

# NORTHERN LIGHTHOUSE BOARD

## MANAGING BOARD

### MINUTES – 29 November 2017

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

<b>IN ATTENDANCE:</b>	James McBrier	RQAC Manager
	Fiona Holmes	Communications Officer
	Karen Charleson	Senior Executive Assistant (minutes)

The Chairman welcomed James McBrier, Risk, Quality, Assurance and Compliance Manager (RQAC) Manager and Fiona Holmes, Communications Officer to the Managing Board meeting.

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

Apologies were received from Commissioners Mackenzie and Di Rollo. There were no potential conflicts of interest other than that already declared at previous meetings and in the Annual Report and Accounts.

#### 2. MINUTES OF THE PREVIOUS MEETING

The Minutes of the Managing Board meeting held on 27 September 2017 were agreed as a correct record and could now be published on the website.

*Action: Senior Executive Assistant*

#### 3. MATTERS ARISING

The Committee noted that the majority of items would be covered later on in the Agenda. The Managing Board discussed the following items:

**Business Continuity** – Following an ongoing tendering exercise a new agency is to be appointed to provide crisis media assistance. The Communications Officer will liaise with the new agency once they are in place to develop a media training package for Directors, Senior Managers based in Oban and relevant Commissioners.

*Action: Chief Executive*

**SharePoint Training** – An introductory training session has been scheduled for after the current Managing Board meeting.

**Legal Advice** - As agreed at the Managing Board meeting on 27 September 2017 any new/non-estate legal work will be considered on a case by case basis until the Registers of Scotland project is complete.

*Action: Director of Business Services*

**Wildlife** - A lessons learnt Health and Safety Notice has been issued to reiterate to staff of the risks posed by Lyme disease and the preventative measures that should be taken. This follows an incident where a contractor had been bitten on the leg by a Tick which had resulted in them requiring treatment.

**Corporate Plan 2018-2023** – The NLB Corporate Plan was submitted on 17 October 2017 with a Capital Contingency included at 10%. However, following initial discussions with the Department for Transport (DfT) the overall budget was reduced by £200K per annum which impacted on the capital profile and contingency. A revised plan was submitted to the DfT on 20 October 2017.

#### **4. CHIEF EXECUTIVE'S REPORT**

The Managing Board noted the report from the Chief Executive, highlighting items from the Departmental reports backed up by the full reports. Discussion took place on the following matters:

##### **Safety**

There has been one reportable incident since the last meeting.

The Managing Board highlighted the general increase in slip, trip, fall and manual handling incidents. It was noted that additional measures are being taken such as:-

- on-line manual handling awareness training for all NLB staff to raise the awareness of the correct steps to be taken when undertaking manual handling
- the statistics and accidents and incidents by type are also discussed at staff presentations to further raise the awareness and communicate lessons learned.

##### **HSE Report**

##### **Bio-security**

It has been identified that there is a potential bio-security risk from NLB unwittingly transporting rodents and other small mammals by boat or heli-bags to other locations which could be destructive to both the environment and other native wildlife. Bio-security information for NLB staff has been drafted and will be added to the HS&E Manual. This topic is being communicated to all staff via staff presentations. Further dialogue and collaboration will take place with RSPB to review NLB bio-security information to ensure that it is aligned to best practice.

##### **Asbestos**

A Technician noticed a suspicious substance when visiting Sule Skerry and raised this issue to NLB management. As a result no work was undertaken that could have disturbed the suspicious substance and arrangements have been made for a UKAS accredited company to undertake a survey. The Managing Board noted that this was a positive indicator of increased staff awareness.

##### **Helicopter**

An incident occurred on board NLV PHAROS whilst the helicopter was conducting Helicopter Landing Officer (HLO) training. An investigation is underway.

##### **84 George St - Child Safety**

Following the recent Doors Open event a number of potential opportunities for child safety improvements both internally and externally at 84 George Street have been identified. A review is to be undertaken but in the meantime children are prohibited from using the rear staircase.

## **Operations Report**

### **PHAROS**

NLV PHAROS has been providing support to project and maintenance work and Rig inspections.

### **POLE STAR**

During self-maintenance NLV POLE STAR completed significant crane refurbishment and a new Global Maritime Distress and Safety System (GMDSS) suite installed. A fault was identified on one alternator and a condition of class issued. This fault is expected to be repaired by the end of November 2017. NLV POLE STAR also attended a number of buoy casualties on behalf of Trinity House (TH).

### **Helicopter**

Routine operations have continued including a 2 day period in Invergordon for crew training with PDG and the helicopter. In addition to ship's crew, staff also attended from Oban Base and TH.

### **Oban Base**

Concrete pile repair works continue.

## **Engineering Report**

### **Outages**

It was noted that there have been four outages over 72 hours since the last meeting.

