



**Minutes of NSTA Board meeting on 21<sup>st</sup> September 2023**  
**09.00-14.00**  
**Raemoir House, Banchory, Aberdeenshire**

<b>Directors</b>	<b>In attendance</b>
Tim Eggar Chairman	Hedvig Ljungerud (item 4) Director of Strategy
Iain Lanaghan Non-executive Director	Suzanne Lilley (item 8) Head of HR
Stuart Payne Chief Executive	Jane de Lozey (item 11) Director of Regulation
Nic Granger CFO and Director of Corporate	Russell Richardson Company Secretary
Sara Vaughan Non-executive Director	Fiona Gruber Head of Governance and Board Secretary
Sarah Deasley Non-executive Director	
Fiona Mettam Shareholder Director	
Malcolm Brown Non-executive Director	

### **1. Welcome and introductions**

The Chairman welcomed Directors to the meeting.

### **2. Conflicts of interest**

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

### **3. Minutes and matters arising**

On 19 September 2023, the Board, apart from the Shareholder Director(s) who had recused themselves, considered the Secretary of State's proposal to require in statute the NSTA to invite applications for a production licence on an annual basis where certain tests are passed.

There was a general discussion, where the Board expressed a unanimous view that such a proposal was not necessary for the NSTA to meet its functions under current legislation, including enabling the principal objective of maximising economic recovery of UK petroleum to be met. The Board noted that the proposal would significantly challenge one of the tenets of independence for the NSTA, to decide when to run a licensing round.

It was agreed that the Chairman would seek a meeting with the Secretary of State to explain the Board's position but the Board acknowledged that, while such a requirement was in its view not needed, the Government can pass legislation as it considers appropriate.

Directors discussed and approved the minutes of the 21<sup>st</sup> July meeting, subject to minor amendments.



The Board discussed the NSTA's current approach to transparency during sanctions investigations and agreed that it would like to consider options for being more transparent.

#### **4. Strategy day reflections**

Directors thought the free flowing structure of the strategy day and the use of scenarios to consider vital questions including emissions reductions and collaborative behaviours produced a very valuable and productive discussion. Directors agreed that, at a time when offshore energy questions are rising up the political agenda, the NSTA's focus must remain solidly on delivering our priorities and ensuring our decisions continue to be based on its quality assured, independent data.

#### **5. Safety and environment report**

The Board discussed the Chief Executive's update on safety and environment performance.

#### **6. Chief Executive report**

The NSTA made a strong impact at Offshore Europe, including hosting a Ministerial visit, eight seminars and opening a plenary panel and speech. Overall the event was positive and it was encouraging to see the breadth of companies focused on emerging energy industries.

A particularly busy period for the NSTA resulted in the approval of five new petroleum developments, the first tranche of 33<sup>rd</sup> licences are expected to be issued for award in October and all 21 carbon storage licences have now been negotiated and agreed. The Hydrogen Statutory Instrument was laid in Parliament, representing the first formal expansion of the NSTA's remit since its formation.

#### Performance review

Directors discussed the quarterly performance report and noted the progress being made on production efficiency. The Board agreed that it was helpful to align its review of NSTA performance with an update on the Chief Executive's objectives.

#### **7. CFO report**

The CFO reported that the NSTA had started to draw down on the grant funding it has received for its carbon storage work. Almost all levy income has been collected.

The Leadership Team is assessing proposals for allocating the forecast underspend to value adding projects.

#### **8. Staff survey results**

The Head of HR reported that initial analysis of the 2023 employee engagement survey shows an engagement index score of 67 which, as anticipated, is below the post-lockdown peak of 2021, but is comparable with 2019 and ahead of 2017 and 2015. The Leadership Team will discuss the results within their Directorates before deciding which further action to take.

The Board discussed the results, the survey design, and the potential to benchmark the NSTA's results against other organisations. The Head of HR will consider these aspects and return to the Board in January with an overview of the actions which emerge from staff engagement.



### 9. London accommodation update

The Chief Executive confirmed that, to his great regret, the Office of Government Property has given the NSTA notice to leave Sanctuary Buildings in 2024. The Director of Corporate has identified two available office spaces in central London, within the Crown Estate rather than the Civil Estate, which represent better value for money than available options in the Civil Estate outside central London. Given that the NSTA received Places for Growth permission in March 2020 to retain a small office in central London, the Director of Corporate presented a recommendation that the NSTA should make a direct approach to Cabinet Office ministers to seek their agreement to the NSTA moving to a Crown Estate property in central London. The Board discussed and supported the recommendation.

### 10. Shareholder update

The Shareholder Director updated the Board on departmental business, including the appointment of the new Secretary of State and forthcoming legislative matters.

The process for recruiting the Chairman's successor is proceeding as scheduled.

### 11. decision

Further to the Board's decision

\_\_\_\_\_, the Head of Regulation reported that \_\_\_\_\_ had not responded to the minded to letter.

She asked the Board \_\_\_\_\_ and the Board agreed.

### 12. Delegation of powers

The Board approved a proposal to renew the Company Secretary's Power of Attorney and the resolution was duly signed.

### 13. Agenda planning

Directors agreed that the Shetland visit had been very valuable and looked forward to hearing the executive's proposals for a 2024 stakeholder meeting.

The Board agreed that, given the current uncertain external environment, there may be a need for additional Board meetings during the next eighteen months.

The Board discussed the 2024 Board effectiveness evaluation, which had been anticipated to be an external evaluation. However, as a new Chairman is expected to be in post in the spring of 2024, the Board decided to postpone the external evaluation until spring 2025 and to instead proceed with an internal evaluation in 2024.

There was no other business.



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Chairman  
23<sup>rd</sup> November 2023