

SCOTTISH ENVIRONMENT PROTECTION AGENCY

AGENCY BOARD MEETING

The one hundred and seventy third meeting of the Agency Board took place at 1.00 pm on Tuesday 25 May 2021 via Microsoft Teams.

Present:

Terry A'Hearn
Bob Downes (Chair)
Fran van Dijk
Michelle Francis
Nicola Gordon
Martin Hill

Craig Hume
Julie Hutchison
Harpreet Kohli
Nick Martin
Philip Matthews

In Attendance:

Ian Buchanan	Chief Officer, Compliance and Beyond
Kieron Gallagher	Head of Governance
Jo Green	Chief Officer, Performance and Innovation
Martin Grey	Head of Communications & Marketing
Laura Hamilton	Personal Assistant to the Chief Executive
John Kenny	Chief Officer, Circular Economy
Fiona Martin	Chief Officer, People & Property
Stuart McGregor	Chief Officer, Finance
Jennifer McWhirter	Clerk to the Board
David Pirie	Executive Director, Evidence and Flooding
Kari Speirs	Corporate Officer
Hannah Swanson	Graduate Trainee

Safe SEPA @ Board

The Clerk to the Board advised the Board that the contract for Diligent Boards was being extended.

1 Board Discussion

The Board **agreed** that Board discussion items would take place at Strategy Board meetings or seminar sessions going forward.

2 Chair's opening remarks

The Chair welcomed everyone to the meeting and welcomed Kieron Gallagher and Martin Grey. He also welcomed Kari Speirs, Laura Hamilton and Hannah Swanson. Hannah Swanson is a graduate currently working with AMT and Board Support and the Chief Executive.

The Chair confirmed there would be a 10 minute break after item 11 and a second 10 minute break before the private session.

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

3 Apologies for absence

No apologies for absence were received.

4 Order of Business

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

5 Declarations of Interest

No declarations of interest were made.

6 Approval of the minutes of meeting held on 27 April 2021

Following minor amendment the minutes of the meeting held on 27 April 2021 were **approved** as an accurate record of the meeting.

7 Matters arising

The Clerk to the Board provided an update. She advised that:

Action 660 – The full update is provided in the action note. Proposed closed.

Action 661 – This was the topic of the Board seminar session that morning, 25 May 2021. Proposed closed.

Action 662 – This has been added to the board planner. Ongoing.

Action 663 – This has been added to the board planner. Ongoing.

8 Chair's Report

The Chair highlighted the short time since the last Agency Board meeting on 27 April 2021.

He advised that with the Chief Executive he had met Kevin Quinlan and Aidan Grisewood of Scottish Government, highlighting that updates on the cyber-attack and recovery will continue to feature in discussions. The strategic priorities for SEPA are not expected to change. Meetings are being arranged with the Cabinet Secretary and Ministers. Aidan Grisewood is attending the June Strategy Board meeting. It will probably be nearer September/October before the Cabinet Secretary and/or ministers attend but it is the clear intention.

The Chair confirmed that Board appraisals are underway and that he is continuing to meet with senior executives on a quarterly basis. The need for wider organisational engagement has come up in appraisals and will be built in going forward.

He highlighted that he had been due to meet the Deputy Chair face to face but that this had been changed to a virtual meeting in accordance with Scottish Government guidance.

The Chair listed the range of organisations he and the Chief Executive are planning to meet with, including Environment Link and COSLA and advised that Chris Stark from the Climate Change Committee is keen to attend the July 2021 Board meeting.

He highlighted the delight in seeing the Dalgety Bay update after years of work which Paul Dale has been leading since 2000 and the great triumph in getting the work started. He drew the Board's attention to the River Eden and the successful prosecution, the remarkable work being done by David Pirie and colleagues in respect of the analysis of the waste water testing, item 11 and the increased coverage of the flytipping problem.

He concluded by providing an update on Board recruitment, welcoming any guidance and direction from Board members and use of their networks and highlighted the extraordinary Audit Committee meeting on 6 May 2021, which the Chair of the Audit Committee would provide detail about under item 13.1.