### **Projects**

The new Programme and Project Management methodology and documentation have been rolled out, including training for project leaders and project sponsors. Projects at Stoer Head, Tarbat Ness and Tiumpan Head are complete with the new Sealite LED Optic in operation. The switching on of the new optic at Tarbat Ness was recently featured on a BBC Alba news article.

Works are currently ongoing at St Abbs, Rona, Neist Point, Ardnamurchan, Rubh Reidh and Copinsay with Noss Head due to begin shortly. In addition to upgrade projects the refurbishment programme has continued as planned. Initial work has begun for projects planned for 2019/20.

### **Maintenance**

Maintenance overdues are sitting at 18.31% Orkney/Shetland (down 1.5) 25.9% Oban (up 5%) and 17.56% Edinburgh (down 9.5%). There have been particular difficulties in the past 2-3 months with technician manning at 50% level in the Orkney/Shetland areas.

The Managing Board noted that as part of the Organisational Review individual work areas have been asked to develop more meaningful Key Performance Indicators (KPIs). Relevant KPIs will be migrated up to strategic level with some appearing on the Performance Dashboard.

### **Monitoring**

Following DfT's refusal to approve the Single Tender Action a Monitoring Replacement Project has been started with a view to go out to open tender. At this early stage it is envisaged that expenditure will start in Financial Year 2019/20. A major early (risk-reducing) milestone will be the successful development and implementation of protocol emulation with existing outstations. This will enable managed decommissioning of the existing monitoring equipment as the new monitoring top-end will be able to communicate with existing outstations.

As agreed at the last meeting, the Managing Board will have early sight of the Project Initiation Document to better inform them of what is being specified, the associated risks and the potential extra resources required to complete this project.

*Action: Director of Operations*

## **HR Report**

### **Staff Engagement Survey**

Following issue of the Engagement Survey results to the Managing Board, the results have now been issued to all employees. The Managing Board highlighted the requirement for an action plan and this has been discussed with the consultants contracted to deliver the Leadership Development Programme. The outcome is that the Senior Management Team will be reviewing the results of the Engagement Survey during workshops to identify actions to improve employee engagement.

To complement this plan the programme already includes a significant module on 'Organisational Climate' and Senior Managers will be developing the skills to allow them to conduct a Climate Survey within their own team. The output from this will be a chart of what climate managers believe they are creating, what climate employees would ideally like and then what climate employees believe is the current climate. This will identify 'gaps' which Senior Managers can use to allow them to focus on the areas that they need to work on in order to improve their team climate.

Each Senior Manager will then communicate to the rest of the Executive Team their individual results and discuss actions that they are taking and identify common areas which may require an organisation wide action.

The Managing Board noted that the next major way point is at the end of January 2018.

## **Finance and Administration**

### **Year End Accounts**

NLB is to host the GLF Accounts Working Group bringing together finance staff from each GLA and the GLF accountant to discuss lessons learnt from 2016/17 annual accounts process and agree any joint approaches required for the 2017/18 accounts.

Every five years a full revaluation of fixed assets is required which involves establishing what the modern equivalent replacement cost would be of each asset. This work involves more staff across the organisation to consider replacement options and more site visits by the valuers. It was noted that this item was discussed at length at the Audit & Risk Committee on 13 November 2017.

### **Results to 31 October**

The Managing Board noted the summary financial position for October 2017 which was contained within the Finance Report.

### **Finance Staffing**

The Finance Manager is preparing a proposal for DfT to consider upskilling the Finance Team which will be considered alongside the 2018-2023 Corporate Plan. NLB continues to operate with a number temporary staff and DfT has confirmed their employment should extend through to June 2018 to provide continuity through year-end 2017/18.

### **Business Development**

It was noted that buoy maintenance forecasts have been reduced slightly and ship hire income has been increased based on known requirements.

## **Expenses Transparency**

It was previously advised that TH and NLB were working to provide expenses information for Board Members and the Executive as required by Triennial Review. This work is underway and will shortly be available on the NLB website for financial year 2015/16 onwards. NLB had previously agreed with TH to provide this from 1 April 2017 however a Freedom of Information (FOI) request had been received asking for an earlier period.

The Managing Board discussed the recent substantial increase in FOI requests. Commissioner Wilkinson suggested that the Executive contact the Information Commissioner for guidance.

*Action: NLB Executive*

## **Purchase of Welfare Facilities**

The purchase of the bothy at Stoer Head completed on 6 November 2017. This has been positively received by staff.

## **e-PIMS**

DfT have advised that Government Internal Audit Agency (GIAA) will be carrying out a department wide review of e-PIMS (Electronic Property Mapping System) compliance. The GLAs have continued to insist that e-PIMS is not appropriate to the majority of our estate and our Sponsorship team has reiterated this view.

