NORTHERN LIGHTHOUSE BOARD

GOVERNANCE BOARD

MINUTES – 25 September 2025

PRESENT:	Hugh Shaw	Chair
	Brian Archibald	Vice-Chair
	Ron Robson	Commissioner
	Dick Welsh	Commissioner
	Jamie Finlay	Commissioner
	Gillian Wade	Commissioner
	Aisha Anwar	Commissioner
	Kate Dowdalls	Commissioner
	Sean Murphy	Commissioner
	Eilidh MacDonald	Commissioner
	Bill Lobban	Commissioner
	David Cameron	Commissioner
	Mike Bullock	Chief Executive
	Phil Day	Director of Operations
	Mairi Rae	Director of Business Services
	Jim McBrier	Risk & Improvement Manager
IN ATTENDANCE:	Darren Cordner	Finance Manager
	Fiona Holmes	Communications Officer
	Karen Charleson	Senior Executive Assistant (minutes)

1. WELCOME, APOLOGIES, INTRODUCTION AND DECLARATIONS

Apologies for absence were received from Commissioners Charteris, Bain, Cameron, Aldridge, Maclaren, Ross and Philand.

The Chair welcomed everyone to the Governance Board Strategy Day which has a look back at the Annual Report and Accounts, a review of communications and governance headlines in addition to looking forward to reviewing the Mission, Vision, Values and Strategic Goals, key strategic issues and Corporate Plan.

It was noted that this was Commissioner MacDonald's first meeting as interim Sheriff Principal of Grampian, Highlands until the end of March 2026.

There were no declarations of interest raised for noting.

2. ANNUAL REPORT AND ACCOUNTS TO 31 MARCH 2025

The Finance Manager took the Governance Board through the Annual Report and Accounts update for 2024/25.

<u>NAO</u>
The NAO audit took place w/c 1 September 2025 and closed out with no findings or significant adjustments.

<u>Changes prior to going to audit</u>

- Statement of Comprehensive Net Expenditure - £110k within assets under construction which has been classified as a reclassification to revenue costs. During the course of

NLB's business we go out to site, undertake survey works, helicopter costs, etc and the scope of the project may change and/or the work may be delayed into an appropriate period when capital works can be undertaken. The work that has been undertaken is effectively expensed but the correct way to handle it is as an impairment. Following internal discussions, agreement from NAO and cohesion with the wider DfT Group, the Statement of Comprehensive Net Expenditure - Cash Flows Notes 4, 8 and 8b were all adjusted accordingly.

- Other commitments (Note 18b) were amended from £1,496 to £1,477 as £19,000 was accrued.

- Total cost of exit packages in the year was amended from £21,765 to £12,068 following the removal of PILON numbers.

- Contingent Liabilities and Sustainability reporting table updated for FY 2024/25,

- Fixed Assets (Note 8) – Rounding amended.

- Remuneration and Staff Reports have been updated to include capitalised costs on the VRP project.

- A note has been added to the GLA Effective table to explain why the 12 hour target was not met in relation to the Trinity House workboat.

- AtoN Performance Category 2 figures have been amended from 99.94% to 99.95% for 2024/25,

- An additional narrative was added to the Pay Multiples to explain the changes from year to year which was the one-off Government payment.

- Inventory expense table added in the year to comply with IAS 2.

- Figure £439 to be added to the narrative in Note 19.

- Narrative has been adjusted to the Provision Notes to make it easier for the reader to understand.

NAO has finished the GLF's review. The Annual Report and Accounts were passed against the disclosures check list and they are still reviewing the light dues and Trinity House work is ongoing. There was an ambition to have the Accounts signed off and laid in Parliament in October but this is now looking like November before this happens. The second draft of the Accounts will go to the DfT Audit & Risk Committee w/c 29 September 2025.

The Chair asked if, once the second draft was passed to the centre, there was much dialogue from them. The Finance Manager advised that Richard Keys does put some challenge into the Accounts around the contingent liabilities, provisions, etc. There is nothing in this year's accounts that is any different than any of the prior years so it is not expected that much will come back to NLB.