Ian Buchanan advised that flytipping is a multi-agency priority project and highlighted the COP26 focus.

The Chief Executive advised that there would be a session on our own Net Zero/Regenerative strategy at the Strategy Board meeting on 29 June 2021 with a Climate Change seminar on 27 July 2021 which Chris Stark would attend. Board members should feed in topics for the session via the Regenerative SEPA Board Buddy group led by Jo Green.

The Chief Executive publically expressed his thanks to Paul Dale and Janice Milne for their contributions to the Dalgety Bay work, which will be discussed further at item 18 and to all those involved, current and former employees.

The Board noted the update.

9 Management Reports

9.1 Chief Executive's Report (SEPA 14/21)

The Chief Executive highlighted that yesterday, 24 May 2021, marked five months since the cyber-attack. It has been hard on top of the pandemic but we are proud of what we have achieved and the key choices that we have made such as building a new system to set us up for the future. He highlighted that we have tried really hard to keep staff informed with fortnightly meeting, FAQ's and weekly managers sessions. There are a range of emotions amongst staff. Updates focused on the immediate here and now including laptop progress but not on the longer term, for example the roadmap. This is where we now need to focus. By the end of June 2021 we hope that every member of staff who requested a laptop will have one and be able to use MS Teams.

The Board discussed the build back strategy and how technology can meet our strategic needs.

In response to a question about the governance in respect of the Tarbolton Landfill decision (section 2.5), what it means in terms of regulation, whether it sets a precedent and the direction of policy should this arise again, the Chief Executive advised that we had worked closely with Scottish Government and the relevant Local Authorities, that it links to the landfill sector action plan and confirmed that it is not a precedent as is a very particular situation. The Chair asked that the Audit Committee look at the governance aspects in more detail, recognising the alignment to risk R007 and potential for this to be a case study.

Action: Chair of the Audit Committee/Clerk to the Board

In response to a question on the type of Sustainable Growth Agreements (SGAs) (section 1.13), Jo Green advised that the most advanced is with Robertson's the house builder, that there is one with Construction Scotland Innovation Centre being progressed and a third with Tennents that is under development, providing some detail in respect of each. In response to a question about the supply chain focus of the Robertson's SGA, Ian Buchanan advised that SGAs help establish relationships which progress over time.

The Board commented that given the delays in other sectors previously it is good for the Board to have advanced notice around permitting, the progress with backlog and getting a flavour of the longevity of the situation. The Chief Executive advised that there will be some targets within the Annual Operating Plan coming to the Strategy Board on 29 June 2021.

In response to a question about the separating out of the Regenerative SEPA Board Buddy group from the Future of Work Board Buddy group and how this was being divided in respect to Board member involvement, Jo Green advised that originally it was one project but that environmental performance covered the whole organisation with Future of Work being a key deliverable but not the whole thing. She advised that there are four Board Buddies and that an early conversation will be had about whether there is a separation between involvement or whether individuals want to remain on both.

In response to a question in respect of Bathing Waters and whether in terms of our duties there was a narrower approach being taken due to COVID, David Pirie confirmed that we are undertaking the full work we did last year including predictions and signage etc. We are on track to deliver the full programme. In response to a question about examples of new technologies over the last year or whether it is a roll over from 2019, David Pirie advised that priority tasks included getting the labs open and the programme running and that we are looking at a wider range of bacteria in samples.

In response to a question about the sea lice tool (section 2.11), David Pirie advised that the aquaculture website is run by SEPA but there is a consortium involved. He provided detail in respect of the various roles and confirmed that we have met timescales even in challenging times. The Board commented on the four logos of the consortium and asked that an explanation of the different areas and roles and responsibilities be included on the website so that it is clear. The Board also asked that the table be clarified to explain more about the number of sea lice in the risk column.

Action: David Pirie

In response to questions in respect of access to system (section 1.1.2) and safe and compliant buildings (section 1.3), David Pirie advised that we are successfully building new systems and that staff have access to all emails. Fiona Martin advised that ASB is COVID safe, that the Aberdeen lab is accessible and described in detail the next phase of work.

