

# SCOTTISH ENVIRONMENT PROTECTION AGENCY

## AGENCY BOARD MEETING

The one hundred and thirty-sixth meeting Agency Board meeting took place at 1.00pm on Tuesday 28 April 2015 in Board Room, Angus Smith Building, Eurocentral, Lanarkshire

### Present:

Terry A'Hearn  
Richard Dixon  
Bob Downes  
Michelle Francis  
Jackie Hyland  
Nick Martin

Trisha McAuley  
Bill McKelvey  
Keith Nicholson  
Lesley Sawers  
David Sigsworth (Chair)

### In Attendance:

Donna Brodie	Corporate Officer
Kieron Gallagher	Head of Business Development
Jo Green	Head of Change Delivery (item 15)
Calum MacDonald	Executive Director
Martin Marsden	Head OF Environmental Quality, Change Programme (item 15)
Fiona Martin	Chief Officer, Resources
Stuart McGregor	Chief Officer, Finance
Campbell McLundie	Partner, Scott Moncrieff (item 15)
Allan Reid	Clerk to the Board
Mark Wells	Head of Strategic Communication
Willie Wilson	Manager, National Operations (item 14)

### 1. Chairman's opening remarks

The Chairman welcomed everyone to the meeting and noted that no members of the public were in attendance. He formally welcomed Terry A'Hearn, SEPA's new Chief Executive, to his first meeting of the Agency Board.

The Clerk to the Board paid tribute to Dick Balharry, a former regional board member who sadly passed away recently.

### 2. Apologies for absence

There were no apologies for absence. It was noted that Liz Mallinson, Board Observer, was not in attendance and that David Pirie, Executive Director, was being represented by Kieron Gallagher.

### 3. Order of business

The order of business was confirmed as advertised on the agenda with the exception of an additional item taken in private session.

### 4. Declarations of interest

Richard Dixon declared an interest in items 3.3.5 (air quality) and 2.2.1 (unconventional gas) of the Chief Executive's report (SEPA 13/15) given the active role of Friends of the Earth Scotland in these areas.

## **5. Approval of minutes of meeting of 24 February 2015**

The minutes of the meeting held on 24 February 2015 were **approved** without amendments as an accurate record of that meeting.

## **6. Matters arising**

The Chairman confirmed that thanks had been passed to the teams involved in the charging scheme and flood risk management (item 10.1) and that the presentation of risks will be included in the next financial management report (item 10.3). He also reported that the briefing for the charging scheme (item 2) would be discussed as part of agenda item 15.

In response to a question, it was agreed that the Clerk to the Board would explore the status of the crisis management protocol (item 8) with the Scottish Government.

**Action: Clerk to the Board**

It was also agreed that an update would be provided with regard to progress made on the greenhouse gas emissions target (item 15).

**Action: Clerk to the Board**

It was reported that the Landfill Tax (item 14) was progressing well, given the formal start date of 1 April 2015 and that humidity issues were being addressed in ASB and Inverdee House, with an anticipated completion date of the end of May 2015.

## **7. Chairman's Report (SEPA 11/15)**

The Chairman introduced his report and drew the Board's attention to a number of matters including meetings held with the Lord Advocate (item 2.2) and the Scotch Whisky Association (item 3.3) and his visit to Rosyth Royal Dockyard Ltd. He also provided a verbal update on his meeting with the Chief Executive of Keep Scotland Beautiful.

In response to question, it was noted that SEPA was already engaged in the Ofgem Sustainable Development Advisory Group through liaison with the Chairman and that the developments in relation to emerging markets and non-traditional business models would form part of the Agency's horizon scanning.

**Action: David Pirie (Kieron Gallagher)**

**The Board noted the report.**

## **8. Management Report**

### **8.1 Chief Executive's Report (SEPA 13/15)**

The Chief Executive introduced this agenda item and highlighted that the report had been partly written by James Curran. He drew the Board's attention to the European State of Environment Report (SOER) (item 3.2.2) and provided a verbal update on his recent visit to Riga for the EPA Network. He also highlighted the excellent layout of SEPA's Strathallan House, Stirling (item 4.3.1) in terms of holding informal discussions and engaging with staff.

The Board sought further information of a number of issues including Dounreay (item 2.2.2), Dalgety Bay (item 2.2.5), planning advice and engagement (item 1.2) and provision of expert advice (item 3.3.1).

In response, it was agreed that a detailed paper would be provided in respect of activities at Dounreay and that the Executive Team would follow up on concerns relating to flooding

advice provided as part of the planning process.

**Action: Calum MacDonald**

The Board also highlighted a previous workshop held on the serious impact of weather on the environment and asked that a fact sheet be provided for quick and easy reference.

**Action: Clerk to the Board**

As an addition to the report, the Board was informed that, at the recent Scottish Public Finance Awards held by the Chartered Institute of Public Finance and Accountancy, the Devolved Taxes Legislation Team won the Group of the Year and that this team had included a seconded member of staff from SEPA. The Board congratulated Revenue Scotland and commended SEPA's contribution.

**The Board noted the report.**

## **9. Board Work Programme**

### **9.1 Report on Board seminar 28 April 2015**

The Chairman noted that the Board, in a session that morning, had received presentations on environmental waste crime from Willie Wilson, SEPA Manager and John Cuddihy, Police Scotland as well as discussions with Bridget Campbell, Director of Environment and Forestry.

### **9.2 Board Member Engagement Activity**

Richard Dixon reported on his attendance at the Road to Paris event held as part of the Science Festival.

Keith Nicholson highlighted his attendance at a meeting of the Edinburgh Tax Network and the high level of interest in the landfill tax with the potential for further interaction, including planned discussions with the Welsh Government.

Bob Downes and Michelle Francis reported on the Mackay Hannah conference 'the changing Role of Regulation and Scrutiny in Scotland', held on 23 March 2015 and sponsored by SEPA.

Lesley Sawers advised that the Womenomics Review had been published and that it is currently awaiting UK and Scottish Government response.

## **10. Board Committee Reports - Audit Committee – 17 March 2015**

Bob Downes summarised some key issues discussed at the last meeting of the Committee, including a recent fraud investigation, the introduction of Scott Moncrieff (SEPA's new internal auditors), the follow up report in terms of staff resourcing shortfall from staff absence and the office review close down report.

The Board discussed the dissemination of information around the consequences of fraud and staff awareness of processes involved. In response, the Executive Team confirmed that there is high staff awareness of the Code of Conduct via the appointment and induction processes and that the management response to the office review audit would also clearly set out responsibilities, accountabilities and communications. It was noted that consideration should also be given to reviewing early warning indicators and setting out lessons learned.

**The Board noted the report.**

**11. Action Note**

**The Board noted the action note.**

**12. Any Other Business**

The Chairman advised that an additional item of business would be taken in private session.

**13. Date and Time of next meeting**

The next meeting will be held on 26 May 2015. The Clerk to the Board advised that a visit to SEPA's Sir John Murray vessel and a presentation concerning SEPA's Digital Strategy is planned for the day.

The Clerk to the Board also reminded Board Members of the development event taking place on Wednesday 29 April 2015 in SEPA's Strathallan Office, Stirling.

**The following items were considered by the Board members and Officers in private session**

**14. Covert Human Intelligence Sources**

**15. Regulatory Charging Scheme – External Audit (SEPA 12/15)**

**The Board considered the output of the review and approved the publication of the review as part of the charging scheme consultation.**

**16. Chief Executive's Overview**

**The Board welcomed his comments and offered help and support where needed.**