The Vice-Chair noted the average Gender Pay Gap was zero and asked if this was a good thing. The Finance Manager advised that the zero percentage was correct for this year but it is blip and it is not believed that it will continue into next year. It relates to the level of females that are in employment that are sitting right in the middle but we have just had 4 females started that are on recruitment rate rather than rate of the job, so it is expected to go back up.

Commissioner Robson commented that the Accounts were a model of clarity, the style as well as the content is excellent, and they are very easy to read. The Chair thanked the Team for the huge amount of work that has gone into preparing the Accounts.

Approval
The Governance Board were content to approve the Annual Report and Accounts subject to any minor changes.

3. AUDIT YEAR GOVERNANCE HEADLINES

The Risk & Improvement Manager gave an overview of NLB's Governance Headlines

NLB's approach to Audit & Assurance remains aligned with the UK Government Orange Book. The Assurance Landscape approach sets out the 15 principle strategic risks against 3 lines of defence and makes an assurance assessment on that basis.

Headlines

- There have been 4 external audits undertaken during the year which all proffered a "Substantial" rating.

- The Annual Report and Accounts for 2024/25 are at the consolidation stage.

- Clean audits were received from DfT in terms of International Ship and Port Security Code for Oban Base. Under the Ship and Port Facility (Security) Regulations 2004 Oban Base operates as a port under the regulations and therefore must comply with all appropriate security requirements and controls.

- A Management Assurance Return is made annually to DfT. The only area which was highlighted as a point of action related to Artificial Intelligence, on the basis of the ubiquitous nature of AI in many core ICT products. Technology has moved in advance of policy and procedures and NLB has highlighted this as a risk area requiring further attention. On this basis, NLB is working closely with the other GLAs to develop a Tri-GLA AI Policy position. In the interim, NLB have issued an interim policy to steer staff away from utilising any AI products for business information, in line with our adverse risk appetite.

- The Internal Audit programme is delivered by 15 internal auditors that work across teams. There were 30 internal audits completed in addition to 7 safety inspections and 2 ISPS Audits.

- GAP Analysis is undertaken using GIAA Cross Cutting Insight Documents to drive/leverage further improvements in line with industry best practice. NLB have completed 3 GAP Analysis this year.

- 3 Business continuity exercises were held – 2 in partnership with the Argyll & Bute Local Resilience Partnership looking at mass casualty impacts from cruise ship activities off the Sound of Mull and 1 in house exercise, Alexandria involving both the HM Coastguard and PDG Helicopters.

- 5 Zoned Boat audits were undertaken with our zoned boat partner providers.

- 2 ISO Management Review meetings were held.

- ISM requirements and certification remain in place. There has been one annual verification audit from the MCA looking at Document of Compliance (DOC) and two

internal audits covering both the DoC and NLV PHAROS.

- NLB transitioned to the new ISO 27001:2022 standard and there has been a recertification audit based on that new standard.

- ISO 9001,14001 & 45001 – 2 external audits (focus review and recertification) have been carried out.

- Aerossurance are used as the specialist aviation compliance contractors. Audit completed with no significant findings in relation to heli-deck and overall aviation compliance.

- Annual Opinion – This year NLB had a clean sweep of SUBSTANTIAL opinions, however we only fell out of the process with a MODERATE opinion from GIAA. This, GIAA advised was due to the smaller size of the audit plan which created a challenge to provide sufficient evidence for a higher rating. NLB had agreed additional work with GIAA looking at our Assurance Landscape, but they were unable to resource and deliver that work within the audit year. As result, NLB only received a MODERATE opinion despite receiving 4 substantial audit opinions. The progress shown within the GIAA Annual Audit Opinion shows an improving trend from the previous audit year.

