



**Minutes of OGA Board meeting on 19 April 2018
48 Huntly Street, Aberdeen**

Members	In attendance
Frances Morris-Jones Chair	Simon James (agenda item 8) Chief Information Officer
Mary Hardy Non-executive Director	John Seabourn (agenda item 8) Head of Digital Services
Robert Armour Non-executive Director	Kalpesh Brahmhatt (agenda item 9) Head of Disputes and Sanctions
Andy Samuel Chief Executive	Lorraine Pace (agenda item 10) Head of Planning and Performance
Nic Granger Chief Financial Officer	Jamie Vince (agenda item 10) Exploration Analyst
Emily Bourne Shareholder Representative Director	Ben Spurr (agenda item 10) Production Analyst
	Russell Richardson Company Secretary
	Susan Gair PS to Chief Executive
	Fiona Gruber Board Secretary

1. Welcome and introductions

Frances Morris-Jones, who was appointed by the shareholder as interim Chair on 1 April, welcomed members and guests to the meeting. Directors congratulated her on her appointment and noted the positive coverage following the 10 April announcement.

2. Minutes and matters arising

The board approved the minutes of the March meeting and noted there were no outstanding actions on the action log.

3. Conflicts of interest

No conflict of interest with any agenda item, nor as a result of new appointments, was declared by any member of the board.

4. Audit and risk committee report

The Chair of the audit and risk committee reported that on 27 March the committee had received assurance from the CFO and the NAO that good progress had been made on the audit. The interim audit had covered 10 months of the financial year and no material matters had emerged. All internal audit reports to date have received substantial or moderate assurance. The committee reviewed and endorsed the amended format of the risk register and referred it to the executive for further discussion. The Company Secretary informed the committee that the Head of Governance had been appointed as the OGA's Data Protection Officer and would continue to update the committee on GDPR compliance. The committee was pleased with progress overall, which vindicated the hard work of everyone involved.

5. Nomination committee report

The Chair of the nomination committee reported that on 20 March the committee agreed the process for developing a board directors' skills matrix which would help identify any future skills gaps. The skills matrix will be brought to the board in May. The committee agreed to review the process for inducting new directors to the board and its committees.

Following a discussion of directors' training and development, the board agreed to invite senior BEIS leaders to join visits and other events when available.

6. Review of terms of reference

The board discussed the board and committee terms of references and agreed that, with just three non-executive directors for a twelve-month period, it might be difficult always to maintain board and committee quoracy. The board therefore agreed to amend the terms of reference to the effect that two non-executive directors would be quorate for the board and committees in such exceptional circumstances. The board asked the Company Secretary to add a footnote to this effect to the board and committee terms of reference.

The board agreed not to appoint a Senior Independent Director to replace Frances Morris-Jones whilst she is serving as interim Chair. The role will lapse until a permanent Chair is appointed.

7. Shareholder update

The Shareholder Director informed the board that Frances Morris-Jones had been formally appointed as Chair for twelve months. She outlined the department's plan for recruiting a permanent successor for Sir Patrick and assured the board she would seek its views on the selection criteria at the appropriate time.

The Shareholder Director further informed the board that Helena Charlton had been appointed as Head of Oil and Gas Exploration and Production.

She updated the board on departmental business and progress with the OGA data regulations.

8. NDR, information powers and open data update

The Chief Information Officer briefed the board on progress in developing the National Data Repository and on the data regulation landscape. Industry had engaged constructively with the consultation on financing the NDR with the industry levy and the NDR would be established, with a new operator contract, in January 2019.

He underlined the huge value of the OGA's data and information powers, which enable the OGA to retain, report and release significantly more data, and was confident that the new information and samples powers will allow the OGA to publish more data more quickly and drive further cultural change in the basin.

The Head of Digital Services presented the Open Data section of the website, demonstrating interactive maps, tools to manipulate huge data sets, and an historical production data dashboard. Open Data is the most popular part of the OGA website and has supported a 700% rise in data usage since the website's launch in autumn 2016.



9. Disputes and sanctions update

The Head of Disputes and Sanctions updated the board on the status of disputes and sanctions cases, where they are currently originating, and how long it is taking to close cases, including resolving them through enhanced facilitation. He assesses his team's workload when each case is opened and assured the board that he would seek additional support if necessary.

The board discussed two notifications: one enquiry and one enquiry which has proceeded to investigation - the OGA's first.

10. Tier zero benchmarking data overview

The Chief Executive took the board through a comprehensive set of benchmarking data which he would be presenting at the annual Tier Zero meeting of the Managing Directors of the top 22 UKCS producers, on 25 April.

The presentation encompasses a review of progress to date, including industry's good response to the stewardship survey and supply chain action plans, and insights from their feedback on specific themes. The slides then focus on production efficiency and unit operating costs, before moving onto performance insights covering the exploration outlook, operating performance and a range of behaviours.

The board commended the very high quality of the presentation and the excellent data and analysis behind it, and asked that the slides be added to the board's reading room.

11. Chief Executive report

The Chief Executive briefed the board on the feedback he had received on the OGA from industry at the MER UK Steering Group. He was pleased to report very positive feedback on the OGA's exploration work and the innovate licence, and on the Central Graben area plans. The OGA's contribution to MER UK task forces was also well-received and industry recognised the importance of the OGA's consistent, strong leadership.

He acknowledged some areas for improvement, agreeing that the timing of licensing rounds could be shown more prominently on the OGA website, that the OGA could better articulate its relative emphasis on new exploration versus recovery from existing assets, and that a deep understanding of the commercial context was essential for OGA facilitation to have maximum effect. Whilst he understood there was some guidance 'fatigue', he felt that the OGA endeavoured to be as concise and clear as possible.

12. CFO report

The CFO reported the current financial position, noting that budget variances have been reduced as budget holders become better at controlling budgets. She confirmed that the Secretary of State had agreed that the 2017-18 underspend could be returned to industry levy payers.



13. Licence assignments policy position

The Company Secretary presented a short paper setting out the OGA's view on licence assignments in insolvency situations. The board agreed that it was important that the OGA should make its position clear and that the policy position, subject to slight amendment, should be published.

14. Agenda forward look

The Chief Executive reported that the programme for the board's visit to Norway was taking shape and would be confirmed in the coming weeks. The Chair noted that she was reflecting on the optimum length and frequency of board meetings and would seek directors' views.

15. AOB

Following Emily Bourne's appointment as a director, directors signed a further resolution granting the Company Secretary a general power of attorney for English licensing matters in the event that a director was not available. All directors signed the resolution and two directors signed the power of attorney.


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Chair


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Date