



**Minutes of OGA Board meeting on 19 January 2017
48 Huntly Street, Aberdeen**

Attendees:

Sir Patrick Brown	Chairman
Mary Hardy	Non-executive Director
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
Simon Churchfield (guest)	Commercial manager
Russell Richardson	Company Secretary
Susan Gair	PS to Chief Executive
Fiona Gruber	Board secretary

Introductions

The Chairman welcomed Board members to the meeting.

Minutes of 15 December meeting

The Board approved the minutes of the 15 December meeting for signature. Progress of outstanding actions, as recorded in the action log, was noted. The Company Secretary is reviewing the Articles and will report to the Board in February, before consulting the shareholder on any proposed revisions. The revised Articles will be presented to the Board for its endorsement at a forthcoming EGM.

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.

Audit Committee Report

The Chairman of the Audit Committee reported on its 17 January meeting and confirmed that the OGA would be on the 2016-17 GRAA Order. The Board agreed the Committee's recommendation to appoint the NAO to audit the company's accounts, to fill a casual vacancy, with the appointment to be formalised at a forthcoming EGM.

Following the mid financial year transition from Executive Agency to government company, the OGA will be required to produce two sets of full year accounts for 2016-17, and at least one Trust statement to report Petroleum licence rental fee transactions. The Committee was satisfied that the OGA's plans to produce these accounts and the full Annual Report and Accounts are adequate.

The Committee further took assurance on mitigating actions with regard to the risks set out in the risk register.



Shareholder update

The Shareholder Representative Director confirmed that sections 34 and 36 of the Energy Act 2016 were commenced on 19 December.

Following Baroness Neville-Rolfe's move to HM Treasury, Jesse Norman is now responsible for the BEIS energy portfolio.

The Shareholder Representative Director underlined the importance of good industry engagement during the consultation period for BEIS's upcoming industrial strategy green paper.

She updated the Board on the development of BEIS's central governance team for Arm's Length Bodies and BEIS's plans to centralise and streamline the process of making public appointments.

Strategic finance review and finance report

The Board commended the Chief Financial Officer for her excellent assessment of the OGA's financial systems and governance and agreed a number of minor changes. The Board supported her suggestion to introduce rolling budget projections and agreed these should be aligned with activities in the Corporate Plan

The Board supported her recommendation that the Company Secretary formally articulate the Board's strategic risk approach in a clear and concise way for Board review in April, to ensure the OGA's risk culture was fully understood by staff.

The Board noted the areas for improvement and agreed to delegate monitoring of them to the Audit Committee.

The **monthly finance report** continues to show an underspend at the end of month nine.

The Chief Financial Officer confirmed that she has made adjustments to the 2017-18 budget to reflect the Board's comments at the December meeting.

Financial penalty guidance

The Commercial Manager presented feedback from the recent consultation on financial penalty guidance.

The Board agreed with the response to the consultation and supported the proposed changes to the guidance.

The Board reviewed the current case register, suggesting minor additions and asking to review it every quarter, together with analysis of cases which have been resolved through facilitation.

Legal dashboard

The Company Secretary talked the Board through the current legal dashboard, highlighting areas of particular risk for the OGA.



Chief Executive report

Having circulated the most recent performance pack to the Board, the Chief Executive outlined the process whereby delivery dates are re-sequenced, if necessary, or any new activities added. He emphasised that the focus in 2017 was on business as usual and internal activities.

He briefly discussed the updated priorities schedule, which now includes some quantified KPIs.

Risk register review

The Board reviewed the risk register, following its recent review by the leadership team. The Board agreed that the risk register should be refreshed in advance of its next quarterly review.

2017 events planner

The Board thanked the Chief Executive for sight of the 2017 events planner and agreed it would be useful to review it on a quarterly basis. Non-executive directors will inform the Board Secretary of the events they wish to attend. The Chairman undertook to recommend further training opportunities which might benefit the Board's non-executive directors.

Future meetings

The Board will meet in Wareham, Dorset in February, prior to a visit to Wytch Farm.

There was no other business.

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Chairman

6 / March / 2017

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Date