The Chair highlighted that the approach to Risk Management has been held up as a particular strength in the Annual Board Evaluation. The Chair thanked the R&I Manager and his team for all that has been achieved. A lot of what the R&I Team do is deemed as best practice across Government and should be commended. Commissioner Robson added that GIAA lead auditor had said that the work done at NLB is “best in class” and reiterated the reason NLB did not get a SUBSTANTIAL opinion had nothing do to with the NLB Team it was purely down to GIAA not being able to resource to get the audit done on time. GIAA have said that next year, as long as they meet the plan, there is enough scope to achieve a SUBSTANTIAL opinion if there is green across the board.

The Vice-Chair highlighted that resilience is becoming more and more a departmental requirement and asked if there were going to be any assurance processes put in place to prove that NLB is resilient ourselves and playing a full part in Government. The R&I Manager advised that NLB is involved in the ongoing DfT Resilience Review and have submitted an extensive overview of the capabilities that we have both in terms of day-to-day service delivery, in addition to the inbuilt resilience of our autonomous network of Aids to Navigation which function independently therefore mitigating any single points of failure risk impacting the network. NLB are working closely with DfT in terms of how we can leverage our assets to provide a wider contribution to UK resilience.

4. ANNUAL REVIEW OF MISSION, VISION, VALUES AND STRATEGIC GOALS (MVVSG)

The Governance Board noted the paper circulated in the meeting pack.

It was noted that the other General Lighthouse Authorities take a different approach to the development, maintenance and promulgation of the equivalent to NLB’s MVS&V in the sense that Trintiy House and Irish Lights issue a 5 year strategy document whereas NLB has a dynamic annual review.

In the Annual Board Evaluation there was a question around if NLB link their Strategic Priorities to Government Department Priorities and Ministerial Properties. The paper illustrates the “golden thread” of how this relates back to the new Strategy Model for the Department for Transport. The Department for Transport Maritime Team are developing a Maritime Strategy -

people ambition, growth ambition, environment ambition and safety ambition – and NLB's plan speaks to those ambitions.

The main change being proposed to the MVS&V is to reflect resilience as a theme. This is something NLB has always done but the change makes sure this is recognised in the big picture strategy. Another change is an increase on the emphasis on IALA. IALA is the International Marine Aids to Navigation Organisation which has shifted from an NGO to an IGO and NLB's contribution at an international level should be recognised. The final change is to GLA initiatives to note the collaborative approach being taken.

The Governance Board discussed all proposed amendments and subject to some minor amendments approved the MVS&G.

5. SUMMARY OF 2023/24 ENGAGEMENT

The Communication Officer gave an update on the highlights of the past 12 months covering:

- Aim – To raise awareness of our work, our people, our iconic assets including our ships, our achievements, our contribution and our heritage.
- Outreach and Community Engagement – Doors Open Day, Royal Highland Show, Beach Cleans
- Talks to various primary schools and community groups
- Talks by the Chief Executive i.e. North Berwick Environment & Heritage Trust
- Provided support to a charity fundraising initiative for Leuchie House
- Supported a mature photographer student by giving him access to Scurdie Ness and St Abbs lighthouses.
- Lighthouse Twinning – Mull of Galloway Lighthouses/Inubosaki Lighthouse in Japan
- Involvement with national campaigns, awareness raising days and anniversaries e.g. Merchant Navy Day, Day of the Seafarer, Apprenticeship Week, International Women's Day, etc
- NLB hosted, with Trinity House, IALA World AtoN Day in London/Harwich
- Reappointment of Commissioner Welsh - Isle of Man Government issued a press release and video to announce the reappointment of Dick Welsh to the Board of Commissioners
- Digital comms - social media continues to be an important part of our comms strategy. NLB have seen a steady increase in followers.
- Broadcast media –
    - The refurbishment at Sumburgh Head Lighthouse featured on BBC Radio Shetland. Craig Field and Tom Donohue were interviewed for the piece which was broadcast on Good Evening Shetland. Members of the GRAD team were also interviewed.
    - BBC Radio Scotland Out of Doors programme did a piece on the Museum of Scottish Lighthouses and Mike was also interviewed live for the programme.
    - BBC Alba used Oban Base to film winners of the Royal National Mòd competition.
    - RLK Ruairidh Macrae was interviewed at the Butt of Lewis for a Radio 4 programme on 100 years of the shipping forecast which was broadcast on New Year's Day.
    - And RLK Barry Miller was filmed for a Day in the Life piece. This aired over Christmas on BBC Breakfast news
    - Documentary on NLB that was part of the BBC series Our Lives. This was first broadcast on 11 October 2025 at 7.30pm which is a prime time slot. The episode smashed ratings.
    - Message in a bottle – Corsewall Lighthouse which was at one point the most read story in the world
- Features in Saga Magazine, Scotsman and The Herald Online

