



**Minutes of OGA Board meeting on 23 November 2017
Wynyard Business Park, Billingham, Teesside**

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	Scott Robertson (agenda items 1-5) Central North Sea Area Manager
Frances Morris-Jones Non-executive Director	
Rebecca Vallance Shareholder Representative Director	
Andy Samuel Chief Executive	
Nic Granger Chief Financial Officer	

1. Welcome and introductions

The Chairman welcomed board members and guests to the meeting. Directors agreed that their visits, the previous day, to the Central Area Transmission System and Able UK, and last night's stakeholder dinner, had been very instructive and had prompted some excellent conversations which were promising for Area Plans.

2. Minutes and matters arising

The board approved the minutes of the October meeting for signature. Progress of outstanding actions was noted and the board secretary reminded directors to prepare their questionnaires in advance of their board evaluation interviews.

3. 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.

4. Shareholder report

The Shareholder Representative indicated that the BEIS Industrial Strategy was close to being published and was expected to include some sector deals. She cautioned that pressures on Parliamentary time could have an impact on upcoming OGA regulations.

The MER UK Forum will be held in Aberdeen in early February 2018.

Interviews for the OGA Chairman's successor are expected to take place in December.

5. Central Graben Area Plan update

The Central North Sea (CNS) Area Manager updated the board on progress in developing the Central Graben Area Plan. The plan aims to extend the life of key infrastructure hubs by



sanctioning developments and exploration in a targeted area of the CNS: a targeted approach being seen as the most realistic way to exploit synergies between assets in the region. The OGA is working with licensees to develop clear goals for the Area Plan, which is divided into three sub-areas: Eastern Graben, Fulmar and J-Ridge.

The CNS Area Manager made clear that that his area planning work was clearly distinct from his asset stewardship activities.

The board thanked him for his clear presentation of the Central Graben Area Plan objectives and the overall CNS context.

6. Draft 2018-19 budget and finance report

2018-19 budget

The CFO presented the draft 2018-19 budget, prepared based on the budget strategy approved by the board in October. The budget is in line with the activities of the Corporate and Activity Plans, with the exception of the recently announced HM Treasury programme funding of £5m. The budget shows the levy at the same level as 2017-18, plus an additional £925k for National Data Repository (per ongoing consultation) and assumes a continued £3m from BEIS.

Following discussion of several points, the board approved the draft budget - subject to one or two clarifications. Once amended accordingly, the CFO will submit the draft budget to BEIS by the end of November.

Finance report

The CFO updated the board on the OGA's current financial position.

7. Chief Executive report

The Chief Executive was pleased to report the continued good rate of deal activity and welcomed the recent tax reforms announced by the Chancellor. He hopes that the introduction of transferable tax histories from November 2018 will generate further movement of the right assets to the right hands.

He noted that there was discomfort in some quarters about the forthcoming consultation on the definition of a 'satisfactory expected commercial return' but expects industry to respond constructively to the consultation document.

The board endorsed the Chief Executive's proposal to publish summary details of board members' travel and subsistence costs, backdated to 1 October 2016.

The leadership team has received the results of the first OGA staff survey and was pleased with the overall scores against key 'great place to work' metrics. There were clear and consistent messages on things which are going well as well as areas for improvement or greater clarity. The results will be shared with the whole organisation shortly.

8. SoS Direction

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



Oil & Gas
Authority

Company number: 09666504

9. Future meetings

The board returns to Aberdeen in December, when the meeting will be observed by an external board effectiveness evaluator. There is no meeting in January 2018.

There was no other business.

Chairman

Date

