



**Minutes of OGA Board meeting on 21 March 2017  
48 Huntly Street, Aberdeen**

**Attendees:**

Sir Patrick Brown	Chairman
Mary Hardy	Non-executive Director
Robert Armour	Non-executive Director
Frances Morris-Jones	Non-executive Director
Rebecca Vallance, BEIS	Shareholder Representative Director
Andy Samuel	Chief Executive
Nic Granger	Chief Financial Officer
Tom Wheeler (guest)	Director of Regulation
Russell Richardson	Company Secretary
Fiona Gruber	Board secretary

**Introductions**

The Chairman welcomed Board members to the meeting.

**Minutes of February meeting**

The Board approved the minutes of the 23 February meeting for signature. Progress of outstanding actions was noted.

**Conflicts of interest**

No conflict of interest with any agenda item, or as a result of new appointments, was declared by any member of the Board.

The Chairman informed directors that Robert Armour had today declared to the nomination committee oil and gas company shareholdings in his wife's name dating from 2012 and 2016, of which she and he were previously unaware.

**Nomination committee proceedings**

The committee met prior to the Board meeting and supported the Senior Independent Director's (SID) report on the performance of the Chairman. The committee was in unanimous agreement that Sir Patrick has been a very effective first Chairman of the OGA and has built an effective and collaborative Board.

The committee discussed Sir Patrick's succession and agreed, led by the SID, to formulate a job specification for his successor. The committee agreed that, given the importance of securing a high calibre candidate in good time, the OGA would consider dedicating some of its recruitment budget in support of the recruitment campaign.

The committee supported the Chairman's recommendation to seek the re-appointment of Robert Armour as a director.



### **Reflections on Wytch Farm visit**

Directors agreed that the visit to Wareham and Wytch Farm had been very worthwhile and thought the oil field was an excellent example of the benefits of investment in efficient technology and rigorous maintenance.

### **Finance report and 2017-18 budget**

The CFO updated the Board on the financial position for the first eleven months of the year. The projected underspend for the year is expected to be close to that projected at mid-year.

The CFO assured the Board that the introduction of the OGA's finance system in April would enable budget managers and the leadership team to more actively monitor spend.

She presented the final 2017-18 budget for approval, updated since November. The Board noted that the cost of the levy per licence had risen for one category of non-producing licence, following a number of licence relinquishments. She also noted that the levy would now be charged in one instalment.

The Board unanimously approved the budget.

### **Shareholder update**

The Shareholder Representative Director confirmed that both the levy regulations and the fees regulations have now been laid, to commence in early April.

The shareholder team continues to engage key industry stakeholders on the ongoing consultation on the government's industrial strategy so as to maximise the potential benefits for industry.

The Board welcomed the government's budget commitment to consult on late life tax relief.

### **Resilience and security support**

The Director of Regulation outlined the current arrangements whereby OGA staff support government energy resilience work.

The Board agreed that, whilst it was appropriate that staff with the relevant skills and expertise should support such work, the Director of Regulation should review with BEIS the current regime and explore the potential to exploit synergies with other operational fast response systems.

### **Chief Executive report**

The Chief Executive thought the Edinburgh all-staff meeting had been very successful, with anecdotal feedback very positive. Staff will be asked for feedback more formally shortly. One theme which emerged informally was unpredictable access to desks in the London office. The Chief Executive has asked the Director of Corporate to explore ways to make more desks available.

Following the recent Board evaluation, he confirmed that a training tracker was now in place to formally record directors' ongoing training expectations and training undertaken.



Following a recent meeting with operators, the Chief Executive is confident that lessons learned from the production efficiency outputs of the stewardship survey are being shared constructively.

The Chief Executive presented an outline of OGA thinking on new business models, which examines market failures and considers tiered solutions for the medium term. A full paper on the proposed models will be brought to the Board in April, before further consultation across other government departments is undertaken.

**Great place to work**

The Board welcomed the Director of HR and Supply Chain's paper setting out his proposals for making the OGA a great place to work. It supported the focus of the paper, asking only that the benefits of a flexible workplace and flexible working be more explicitly articulated.

**Future meetings**

The Board reviewed the forward look and discussed potential invitees for its strategy day in September. Directors have been invited to a planned offshore platform visit in June.

**AOB**

The Board asked the Chief Executive to thank the policy and strategy team for the comprehensive and clear licensing review paper, as circulated with the Board papers.

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**Chairman**

24/4/2017

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**Date**

