



TRINITY HOUSE

Minutes of the Lighthouse Board

15 March 2023 Trinity House London with VC link

Present

Vice-Admiral Sir Alan Massey (Chair)

Captain Ian McNaught (Chief Executive)

Commodore Rob Dorey (Director of Operations)

Commander Nigel Hare (Director of Navigational Requirements)

Mr Antonius Damen (Director of Business Services)

Mrs Valerie Owen (NED)

Mr Alan Moore (NED)

Dr Margaret Amos (NED) (Via VC Webex)

In attendance

Mr Thomas Arculus (Head of Legal and Risk / Board Secretary) (Via VC Webex)

Ms Natalie Gull (Board Advisor – People & Culture)

Mrs Sarah Harman (Financial Controller) (Via VC Webex for items 3.3.1 & 3.3.2)

PART 1

1. STRATEGIC DISCUSSION

The Chair welcomed those present to the meeting.

A discussion followed about the sequencing of the meetings at which the Cardinals are discussed.

The Board agreed that it would be beneficial for the Executive to receive agendas for meetings ten or fifteen days in advance of meeting.

[Action: Board Secretary to liaise with Executive]

Strategic Discussion on Cardinals 1 and 2

The meeting received a paper from the Executive Committee dealing with performance and progress against Cardinals 1 & 2 of the Strategy.

CARDINAL 1 “Determination of Requirements and Safe, efficient and secure delivery”

Cdre Dorey talked through the paper and explained operational performance.

Cmdr Hare spoke about the work of the Navigational Requirements Directorate in the next few years and the need to respond to the growth of offshore wind farm developments. He also described progress with local aids to navigation assessments.

The Board discussed risk response areas and the upcoming review of the risk areas.

The Board discussed how future requirements are co-ordinated at JSB and also how new technological development is shared via GRAD and the IGC structure.

The Board RESOLVED that the report provided by the Executives to inform this discussion on the Cardinals should be more forward-looking in future.

[Action: Exec. - Make strategic Cardinal Reports more forward looking in future whilst retaining retrospective detail]

CARDINAL 2 “Good Employer”

Mrs Gull introduced her paper entitled “Employer of Choice” which discusses attraction, TH’s employer value proposition, and staff retention.

Mrs Gull reflected on her six months with TH and ongoing initiatives which are being developed to improve on TH’s position as an employer of choice.

TH has alighted on seven values which have now been agreed with the Diversity Working Group and will be incorporated into the new Strategy. These will be common across the whole of TH including the Corporation and the GLA.

The Board discussed the challenges associated with introducing substantial change into an organisation such as TH where continuity and traditional ways of business are highly prized. Enlightened leadership and strong communication were essential to success in bringing staff along.

Mrs Gull explained the need to embed a cultural shift so that everyone ‘lives’ the values in future. She also discussed management capacity and how an excessive burden of audits and processes may stifle innovation.

The Board recognised that Safety is and must be its first priority. Steps are being taken to reinforce that principle, such as the proposed introduction of a new Head of Health, Safety and Environment senior management post.

Alongside other factors affecting staff retention, salaries remain a key consideration, and disquiet over pay has been a factor in the high turnover of staff in recent months.

The People Strategy is at a mature stage of development. It should not be thought of as just a stand-alone HR Strategy, and instead forms a fundamental part of the Corporate Strategy. The draft People Strategy will include proposals on how to make best use of staff surveys. Mrs Gull supported the principle of regular all-staff surveys using a largely stable set of questions. She also proposed measuring progress more frequently by taking “pulse” surveys with limited but carefully considered question sets.

PART 2

2. PRELIMINARIES

2.1 Introduction

2.2 Apologies

None.

2.3 Declarations of Interest – completion of forms for the new financial year

None.

Members were asked to complete declaration forms for the new financial year.

[Action: Board to complete declaration forms for the new financial year]

2.4 Chief Executive’s Report

Captain McNaught presented his report.

He also remarked that the annual pay award had been confirmed at 2.69% across the organisation, reflecting a better outcome than the ‘standard’ 2% across most public sector employees.

