



Board Meeting Minutes: 9 July 2025 [Public]

Location: Lancaster House, Hampshire Court, Newcastle upon Tyne NE4 7YH

MMO Board

Tony Delahunty, Chair (TD)
David Lyall (DL)
Peter Judge (PJ), PIC Chair
Rob Wilson (RW), RemCom Chair (Via MS Teams)
Mark Ripley (MR), ARAC Chair (via MS Teams)
Judith Petts (JP) (via MS Teams)

MMO Executive Leadership Team

Michelle Willis (MW), Acting CEO and Accounting Officer
Trudi Wakelin (TW), Director of Marine Development (Domestic and International) (item 4 onwards)
Pete Clark (PC), Director of Operations (item 4 onwards)
Paul Errington (PE), Acting Director of Finance and Resources (item 4 onwards)
Michael Coyle (MC), Acting Director of Digital and Analysis (item 4 onwards)
Pete Redfern (PR), Acting Director of Planning and Change (item 4 onwards)

Additional Attendees, by invitation

Anne Freeman (AF), Interim Director of Marine and Fisheries, Defra (item 4 onwards)
Susan Codling (SC), Director, KPMG (item 3 only)
Graeme High (GH), Head of Grants (item 4 only)
Aisling Lannin (AL), Head of Evidence (item 4 only)

Apologies

Jenny Stewart (JS), Lead Director, Hancock and Corry Reviews (substantively Director of Planning and Change)

Board Secretariat

Julia Templeton (JT), Governance Lead and Advisor to Chair
Board Secretariat: [Redacted]

Governance and Accountability

1. Welcome and Introductory Remarks/Declaration of Interests

- 1.1 The Chair welcomed attendees to the meeting.
- 1.2 There were no new declarations of interest.
- 1.3 Apologies were noted from JS.
- 1.4 The minutes of the 15 May 2025 meeting were reviewed and approved.
- 1.5 Outstanding actions were reviewed and discussed, with specific updates given across digital and data strategies, where it was agreed that MMO are in scope of the Defra policy, the development of a new Planning and Investment Committee (PIC) assurance model with thanks to Russ Labibi, the outstanding Ministerial engagement schedule and Inshore Vessel Monitoring Systems (I-VMS) Soft Launch.

2. Audit and Risk Assurance Committee (ARAC) Briefing: 18 June Meeting

- 2.1 The ARAC Chair updated the Board on the business conducted at the 18 June meeting, much of the business had been aligned to items on the Board agenda, including business planning, prioritisation and the Framework Document.
- 2.2 The committee noted the financial and operational risks arising from the current budgetary pressures. Members were supportive of management's approach, which seeks to make strategic choices about future service delivery rather than managing through incremental reductions. The importance of linking prioritisation decisions to risk exposure was emphasised, with further analysis to be brought back to the Board in due course.
- 2.3 Progress was noted on the development of principal risk reporting, with work now beginning to provide assurance on how risks are being managed. MW confirmed that steps are being taken to improve the reporting narrative which will accompany MMO principal risks.
- 2.4 Internal Audit had completed the prior year's programme, though members expressed concern at delays. Assurance was provided that this year's work would proceed more smoothly. A further change in Defra's Head of Internal Audit was noted, and the ARAC will seek continued assurance that its programme will be delivered to time.
- 2.5 The ARAC also considered the Environmental Audit Committee's report on governing the marine environment.
- 2.6 It was noted that ARAC membership had reduced to two non-executive members, with three required by the Terms of Reference. The Board formally agreed to appoint JP to the ARAC, welcoming her to the committee.

MMOB-04D **ARAC Membership:** The Board agreed to appoint JP to the ARAC

3. External Board Effectiveness Review

- 3.1 The Board received KPMG's external review of effectiveness for 2024/25. The review, which drew on interviews, observation of meetings and analysis of Board papers, was presented to the Board. Key findings and recommendations were discussed.
- 3.2 The Board welcomed KPMG recommendations to clarify roles and responsibilities among Board attendees, including responsibility for strategy with agreement that MMO2030 should be reviewed. Further recommendations surrounding Board culture and risk management were accepted, the latter subject to clarification to the appropriate timing of MMO's risk appetite statement; SC agreed to ensure that Board comments were reflected in the final report.
- 3.3 The report was approved subject to the amendments discussed. It was agreed that JT and MW would prepare a themed action plan in response to KPMG recommendations, this plan should be considered at the 24 September Board meeting and shared, accompanied by the report, with the Senior Sponsor thereafter.

