



Minutes of NSTA Board meeting on 19th January 2023
09.00-14.00
Sanctuary Buildings, 20 Great Smith Street, London

Directors	In attendance
Tim Eggar Chairman	Rebecca Hewstone Deputy Director, BEIS OGEP
Iain Lanaghan Non-executive Director	Hedvig Ljungerud (item 9) Director of Strategy
Stuart Payne Chief Executive	Jane de Lozey (items 10, 11 and 12) Director of Regulation
Nic Granger CFO and Director of Corporate	Sarah Steele (items 10 and 11) Senior Legal Advisor
Sara Vaughan Non-executive Director	Russell Richardson Company Secretary
Sarah Deasley Non-executive Director	Fiona Gruber Head of Governance and Board Secretary
Fiona Mettam Shareholder Director	
Malcolm Brown Non-executive Director	

1. Welcome and introductions

The Chairman welcomed Directors to the meeting, including Stuart Payne who formally took up his role as Chief Executive on 1st January.

2. Minutes and matters arising

Directors discussed and approved the minutes of the 17th November 2022 meeting, subject to minor drafting changes.

Further to the Board's agreement to the budget strategy at the November meeting, Directors approved the draft budget by correspondence in December 2022.

The Board discussed matters regarding the Habitats Regulations, noting the progress made since the November meeting.

3. Conflicts of interest

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

Iain Lanaghan has been appointed as lead Non-executive Director of the Supreme Court.

4. Committee report

The Remuneration Committee met before the Board meeting to discuss and agree the Chief Executive's revised objectives.



5. Safety and environment report

The Board discussed the Chief Executive's update on safety and environment performance.

6. Chief Executive report

The Chief Executive reported that the second Energy Profits Levy was weighing heavily on operators and investors and was high on the agenda at the 9th December Fiscal Forum in Edinburgh.

The NSTA is working closely with BEIS to support the groundwork for its offshore energy integration work, which will include scoping the parameters and timescales and mapping the offshore spatial planning and stakeholder challenges.

Evaluation of applications for the 33rd petroleum licensing round has started, following the closure of the round on 12th January. This work will run in parallel with the next stage of the carbon storage licence round, where awards are anticipated in the first quarter of 2023.

7. CFO report

The CFO updated the Board on income and expenditure. In cash terms at the end of December, £14K of levy income was outstanding out of £32.8M due for the full year. An underspend of £3M, as estimated in December, will be returned to industry at the end of the fiscal year.

8. Shareholder update

The Shareholder Director was joined at the meeting by Deputy Director Rebecca Hewstone, who joined her team in September. She updated the Board on departmental business.

9. Proposal for OGA Plan

The Director of Strategy presented a proposal to start discussions with industry on developing an OGA Plan as a framework to provide the emissions reduction building blocks required to reduce emissions across the basin, in support of the net zero obligations in the NSTA's revised Strategy.

After a detailed discussion of the framing and timing of the project, the Board agreed to proceed with the plan but requested regular updates on progress with it.

10. FIOGC update

The Director of Regulation presented her recommendations in respect of FIOGC: to exercise the change of control notification and to partially revoke the licences. The Board discussed and agreed both recommendations.

11. Third Energy update

The Director of Regulation asked the Board to consider what action to take in respect of Third Energy's onshore well liabilities. The Board discussed the options in detail and asked her to return with a strategy for handling the matter. The Board agreed that the NSTA should discuss with the Mineral Planning Authority the potential use of its powers in this case and asked for an update in due course.

12. Proposal to increase the maximum financial penalty

The Director of Regulation presented a proposal to ask the Secretary of State to increase the maximum financial penalty available to the NSTA from £1 million to £5 million.

The Board discussed and approved the recommendation to send the letter to BEIS, subject to the agreed drafting changes being made to the letter.

Fiona Mettam recused herself from the drafting discussion.

13. Agenda planning

The Board discussed the future meetings schedule and agreed to reschedule the June Board and Audit and Risk Committee meetings.

14. AOB

The Board agreed to appoint an additional attorney-in-fact, to maintain the number of signatories available to the Company. The Power of Attorney was duly executed.



Chairman

...16th March 2023.....

Date