It has been another busy year, full of opportunities to raise NLB's profile and meet the aims of the Communication Strategy.

The Chair commended the Communications Officer on the terrific achievements in telling NLB's story.

6. OVERVIEW OF STRATEGIC RISKS

The Risk & Improvement Manager took the Governance Board through NLB's Risk Management Framework (OP38). There is a range of registers – DfT Maritime Risk Register, Tri-GLA Risk Register, Register of (Principal) Organisational Business Risks, World Instability Risk Register, Departmental Risk Registers and Project Risk Register. The DfT Maritime Risk Register is utilised for escalation of risks out with NLB's tolerance, to date NLB have escalated 2 risks. NLB will continue to work with DfT to understand how their processes work beyond the risk transfer point to ensure effective interval review and mitigation.

The Risk & Improvement Manager provided an overview of the 15 organisational business risks that are reviewed through both the Committee structure with ongoing assurance statement provision to the Governance Board. These are underpinned by the risk management framework (OP38) including project and departmental risk registers.

The 15 organisational business risks cover the following areas with a short narrative provided in respect of the top 8. These are of course underpinned by a much deeper assessment detailed within each strategic risk card and subject to committee review and assurance.

- Climate Emergency "Mitigation" – Government targets remain challenging and largely terrestrially focused, therefore operating large vessel assets means that achieving those is a substantial challenge and risk for NLB, given available technology and the complexity associated with change. NLB is maintaining a very positive pathway in this regard which is recognised via the DfT's Sustainability Forum.

- Climate Emergency "Adaptation" – NLB was one of only 4 marine based organisations who responded to the Adaptation Reporting Power (4) and submitted an Adaptation Risk Assessment and Plan. NLB remains at the forefront at this particular risk operating in a sea / shore interface where we are seeing routine disruptions to projects with real pressure on accessing sites in addition to the routine operability of our vessels at sea, due to more extreme weather.

- Human Resources – This risk remains real and present for NLB due to the size of the organisation and the pull on our labour force from competitors in both the offshore energy and wider maritime transport sector. In addition to an emerging industry wide skills shortage. NLB continues to do all it can to control and treat the retention risk.

- Information Technology and Operational Technology – The ever-present cyber risk is accentuated by the exponential grown of AI. Whilst the probability of this risk is increasing, NLB has deployed effective mitigation and feels better insulated. This is again underscored by the autonomous nature of our AtoN assets providing improved resilience. Close monitoring remains key.

- Natural Events – Pandemic risk remains high within the UK National Risk Register. NLB remain vigilant to this risk and continue to horizon scan in relation to the impact from longer term considerations. A suite of tabletop sessions was held on this basis to review the effective treatment of the emerging Foot and Mouth Disease Risk, should this escalate to become an issue for NLB.

- Legislation and Policy – These two risk cards go hand in hand. Following the EU exit and change in Government we are seeing more churn with legislation coming through as result of the current Governments manifesto pledges. NLB have an effective legislation monitoring process and track new legislation through the bill phases to mitigate the impact of implementation and compliance.

