



TRINITY HOUSE

Minutes of Trinity House Lighthouse Board 24 January 2024 - Trinity House, London

Present

Mrs Valerie Owen (NED) (Deputy Chair)
Captain Ian McNaught (Deputy Master/ Chief Executive)
Commodore Rob Dorey (Director of Operations)
Commander Nigel Hare (Director of Navigational Requirements)
Mr Antonius Damen (Director of Business Services)
Mrs Natalie Gull (Director of People & Culture) (Non-Voting)
Mr Alan Moore (NED)

In attendance

Rear Admiral Iain Lower (Deputy Master/Chief Executive Designate)
(Observer)
Ms Jessica Willan (Head of Safety and Environment)
Mr Thomas Arculus (Head of Legal and Estates / Board Secretary)

Part 1

1. PRELIMINARIES

1.1 Welcome

Mrs Owen welcomed those present.

1.2 Apologies

None.

1.3 Declarations of Interest

RADM Lower declared his non-voting advisory position on the Board of Kinsetsu which is a *“knowledge-led, IP focussed company working in healthcare, environment and government sectors and providing automation and insights to complex operating environments, sustainment and readiness of critical assets, environmental insight and sustainability”*.

RADM Lower has been transparent and has provided a lot of information which has been reviewed by Mrs Owen and Mrs Gull. They do not believe there is a conflict with the current client base, although Mrs Owen would like to understand how possible future conflicts might be managed as the client base changes over time. The Board agreed this will be a matter for the new Lighthouse Board Chair to consider upon appointment.

Cdre Dorey declared that he has recently founded a company called Dorey Maritime Ltd. to undertake management consultancy activities other than financial management.

1.4 Lessons Learnt from Sir Alan Massey’s Conflict of Interest

The Board discussed the report prepared on behalf of the Court and previously circulated to the Court.

The Board accepted the recommendations and noted the work which is already ongoing in relation to them.

1.5 CEO’s Report

Capt. McNaught presented his report to the Board which dealt with Board appointments and retirements, the pay business case, the Lights Finance Committee (LFC) and the relationship with the DfT.

Petra Wilkinson (DfT Director of Maritime) is due to change roles within the next two weeks. Capt. McNaught and RADM Lower will be meeting with her and the Sponsorship Team on 1 February.

Mrs Owen and Mr Moore attended the Lights Finance Committee on 23 January the outcomes of which were:

- Freeze LD rates for 2024-25 at 45p/NT.
- Increase tonnage cap to 45,000T in 2025-26.
- Retain minimum GLF cash reserve at £20M and review annually.
- Review GLAs 10 year spend profile/forecasts again next year, when vessel replacement procurement timelines and wider investment needs are better understood.
- Bring forward next LFC meeting from January 2025 to December 2024, to assist civil servants in securing 2025-26 approvals following a possible

change of government. NB: This means the GLAs will also need to bring forward their budgeting work by one month.

2. STRATEGY

2.1 JSB Minutes 20-21 November 2023

Noted.

2.2 TH Strategy

The Executive and SMT held a Strategy Workshop last week at which the draft strategy was discussed.

Cdr Hare and Ms Willan will develop a Sustainability Strategy.

The Executive will now develop the action plan for delivery of the Strategy.

2.3 Outline HPOs 2024-2025

HPOs will be presented to the Board in March for approval.

[Action: Executive Committee]

3. PERFORMANCE

3.1 Head of Safety and Environment's Report

Ms Willan presented her impressions of the Health and Safety culture and practices within Trinity House after her first 100 days in post as Head of Safety and Environment. Ms Willan said that she is impressed by the degree to which safety is embedded throughout the organisation.

She considers that reporting and the reasons for doing it are not properly understood by staff and this needs to be improved. More also needs to be done to provide feedback to staff once they have made their reports.

Likewise staff need to be told what the outcomes and findings of investigations are.

Ms Willan has plans to make greater use of the existing network of Local Safety co-ordinators and believes the Fair Safety Culture needs to be relaunched and reinforced.

The Health and Safety Workplan is oriented heavily towards inspections. Ms Willan wants to rebalance this and make more use of Technicians and NEDs when visiting stations.

Safe Work Instructions and Standard Operating Procedures need to be reviewed, simplified and made more user friendly.

Environment

Lots of good work is being done across the organisation in the environmental sphere.

Ms Willan has recruited an Environmental and Sustainability Lead and a Safety Lead who will be based in Swansea.

Mr Moore asked how the governance model from Board to shop floor works. He sees this as the perfect opportunity to describe and agree what the structure of oversight by the Board should look like.

Jessica Willan will look at this with the new CEO.

[Action: Ms Willan & RADM Lower]

3.2 Health and Safety Manager's Report for the period 1 November – 31 December 2023

The Board received and discussed the Health and Safety Manager's periodical report.

