



**MINUTES FOR PUBLICATION OF THE MEETING OF THE LIGHTHOUSE BOARD AND
STRATEGY SESSION
HELD AT TRINITY HOUSE, HARWICH ON 20 JULY 2017**

Present: Captain I McNaught (Executive Chairman)
Captain N J Palmer
Captain R H Barker
Commodore R Dorey
Mr A Damen
Mrs M Amos (Items 1 – 11.3, and 13.1-13.3)
Professor P Matthews

In attendance: Mr T Arculus (Clerk to the Board)
Mr Stephen Durham (Health and Safety Manager) (Item 5.1)

1. APOLOGIES FOR ABSENCE

Mr David Ring.

2. DECLARATIONS OF INTEREST

There were no declarations of interest beyond those already declared in the Register of Members' Interests.

3. MINUTES OF MEETINGS – 18 MAY 2017

3.1 The minutes of the Board meeting on 18 May were approved and signed.

3.2 The minutes for publication of the Board meeting on 18 May were approved and signed.

4. MATTERS ARISING

In respect of action 18 on the Log of Outstanding Board Actions, the Executive Chairman is to consider who should chair the Future 500 Steering Group in future.

[Action: Executive Chairman]

5. HEALTH AND SAFETY MATTERS

5.1 The Board noted the content of the Health and Safety Report.

Mr S. Durham presented to the Board on the Fair Safety Culture initiative. The Board agreed that the initiative was a good step and should be introduced across the Service in such a way as to foster a sense of ownership and buy-in from the bottom up, rather than having the appearance of being imposed from above. The initiative will encourage all staff to make choices about their safety and the safety of others.

The Board, whilst noting the strong emphasis on safety, also suggested the importance of employees' health and suggested that the presentation of the Culture could be rebalanced to give more emphasis to health.

[Action: Mr Durham]

6. BUSINESS PERFORMANCE

6.1 The Board noted the report on Key Performance Indicators.

Mr Damen is currently working to align the KPI annual reporting period with the Financial Year reporting period as the operational reporting year and the financial reporting year are currently different.

[Action: Director of Business Services]

7. EXECUTIVE DIRECTORS' REPORT

Written reports from the Executive Directors concerning recent activities and events in their directorates were noted.

Business Services

Light Dues receipts are comparable with the same period last year despite the ha'penny per tonne reduction in the rate. This could indicate a trend towards fewer vessels but with greater tonnage.

The Board discussed current issues with THV PATRICIA and confirmed that costs of remedial work will be met from reserves.

The Board discussed staff pay and skills. Mr Damen will review whether there are any gaps in skill sets and consider how to show these graphically in his reports to the Board.

[Action: Director of Business Services]

With regard to Appendix 7 (Procurement and Supplies), issues with the quality of solar panels continue. Consideration is being given to the future of the framework with the current supplier because the quality of panels is inconsistent. The supplier's response to complaints is good but may be unsustainable. A second supplier has been engaged for critical components. TH is considering purchasing a stock of 200 panels to keep in reserve (TH uses around 400 panels per annum).

Mr Damen will look at the extent to which 'innovation' is embedded in procurement strategies.

[Action: Director of Business Services]

The Board noted the challenge which had been received from an unsuccessful tender for the Tri-GLA Weather Forecasting System tender. Mr Damen confirmed that the challenge had been successfully defended.

R&RNav

With regard to Appendix 5 (R&RNav) the Board discussed the procedure for advancing projects to mitigate underspending. Decisions are made by the Chief Executives Committee.

The recent GIAA audit of R&RNav suggested some improvements in governance. These should be raised at the JSB at the appropriate time.

[Action: Clerk to the Board]

The Board discussed Marine Autonomous Systems (MAS) and the difference between fully autonomous vessels and remotely operated vessels and the work that is being done by the GLAs to monitor developments and develop policy in respect of them. R&RNav have recently attended a major seminar in Maastricht on MAS. Captain Barker and R&RNav will meet with the MCA to discuss further.

TH considers that the advent of MAS will probably result in a broadening of the GLAs' remit initially because the majority of vessels will for many years remain low-tech and manually navigated. This subject should be added to the JSB agenda for discussion at the next meeting.

[Action: Clerk to the Board]

Operations

With regard to Appendix 6 (Commercial), TH has recently submitted a tender for a large contract to provide buoy hire and vessel services on the extension of the Hornsea 1 offshore windfarm.

Secretariat

Captain McNaught explained the background to the current rebranding tender exercise, the cost of which will be shared with the Corporation.

Navigational Requirements

The wreck of the decommissioned tug ELLA is now under the jurisdiction of the SOSREP. The indications are that the owner is not insured for the operation to raise the wreck which will mean that the SOSREP will probably direct TH to organise the operation at the expense of the GLF reserve. The procedure is laid down in the Wreck Removal Convention Act 2011 and is working well. TH's response to the wreck reflects very well on TH's risk response capabilities. THV ALERT responded within 4 hours in the 6 hour response area. The wreck was located by THV ALERT some 2 miles away from the original reported position.

