

NORTHERN LIGHTHOUSE BOARD

MANAGING BOARD

MINUTES – 20 March 2019

PRESENT:	Graham Crerar	Chairman
	Mike Brew	Vice-Chairman
	Alastair Beveridge	Commissioner
	Mhairi Stephen	Commissioner
	Elaine Wilkinson	Commissioner
	Alison Di Rollo	Commissioner
	Mike Bullock	Chief Executive
	Mairi Rae	Director of Business Services

IN ATTENDANCE:	Jim McBrier	Risk and Improvement Manager
	Mike Spain	Business Support Manager
	Ned Kelly	Vice-Chair of the Staff Council
	Karen Charleson	Senior Executive Assistant (minutes)

The Chairman welcomed Jim McBrier, Mike Spain and Ned Kelly to the meeting.

1. APOLOGIES FOR ABSENCE & DECLARATIONS OF INTERESTS

Apologies for absence were received from Commissioners Woodward and Shaw.

2. MINUTES OF THE PREVIOUS MEETING

The Minutes of the Managing Board meeting held on 23 January 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:

Brexit – The Risk Register was circulated to the Managing Board on 24 January 2019. The Managing Board noted the correspondence between the Permanent Secretary and the Chief Executive on EU Exit Commercial Readiness.

Vessel Replacement Project - The Nomination Committee agreed the nomination of two Commissioners, Beveridge and Shaw, to sit on the Project Board at their meeting on 19 March 2019. The nominations will be put to the Board of Commissioners meeting in April for approval.

Staff Engagement Survey - With the absence of the HR Manager the proposals for a Pulse Survey for the ships has not yet been progressed. However three of the four crews have had visits from Director Operations and the HR Manager where relevant issues were discussed. Ned Kelly advised that bullying on the ships was a historic issue and is no longer relevant.

Annual Review of Board Effectiveness - Submissions received have been consolidated into an overview report which will be reviewed by the Board of Commissioners. Relevant specific

issues raised by respondents were discussed at the March meeting of the Nomination Committee.

NLV PHAROS – As reported at the last meeting a defect had emerged on the hydrographic suite which will be rectified at the next planned dry-dock in February 2020. It has been confirmed that suitable rented hydrographic equipment is available at short notice. There has been no work lost as a result of this defect.

Exhibition and Reception at Scottish Parliament - Commissioner Woodward's Assistant visited and met with the Chief Executive and Senior Executive Assistant providing very helpful guidance. The Chief Executive and Senior Executive Assistant have subsequently met with the Parliament events team. The booking has been confirmed for an Exhibition outside the Chamber during week commencing 17 June 2019 and a reception on Wednesday 19 June.

Safety - The "near misses" and "minor injuries" were discussed in detail with the Ships Masters and Chief Engineers. The concerns regarding underlying causes have also been discussed at the ships safety meetings. The Director of Operations and HSE Manager continue to visit each ship and crew while the vessels are operating to review relevant issue with crews. The Managing Board noted that the Injury Incident frequency has reduced.

NLV POLE STAR Dry Dock - A report has been received from the contractor regarding the incident where gas cutting equipment mistakenly cut into a part-filled marine gas oil tank rather than an empty fresh water tank that was scheduled to be repaired. A Lessons Learnt meeting was conducted with the Procurement Manager and an amended dry dock contract and procurement approach is to be used for future dockings.

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 two reportable incidents since the last Managing Board. These were:-

1. A suspected heart attack onboard NLV PHAROS. It was noted that the speed of emergency response action applied by all of the crew involved, from initially raising the alarm, to applying CPR, use of the defibrillator, transportation from the vessel to the Pilot Boat and ambulance saved the staff member's life. The Managing Board expressed their thanks to the crew and acknowledged that this was testament to the quality of people onboard and the professional application of their training. It was felt that this incident and the broader message that training matters should be communicated more widely to all NLB staff.

Action: Chief Executive

2. A reported pain in the right hand, wrist and forearm from what is thought to be work involving the mouse and keyboard during computer use. A work-station review was carried out and recommendations were made. Additionally, a referral to occupational health was made for the staff member.

HS&E Report

Contractor's Vessel - The Managing Board noted the incident concerning a contractor's vessel. An investigation has been conducted and concluded that the incident was caused by

a combination of bad judgement and inexperience. There was no evidence of an environmental incident/pollution from the escape of oil or fuel. Around a week's work was lost due to the incident.

Mercury – A briefing was provided by Irish Lights at the recent Inter-GLA Committees Forum on the lessons identified following the incident at one of their lighthouses last year. NLB is undertaking a series of actions which includes new analysis equipment being procured.