MMOB-23 **Board Effectiveness Review:** External BER action plan to be developed for Board input and adoption at the September 2025 Board meeting

MMOB-05D **Board Effectiveness Review:** The Board approved the external Board Effectiveness Review report, delivered by KPMG, subject to the amendments discussed

Strategy and Stakeholders

4. Spotlight: Grants and Evidence

- 4.1 GH and AL joined the Board to present the impact outcomes of Grant Funding administered by MMO since 2016, where in excess of £215million funding has been available, the contribution of grants to achieving MMO Goals was outlined. The executive team were encouraged to continue to celebrate MMO grant interventions outwardly.
- 4.2 There was a discussion to MMO's engagement with other regulators in assessing intersecting initiatives, PJ requested further information on how this is approached.
- 4.3 The Board discussed the financial case for grant investments and requested further information to how the socio-economic impacts of grants are evaluated. With regard to the Fisheries and Seafood Scheme (FaSS) and UK Seafood Fund (UKSF), both grant schemes received the approval of Defra's Investment Committee and required a complete set of Accounting Officer tests, which included scrutiny of the financial case and evaluation methodology. External evaluations of both schemes have considered overall scheme effectiveness and impact. The Board championed further assessments of this nature to be taken in relation to future schemes supporting MMO to make robust statements about the impact of its grant interventions in its Annual Report and Accounts, particularly with regard to improving the marine environment and supporting sustainable industries from end to end.
- 4.4 The Board discussed UK Government's announcement of a £360million Fishing and Coastal Growth Fund in response to the EU Reset, the scheme was confirmed on 19 May. AF confirmed that evaluations and lessons learned from historic grant schemes would feed into the development of this fund; the fund design and bodies responsible for delivery have yet to be confirmed.

MMOB-24 Grants Evaluation: GH and PE to provide further information to the Board on Grants evaluation, including criteria and approach.

5. CEO Briefing

- 5.1 MW briefed the Board on key external and operational matters;
- 5.2 **Environmental Audit Committee (EAC) recommendations:** It was reported that Defra would lead on the response to the EAC, which is likely to be submitted in July. A formal government response will be published, and Defra is engaging relevant arm's length bodies to compile this.
- 5.3 **Defra Outcome Delivery Plan:** Defra are in the final stages of finalising its outcome delivery plan post the spending review. The plan aims to clearly set out Departmental priorities aligned to government missions. MW discussed MMO's broader commitments to the Environmental Improvement Plan, which is also subject to review. MW signaled the need to synthesise these revised strategies alongside MMO2030 ensuring the business prioritises the most important activities.
- 5.4 **Stakeholder Engagement:** The Board were briefed on the impact of EU Reset, MPA Consultations and "Oceans" by David Attenborough on the fishing industry. A recent visit from Minister Zeichner provided MW and TD with opportunity to introduce the concept of a fishing strategy to the minister responsible.
- 5.5 **Change Management:** A further interim report from an external supplier concerning the Marine Licensing and Planning Programme (MPLP) has provided thought-provoking recommendations regarding MMO's organisational presentation. The report advocates for service-led transformation; a proposed response will be brought to the Board once it is finalised. MMO project senior responsible officers (SROs) TW and PC commended supplier interventions which have been constructive and positive, generating noticeable improvements in ways of working.

MMOB-25 Defra Outcome Delivery Plan: MW to share the recently launched plan with MMOB highlighting Outcomes of relevance to MMO.

MMOB-26 [Redacted] Report: MW to share [Redacted] Report on the Marine Planning and Licensing Programme with MMOB [Redacted]

6. Business Planning and Spending Review Outcomes

- 6.1 PR shared a paper which set out the approach to business planning following receipt of the Chair's letter 2025/26, the letter has shaped the prioritisation work undertaken with the MMO Directorate Leadership Team, the process itself being valued for building shared ownership of delivery challenges.
- 6.2 It was noted that current forecast expenditure exceeds MMO's confirmed budget. While some transfers are expected to narrow this gap, further mitigating actions will be required. PR confirmed that a degree of over-programming risk is being taken.
- 6.3 Initial steps have included the prioritisation of recruitment in the key area of marine licensing, while vacancies are paused elsewhere, with a reduction in FTE to be managed through attrition. In the medium term, the business will undertake a system-wide view of its activities to identify efficiencies.

- 6.4 The Board noted ongoing uncertainties, including MMO's potential role in Remote Electronic Monitoring (REM) and strategic compensation.
- 6.5 PR confirmed that some performance measures from the Chair's letter are being revised and will be reissued at the September Board. While this is ongoing, work is underway to map MMO priorities against Defra outcomes to ensure alignment and clarity in reporting.
- 6.6 PE discussed MMO's action plan which has been developed to generate innovative proposals to how MMO continues to deliver within budget constraints. Key elements include the development of a workforce plan, resetting of ring-fenced budgets with Defra, and system wide reviews covering regulatory assurance, marine planning and licensing and fisheries management. Most actions are scheduled for completion between September and October 2025 to inform organisational choices and provide clarity to staff.
- 6.7 Board members encouraged the executive to think creatively about identifying efficiencies, while noting the inherent constraints posed by limited investment in new technology. It was agreed that risk appetite would require consideration in parallel with efficiency ambitions.
- 6.8 The Board approved the approach to budget allocation and endorsed the proposed action plan.

