

**NORTHERN LIGHTHOUSE BOARD
BOARD MEETING
MINUTES – 20 October 2021**

PRESENT:

Captain Alastair Beveridge	Chair
Elaine Wilkinson	Vice-Chair
Sheriff Principal Craig Turnbull	Commissioner
Sheriff Principal Mhairi Stephen	Commissioner
Sheriff Principal Derek Pyle	Commissioner
Sheriff Principal Marysia Lewis	Commissioner
Brian Archibald	Commissioner
Hugh Shaw OBE	Commissioner
Rob Woodward	Commissioner
Captain Michael Brew	Commissioner
Councillor Bill Lobban	Commissioner
Mike Bullock OBE	Chief Executive

In Attendance: Mairi Rae	Director of Business Services
Phil Day	Director of Operations
Scott Willoughby	ICT Manager (Cyber Security Presentation only)
Karen Charleson	Senior Executive Assistant (Minutes)

Due to COVID-19 the meeting was held via Teams.

Commissioners Wollfe and Di Rollo

The Chair thanked Commissioners Wollfe and Di Rollo for their contribution to the work of the Board and its Committees over the last 4 years of their tenure and wished them all the best in whatever they decide to do next. The Board of Commissioners look forward to welcoming Commissioners Dorothy Bain and Ruth Catheris in due course.

Annual Report and Accounts to 31 March 2021

It was formally noted that, as the NAO audit had progressed quicker than expected the GLF Accountant had been keen to bring forward the laying of the General Lighthouse Fund account before Parliament. In order to do this the Board of Commissioners approved NLB's Report and Accounts to 31 March 2021 out of Committee.

1. APOLOGIES FOR ABSENCE & DECLARATION OF INTERESTS

Apologies for absence were noted from Commissioners Kinniburgh, Anwar, Charteris and Bain.

2. MINUTES OF PREVIOUS MEETING

The minutes of 21 April 2021 were agreed as a correct record and the Board were content that the minutes could be published on the website.

Action: Senior Executive Assistant

3. ANNUAL CYBER SECURITY PRESENTATION

The ICT Manager joined the meeting to provide an update on cyber security developments. The presentation covered:

- ICT Cyber Hierarchy
- Security Risk Management
- Escalated Risks
- Security (COVID 19)
- Effectiveness Checks
- How secure is ICT Corporate Network
- Training for Board Members
- Cyber Defence Resources
- What you can do to combat cyber attacks

Commissioner Woodward asked for clarification on whether the training provided for staff was a National Cyber Security Centre (NCSC) training package. The ICT Manager advised that the information provided in the Weekly Briefings comes from the NCSC however it does not currently provide training at user level. NLB uses an excellent product created originally by some extremely high-profile hackers and provides real world examples of how to defend against cyber security attacks.

Commissioner Wilkinson asked for assurance that the ICT Manager was content with the level of investment being made by NLB towards cyber security. The ICT Manager advised that significant changes have been made to security and ICT are always looking at new solutions to provide further protection. NLB's ICT Team feel very lucky to have been given the investment required to be able to protect the organisation, anything that is identified as being required has always been supported.

The Chair asked whether the transition from PSTN to SIPs will create a risk. The ICT Manager advised that a very good relationship has been established with the new Account Managers and they have advised that NLB are well ahead of the curve. The issue may be around access to sites to upgrade. The Director of Operations highlighted that the network for monitoring is also separate from the business systems network to reduce the risk.

The Chair thanked the ICT Manager for the very informative and reassuring presentation. The Board can take great assurance from the work being undertaken.

4. MATTERS ARISING

The Board noted the status report on matters arising from previous meetings.

Scottish Independence – Routine meetings between Commissioner Wilkinson and the Scottish Government have been established.

5. DASHBOARD

The Board noted the Dashboard that provides an overview of KPIs. This is scrutinised by the Executive Group and Managing Board at every meeting.

Capital Expenditure

Commissioner Brew highlighted the risk around capital expenditure. The Director of Business Services explained that the figures are skewed due to the timing of NLV PHAROS' dry dock the which is due to take place towards the end of the financial year.

Procurement

Commissioner Wilkinson recognised the excellent performance of the Procurement Team given the huge pressures they have been under by the increased DfT requirements. The Dashboard shows a really good and effective position.