The Board discussed waste crime and drones (sections 2.3 and 2.8) with Ian Buchanan providing an update, the inclusion of green recovery in VIBES and decommissioning, where John Kenny described SEPA's role.

In response to a question about pulse survey's Fiona Martin advised that these will start with a focus on where staff are at with work practices. This will be discussed in more detail with Board Buddies with a further update coming to the Board at the appropriate time.

The Board noted the report.

10 AOP and Budget preparation (SEPA 15/21)

The Chief Executive introduced the report and provided the background to it including what had been covered at the February, March and April 2021 meetings. He advised that we are largely on track in respect of the 103 projects with a further review meeting planned in June 2021 and confirmed that the Annual Operating Plan (AOP) will specify service delivery in the areas of Regulation, Flooding and Organisation and will help fast track

taking us to a phase 2 Environment Protection Agency with an example given in the area of permitting/licensing. He advised that there are challenges around the increased capital budget awarded due to our previous submissions and around revenue following the cyber-attack, describing the three elements to the approach being taken – salary spend, fixed spend re rents and the residual amount where zero based budgeting will be implemented.

The Board noted the sensible approach and discussed the need to demonstrate impact as measures and for creativity to be built into the AOP and Corporate Plan. The Chief Executive advised that a lot of work had been done before Christmas and confirmed that we will go as far as we can but will not meet those previous aspirations.

In responses to questions in respect of paragraph 3.8 around incentivising and the ability to recover quarter one overspend in the overall corporate balance, the Chief Executive gave a detailed example from the area of licensing and confirmed that there are mechanisms in place to ensure we achieve overall targets.

In response to a question about whether we have allocated time in quarter four to have a rolling programme for the next financial year so that we are able to make strategic choices, the Chief Executive explained where we had been with the workforce planning before Christmas and advised that there are areas in the organisation actively discussing the programme of work so that we have reforms for next year.

In response to a question about what the Board will see next, the Chief Executive advised that the full AOP and budget will come to the Strategy Board on 29 June 2021.

In response to a question about whether the forward look on estates is included in the programme including lease opportunities, the Chief Executive advised that this will come within the Future of Work project. Fiona Martin advised that once we get staff preferences, critical decisions have to be made, confirming that partners are also looking at their footprints. This will not form part of the paper coming to the Board in June 2021, it will be later in the year. In respect to a question about leases ending in the interim period, Fiona Martin advised that there are some minor ones around storage and two more significant around offices where we are not the leaseholder.

In response to a question about whether the People Strategy refresh will be part of the Future of Work project, Fiona Martin advised that we are building on recovery in the project with the current focus on now to 31 March 2021 with some longer term thinking.

The Chief Executive concluded that the approach would push hard on performance, have a central control of savings, build in the next financial year reform into the plan and build in strategic reforms.

The Board approved this approach to the preparation of the 2021- 22 AOP and budget.

The Board had a ten-minute break.

11 COVID waste water testing update (SEPA 16/21) PRESENTATION

David Pirie introduced the item with Peter Pollard, Graeme Cameron and Peter Singleton from SEPA and Professor Andrew Millar Chief Scientific Advisor Environment Natural Resources and Agriculture in attendance. He highlighted the updates in the CEO report to date and advised that work has been picking up in the last few weeks with reference to the media coverage.

Peter Pollard led the presentation, highlighting that the work was funded through the test and protect programme, the close UK consortium working allowing lessons to be shared, provided detail on the samples and an overview of the work being undertaken. He explained the dashboard with an example from a drainage area in Torry, Aberdeen and advised that we have recently given Public Health Scotland (PHS) access to the data on the dashboard to integrate it into the PHS dashboard which feeds into the Scottish Government weekly report that helps inform lockdown levels. He highlighted the three main uses: adding confidence to other data; helping pick up local outbreaks and; helping target local testing, with Graeme Cameron providing a detailed example. Peter Pollard concluded by detailing the next stages including screening for variants of concern in waste water.