Today, shore side members of the Prospect Trade Union were on a long-planned day of strike action. Much work had been done to anticipate and reduce the impact of the strike.

The recruitment of Dr Amos’ successor was still awaiting further decisions and action within DfT.

The Shipping Minister had written to thank the DM for hosting her visit to Harwich on the 3rd March.

Recently TH had received some positive news in relation to the tenderers for the ship build project.

3. STRATEGY

3.1 Strategy Session Feedback and next Steps

Cmdr Hare provided an update on the development of the Corporate Strategy.

He had recently attended the IALA Masters Course with the Head of Engineering and Operation which provided some valuable pointers on how to translate Strategic ambitions into roadmaps.

The IALA approach is to establish SMART Strategic objectives then to develop result targets for each objective – along with KPIs to measure arrival/achievement. The next step is then to develop the Roadmaps for Delivery.

Cmdr Hare proposes to hold another Strategy Session with the senior management team and then to pull it all together at the Board Strategy Session in July.

[Action: Cmdr Hare will set out the proposal process for getting from idea to plan for the Board’s consideration]

[Action: Cmdr Hare to arrange a Strategy Session with Exec and SMT in April]

Mrs Owen remarked that the process should incorporate the newly agreed organisational values.

3.2 LFC Minutes

Meetings of the January LFC (which are produced by the DfT) are not available yet.

3.3 Sanction Letter

The Sanction Letters for the GLA and GRAD have been received.

TH has been sanctioned to spend up to £59,516,000 for 2023-24. GRAD’s separate sanction is £1,529,000. Both sums matched our bids in the Corporate Plan for 2023-24.

3.3.1 Budget Presentation

Mrs Harman presented on the Budget for 2023-24.

The non-staff budget bid has been over-programmed, this will be offset by an expected underspend in the staff budget due to gapped posts and budgeting for the top levels of competency.

Mrs Harman explained selected areas of over-programming such as beacon renovations and Harwich sea wall repairs. She also explained the impact of vessel fuel price increases and electricity price per unit increases. The Board supported the proposal for locking in energy supplies at the current price.

The Board recognised the intent of using an over-programming approach to address persistent underspending in previous years, while also appreciating the converse risk of overspending. On balance it was felt that previous spending patterns, along with the new improved forecasting and monitoring mechanisms which have been put in place, would help to mitigate the risk of overspend.

3.3.2 Approved Request

The Board RESOLVED to approve the budget approval request.

3.4 Headline Performance Objectives for next Financial Year 2023-24

Captain McNaught spoke about the importance of remembering the statutory duty and the importance of safety and risk management to the organisation. He also spoke about the recent announcement of a 4p/NT rise in Light dues and how good relationships with the LAC have helped this to be accepted by the industry.

The HPOs will form the basis of the Executive Directors' objectives and will filter down into SMT objectives and staff objectives.

4. PERFORMANCE

4.1 Health and Safety Managers Report

The Board noted and discussed the H&S Manager's Report, noting that several investigations have not been completed.

Mr Moore remarked on his serious concerns about the recurring reports of safety concerns on the Harwich Pier. The New Safe Work Instructions has now been introduced and vessel masters have been told to brief their crews and enforce the rules more rigorously.

Mr Moore was not convinced that this approach would help. Mr Moore advocated procuring external assistance to change the culture throughout all levels of the organisation.

Mr Damen said that the consequences of safety transgressions would include financial penalties in the new financial year.

Cdre. Dorey will re-engage with PLA for ideas on best practice and will re-inforce and monitor the messages. The Fair Safety Culture would be followed in the event of transgressions.

The wood dust issue at Swansea has continued, with further contact with the mutual landlord (ABP) and Natural Resources Wales but with no indication of an agreeable way forward. The situation needed to be resolved to protect the health of TH staff.

The Board agreed that every time TH had to stop work as a result of wood dust it might be a sensible idea for an invoice to be sent to the polluter for the cost of lost time.

4.2 Business Performance KPIs

Noted.

4.3 Navigational Requirements Report and appendices (availability data: casualty return)

A 29m Belgian Fishing Vessel was wrecked off Land's End on the 14th February. TH surveyed and found the wreck. No further action was required following a navigational risk assessment. The MAIB is investigating.

