

# NORTHERN LIGHTHOUSE BOARD

## MANAGING BOARD

### MINUTES – 19 September 2019

<b>PRESENT:</b>	Mike Brew	Chair
	Alastair Beveridge	Vice-Chair
	Elaine Wilkinson	Commissioner
	Hugh Shaw	Commissioner
	Graham Crerar	Commissioner
	Mhairi Stephen	Commissioner
	Rob Woodward	Commissioner
	Mike Bullock	Chief Executive
	Phil Day	Director of Operations
	Mairi Rae	Director of Business Services

<b>IN ATTENDANCE:</b>	Jim McBrier	Risk and Improvement Manager
	Karen Charleson	Senior Executive Assistant (minutes)

#### 1. APOLOGIES FOR ABSENCE & DECLARATIONS OF INTERESTS

Apologies for absence were received from Commissioner Di Rollo.

#### 2. MINUTES OF THE PREVIOUS MEETING

The Minutes of the Managing Board meeting held on 19 June 2019 were agreed as a correct record and could now be published on the website.

*Action: Senior Executive Assistant*

#### 3. MATTERS ARISING

The Managing Board noted that the majority of items would be covered in the Agenda and noted the following items:

**Helicopter (Brexit)** – Discussions continue with Helicopter provider and other GLAs relating to how the contract will be delivered after 31 October 2019. However arrangements have been made to ensure the first 6 months following Brexit will continue without disruption.

**Sick Absence** – The revised Dashboard was noted. Commissioner Wilkinson identified that while there is a comparison for the rolling average of June and the rolling average of July the rolling averages should show the trend over a number points so you get to see if it is going in an upwards or downwards trajectory. The value of it is that if you see numerous points going in one direction you may need to take action but just comparing one average against another does not highlight this. Commissioner Wilkinson will provide an illustration of what is needed.

*Action: Commissioner Wilkinson*

**U3A Mull** - Contact was made with the point of contact in the Isle of Man and the offer of a presentation was refused in favour of a local speaker already booked to talk about lighthouses.

#### 4. CHIEF EXECUTIVE'S REPORT

The Managing Board noted the report from the Chief Executive, highlighting items from the Departmental reports and backed up by the full reports.

##### Safety

There have been no reportable incidents since the last Managing Board. There has been over 5 months worked without a reportable incident.

##### HS&E Report

**Radon** - Radon testing at the Point of Ayre lighthouse has continued following the addition of ventilation holes within the door which has seen a significant reduction in levels detected. Longer term solutions that give more certainty of reducing radon levels are to be explored. To assist the neighbours, monitoring also took place in the cellar of the former keeper's cottage which is now in private ownership.

The radon detector was also placed at Maughold Head where initial readings taken were slightly above the threshold limits. Further radon monitoring is to take place in varying locations at Maughold Head to establish whether there is a need for any further action.

Radon monitors have been obtained for the four Technician areas to enable further monitoring to take place, particularly at some of the more remote lighthouse stations.

**Mercury** - The Institute of Occupational Medicine visited Sumburgh Head, Kinnaird Head Museum, Scurdie Ness and Mull of Kintyre to undertake background checks for mercury vapour in atmosphere. A final report is awaited.

Mercury vapour was identified in a number of areas in the Museum of Scottish Lighthouses and measures have been put in place to mitigate the risk. NLB will support the museum to identify long-term solutions.

**Environment** - An environmental tracker has been devised to give an indication of the savings made at meetings which are paperless and used video conferencing. The results from 1 April to 31 August 2019 were noted. Commissioner Woodward suggested that this area would benefit from a forward looking statement on what NLB is planning to do in the future but it was noted that this was already being covered in the new approach from the Environmental Working Group.

**Occupational Health** - A general review of occupational health procedures is on-going which will encompass weight and mobility requirements more explicitly. In addition to this the use of an additional paper based health questionnaire, as part of NLB due diligence checks, is being explored for those required to drive on behalf of NLB.

##### Operations Report

**Outages** - The Managing Board noted that since the last meeting there has been one outage over 72 hours.

**NLV PHAROS** – In addition to routine operations the vessel also supported Inspection Voyages for Commissioners and the Patron and completed a change out contract of the Frigg Rig Watcher.

**NLV POLE STAR** – During July NLV POLE STAR briefly grounded in the approaches to Inverness. The vessel was refloated without injury or damage to staff, vessel or the environment. The MCA and MAIB were satisfied with the investigation and have closed the case. A refit will take place in late September in Leith which will include replacing a section of the working deck which is suffering from corrosion.

