



Marine Management Organisation

Board Meeting Minutes: 8 November 2023 (Public)

Location: Lancaster House, Newcastle

MMO Board

Hilary Florek (HF) – Chair
Belinda Howell (BH)
David Lyall (DL)
Peter Judge (PJ), Planning and Investment Committee Chair
Terence Jagger (TJ)
Tony Delahunty (TD)
William Roberts (WR), ARAC Chair
Rob Wilson (RW), RemCom Chair (via MS Teams)

MMO Executive Leadership Team

Jenny Stewart (JS) – Director of Planning and Change
Michelle Willis (MW) – Acting CEO
Paul Errington (PE) – Acting Director of Finance and Resources
Pete Clark (PC) – Director of Operations
Trudi Wakelin (TW) – Director of Marine Development (Domestic and International)
Stephanie Campbell (SC) – Director of Digital and Analysis
Selina Stead (SS) – MMO Chief Scientific Advisor

Defra

Mike Rowe (MR) – Director, Marine and Fisheries, by invitation

Additional Attendees (MMO Goals and Unexplained Mortality Events only)

Aisling Lannin (AL) – Head of Evidence and Evaluation
Chris Sweeting (CS) – Principal Evidence Specialist
Leonie Robinson (LR) – Principal Evidence Specialist

Apologies

Tom McCormack (TMc)

Board Secretariat

Helen France (HFr)
Julia Templeton (JT)

1. Welcome and Introductory Remarks/Declaration of Interests

- 1.1 HF welcomed attendees to the meeting, sharing apologies from TMc. MW is acting CEO in his absence, with PE joining the meeting as acting Director of Finance and Resources.
- 1.2 SS declared her recent Crowne Institute Visit to New Zealand. No further declarations were made.
- 1.3 It was noted that this would be TJ's final meeting with MMOB.

2. Minutes and Actions of the 21 September 2023 Board Meeting

- 2.1 The minutes of the 21 September Board meeting were approved.
- 2.2 With respect to Board actions, it was noted that Action 16-05 has been closed.

3. Record of the Extraordinary Board Meeting of 13 September 2023

- 3.1 The record of the extraordinary board meeting of 13 September was accepted.

4. Update from the ARAC Meeting of 18 October 2023

- 4.1 The ARAC Chair provided an update from the 18 October 2023 meeting which primarily focused on the Annual Report and Accounts (ARA).
- 4.2 A review of risk was undertaken, noting a risk workshop seeking to map the organisation's strategic risks to its goals and departmental priorities would be arranged.
- 4.3 It was reported that the 2023/24 internal audit programme is slightly behind schedule; the ARAC are to be sighted to any material findings promptly.
- 4.4 The ARAC Chair commended the ARA for the way in which it sets out the MMO's strategy and priorities. It was recommended that risk management is brought in line with this, followed by assurance allowing an assurance programme to be created in the next financial year.

5. Update from the Planning and Investment Committee (PIC) Chair

- 5.1 The PIC Chair thanked MMOB for feedback on the new committee Terms of Reference, advising that the terms have been updated to include a reference to the committee origins in the Phippard Review in response to this.
- 5.2 It was reported that membership would be provided by TD and RW.
- 5.3 The initial schedule was shared, this includes an induction session which will outline the scope of the committee (17 November), with the standard order of business to commence at the 8 December meeting. A standing invitation is available to the wider board for all PIC meetings.
- 5.4 The reporting relationship between the PIC and the Board was discussed, with regular updates to be provided at MMOB meetings. It was agreed that agendas would be shared with the wider board to provide a sense of the rhythm of the committee. The need to respect the delegation given to the committee was agreed as part of this.
- 5.5 It was highlighted that PIC minutes should be available within 10 working days, allowing the wider board to be sighted on the prompt decisions being taken at the committee level. This practice should be adopted for all MMOB and committee meetings.

Decision: Secretariat to share all PIC agendas with Board Members in advance of committee meetings, providing wider Board with a sense of the focus and rhythm of the committee

6. CEO Update

- 6.1 Looking ahead to the Autumn Statement and preparation for next year's settlement, the executive reported that the government will focus on economic growth, with Defra's priorities centred around rural economy, catalysing sectors for the future, automation, AI and productivity.
- 6.2 With regards to productivity, practicalities around office working will be considered. The executive highlighted the need for clear messaging to the organisation which would take account of government direction.
- 6.3 The executive reported as of 1 November 2023, the Environment Act places a duty on Government and Policy Makers to have regard for the five principles set out in the Environmental Policy Statement. MMO's Marine Planning

Framework, FMPs and Byelaws demonstrate the organisation's ongoing work in this area, JS noted the principles are covered in the MMO strategy and goals. MR later shared the duties incurred by the Act, which require all Ministerial submissions to show due regard for the environmental principles, failure to do so could subject any decisions taken to judicial review.

