



Minutes of OGA Board meeting on 20th May 2020
10:00-12:00 and 13:30-15:30
By video conference

Directors	In attendance
Tim Eggar Chairman	Tom Wheeler Director of Regulation
Frances Morris-Jones Non-executive Director	Carlo Procaccini Head of Technology
Robert Armour Non-executive Director	John Seabourn Chief Digital Officer
Mary Hardy Non-executive Director	Russell Richardson Company Secretary
Emily Bourne Shareholder Representative Director	Fiona Gruber Head of Governance and Board Secretary
Andy Samuel Chief Executive	
Nic Granger Chief Financial Officer	
Iain Lanaghan Non-executive Director	

1. Welcome and introductions

The Chairman welcomed Directors to the video meeting and noted that Iain Lanaghan would be able to join only the second part of the meeting.

2. Minutes and matters arising

The Board approved the minutes of the May meeting and reviewed the action log. Directors agreed that the action to give Non-Executive Directors access to the OGA intranet should be deprioritised, but would like to see more on some issues, such as staff welfare, in the reading room.

3. Conflicts of interest

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

4. Committee reports

In March the Audit and Risk Committee discussed the timing and logistics of conducting the 2019-20 audit remotely. The Remuneration committee will meet after the Board meeting.

5. Safety and environment report

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



6. Chief Executive report

The Chief Executive's annual Tier Zero meeting with operator MDs - the first 'virtual' one - was well received, with the group discussing performance, including the 80% production efficiency target having been met two years early; net zero actions, following the first tranche of deep dives; and treatment of the supply chain.

The OGA has continued to work very closely with BEIS on the crisis response and has been formulating potential recovery options to mitigate the impact of an enduring low oil price on jobs.

The Chief Executive was pleased to report that OGA staff have adapted well to working from home, recognising a variety of situations, and that people are finding new ways to use Agile for cross-directorate remote working. The OGA has launched a staff survey to seek views on an eventual return to the office and the Leadership Team will start to consider future working practices in June.

7. Industry resilience report

The Director of Regulation continues to work very closely with BEIS on industry and energy resilience. He updated the Board on the low oil price and Covid-19 contingency team's assessment of the operational and financial resilience of UKCS operators.

The team has been effective in leveraging previous contingency work and relationships and is now focusing on boosting its project management capability.

The Board thanked all involved for the impressive quality and speed of the work being undertaken.

8. Shareholder update

The Shareholder Director updated the Board on the extent of BEIS's and her own involvement in the government's Covid-19 emergency response, and the resulting reprioritisation within BEIS.

She added her thanks to the OGA for its very close and effective working with BEIS over this extremely difficult and busy period.

9. CFO report

The 2019-20 accounts are with the auditors and will be reviewed by the Audit and Risk Committee in June. The final, audited underspend will be refunded to industry.

The CFO reported that a significant amount of levy income has been received but that the finance team is monitoring cash flow carefully due to the increased risk of late levy payments from small licensees as a result of the Covid-19 and oil price crisis.

The OGA understands from BEIS that the new fees are unlikely to be included in levy legislation before 2021-22.

The new finance system has been implemented and has been well received by budget holders.



Iain Lanaghan now joined the meeting.

10. Reprioritisation update

The Chief Executive presented the outcome of the latest reprioritisation of the OGA's and his own performance objectives. Changes to monthly performance review (MPR) priorities are also reflected in the Leadership Team's objectives.

The Board thanked the Chief Executive for a very comprehensive and transparent presentation of evolving priorities and agreed that the objectives remained realistic, fair and stretching.

11. Energy Integration project - phase II update

The Head of Technology updated the Board on phase II of the OGA led Energy Integration project, which assessed the economic viability of low carbon technology options such as blue and green hydrogen and offshore platform electrification from renewables, and the regulatory hurdles to deployment. The phase II report is expected to be published at the end of June, after which the team will prepare implementation proposals in preparation for the next round of the Regulators' Pioneer Fund.

Whilst acknowledging the substantial organisational and commercial challenges involved, the Board underlined the need for viable projects to get off the ground.

12. Corporate Directorate challenges

The Chief Digital Officer updated the Board on the OGA digital landscape as he implements the digital strategy and considers the future working environment. Having implemented IT and social networking support for home working during Covid-19, he is focusing on developing the people, skills and culture to deliver the strategy. His team is supporting new ways of using Agile, including a pilot in support of the Energy Integration project, and other collaboration tools.

With the data warehouse enabling the OGA to gather insights from the stewardship survey more quickly, his focus is also on evaluating how the OGA can use the NDR, combined with external sources, to add value to the industry and support energy transition opportunities.

13. Draft 2019-20 Annual Report

The Head of Governance presented the draft 2019-20 Annual Report and asked Directors to give her any further comments as soon as practicable.

14. Board agenda planning

The Board hoped that the September strategy day would be able to take place as planned but agreed that, were social distancing rules to prevent this, it may be better to postpone the meeting rather than hold it remotely.

15. AOB

Iain Lanaghan accepted the Board's invitation to sit on the Audit and Risk, Remuneration and Nomination Committees and he was duly appointed.

There was no other business.



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Chairman

18th June 2020

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Date