## **Pay Remit**

The Chief Executive and Director of Business Services met with the Head of DfT Pay and Rewards Team to explain issues and concerns regarding delays in pay remit approvals. The 2017 remit was approved by the Secretary of State on 15 November 2017 and offers to the Trade Unions were issued on 17 November 2017. It is hoped to be able to pay new salaries and any bonus payments for Shore Staff in the December payroll and Marine Staff in the New Year. Trade Unions are unlikely to approve the pay award due to their objection to the 1% pay cap.

## **Business Support Team**

It was noted that the Business Support Team officially came into being on 27 November 2017.

## **Cyber Security**

The ICT team continue to address the findings raised by the recent GIAA cyber security audit including the replacement of Firewalls which started in November 2017. Intrusion prevention software is also being introduced. It was noted that the Chief Executive and Directors had attended 'Cyber Security for Executives' training at TH in November and that the Director of Business Services and ICT Manager had attended the UK Cyber Summit & Expo in London.

During October 2017 the ICT team carried out a Disaster Recovery Test in Edinburgh and Oban. All servers impacted could be accessed from Oban except SharePoint where further work is now underway to rectify this situation.

## **Organisation**

### **Organisational Review**

Following agreement from the Trade Unions on NLB's proposals for dealing with individuals most affected by the review, NLB Management carried out individual consultation meetings with those employees.

A full roll-out of a staff presentation was carried out during week commencing 13 November 2017 so that all employees are aware of the complete new structure and the proposed dates for implementation.

It was noted that the new Asset Manager commenced employment on 6 November 2017.

## **External Engagement**

### **Scottish Maritime Cluster**

It was noted that the Scottish Maritime Cluster will be meeting in the Stevenson Rooms on 5 December 2017.

### **Visit of Director Maritime DfT**

Roger Hargreaves, Director of Maritime visited Oban Base for briefings and a visit to Lismore 8/9 November 2017. Chris Wilcock of Transport Scotland also took part.

### **Visit of Lord Duncan**

A request has been received for a visit to Oban Base by Lord Duncan, Parliamentary Under-Secretary of State for Scotland sometime in the New Year. An outline programme has been submitted along with potential dates to coincide with NLV POLE STAR's availability.

### **Stevenson Rooms**

Marine Scotland's Master Mariners and the British Tug Owners Association used the Rooms for their Annual meetings. Cruise Scotland is booked for a meeting in the New Year.

Discussion ensued on whether the Stevenson Rooms should be actively marketed and, in particular, whether efforts should be made to engage with organisations that have a wider influencing role in the Scottish economy. It was noted that NLB is still learning with the arrangements required when hosting external meetings but it was agreed that this was something to which particular consideration should be given.

*Action: Director of Business Services*

### **Annual Parliamentary Reception**

The Chief Executive, Commissioner Mackenzie and Chief Caterer attended the Annual Parliamentary Reception held jointly by UK Chamber of Shipping and British Ports Association at Holyrood. Humza Yousaf MSP, Minister for Transport and Islands attended as did Liam McArthur Lib Dem MSP for Orkney.

### **Christmas Events**

The Managing Board noted that NLB will be holding its first party for children/grandchildren of staff on 15 December 2017 in the Stevenson Rooms. A carol concert is also to be held in the Stevenson Rooms on 18 December 2017.

## **Communications Officer overview and Communication Strategy**

The Communications Officer provided a verbal overview of her first months in office, including very successful interactions with, amongst others, National Library of Scotland, Inveralmond High School's Graphic Communication students, and a group of 40 individuals brought together at 84 George St by a travel blogger. This precipitated a broader discussion around a Communication Strategy in which the Board noted the range of fronts that a modern organisation has to be active on in order to engage with all stakeholders and how hard it is to be heard in a 'new-media' environment. The Communications Officer highlighted the strain on her resources e.g. producing and editing the NLB Journal, new website, etc. The Managing Board discussed establishing the key messages they wish to communicate. It was agreed that the Communications Officer and Executive should think about what is required from the Board of Commissioners and bring a draft framework/strategy paper to the April 2018 Board of

Commissioners meeting for discussion. It was noted that a meeting has been arranged between Commissioner Woodward and the Communications Officer after the current meeting.

*Action: Communication Officer/NLB Executive*

## **Dashboard**

The RQAC Manager presented the prototype Dashboard to the Managing Board as a first iteration. The current draft is a single graphical representation of performance which is manually updated and covers:

- Safety for All
- Project and Maintenance Delivery
- Compliance
- AtoNs
- DGPS/ATONs
- LLAs
- HR
- Finance

It is intended that going forward NLB will establish an automated viewer which will be delivered as part of the SharePoint roll-out. This initiative also links with the establishment of reviewed/refreshed KPIs set at the departmental level associated with the new structure. The benefit of this approach will be the provision of “drill down” functionality which will enable access to further information underpinning the dashboard position.

