

NORTHERN LIGHTHOUSE BOARD

BOARD MEETING

MINUTES – 22 February 2010

PRESENT:	Sir Andrew Cubie CBE	Chairman
	Sheriff Principal Alastair Dunlop QC	Vice-Chairman
	The Rt Hon Elish Angiolini QC WS	Commissioner (Items 5 – 6a only)
	Sheriff Principal Edward Bowen CBE TD QC	Commissioner
	Captain Mike Close	Commissioner
	Rev Dr George Grubb	Commissioner
	Sheriff Principal Bruce Kerr QC	Commissioner
	Alistair Mackenzie	Commissioner (Item 5 onwards)
	Frank Mulholland QC	Commissioner
	John Ross CBE FRAgS	Commissioner
	Alistair Whyte	Commissioner
In Attendance:	Roger Lockwood CB	Chief Executive
	Captain Phil Day	Director of Marine Operations
	Douglas Gorman	Director of Finance & Administration
	Moray Waddell	Director of Engineering
	Mike Petrie (item 6e only)	Quality Health, Safety and Environmental Manager
	Jill Bennett	Secretary to the Board

The Chairman extended congratulations on behalf of the Board of Commissioners to Commissioner Bowen on the award of CBE in the New Year's Honours list.

The Chairman welcomed the Commissioners to the meeting and gave a brief synopsis of the issues facing the Board.

1. APOLOGIES FOR ABSENCE

Apologies for absence were noted from Commissioners Lockhart, Park, Petrie, Quayle, Stephen, Taylor and Young.

2. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 7 December 2009 were agreed as a correct record and the Board agreed that the minutes could be published on the website.

Action: Secretary to the Board

3. MATTERS ARISING

Support Area Savings

The Board noted that the further £150,000 of savings from support areas had been identified and these had been forwarded to the DfT.

Chamber of Shipping

The Board noted that the Chairman and Chief Executive were to meet with the new President of the Chamber of Shipping on 5 May 2010.

NLB's Independence Status

It was noted that the final draft of the standalone statement clarifying the reasoning behind the separate authority status of NLB had been circulated electronically to the Board of Commissioners and accepted without amendment. Although the document was not being actively utilised, the preparation of the document was regarded as having been a useful exercise.

Northern Lighthouse Heritage Trust

The Board noted that the final document of the Asset Transfer Agreement (ATA) between the Commissioners and Northern Lighthouse Heritage Trust had been circulated to the full Board of Commissioners and following no comments back from members, had been duly signed.

4. CHIEF EXECUTIVE'S OVERVIEW

The Board noted the Chief Executive's summary of the work of the Executive since the last meeting and in particular noted that due to the relatively short time since the last meeting of the Board in December that the main concentration had continued to be on the Assessment into the provision of Aids to Navigation (the Atkins Study).

Commissioners Angiolini and Mulholland joined the meeting at this point.

5. STRATEGIC ISSUES

5a GLA Assessment (The Atkins Study)

The Board noted that W S Atkins, the engineering consultancy company contracted by DfT to conduct the Assessment into the provision of Aids to Navigation around the coasts of UK and Ireland, had presented their draft report on time on 5 February and noted the Conclusions and Recommendations from the report circulated with the Agenda.

The Chairman and Chief Executive drew the attention of the Board to recommendations of particular interest to NLB. In particular, it was noted that comparison and benchmarking between the three GLAs was the way forward with further work to be undertaken on co-ordinating activities and addressing issues of joint strategy through the creation of a Joint Strategic Board (JSB).

It was noted that the Final Report was to be issued on 1 March and comments returned by the final Steering Group meeting on 9 March 2010. The Board noted that, if deemed necessary, a special meeting of the Managing Board might be required to accommodate the Assessment timetable, if the final version differed materially from the earlier version.

The Board noted that the Report was to be delivered to the Secretary of State and would not therefore call for approval from the GLAs; the GLAs both jointly and singly would however need to respond to the Report.

5b 84 George Street

The Board noted that there had been no change since the last meeting.

5c Heritage Trust and Trading Company

Heritage Trust

The Board noted that a successful sale of the non-lighthouse heritage books took place on 13 January 2010 with the proceeds received, as agreed, by the Northern Lighthouse Heritage Trust.

Trading Company

It was noted that the DfT was still working on potential State Aid issues arising from the Trading Company proposition.

5d Committee Frequency and Structure

The Board of Commissioners noted the Chairman's paper on Committee Frequency and Structure and approved the following proposals:

- that the Heritage and Estate Committee be formally disestablished with immediate effect. The business of the Committee would pass to the Managing Board with the proviso that, should the extra work load prove to be burdensome to the Managing Board, then consideration should be given to re-establishing the Committee.
- that the Ship Committee be formally disestablished on the understanding that it could also be reconvened if necessary.
- that the Board of Commissioners reduce from four to three meetings a year from April 2011, with the caveat that the timings of the meetings should be adjusted in line with business process requirements, reporting Committees and the new strategic JSB meetings.

Action: Secretary to the Board

It was agreed that the Chairman would keep Commissioners informed through regular electronic or written briefings throughout the year. It was also agreed that Commissioners Inspection trips would consider selected themes.

5e 2010 Aids to Navigation Review (AtoN)

The Board approved the proposed changes to the provision of NLB AtoN following the 2010 AtoN review and the discontinuation of Clythness and Point of Ayre minor light. In particular it was noted that:

- The views expressed by the Scottish Users' Consultative Group have been taken into account when formalising the final proposals.
- All proposed changes had been informed by AIS Traffic analysis and subject to risk assessment.
- A tri GLA benchmarking exercise to ensure consistency between the GLA's had been carried out.

