



Agency Board Meeting 18 February 2020

Board Report Number: SEPA 05/20

Official Documents and Procedures

Summary:	<p>In 2010, the Agency Board established an annual review of all official documents and procedures that come to the Board for review/or approval on a regular basis.</p> <p>The purpose of the annual review is to ease the process of governance through the Board seeing all documents at one meeting, rather than at individual meetings.</p> <p>This report provides the Board with an update on official documents and procedures and seeks approval where necessary.</p>
Risks:	<p>This report intends to mitigate any risk of governance by the Board being undermined or challenged, by keeping all official documents and procedures up to date.</p>
Resource and Staffing Implications:	N/A
Equalities:	Will be considered in respect of individual documents and procedures
Environmental and Carbon Impact:	N/A
Purpose and audience of the report:	For noting Scottish Government, Public and Agency Board
Report Author:	Jennifer McWhirter, Clerk to the Board
Appendices:	None

Official documents and procedures

1. Introduction

- 1.1 To ease the process of governance, the Agency Board established an annual review of all official documents and procedures formerly approved by the Board on an irregular basis. This report provides the review for 2020 including updates in relation to the proposals agreed following the review undertaken in 2019. An indication of the status of each document is given, together with the details of any review, if necessary.
- 1.2 The report presents a list of all pertinent official documents and procedures together with an explanation of the purpose and current status of each document. Some of the documents are formal and, indeed statutory in nature and others have been developed following a request from the Board or Chair.

2. Official documents and procedures

- 2.1 Framework Document – this document sets out the broad framework within which SEPA will operate and defines key roles and responsibilities which underpin the relationship between SEPA and the Scottish Government. The document will be reviewed and updated, as necessary, and at least every 2-3 years. The Framework Document was approved in December 2014. The need for this document to be reviewed has been raised with the Sponsorship Hub and an initial meeting took place in February 2019. A further meeting is being arranged.
- 2.2 Standing Orders – the purpose of the Standing Orders is to provide rules for the way in which the Board should operate. Following the review in 2016 the Standing Orders were revised and approved by the Agency Board on 24 May 2016. At this time no review is proposed.
- 2.3 Code of Conduct - the Code is a requirement of the Standards Commission of Scotland and sets out rules of conduct for members of the Board. SEPA's Code of Conduct, based on the model code provided by the Standards Commission, was approved in June 2014. Scottish Government's Public Bodies Unit approved SEPA's Code of Conduct on 4 July 2014 and the Code is published on SEPA's website. The Public Bodies Unit informed SEPA in January 2020 that they are in the process of undertaking a review of the current Model Code of Conduct for Board Members to allow it to be updated in certain areas. SEPA has Board Member representation on the virtual group involved in the review process to consider the proposed changes. The SEPA Code of Conduct will then be revised following this review.
- 2.4 Terms of Reference of the Audit Committee – the terms of reference of the Audit Committee were last revised and approved in February 2018. They are on the agenda for the Agency Board meeting on 18 February 2020.
- 2.5 Board members' representation of SEPA at meetings and events – this policy and procedure presents an opportunity for Board members to represent SEPA at external meetings and events, in the capacity as a speaker and/or a delegate, and was formally approved by the Board in November 2010. Following the previous agreement of the Board an overarching Board Engagement document incorporating the feedback received from the Board during 2017 will be submitted to the Agency Board for consideration and approval later this year, 2020. The process around

notifying Board members of events and conferences every quarter is also being reviewed.

- 2.6 Policy and procedure for Board members claiming expenses – the procedure was last revised in January 2015 following a desk top exercise into SEPA's application of its expenses policies and their interaction with PAYE. Board members were informed of amendments to the procedure, by email in January 2015 and provided with a copy of the updated procedure. A verbal update in relation to changes to taxable expenses for Chairs and Board members was provided on 24 September 2019, the procedure remains unchanged. Board members are reminded, however, that it is good practice to return expense claims in a timely manner.
- 2.7 Board members role and procedure in concerns raised by whistleblowing – this document outlines the role of the Board in dealing with concerns raised with the Board through the whistleblowing policy and the procedure the Board will follow where a member is designated as a “prescribed person”. It was updated in 2014, in alignment with SEPA's whistleblowing policy. Changes were proposed to the Board members designated as a “prescribed person” in September 2018. The only current Board member ‘prescribed person’ is Michelle Francis. The Audit Committee has responsibility for whistleblowing and receives an annual report of internal incidents as well as quarterly updates on the number of internal and external whistleblowing incidents as part of the Safe SEPA digest. A revised internal whistleblowing procedure as well as guidance on external whistleblowing is on the Agency Board agenda for the meeting on 18 February 2020.
- 2.8 Procedure for dealing with allegations of failure by Board members to comply with the SEPA Code of Conduct – SEPA Board members are subject to the SEPA Code of Conduct and SEPA Standing Orders in matters of conduct and discharge of their SEPA duties. This procedure outlines how allegations of misconduct or failure to carry out duties will be investigated. The Agency Board has delegated responsibility for overseeing matters of standards to the Audit Committee and the procedure was approved in June 2010. Standards are a standing agenda item at every Audit Committee meeting. Following agreement of the Board in 2016 a review has been undertaken and no changes are proposed at this time. The procedure will be monitored in line with the work being undertaken in respect of Safe SEPA and following the review of the Model Code of Conduct for Board Members. Any identified changes will thereafter be submitted to the Audit Committee for approval.
- 2.9 General Scheme of Delegation – the Scheme of Delegation to the Chief Executive (General Scheme of Delegation - incorporating matters reserved to the Board) was last revised in July 2011. SEPA's Specific Scheme of Delegation was last reviewed in 2013. Both schemes are currently under review following agreement of the Board in 2016. Following the outcome of Project 1, (arranging our regulatory work) the Regulatory Scheme of Delegation has been revised. The General and Specific Schemes of Delegation are being reviewed as part of the wider Governance framework piece of work and will be submitted to the Agency Board later in 2020.

3. Recommendations

- 3.1 The Board is invited to **note** the report.

Jennifer McWhirter
Clerk to the Board
31 January 2020