- 6.4 The board congratulated the executive for the positive outcome from the Investigatory Powers Commissioner's Office (IPCO) inspection into MMO compliance with the Regulatory Investigatory Powers Act (RIPA), where the MMO's oversight regime was commended.
- 6.5 Employee relations were discussed, noting a recent Civil Service World article discussing the organisation's transfer policy. The executive has taken independent legal advice with respect to this. The group discussed the organisation's relationship with its Trade Unions, noting these have improved in recent years.

7. Defra View from the Bridge

- 7.1 MR reported that further to Defra's Fisheries Moment, consultations on frontrunner FMPs, discards and Remote Electronic Monitoring (REM) have closed. The close working of Defra/MMO around this was recognised, centred around the approach of working *with* industry.
- 7.2 It was noted that proposals regarding fisheries closures are accompanied by regional challenges, highlighting the importance of evidence gathering.
- 7.3 Stakeholder fatigue was considered, linked to the volume of consultation material arriving with industry – Defra will consider ways to reduce the burden to industry when launching future consultations.
- 7.4 The approval of the FES Business Case at Defra's Investment Committee and progress in the space of Marine Spatial Prioritisation, which MMO have supported, were celebrated.
- 7.5 Further significant policy updates were provided, including the introduction of the Energy Act and how it will be delivered and the approval of the first round of MPA byelaws.

8. Annual Report and Accounts (ARA)

- 8.1 The executive reported that the ARA is at final draft stage, with no qualifications or emerging qualifications through the external audit programme. Recent contact from the Minister's Private Office outlined that the Secretary of State would not be in a position to sign according to the initial timetable outlined, MMO awaits clarification on the signing date.
- 8.2 It was reported that NAO are content with the disclosures outlined, and the accounts and narrative have been cleared. MMOB will be kept informed to the expected signing date.

Operational

9. Quarter 2 2023/24 – Finance, Risk and Assurance

- 9.1 PE provided MMOB with an update on MMO's Q2 position and key messages.
Finance
- 9.2 PE highlighted that the majority of in year transfers for the financial year 2023/24 have now been received, with MMO handing back £750thousand in response to the Defra Director General request for identification of savings. Outstanding in year transfers relate to Global Marine, where £3.5million is expected to be provided by FCDO through the winter supplementary estimates process, and in relation to colleague cost of living payments (£770thousand), expected in Q3 subject to the approval of Defra's Executive Committee (ExCo).
- 9.3 As at the end of Q2, MMO have forecast underspend of £200thousand for 2023/24, remaining risks which could extend this position concern FTE and attrition, and the outstanding ExCo transfer.
- 9.4 The funding arrangements and MMO responsibility for the Marine Licensing Case Management System were discussed.
- 9.5 The board considered the distribution of grant funding to industry, and the extent to which this has supported environmental interests against low carbon. A presentation on grants will be brought to a future board engagement.
Risk
- 9.6 PE outlined the intent for MMO to adopt a more dynamic approach to risk management, integrating risk management with MMO's broader control and assurance landscape. The forthcoming risk workshop would explore this.
- Assurance**
- 9.7 PE updated the Board on the state of play with respect to internal audit, confirming that all draft reports received

will be circulated to Board within 10 working days.

- 9.8 DL commended MMO's improved relationship with its Internal Auditors, highlighting to MMOB the pressure that audit places upon resources, limited assurance audits have been forthcoming which will place demand upon the organisation.

10. Quarter 2 2023/24 – Corporate Plan, Performance and Change

Performance and Corporate Plan

- 10.1 JS summarised the performance report, highlighting that the organisation is generally performing well, with some continued exceptions.
- 10.2 The group discussed the corporate plan, and how this should respond to the pressures identified through the performance framework. The need to assess how MMO's remit has changed since the organisation was vested to the present day was agreed.
- 10.3 The board discussed the opportunities and merits of automating the licensing process, encouraging the need for the volume of licenses required and upholding of strong customer service to be considered.
- 10.4 BR championed the need for assurance around the organisation's second line of defence, particularly where a lack of resource and accompanying challenges present a risk to organisational performance.

Change

- 10.5 The board received an update across the Change Programme. The upcoming EMFF funding deadline of 31 December 2023 was noted. An improved relationship with DDTs was discussed, resulting from a new approach to joint working from the Department.
- 10.6 The I-VMS project link to the EMFF funding deadline was drawn out, it was reported that over 60% of the over 6m fleet have now subscribed to the project, with the u6m fleet seeing a remarkable uptake. A late surge of applications is expected linked to seasonality of fishing activity. MMO continue to track the timeliness of installations post order.
- 10.7 The board discussed the successful implementation of Mobile Working and minor challenges relating to connectivity, which are resolved via offline working when needed.