The Managing Board agreed that this was a good starting point which would undoubtedly evolve and progress over time. Any comments were to be emailed to the RQAC Manager following the meeting.

*Action: Commissioners*

It was also agreed to let the relevant Committees i.e. Navigation Committee have sight and provide comment.

*Action: RQAC Manager*

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

### **2<sup>nd</sup> Engineer Interviews**

Commissioner Brew enquired as to whether there was any feedback following the interviews for the 2<sup>nd</sup> Engineer post on 28 November 2017. The Director of Operations advised that he had not received any information.

### **Tender Utilisation Report**

Commissioner Beveridge asked if the methodology used in the calculations for tender utilisation was common across the GLAs. The Director of Operations confirmed that this was the case.

### **ICT Update**

Commissioner Wilkinson enquired as to whether anything else had emerged from the training course or conference in relation to cyber security that was not picked up by the internal auditors. The Chief Executive reported that no new “big ticket” item had been identified from the training course held at TH. The Director of Business Services advised that apart from a few learning points from other people’s experiences and some useful contacts nothing new had been identified from the UK Cyber Summit & Expo.

## **6. FLEET REVIEW**

The Managing Board noted the update by the Director of Operations on the Review. The BRAEMAR report on ship chartering had now been received and concluded that there was no ability for the market to deliver reliably, at the right time and at the right price, short notice emergency response for wreck or buoy casualties. This closes out a significant stream of work and it is planned to start looking at shortening the project and bringing it to a close.

The Co-ordinated Fleet Planning is going very well. It is anticipated that by the end of December that there will be a significant amount of data on ship disposition, casualty responses, and also compliance with the risk response criteria. It is proposed that by the end of January the analysis of all the data in relation to the co-ordinated fleet plan will have been completed and that will provide an overview of what the fleet was doing and what it would have looked like if we had fewer or more ships. A final report will be completed by the end of February which will cover the overall project and deal with all the minor recommendations from HOULDER. By the end of March the Board approval process will have been concluded.

The Reference Group met in November and there was still some challenge from the Lights Advisory Committee (LAC) about BRAEMAR's report and they have asked to see the tender documents. The LAC has also asked for two weeks to take the report to their members.

The programme for completion went to the Chief Executive's on 28 November and sets out engagement with the Reference Group and the LAC. There are milestones within the period January to March to make sure everyone is well informed of the conclusions of the project.

The Managing Board noted that Rod Paterson (DfT) had advised that an email from the LAC had been received which raised a number for additional questions. DfT is currently considering how to respond and what to do next and will keep the Review Group informed.

The Chairman noted that Rod Patterson had been at pains to stress in their meeting that before the recommendation goes to the Minister, all possible questions and objections have to be examined – the LAC cannot be left with any grounds for suggesting due process was not followed. In the meantime it is proposed to proceed as planned.

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

The Managing Board noted the Minutes from the meeting held on 31 August 2017. A verbal update was provided from the meeting held on 16 November.

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

The Managing Board noted the minutes from the meeting held on 21 September 2017.

## **9. INTER GLA MATTERS**

### **JSB Meeting**

The Managing Board noted the Chairman, Commissioner Mackenzie and Chief Executive had attended the JSB meeting at TH on 22/23 November 2017. This was a fairly standard meeting but there is clearly an appetite from the DfT for the JSB to step up as more of a challenge organisation to challenge the GLAs about their respective Corporate Plans, how they co-operate in procurement, HS&E, etc. The JSB has taken account of this and has put it into their Strategic Agenda.

### **Corporate Planning round**

The Chairman and Chief Executive will be attending the Multilateral meeting on 30 November 2017 to discuss the Corporate Plans before they are submitted to the Minister. It was noted that Transport Scotland had raised the idea of moving away from the annual process to a bi-annual process or even tri-annual process to reduce the administration overhead. The DfT has taken this proposal away to consider.

## **10. ANY OTHER BUSINESS**

### **Scotland's New Lobbying Act**

Commissioner Woodward asked if NLB had reviewed the new Lobbying Act. The Director of Business Services advised that it had been raised and discussed at the Audit & Risk Committee on 18 July 2017. NLB is exempt from this legislation by virtue of the fact that it comes under the Freedom of Information Act 2000.

### **Gender Pay Gap Reporting UK**

Commissioner Woodward asked whether NLB had considered the requirement for gender pay gap reporting which comes into effect in March 2018. There will be a set of 6 matrices which need to be completed for organisations with over 250 staff. It was acknowledged that NLB does not have to adhere to this regulation but best practice would suggest that it would be good to do so. It was agreed that the Chief Executive and Director of Business Services would review the matrices and make sure the relevant information is being recorded should the question be asked of NLB.

*Action: Chief Executive/Director of Business Services*

## **11. CORPORATE CALENDAR**

The Corporate Calendar for 2018 was noted.