



**Minutes of OGA Board meeting on 25 October 2017
21 Bloomsbury Street, London**

Members	In attendance
Sir Patrick Brown Chairman	Russell Richardson Company Secretary
Mary Hardy Non-executive Director	Fiona Gruber Board Secretary
Robert Armour Non-executive Director	Tom Wheeler Director of Regulation
Frances Morris-Jones Non-executive Director	Brooke Camfield Head of Financial Reporting
Rebecca Vallance Shareholder Representative Director	Carlo Procaccini Technology Manager
Andy Samuel Chief Executive	Sarah Mackintosh Deputy Head, BEIS Oil and Gas Exploration and Production
Nic Granger Chief Financial Officer	

Welcome and introductions

The Chairman welcomed board members to the meeting.

Minutes and matters arising

The board approved the minutes of the September meeting for signature, subject to minor amendment. Progress of outstanding actions was noted and the board secretary updated directors on the process for the board effectiveness review.

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.

Shareholder report

The Shareholder Representative confirmed that the Cabinet Office will be streamlining the classification of government partner organisations to three categories: Executive Agency, Non-Ministerial Department and Non-Departmental Public Body. The OGA will be a Non-Departmental Public Body. BEIS does not anticipate any changes to existing delegations. She updated the board on departmental business.

Budget strategy and finance report

Budget strategy

The CFO presented her budget strategy, setting out the parameters for 2018-19 budget planning and highlighting significant items, including the National Data Repository. Following a discussion on how the OGA should account for inflation, the board agreed that the levy should be profiled in real rather than nominal terms.

The CFO will bring a draft budget to the board in November.



Finance report

The CFO updated the board on the OGA's current financial position and reported that trend data is steadily improving. Phase two of the finance system will implement automatic reminders for overdue invoices.

Unlocking undeveloped discoveries

The technology manager updated the board on recent progress to better understand the opportunity, identify the most promising clusters and explore how they might be linked to the 30th Round. The recent data release was well received and the Technology Forum will now explore the technology opportunities to exploit important clusters.

This work has been a significant collaborative effort - within and outside the OGA - and the board thanked the team for their remarkable effort. The board was supportive of plans to release more data and enable technical specialists to analyse the opportunity and help overcome 'first mover' obstacles.

BEIS onshore policy update

The Deputy Head of BEIS oil and gas exploration and production updated the board on government's approach. Her team is working to overcome the technical and commercial barriers to exploration and to build public support for a well-regulated industry. Her team works closely with industry, the OGA and other regulators.

There was a general discussion about the potential for a demonstration site to test the economic and technical viability of onshore drilling.

Regulation update and use of powers

The Director of Regulation reported good progress in resolving cases, with the measured escalation process working effectively. Most cases have been resolved before any interruption to activity and the OGA has not yet had to resort to formally using its powers.

The licensing team has been working very hard on transactions and a new head of licensing and consents is now in post. The new head of disputes and sanctions will join the OGA in early November.

Chief Executive report

The Chief Executive was pleased that his and the Chairman's meetings with industry leaders are proving constructive, but noted that operator behaviours in some areas remain a concern. He welcomed the additional £5 million funding from the Chancellor for new data analysis.

The launch of the OGA's learning & development portfolio in September was well received by staff. The OGA is managing a small number of performance cases in accordance with the company's performance management policy.

He is concerned that the high level of deal activity is putting increased pressure on teams, and the leadership team is maintaining its focus on prioritisation.



Future meetings

The board will meet in Middlesbrough in November, returning to Aberdeen in December.

AOB

The board received a paper setting out BEIS's proposed use of directions. There was a general discussion on the paper.

Two directors recently attended a BEIS Audit Committee Chairs briefing which covered cyber threats facing Government owned companies and highlighted the importance of assurance on security controls. The board secretary will schedule a cyber security training session for directors in 2018.

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Chairman

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Date