The operation to raise the wreck of the FLUVIUS TAMAR is imminent. SOSREP has been in close contact with TH throughout the process. The owners did have insurance to cover the cost of the lifting operation which is being handled by contract salvors.

Captain Barker reported on the collision of a tug and tow unit in the Sandtiet Deep Water Channel on 18 July. It happened in the English Channel on the UK side of the international boundary with France but moved over to the French side and a French Emergency Towing Vessel attended with alacrity. If the Sandtiet Deep had been closed the southern North Sea would have been closed to deep draft vessels.

8. AIDS TO NAVIGATION PERFORMANCE

Captain Barker presented the report on AtoN performance.

Les Hanois lighthouse became a serious casualty on the night of 19/20 July. Technicians were arranging an emergency visit at the time of the Board meeting. The cause of the casualty is thought likely to have been a lightning strike.

KPIs – Racons have shown a downwards trend due to a lag resulting from historic issues which have now been resolved. The trend is beginning to improve.

The Sunk-Inner MFA has been a significant casualty. The MFA was brought into Harwich and replaced with the EDV. The cause of the casualty is being investigated.

DGPS availability statistics look poor at the moment but this is because of the new method of reporting data.

9. FLEET REVIEW

Commodore Dorey provided a comprehensive résumé of the Fleet Review process to date.

10. MATTERS FOR DISCUSSION

10.1 DfT and Parliamentary Matters

Captain McNaught reported that Mr Roger Hargreaves (DfT Maritime Director) would be visiting the Harwich Depot on 21 July and would receive a tour of the facilities. Mr Hargreaves has recently chaired the Fleet Review Reference Group.

Parliament rises for its summer recess on 20 July and returns on 5 September.

Captain McNaught, Captain Barker, Commodore Dorey and the Clerk attended the All Party Parliamentary Maritime and Ports Group meeting on 17 July. The theme was “Reinvigorating the Red Ensign” presented by Michael Parker (Non-executive Chairman, MCA); Doug Barrow (Director UK Ship Register) and Sir Alan Massey (Chief Executive, MCA). The next APPMPG will be on 16 October on the subject of “Regulating Marine Pollution”.

The Shipping Minister has recently answered two Parliamentary Questions from the Independent Member of Parliament for North Down (Sylvia Hermon MP) on the role and funding of Irish Lights in respect of Northern Ireland post Brexit. The Minister confirmed that no changes are envisaged.

- 10.2** The Board discussed the DfT Good Practice Guide to Delivery Body Partnership which has been circulated in draft by the DfT to its Delivery Bodies for comment. The Board decided that a comprehensive response was required setting out TH’s uniqueness. The Clerk and Mr Damen have arranged to meet Ms Fiona Pearson (DfT) on 25 July and will discuss TH’s concerns about the guide with her. A formal written submission will also be made.

[Action: Clerk to the Board, Director of Business Services]

- 10.3** Captain McNaught reported that he had recommended to the Court on 18 July that a working group should be set up to discuss the future of the combined role of Executive Chairman. The Board discussed the driving forces from Government for this change. Captain McNaught will write to Mr Chris Angell (DfT) to advise him of the formation of the working group.

[Action: Executive Chairman]

- 10.4** The Board discussed the role that corporate objectives should have in setting Executive Directors’ objectives and remuneration as part of the wider Strategy discussion.

Professor Matthews, Captain Palmer and Captain McNaught will meet on 28 July to finalise the Executive Chairman’s objectives. The Executive Chairman’s objectives need to reflect the Corporate Objectives.

11. STRATEGIC ISSUES

11.1 Future Strategy

The Board discussed the Strategy 2018-28 document and the ways in which it could be aligned with the long term vision “2030 Navigating the Future” and with the Corporate Plan, Operational Action Plan, and personal objectives. A section should be added to the strategy showing how these documents inter-link and also the linkage with the 5 yearly AtoN Review.

[Action: Director of Business Services, Director of Operations]

11.2 Corporate Objectives 2017/18

Mr Damen presented the draft Corporate Objectives which are based on the current Corporate Plan which was approved on 31 March 2017.

The Board considered that Corporate Objectives should clearly link with the Strategy and with personal objectives. The strategic overview should be long term but the operational delivery may change every year. Corporate Objectives should also be kept as simple as possible, their strength will lie in their simplicity and their relevance to the everyday work of the staff.

11.3 Corporate Plan 2018-23

Mr Damen introduced the draft Corporate Plan 2018-23. The Board discussed the Plan and made some suggestions

[Action: Director of Business Services]

11.4 Operational Action Plan 2017/18

The Board reviewed the Operational Action Plan 2017/18.

Action 014 should be changed to read “Embed innovation at all levels of the organisation”. The SMT should decide an appropriate success indicator in which Future 500 is just one of the means by which innovation is delivered.

