

NORTHERN LIGHTHOUSE BOARD

BOARD MEETING

MINUTES – 28 April 2016

PRESENT:	Captain Alistair Mackenzie	Chairman
	Graham Crerar	Vice-Chairman
	Sheriff Principal Ian Abercrombie QC	Commissioner
	Captain Alastair Beveridge	Commissioner
	Captain Michael Brew	Commissioner
	Captain Mike Close	Commissioner
	Councillor Isobel McCallum	Commissioner
	Sheriff Principal Duncan Murray WS	Commissioner
	Sheriff Principal Derek Pyle	Commissioner
	John Ross CBE	Commissioner
	Sheriff Principal Mhairi Stephen	Commissioner
	Lesley Thomson QC	Commissioner
In Attendance:	Mike Bullock MBE	Chief Executive
	Captain Phillip Day	Director of Marine Operations
	Mairi Rae	Director of Finance & Administration
	Moray Waddell	Director of Engineering
	Jill Bennett	Secretary to the Board

1. APOLOGIES FOR ABSENCE & DECLARATION OF INTERESTS

Apologies for absence were noted from Commissioners Lewis, Mulholland, Scott, and Wilson.

There were no potential conflicts of interest other than those already declared at previous meetings and in the Annual Report.

Commissioners were asked to complete the Annual Declaration of Interests circulated with the agenda papers and return to the Secretary of the Board as soon as possible.

Action: All Commissioners

2. MINUTES OF PREVIOUS MEETING

The minutes of the meeting held on 29 October 2015 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

The Board noted the status report on matters arising from previous meetings and in particular that the Business Gifts & Hospitality Register 1 August 2014 to 31 March 2015 had been published on the NLB website.

4. CHIEF EXECUTIVE'S REPORT

The Board noted the report from the Chief Executive, highlighting items from the Departmental reports backed up by the full reports. Discussion took place on the following matters:

Asbestos

The Board noted that a number of procedural errors had been identified in the documentation audit trail for asbestos. The Board noted the plan to address the issue around the estate including staff awareness training and that the matter would be discussed at the HSE Committee meetings and at every Managing Board meeting until the work reaches conclusion. It was noted that all information on staff who may have been in contact with asbestos was being recorded in their personnel file.

Medical Evacuation Procedure from Towers

The Board noted that the Maritime Coastguard Agency had confirmed that emergency plans should be in place to move a casualty to a place where they could be hoisted by a helicopter (ie the base or balcony of a tower). In order to address this requirement, equipment has been purchased for the four Pillar Rock stations and training was being sourced. Once these are completed, the other stations will be considered.

Oban Port

The Board noted that short term measures for improvement of navigational safety in Oban on behalf of CMAL, CalMac, NLB and Argyll and Bute Council were progressing and due to be completed early Summer. The Navigation Committee continue to monitor the increase in traffic within the Oban Bay area.

Isle of May

The Board noted that NLB were working with SNH in order to open the lighthouse for public access visits later in the summer.

Light Dues

It was noted that Light Dues decreased on 1 April 2016 by 1p to 38p per net registered tonne.

Alcohol and Drugs Policy

The Board noted that the policy had commenced on 4 January 2016.

Managing Board

The minutes of the Managing Board meeting held on 18 November, 16 December 2015, 21 January and 17 March 2016 were noted.

5. ANY CLARIFICATION (BY EXCEPTION) ON OPERATING REPORTS

There were no further points of clarification.

6. FLEET REVIEW

The Director of Marine Operations gave a presentation on the outcome of the GLA Fleet Review including the proposed Centralised Programme Planning Function. The Board noted that the JSB were to discuss the next steps to establish the project plan, governance and timelines. It was currently envisaged that the project would be complete by mid-2018, for Phase 2 of the work which would test and evaluate the recommendations.

7. 84 GEORGE STREET RENOVATION

The Board noted the presentation on the ongoing upgrade of 84 George Street. Work undertaken had included changing from oil to gas central heating, replacement windows, repairs to stonework and replacement of internal fire doors. The Board noted and supported the next stage of the upgrade to renew the electrical supply into the building, replace the workshop roof and reconfigure the basement space. The Board noted that this work was included in the Corporate Plan and that that the overall capital programme was to be reviewed by the Managing Board as the work on 84 was likely to cost more than budgeted.

8. REVIEW OF NLB'S MISSION, VISION & VALUES

The Board reviewed the Strategic Focus, Mission, Vision and Values for inclusion in the next Corporate Plan (2017-2022). It was agreed that the addition of security – in terms of the ships and IT - would be incorporated within the Strategic Focus, and NLB's commitment to equality and diversity be incorporated under Values.

Action: Chief Executive

9. CORPORATE PLAN 2017/18

The Board noted the work was due to commence on the 2017/18 Corporate Plan and that the completed document would be submitted to the October meeting of the Board of Commissioners.

10. NOMINATION COMMITTEE

The Board of Commissioners noted that there had not been a meeting of the Nomination Committee since the last Board of Commissioners. It was also noted that the Lieutenant Governor of the Isle of Man and DfT had now confirmed Commissioner Brew's appointment to be extended for a second term to 31 May 2019.