Vacancies

Commissioner Brew asked whether the noted vacancies within Procurement and Business Services were holding NLB back and were NLB looking to fill them to help performance in the future. The Director of Business Services advised that within the complement it included apprentices which had subsequently been agreed not to proceed with. There is currently one vacancy within Procurement and there is planned resource in the Corporate Plan for next year. NLB are also looking to use a 3rd party provider to add to the resource.

Operational Delivery

Commissioner Archibald asked over what timeframe the figures covered and if the figure indicated an improving position. The Director of Operations advised that the figures covered the financial year and compared to last year, it is an improving figure. However, it should be noted that the issues last year were mostly COVID and weather related. A lot of work has also been done on Skerryvore and Dubh Artach as they were also part of the problem last year in terms of out of service hours.

It was noted that the DGPS availability table will be replaced by Overdue Maintenance schedules once DGPS is decommissioned in March 2022.

6. CHIEF EXECUTIVE'S REPORT

The Board noted the report from the Chief Executive which brings together the key Operational and Strategic level issues from the individual Departmental Reports and provides a roundup of cross Directorate business and external engagement. Discussion took place on the following matters:

Safety

There have been no reportable incidents since the last Board of Commissioners.

HS&E Report

Carbon Management Plan - NLB's Carbon Management Plan has been issued to staff in draft format for their input and comment prior to this being finalised. The launch with Zero Waste Scotland scheduled for 14 October 2021 was cancelled.

Biosecurity - RSPB attended Oban Base in early October 2021 to assist NLB with biosecurity checks of loads prior to them being dispatched to Sule Skerry. The checks ensured no alien species (i.e. rats, mice) were exported and gave RSPB the opportunity to update NLB staff on what to look for in future.

ISO Certification - NLB has been re-awarded ISO 9001 (Quality Management), 14001 (Environmental Management) and 45001 (Occupational Health & Safety Management) certification.

HMCG Exercise - An external casualty rescue exercise was undertaken by HM Coastguard at Buchan Ness Lighthouse on 21 September 2021 to roll out the procedures and knowledge that had been gleaned from previous joint casualty rescue training exercises with NLB to other HM Coastguard Area Commanders. The training is being cascaded by HM Coastguard to their Commanders across Scotland to establish a consistent approach to rescue procedures and enable increased levels of joint casualty rescue exercises to take place at NLB's lighthouses.

Health and Safety Executive (HSE) - As part of a routine check on COVID procedures, HSE contacted NLB's contractors about the ongoing project at Barra Head and NLB Oban Base with specific reference made to hand sanitiser and whether it had an alcohol content. HSE confirmed that they were satisfied that COVID safe sites were being operated.

Safety Leadership Tours – The Chief Executive and Director of Operations have both been on separate tours to engage with staff on health, safety and environmental topics and demonstrate leadership engagement.

COVID-19

NLB's crisis management response to COVID-19 continues with weekly meetings to review policy status and align all updates with Scottish Government direction. NLB staff continue to be kept aware of the situation via policy updates and the weekly email sent by the Chief Executive. Staff morale overall is still assessed to be good.

Maritime Mutual Support (MMSG) - The NLB instigated and led Maritime Mutual Support Group continues to provide a very helpful forum to participating organisations. The direct exchange of experience and best practice related to COVID continues.

Operations Report

Outages - Since the last meeting there have been 9 outages over 72 hours.

NLV PHAROS - NLV PHAROS experienced a black out at anchor off Tiree due to a switchboard fault. The vessel returned to Oban for investigation and repair. A review of the components associated with Azimuth drives was undertaken and four items have been identified as requiring to be purchased.

The vessel is also carrying a main crane defect. The crane is currently out of action awaiting parts and is expected to be repaired in December.

NLV POLE STAR - NLV POLE STAR undertook a self-maintenance period in September 2021 which included some steel deck repairs. The deck was inspected and no other concern was raised by the surveyor.

People - Two deck rating apprentices have been recruited (one male and one female) and have started at City of Glasgow college.

Captain Eric Smith, who retired in March 2021, was awarded the Merchant Navy Medal in September 2021.

