



TRINITY HOUSE

## **Minutes of Trinity House Lighthouse Board**

### **31 May 2024 - Trinity House, London**

#### **Present voting members**

Captain Lance Batchelor (LB) (Chair) (Items 1-3.1)

Rear Admiral Iain Lower (CEO) (Deputy Master/ Chief Executive)

Captain Andy Holt (DOPs) (Director of Operations)

Commander Nigel Hare (DNR) (Director of Navigational Requirements)

Mr Ton Damen (DBS) (Director of Business Services)

Mrs Valerie Owen (VO) (NED) (By VC) (Items 1-3.1)

Mr Alan Moore (AM) (NED)

Mr Curtis Juman (CJ) (NED)

#### **Present non-voting members**

Mrs Natalie Gull (DPC) (Director of People & Culture)

Mr Damien Oliver (DMP) (Director of Major Projects)

#### **In attendance**

Mr Thomas Arculus (TA) (Head of Legal and Estates / Board Secretary)

#### **1. ADMINISTRATION**

##### **1.1 Welcome**

The Chair welcomed the Board to the meeting.

##### **1.2 Apologies**

None.

##### **1.3 Declarations of Interest**

For publication

None other than previously recorded on the Register of Members' Interests.

#### 1.4 Minutes of Lighthouse Board 24<sup>th</sup> January 2024

Approved.

#### 1.5 Minutes of Extraordinary Lighthouse Board 30<sup>th</sup> April 2024

Approved.

#### 1.6 Minutes of Lighthouse Board 26<sup>th</sup> March 2024 (as amended)

Approved.

#### 1.7 Log of Actions/ Matters Arising

The Board wants to learn lessons from the former Chair's conflict of Interest. This was discussed further under item 4.3 below.

The Board welcomed the new approach of providing more detailed reports to the Court and the creation of a register of interests of Court members.

The Board Secretary had reviewed the Log and had rewritten and combined a number of actions. The Board **APPROVED** of the way this had been done and requested to see the amended log at its next meeting.

The Board agreed that the Nominations and Governance Committee's Terms of Reference could be shared with the Corporate Board (Action 1).

## 2. PERFORMANCE

### 2.1 Chief Executive's Report

The report highlighted the recent Visiting Committee, the latest situation with the Pay Business Case and the Futures Afloat Outline Business Case (OBC).

The Board had also been provided with the Tri-GLA Strategy "2040: Navigating the Future" for pre-reading to inform discussions about the TH Strategy under Section 3 of this meeting.

### 2.2 Notes from Chief Executives' Committee (CEC)

The CEC met in Dún Laoghaire on 3-4 April.

The CEC had received update reports from each of the Inter GLA Committees (IGC) and agreed the agenda and input into the Joint Strategic Board (JSB) meeting in May.

### 2.3 JSB Debrief

The JSB met in Dún Laoghaire on 1-2 May.

The level of co-operation at JSB is high and reflects the large amount of co-operation at the IGC level. The JSB provides valuable assurance to the LAC and the NEDs.

For publication

As usual, representatives of the DfT, Irish Department of Transport and Transport Scotland joined for part of the meeting.

Main topics discussed included:

- IALA change of status and how to maintain the influence of the GLAs
- Vessel procurement
- Aviation Services procurement
- JSB Strategic Roadmap including: -
  - AtoN Review 2025-30
  - Sustainability
  - GRAD
  - AI Policy development
  - Strategic Workforce Planning
  - Framework Document review

This was the final meeting chaired by Commodore Brian Archibald before stepping down. The JSB Chair is a neutral position but rotates between the GLAs on a biennial basis. AM kindly agreed to assume the role of JSB Chair from November.

#### 2.4 Health and Safety Report

The Board welcomed the new reporting format focusing on the strategic, governance, communications and training.

The Board discussed outstanding mandatory training and the importance of making sure that this is completed. DOPs confirmed that a lot of effort has been put into addressing the problem of uncompleted training.

The Board discussed the role and function of the H&S Committee.

**[Action: CEO and DOPs to develop ToRs for the H&S Committee, working with AM for consideration at the next Lighthouse Board Meeting]**

The Board discussed accountability for H&S and the fact that this rests with the line managers, not only the H&S Manager (which the report says).

The Board **ENDORSED** the direction of travel in making improvements to the organisational health and safety culture and the establishment of the H&S Committee and **RESOLVED** that a member of the People Services Directorate should sit on the new H&S Committee to represent the interests of staff wellbeing.

#### 2.5 Business Performance (KPIs)

Presented by the Executive Committee.

DNR explained ongoing work to tidy up the Board report in future. The numbers are reliable but there is some duplication which is being addressed. An example of duplication is the fact that when a buoy goes off station the racon is programmed to switch itself off. This is reported as a casualty when in actual fact the racon is behaving as it is supposed to. The buoy being off station is the casualty and is also reported so this is an example of double reporting.

For publication

The Board agreed that Trinity House needs to have a routine process and reporting mechanism to report on VFM achievements throughout the year. In order to do this the organisation needs to have a clear understanding what VFM means and what therefore should be reported.

