



Minutes of the 11 February Board Meeting (Public)

Location: CEFAS Head Office, Lowestoft

MMO Board

Tony Delahunty (TD), Interim Chair
Belinda Howell (BH)
Bill Roberts (WR), ARAC Chair
David Lyall (DL)
Peter Judge (PJ), PIC Chair
Rob Wilson (RW), RemCom Chair, via MS Teams
Mark Ripley (MRi)
Judith Petts (JP)

MMO Executive Leadership Team

Michelle Willis (MW), Acting CEO and Accounting Officer
Jenny Stewart (JS), Director of Planning and Change
Trudi Wakelin (TW), Director of Marine Development (Domestic and International)
Paul Errington (PE), Acting Director of Finance and Resources
Pete Clark (PC), Director of Operations
Michael Coyle (MC), Acting Director of Digital and Analysis

Additional Attendees, by invitation

Mike Rowe (MRo), Director of Marine and Fisheries, via MS Teams
Aisling Lannin (AL), MMO Head of Evidence and Evaluation (item 9 only)
CEFAS Executive Team and Colleagues (item 9 only)

Apologies

None

Board Secretariat

Julia Templeton (JT), Governance Lead and Advisor to Chair
Board Secretariat: Holly Protopapa (HP)

Governance and Accountability

1. Welcome and Introductory Remarks/Declaration of Interests

- 1.1 The Chair welcomed attendees to the meeting, sharing that this would be WR's final board meeting. The Chair and CEO thanked WR for his strong contribution to the Board and leadership of the Audit and Risk Assurance Committee (ARAC), which members echoed.
- 1.2 Declarations of interest were requested, there were no new declarations in addition to those previously reported.
- 1.3 The minutes of the 5 November and 10 December 2024 Board Meetings were reviewed and approved without amendment.
- 1.4 Outstanding actions were reviewed and discussed including the implementation of the ARAC Effectiveness Review, Strategic Goal 6 and progress with the Ports Sandbox initiative launched in partnership with ports stakeholders.

2. Planning and Investment Committee (PIC) Briefing: 20 November and 18 December 2024 Meetings

- 2.1 The PIC Chair provided a short briefing emphasising the importance of clarifying the responsibility for the Fish Export Service (FES) Programme funding. MW and MRO would consider the matter further over the coming weeks, noting there are unresolved financial pressures to be resolved, the various budget holders the programme might approach were considered.
- 2.2 The FES programme focus remains on achieving compliance with the EU's IUU requirements by January 2026, linked to the end of the Trade and Cooperation Agreement (TCA). Board requested a high-level view to what MMO will deliver by January 2026 and the consequences of non-delivery.

3. Remuneration Committee Briefing

- 3.1 RW provided a briefing reporting that the RemCom met on three occasions since the last Board meeting to discuss the MMO People Survey and outline action plan. Directorate-led action plans are being developed with measurable goals which will be tracked.

Executive Update

4. CEO Update

- 4.1 MW provided an update on four matters of strategic importance;
- 4.2 **Marine Recovery Fund:** MMO presented at the Coastal Futures 2024 conference where the Marine Recovery Fund was a key announcement, the initiative will deliver environmental compensation mechanisms for offshore wind projects.
- 4.3 **Data Management and Fisheries Compliance:** MW flagged a forthcoming publication by the MMO statistics team which would advise discrepancies between the fisheries data held on the Catch App and Sales Notes. A full note will be shared with the Board highlighting the funding opportunities to resolve current limitations in technology.
- 4.4 **Regulatory (Corry) Review:** The review is with the Secretary of State for consideration, further engagement with regulators will resume at the end of February 2025 once the report has received internal consideration. MMO's Sandbox Initiative with the Ports Sector fed into the project. Concepts of regulatory co-design and place-based delivery are also being taken forward through the review.
- 4.5 **Optimising Delivery (Hancock) Review:** An output has been shared advising to five optimisation areas spanning delivery culture, risk appetite and aversion, roles, responsibilities and accountability, place-based delivery and enabling services, systems and structures.
- 4.6 **Environmental Improvement Plan (EIP) Progress:** The Office for Environmental Protection (OEP) have responded to their SoS commission to provide rapid advice on the prioritisation of the EIP. The Department are separately undertaking a review to prioritise the plan.

