NORTHERN LIGHTHOUSE BOARD
GOVERNANCE BOARD
MINUTES – 28 AUGUST 2025

PRESENT:	Hugh Shaw	Chair
	Brian Archibald	Vice-Chair
	Ron Robson	Commissioner
	Jamie Finlay	Commissioner
	Dick Welsh	Commissioner
	Gillian Wade	Commissioner
	Fiona Larkin	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 and Improvement Manager
IN ATTENDANCE:	Karen Charleson	Senior Executive Assistant (minutes)

1. WELCOME, APOLOGIES AND INTRODUCTIONS

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

2. DECLARATIONS OF INTERESTS

There was no declaration of interest raised for noting.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the Governance Board held on 15 May 2025 were approved and can be published on the website.

Action: Senior Executive Assistant

Matters Approved Out of Committee
There were no matters approved out of committee.

4. MATTERS ARISING

Scottish Fire and Rescue Service (SFRS), Oban Base – Confusion remains around exactly what SFRS actions will be should the alarm go off in Oban. NLB Staff have spoken to staff at the call centre and they have said that they would not attend without a call from the public. NLB continues to work with ADT to make sure there is a consistent message and this is being progressed by the new Asset Manager. This action will be moved to the HS&E Committee.

Training Matrix – A link to the training matrix was included in the Matters Arising paper.

UK Maritime Strategy – There has been no further communication. The Chief Executive will chase the DfT Sponsorship Team.

Action: Chief Executive

5. ORGANISATIONAL PERFORMANCE

Overview

The Chief Executive, who is also the Accounting Officer, provided an overview of the main issues since the last meeting.

- **Health & Safety** – Health and Safety is NLB's number one priority. The overall incidence rate remains low but we are very aware that we must keep working to maintain standards and learn from our incidents, near misses and other organisations. As an organisation NLB are proactive and a good example is the awareness campaign on Helicopter Operations that the Director of Operations has instigated.

- **Climate Emergency** – NLB remains committed to responding as effectively as possible to the climate emergency both through mitigation and adaptation. There remains a genuine commitment to do what we can to reduce our impact on the planet with close focus being taken on the data, the fidelity of which improves with each iteration. After a hiatus DfT are engaging with ALBs on Greening Government Commitments again with a meeting on 2 September 2025 where hopefully the targets for the current 5 year will become clear.

- **GIAA Audit** – NLB received a SUBSTANTIAL opinion from GIAA for their recent Audit on Asset Management – an endorsement of the journey we have been on since the Organisational Change Programme.

- **NLV PHAROS** - A defect on the Cooling Water system took PHAROS out of operation for a number of weeks. This is now resolved but it does provide a reminder that the vessel is now in its 18th year and emphasises the importance of the work on the next Vessel Replacement Project.

- **NLV POLE STAR** – The relationship with the shipyard remains transparent and collaborative and we remain confident that when we take delivery of the new POLE STAR later this year it will set new standards for this type of vessel. Plans for the naming ceremony in January are underway.

- **Aviation Services Project** – NLB have received three tenders which are under evaluation and we remain on track for contract award in mid-2026 and go live on 1 Dec 2027 following a period of mobilisation.

- **NLB Staff** - NLB have recently issued the Annual Staff Engagement Survey and will report the outcome to the People Committee in the autumn. We are also working through the process for the for 2025 Pay Award.

- **Stakeholder Engagement** - This has been a very busy summer, in addition to a Commissioners' Inspection via road there have been two major visits from the Maritime Minister and DfT Maritime Director and Deputy Director.. Everyone they met from across the organisation did NLB proud in telling their story about working for NLB and the contribution they make.

- **ALB Review** – The Executive team have been committed to carrying out background work in preparation for and in support of the ongoing UK Government ALB review. Thank you to the Chair, Vice Chair and DfT appointed Commissioner for their assistance during this exercise.

- **KPI Dashboard** - The Commissioners noted the KPI Dashboard included in the meeting pack.

In summary the Chief Executive's assessment is that overall the organisation is delivering well, and in most if not all areas we are setting the standards for others to follow.

