



Marine
Management
Organisation

Board Meeting Minutes: 17 September 2024 (Public)

Location: Lancaster House, Newcastle upon Tyne

MMO Board

Hilary Florek (HF), Chair
Belinda Howell (BH)
David Lyall (DL)
Peter Judge (PJ), PIC Chair
Tony Delahunty (TD), (via MS Teams)
William Roberts (WR), ARAC Chair
Rob Wilson (RW), RemCom Chair, (via MS Teams)

MMO Executive Leadership Team

Michelle Willis (MW) – Acting CEO and Accounting Officer
Jenny Stewart (JS) – Director of Planning and Change
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)
Michael Coyle (MC) – Acting Director of Digital and Analysis

Additional Attendees, by invitation

Sue Shaw (SS) – Head of Legal, MMO (item 5 only)
Mike Rowe (MRO) – Acting Director General, Environment, Defra
Rachel Muckle (RM) – Deputy Director Marine and Fisheries Business Management, Defra

Apologies

Mark Ripley (MR)

Board Secretariat

Julia Templeton (JT)
Gemma McKenzie (GM)

Governance and Accountability

1. Welcome and Introductory Remarks/Declaration of Interests

- 1.1 The Chair welcomed attendees to the meeting and noted that the organisation is operating in an uncertain period following the general election, several policy decisions await ministerial guidance.
- 1.2 The Chair reflected on the positive staff engagement and the constructive feedback shared, for which the board members were grateful.
- 1.3 The Chair noted that the Spending Review bid has now been submitted and expressed her thanks to MMO teams for their hard work and contributions.
- 1.4 There were no declarations of interest further to those previously reported.
- 1.5 The minutes of the 03 July were adopted.
- 1.6 The Board action log was considered; a discussion was held around MMO goals, MW confirmed that Ecosystem Recovery will have more detailed development at the next board meeting in November.
- 1.7 A further action was discussed with the board noting that the data visualisations were very good.

Delivery Assurance

2. Quarter 1 2024/25 – Finance, Risk, Assurance

Finance

- 2.1 The board were given a detailed summary of the Financial Q1 report highlighting the current year's budget which has been impacted by delays in fees and charges implementation, the discontinuation of funding for National Significant Infrastructure Projects (NSIPs) and the unfunded additional pay award.
- 2.2 By the end of Q1, the deficit had narrowed due to factors such as underspending on pay (due to attrition) and support from Defra for commercial vessels. However, the pressures challenging.
- 2.3 It was noted that MMO has limited flexibility for cost-saving measures. The board discussed the various financial and delivery pressures on MMO the remainder of this year.
- 2.4 The board discussed the annual pattern of financial pressures and underspend, PE was asked to provide the previous year's budget positions, showing the pressures at the start of the year compared to the pressures and underspend at the end of the financial year for comparison.

Risk

- 2.5 MMO is conducting workshops to reassess key operational risks, involving directorate leadership to ensure a cross-cutting view on the organisation's risk profile. Concerns were raised about the GDPR risk, which remains the highest-scoring operational risk. A deep dive into this risk is underway to better understand it and assess whether its score is proportionate.
- 2.6 It was noted the importance of protecting personnel records and sensitive information related to vessel licensing, recognising cyber-attacks as a critical external risk.
- 2.7 A new Strategic Risk Register was introduced, with risks linked to the organisation's key goals. Workshops are ongoing to refine these risks, and further updates are expected in the November meeting.

Assurance and Audit

- 2.8 Progress was reported on clearing audit recommendations from previous years, with five outstanding recommendations from 2022-23 still to be resolved. There is a commitment to prevent future delays in addressing audit recommendations.
- 2.9 The board emphasised the importance of maintaining the credibility of the audit programme by addressing sticking points sooner rather than later. MMOB sought further assurance from PE that this was on track to deliver with no further slippage.

3. Quarter 1 2024/25 – Performance and Change

- 3.1 The board was updated on the new performance reporting format which was introduced to offer clearer insights into how MMO is tracking against previously approved Ministerial Priorities. Despite election delays, there has been positive progress in most performance areas.