The FV had come into close proximity with the Runnelstone Buoy. The AtoNs were checked and found to be in full working order.

4.4 Financial Report consisting of Appx 1a Management Accounts, 2 Variance, 3 Capital

Noted and discussed at 3.3.1 and 3.3.2 above.

4.5 Projects Highlights Reports

4.5.1 Project Highlights Dashboard

Noted.

4.5.2 Royal Sovereign Highlights

Anticipated date of contract signature is 3rd April.

Contract price £16.7m.

4.5.3 VRP Highlights

A confidential discussion followed.

4.6 Resilient PNT

Cmdr Hare presented a paper on resilient PNT which the Board noted.

The Board approved the recommendations in the paper.

The Board noted the fact that discussions relating to funding for the eLoran signal at Anthorn are ongoing.

4.7 Pay and Rewards Business Case and People Strategy Update

The Board noted the paper provided by Mrs Gull.

Business Case 2 is being drafted and it is proposed to submit this in May to give maximum time for the DfT to consider it.

5. GOVERNANCE

5.1 Corporate Risk Register Dashboard

The Board asked for the Vessel Replacement Risk to be reviewed.

[Action: Board Secretary]

5.2 Feedback from ARAC 8 March

Presented by Sir Alan Massey.

Noted.

5.3 Nominations and Governance Committee Update

Presented by Mrs Owen.

Noted.

5.3.1 Nom-Gov Committee ToRs

Revised ToRs were reviewed by the Board and approved subject to a reference being added to the minimum thresholds in Managing Public Money for the Director of Business Services.

[Action: Board Secretary]

5.4 LHB Terms of Reference

Approved subject to an updated reference to Nom-Gov. Committee being made.

[Action: Board Secretary]

5.5 Update on NED Recruitment

The recruitment pack for the recruitment of a successor to Dr Amos is with the DfT awaiting Ministerial approval.

5.6 Update on DM Succession

Sir Alan Massey reported on the proceedings of the Nominations Committee for the new Deputy Master.

The advertisement has now been published with a closing date of 31 March for applications, and the aim is to identify and nominate a suitable candidate for Court approval on 25 July 2023.

6. ADMINISTRATION

6.1 Minutes of Previous Meetings

6.1.1 Minutes of Lighthouse Board 25 January

Approved.

6.1.2 Minutes of Extraordinary Lighthouse Board on 27 February

Approved.

6.2 Log of Actions / Matters Arising

Noted.

6.3 Confirmation of Board Development Objectives and training options for the year ahead

The Board noted that training on Managing Public Money has been arranged for the 19th April in London.

The Board also discussed a training course on the Public Accounts Committee by a former chair of the PAC and considered that it could be very interesting.

[Action: Secretary to inquire whether the course could be tailored for the Lighthouse Board]

6.4 NEDs' Objectives for the year 2023-24

Sir Alan Massey invited NEDs to propose their own objectives to him after discussion with the CEO for agreement with the Chair.

[Action: NEDs]

7. Any Other Business

- Mr Moore raised the report of legionella in two of the TSL Cottages. The TSL Board will discuss it at its meeting tomorrow.
- Mrs Gull explained proposed plans to re-organise the Secretariat and HR departments which are currently being consulted upon, the reasons for this and the anticipated benefits.

[Action: Senior Marine Superintendent to attend May Lighthouse Board]

[Action: Health and Safety Manager to attend May Lighthouse Board]

8. Dates of Forthcoming Meetings

Noted.

The plan for the 14th September is to have lunch with the Joint User Group on board GALATEA which will be alongside in the Pool of London during London International Shipping Week.

The Lighthouse Board meeting will then take place on the ship. The Board Secretary was asked to change the time of the meeting to accommodate these arrangements.

[Action: Board Secretary]

Re-appointment of Mr Moore.

Mr Moore left the room for this item.

The Board RESOLVED to request the Court's approval to extend Mr Moore's term for 3 years from 1st December 2023.

[Action: Board Secretary to write a paper for Court in May]