Identifying and Learning Lessons - Proactive Action – Following the incident at Duncansby Head an incident review meeting was held to ensure everyone was made aware of what had taken place. In addition a review meeting was held to establish the root cause, contributory factors and where immediate and organisational learnings could be established to prevent recurrence.

Marine Operations Report

Outages - The Managing Board noted that since the last meeting there have been two outages (St Kilda and Bell Rock) over 72 hours. The Director of Operations reported that as a result of the considerable time it took to gain the appropriate access permissions at St Kilda there is likely to be a reduction in the Category 3 AtoN availability statistics.

NLV PHAROS – During February NLV PHAROS undertook self-maintenance in Leith followed by trials in the Forth. The Managing Board noted that during this period NLV PHAROS had also undertaken the lifting of a Rolls Royce from the deck of RY BRITANNIA.

NLV POLE STAR – NLV POLE STAR has been engaged in routine operations. It was noted that there had been a valve failure onboard which caused water to enter the engine room bilge. A quick and effective response from the crew ensured that there was no consequent damage. The valve failure is being pursued with the supplier.

Helicopter - Routine helicopter operations have continued. A replacement pilot has been recruited and is undergoing training. The Managing Board noted the implications of Brexit which were set out in a paper annexed to the Operations report.

Oban Harbour – The Managing Board noted the paper annexed to the Operations report which sets out the current situation regarding proposals for a new Harbour Authority and recommended a position for the NLB to adopt. The Managing Board considered and confirmed the recommended position and agreed it suitable for announcement at the forthcoming public meeting.

Action: Director of Operations

Programme and Renewals

Capital Works Programme – The update on the capital works programme was noted. With the exception of Stroma which is planned to be delivered over 2 years all other projects will be completed by end of FY18/19. Work is progressing with the 2019/20 programme with specifications starting to be passed to procurement.

The Chair acknowledged the extraordinary amount of effort that has been devoted to creating a structure which permits projects to be planned and executed in an efficient and effective manner and also allows the Managing Board to understand where financial and operational risks reside. The Chair also emphasised that this showed just how far the whole organisation had come in the last 18-24 months.

Planning and Delivery

Planning and Delivery Team - The Managing Board noted the current staffing issues within the Delivery and Planning Team. As a result there may be an increase in overdue maintenance tasks for a short period. However, a recent recruitment exercise has identified three new staff and offers of employment are being made.

Asset Management

Monitoring – The existing monitoring system and servers continue to operate reliably. Final assessment of the tenders submitted is being carried out and site visits are being arranged.

HR Report

Performance Management System – Following a meeting with Senior Managers in November 2018 a focus group has been held with Staff. In the light of the feedback received work will now commence on amending the current system.

Healthy Working Lives - Following re-assessment NLB has maintained the Silver Award. NLV POLE STAR and NLV PHAROS Caterers have also held onto the healthy living award. The Chief Caterers were at the award's ceremony at Glasgow's Royal Concert Hall on 27 February 2019 to receive the certificates.

Business Services Report

Pay Remit – The Managing Board noted the update on the issue of pay provided by the Director of Business Services. The Director of Business Services reported that following the meeting in London on 15 March 2019 NLB has been advised to revise their business case and resubmit it to DfT before being forwarded to HM Treasury and Cabinet Office for approval. The DfT HR Team is expected to provide supporting headlines to assist the revision.

Annual Accounts 31 March 2019 - NAO carried out the interim audit of NLB in January 2019 with no major items raised. Work is underway to prepare for the yearend reporting and final NAO audit scheduled to be completed in July.

Financial Results to 28 February 2019 – The Managing Board noted the summary financial position to 28 February 2019 as shown in the Business Services report. Overall NLB is currently reporting a year-end underspend against budget. With underspend in pay and a reduction in commercial income, the revenue and capital contingency will not be required in this financial year.

Business Development – NLB continues to pursue leads to fill the shortfall in planned work. A tri-GLA MoU is currently being finalised by Trinity House for Met Office ODAS buoys.

Legal Services –The Managing Board noted that the Procurement Team has identified a Crown Commercial Services Legal Framework agreement and a Scottish Government Legal Framework agreement, which NLB may be able to utilise. NLB Procurement have approached Scottish Government Procurement and they have confirmed that NLB can utilise this Framework. However, it is due for renewal in the summer and it has been agreed to wait until the new contract provider is in place before progressing.

ICT Update - Penetration testing was carried out during February including NLV PHAROS.

The report from the contractors is awaited. NLB can then plan for any improvements and follow-up with the next Disaster Recovery Test. Mandatory training for Staff on Phishing and Passwords is nearly complete.

SatComms update - The VSAT dome was relocated on NLV PHAROS in February to prevent interference from the S-Band radar. Feedback is expected over the coming weeks.

ISO 27001 Re-certification - The Managing Board noted that the audit had taken place at the end of February. Four observations and one opportunity for improvement were noted.

