The one hundred and forty-eighth meeting of the Agency Board took place at 2.30pm on Tuesday 25 April 2017 in the Board Room, Angus Smith Building, Eurocentral, Lanarkshire.

Present:

Terry A'Hearn  Richard Dixon
Bob Downes (Chair)  Nick Martin
Jackie Hyland  Bill McKelvey
Martin Hill  Keith Nicholson
Michelle Francis  Lesley Sawers
Franceska van Dijk

In Attendance:

Ian Buchanan  Head of Regulatory Services (agenda item 2)
John Burns  Charging Scheme Manager (agenda item 4)
Bridget Campbell  Director for Environment and Forestry (agenda item 1)
Catherine Cunningham  Executive Support Manager
Jean Fyfe  Board Observer
Jo Green  Chief Officer Performance and Innovation
Calum MacDonald  Executive Director Regulatory Services
Fiona Martin  Chief Officer People and Property
Stuart McGregor  Chief Officer Finance
Jennifer McWhirter  Clerk to the Board
Roisin Murray-Williams  Scientist (AMT Shadower)
David Pirie  Executive Director Evidence and Flooding
Siobhan Riddell  Administration Officer (AMT shadower)

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

1  Board Session with Bridget Campbell, Director for Environment and Forestry

The Chairman welcomed Bridget Campbell to the meeting.

2  Progress with Enforcement Undertakings

The Board noted the update.

3  General SEPA Positioning

The Board noted the update.

4  Environmental Regulation (Scotland) Charging Scheme 2018 (SEPA 13/17)

The Board noted the report.

The following items were considered in public session

5  Chairman’s opening remarks

The Chairman opened the meeting and thanked Jean Fyfe for her time spent as a Board Observer. He advised that a new Board Observer, Sonia Oladoyin would be attending the Agency Board on the 30 May 2017.
Jean Fyfe confirmed that she had learnt a lot from her year as a Board Observer and that she thought that the SEPA Board agendas were fascinating. She advised that in her opinion the Board was a good place for challenge and debate and that she felt able to express her opinions freely and have constructive conversations. Jean Fyfe expressed her hope that the young shadowers attending the meetings gain a good insight to the importance of the Board work.

The Chairman welcomed Siobhan Riddell and Roisin Murray-Williams to the meeting as part of the AMT shadowing programme.

He confirmed that no members of the public were in attendance.

6 Apologies for absence

There were no apologies for absence.

7 Order of Business

The order of business was confirmed as advertised on the agenda. One item of AOB was raised by Fran van Dijk.

8 Declarations of Interest

Jackie Hyland declared an interest in agenda item 4 (Environmental Regulation (Scotland) Charging Scheme 2018) in respect of a personal connection within the timber sector.

Richard Dixon and Jackie Hyland both declared interests in the Air Quality Board Seminar Session. Richard Dixon declared an interest due to his position as Director of Friends of the Earth Scotland. Jackie Hyland declared an interest due to her NHS position and in relation to her undertaking of a postgraduate Doctorate in Medicine (Pollution and Health) at the University of St. Andrews.

No other declarations were made.

9 Approval of minutes of meeting of 21 February 2017

The minutes of the meeting held on 21 February 2017 were approved as an accurate record of that meeting.

The Board thanked CENSIS for the use of their board room.

10 Matters arising

The Clerk to the Board provided the following updates on the actions arising from the minutes of 21 February 2017:

Calum MacDonald advised that he will check suitable dates for a site visit with Viridor and if a visit is no longer viable he will explore other options and present these to the Board at the next meeting (Action 450/Item 6).

The Clerk to the Board confirmed that a workshop on carbon is being held on 9 May 2017 and that a similar workshop is being arranged for waste tyres. The Board were asked to advise the Clerk to the Board if they would like to attend the waste tyres workshop (Action 451/Item 7).

The Clerk to the Board advised that the Brexit note was circulated to the Board by email on 22 February 2017 and confirmed that a session on Brexit has been arranged for the Agency Board meeting on 30 May 2017. She proposed that this action was closed and the Board agreed that Board Buddies should continue to be actively involved in this area of work (Action
The Clerk to the Board confirmed that a session on Enforcement Undertakings had been held in the private session and proposed that this action be closed (Action 453/Item 8.1).