- Resourcing – This continues to be a high risk in terms of the level of major project activity via Vessel Replacement and Aviation Services Project provision. Substantial mitigation remains in place with efficient corporate planning and Tri GLA communications ongoing.

- Exploitation of Reserve Capacity – Continues to be a key risk due to the fact that NLB is interfacing with a range of 3rd parties and requires to fully manage the risks (and opportunities) associated with each commercial venture. Our client base, whilst varied, remains stable with mitigation in place via both our ISO and ISM procedural controls.

It is important to note the other strategic risks below. These are no less important and our overriding emphasis remains upon the 'safety and wellbeing of all, in all that we do. However, the level of risk posed by the remaining risks is currently deemed to be lower. Further details can be accessed in relation to these risks via the NLB SharePoint site.

- Health & Safety
- Corporate Governance & Financial Management
- Environmental Impact
- Technological Change & Obsolescence
- AtoN provision
- Asset Loss/Damage

In general, NLB's framework of control continues to work well, facilitate key communications and escalation at the appropriate organisational level and represents a real team effort from our Operational Teams to our Commissioners.

7. PHAROS VRP

The replacement of NLV PHAROS is undergoing a Strategic Assessment by the Project Management Office (PMO). As part of the development of the Strategic Assessment and subsequent business case, all options will be considered and narrowed down based on operational, financial and business requirements.

Full project governance is still under development as the PMO team are currently working across VRP POLE STAR delivery and closure and Bi-GLA Aviation Services Project (ASP) full business case development. The successful tools and learnings from VRP POLE STAR and Bi-GLA ASP form the foundation for VRP PHAROS.

The Governance Board noted the potential timeline based on the 2032 delivery of a bespoke new build vessel and the whole range of decisions required during 2027 around the technical solutions, future fuels, specification, etc.

8. CORPORATE PLAN 2026-2031

The Corporate Plan is the culmination of a significant package of work by team members from across NLB and is a bottom-up approach to the building of the Plan.

The Finance Manager gave an overview of the Corporate Plan 2026-2031 and drew attention

to the following:

- Financial Summary – The forecast outturn for 2025/26 NLB is currently reporting £2.7m underspent. The bid for next year brings us back to £38m. The increase beyond that mostly relates to capital works, pay uplifts and small changes to CPI. £45m is dropped into the 2030/31 year for expected payment to a yard for the build of replacement for PHAROS.
- Budget Bid – NLB look at a 5 year funding envelope across the course of the Corporate Plan. The majority of the £2.7m underspend for 2025/26 is made up from pay and pensions costs. NLB entered the year with a 7% pay budget and the remit will be a total award of 3.7% which is made up of 3.25% to all staff and a 0.5% targeted to marine staff. There are some future year changes, the DfT future year assumptions want to forecast a 2.4% pay uplift for 2026/27, CPI is currently running at 3.8%, so NLB have budgeted for 5%. Those costs go across the remaining years, which results in a £1.7m overall reduction.
- Pay and Headcount Assumptions – NLB have created 3 additional roles which is forecast to cost an additional £1.3m. In the current year, NLB is looking at around £400k underspend due to vacancies and gapped posts. NLB set their budget based on a full complement of staff over the course of the year. Those staff who do reduced hours, it is assumed that if their role were to be replaced with someone else it would be a full time person; that everyone is at on rate for the job; those on the ship are on the highest band they can be; and all pension costs are forecast to be in the Civil Service Pension Alpha Scheme.
- ASP – Last year when the Corporate Plan was being finalised, there was discussions ongoing around whether this would be a Tri-GLA or BI-GLA contract. That decision was finally made and Irish Lights will no longer be part of the new contract. There is an adjustment of £200k over the life of the Plan based on the agreement with Trinity House to share the standing charge 50/50. There is an additional £100k in 2026/27 and 2027/28 for engagement of solicitors if required.
- Ship Financing – A 6% interest rate was forecast on the DfT loan, that was subsequently locked in at 3.73% and immediately saved £16.7m of interest over the whole life of the vessel. The way the financing was structured, rather than traditional staged payments, has saved an additional £2.4m over the life of the vessel. Overall, a saving of £19m.
- Sale of POLE STAR – It has been planned to sell POLE STAR by 31 March 2025. That did not happen and it fell into this financial year (£275k).
- Ship Fuel – NLB entered this year at 60p per litre. The current average is currently 49p per litre. The assumption for 2026/27 is 55p per litre.
- RPI/CPI Changes – NLB is moving towards using CPI on future contracts.
- Capital Projects – There has been some movements within the capital projects adding £1.8m over the life of the plan.
- Revenue Contingency – NLB are not planning to use the revenue contingency this year.
- IT Projects – There has been some movement between capital and revenue budgets for some IT projects.
- Commercial Surplus – In the current year, with POLE STAR not being with us, NLB is expecting to delivery £163k less than budgeted. In future years it is expected to pick up an additional £100k per year.