The Board requires future reports to include an opinion by the Health and Safety Manager of what the incidents, and results of investigations mean. While the Board noted that the reports are generally helpful and the data reported is useful, they would benefit from clearer root cause analysis and statements that clearly show the impact on the organisation.

The Board noted three incidents relating to unsafe practices of contractors and approved of the way in which TH staff had noted and corrected this.

[Action: Ms Willan]

3.3 Business Performance / KPIs

Most KPIs are on target (green) with the exception of four which are shown as red. The reds are: running costs, TH capital excluding risk, percentage of work completed for BSL commercial, percentage of work completed for BSL TH.

Mr Damen explained the reasons for those areas being behind target with particular attention to underspends and running costs and TH Capital excluding risk.

A discussion followed about the difficulties and costs of maintaining the estate which can result in underspending, for example, if bad weather prevents or delays one modernisation project, this can have knock-on effects on other projects.

The Board noted it needs a clearer understanding of what underspending means for the business, not just as a reputational risk, but the extent of the longer-term risk to the operational delivery. The Board considered that this subject warrants a strategic discussion when the new CEO is in post.

The Board recognises that there is a need to strengthen the civil engineering experience within the organisation and to strategically plan preventative maintenance years ahead. This ties-in with future staff resource planning and is already being considered as part of the people strategy.

[Action: Board Secretary to schedule a strategic discussion on impacts of underspending, strengthening of civil engineering and strategic planning of preventative maintenance when the new CEO is in post]

3.4 Navigational Requirements Report

Cdr Hare presented the Navigational Requirements Report for the period 13 November to 14 January including Availability Progress Report (18 January 2021 – 17 January 2024) and Casualty Return (16 November 2023 – 17 January 2024).

There have been no wrecks in the period 13 November – 14 January requiring Trinity House's intervention and no incidents resulting from failure of TH, local authority or offshore structure aids to navigation.

Capt. Jerry Gilmour has been recruited as Inspector of Seamarks.

The 5 yearly review assessment process is nearly complete.

DfT has approved the installation of a new buoy on Long Sand Head.

TH is participating in the Sheringham Shoal and Dudgeon Extension examination.

3.4.1 Projects Highlights Report/Dashboard

Presented by Commodore Dorey.

Completion of installation work at Needles has been re-planned for February having been postponed due to a helicopter break-down in the autumn. This has necessitated a delay in the modernisation of the Skerries which is now planned to mobilise in April.

Trevoise and Pendeen are similar projects, commissioning will take place at the end of February.

The spare PEL for Hurst Point is being tested by GRAD, but has faced delays due to issues with the Outdoor Light Range in Harwich.

Technical issues have had to be addressed for St. Anthony's filament lamp replacement and for obsolete filament light replacements for Lundy South, Bamburgh and Whitby.

Risk budgets are being utilised in accordance with the strategy of pooling of risk budgets.

3.4.2 Royal Sovereign Highlights

The project has closed down for the winter. The pepperpot has been sold to Bexhill Maritime to form the centrepiece of a permanent beachfront exhibition.

3.4.3 VRP Highlights

Work continues on the 12 recommendations from the Moore review of the previous procurement attempt. The Board noted that the OBC is being updated.

The new CEO and Major Projects Director were attending a series of meetings to quickly appraise themselves of the situation with the project.

The DfT DG for Corporate Delivery is taking a personal interest in the project. He chairs the Tier 2 Investment Board and is, therefore, noted by the Board as a key stakeholder.

[Action: Cdre Dorey - Refresh the Highlights Report so that it looks only at the new VRP procurement]

3.5 Patricia contingency Planning Report and reliability Enhancement Highlight Report

The report provided an update on contingency plans to mitigate a loss of availability of THV Patricia. The report identified five key options to mitigate against loss of availability:

- 1 Address single points of failure
- 2 Prioritise other TH assets to meet statutory requirements
- 3 Utilise coordinated GLA fleet management
- 4 Charter-in tonnage
- 5 De-scope and prioritise work

Mrs Owen requested the report to be resubmitted to explain what would happen if the ship was permanently put out of action. The Board requested a more detailed report in March with steps being taken to ensure we can continue to meet our statutory responsibilities.

[Action: Commodore Dorey]

3.6 Aviation Services Project

The Board wished the minutes to formally record its decision made out of committee between 12 and 15 January to approve the recommendation:

“To endorse the [GLA] CEOs in executing an extension of the existing ASP contract with PDG for a further two years covering the period December 2025 – 2027 on prevailing terms and cognisant of the risks and available remedies set out in [the paper].”

Mr Damen reported that the extension of the contract was executed on 23 January.

3.7 West Coast Work Boat Provision

The operator has notified TH that after many years of service to TH the company will be unable to fulfil its contractual requirements beyond the end of January.

TH is working with the operator to make a contract variation, so the operator can provide as much of a service as it is able to beyond January. In addition, TH is considering various options for how best to cover the risk response areas and statutory and commercial BSL including: using our other assets, other GLA vessels and by allowing the operator to sub-contract tasks.