COVID 19 - Staff continue to follow the COVID safe working practices and largely have returned to full operational activity. Until October 2021 there had been no cases affecting operations however in October 2021 there were two occurrences when a small number of crew on NLV POLE STAR tested positive for COVID. NLB COVID protocols were followed with additional cleaning and other enhanced precautions taken.

Helicopter - The Helicopter has been utilised for AtoN defects & support to project work. The helicopter whilst embarked on NLV PHAROS experienced a gearbox warning light which required the aircraft to be inspected and ground run in Oban, as a result two days of flying operations were lost. There was also a precautionary landing at Davaar Lighthouse due to air in the hydraulic system.

Oban Base - Oban Marine Operations have continued almost as normal with the first cruise ship visits restarting in September 2021. The berth has also been utilised by both NLB vessels, Calmac and aquaculture vessels throughout. Technicians are using ESTF as necessary to support operations.

Navigation Team - The Navigation team has resumed on site audits visiting Inverness in September 2021. The Team are also looking at utilising NLV POLE STAR to undertake aquaculture inspection from seaward as resumption of inspections on site due to biohazard concerns remains unlikely for the near to medium term.

Programme and Renewals – Projects continue to be progressed but there have been setbacks due to weather and defects with the helicopter and ship.

Delivery and Planning – Maintenance is continuing and the falling overdues reflect the efforts being made. The Team have carried out significant work at Skerryvore and Dubh Artach to install new cranes and change batteries (Skerryvore) and generator (Dubh Artach). This removes the need for further ship support this year and allows further progress by technicians over the coming weeks to commission the battery and install the generator.

Apprentices - Two new apprentices (one in Oban and one in Edinburgh) have been recruited and have started at college. The former apprentices have now both been taken on as technicians.

Oban Bay – The Director of Operations provided an update on progress by the Oban Community Harbour Development Association in establishing a Trust Port.

Business Services

Pay Remit - NLB have submitted a Pay Remit which was within the 2021/22 Civil Service Pay Remit Guidance. DfT HR provided minor comments on the document and the revised submission was sent back the same day. However, approval of the Pay Remit has not progressed due to Parliamentary recess. Discussions have taken place with the DfT Sponsorship Team to request a letter authorising payment of the Performance related bonus in November 2021 payroll should the remit not be approved in time. This issue was raised with the Director of Maritime during her visit to Oban Base and she has agreed to follow-up on why a within pay policy request had not been approved timeously.

Comprehensive Spending Review 2021 (CSR21) - Submission for the 2021 spending review was made to DfT on 16 August 2021. The submission followed on from Spending Review preparations sent in June 2021. The submission included Greening Government Commitments spend (both capital and revenue) and the replacement vessel.

2020/21 GLF Accounts - The GLF accounts (with GLA accounts appended) will be submitted to the Permanent Secretary and DfT Audit and Risk before laying in Parliament w/c 25 October 2021. Once the GLF accounts have been laid arrangements will be made to lay NLB's accounts in the Scottish Parliament and published on the NLB website.

2020/21 Management Results. The Management Reporting Pack (MRP) for period 6 (to 30 September 2021) was noted.

Tri-GLA Procurement - The GLAs continue to engage with DfT (legal and policy teams) regarding the potential to continue to procure with IL post the UK exit from the EU. DfT have provided a report which identified four potential options open to the GLAs but they have advised to await the outcome of the Procurement Bill to establish if what is set out will provide a legal framework for the continuation of joint procurement activity.

NLB is progressing tenders for lanterns and moorings to meet our operational requirements until this matter is resolved. There are currently no stock issues relating to these contracts for any of the GLAs.

Helicopter contract – The Director of Business Services provided an update on the position of the current contract. It was noted that the procurement process for the replacement helicopter contract will require to follow the DfT procurement and assurance processes therefore work will require to commence on the Strategic Outline Business Case shortly.

Procurement Requirements - Weekly discussions continue with DfT regarding guidance and standardisation of procurement processes although it is expected that formalisation of the new procurement legislation will not happen until 2022.

Procurement training is being rolled out across the organisation, particularly the Vessel Replacement Project (VRP), the Procurement Team and project teams to ensure everyone is up to speed with what is required e.g. contract management.