6. HEALTH, SAFETY AND ENVIRONMENT (HS&E) PERFORMANCE

The HS&E Committee is attended by representatives from across the organisation and continues to be an open and transparent forum. The Governance Board noted the Assurance Statement provided by the HS&E Chair.

Health & Safety Assurance

NLB's HS&E Committee met 7 August 2025. The agenda included the key headings identified for discussion at organisational Health and Safety meetings with a broad range of issues covered which included: Statistical Performance and Review of Incidents, Review of Inspections and Audits, New Legislation, Contact with Enforcing Authorities, Workforce Concerns, Management Concerns, Introduction of New Equipment, Changes to Procedures, Occupational Health and Training.

The Committee confirmed that: assurance was received in relation to all key issues; transparent reporting of incidents and near misses is taking place; necessary steps are being taken to identify and share lessons in order to prevent further incidents; Legislation is being tracked and compliance reviewed; dialogue is being maintained with external authorities; introduction of new equipment is being addressed; there is positive and open dialogue between Management and the Workforce on the full range of H&S issues.

The Chair of the HS&E Committee highlighted the following key areas:

- There have been no reportable injuries since the last meeting.

- For the first quarter of the FY 2025/26 there have been 6 incidents, 5 minor injuries and 1 damage incident. The overall statistics show an improvement on comparison with the previous year where 13 incidents occurred for the same period April to July. Given the range of activities, hazards and the environment that NLB work this outcome reflects on everyone's efforts to manage HS&E and keep incidents to a minimum.

- NLB were advised by the landowners at Loch Ryan that there may be asbestos in the ground. Subsequently NLB arranged for an asbestos survey to be undertaken which identified some 'lower risk' items of asbestos sheeting and debris. As a precaution RLK visits to the station are suspended pending a furthermore detailed asbestos survey including air monitoring. This is a good example of how NLB responds to keeping its people safe.

- HM Coastguard Casualty Rescue training occurred at Mull of Galloway in May 2025 enabling their rescue teams to be more familiar with lighthouse specific rescues. Another training exercise is planned at lighthouses on the Isle of Man (IoM) with the IoM Coastguard at the end of October 2025. NLB and HMCG will also be in attendance on the IoM to share lessons they have learned during their training exercises. This is a great example of NLB's collaboration and positive relationships with other agencies.

Commissioner Archibald noted that there was a comment in the minutes from the last meeting

which referred to learning from experience from the other GLAs and that these are discussed at IGC8 which is overdue for a meeting. Commissioner Archibald asked if IGC8 had met and has the exercise from learning from other incidents and accidents happened. The Director of Operations advised that IGC8 had not met but the HS&E Manager is continuing to purse.

Commissioner Finlay noted the non-reportable incidents which is great news and testament to the culture that has been developed across the whole organisation which is fantastic.

Commissioner Finaly added the HM Coastguard exercises is a great display of developing resilience and it is excellent that it is being rolled out to the IoM. The Chief Executive advised that resilience will be discussed at the Strategy Day in September in terms of NLB's strategic priorities.

Sustainability and Environment Assurance

The agenda included: NLB's Sustainability Statistical Performance, Review of the activity of the Environmental Workgroup, Operational Activities Impacting on Carbon Emissions/Environment; GGC Reporting; Biodiversity and Biosecurity.

The Committee wished to draw the Governance Board's attention to the following issues and to confirm that assurance was received in relation to the function of NLB's framework of environmental control, including compliance with GGC requirements as follows:

- FY 24/25 marks the end of the 5 year GGC Reporting period, NLB have continued to meet and exceed all emissions targets with 4 consecutive years where this target has been exceeded.

- NLB vessels continue to deliver a strong Eco Steaming performance in Tri GLA terms. This reflects the awareness and efforts made by Masters and Crews to deliver against these requirements.

- NLB continues to drive down on travel to encourage the right behaviour in terms of domestic flights and rail travel. This is down to the staff making their own decisions i.e. if can walk you should walk, if you can't walk take a bike, if can't take a bike take a bus, etc.

- Risk of a Foot and Mouth Disease outbreak in UK has been identified by NLB as increasing which has led to the initiation of some preparatory work within the context of NLB's Emergency Preparedness to ensure effective plans are in place for any measures and controls that may require to be deployed for the protection of livestock/wild animals. Two tabletop sessions have been held with PPE requirements identified and a draft Operating Procedure established.