[Action: Senior Management Team]

11.5 Agenda for Lighthouse Board Strategy Session 20 July 2017

Noted.

11.6 Board Effectiveness

The Board considered outstanding recommendations from the DfT’s questionnaire “Unlocking your board’s full potential” which the members had discussed in detail in 2016.

The outstanding recommendations are:

- The board has a clear set of objectives independent from those of the organisation
- Induction and development programmes ensure board members remain up-to-date throughout their term on the board - the Board considered that this is not in place for NEDs.

Regarding the first recommendation above, the Board discussed the following suggestions:

- that it could set itself an objective to demonstrate, using examples, ways in which it is has been challenging to the organisation in a productive way
- that it could set itself an objective to hold one meeting per year aboard a ship or at Swansea or St Just
- having an objective to broaden and strengthen its visibility across the organisation and promote innovation and creativity in the workforce

The Clerk will prepare a schedule of 3 to 4 objectives for approval by the Board at its next meeting.

[Action: Clerk to the Board]

In terms of the second recommendation above, the Board felt that the DfT recommended NEDs had opportunities to learn new information about the organisation by visiting a TH sites and vessels. This process should be formalised and NEDs should identify any areas they feel they should receive further information about, this input will also be useful when developing NEDs' future objectives.

[Action: Clerk to the Board and Non-Executive Directors]

12. JSB MATTERS

- 12.1** The Clerk in his capacity as Secretary to the JSB reported on changes which had been made to the JSB Strategic Agenda by the Chief Executives' Committee.

Autonomous Vessels should be added as a separate line.

[Action: JSB Secretary]

The DfT Code of Good Practice of Delivery Body Partnership should be added to the JSB Agenda for discussion.

[Action: JSB Secretary]

The GIAA Audit of R&RNav should be added to the JSB Agenda for discussion.

[Action: JSB Secretary]

The Board should formulate its positions in relation to the above prior to the next JSB meeting.

[Action: All Board Members]

13. OTHER MATTERS TO BE NOTED OR APPROVED

- 13.1 Audit & Risk Assurance Committee (ARAC) Draft Minutes of meeting on 6 July 2017**

The minutes of the 6 July ARAC were noted.

Mrs Amos reported that the Head of Government Internal Audit had awarded a 'substantial' rating to TH which was a good achievement.

The Board discussed whether TH is over-audited and whether it could adjust its risk appetite in respect of auditing and reduce the amount of audits it undergoes each year. This should be discussed at the ARAC Risk Appetite session in December.

[Action: Mrs Amos, Clerk to the Board]

- 13.2 Report on Review of Risk Registers**

The Corporate Risk Register (CRR) was reviewed by the Executive Committee on 11 July and by the ARAC on 6 July.

The main risks on the CRR are:

- Risk of adverse outcomes from the Fleet Review.
- Risk of insufficient ship resources
- Cyber-security
- GNSS vulnerability
- Risk of inability to recruit and retain appropriate SVS personnel

- Risk of issues with pension service delivery

Mitigation measures were in place.

Cyber-security has been elevated to the CRR.

The Board approved the contents of the CRR as a fair analysis of the key risks faced by TH in its capacity as a GLA.

13.3 Annual Report and Accounts

Captain McNaught confirmed that he had signed the Annual Report and Accounts in his capacity as Accounting Officer on 18 July following Board approval out of committee. This would now be published on the Trinity House website.

13.4 Verbal Report from Future 500 Steering Group Chairman

The Board discussed the opportunities which may arise in relation to piezoelectricity - the electric charge that accumulates in certain solid materials in response to applied mechanical stress. The Board discussed how TH should investigate the potential to harness this resource from buoy mooring gear where it may be generated. The Board discussed potentially using a consultant or a study being done by R&RNav or by a University research department sponsored by TH and with input from TH Operations Directorate. The Board discussed the treatment of intellectual property which may arise from the research.

13.5 Health & Safety and Environmental Objectives Policy & Policy Statement

Changes to the Policy Statement were approved.

13.6 Management Systems Policy

Changes to the Policy were approved.

13.7 Non-Executive Directors' Objectives

Each of the NEDs have agreed to a set of objectives for 2017/18. These were noted by the Board at the 18 May meeting. Since then an additional objective has been given to Mrs Amos – to undertake a comprehensive induction programme. The Board noted this addition.

The Clerk was asked to add an introductory paragraph to the schedule of NEDs' Objectives to explain how it relates to the good practice principles in "Unlocking your board's full potential".

[Action: Clerk to the Board]

14. ANY OTHER BUSINESS

None, other than discussed above.

15. DATES OF UPCOMING MEETINGS

27 September 2017 in London.

The Board agreed that the date of the November meeting would remain 15 November in London.

The Board agreed to reschedule the date of the October meeting (originally planned to take place in Swansea on 19 October) to 12 October in the afternoon. The time of the Executive Committee on 12 October would be advanced to 0900. Both Executive Committee and LHB will take place on the 12 October in London.

[Action: Directors' PAs]