11. Corporate Plan 2023/24 Review and Business Planning 2024/25

- 11.1 The executive introduced MMO's delivery against the Corporate Plan and business planning for the next financial year, highlighting areas of positive progress, underperformance and areas MMO has been unable to progress.
- 11.2 The executive proposed that, from 15 November, the organisation investigates how it deprioritises with a focus on items that are underperforming or have yet to commence.
- 11.3 The board provided support for the proposal. It was recommended that the executive commence prioritisation with a focus on MMO's "licence to operate" through its statutory commitments, consideration to services which impact the end user, and work areas Defra wish the organisation to progress as sponsor. The possibility of testing ministerial priorities was considered as part of this. Automation was also discussed.
- 11.4 Focusing on people, the board encouraged the executive to focus on lean working as part of its culture, limitation of meetings and resolving vacancies through an attractive employee package.
- 11.5 PE set out the financial constraints for 2024/25 business planning and the high-level options to deliver required savings that were submitted to Defra as part of initial business planning returns. This highlighted constraints surrounding MMO's FTE position, and in order to change this, savings should be sought from elsewhere in the business. The board encouraged the executive to think creatively about how it can perform its functions differently, particularly linked to high value contracts.

12. Marine Licensing – New Fees and Charges

- 12.1 The executive introduced MMO's proposal to refresh its Marine Licensing charging regime, HMT have been consulted and are supportive of the course of action.
- 12.2 TW welcomed the opportunity to tackle inflationary increases through the new charging regime, citing that the Marine Development Sector have been consulted accordingly, and informed of the intention to uplift charges.
- 12.3 Board members provided their full support for the proposal, noting that it will be key to demonstrate efficiencies and improved service as part of this. It was clarified that rigorous cost modelling has been undertaken to provide clarity that the organisation will only pass on the costs it incurs, through staff, assets and digital delivery, to its customers.

Decision: The Board agreed to support the MMO's new charging regime for Marine License Applications,

allowing the organisation to begin consultation with the Fisheries Minister

Strategic

13. MMO Goals

- 13.1 The executive provided a presentation to MMOB on the alignment of MMO Goals to the Performance Framework, and how goals will be baselined and measured.
- 13.2 LR shared the Evidence Team's investigation into what the organisation has done, and what it needs to do to achieve good environmental status (GES). The intent to report annually on the status of MMO goals was shared, commencing from May 2025.
- 13.3 The mapping of MMO goals to service and change activities was discussed, this will improve the context for the strategic decision making of the board.
- 13.4 The challenges of recognising MMO's impact were discussed, including the limited data stock relating to biodiversity against more researched measures such as clean air.
- 13.5 The board encouraged the rapid development of prototyping techniques which can evolve quickly, in favour of more rigid techniques. Opportunities to streamline MMO Goals were welcomed.
- 13.6 It was recommended that MMO proceed by selecting a small number of Goals to progress, using this to build greater understanding and confidence. The multifaceted nature of many MMO Goals were noted, with the board encouraging focus on the key elements.
- 13.7 MR encouraged the opportunity to focus on where MMO Goals will have the greatest influence in the Department's Environmental Improvement Plan (EIP), with opportunities to prioritise baselining activity accordingly.

14. Unusual Mortality Events (UME) Rapid Evidence Assessment Project

- 14.1 The executive introduced MMO's investigation into unexplained mortality events, which considers how MMO contextualise mass mortality events alongside other responsible agencies.
- 14.2 The board received a presentation which set the world context, where the organisation could support prevention and possible response measures. It was highlighted that in a high portion of mortality cases, research may be unable to define the cause.
- 14.3 Opportunities to build resilience with MMO stakeholders and fishing communities were considered. Incident response plans which recognise the role and responsibility of other agencies and prompt communications were also drawn out.
- 14.4 The group discussed the processes which could be established to monitor the actual impact of mass mortality events on fishing activity over time.
- 14.5 BH and TJ declared their roles as Trustees of the National Biodiversity Network (NBN), encouraging the use of the NBN atlas as a valuable data source. BH strongly recommended that MMO and other Defra agencies contribute their data to the atlas where possible, this would also support the wider question around biodiversity.

Closing Matters

15. AoB

- 15.1 HF highlighted that the Board would next convene for a Strategy Workshop on the 14 December. The executive would share considerations for the agenda in advance.
- 15.2 PJ championed MMO Menopause Group's achievements, recently winning an award for "Menopause Friendly Small Employer of the Year". The board jointly recognised the success of the Menopause Group.