The Clerk to the Board advised that opportunities for communication and media promotion are being built into the work on specific demonstration sites and that NFUS is planning an article in its magazine. She confirmed that SEPA is also organising six workshops with the farming community to talk about river management and proposed that this action be closed (Action 454/Item 8.1).

Calum MacDonald advised that the Contact Centre Manager is reviewing the work of the team and that a new measure will be created once this is complete. Calum confirmed that he will keep the Board advised (Action 455/Item 8.3).

The Clerk to the Board advised that non-compliance will be reported in future performance reports in the context of the total number of permits used and gave the background context to the recent example. She proposed that this action be closed (Action 456/Item 8.3).

The Clerk to the Board confirmed that an overarching organisational structure diagram had been circulated to the Board on 4 April 2017 and advised that a live link is available which provides more detail; the Board were asked to email the Clerk to the Board if they would like more information on this and it was proposed that this action be closed (Action 457/Item 10).

The Clerk to the Board provided a verbal update and confirmed that Anne Anderson will be asked to attend the Agency Board meeting on 30 May 2017 to provide a further update (Action 458/Item 11.1).

Action: Clerk to the Board

The Clerk to the Board confirmed that the FAQs (Action 459/Item 17) and information in respect of increases (Action 460/Item 17) were both presented in Appendix 1 of the Environmental Regulation Scotland Charging Scheme review paper (STRAT 01/17) at the Strategy Board meeting on 21 March 2017 and proposed that both actions be closed.

11 Chairman’s Report – verbal update

The Chairman provided a verbal update.

He highlighted his visit to the Sir John Murray with Fran van Dijk on 15 March 2017 and drew attention to the discussions he had with the crew focusing on the improvements to the Clyde in recent years. He noted that the crew worked well together and were very efficient.

The Chairman confirmed that he had visited the laboratories in the Angus Smith Building on 23 March 2017 and advised that it would be useful for a Board visit to be arranged for a future meeting.

Action: Clerk to the Board

He advised that a workshop is being arranged on waste tyres and that the date will be communicated to the Board.

The Chairman drew the Board’s attention to his visit to VIBES winner Veracity UK Ltd at Prestwick International Aerospace Park on 22 March 2017 and highlighted that the business produces dry storage devices for CCTV with no mechanical parts.

The Chairman advised that he and the Chief Executive had attended a meeting with Andrew McCormick (NFUS President) and Scott Walker (NFUS CEO) and confirmed that several issues had been discussed.
He confirmed that he had met with Lloyd Austin, Convener, Governance Group, Scottish Environment LINK and advised that future meetings would be planned in which Board members can become actively involved.

In concluding his verbal report, the Chairman advised that the SEPA Graduate Trainee recruitment event on 24 April 2017 had gone well and that over 600 applications had been received.

**The Board noted the report.**

12 Management Report

12.1 Chief Executive’s Report (SEPA 13/17)

The Chief Executive introduced his report and took the opportunity to highlight that this is an exciting time and that the next few months are critical for delivery.

He advised the Board that the Staff Ideas Groups are working well and that they take a very optimistic approach and provide positive recommendations. In response to a question he confirmed that a Staff Ideas Group session has been planned for the Board Seminar on 30 May 2017.

The Board congratulated the Flexible Scope of accreditation for ISO 17025 (item 4.1.3), the Rapid Departures interactive play (item 1.1.5) and the ENDS nominations (items 3.1.1 and 3.1.2) and asked that progress on variable and fixed monetary penalties be presented at the May or June meeting.

**Action: Calum MacDonald**

The Board agreed that Sustainable Growth Agreements should be a separate category in the report and that regular updates should be provided.

**Action: Jo Green**

**The Board noted the report.**

13 Sustainable Growth Agreement’s

The Chief Executive provided a verbal update and confirmed that the next Sustainable Growth Agreement is being developed with Venture Trust.

He advised that this incorporates the social aspect of SEPA’s Statutory Purpose and that the Sustainable Growth Agreement will provide benefits for both Venture Trust and SEPA, including a key benefit of helping the people that Venture Trust help.

He confirmed that discussions are underway in relation to the next Sustainable Growth Agreements but that only a small number will be developed in the first year as the major focus is on Sector work.