Commissioner Welsh asked whether the paragraph in the Assurance Statement "Following the publication to NLB's Biodiversity Report earlier in 2025, the organisation continues to work in partnership with RSPB, NatureScot and National Trust Scotland on biodiversity and biosecurity related initiatives." could include Isle of Man DEFA and Manx Wildlife Trust. The Chief Executive agreed that NLB should be having those conversations and would be happy to be introduced.

Action: Commissioner Welsh

7. NAVIGATION AND OPERATIONS PERFORMANCE

The Navigation and Operations Committee met on 6 August 2025. The agenda covered key areas including: Navigation, Operations and Business Services reports; Recent marine incidents and assessment of AtoN adequacy; NLB lighthouse tender fleet status and helicopter

operations; Climate change operational adaption measures.

The Committee confirmed that assurance was received in relation to all key issues. The Executive provided the necessary assurance that every effort was being made to attain, or exceed, the IALA recommended CAT 1 AtoN availability level; The Capital and Maintenance Programme remains under review and is subject to modification as operational priorities change; The Risk Cards for Aids to Navigation Provision, Asset Loss or Damage, Information Technology and Operational Technology, Technological Change and Obsolescence and Natural Events have been viewed by the Committee and are updated on a regular basis.

The Committee wished to draw the Governance Board's attention to the following areas.

- The AtoN Category 1 availability is at 99.92% and exceeds the IALA recommended level. This reflects the teamwork and tremendous commitment, dedication and effort by all those contributing to operations from across the organisation. Category 2 and 3 availabilities are well above the IALA standards.

- The Committee reviewed and approved the 2024/25 LLA Annual Report for distribution. This report is submitted annually to the Secretary of State under the Merchant Shipping Act 1995 and to Scottish Ministers under the Scotland Act 2016. A copy is also submitted to the Isle of Man Government. The committee agreed this very useful document neatly highlights the changing and growing use of our maritime space and that it should receive a wider distribution via the NLB website and be signposted to the NLB User Group. The report highlights a reducing failure rate amongst LLA AtoN; the offshore installation failure rate increased but is based on a very small sample. Trinity House and Irish Lights have each published reports covering their areas of responsibility.

- Overall planned maintenance overdue is reported as 1,693 out of 5724 (29.6%) marking a significant increase from the April report. The Director of Operations and Delivery and Planning Manager presented a series of slides to the committee to explain the reasons for this and outlined a comprehensive plan of action to close much of it out over the next few months. The Governance Board should see no cause for alarm in the high numbers at present with an expected improvement in the numbers by the October report.

- The Committee agreed to endorse the recommendation to continue with the approach of removing legacy emergency optics (historically installed on longer range lights) at reengineering and use a reserve optic where dual redundancy is not available.

- There is risk associated with the emerging inability of NLB to access Scottish Government Framework agreements for procurement (currently used for marine gas oil, electricity, gas, banking, hire cars) due to the requirement to comply with the Procurement Act 2023 (Scottish Government Procurement rules are different); doing so would place a heavy burden onto NLB's procurement team in order to run tender exercises. Work is ongoing with DfT to understand the NLB position.

The Chair asked for an update on the Scottish Government Frameworks. The Director of Business Services advised that a number of the DfT Team have been on leave during August but NLB has reached out to the DfT Commercial Team to try and get an answer but a response is still awaited. The Director of Business Services will ask the Procurement Team to also reach out to the Scottish Government Procurement Team to ask if they are aware of any other organisations that could face a similar issue that NLB could link up with.

Action: Director of Business Services

8. VESSEL REPLACEMENT AND AVIATION SERVICES PROJECT UPDATE

The Governance Board noted the updates provided in the meeting pack.

Vessel Replacement Project (VRP)
The shipyard continues to update the build programme in real-time and this information is submitted with the monthly Progress Report. The agreed delivery date has now been delayed to the end of the non-penalty 4-week period to 21 October 2025**.** At the Progress Meeting on 19 August 2025, it was indicated that it is likely that the delivery date will extend beyond 21 October 2025 into November. However, the relationship with the shipyard remains positive and it is very much a collaborative approach.