One of the more recent requirements on NLB is the requirement to follow the DfT Commercial Lifecycle Assurance (CLA) process for awards above the old OJEU limits. The additional DfT assurance oversight has to date not provided any added value to NLB's procurement processes.

Framework Agreement - The framework agreement between DfT and the GLAs is currently being refreshed and the GLAs plan to use this update as an opportunity to clarify the procurement requirements and exemption levels.

Business Development – The Director of Business Services provided an update on current commercial activity.

Estates - NLB have now transferred an area of land and surplus buildings to the owner of the café at Cape Wrath. This provides the new owner with the potential to develop the offering including improved toilet facilities for visitors and removes the maintenance obligation from NLB.

George Street Development Plan - NLB continues to be involved in discussions around the George Street Development Plan. The next stage is further consultation with businesses regarding the operational implications of the suggested restrictions. NLB has expressed an interest in participating in this consultation.

HR Report

Hybrid Working Project – It is intended to implement the new hybrid working model around the end of November 2021. This will be on a trial basis for six months when a formal review will take place to

ensure this new model is working effectively. The HS&E Team are currently reviewing the Display Screen Equipment questionnaires and desk photos to ensure each individual workstation is compliant.

NLB Annual Engagement Survey 2021 - The Survey closed on Friday 15 October 2021 and results will now be analysed in time for the December 2021 Staff meeting. It was noted that there were more responses this year than the previous year.

NLB Values - Over the last few months visits to both ships and both crews have taken place to brief staff on the addition of NLB Values to appraisals. This follows the implementation of NLB Behavioural Competencies which align with the Values introduced into appraisals for Shore based staff for reporting year 2020-2021. This ensures NLB's Values are embedded across the whole of NLB.

Sick Absence - Sick Absence has slightly decreased and long-term cases have been reducing due to NHS reports being received. Shore based short term absence is still low, it is likely this is due to most employees working from home where they are less exposed to illnesses/infections.

Organisation

Stevenson Rooms Remedial Work - The long awaited alteration to a number of doors within the Stevenson Rooms to meet requirements for door width will take place late October/November.

Commissioners AtoN Inspection Road Trip - A successful inspection was undertaken by Commissioners on 29-30 September visiting stations in the Galloway area.

Long Service and Special Recognition Dinner - Due to COVID the event was cancelled in 2020 with the hope to combine it with the 2021 gathering, however given the ongoing situation it has been decided to wait until next year and then have a combined event for the three years.

External Engagement

Visit of UK Maritime Minister to NLB HQ - Robert Courts MP visited 84 George Street on 1 September and met with the Chair, Director of Operations, Director Business Services and Chief Executive. This was a very positive meeting and the Minister expressed an interest in visiting Oban Base. The Minister also met with the Scottish Maritime Cluster's Chair, Douglas Lang, from Anglo Eastern and the NLB Chief Executive as a non-executive Director of the Cluster.

Visit of Scottish Minister for Transport to Oban Base - Graeme Dey MSP visited Oban Base on 24 August 2021. The visit was a walk and talk tour of the Base plus the opportunity was taken to visit NLV PHAROS. The intended presentation was not delivered because of time overrun but Mr Dey expressed an interest in visiting NLB HQ which might provide an opportunity.

Scottish Maritime Cluster - SMC held a reception on 13 September 2021 as part of London International Shipping Week. NLB hosted a number of DfT Officials including members of the Commercial Assurance Board and Lights Advisory Committee (LAC). The event was assessed as being very successful.

Lights Advisory Committee (LAC) - The Chief Executive and Director Business Services met with LAC in person at the Chamber of Shipping on 13 September 2021. The primary purpose was to brief them on VRP. The LAC were very appreciative of the update and complimentary about NLB's work.

Maritime Biennial Report - The Director of Operation, Director of Business Services and Chief Executive attended the launch of the DfT's Maritime Biennial Report onboard WELLINGTON. The

document, which features NLV PHAROS on the front cover and images from NLB feature throughout, is available online.

SSBA Dinner - The SSBA dinner is planned for 23 November 2021 in Glasgow. An invitation has been extended to the UK Maritime Minister, the Maritime Director and to Laura Marquis, DfT Deputy Head of Maritime Operations Division.