The Chairman advised the Board that there were several issues coming up before the next calendared meeting of the Nomination Committee:

- The current Chairman of the Nomination Committee, Commissioner Scott was to retire in September and a new chair of the Committee would require to be sought.

- The retirement of Commissioner Scott in September and Commissioner Mulholland in May would leave the Audit and Risk Committee short.
- Commissioner Ross was due to retire end of September 2017, and as the Scottish Government representative, the recruitment would have to follow the Scottish Government procedures.
- The skills set matrix of the Commissioners required to be examined to ensure the Board has the skills required as two new Commissioners will be recruited in 2017 to replace Commissioners Close (June 2017) and Ross (September 2017).

It was agreed that the Chairman and Chief Executive should take action to address the issues listed above which included identifying a new Chairman of the Nomination Committee.

Action: Chairman/Chief Executive

11. REMUNERATION COMMITTEE TERMS OF REFERENCE

The Board agreed the proposed amendment to the Remuneration Committee Terms of Reference and approved the amendment be included in NLB's Guide to Governance, The Commissioners' Handbook.

- add a new sentence in Section 2: Purpose:

"The Remuneration Committee will also provide support to the Chief Executive and Directors in agreeing the remuneration package for all paid members of the Northern Lighthouse Board."

Action: Secretary to the Board

12. NORTHERN LIGHTHOUSE HERITAGE TRUST ASSET TRANSFER – REMAINING HERITAGE ASSETS

The Board noted the agenda paper and that the heritage items do not form part of the General Lighthouse Fund (GLF) and was stated as such in a note in the GLF Accounts. The Board approved the terms of the transfer of the remaining heritage assets from the Commissioners of Northern Lighthouses to the Northern Lighthouse Heritage Trust.

13. ANNUAL REVIEW OF BOARD EFFECTIVENESS

The Board noted that the feedback pro-forma had been issued in January to all Commissioners but that feedback had been disappointingly limited at 31.5%, but in line with previous years. It was noted that for the first time, the Executive had also been asked for their feedback.

It was noted that the Chairman had held meetings with the individuals who had provided feedback to discuss their comments one-to-one prior to compiling his summary report that was circulated with the agenda papers.

14. REPORT FROM THE AUDIT AND RISK COMMITTEE

The Chairman of the Audit and Risk Committee gave an update on the work of the Audit and Risk Committee and outlined future priorities.

It was agreed that a summary of the Risk Register should be submitted annually to the Board of Commissioners, commencing with the October 2016 meeting.

Action: Chief Executive

The Minutes of the meetings held on 12 November 2015, 10 February and 13 April 2016 were noted.

15. PROJECT MANAGEMENT REVIEW

The Board noted that an internally led review was to commence in May with the aim to improve NLB's Programme and Project Management and would be led by newly recruited Project Engineer.

16. PAY UPDATE

The Board noted the update on the ongoing meetings with HM Treasury on the August 2015 Pay Remit Submission.

17. ORGANISATIONAL REVIEW

The Board noted the update on the Organisational Review and the Review Specification enclosed in the agenda papers. The DfT approved the Review as part of the Corporate Plan, but further DfT approval was now required to be sought in order to procure consultancy services.

18. BLACK BEQUEST FUND

The Board noted the update on the work of the Fund.

19. Commissioners' NL 2000 Trust

The Board noted the update on the work of the Trust.

20. INTER GLA MATTERS

a) Chief Executives' Committee

The Board noted the Chief Executives' Committee held on 20 April had focused on the Fleet Review.

b) Joint Strategic Board

Commissioner Crerar, in his role as Chair of the Joint Strategic Board (JSB), reported that the meeting of the JSB to be held on 24/25 May 2016 would focus on the Fleet Review and governance of the project. He also reported that the May meeting would be his last meeting as JSB Chairman.

c) eLoran

eLoran is a navigation system aimed at providing resilient position, navigation and time as a mitigation for the vulnerability of satellite systems. It was noted with regret that eLoran navigation services had ceased in Europe with effect from 31 December 2015.

21. ANY OTHER BUSINESS

The Chairman, in their absence, thanked Commissioners Mulholland and Scott for their contribution to the Board during their tenure of office.

22. CORPORATE CALENDAR

The Board noted the Corporate Calendar for the remainder of 2016.

Commissioners Abercrombie and Stephen left at this point.

23. DfT ASSURANCE FRAMEWORK & SPONSOR STATEMENT

Gavin Gaunt, Director, Group Assurance at the DfT joined the meeting.

The Board noted the synopsis on the new Assurance Framework which was aiming to straighten out the sponsorship lines within the DfT family. The process was being trialled at the moment with the aim to roll out to all the DfT family in 2017.

It was noted that the framework was designed for large organisations, eg Network Rail and that a large proportion of the framework was not applicable to NLB. It was noted that the aim was to eliminate duplication and that the new framework should not impose any further burdens. The Board expressed concern that this may not be the case in practice and emphasised the importance of a proportionate approach.

It was agreed to circulate the draft DfT Assurance Framework to all Commissioners for comment by end of May 2016.

Action: Secretary to the Board

It was also agreed that the DfT would share the document with Transport Scotland.

Action: DfT