It was noted that the Review was to be published as a joint GLA document in May 2010.

6. OPERATIONAL ISSUES

6a Marine Operations Report

The Board noted the report from the Director of Marine Operations. It was noted that NLV Pharos was currently undertaking rig inspections and that the damaged teeth on the windlass drive on NLV Pole Star had been repaired and that the condition of class would be removed on the next inspection.

Alternative Energy

The Board noted the report outlining the work NLB was undertaking on alternative energy. Concern was raised that although NLB has the statutory responsibility to mark and light alternative energy sites, it was the Scottish Government and/or Department of Energy and Climate Change (DECC) who licence the location of the sites. It was noted that NLB take an active role in providing an early co-ordinated response to proposed developments to ensure the consideration of safety of navigation.

GLA Fleet Review

The Board noted that the Managing Board had approved, under delegated authority from the Board of Commissioners, the final report prepared by the Marine Operations Inter GLA Committee (IGC 4) on the inter-GLA proposals for the adoption and implementation of Co-ordinated Fleet Management. The Board noted the Executive Summary paper tabled at the meeting and that the complete document had been forwarded to the Department for Transport as a more efficient and cost effective proposal than central fleet management suggested under the GLA Fleet Review.

6b Engineering Report

The Board noted the report submitted by the Director of Engineering.

DGPS

The Board noted that the tri-GLA project to re-engineer the DGPS system was delayed due to issues with the commissioning of the new equipment, with the new system anticipated to be operational by the end of 2010

Commissioner Angiolini left the meeting at this point

6c Finance and Administration Report

The Board noted the paper summarising the financial performance in the current Financial Year to 31 January 2010 and the latest full year forecast for the year ending 31 March 2010.

The Board noted that the New Expenditure forecast for 2009/10 was within the Budget for the year and the forecast made at the time of the Autumn planning round.

The Board noted that the interpretation of the “Red Flags” within the Key Performance Indicator report was very subjective and it was suggested that “minor” flags might perhaps be of a smaller size to differentiate the more major issues.

6d HR Report

The Board noted the report from the Human Resources Manager and that a Capability Policy was currently being drafted.

The Chief Executive reported that NLB had been successful in achieving the Silver Healthy Working Lives Award.

6e Health and Safety

The Board noted and approved the new version of the report developed following Commissioners feedback. It was noted that the format was now such that one report format was utilised for the Board, Managing Board, Safety Committee and Corporate Planning submission.

Health & Safety Training

The Board asked for a further breakdown of low budget spend, eg courses offered, take-up of training and attendance at courses on health and safety within NLB.

Golden Rules

The Board noted that the new initiative - to imbed further a health and safety ethos into NLB culture - had commenced a staggered rollout. The nine rules are to be publicised one rule at a time, approximately two months apart.

7. COMMITTEE REPORTS

7a Managing Board

The minutes of the Managing Board meeting held on 25 January 2010 were noted.

7b Audit and Risk Committee

The Board received a verbal report of the Audit and Risk Committee meeting held on 8 February 2010.

The Board noted that the Committee would provide a report to the September 2010 meeting of the Board on ongoing status and liquidity risk and would include text for approval to include in the Annual Report.

Action: Director of Finance

8. COMMISSIONERS' BUSINESS

8a Corporate Calendar

The Board noted the Corporate Calendar for 2010. It was agreed that the Heritage and Estate Committee meetings on 16 March, 13 May and 1 October would be removed following the disestablishment of the Committee as agreed under Item 5d above.

Action: Secretary to the Board

8b Commissioners' Inspection Voyage

The attendance for the Commissioners' Inspection Voyage was noted. It was also noted that confirmation of travel requirements and suggestions for the local dinners to be held in Stornoway and Oban would be sought along with any suggestions for themes for discussion during the trip.

Action: Secretary to the Board

8c Commissioners' Handbook

i) The Board approved the proposed changes to the Schedule of Delegation in order to provide clarity on delegated responsibility in relation to authorisation for retirement and severance arrangements.

Action: Secretary to the Board

ii) The Commissioners noted the replacement sections to the handbook circulated with the agenda and that the following items had been altered:

- Replacements incorporating additions in order to clarify the responsibilities of the Managing Board and Audit and Risk Committee in relation to risk and health and safety issues:
 - Annex 3 – Matters Reserved to the Board (Additional point 11)
 - Annex 4.2 – Managing Board Terms of Reference (Additional bullet under 7c)
- Replacement updating the Commissioners' Annual Review:
 - Supporting Documents – Commissioners' Annual Review.

8d Long Service Awards

The Commissioners noted the arrangements for the Award Ceremony to follow the meeting.

8e Bell Rock Bi-centenary

The Board noted the programme of events NLB was preparing, in association with the Royal Society of Edinburgh, to celebrate the Bi-centenary of the Bell Rock Lighthouse. The draft Conference Programme and Regional Exhibitions and Events to be held in February 2011 were also noted and that the attendance numbers was still under discussion.

9. ANY OTHER BUSINESS

Commissioners of Northern Lighthouse Trust 2000

The minutes of the meeting of the Commissioners NL Trust held on 10 February 2010 were noted.

Helicopter Contract

The Board noted that the helicopter contract had been awarded and was currently in the standstill period. The Contract has a start date of 1 December 2010 for five years with a further two year option.

10. PRIVATE BUSINESS

The Commissioners then held a short private session.