DfT Permanent Secretary - The Chief Executive had an opportunity to talk to Bernadette Kelly onboard WELLINGTON on 14 September 2021 during a LISW event. A very useful discussion was had around the VRP.

NLB Users Consultative Group (NLBUG) - The NLBUG (formerly known as Scottish Users Consultative Group (SUCG)) has been renamed to recognise the inclusion of Isle of Man stakeholders. The next meeting will be held virtually on 4 November.

Future Maritime Fuel Group (FMFG) - The FMFG has now met 5 times, with a sub-group focused on Shore Power and Battery technology running in parallel with NLB's Technical Superintendent charring. Useful links have been made and a network reaching beyond operators into MCA, DfT and Scottish Government established. After the initial activity of the first five months the group has agreed to go to quarterly meetings. The next meeting will be held on 7 December 2021.

Museum of Scottish Lighthouses - The Museum has been operating over the summer albeit on a limited scale due to repair work to the Kinnaird Head Lighthouse site. The Museum will close in October for the winter to preserve resources. A campaign to recruit new Trustees and a Chair is underway.

Communications

Department of Transport – Commissioner Woodward met with the Maritime Director on 3 August 2021 and a comprehensive report was provided to the Managing Board on 23 September 2021. Overall, DfT are very impressed with NLB.

Transport Scotland – Commissioner Wilkinson met with Transport Scotland prior to Board of Commissioners meeting. One area discussed was around the FMFG and the fact that it was felt that the leadership and administration should sit with the Scottish Government and not with NLB. There was a commitment from Transport Scotland to discuss this internally with a view to getting this moved across to them. NLB would continue to be part of the Group.

It was noted that Scottish Government focus is currently very much on the shared policy programme and COP26.

Isle of Man Government – It was noted that there was a General Election in September 2021 and quite a few structural changes are expected. Commissioner Brew will follow up on what changes will occur and where responsibilities for relations with NLB sit.

Action: Commissioner Brew

Communications Update – The update on communications from May to October 2021 was noted.

Managing Board Minutes

The Commissioners noted the minutes from the Managing Board meetings held on 13 May 2021, 23 June 2021 and 23 September 2021.

7. ANY CLARIFICATION (BY EXCEPTION) ON OPERATING REPORTS

Skerryvore - Commissioner Shaw wished to record his delight with the work that has been done at Skerryvore particularly with the batteries, etc and getting things organised over the Summer in challenging conditions - well done to all involved.

NLV PHAROS Outages - Commissioner Shaw asked what impact, if any, the outages on NLV PHAROS were having on programme delivery and what risks had it created in respect of the Wreck Response Criteria. The Director of Operations advised that the ship could continue to do helicopter operations as the smaller palfinger crane can move the helicopter loads around on deck and the shore crane is being used to load the ship. It does mean that the vessel cannot do buoy servicing or deployment therefore NLV POLE STAR is carrying out the buoy work for the time being. NLV PHAROS can still respond to a wreck or a new danger, search the area, locate a wreck and guard the wreck. NLV POLE STAR would deploy a wreck buoy if it was required. This does mean that if there was a wreck both vessels would probably require to be deployed.

Aquaculture – Biohazard - Commissioner Archibald asked what biohazard is being referred to in regard to aquaculture sites. The Director of Operations advised that there are always strict controls around hygiene before going on site. Fundamentally, they are now trying to protect staff from COVID.

Pay Remit/Restraint - Commissioner Archibald asked whether NLB were tracking pay restraint on other Scottish Government seafarers and whether there was potential for a gap in pay to open up. The Director of Business Services advised that in recent years NLB were in that position and an extensive piece of work was done on the last Pay Remit to address this which gained a substantial pay increase for all staff. Therefore, at the moment NLB are ahead of the rest of the market but this is something that continues to be monitored.

Skerryvore/Dubh Artach Cranes - Commissioner Wilkinson noted the increase in the cost of the cranes and asked what learning could be taken from this. The Director of Business Services advised that the first investment approval form was only for the cost of the cranes (based on market intelligence) rather than the whole cost of delivery of the project because it was thought that the work could happen along with other work at the site. To meet the issues at Skerryvore and Dubh Artach the installation of the cranes for those sites was accelerated which also increased the cost. These points have been noted as learnings for future projects.