With the changes highlighted above, it balances out to around £1.9m in savings over the course of the 5 years.

<u>Pay and Headcount</u>

There are 3 new posts being proposed for creation:

- A Chief Technical Officer to assist with digital transformation
- A new role for Board Support to help with governance and to take some much needed work off the 2 Directors and Chief Executive
- A Communications Apprentice – To help the Communications Officer with social media,

etc.

The Vice-Chair asked whether NLB felt confident that it had the human resources to deliver the capital works i.e. Pillar Rocks. The Chief Executive confirmed that the overall number of projects undertaken during the period that work on the Pillar Rocks will be reduced will ensure sufficient in-house resources. The risk does not lie within the Project Team resource, it is more the delivery risks around aviation, vessel and contractors. The capital plan has been condensed to take account of these larger projects.

Capital Projects Summary

The forecast for the year 2025/26 was £4.3m slightly up on sanction but this slipped back slightly as expected. There will be a final update to the forecast following the Programme and Project Board on 8 October 2025.

The bid in the forecast years creeps up substantially, peaking at £8m in 2028/29 which is the pillar rock works which span multiple years.

The capital risk budget, associated with Pillar Rocks, has increased from £300k to £500k a year as we go through these projects.

The list of capital projects for next year was noted.

Commissioner Robson asked if confirmation has been received from SSE that they can meet the timetable for NLB's shore to ship project. The Director of Operations advised that NLB are going to work on installing the transformer and kit, but it will be 2028 before they upgrade the power terminal at Tyndrum.

Commissioner Larkin asked whether there would be any benefit to the community from the upgrade to Tyndrum. The Director of Operations advised that NLB had not driven that change, it was already scheduled.

GLA Effectiveness KPI

For the previous 5 years financial performance reflects actual running costs versus costs at constant prices and there is a drift between those. NLB do not buy a standard basket of goods we may use RPI or CPI but prices of IT and materials can often outstrip CPI.

NLB is underspent against the cumulative funding sanction. Looking forward the net running costs is higher than DfT inflation assumptions but this is around NLB pay assumptions. Commissioner Robson suggested having a separate line to show the cost before pay assumptions. It was agreed that a footnote could be included.

Action: Finance Manager

Further Changes

- NLB has just received the insurance cost for the NLV POLE STAR, which is an increase from £47k to £93k, which is around £203k over the life of the Plan.
- ICT's digital journey – Secure by Design – is to be included.

Approval

The Governance Board approved the Corporate Plan 2026-2031 subject to only minor amendments. The document will now be taken forward for formal submission to DfT on 17 October 2025.

9. ALB REVIEW

The Governance Board noted the papers that had been included in the meeting pack. The Chief Executive and Director of Business Services provided an update at the meeting and will keep the Board updated with any developments.

10. REVIEW OF BOARD EFFECTIVENESS

The Governance Board noted the summary report on the feedback of the review of Board Effectiveness. The evaluation continues throughout the year with the Chair attending various Committee meetings as an observer.

