

**Minutes of OGA Board meeting on 20 July 2017
48 Huntly Street, Aberdeen**

Members	In attendance
Sir Patrick Brown Chairman	Russell Richardson Company Secretary
Mary Hardy Non-executive Director	Fiona Gruber Board Secretary
Robert Armour Non-executive Director	Gunther Newcombe Director of Operations
Frances Morris-Jones Non-executive Director	Nick Richardson New Ventures and Exploration Manager
Rebecca Vallance Shareholder Representative Director	Carlo Procaccini Head of Technology
Andy Samuel Chief Executive	Tom Wheeler Director of Regulation
Nic Granger Chief Financial Officer	Simon Churchfield Commercial Manager

Welcome and introductions

The Chairman welcomed board members to the meeting.

Minutes and matters arising

The board approved the minutes of the 22 June meeting for signature, subject to minor amendments. Progress of outstanding actions was noted.

The Company Secretary noted that directors had approved the 2016-17 Annual Report, and agreed to adopt the Accounts, by email on 10 July 2017.

Directors who had joined the previous day's visit to Shell's Shearwater platform reported that it had been an excellent trip, very well hosted.

The Board Secretary noted a number of actions arising from yesterday's meeting of the non-executive directors with the Chairman.

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.

Shareholder report

The shareholder representative confirmed that BEIS was finalising new governance arrangements for partnership organisations. The board hoped that this would promote improved coordination of requests for information to be submitted to BEIS.

The shareholder representative confirmed that draft regulations are progressing satisfactorily and noted that the OGA intended to publish draft Model Clauses when it announces the 30th Licensing Round next week.

The upstream and onshore oil and gas teams are to be merged, with the Shareholder Representative leading the new team.



30th Offshore Licensing Round

The Director of Operations, the New Ventures and Exploration Manager and the Head of Technology briefed the board on the upcoming announcement of the 30th Licensing Round, which is the culmination of 18 month's work focused on revitalising exploration to achieve MER UK.

The Round focuses on a large number of blocks in mature areas of the UKCS and is supported by a large quantity of high quality data montages and maps. Some areas have not been available for more than 40 years and include a large number of prospects and undeveloped discoveries, exploitation of some of which will be dependent on new technology. Companies will be asked to submit applications by 21 November, with decisions on awards expected in the second quarter of 2018.

Regulation update

The Director of Regulation and the Commercial Manager updated the board on the case management process and gave an overview of cases which have been resolved. The team is developing its understanding of the best way to approach a range of situations but it is clear that a number of matters generate a heavy workload, as will sanctions enquiries.

The board reviewed the process documentation and was particularly interested in the time taken to resolve cases. The board asked that start and end dates be added to cases so that the OGA could more easily evaluate the time and effort needed to resolve each. The board commended the team on their excellent progress to date.

Chief Executive report

The OGA has released eleven publications since the general election closed period - a significant volume of work, which has been well received.

The Chief Executive said he was very conscious of the need for the OGA to strike the right balance with its various workloads, including new work versus business as usual and facilitation versus use of powers. It will be important to continue to listen well to staff and to external stakeholders and he is grateful for the good suggestions from staff to address current budget pressures.

He was pleased to note that a number of operators are looking to expand their UKCS businesses, in spite of the fluctuating oil price.

Whilst he has had good meetings recently with industry, he was concerned that momentum may not be sustained in the longer term.

Finance report

The CFO updated the board on the OGA's current financial position.

She expects to finalise the revised budget by the middle of August, which will bring it in line with the revised income projections.

The board approved the proposed tax strategy, which will now be published on the OGA website.



Oil & Gas
Authority

Company number: 09666504

Future meetings

The board reviewed the forward look and agreed that, given the shorter agenda in September, the September meeting would be held on 20 September, the same day as the strategy day.

There was no other business.

A handwritten signature in blue ink, appearing to read 'Patrick Lee', written over a dotted line.

Chairman

A handwritten date '10/10/2017' in blue ink, written over a dotted line.

Date