**The Board noted the update.**

14 Board Work Programme

14.1 Report on Board Seminar 25 April – Verbal Update

The Clerk to the Board confirmed that the Agency Board in a session that morning had received a presentation on the Stirling City Deal and a briefing on Air Quality in relation to the potential development of SEPA’s role.
She advised that the Stirling City Deal session had covered the vision, key elements of the Stirling pilot and detail about the leadership group and that discussion points had arisen seeking the Board’s view on the pilot, other city deals and Board involvement in the work.

Fran van Dijk agreed to be involved in this work. The Board agreed that the Agency Management Team would discuss the future scope in terms of resource deployment, the types of resource required and SEPA’s role in the city deals and that the outcome of these discussions should be presented to the Board.

**Action: Chief Executive**

With regard to the Air Quality session, the Clerk to the Board reported that the briefing had covered the regulatory work, evidence and flooding work, the Clearer Air for Scotland Strategy and the communications work undertaken by SEPA.

The Board agreed that the introduction provided by Calum MacDonald should be circulated by email.

**Action: Clerk to the Board**

Following discussion the Board agreed that the Agency Management Team should consider SEPA’s role in respect of Communications.

The Board noted the update.

### 14.2 Board Member Engagement Activity

Lesley Sawers advised that she had attended the Strathclyde University annual dinner on 19 April 2017 and highlighted that Dave Wilson, Executive Director of the Policy Unit is interested in working with SEPA.

Keith Nicholson confirmed that he had been invited to join the National Cyber Resilience Leaders Board. This Board is a mix of public and private sector. He advised that discussion in respect of contractor and supplier standards may affect procurement strategies but that no decision had been made yet.

Fran van Dijk advised that she had attended the Scotland Can Do conference in her own capacity and confirmed that a presentation held by Alex Holt from Symtec had been well received.

### 14.3 Board Buddy Register

The Board agreed that the Board Buddy Register is out of date and should be reviewed in respect of priorities and board engagement, with a process to ensure immediate contact takes place with Board Buddies.

**Action: Clerk to the Board**

### 15 Board Committee Reports

#### 15.1 Audit Committee – draft minute of meeting held on 21 March 2017

Lesley Sawers presented the draft minutes of the Audit Committee Meeting held on 21 March 2017.

She advised that private sessions were held with both the Audit Committee in relation to the internal audit tender and the external auditor Grant Thornton. She also confirmed that a further update would be given to the Board in respect of the internal audit tender on 30 May 2017.

**Action: Clerk to the Board**
Lesley Sawers drew the Board’s attention to the Internal Audit Progress Report 2016/2017 reporting that 7 of the 9 audit are now complete and confirmed that three internal audit reports were considered and noted for Strategic Planning, Penetration Testing and Charging Scheme.

She thanked Keith Nicolson for his work on the Penetration Testing audit and advised that there was an action for a Security Management Plan to be produced arising from this audit.

**The Board noted the update.**

**16 Action Note**

The Clerk to the Board provided an update on the action note and drew attention to:

Action 446 (Item16), she confirmed that work will continue with the Communications Board Buddies, in progressing work against the communication actions and timescales agreed by the Audit Committee.

The Clerk to the Board advised that an update on waste crime questionnaire results would be presented to the Board at the Agency Board meeting on 30 May (Action 447/Item 8.2) and that work was ongoing in relation to the report on Pensions (Action 449/Item 17).

She confirmed that the following actions are closed: 439 (incorporated into Action 450), 452, 453, 454, 456, 457, 459 and 460.

**17 Any Other Business**

**17.1 Questions on Board Papers**

The Board discussed the need for clarification on the request for questions when Board papers are issued highlighted that by raising questions out-with the meeting, other Board members may miss important information.

The Board **agreed** that only points of clarification would be covered out-with the meeting, and confirmed that substantive questions should be raised at the relevant meeting.

**17.2 Charity Event**

The Chief Executive advised that he is attending a forthcoming charity event, where Barack Obama will be in attendance, with the CEO of Venture Trust. He confirmed that staff nominations of a hundred words had been requested for the remaining four SEPA staff places and four partner organisation places and that staff attending would be asked to report back on their learning from the event.

**17.3 Commercial Services**

The Chief Executive updated the Board in respect of Commercial Services and recent activity.

**18 Date and time of next meeting**

The next meeting will be held on 30 May 2017 at 1pm.