



**Minutes of OGA Board meeting on 15 December 2016
48 Huntly Street, Aberdeen**

Attendees:

Sir Patrick Brown	Chairman
Robert Armour	Non-executive Director
Frances Morris-Jones	Non-executive Director
Rebecca Vallance, BEIS	Shareholder Representative Director
Andy Samuel	Chief Executive
Nic Granger	Chief Financial Officer
Philip Lloyd (guest)	Interim Chief Financial Officer
Gunther Newcombe (guest)	Director of Operations
Jim Christie (guest)	Head of Decommissioning
Stuart Payne (guest)	Director of HR and Supply Chain
Fiona Gruber	Board secretary

Apologies

Mary Hardy	Non-executive Director
Russell Richardson	Company Secretary and General Counsel

Introductions

The Chairman welcomed Rebecca Vallance to the Board as the newly appointed Shareholder Representative Director. Apologies were received from Mary Hardy and Russell Richardson.

Minutes of 17 November meeting

The Board approved the minutes of the 17 November meeting for signature. Progress of outstanding actions, as recorded in the action log, was noted.

The Chairman notified the Board that, following a recent discussion with BEIS, he and the Chief Executive had decided that the OGA would produce a two year business plan covering 2017 and 2018, instead of a refreshed five year corporate plan, as previously planned.

He also confirmed that the Tribunal has put in place procedures to deal with any appeals against OGA sanctions.

Conflicts of interest

No conflict of interest with any agenda item, or as a result of new appointments, was declared by any member of the Board.

Shareholder update

The Shareholder Representative Director updated the Board on progress with the merger of the former BIS and DECC, confirming that the new organisational structure came into force on 1 December. She highlighted the outcomes for BEIS from the Chancellor's autumn statement, including the government's re-commitment to the *Driving Investment* principles. BEIS expects to publish a green paper on the industrial strategy for consultation in the New Year.

She confirmed that sections 34 and 36 of the Energy Act 2016 would be partially commenced in late December, giving the OGA powers to collect from industry and publish additional data.



2017-18 budget and finance update

The Chief Financial Officer presented the proposed budget for 2017-18, recommending it to the Board. The total budget is the same as profiled in the Corporate Plan; would leave the levy unchanged; and assumes that £3m funding from government continues. The Board discussed a number of minor adjustments to the budget and asked to see the final budget in January.

The Chief Financial Officer presented the finance report, highlighting areas where spend has been re-profiled to prioritise Operations projects. The Board requested a report on programme expenditure for the January meeting. The OGA is currently expecting to underspend for 2016-17 and will return any underspend to levy payers.

Chief Executive's report

The Leadership Team recently had a very constructive offsite meeting to recalibrate the focus of the organisation very strongly on priorities. The Chief Executive outlined the ten agreed objectives and highlighted how they mapped onto Corporate Plan actions. The MER UK Boards are proposed to be reshaped as task forces, focused on delivery.

The new delivery plan is being shared with staff before Christmas and will be integral to setting 2017-18 performance objectives.

HR and Supply Chain update

The Director of HR and Supply Chain reported that the initial OGA recruitment programme was now close to completion. The pay review has been completed, with the outcomes communicated to staff in early December. The HR focus for 2017 would be on enhancing staff engagement and reviewing the grading structure, progression and development. The OGA would also provide additional support to ensure people management was consistently good across the organisation. The 2017 all staff offsite meeting will take place in March.

The Supply Chain Board and its delivery programme are now in place and supply chain action plans are in the final stages of being tested with industry stakeholders. The OGA's small team will support the delivery programme and continue to connect stakeholders to facilitate delivery.

Decommissioning Board update

The Head of Decommissioning highlighted recent work to reconfigure the Decommissioning Board to enable it to prioritise the best projects to increase efficiency and reduce decommissioning costs. A core decision team will oversee task forces which recommend and manage projects which fall within the existing Decommissioning Board themes.

Future meetings

The Board reviewed the forward look, agreeing to move some items from January to February to reduce the burden on staff during the Christmas period. The Board agreed that after 2017 there would no longer be a scheduled Board meeting in January.

There was no other business.

.....
Chairman

19-1-2017

.....
Date