There were 17 out of a possible 22 responses which included Commissioners, Chief Executive, Directors and the Risk & Improvement Manager. Thanks to everyone you provided feedback.

The Chair has commenced 1:1 discussions with the Co-Opted Commissioners and is on schedule for these to be completed by 6 October 2025. He will then reach out to the Ex-Officio Commissioners who would like to have a discussion.

Summary

There was strong agreement that the GB has established clear strategic objectives for NLB.

There is an excellent relationship with the Executive, and that Commissioners support and challenge as required.

An observation was made around our messaging about the diversity of the Board however it was also noted that a high proportion of NLB Commissioners are not appointed by NLB directly.

The strength of the good work and committees was recognised, as well as provision of the Assurance Statements to the Governance Board ensuring a clear focus on the key issues facing NLB. It should however be noted that there is still the opportunity for promoting debate or further discussion regarding the committee papers.

Comments made on Board member succession planning note the frustration created by the slowness of DfT in the recruitment process. Succession planning for the Chair/ Vice Chair posts has also been raised regarding the role profiles and commitment required.

It was noted that the Executive strike a good balance in keeping Board members appropriately informed ‘out of committee’.

The appointment of a commissioner with a ‘professional’ finance background as Chair of ARC was recognised as demonstrating the GB’s willingness to maximise the talent available to best effect.

It is evident from the feedback that GIAA’s contribution can be hit or miss with poorly written or inaccurate reports, often resulting in considerable work by the Executive to remedy.

Training raised in several areas, including HUET and other bespoke subject areas.

NLB Risk Management is seen as a particular strength and is seen by many as best practice across Government.

The challenges in dealing with DfT have been well recorded. Communication generally one-way with little or no responses. The Executive’s patience is commendable as they continually strive for better relationships.

Membership of the Committees. Several requests to stay on/move to other committees. These will be discussed at the People Committee in October 2025 and any recommendations will come to the Governance Board in November for approval,

Effectiveness evaluation process deemed to be very comprehensive and an invaluable process.

Recommendations

- Succession Planning - Need to draft role profiles outlining respective responsibilities and desired commitments from Chair/Vice Chair post holders although outcome from ALB Review may supersede current structures.
- GIAA to be made aware of outcomes from the Annual Effectiveness Evaluation.
- Stakeholder Engagement - Need to encourage DfT, Scottish Government and IoM Government to have more engagement with their nominated Commissioners.

Conclusion

The overall message is that our Board ensures effective governance, including open dialogue, accountability and adherence to established policies and procedures. The Commissioners embrace the decisions about NLB's strategic direction and have oversight of its activities through the outstanding leadership by Mike and the Executive Directors and their Senior Managers.

The Director of Business Services noted the comments around the 7 day timeline for papers and asked if this was a major problem as timings of meetings would need to be changed. The papers are timed for when the information is available and Committee meetings would then have to move back which would have a knock on effect to Governance Board meetings. Commissioner Robson commented that he thought the 7 days was exceptional given the huge amount of work that goes in to getting the papers ready and Committee members were actually fortunate in getting papers of that quality 7 days prior to a meeting and he would be very wary about changing that and the pressure that would put on the team. A better format of papers is being considered.

Action: Director of Business Services

11. REVIEW OF GOVERNANCE BOARD TERMS OF REFERENCE

The Governance Board reviewed the Terms of Reference. The following changes were agreed:

- Amend 3. Membership to read Membership and Attendance.
- Include point 3(d) Other members of the Senior Management team as appropriate.
- Purpose – "It should also ensure that the Northern Lighthouse Board is a Best Value organisation and delivers Value for Money for the public sector as a whole". The Chief Executive will check whether Best Value is defined in any Governance Guidance and amend the sentence as appropriate.

Action: Chief Executive

A revised Terms of Reference will be brought back to the Governance Board meeting in November for approval.

12. ANY OTHER BUSINESS

There were no items of any other business raised.