



**Minutes of OGA Board meeting on 19<sup>th</sup> March 2020**  
**09:00-14:00**  
**By video/audio conference**

<b>Directors</b>	<b>In attendance</b>
Tim Eggar Chairman	Stuart Payne (item 7) Director of Supply Chain, Decommissioning and HR
Frances Morris-Jones Non-executive Director	Chris Flint (item 9) Director, Energy Division, HSE
Robert Armour Non-executive Director	Howard Harte (item 9) Offshore Operations Manager, HSE
Andy Samuel Chief Executive	Jim Stancliffe (item 9) Energy Division, HSE
Nic Granger Chief Financial Officer	Helena Charlton (items 9, 10 and 11) Deputy Director, BEIS Oil and Gas Exploration and Production
	Hedvig Ljungerud (item 11) Director of Strategy
	Ian Hill (item 11) Head of Onshore Policy
	Russell Richardson Company Secretary
	Fiona Gruber Board Secretary

**Apologies:**

Emily Bourne, Shareholder Representative Director

Mary Hardy, Non-executive Director

**1. Welcome and introductions**

The Chairman welcomed Directors to the Board's first videoconference meeting. Directors conveyed their best wishes to Gunther Newcombe on his retirement, having been unable due to Covid-19 restrictions - to thank him in person for his contribution to the OGA.

**2. Minutes and matters arising**

The Board approved the minutes of the January and February meetings.

Tim Eggar notified the Board that his wife was considering selling her shareholdings in BP and Shell in the coming weeks and undertook to notify the Company Secretary in advance of any sale.

Frances Morris-Jones informed the Board that she had decided to postpone the sale of her remaining BP shareholding.



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

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

### **5. Chief Executive report**

The Chief Executive briefed the Board on the OGA's internal response to the Covid-19 pandemic. All staff have been working from home since Tuesday 17<sup>th</sup> March and have been offered comprehensive practical and general wellbeing support. He is satisfied that the OGA's response has been effective and has incorporated lessons learned from the emergency response exercise conducted earlier in the year.

Externally, the Leadership Team is working closely with industry to mitigate the economic impact of Covid-19 and the rapid fall in commodity price, and the repercussions for the supply chain.

The Chief Executive presented the Disputes and Sanctions team's update on the OGA's measured escalation process, which has resulted in most of the 126 issues to date being resolved through facilitation and enhanced facilitation. As well as driving MER, this approach has helped the OGA retain a strong and positive relationship with industry.

Good progress in developing marginal discoveries was reported at an OGA-hosted industry session at Subsea Expo in February, where the OGA's facilitation was recognised as a key galvanising factor. It will continue to be important to adopt leaner technical concepts and increase commercial collaboration as UKCS developments become smaller and more challenging.

### **6. Energy transition update**

The Chief Executive presented the early insights from the OGA's comprehensive analysis of net zero data gathered from industry, which will inform the OGA's future benchmarking and Energy Plans. The overall picture is promising, with a good response from all companies to the OGA's call to action and some very good practice by some companies in areas such as methane and flaring and venting.

The OGA is collaborating closely with BEIS on CCS and will publish its phase two Energy Integration Project report in the summer.

### **7. Inclusion and diversity report**

The Director of Supply Chain, Decommissioning and HR presented the OGA's first Inclusion Report, which outlines the work the OGA has done internally and sets expectations for future industry action, drawing on examples of activity underway, which can broaden the range of talent the industry attracts and retains.

The Board endorsed the report and looked forward to its publication in the Spring.

## **8. CFO report**

The CFO updated the Board on the current financial position, with all but a small amount of levy income now collected.

Variances in programme expenditure are primarily due to work on phase two of the Energy Integration Project and on the Data Warehouse.

The team is currently projecting an underspend for the year, which it plans to return levy payers.

*Due to technical problems, Helena Charlton joined the meeting by teleconference only for items 9, 10 and 11.*

## **9. HSE presentation**

Chris Flint, Howard Harte and Jim Stancliffe presented a comprehensive overview of the HSE's regulatory framework, its remit and its current priorities.

The team outlined the HSE's Major Hazard Regulatory Model, which requires regulatory and specialist inspectors to reach agreement and collaborate effectively to reduce risk as far as possible. Where there is potential for major accidents, operators must present a Safety Case to the HSE to demonstrate that they are capable of managing the major accident hazards associated with a process.

The HSE promotes an industry culture of sharing and learning from incidents, with its HCR (hydrocarbon release) Prevention Plan and in collaboration with OGUK's Step Change in Safety work.

The OGA is cooperating increasingly closely with the HSE and OPRED and will, whilst mindful of our respective regulatory roles, explore opportunities to build synergies and to collaborate closely on hydrogen and CCS policy.

## **10. Shareholder update**

Helena Charlton updated the Board on the government's response to the Covid-19 crisis, with many BEIS staff being deployed to support companies and sectors. The Shareholder Representative is playing a major role in directing this work. BEIS is working very closely with the OGA on UKCS resilience.

## **11. MER UK Strategy review**

The Director of Strategy and the Head of Onshore Policy introduced the revised OGA Strategy and the consultation document. Directors thanked the team for their extensive work on this important review and for a very polished set of papers.



The Board discussed the package at length and agreed that the consultation document would benefit from some additional context, particularly setting out the significance of the revised Strategy for the industry.

On the Strategy itself, the Board agreed its preferred wording for the Central Obligation, supported the proposed approach to corporate governance and agreed the OGA's approach to its role in flaring and venting, CCS and hydrogen.

On timing, the Board was very clear that the consultation should not be delayed but that, given the very difficult circumstances, the length of the consultation should be longer than originally planned.

The Board asked to see the final version in correspondence before the consultation was launched.

## **12. Annual Board evaluation and future programme**

Directors discussed the outcome of the Board evaluation and agree that debate at meetings is of good quality. Directors like the focus on strategy and external contributions, including during dinner discussions.

All Directors thought the Board was given sufficient - and high quality - information to take sound decisions, and could request additional information if necessary. Non-Executive Directors felt that on occasion they were not fully aware of emerging issues between Board meetings.

The Board agreed to schedule a stakeholder visit in late 2020 and a corporate governance refresher session in the autumn. The Chairman and Chief Executive will ensure that the Board is kept informed of emerging issues between meetings.

## **13. AOB**

The Board agreed an amendment to the OGA policy on former staff accepting outside appointments.

The Board agreed the Company Secretary's proposal to increase - as contingency during the Covid-19 disruption - the number of Power of Attorneys.

The Board agreed a change to the terms of reference of the Audit and Risk Committee.

There was no other business.



Oil & Gas  
Authority

Company number: 09666504

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Chairman

*20<sup>th</sup> May 2020*

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Date