Comprehensive Spending Review - Commissioner Wilkinson asked for further clarification on what NLB bid for in relation to accelerating green initiatives and if funding is not received will these initiatives continue to be taken forward. The Director of Business Services advised that some of the items included were for example, the roll out of more electrical charging points in a land-based lighthouse. While this is a long-term objective it was not something planned in the current 5 year plan. If funding became available this could be brought forward for roll-out otherwise it will be scheduled for a future Corporate Plan.

Commissioner Brew enquired about funding of greening projects from the GLF. The Director of Business Services advised that there are specific deadlines that NLB must meet which the GLF will be required to support as it is a Government initiative to get to these targets. However, opportunities for grant funding are being investigated.

Carbon Management Plan - The Chair highlighted the extremely good piece of work done on pulling together the Carbon Management Plan. As a first iteration of which is a live document, it is a really good document – well done to everyone involved.

Capital Expenditure – RAG - The Chair highlight the RAG status which has been included on the capital spend table. It was acknowledged that it was a very useful tool which could be developed as an information source for the Commissioners to monitor the progress on capital expenditure throughout the year.

Maritime Director – DfT - The Chief Executive advised that Petra Wilkinson, Maritime Director (DfT) visited Oban Base on 19 October 2021. The visit consisted of a walk and talk brief around the Base, a meeting with the Masters of the HEBRIDEAN PRINCESS and an opportunity to meet the staff based at Oban. The visit also included a quick tour of HQ on 18 October prior to travelling across to Oban. The Maritime Director was very impressed with the people she met, their enthusiasm and ethos.

During the visit the Chair and Chief Executive conducted the Annual Board Evaluation and the review of the governance structure review was highlighted. There was discussion on a number of issues and a brief on the ship project was provided. Positive feedback on the VRP was received noting that Petra was very impressed about the quality of the project compared to other projects of similar structure. The Chief Executive has provided a copy of the slides.

8. CORPORATE PLAN 2022-2027

The Board of Commissioners reviewed the Corporate Plan 2022-2027. Following a couple of clarifications, the Board of Commissioners approved the Plan for submission to DfT by 31 October 2021.

9. NOMINATION/REMUNERATION COMMITTEE

The Commissioners noted the minutes of the Nomination/Remuneration Committee meeting held on 5 October 2021. The Commissioners noted the following points:

- Appointment of a Commissioner for the Isle of Man - Commissioner Brew's third term ends on 31 May 2022. The Chief Executive contacted the Lieutenant Governor's Office and noted that it would be late-October at the earliest before anyone could be nominated to be a member of the interview panel therefore it was felt it would be too early to be placing adverts much before the winter. The next stage is for the Chief Executive to re-engage with the Lieutenant Governor's Office. Commissioner Brew will be kept up to date with developments.

Action: Chief Executive

- NomRemCom - With Commissioner Wolffe's departure there is a requirement to appoint a Commissioner. It was agreed that the Chair of the NomRemCom would approach the Law Officers to seek a volunteer and submit a recommendation to the Board of Commissioners for approval however there has been issues in trying to contact them. It is anticipated that this issue will be resolved in the next few weeks.

Action: Commissioner Pyle

- Managing Board – Given the possibility of a change to the high-level Board structure it was agreed that a successor for Commissioner Di Rollo is not appointed on the basis that the Board of Commissioners Working Group proposal is accepted.

- Heritage Trust – There is a need to appoint another Commissioner as a Director 'B' of the Trust. Commissioner Archibald has declared an interest and confirmation has been received from Trustees that they are content with his appointment.

10. REPORT FROM THE BOARD OF COMMISSIONERS WORKING GROUP

The Chair thanked Commissioners' Brew, Wilkinson and Turnbull for the work undertaken by the Working Group and the excellent and concise proposal that has been produced. The recommendation to reduce the number of meetings will go a long way in removing repetition across meetings.