**[Action: Executive Committee to consider the nature and scope of VFM savings and reporting requirements for these.]**

## 2.6 Futures Afloat

### 2.6.1 Futures Afloat Update Report

The Board received a covering paper introducing the OBC and requesting the Board to endorse the OBC on the basis of option two (the procurement of two ships under a single contract to replace THV *Patricia* and THV *Galatea* with marine diesel/battery hybrid ships)

### 2.6.2 Futures Afloat OBC

The Board **ENDORSED** the OBC on the basis of option two - the procurement of two ships under a single contract to replace THV *Patricia* and THV *Galatea* with marine diesel/battery hybrid ships.

## 2.7 Business Services Directorate

### 2.7.1 Business Services Report including Management Accounts, Variance, Capital and Audit Performance Relative to Audit Plan

The 2023-24 Period 13 full financial year outturn reflects a saving and underspend of which a large proportion relates to Royal Sovereign decommissioning and to fuel and electricity. The reasons for the underspend on Royal Sovereign are that the full contract price had to be drawdown upfront when the contract was awarded.

Pay revenue cost reflects that there have been 20 to 30 vacant posts throughout the year.

Non-pay revenue cost, before fuel and electricity, has evolved from an underspend in Period 11 to a small overspend driven by vessel maintenance.

The Board discussed the reasons for the underspending on THV *Patricia* reliability. This underspend is due to timing and availability of parts (lead time).

Consideration is being given to redirecting underspend to do preventative maintenance on THV *Patricia* and the rest of the fleet recognising that vessel failure is a corporate risk.

The organisation is also looking at ways to reduce the impact of anticipated bad weather this summer has on the engineering work programme.

## 2.8 People and Culture

### 2.8.1 People and Culture Directorate Update

The Board held a confidential discussion about the Pay Business Case and the potential impact of the General Election announcement on it.

For publication

The Board also discussed the possibility of a new Maritime Minister being appointed after the General Election and **RESOLVED** to prepare a Ministerial Briefing Paper focussing on the two greatest risks currently faced by the organisation - staff turnover and operating aging ships.

**[Action: ExCo to prepare a Ministerial Briefing Paper to be issued at such time as a new Maritime Minister is appointed].**

The Board debated the basis on which the pay remit is agreed, and the considerable constraints on Trinity House's ability to increase the salaries of staff and the effect of this on the ability to recruit and retain staff.

The numbers of staff who have not completed mandatory training is being reduced. The Board **AGREED** that this would continue to be monitored and could now be de-escalated this from the Corporate Risk Register.

The Board reviewed the new People Dashboard and welcomed the useful insights it provides into People matters. The Board agreed that it would be useful to tie it to operational activity and for it to include information on wellbeing and targets and the impacts of staff shortages on the organisation.

## 2.9 Navigational Requirements

### 2.9.1 Navigational Requirements Report including Availability Progress Report and Casualty Return

DNR introduced the Navigational Requirements Update Report.

No incidents have been reported resulting from a failure of either TH or local AtoN or those exhibited from an offshore structure.

There have been no requests, resulting from local AtoN inspections, for Examiners to reconsider any marking previously specified.

There have been three wrecks since the last Board meeting. One required investigation by THV *Patricia* and MV *Mair's* RHIB, but none required marking.

The Availability Progress Report now includes a 3-month period comparison as well as a 3-year average.

## 2.10 Operations Directorate

### 2.10.1 Operations Directorate Update

The Board received a report from DOps. The report showed the impact of staff shortages on all aspects of operations. The Board requested that in future the report should show the impact of staff shortages in key roles within the Operations Directorate.

**[Action: DOps to portray the impact of staff shortages on key roles with in the Ops Directorate in future Board reports]**

### 2.10.2 Contingency Review

For publication

The report outlined work being done to develop contingency plans for the TH fleet. A matrix of tasks versus capabilities and features has been created. A risk based approach to operational use of ships with defects is under development using methodologies widely used in the offshore energy sector. Shipbrokers Braemar are reporting on ships available to undertake specific tasks. In future reports trend data will be displayed.

The Board **NOTED** the report and work ongoing including work being done to understand the condition of the vessels at all times to anticipate and resolve failures before they occur.

DOps outlined the Engineering Plan for replacement of lighthouse helidecks.

#### 2.10.3 West Coast Workboat Timeline

The Board noted that the buoy handling vessel, MV *Mair*, will be removed from service in June, RHIB services and hydrographic services will continue after June. The current contract is due to end in September and the invitation to tender for a new contractor will be issued on 19 June aiming for award of contract on 28 October. To cover the gap, the incumbent contractor will be invited to extend until a new provider has been appointed.

#### 2.10.4 Project Management Process Review

The Government Internal Audit Agency (GIAA) undertook an audit on the Management of Major Programmes and Projects in May 2021. The Board received a paper providing an update on the status of the recommendations including the development of a Project Categorisation Tool and associated Project Management Toolkit; the development of clear terms of reference for an appropriate level of governance and approval (Project/portfolio committee); updated, improved consistent reporting standards.

#### 2.10.5 St Just Forward Operating Base Lease Update

Discussion with the landlord over the grant of a new lease at St Just Aerodrome are in progress. An update will be provided to the Board in due course.