**Helicopter** - Routine operations have continued. During August one aircraft had a fuel sensor problem which although still permitted for 72 hours of operations, NLB chose to not accept the aircraft with this known fault. This took 5 days to repair but weather at the intended work location was poor which would have halted planned operations in any case.

**Oban Base** - Berth usage has remained high throughout the summer months. In addition to routine work an internal pollution exercise has been carried out.

### **Navigation**

In addition to routine Marine Licensing activity and LLA Inspections the team have engaged with numerous users and stakeholders during the summer. Support was given to the very well attended AquaSHAD (Aquaculture Safety and Health Awareness Day) event in Shetland. Another event is planned for 2020.

### **Programme and Renewals**

**Capital Works Programme** – Financial year 2018/19 work is complete with commissioning underway at Copinsay and Duncansby Head. Financial Year 2019/20 work is complete at Ruvaal and close to completion at Eilean Glas. Other 2019/20 projects continue to be progressed.

**Irvine Beacon** - Following review by the Navigation Committee it was noted that this project has been cancelled.

**Portain Beacon** - Designs have been received and procurement of the materials and fabrication is being progressed. The installation will now be in financial year 2020/21.

**Firths Voe** – Following further consideration of the scope of works this project has been cancelled. Options for moving the light further inshore later in the 2020-25 period will be investigated.

**Butt of Lewis** - This refurbishment had been held back to ensure a view on overall expenditure was conducted. It is now being progressed and will go to procurement shortly

**Skerryvore** – Commissioner Crerar enquired as to the situation regarding asbestos and refurbishment at Skerryvore. The Director of Operations advised that as long as we continue to maintain the coatings that have been put on it can be managed in situ. Dubh Artach has been identified by the Asset Team as the Pillar Rock lighthouse that needs to be refurbished first due to systems reliability, etc.

**NLV PHAROS Dry dock 2020** - NLV PHAROS will drydock in February 2020. A new survey suite and Dynamic Positioning system have been procured for this docking.

## **Planning and Delivery**

**Planning and Delivery Team** – Training of new recruits is ongoing. Experienced staff availability remains an issue but it is slowly improving.

**DGPS** – A meeting of Inter GLA Committee (IGC) 5 met on 5 September 2019 and agreed that the recapitalisation of the DGPS system is not required. IGC 5 recommend that the system can be turned off after two full financial and that it is not necessary to run on to 2025. Advance notice and a comprehensive communications strategy was recognised as being essential. The Navigation Committee debated the recommendation and discussed the issues in detail at their meeting on 18 November. At the meeting it had been agreed to recommend that the Managing Board endorse IGC 5 proposal. Following discussion the Managing Board formally accepted the recommendation by IGC 5.

## **Asset Management**

**Monitoring** - The existing monitoring system and servers continue to operate reliably. The contractor for the supply of a new top end and RTU has been awarded. Initial meetings have been conducted and the configuration of the replacement top end has commenced.

**Hydrogen** - A proactive Asset led initiative to monitor hydrogen levels in battery rooms has revealed some concerns with high levels particularly in Pillar Rocks during boost charges which are often carried out when technicians are on site. Staff have been reminded of the risks associated with boost charging and that it should be avoided. They have also been advised to use hydrogen monitors and to take other precautions. Pillar Rock battery rooms are to be reviewed for ventilation arrangements and gas tightness. Other sites with battery rooms are to be reviewed as a second priority.

## **Oban**

The delayed Oban Bay Management Group meeting was held in late August. A review of the incident information for the summer to date has seen a large reduction in groundings and proportionally less navigational infringements/near misses involving ferries. The Stakeholder Group continue their work with the objective of having made meaningful progress by March 2020 i.e. Harbour order submitted and close to completion.

## **HR Report**

**Engagement Survey** - The main action that came from the Engagement Survey in 2018 was to carry out bullying and harassment training to all employees. This training is now taking place and commenced in August 2019 and will run through until December 2019.

Following concerns regarding bullying and harassment on the ships a pulse survey was issued to all marine staff. The results of the survey highlighted 3 areas of concern. It was noted that Commissioners Woodward, Wilkinson and Shaw had all been onboard the ships since the survey and had not detected any under current apart from the issue with pay. Discussion took place on the timing of the next Engagement Survey but it was agreed to keep to the original timetable and issue it at the end of September 2019.