CAB Stage 7 has now been completed. NLB has yet to receive formal notification but it understood that it going to be "GREEN".

It was noted that the critical path issue with the freshwater cooling pipes has been resolved.

The Project Lead for the internship programme was onsite for the arrival of the University students in May 2025. The students were able to take part in the Sea Trials of C504 and embedded well in the yard. The PMO Project Lead will get feedback from the Interns now their internships have ended. A lessons learned exercise will also be undertaken with the shipyard to best understand what worked well and what could be improved for the Social Value elements of future contracts.

The Chief Executive presented some slides showing the boat crane, bridge, mast, cabins, wet unit, engine room and galley/fridges.

The Governance Board will be briefed at the Strategy Day in September on the PHAROS project.

Aviation Services Project (ASP)
The ASP has continued with commercial activities and is in receipt of initial tenders. Therefore, the project has entered a commercially sensitive phase.

The Governance Board noted the following Procurement Dates:
- Deadline for receipt Initial Tenders – 12 Aug 25 (14:00)
- Evaluation Period 12 Aug – 18 Sep 25
- CAB Stage 5 – 21 Oct 25
- Negotiation Commences – w/c 27 Oct 25

A GIAA audit took place on 13 and 14 August 2025. There were no 'major findings' from the GIAA audit team. The full report is expected in September 2025.

9. AUDIT & RISK COMMITTEE (ARC)

The NLB ARC met on 7 August 2025. Key issues considered included: the Executive Report; Management Results; Risk and Improvement Manager's Report; Risk Card Review; Compliance Officer's Report; Internal Audit Report; External Audit Report and the ARC's Forward Workplan.

The Committee confirmed that:
- The Executive Report provides sufficient explanation of, and assurance on, key issues.

- The Management Results for the 3 months to 30 June show an underspend against

Budget, the reasons for which are clearly explained and are due to the pay award being reduced from the budgeted 7% to the Government imposed 3.75%, some staff vacancies and reduced cost of fuel oil for the ships.

The Committee wished to draw the Governance Board's attention to the following areas.

- An overall "moderate" opinion of the framework of governance, risk management and control within NLB for the year to 31 March 2025 was provided. All audits carried out in the year carried a "substantial" opinion, this overall opinion reflects the small size of the plan which creates a challenge in providing sufficient evidence for a higher rating. In essence the opinion is primarily a factor of the quantity of direct evidence rather than quality. The scope of work for this current year plus the assurance map validation will give sufficient evidence to provide a "substantial" opinion should the underpinning evidence warrant this.

  GIAA consider NLB to be "best in class" and an exemplar of good and best practice in many areas.

  The Chair asked whether GIAA had indicated at the start of the year that NLB could find themselves in this position. The Director of Business Services advised that GIAA had planned to do the assurance map validation work. The Risk & Improvement Manager put a substantial amount of time and effort into providing the evidence required but GIAA did not set out clearly at beginning what was required and could not complete the work themselves in the timeframe. A meeting is being held on 29 August 2025 with GIAA to discuss this element and the hope is that this piece of work will be completed within the next couple of months.

  There is an opportunity for NLB to frame the overall picture, making comments like "best in class" clear and highlighting the performance of the whole audit regime notwithstanding the opinion being offered so there is a wider understanding and to celebrate success. This could be done at the ISO Management Assurance Review and in the Annual Report and Accounts.

- The project for the new finance system is well underway. Go-live day is anticipated to be 1 May 2026.

- For the third year in a row, NLB has been subject to an HMRC VAT compliance check and in addition is now scheduled for an HMRC employer compliance check. The VAT check was completed satisfactorily and the same is expected for the employer compliance check. While unavoidable, these do impose significant workload on the Finance and HR teams for little gain.

10. PEOPLE COMMITTEE AND NOMINATIONS FOR APPROVAL

The People Committee met on 6 August 2025.

Part 1

Part 1 of the People Committee covered the following issues: Recruitment and turnover statistics; sick absence; Occupational Health; Pay; Drug and Alcohol Testing; Review of Staff Council minutes; Review HR Risk Card.