Policy

5. Defra View from Bridge

- 5.1 MRO shared an update on ALB Chair's Letters; Defra have been advised to expect letters from Secretary of State to include delivery priorities aligned to the refreshed outcomes framework; pre-engagement with MMO will be undertaken to agree these. Key performance indicators and management information will be annexed to the letter. Expectations for improving customer services and delivery oversight by Ministers will also be set.
- 5.2 MRO thanked MMO for its work on Spending Review Phase 2. A discussion on reducing the level of in year budget transfers MMO receives from the Department was had, enabling the organisation to achieve the budget certainty needed to deliver

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where it has enduring responsibility and define where it supports a wider system of policy change.

- 5.3 MRO summarised key policy commitments made with [Minister Hardy's recent statement on Offshore Wind](#) sharing the various opportunities to be explored to improve Good Environmental Status.
- 5.4 The Chancellor's Growth Speech was also discussed for its focus on regulation as an enabler to economic growth, Defra are working with Ministers to navigate what this means for Offshore Wind and other Marine Developments. Cross government discussions on Marine Spatial Prioritisation (MSPri) have commenced, enabled by MMO modelling.
- 5.5 The Board considered how MMO could input to these systems wide discussions.

Delivery Assurance

6. Quarter 3 2024/25 – Finance, Risk and Commercial Update

- 6.1 PE presented an in-depth analysis of financial performance, including budget utilisation, financial forecasts and key financial risks; currently MMO are forecasting a pressure of £1.5million at year end, it is expected that this will drop over the final quarter ending the year with a reduced pressure, the approach to handling this pressure with the Department was set out.
- 6.2 The board discussed the effectiveness of cost-recovery measures implemented in the previous quarter and explored future income-generation strategies.
- 6.3 An brief update on Strategic Risk was given highlighting ARAC focus on the internal control landscape.

7. Quarter 3 2024/25 – Ministerial Priorities, Performance and Change

- 7.1 JS responded to Board questions on the Change Programme, focusing first on the Marine Planning and Licensing Programme (MPLP) which has made positive progress in determining areas of automation and efficiency through user research, the programme will run for 10 years with a milestone in 2027, when the existing system will be withdrawn.
- 7.2 Delivery of government targets for Marine Protected Areas and related MMO KPIs were discussed.
- 7.3 Further discussion was had to creating meaningful reports allowing MMO to assess its position against the planned trajectory in addition to monitoring KPIs, MW shared an OEP report which had provided similar conclusions.

8. Spending Review (SR) Phase Two – Zero Based Review

- 8.1 PE led a discussion on the zero-based budgeting review detailing its implications for MMO's financial planning and decision making. MMO awaits the final outcome of business planning to determine how it will deliver required financial savings, noting that cash releasing saving opportunities are limited.
- 8.2 Productivity gains through artificial intelligence were discussed.
- 8.3 The Board discussed further long-term opportunities.

Strategy and Stakeholders

9. Climate Change Impacts of Fish Stocks, Sustaining the Blue Economy

- 9.1 CEFAS colleagues joined MMO Board for a collaborative discussion to the impacts of climate change on fish stocks, and how MMO and CEFAS would sustain the blue economy.
- 9.2 The importance of ensuring data-driven decisions are strategically aligned considering both ecological and socio-economic impacts was drawn out, with some colleagues advocating for a marine net gain approach.
- 9.3 CEFAS and MMO committed to a close partnership in their ongoing consideration of sustaining the blue economy, involving industry stakeholders to support them in adapting to a changing marine environment.

Closing Matters

10. Meeting Closure and AoB

- 10.1 The next board meeting is scheduled for May 2025.
- 10.2 The Chair expressed appreciation for members' contributions, and the meeting was formally adjourned.



Marine Management Organisation

Annex: Extraordinary Board Meeting Minutes: 11 December 2024 (Public)
Location: Lancaster House, Newcastle upon Tyne

MMO Board
<p>Tony Delahunty (TD), Interim Chair Belinda Howell (BH) David Lyall (DL) Judith Petts (JP) Mark Ripley (MR), ARAC Chair Peter Judge (PJ), PIC Chair William Roberts (WR) Rob Wilson (RW), RemCom Chair, (via MS Teams)</p>
MMO Executive Leadership Team
<p>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</p>
Defra
<p>Mike Rowe (MRo) – Director of Marine and Fisheries, by invitation</p>
Apologies
<p>Gemma McKenzie (GM), Board Secretariat</p>
<u>Board Secretariat</u>
<p>Julia Templeton (JT), Governance Lead</p>

1. Welcome and Introductory Remarks/Declaration of Interests

- 1.1 TD welcomed attendees to his first meeting as Interim Chair of MMO.
- 1.2 There were no new declarations of interest.
- 1.3 Apologies were given from GM.