- 3.2 Sixteen high-level indicators were agreed upon, designed to provide a broader perspective on performance beyond simple process metrics. Eight of these indicators were included in the current report, with the remainder to follow in the next quarter. The board were presented the results from a deep dive into the Q1 performance which revealed areas needing improvement but also highlighting the team's adaptability.
- 3.3 Several major change initiatives are progressing, including the Marine Planning and Licensing Programme (MPLP) and Fish Export Service projects (FES), these remain a high priority, though further development is on hold due to funding constraints. Simplification to the Fishing Vessel Licensing applications process was also discussed.
- 3.4 The board discussed Marine Planning further highlighting the need for the evidence team to provide the MMO Board with a briefing on marine natural capital assessments (MNCA) to support the consideration of environmental governance as an assurance topic.

4. Commercial

- 4.1 The board was updated on commercial arrangements highlighting that the satellite surveillance contract was now in place.
- 4.2 Funding pressures were discussed at length, which included exploring opportunities to collaborate with external partners (e.g., local authorities) to share resources. MMO agreed it stays open to flexible solutions.
- 4.3 The board discussed measuring success and effectiveness of the commercial vessels with a view to inform longer term options to fulfil offshore regulatory compliance.
- 4.4 The board discussed MMO's financial exposure and risk appetite to undertake future joint projects to deliver its objectives.

Governance and Accountability

5. MMO Legal/Sensitive Matters Report

- 5.1 SS provided a briefing to Board on high priority legal matters.

6. Defra View from the Bridge

- 6.1 MRo provided insights into the transition to a new government and its impact on MMO operations. It was noted that there is an opportunity for the MMO to play a critical role in balancing the need for clean energy with environmental preservation.
- 6.2 This group discussed the broader question of placing environmental governance at the center of decision-making. A speech by the Minister for the Nature at the Natural Capital and Ecosystem Assessment conference had brought this into focus.

7. CEO Update

- 7.1 The CEO briefed the MMOB on MMO delivery successes. Positive progress has been made in terms of two key Harbour Revision Orders, namely the Port of London (PLA) and Teesport, thanks were given to the licensing and legal teams.
- 7.2 MW also reflected on positive stakeholder engagements with Associated British Ports (ABP) and UK Major Ports Group (UKMPG) who had shared their significant infrastructure plans, critical to creating jobs and boosting the UK economy. These stakeholders wish to engage with MMOB directly in the near future.
- 7.3 Further engagement updates were shared, including MMO's presence at the opening of a new facility for South-West business Falfish, funded by the UK Seafood Fund (UKSF) and MMO's presence at the annual International Council for Exploration of the Sea (ICES) conference.
- 7.4 MW provided an update on the implementation of the inshore vessel monitoring systems (I-VMS) statutory instrument, which has been delayed following the General Election. MMO and Government recognise the significance of the data I-VMS will provide, generating robust evidence for the fishing industry to use in its engagement on forthcoming policy priorities, including Fisheries Management Plans (FMPs), Marine Protected Areas (MPAs) and Offshore Wind.
- 7.5 A further update was provided on MMO's Sea Fisheries Statistics, and temporary suspension of accreditation while data issues are resolved. A communications plan supporting engagement with industry is undergoing development with support from the Department.

8. Spending Review (SR)

- 8.1 A board update on SR was given, highlighting that three projects have been successful in gaining Departmental support for inclusion in the forthcoming SR, these include investment to improve Data Systems, the Marine Planning and Licensing Programme (MPLP) and Fish Export Service (FES). Thanks were given to Defra colleagues for their support with this.
- 8.2 While capital funding for these projects is anticipated, it was stressed the importance of securing adequate resourcing (and associated staffing) to ensure that the new systems are implemented effectively.
- 8.3 The board discussed the challenges of managing the organisation's growing responsibilities within constrained budgets and expressed concern about balancing capital and resource investment.
- 8.4 The board discussed the importance of prioritising resources and ensuring that the MMO is well-positioned to meet the challenges ahead, particularly as the Department enters the next phase of the SR.
- 8.5 Concerns were raised around the MMO's ability to pivot resources quickly, given the nature of the organisation's functional structure and specialist roles.

Closing Matters

9. Meeting Closure and AoB

- 9.1 HF concluded the meeting by thanking the board and legal team for their hard work.
- 9.2 MMOB gave their feedback on the morning's staff engagement, with all in agreement that it was incredibly helpful and something that they would like to see developed further including coastal office visits.
- 9.3 The Chair clarified that there were no further items for discussion, thanking all attendees for their attendance.
- 9.4 It was confirmed that the next board meeting would be held in London on 5 November 2024.