements also highlighting risks and issues.

13.3 LS commented on the touch points with other departments across Defra stating that MMO had positive relationships with both Natural England (NE) and Joint Nature Conservation Committee.

13.4 The Board queried how effectiveness was monitored. LS responded to say that her area of the business was intelligence led and risk based highlighting that currently the Inshore Fisheries Conservation Authority (IFCAs) prosecutes a number of cases whereas MMO have only one or two prosecutions and investigations of non-compliance as it was more difficult to obtain evidence of offending in the 6-12 nautical miles zone.

13.5 LS confirmed that MMO do not get involved in pre-designation of MPAs and added that there was a two year target from designation to putting management measures in place.

13.6 The Chair thanked LS for the update which had been particularly helpful following the Environmental Audit Committee.

14. Board and Committee Forward Look

14.1 The Board and Committee noted the Forward Look to May 2017.

15. Next meeting: Board Meeting: 27 April 2017

15.1 BC confirmed the next meeting would take place on 27 April 2017 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. None were proposed.

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