The Committee confirmed that appropriate recruitment action is underway to fill vacancies and the Human Resources Risk Card was reviewed with minor amendments identified.

The Committee wished to draw the Governance Board's attention to the following issues:

- Recruitment activity is busy but overall successful with a number of internal promotions. One area highlighted is the poor response to the Deck Rating Apprenticeships scheme where just thirteen applications were received for the four places on offer. This is in stark contrast to earlier years when a much larger number of applications were received. Two candidates have been appointed and will start their training in September 2025 at City of Glasgow College. The intention is to complete a further recruitment campaign for appointment of the remaining two places to commence training in September 2026. The actual reasons for the low level of interest are unknown but action will be taken to ensure early and maximum visibility of the opportunities on offer.

  Commissioner Archibald asked whether there would be a discussion with the Nautical College to ascertain if this is a maritime issue or an NLB issue. The Chief Executive did not feel this was something the Nautical College would know but undertook to ask CALMAC.

  Commissioner Welsh highlighted that the Isle of Man Government are keen to support any training opportunities in maritime and asked if there was a possibility of putting together a package for an Isle of Man trainee. The Chief Executive agreed to look at promoting the NLB scheme within the Isle of Man for the next round of apprenticeships.
  Action: Chief Executive

  The Director of Business Services advised they would be attending the Seafarers 2040 event in September which would launch a research report on demographics which may help support a future pay case narrative.

- Turnover remains low and stable with just 7 departures in the last rolling 12-month period. Exit interviews have confirmed that nobody departed NLB for negative reasons.

- The roll-out of Safety Critical Medicals is continuing. Next group to be included is the Chief Executive and Directors followed by Commissioners who wish to partake in Inspection activity.

- The Annual Engagement Survey has been issued. This is key thermometer for NLB to understand what is going on in the organisation.

Commissioner Archibald noted that the Unions have informed that MyCSP staff may be going on strike and asked if there was an area of concern or something staff required to be aware of. The Director of Business Services advised that staff have been made aware of the strike action and possible impact. The feedback is that the majority of staff have received their annual benefit statement but there are still a few employees, who were in the group who did not get statements last year, who do not expect to get their statements by the end of August. The Director of Business Services added that requests for pension illustrations are taking longer (4-6 months), and the Finance Manager has issued a message to all staff to point out the potential delay.

Part 2

Part 2 of the People Committee covered the following issues: Annual Board Evaluation and Annual Appraisals of the Executive.

The Committee wished to draw the Governance Board's attention to the following issues:

- The Annual Board Evaluation has been completed. NLB's Chair will be contacting Commissioners via email to arrange one to one sessions with Co-Opted Commissioners and offer a similar opportunity to Ex Officio Commissioners to discuss their input to the evaluation. Proposals for changes to committee membership will be brought to the next People Committee. The detailed analysis of the Board Evaluation will be presented and discussed at the annual 'Strategy' Governance Board in September 2025.

- NLB's Chair confirmed that annual appraisals for the Chief Executive and Directors have been completed and highlighted that they all had achieved a huge amount over the preceding period and given an outstanding performance. All three received the thanks of NLB's Chair and the People Committee for their outstanding contribution over the previous twelve months.

11. MATTERS FOR APPROVAL

There were no matters for approval at this meeting.

12. STAKEHOLDER ENGAGEMENT

The Governance Board noted the Stakeholder Engagement update. Key areas to note:

Joint Strategic Board – The JSB took place 29-30 April 2025 at Trinity House and was reported to the Governance Board on 15 May 2025, however at that stage the minutes had not been issued. The minutes of the meeting were now included in the meeting pack.

ALB Review - NLB's Chair, Vice-Chair and Chief Executive met with Trinity House and the Chair of the JSB on 20 August to discuss the ALB review commissioned by the UK Government. The Chief Executive gave a verbal update at the meeting. The Chief Executive will provide an update to Commissioner Wade before her meeting with the other Sheriff Principals on 18 September 2025.