**Sick Absence** - Rolling year sick absence statistics reporting started in June 2019 and the Dashboard has been updated. It was noted that long term absence has seen a slight decrease and short term absence has seen a minor increase.

**Gender Pay Gap Report** - The Gender Pay Gap Report as at 1 April 2018 was been reviewed by the Remuneration Committee at their meeting on 29 August 2019. It was noted that there has been a decrease in the gender pay gap from the previous year's reporting (from 20% to 12%).

## **Business Services Report**

**Financial Results to 31 August 2019** - The Managing Board noted the financial summary for the financial year to 31 August 2019 provided in the Business Services report. The total net expenditure for the organisation to the end of period five is currently behind budget. The main contributing factors of the underspend to date include the pay and pensions shortfall relating to the pay remit. Capital expenditure is also behind budget due to capital projects running later in the year than initially anticipated. Similar to the 2018/19 financial year, significant capital expenditure is expected in quarter 3 & 4.

**Vessel Replacement** - Project costs are currently behind budget due to the timing of software procurement and the identification of any further resource requirements not yet being realised by the Project Team.

**Commercial Income** - Year to date income is trending slightly ahead of budget mainly due to revenue generated by International Shipping Week vessel utilisation. Full year forecast is currently on budget, a review of the anticipated revenue streams for year-end will be conducted in September 2019.

**Capital Expenditure** - Variations in the projects scope to be delivered in 2019/20 and capital items contracted to in 2018/19 but delivered in 2019/20 have resulted in a forecast use of capital contingency. Several risk elements may impact deliverability of the forecast e.g. finalisation of the pay remit, which if not approved at the levels forecast in the budget, will give a significant underspend for the 2019/20 financial year.

**Annual Report & Accounts to 31 March 2019** - The annual report and accounts were audited by NAO week commencing 15 July. NAO have confirmed their completion of the GLA/GLF audit, with the annual report and accounts due to Audit & Risk Committee for review and ratification on 26 September 2019. NAO identified no material errors for any of the GLAs which would lead to an adjustment in their individual accounts or the group accounts.

**Brexit** - Work continues with DfT Procurement specialists on potential changes related to Brexit.

**ICT update** - In early September an ISO 27001 audit took place which identified 2 minor non-conformances. Both non-conformances have now been resolved.

**Helicopter Contract** – Commissioner Crerar asked for more detail on the helicopter contract and the implication of Brexit. The Director of Business Services advised that the contract will be reviewed in December when there will be two years left to run until the end of the 7 year period. This would allow for 1 year for the process to tender and 1 year to implement the process with a new supplier if required. Any issues as a result of Brexit can be considered at this time. There is also an option to extend the existing contract for a further 3 years.

## **Risk & Improvement**

**Risk Management** - The Executive Group continue to place significant effort on the establishment and embedding of Risk Based Thinking. This has most recently been supported

following the 2019 review of the Risk Management Framework and the associated refresher presentation has now been rolled out at an organisational level via the Executive Group. An internal audit is planned for early 2020 to ensure the ongoing compliance with, and effective application of the Risk Management Framework.

**Escalated Risk Overview** - The Managing Board noted the table which details escalated 'open risks' including accepted risks where no further treatment actions have been identified. Since the last meeting two additional related risks have been added:

- Risk that AtoN's are installed with the incorrect character or that mistakes in configuration are not identified.
- Risk that the Cyber-Security of legacy AtoN monitoring and AtoN remote character configuration has not been fully assessed.

Both are receiving priority review and will link with the ongoing process mapping and cyber security focus already underway across NLB.

**Executive Group - Deep Dive Risk Reviews** – The process of “deep dive” reviews of Departmental Riskcards continues. The early benefits include sustained risk management momentum, the early identification of cross-cutting risks and opportunities, the provision of an in-house gap analysis and the development of a healthy risk management community of practice with regard to risk treatment and consistency of scoring etc.

**Tri GLA Brexit Risk Register** - The GLAs maintain a joint Brexit Risk Register. The register was presented to the last Chief Executives Committee and reviewed in detail by ICG 6 on 22 July 2019. A number of changes were identified. The register will be taken to Audit and Risk Committee on 26 September 2019.