2. Committee Membership

- 2.1 Membership updates were given across all committees of the Board.
- 2.2 TD announced that JP would join the Planning and Investment Committee, and MR would assume the role of Audit and Risk Assurance Committee (ARAC) Chair, both effective from December 2024.
- 2.3 WR, outgoing ARAC Chair, would remain a member of the ARAC until the end of his term and will act as Chair for the purposes of reviewing the Annual Report and Accounts (ARA) 2023/24, given he led the committee for the accounting period concerned.
- 2.4 TD confirmed that he would retain his membership with the Remuneration Committee.
- 2.5 TD flagged that MMO are due an External Board Effectiveness Review, the business is engaging the market to identify a supplier to deliver a complete review by end April 2025.

Decision 1112-01 The following updates to committee membership were formally reported:
JP to join PIC effective December 2024
MR to assume the role of ARAC Chair effective December 2024, WR to remain on the committee as member
TD to remain on the RemCom

3. Board Briefings from ARAC and PIC Chairs

ARAC

- 3.1 WR and MR updated MMOB following their Chairmanship of the 10 December 2024 ARAC.
- 3.2 WR reported positive progress on the Annual Report and Accounts. The business is working toward a January laying late.
- 3.3 MR Chaired the main ARAC meeting which focussed on MMO's principal risks. The organisation is improving reporting to enable ARAC to focus on the effectiveness of controls and their outcomes, with plans for future deep dives into key risk areas.
- 3.4 Concerns about delays in the Internal Audit Programme were escalated to the Group Chief Internal Auditor. Undeliverable reports will roll into next year's programme. External Audits by the NAO have offered good assurance.

PIC

- 3.5 PJ reported that the PIC has been well established, commending a positive relationship with the Executive. PJ highlighted the dependence of MMO Projects and Programmes upon a good working relationship with the Department with appropriate financial delegation to MMO.
- 3.6 Fish Export Service (FES) challenges were discussed, including the EU's new Catch Certificate requirements due by January 2026. Resolution of these requirements is being prioritised.
- 3.7 Investment in the Marine Planning and Licensing Programme (MPLP) was celebrated, demonstrating effective collaboration between TW, PE and JS. MMO are now actioning Defra Investment Committee recommendations to further work on benefits realisation.
- 3.8 A further discussion was had on Inshore Vessel Monitoring Systems (IVMS).

4. CEO Update

- 4.1 The CEO provided updates on key areas: the Defra Regulatory Review, led by Dan Corry (DC), the Defra Group Optimising Delivery Review, led by Heather Hancock (HH) Review, Spending Review and Business Planning. At the heart of each review is the need to demonstrate efficiency and effectiveness of delivery. MMO will identify opportunities to work more effectively with partners and lever outcomes.

Regulatory Review

- 4.2 The Corry Review must complete by end January 2025. The Executive and MMO stakeholders have been engaged in the review.
- 4.3 MW reported a positive conversation with DC, which highlighted the importance of MMO in increasing nature resilience in tandem with supporting economic growth, and flagged key blockers to government missions.

Optimising Delivery Review

- 4.4 Six Defra Arm's Length Bodies are in scope for the Hancock Review, which places an emphasis on food, farming and flooding. The review was highlighted as a significant opportunity for MMO to demonstrate its place-based interventions and co-design.

Spending Review and Business Planning

- 4.5 The MMO have received an initial settlement from Phase 1 Spending Review, creating a gap to MMO's operating budget. To address this, MMO plans to reassess its statutory responsibilities, providing clarity to the cost of delivering MMO's statute, highlighting funding gaps and identifying risks and trade-offs. Challenge sessions will be held over the coming days, including through the HH review.
- 4.6 Short-term mitigation options are limited. Ministers will need to consider a clear set of options to determine where savings could be made.

5. Defra View from the Bridge

- 5.1 Continuing the previous discussion, MR advocated for MMO to focus its alignment to central government missions through the Secretary of State priority for nature positive growth.
- 5.2 A broad policy update was given highlighting consultations expected in the near-term, including Marine Protected Area (MPA) Phase 3 measures and Fisheries Management Plans (FMPs).
- 5.3 The Board discussed opportunities for innovative spatial design and co-location which require intervention from The Crown Estate (TCE) linked to leasing conditions. The Board requested a session with TCE to discuss.

6. Meeting Close

- 6.1 TD closed the meeting, there were no further business items for discussion.