NLB Website – The Director of Business Services presented the new NLB Website to the Managing Board. It was noted that the technical structure of the new website is now complete and information is now being refreshed ready to launch in March 2019. A message will be sent to the Managing Board once the site is “live”.

Action: Chief Executive

Property Reclassification – The Managing Board noted the paper circulated by the Director of Business Services on the reclassification of properties. The Managing Board agreed to endorse the reclassification of Rinns of Islay former keeper’s cottages and Mull of Kintyre former keeper’s cottages from “Non-Operational Property” to “Operational Property”.

Action: Director of Business Services

Organisation

Inspection Voyages - Bids have been received from Commissioners for the three voyages and the places allocated.

External Engagement

Lucy Chadwick - The Chief Executive and Chair met with Lucy Chadwick on 24 January 2019. Ms Chadwick is leaving the Department to take up an appointment in private industry. Gareth Davies, currently Director General for Business and Science at BEIS, is to succeed Ms Chadwick. DfT Officials are aware that a visit to NLB (preferably Oban) should be arranged early in his tenure.

Maritime 2050 – The Chief Executive attended the launch of the UK Government’s new strategy at IMO HQ on 24 January 2019. During the development stage NLB contributed a written submission and also hosted a DfT/Industry workshop. The Strategy which is available online makes a number of key statements about the GLAs.

Scotland Office - The film made about NLB, as an example of services provided by UK Government Departments in Scotland, has been placed on the Scotland Office website and promulgated using social media. The stunning footage of Oban Base and Lismore is being given to NLB to use.

Dashboard

The Managing Board noted the updated Dashboard included with the meeting papers.

5. ANY CLARIFICATION (BY EXCEPTION) ON OPERATING REPORTS

There were no points of clarification sought by the Managing Board.

6. PRESENTATION OF LISW AND SCOTLAND'S OUTSTANDING LIGHTHOUSES

Mike Spain, the Business Support Manager gave a presentation on the progress made with planning for NLV PHAROS' participation in London International Shipping Week 2019 and the 'Scotland's Outstanding Lighthouses' project. The presentations covered:

London International Shipping Week (LISW)

- Overview
- Programme of Events
- Deck Layout

It was noted that a number of Commissioners and Directors would be expected to be present during the DfT Executive Committee breakfast meeting.

Scotland's Outstanding Lighthouses

- Concept
- Outline
- Phase 1 – Umbrella Framework
- Phase 2 – Appropriate and vetted tourist business
- NLB Public Access Lighthouses
- Partner Organisations
- NLB Actions
- Summary

The Managing Board noted that it is hoped to launch the project onboard NLV PHAROS at a Visit Scotland event to be held during London International Shipping Week.

7. VESSEL REPLACEMENT PROJECT

The Committee noted and discussed the paper on the vessel replacement project prepared by the Director of Operations. The paper provided an update on political developments and sets out the progress and governance of the vessel replacement project since the last meeting. It was noted that the Director of Operations is planning to meet with the Director of Operations at Trinity House to discuss NLB's intention to submit an outline business case.

8. RISK AND IMPROVEMENT REPORT

The Managing Board noted the report submitted by the Risk and Improvement Manager. The Managing Board took reassurance from the report and noted that going forward it would be the intention to only bring for review all open and accepted risks.

Commissioner Wilkinson, Chair of the Audit & Risk Committee, emphasised that she was pleased to see the embedding of risk management throughout the organisation as in so many other organisations she had been involved in this had not been the case.

9. REPORT FROM THE HSE COMMITTEE

The Managing Board noted the minutes from the meeting held on 23 January 2019.

10. REPORT FROM THE NAVIGATION COMMITTEE

It was noted that there had been no meetings of the Navigation Committee since the last Managing Board. The next meeting will be held on 21 March 2019.

11. INTER GLA MATTERS

IALA Change of Status

The Managing Board noted the briefing prepared by the Chief Executive on the issues and developments arising from the third and final pre-diplomatic conference held in Istanbul 12-14 March 2019. It was noted that it is anticipated that the United Kingdom will become a Member State. The JSB will discuss at a future meeting how the UK will be represented.

12. ANY OTHER BUSINESS

Commissioner Crerar

The Managing Board noted that this would be Commissioner Crerar's last meeting as Chair. Commissioner Brew, on behalf of the Board, thanked him for his hard work over the last two years in which he had managed meetings diligently and with good humour. The Chief Executive added his thanks on behalf of the Executive for his leadership over a remarkable period in which the NLB has come a long way.

13. CORPORATE CALENDAR

The Managing Board noted the Corporate Calendar for 2019. The SUCG meeting now scheduled for 31 October 2019 will be amended in the Calendar.

Action: Senior Executive Assistant