TH is also accelerating the procurement of a new service provider to be in place by September (when the contract will expire in accordance with the current contract terms).

3.7 Financial Report including Appx 1a Management Accounts, 2 Variance, 3 Capital

Noted.

4. GOVERNANCE

4.1 Corporate Risk Register Dashboard

Presented by Mr Damen.

A new risk – *Completion of Mandatory Training* - has been added.

Increasing risks include –*ship resources; management capacity/ leadership change, Patricia reliability.*

The *industrial action by SVS* risk is shown as reducing due to the Union ballot having now expired.

Mr Damen explained that he and Cdr Hare had revised the GNSS corporate risk and that the revised wording would be submitted through the correct channels for approval.

4.2 People and Culture Update

The Pay Business Case was submitted in October. TH is awaiting an appointment to have a meeting with DfT at which to present the Business Case. Mrs Gull has reminded the DfT that this meeting is required urgently.

The delay is becoming uncomfortable as the Unions are eager to start negotiations, which are in a constricted period anyway, and staff are growing impatient as salaries appear to stagnate. The delay also impacts on TH's ability to recruit.

As an interim measure all staff will receive a £500 lump sum in January.

There will be a Leadership Development Session for the Executive and SMT on 29 January.

Work is also being done on Diversity.

TH has signed up to the Civil Service-Learning Platform.

The ITT for an Intranet has been published.

4.2.1 Communications and Engagement Survey

The *pulse* survey results highlight a number of opportunities for improving engagement with a focus on raising visibility of the Executive team. The survey also showed a dissatisfaction among staff with the electronic document management system.

The Board noted that Senior Management must consider levels of transparency in decision making; even if the news is bad, staff deserve to know why decisions have been made.

4.2.2 Internal Communications Schedule

Noted.

4.2.3 Mandatory Training

Mrs Gull circulated an action plan before Christmas. The Learning and Development Team has been working closely with the SVS to arrange training and make sure it is prioritised. Good progress is being made. The situation is improving.

4.3 Annual Report and Accounts

The Board approved the Annual Report and Accounts (ARA) for signature out of Committee.

The ARA has been signed by the CEO and Deputy Chair and has been submitted to DfT.

4.3 GIAA Management of Programmes and Projects

The report detailed TH's response to the GIAA Major Programmes and Projects Audit of 2021 which awarded a 'moderate' rating. This report explained how the recommendations were being addressed by such means as tiering of projects, recruitment of a major projects' director, stakeholder management, development of a 20-year project pipeline. Also the SMT will assume the role of Project Progress Group and will report to Executive.

The report and actions in progress were noted.

5. ADMINISTRATION

5.1 Minutes of Previous Meetings

5.1.1 Lighthouse Board Minutes - 24 November 2023

Approved.

5.1.2 ARAC Minutes - 7 December 2023

Approved.

5.1.3 Matters Escalated from ARAC

Matters escalated from the ARAC consisted of:

- Further exploration of approvals from DfT, Cabinet Office etc. in the Internal Benchmarking Report – discussed above
- Governance/ Lessons Learnt on Risk Register – has been added to Corporate Risk Register (CRR)
- Management Resources on Risk Register – has been added to CRR.

5.2 Board Evaluation 2023

The Board noted the outcomes of its self-assessment which was conducted in the autumn of 2023. The results showed a degree of disquiet relating to the Chair's perceived conflict of interest at the time, a situation which has now been resolved. The Board noted that that situation has tested the

robustness of the Board's governance and was keen that it would not happen again.

[Action: Board Secretary to add a conclusion to the Board Evaluation Report to say that the Board Chair's resignation had resolved the difficulties at the time and steps were now being taken to address lessons learnt]

5.3 Log of Actions

See updates on sheet.

5.4 NED Recruitment Update - ARAC Chair

5.5 Capt. McNaught reported that the Shipping Minister has asked to interview the preferred candidate and two other candidates. Lighthouse Board Chair Recruitment Update

Interviews for the new Lighthouse Board Chair have taken place, and the candidate will be proposed to the Court on 13 February.

5.6 NED Recruitment Update - Mrs Owen's successor

The DfT has now initiated the process of recruiting a replacement for Mrs Owen when her second term of office is due to end in September. The new Lighthouse Board Chair will head the selection panel and lead the process.

5.7 Lighthouse Board Remuneration Committee Terms of Reference

Updates to the terms of reference were approved.

5.8 Executive Remuneration Committee Terms of Reference

Updates to the terms of reference have been approved by Executive.

Noted by the Board.

6. Any Other Business

On behalf of the Board, Mrs Owen, thanked Captain McNaught and Commodore Dorey for many years of dedicated service to Trinity House and the Lighthouse Board on the occasion of their final Board meeting.

7. Dates of Forthcoming Meetings

- IGC Forum 6-7 February

FOR PUBLICATION

- Risk Management Workshop 8 February
- Court 13 February
- ARAC 20 March
- Lighthouse Board 29 March