*Action: Risk and Improvement Manager*

**Business Continuity** - Work has been undertaken to create a new Incident Response Guide and supporting pages which are available on SharePoint. This provides a more tailored view for teams involved in the initial response to any significant incident and easy access to policies, procedures, instructions, guides and templates. The next Business Continuity Exercise will deal with crisis media. A further exercise is being developed in partnership with the helicopter contractor and the other GLAs and is expected to take place in January 2020.

**Business Management System** - Following the 3rd periodic audit which commenced on 5 September 2019. NLB have now achieved migration to the new ISO 45001 2018 Health and Safety Management Standard. This now completes transition of all ISO Standards to the latest editions. The Managing Board commended the HSE Team and the Risk & Improvement Manager on their achievement.

## **Organisation**

**Vessel Replacement Project** - The first Project Board took place on 14 August with Commissioners Beveridge and Shaw attending. The Board approved the Project Governance and Communication Management policy documents as well as the Statement of Requirements. In addition to Project Boards the Chief Executive, as Project Sponsor, will meet monthly with the PMO Manager and Project Manager to review progress. Members of the Project Board also attended TH's Industry Day on 9 September 2019.

## **Organisation**

**Inspection Voyages** - 2019 Inspection and Patron's Voyages were completed successfully. Early planning is underway for 2020 with tentative dates scheduled.

**Papa Stronsay** - Following the visit during the Inspection Voyage a letter was received from the Monastery complaining that they had not been informed in advance of the visit. This particular visit was a last minute addition and the normal process to inform the Monastery was missed. This has lesson has been taken onboard.

**Co-Opted Commissioner Recruitment.** The advert for the replacement for Commissioner Crerar was published on 27 August 2019 with a closing date of 30 October 2019. In addition social media as well as the organisation "Women on Boards" is being used to promulgate the position. The Nomination Committee will look at the membership of the interview panel at their next meeting.

## **External Engagement**

**CE MCA** – The Chief Executive of MCA visited 84 George Street on 12 August and met with CE and Director of Operations. He remains keen to join Commissioners for an Inspection voyage in 2020 and has accepted an invitation to attend the SSBA dinner in November as a guest of NLB.

**SSBA Dinner** - The 2019 dinner will be held in Glasgow on Tuesday, 12 November 2019. Suggestions of additional potential guests to be passed to the Chief Executive.

*Action: Commissioners*

**Lighthouse Keys** - The collection of 18th and 19 Century keys for NLB lighthouses which came up for auction remain in the care of the auctioneers. A writ has been issued and is being contested.

**LISW 2019** – The Chief Executive gave a verbal report about NLB activity during London International Shipping Week. A copy of the email issued to staff following the event will be circulated to Managing Board members. A presentation will be provided to the Board of Commissioner meeting on 16 October 2019.

**Scapa 100** – NLV PHAROS and NLV POLE STAR supported the commemoration of the 100th anniversary of the scuttling of the German Fleet at Scapa Flow on 21 June 2019 with good coverage in national media. In support of the Magnus Festival NLV PHAROS and NLV POLE STAR opened for visitors on Saturday, 22 June 2019 in Kirkwall and Stromness respectively.

**HMS ROYAL OAK** – NLV PHAROS will support commemorations in Scapa Flow on 14 October 2019 which will mark the 80<sup>th</sup> anniversary of the vessel's loss.

**Cabinet Secretary for Transport, Infrastructure and Connectivity** – The Chief Executive and Commissioner Di Rollo briefed Michael Matheson MSP in the Parliament building on 16 May 2019. An offer to visit Oban Base was accepted and subsequently programmed for 16 August 2019 but unfortunately the visit was cancelled. A replacement date is being sought.

**Minister for Rural Affairs and the Natural Environment** – Mairi Gougeon MSP, Minister for Rural Affairs and the Natural Environment within the Scottish Government visited Oban Base on 20 September 2019. In addition to a briefing on the work of NLB the Minister toured the Base to see the facilities and met some of NLB's Team.

**Chair of DfT Audit & Risk Committee** – The Chief Executive had an opportunity during LISW to brief the Chair of the DfT Group Audit and Risk Assurance Committee (GARAC), Richard Keys, on the work of the NLB and particularly NLB’s risk framework.

**Exhibition and Reception at Scottish Parliament** - A manned exhibition about NLB was on display outside the Chamber during the week 18-20 June 2019. The feedback from parliamentary support staff was very positive. Unfortunately the NLB reception on 19 June 2019 had to be moved from the Garden Lobby to a Committee room because of the late running of Parliamentary business and therefore only a handful of MSPs attended.