Discussions with Commissioners have taken place out with the meeting to provide ample opportunity to interact, challenge and ask questions. The Board of Commissioners and NLB Executive fully support and approve the proposal/recommendations:

1. The Managing Board should be dis-established with effect from 1 January 2022.
2. The Managing Board should be replaced by a Governance Board; the members of the Governance Board should be (i) the Commissioners; (ii) the Chief Executive; (iii) the Director of Business Services; and (iii) the Director of Operations.
3. The Board of Commissioners should vest overall management of its activities in the Governance Board.
4. There should be five meetings annually of the Governance Board – those on the first Thursday of August/November/February/May to review the performance of NLB in the preceding quarter; and a fifth meeting at end September/beginning October each year to focus on strategy.
5. The Governance Board meetings should have a standard agenda and there should be a size limit on the accompanying papers.
6. The quorum of the proposed Governance Board should comprise five Commissioners and the Chief Executive (or, in his absence, a Director nominated for that purpose by him).
7. Governance Board meetings will be 2 x virtual / 2 x in person each year. The proposed strategy meeting would be in person.
8. All but one meeting of each committee per annum should proceed virtually. The remaining meeting would be in person.

Work will now progress on Tranche 2 - a review of Committee structures. It was agreed that a member of the Executive be invited to join the Working Group for this review.

Action: Commissioner Brew

Commissioner Wilkinson, as Vice Chair, will now commence a review of the Guide to Governance based on the recommendations accepted by the Board of Commissioners.

Action: Commissioner Wilkinson

11. STRATEGIC RISK REGISTER

NLB's Strategic Risk Register is subject to consistent and ongoing review by NLB's Executive Group on a rolling cycle. The status of all escalated risks is also reported to the Managing Board along with all relevant mitigating measures. Commissioner Wilkinson, as Chair of the Audit & Risk Committee, reported that the evidence provided to the Audit & Risk Committee to give assurance around how risk is managed within the organisation is superb.

Brexit Risk Register

The Brexit Risk Register is a Tri-GLA Document managed by the Inter GLA Committee 6 (Legal and Risk). This is also reported to the Managing Board, Audit and Risk Committee in addition to the Chief Executives Committee and JSB on a routine basis.

12. AUDIT & RISK COMMITTEE

Commissioner Wilkinson, as Chair of the Audit & Risk Committee provided a verbal update to the Board. It was noted that it is a very positive situation, time and again substantial assurance is being received from the internal auditors. The NAO were also very complementary of the Annual Report and Accounts and the whole audit process.

13. VESSEL REPLACEMENT PROJECT BOARD

The Vessel Replacement Project Update reported was noted. The Chief Executive (as SRO) has now received notification that the DfT prepared “for information” report on the outcome of the SQ evaluation had been reviewed and noted by both the Secretary of State for Transport and the Maritime Minister. The ITN was issued on 14 October 2021.

GIAA Audit

A recent audit of the VRP by GIAA found that there continues to be a sound project management and governance control framework in place facilitating timely and dynamic monitoring and review of project progress, issues and risks. The PMO Manager’s approach to business case formulation ensures close alignment to the Treasury ‘Green Book’ 5 case model for business case creation. There is a high degree of effective cross-team working. The report received a “Substantial” rating.

14. INTER-GLA MATTERS

Effectiveness measure

DfT have confirmed a further extension of the break in the effectiveness measure for 2022/23. The Director of Business Services of all 3 GLAs had developed an possible alternative measure which was set out in a document included in the BoC papers. The Commissioners discussed the draft proposal and unanimously supported it as a pragmatic and appropriate way forward. This issue will be discussed at the JSB on 9 and 10 November 2021.

Framework Document

The process of comparing the existing Framework and the new specimen document has commenced. Given other priorities the Chief Executives Committee have agreed that this would be progressed in Q1 of 2022.

16. ANY OTHER BUSINESS

Annual Review of Board Effectiveness

The Chair proposed to postpone the Annual Review until June 2022 with a view of having the Report prepared for review at the September 2022 meeting of the Governance Board. This will allow time for Commissioners to gain experience of the revised arrangements before completing the evaluation. It will also allow for the new Commissioners to contribute. The Chief Executive will advise DfT of the delay.

Action: Chief Executive

Last Meeting of the Board of Commissioners

It was noted that this would be the last Board of Commissioners unless it was required to be resurrected in extenuating circumstances.

17. CORPORATE CALENDAR

The Board noted the Corporate Calendar for the remainder of 2021.

As a result of the decision to move to a Governance Board, the Corporate Calendar for 2022 will be rescheduled with the accepted consequence of Commissioners availability during the transition.