

SCOTTISH ENVIRONMENT PROTECTION AGENCY

AGENCY BOARD MEETING

The one hundred and twenty-ninth Agency Board meeting took place at 12.45pm on Tuesday 29 April 2014 in Board Room, Angus Smith Building, Eurocentral, Lanarkshire

Present:

James Curran
Richard Dixon
Bob Downes (Chair)
Michelle Francis
Keith Nicholson

Jackie Hyland
Nick Martin
Trisha McAuley
Bill McKelvey
Lesley Sawers

In Attendance:

Donna Brodie	Corporate Officer
Paula Charleston	Head of Environmental Strategy (items 1 to 6)
Simon Haston	Programme and Change Manager, Improvement Service (item 1)
Calum MacDonald	Executive Director
Colin Mair	Chief Executive, Improvement Service (item 1)
Fiona Martin	Chief Officer, Resources
Allan Reid	Clerk to the Board
Mark Wells	Head of Strategic Communications
Martin Valenti	Climate Change and Business Engagement Manager (item 14)

The following items were considered in private session.

1. **Shared Scientific Services (SEPA 17/14)**
2. **Update on SEPA's Regulatory Charging Scheme (SEPA 07/14)**
3. **A Vision for SEPA and Scotland's Future Environment (SEPA 13/14)**
4. **Update on Employment Issues**
5. **Update on Pay Remit for Board Members**

The following items were considered in public session

6. **Chairman's Opening Remarks**

Bob Downes welcomed everyone to the meeting and made no further opening remarks.

7. **Apologies for Absence**

Apologies for absence were received from David Sigsworth. In his absence, Bob Downes chaired the meeting.

8. **Order of Business**

The order of business was confirmed as advertised on the agenda.

9. **Declarations of Interest**

Jackie Hyland advised that she is chairing a Legionnaire's Review Group and is representing the

National Health Service on a number of groups in which SEPA may have an interest. She specifically declared an interest in Dalgety Bay (item 2.9.3 of the Chief Executive's report) in relation to her public health role. It was noted that these declarations will be outstanding throughout the term of appointment of the board member involved.

Lesley Sawers advised that she was involved in Scottish Cities Alliance and that this will be outstanding for the length of her appointment.

Richard Dixon highlighted his interest in air quality in relation to his role at Friends of the Earth Scotland and specifically declared an interest in Dart Energy (item 2.7.1 of the Chief Executive's report).

10. Approval of minutes of meeting held 11 February 2014.

The minutes of the meeting held on 11 February 2014 were **approved** as an accurate record of that meeting.

11. Matters Arising

Allan Reid confirmed that training on whistleblowing (paragraph 13) will be held on 24 June 2014 following the scheduled Board Strategy meeting.

Allan Reid advised that a meeting of the pensions subgroup of the Board (paragraph 13) would take place on 27 May 2014 and that a report would be provided to the Agency Board in July 2014.

David Pirie reported that the flood risk management process (paragraph 15) was progressing on track and that the deadline of December 2015 would be met.

12. Chairman's Report (SEPA 11/14)

Bob Downes introduced the report and advised that any questions that could not be addressed at the meeting would be handled by David Sigsworth via correspondence. He highlighted his meeting with Brian Pack regarding the ENFOR review and advised that additional strategic meetings have been set up with SEPA, taking place next week (paragraph 1.5).

The Board noted the report.

13. Management Report

13.1 Chief Executive's Report (SEPA 12/14)

In introducing his report, James Curran drew attention to the length of the report and reminded board members of its further usage in updating staff.

He reported that decanting from Erskine Court had begun, that this would continue until 9 June 2014 and that fit out of Strathallan House would take place in parallel. He advised that during this time Agency Management Team meetings and one to one meetings between the Chairman and the Chief Executive would take place at the Angus Smith Building.

He highlighted that work was being undertaken by SEPA and Scottish Government to clarify crisis management and communications mechanisms following the recent Vulcan incident and that an update would be provided to the Agency Board in July (item 2.9.1).

Action: James Curran

He reported that the Urban Waste Water Treatment Directive (UWWTD) had been flagged as a corporate risk due to historical monitoring and that further reports will be provided via the quarterly performance report.

Potential confusion around air quality (para 1.2) was highlighted and it was agreed that Calum MacDonald would provide clarity on the roles and responsibilities of the groups involved.

Calum MacDonald provided a further update on Clann Waste Management Ltd (para 2.1.3) and advised that the Agency Management Team was monitoring the issue and that solutions were being pursued.

The Board noted the report.

14. Strategic Partnerships and Stakeholder Engagement Framework (SEPA 14/14)

Allan Reid introduced the agenda item and highlighted the key benefits of good partnership working as well as providing some examples of successful engagement and partnerships. Martin Valenti spoke to the paper, outlining the purpose of the framework and the proposed implementation plan.

The Board welcomed the framework and commended the work already done in partnerships, highlighting recent efforts on the Malawi project to address climate challenge issues. It requested that further consideration be given to engagement with academia, disadvantaged communities and communities in general.

The Board approved the framework proposal.

15. Approach to Risk Management (SEPA 15/14)

David Pirie reminded board members of the presentation and discussions held at the Board Strategy meeting in March 2014, whereby approval was given to the revised approach to risk management.

The Board noted its approval of the approach to risk management.

16. Audit Committee Membership (SEPA 16/14)

Allan Reid advised that the issue had been handled by correspondence and that homologation of the revised membership of the Audit Committee and the Committee's Terms of Reference was required,

The Board noted the membership of the Audit Committee, as approved via correspondence, and approved the revised terms of reference.

17. Board Work Programme

17.1 Report on Board seminar 29 April 2014

Bob Downes noted that, at a seminar that morning, the Board received presentations on SEPA's regulatory charging scheme and external engagement/MSP survey. The Board **noted** the following key elements of the regulatory charging scheme:

- The three factors of activity, emissions and compliance
- The critical nature of modelling work and the potential challenges
- The linkages with financial assumptions and forecasting
- The challenges of delay, cost and adverse reaction of stakeholders
- The need to engage with public health
- The importance of information to customers
- The concerns raised regarding the risks and complexity of 'moving parts', including the response from major companies and individuals sectors, logistics of delivery within agreed timescales and maintaining effective engagement.
- The need for a 'map' of key milestones and knowledge sharing dates – to be submitted to

the Board on 27 May 2014.

- The nomination of two board buddies – Keith Nicholson and Bill McKelvey.

Action: Jo Green

17.2 Board Engagement

Trisha McAuley provided a brief overview of the Post 2015 conference.

Michelle Francis highlighted the success of the Scottish Sustainability Leaders Forum held on 27 March 2014 and chaired by Martin Valenti.

18. Board Committee Reports

18.1 Audit Committee Chairman's report and draft minute of Audit Committee held on 18 March 2014

Bob Downes thanked Trisha McAuley and Nick Martin for joining the Audit Committee and summarised the discussions held at the Audit Committee held on 18 March 2014. In particular, he highlighted discussions concerning training and development, charging scheme and the tendering process for the internal audit service.

The Board noted the report.

19. Action Note

Allan Reid advised that a formal response to the outstanding action, relating to pensions, would be referred to the Board in July 2014.

The Board **noted** the closed actions.

20. Any Other Business

Allan Reid informed the Board of the 'Women on Board' initiative being run by the Scottish Government and advised that the Chairman had been asked to mentor an individual and that this would involve observation of board meetings. The Board supported the proposal.

21. Date and Time of next meeting

The next meeting will be held on 27 May 2014 at 1.00pm in Glasgow.