



**Minutes of OGA Board meeting on 25 September 2018
Raemoir House, Aberdeenshire**

Members	In attendance
Frances Morris-Jones Chair	Stuart Payne Director of HR and Supply Chain
Mary Hardy Non-executive Director	Simon James Chief Information Officer
Robert Armour Non-executive Director	Andy Thompson NDR Manager
Andy Samuel Chief Executive	Carlo Procaccini Head of Technology
Nic Granger Chief Financial Officer	Russell Richardson Company Secretary
Emily Bourne Shareholder Representative Director	Fiona Gruber Board Secretary

1. Welcome and introductions

The Chair welcomed directors and guests to the meeting.

2. Minutes and matters arising

The board approved the minutes of the 19 July meeting and agreed to close outstanding actions on the action log.

3. Conflicts of interest

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

4. Shareholder report

The Shareholder Director reported that the advertisement for the permanent OGA Chair had now closed. Candidates will be shortlisted on 12 October and interviews will be held in late October and early November.

She confirmed that Ministers had agreed to maintain grant funding for the OGA of up to £2m for the coming year and updated the board on the schedule for laying the 2019-2020 levy regulations. The board agreed that, given the pressures on Parliamentary time, the OGA would postpone its planned review of the OGA's fee structure until next year.

She reported that the Shale Environmental Regulator Group was ready to be launched and that the Shale Commissioner had been appointed. Responsibility for onshore licensing in Wales would be devolved to the Welsh Government on 1 October.

The government has published its guidance for the oil and gas industry in the event that the UK leaves the EU without agreement. The board agreed that it would like to discuss Brexit more generally before the end of the year.



5. Great place to work update

The Director of HR and Supply Chain updated the board on three of the six elements of the OGA's 'great place to work' (GPTW) programme: leadership capability, listen and engage, and career support. Training in leadership fundamentals for line managers - including the leadership team - will be launched next week and will be complemented with a leader development module. The board was assured that all line managers were expected to undertake the leadership training.

On 'listen and engage', the seven themes which emerged from the 2017 staff survey are being addressed through staff engagement sessions, the first four of which have been well received. The remaining three themes will be discussed in the coming months, before staff feedback is sought in the next staff survey, in 2019.

The career support element combines core regulatory fundamentals training, learning from other regulators and a mentoring scheme, which has got off to a good start.

The board commended the Director of HR on the progress so far and looked forward to hearing about progress with the other three elements of GPTW, later in the reporting year. The board agreed that it was important for the OGA to continue to be transparent regarding advancement opportunities within the organisation.

6. National Data Repository update

The Chief Information Officer reported on progress in establishing a National Data Repository (NDR) of petroleum related data which will enable the OGA to help industry find new ways to maximise the value of data. He and the CFO continue to engage with other regulators and industries on best practice.

The agreement with Common Data Access (phase one of the NDR) is expected to be signed in the coming weeks and will make generally available (from early 2019) new data and data which are currently only available to subscribers. For phase two of the NDR, the OGA will directly procure a new contract.

The board discussed the proposed apportionment of data storage and data protection risk and agreed with the approach as described. The board commended the team for the substantial progress it had made on this complex programme.

7. Chief Executive report

The Chief Executive was very heartened to see a flurry of projects coming to fruition and additional value being protected by the right assets being moved into the right hands. The Total discovery was very significant and vindicated the focus on the West of Shetland Area Plan. He continues to reiterate the importance of sustained cost efficiency and has stepped up the OGA's focus on 'use it or lose it'.

He welcomed Oil and Gas UK's renewed focus on working practices - in tandem with the HSE and the CAA - which is expected to culminate in industry undertaking an independent review.

The OGA continues to work closely across government to reach a satisfactory outcome on Rhum. The Director of Regulation will be recruiting for a new role to support the high volume of work on financial transactions.



8. Undeveloped discoveries

The Head of Technology updated the board on the increasing attractiveness of marginal accumulations in the UKCS. Strong interest in developing older discoveries has been stimulated by the 30th Licensing Round, greater cost efficiencies, and the consistently strong oil price. The launch of the NDR will be an additional spur for activity.

He underlined the need to continue to align licences, technology and cost efficiencies is working with the Central North Sea area team and industry to identify the clusters which are expected to unlock the greatest value.

The board welcomed the progress made and underlined the importance of developing an action plan and tracking progress. The board looks forward to meeting the OGTC in November to discuss technology priorities.

9. CFO report and budget strategy

The CFO presented the finance report and highlighted the current underspend due to the sequencing of IT and IM programmes. This will be reviewed during the mid-year reforecasting exercise.

She confirmed that planning to lay the 2019-20 levy regulations is on track. The board approved her recommendation to agree a number of requests to waive fees due to calculation discrepancies.

She reported that the NAO has appointed EY as our audit sub-contractor for the 2018-19 accounts. The audit and risk committee will discuss the audit timetable in November.

The CFO presented her annual refresh of the budget strategy, setting out the various assumptions, and confirmed that the strategy was not significantly different from previous assumptions. The board agreed her recommendation to postpone the OGA's review of fees until next year.

10. Communications and events planner and board forward look

The Chief Executive presented a streamlined communications and events planner, presented by themes, enabling the board to more easily decide where it wishes to focus its engagement activity.

The board welcomed the new planner and agreed it would be helpful to see it monthly (in the reading room) and to discuss it quarterly. The board requested some additional commentary on the planner to support these quarterly discussions. Directors should notify the board secretary of events they wish to attend and the Chair may recommend events of particular interest.

The board discussed the board forward look and underlined its desire to focus its offsite activity on areas where a visit or engagement might create momentum where there was deadlock and where the board might learn from others, especially other regulators. The board agreed to bring forward its visit to Barrow-in-Furness to February 2019.



Oil & Gas
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The Chair reported that she and the Chief Executive had had a series of very encouraging meetings with investors in Bangkok, Singapore and Kuala Lumpur the previous week. The UKCS story of data transparency, fiscal continuity and the OGA's asset stewardship and benchmarking programme was very well received and follow up work is ongoing.

There was no other business.

A handwritten signature in blue ink, appearing to read "F. Hanington".

Chair

A handwritten date in blue ink, "13/12/2018".

Date