Action: Chief Executive

Commissioner Cameron leaves the meeting

Maritime Minister - Mike Kane MP visited Oban base 25 July 2025. As he had already been given a detailed briefing on NLB during his visit to Orkney in August 2024, this time the focus was on Organisational Change and Improvement, Making NLB The best Possible Place to Work, Evidence of a Happy Workforce, NLB's Strategic Priorities and how they link into the Department's and UK Government Priorities, progress with the new POLE STAR, ambitions for the replacement of PHAROS in the early 2030s and finally an update on the Aviation Services Project (ASP).

The discussions were open and engaging, with positive feedback received.

Visit of DfT Director Maritime - Lola Fadina accompanied by Dave Whyte, Deputy Director Maritime visited HQ and Oban Base 29 – 31 July 2025. Overall, a positive visit with open dialogue.

IALA Council – The Chief Executive, accompanied by DfT's Chris Angell, attended the Council meeting in Nice 9-13 June. As the Chief Executive of Trinity House was unavailable to attend in person, the Chief Executive of NLB stepped in to act as the Treasurer in his absence, in particular chairing the Finance and Audit Group (FAG) ahead of the main Council meeting. This substitution was implemented following some debate within IALA where the Treasurer responsibility lay i.e with an individual or Nation. Finally it was determined that UK is the Treasurer. This opportunity allowed a number of improvements to Governance to be tabled (in particular in future introducing formal minutes for the FAG – hitherto no minutes have been recorded) which hopefully will be implemented. With the precedence set it is hoped that NLB's Chief Executive can continue to provide input.

Otherwise, the Council was relatively unremarkable, with routine business completed as expected. Phil Day attend in his new role as Chair of Policy Advisory Panel for the first two days of the meeting.

CE will attend the Council meeting in Mumbai, India 8-12.

World Aids to Navigation Day (WAND) 2025 - WAND took place at Trinity House London and Harwich 30 June – 2 July. The event included panel discussions, a reception onboard a rivercraft on the Thames and a Gala dinner. NLB was represented by the Chief Executive, Chair, Director Business Services, Director of Operations and a member of the Navigation team. Overall, a successful event.

IALA Future Radion Navigation Workshop - NLB will host an IALA workshop 9-13 February 2026 at 84 George Street with around 80 delegates expected to participate. The detailed programme has yet to be finalised. This event will help maintain visibility of UK's commitment to IALA's work in advance of the General Assembly to be held in 2027.

Patron - Unfortunately due to the defect with PHAROS's cooling water system the planned Inspection Voyage with the Patron was cancelled. The Chief Executive wrote a letter to the Patron explaining the circumstances.

Naming Ceremony - The naming ceremony for POLE STAR has been confirmed as 22 January 2026 at the Leith Cruise Terminal. Commissioners are requested to let Karen Charleson know if they wish to attend.

Action: All

Royal Highland Show - NLB had a small stand in the UK Government Tent at the RHS 19-22 June. This provided the opportunity for the Chief Executive and Director Business Services to speak to the Secretary of State for Scotland, Ian Murray MP, about the work of NLB.

Doors Open Day - NLB's HQ will be participating in Edinburgh's Door Open Day weekend 27-28 September 2025.

13. CORPORATE CALENDAR

The Governance Board noted the Corporate Calendar for the remainder of 2025.

14. ANY OTHER BUSINESS

Guide to Governance – Commissioner Archibald, as Vice-Chair, will be undertaking a review of the Guide to Governance over the next few months. A revised document will be shared with the wider Governance Board in due course.

Action: Commissioner Archibald

JSB Minutes (Section 8.6 Cyber Security) – The Director of Operations wished to correct the section on cyber security within the JSB minutes. The reliance on Starlink as the sole use of satellite communication is not correct - currently NLB has Inmarsat and Starlink and soon to be OneWeb. The new vessel will have Iridium, Starlink and OneWeb onboard. Starlink is the main broadband use with over two thirds of that bandwidth being used by the crew for their own communications, downloads, etc and the other third is used for business purposes. If Starlink were to go down, we can still maintain the basic broadband connection to the ship and conduct our business with no impact on safety of the vessel and communications. The Director of Business Services added that there is also Ceteris which would allow our provider to dial in to see what the problem is and reestablish connections.

15. DATE OF NEXT MEETING

The next meeting will be held on 25 September at 10am (Strategy Day). This will be an in person meeting.