### **3. STRATEGY**

#### 3.1 TH Strategy Update

The CEO outlined the ongoing work on updating the TH Strategy including the Executive/SMT Vision Workshop held earlier in the week.

Including: -

- The Vision
- The Mission
- Profile and Partnerships
- Delivering Safety and Sustainability
- Shaping the Future
- Organisational Fitness
- Strategic Priorities for the First 5 Years
- Values

For publication

The next step will be for a consultant to be used to write a draft Strategy which will be discussed and refined at the Strategy Session in the July.

This will include a one-page visual representation of the Strategy.

A discussion followed on various aspects of the draft Strategy.

The NEDs and CEO will arrange a session in the next 10 days to discuss the Strategy in its current form and provide input and challenge, prior to the consultants writing it up.

*At this point the Chair and VO departed the meeting.*

*The Chair handed the chairmanship of the meeting to AM who confirmed that the meeting was still quorate.*

### 3.2 IALA Change of Status Update Report

IALA is expected to become an IGO very soon. When that happens, the UK will be the Member State. Representation at the General Assembly will probably be done by a DfT official supported by the GLAs as technical experts.

The GLAs will seek to represent the UK at Council level. Questions of accreditation need to be answered.

The first General Assembly of the new IGO will include the election of the new Council. The UK will stand for election.

The Board discussed the implications of the UK not being voted onto the Council in the immediate, short and long term and how this could be mitigated.

*[Post meeting note: Egypt has become the thirtieth country satisfy the necessary formalities to bring the Convention into effect. The change of status will occur on 22 August.]*

## 4. GOVERNANCE

### 4.1 Risk Registers

#### 4.1.2 CRR Dashboard

The Board reviewed the Corporate Risk Register (CRR) dashboard. The Fleet Availability risk and the Recruitment and Retention risks remain highest on the risk register.

The Board noted that the Futures Afloat is considered to be integral to the Fleet Availability risk and therefore has been removed from the CRR as a separate risk.

The Board requested that in future meetings the CRR Dashboard should accompany the CEO's report at the start of the meeting in order to give it greater prominence and to set the tone of the meeting.

**[Action: CEO/DBS to include CRR Dashboard in the CEO's Report in future Board Reports]**

The Board discussed the degree of prominence which should be given to investment in the fleet in the context of the Capital and Revenue risk.

For publication

The Board noted that risk of SVS staff shortages appears to remain the same after mitigation when it should be expected to reduce as a result of mitigation. DBS was asked to review the risk scoring.

**[Action: DBS to review scoring pre and post mitigation of the SVS Staff Shortages Risk and to make necessary updates before the next Board meeting in July]**

The Board also discussed the benefits of the CRR Dashboard being accompanied by an Opportunities Register in future.

#### 4.2 Draft ARAC Minutes 22 March 2024

The ARAC Chair, CJ, presented the draft minutes of the ARAC meeting on 22 March drawing the board's attention in particular to the Head of Internal Audit's award of a 'moderate' opinion for 2023-24; discussions on Cyber Security; Risk Response and Business Continuity.

The Board noted the draft minutes.

DMP reported that GIAA had been asked to do real time reporting on the Futures Afloat programme.

#### 4.3 Conflict of interest lessons learnt summary and proposal to update Lighthouse Board Code of Conduct

The Board Secretary reported on ongoing work to capture lessons learnt from the previous Chair's potential conflict of interest.

### **5. Any Other Business**

The Board manifested an intention to make the directors more visible to the organisation's staff which could include inviting junior staff members to the Board and ARAC meetings as observers. DPC was asked to propose ways in which this could be arranged.

**[Action: DPC to propose ways in which the Board could make itself more visible to the staff and make recommendations in July]**

#### 5.1 Proposed Board meeting dates 2025

The Board Secretary proposed dates for meetings in 2025 and requested Board members to advise him of any potential difficulties these may present.

**[Action: Board – check proposed 2025 meeting dates and advise Board Secretary of potential issues.]**

### **6. Dates of Forthcoming Meetings**

- Trinitytide and Annual Court 4 June
- ARAC 3 July
- Staff Awards 3 July
- Lighthouse Board 16 July
- Lighthouse Board and SMT Strategy Day 17 July



## Record of Decisions

1. Reconfigured Log of Actions **APPROVED**.
2. **ENDORSED** the direction of travel in making improvements to the organisational health and safety culture and the establishment of the H&S Committee.
3. **RESOLVED** that a member of the People Services Directorate should sit on the new H&S Committee to represent the interests of staff wellbeing.
4. **ENDORSED** the OBC on the basis of option two - the procurement of two ships under a single contract to replace THV *Patricia* and THV *Galatea* with marine diesel/battery hybrid ships.
5. **RESOLVED** to prepare a Ministerial Briefing Paper focussing on the two greatest risks currently faced by the organisation - staff turnover and operating aging ships.
6. **AGREED** that uncompleted mandatory training would continue to be monitored and could now be de-escalated from the Corporate Risk Register.
7. **NOTED** the vessel contingency review report and work ongoing.