The Board discussed the origins of this work, arising in Hong Kong following SARS in 2000. Professor Andrew Millar Chief Scientific Advisor Environment Natural Resources and Agriculture provided background on the details of the research project. He highlighted that there are only eleven dashboards in the world where data can be downloaded and that what has been achieved is amazing. He concluded by explaining an example of where future work could go in terms of moving from local sewer networks to pipelines in specific buildings in terms of sample locations.

In response to a question about the links between environmental conditions and health, David Pirie advised that this technology was used in respect of Polio highlighting the power of genetics and that it is used for disease and outbreaks but that cancer is further in the future.

In response to a question about whether if it had been available in February/March 2020 we would have seen a few days ahead of hospital transmissions, Peter Singleton confirmed that yes this had been demonstrated in a curve in Aberdeen. He advised that it had been detected in French samples of frozen sewage from December 2019.

In response to a question around timelines, Peter Singleton advised that there is funding from Scottish Government until March 2022. Peter Pollard advised that what we do will evolve with the pandemic as it has done already. The Chief Executive highlighted that unlike a lot of Environment Protection Agencies, SEPA retained two labs and invested. One Planet Prosperity requires scientific work for a variety of reasons.

The Board discussed how to build the potential around development into strategic planning, with Professor Andrew Millar commenting on the work of the four nations and EU labs.

The Chair concluded by acknowledging this as a celebration of success and asked that thanks be passed to all those involved.

The Board noted the update.

12 Board Work Programme

12.1 Report on Board Seminar 25 May 2021

The Clerk to the Board advised that the Board had received a presentation from David Harley, Head of Water and Land and Vincent Fitzsimons, Head of Hydrology on Water Management with detailed examples given.

The Board asked that regular updates on this continue to be provided and gave thanks for all the work undertaken.

The Board then discussed the Policy Context including the Cabinet Structure, ministerial appointments and remits.

12.2 Board Member Engagement Activity

No Board Engagement Activity was raised.

12.3 Board Buddy Register

The Clerk to the Board advised that Regenerative SEPA has been spilt from the Future of Work Board Buddy Project. As stated in the email sent on behalf of the Chief Executive last week meetings are in the process of being arranged.

The Board noted the update.

13 Board Committee Reports

13.1 Audit Committee – minute of extraordinary meeting held on 6 May 2021 – OFFICIAL SENSITIVE

The Board noted the update.

13.2 Change Committee Update

Michelle Francis, as Chair of the Change Committee, advised that the Change Committee is meeting on 25 June 2021 with the focus being on the update to the Change Plan activities and the link into the Annual Operating Plan from June onwards.

The Board noted the update.

14 Action Note

The Clerk to the Board provided an update on the Action Note:

Action 572: Work is underway as part of one of the 103 projects. Ongoing.

Action 587: No further action undertaken in the past months due to COVID-19 – no further update at this time. Ongoing

Action 628: This has been postponed to later in 2021. Ongoing.

Action 633: The Clerk to the Board had a meeting with Scottish Government Sponsor to discuss the Framework on Wednesday 28 April 2021. We are waiting on the final draft back from them. Ongoing.

Action 649: The COVID group meeting took place on Wednesday 28 April 2021 and an action plan is in place. Ongoing.

Action 657: This has been added to the Board planner. Ongoing.

Actions: 572, 587, 628, 633, 649, 657, 662 and 663 actions are currently ongoing.

Actions: 660 and 661 are closed.

In response to a question in respect of action 587 and its continued relevance, the Board discussed the background and the next steps. The Chair highlighted that he would review the actions with the Clerk to the Board before the next Agency Board meeting.

15 Any Other Business

No other business was raised.

16 Date and time of next meeting

The next meeting will be held on 27 July 2021 at 1.00 pm virtually.

The Board had a ten-minute break.

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

17 Finance Update - verbal

The Board noted the update.

18 Dalgety Bay Update – verbal

The Board noted the update.