MMOB-06D Business Planning: MMO Board agreed to adopt the proposed action plan and recommendations put forward by the Business Planning paper MMO BM 11706. Directorate Budgets were also adopted.

7. Defra Policy Briefing

- 7.1 AF provided a policy briefing to the Board, including the appointment of Gareth Baynham-Hughes to the role of Director of Marine and Fisheries effective September 2025.
- 7.2 AF reported that the fiscal environment across Defra remains extremely tight, with further resource reductions being modelled. Departmental resources are being assessed to respond to Secretary of State priorities which concern the Clean Energy Mission and the development of the Fisheries and Coastal Growth Fund, each requiring difficult choices and reprioritisation of existing work.
- 7.3 Further to MW's briefing on the fishing industry response to the EU Reset, AF confirmed that Ministers would engage with industry directly over the summer.
- 7.4 It was confirmed that the delivery of Fisheries Management Plans (FMPs) remains a priority. The Board noted the importance of demonstrating progress, as well as opportunities to shift towards more adaptive and innovative approaches in regulation and implementation.
- 7.5 Members acknowledged the complex political and resourcing pressures facing Defra and MMO and welcomed the continued focus on maintaining constructive relationships with industry while delivering against challenging priorities.

8. Hancock and Corry Review Update (Lead Regulator Pilot)

- 8.1 MW provided the Board with an update on MMO's engagement with the Hancock and Corry Reviews.
- 8.2 Of the 59 recommendations put forward by these reviews, 15 have been prioritised for implementation across the Defra Group. This was welcomed as a manageable starting point, with progress focused on those areas most closely aligned with existing MMO activity. The importance of proportionality was underlined: the MMO cannot absorb multiple new initiatives without risking delivery of its statutory duties and must therefore seek to build on existing workstreams wherever possible.
- 8.3 The Board noted the progress around the "Lead Regulator Pilot" where an MMO pilot has been selected by the programme. The project selected offers clear local economic benefits, links to offshore wind development, and provides an opportunity to demonstrate how MMO can streamline marine licensing in practice. The Board encouraged an emphasis on direct engagement with developers, providing opportunities to build understanding of the regulatory process.
- 8.4 The Board further reflected on cultural and behavioural dimensions of the reviews, recognising that successful implementation will depend less on new technology or structures and more on collaborative working, constructive challenge, and proportional governance arrangements. The Defra Infrastructure Board was noted as a developing forum across government for unblocking major projects.
- 8.5 The Board welcomed the collaborative effort of MMO teams to date and noted the positive energy around aligning existing work to review objectives. Members agreed the approach should remain proportionate and pragmatic, ensuring MMO demonstrates progress while protecting delivery of its statutory functions.

9. MMO Framework Document Refresh

- 9.1 PE invited Board feedback on the MMO Framework Document and endorsement to submit the document to Treasury. Members were advised that the draft had been reviewed extensively by MMO governance and legal teams, Defra sponsorship and the MMO ARAC, with all comments addressed in the version presented; MR verified this, flagging that while MMO is offered limited oversight in terms of its use of Defra corporate services, there are no outstanding issues.
- 9.2 The Board noted that particular attention had been given to clarifying the relationship between MMO and Defra as its sponsor. Defra rights of access to MMO personnel and records had also been clarified.
- 9.3 The Board discussed the formal appointment of the MMO CEO to the Board which the Framework Document sets out, noting that this had been previously agreed in principle but not formally recorded. Members agreed that the CEO should be appointed to the Board, subject to clarification of the requirement to obtain Secretary of State approval.
- 9.4 The Board endorsed the revised Framework Document for submission to HM Treasury, congratulating the MMO governance team and ARAC colleagues for their thorough and constructive work in bringing it to conclusion.

- MMOB-07D Framework Document:** MMOB approved the revised draft Framework Document presented alongside paper MMO BM 11708. The draft Framework Document is now authorised for onward submission to HMT, and will return to Board and Defra for sign off once HMT clearance/comments have been obtained
- MMOB-08D CEO Appointment to the Board:** The Board agreed that the CEO should be appointed to the Board, subject to clarification of the requirement to obtain Secretary of State approval

Closing Matters

10. Meeting Closure and AoB

- 10.1 No substantive items of other business were raised by members.
- 10.2 The Board noted that, in line with legislative requirements, MMO must have a Chief Scientific Adviser (CSA). While a permanent appointment has yet to be made, interim measures have been put into place. MW confirmed that a draft role description for the next substantive CSA is undergoing development, with input from Defra. The role descriptor will clarify the nature of the CSA's engagement with Defra and the MMO Board. Once finalised, the post will be subject to fair and open competition.
- 10.3 The Chair requested that attendees submit feedback on the effectiveness of the meeting to the secretariat.
- 10.4 The meeting was formally adjourned.