**SEAFISH Board** - The Board of SEAFISH met in the NLB Headquarters on 3 September 2019. The Board were given an overview presentation of NLB which highlighted areas of common interest and was followed by a Q&A session. Commissioner Beveridge and the Director of Operations supported the event.

**BBC Matt Allwright** - Matt Allwright’s band the ‘Walnuts’ played at Mull of Galloway and Ardnamurchan lighthouses as well as a lunchtime performance at 84 George Street on 12 June 2019. All performances were well received.

**Festival of the Sea** - The Royal Society of Edinburgh (RSE) are planning a “Festival of the Sea” in Oban sometime during May 2020. The Chief Executive met with RSE and a site visit has been carried out at Oban Base. The intention is for NLB to support the initiative.

**FINGAL** - HM The Queen visited FINGAL for an evening meal during her period in residence at Holyrood Palace in June 2019. FINGAL has recently been voted Edinburgh’s best hotel.

**Renaming NLB** – A letter has been received putting forward the challenge that the Northern Lighthouse Board (NLB) should be renamed to the Scottish Lighthouse Board (SLB). The Chair has replied to the letter and the issue will be tabled at the Board of Commissioner meeting on 16 October 2019.

## **Dashboard**

The Managing Board noted the updated Dashboard included with the meeting papers. It was noted that the number of FOI requests had returned to normal levels.

## **5. ANY CLARIFICATION (BY EXCEPTION) ON OPERATING REPORTS**

There were no point of clarification raised.

## **6. CORPORATE PLAN 2020-2025**

The Managing Board noted the Corporate Plan which had been circulated prior to the meeting and acknowledge that there was still some areas that required to be finalised. The Managing Board discussed the Capital Projects, the planned programme for ICT, the HQ Electrical/ICT cabling safety and life extension, NLV PHAROS and RPI-X. Following discussion and clarification on a number of items by the Executive Team the Managing Board were happy to approve the Corporate Plan for submission to the Board of Commissioners on 16 October 2019.

*Action: Chief Executive*

## **7. REPORT FROM THE HSE COMMITTEE**

Commissioner Beveridge gave a verbal update from the HSE Committee meeting held on 29 August 2019.

## **8. REPORT FROM THE NAVIGATION COMMITTEE**

Commissioner Beveridge, as Chair of the Navigation Committee, gave a verbal update from the meeting held on 18 September in Oban. The main points of note were:

- Statistics – the figures remain encouraging with a slight improvement noted.
- AtoN Review – the review continues with all 8 areas revisited. Some changes were made.
- DGPS – full discussion was held on the recommendation by IGC 5.
- Oban Bay – a reduction in groundings and proportionally less navigational infringements/near misses involving ferries had been noted since the changes to buoyage.
- Sector Light Corran Narrows SE – a request has been received that some kind of indication on the way south would be useful but it would be best at the Corran Narrows on the East side of the shore as it needs to be seen when they are heading towards the Corran Narrows. It has been agreed that the Navigation Team will carry out a study to look at the whole area and identify what is required. This will be discussed at the next Navigation Committee in December 2019.
- SUCG – The Agenda for the meeting has been agreed. Commissioner are encouraged to come along on 5 November 2019.
- Terms of Reference – The Navigation Committee agreed the revised terms of reference. These will be presented along with the revised Guide to Governance at the Board of Commissioners meeting in October 2019.

## **9. REPORT FROM VESSEL REPLACEMENT PROJECT BOARD**

The Managing Board noted the highlight report and minutes from the meeting on 14 August. A full brief was provided within the Chief Executive's Report.

## **10. INTER GLA MATTERS**

### Corporate Plan

A meeting to discuss the Corporate Plans for the three GLAs is to be held on 1 October in London with GLA colleagues and the GLF Accountant.

### RPI-X

A paper has been produced following the study by East Anglia University. There are a number of options which will be discussed at the 1 October meeting. The paper will be shared with the Managing Board following the meeting.

*Action: Chief Executive*

### Joint Strategic Board (JSB) – 20/21 November 2019

The next meeting of the JSB will be held in Dun Laoghaire on 20/21 November 2019.

### IGC Chair

The Chair of the IGC meetings will revert to NLB from March 2020.

**11. ANY OTHER BUSINESS**

There were no items of any other business.

**12. CORPORATE CALENDAR**

The Managing Board noted the Corporate Calendar for the remainder of 2019 and for 2020.