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SCOTTISH ENVIRONMENT PROTECTION AGENCY

AGENCY BOARD MEETING

The one hundred and seventy sixth meeting of the Agency Board took place at 1.00pm on Tuesday 28 September 2021 via Microsoft Teams.

Present:

Terry A'Hearn	Craig Hume
Bob Downes (Chair)	Julie Hutchison
Fran van Dijk	Harpreet Kohli
Michelle Francis	Nick Martin
Nicola Gordon	Philip Matthews
Martin Hill	

In Attendance:

Lorna Bryce	Lead Manager Communications (item 17 only)
Ian Buchanan	Chief Officer, Compliance and Beyond
John Burns	Unit Manager Charging Scheme (item 20 only)
Ruth Ellis	Unit Manager (item 21 only)
Kieron Gallagher	Head of Governance
Jo Green	Chief Officer, Performance and Innovation
Martin Grey	Head of Communications and Marketing
John Kenny	Chief Officer, Circular Economy
Robbie MacDonald	Unit Manager, Resilience (item 10 only)
Fiona Mactaggart	Head of Workspaces and Environment
Stuart McGregor	Chief Officer, Finance
Jennifer McWhirter	Clerk to the Board
Roisin Murray-Williams	Senior Specialist Scientist (item 9 only)
David Pirie	Executive Director, Evidence and Flooding
Jennifer Russell	Head of Human Resources (item 18 only)
Kari Speirs	Corporate Officer
Jennifer Welsh	Head of Finance (item 17 only)

Safe SEPA @ Board

The Clerk to the Board advised the Board that there were no updates today however, highlighted that the Board should contact her if they have anything they want to share and that this will remain as a standard Board item.

1 Chair's opening remarks

The Chair welcomed everyone to the meeting and welcomed Kieron Gallagher, Martin Grey, and Fiona Mactaggart (as delegate for Fiona Martin), and Kari Speirs from the AMT and Board Support Team. The Chair confirmed that a 10-minute break had been scheduled after item 10 and also before the private session.

2 Apologies for absence

Apologies for absence were received from Fiona Martin, with Fiona Mactaggart attending as delegate.

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3 Order of Business

The order of business was as outlined on the agenda.

The Clerk to the Board provided background detail following the Strategy Board meeting on 15 December 2020 and explained that following the cyber-attack, our Scottish Government sponsor division had deferred the finalisation of the document, we initiated picking this project up again a couple of months ago and the Chief Executive has now finalised the Framework Document with Scottish Government. There have been no substantive changes to the version presented at the 15 December 2020 Strategy Board meeting, most are related to aligning the document to the up-to-date version of the Scottish Government Framework Document template.

The Board homologated the approval, of the SEPA Framework document, in principle made at the Strategy Board meeting on 15 December 2020 and approved the final version of the SEPA Framework document circulated with the Board papers for this meeting.

In response to a query about the lack of reference to the Deposit Return Scheme and there being no current reference in the Corporate Plan to the Sustainable Development Goals it was agreed that the next Corporate Plan should clearly fulfil the requirement for articulation of how SEPA contributes to Scottish Government's purpose and the sustainable goals mentioned in paragraph 28 of SEPA's Framework Document.

Action: Chief Executive/Kieron Gallagher.

In response to a query regarding the proposed change to paragraph 55 the Clerk to the Board highlighted that it was in relation to the approval of non-competitive tenders and advised that Scottish Government want to keep all arrangements the same and that SEPA will build this into its procurement processes.

The Board homologated the decision to approve the Framework document.

4 Declarations of Interest

Philip Matthews advised that he had been invited to Chair Stop Climate Chaos Scotland, the NGO network, and confirmed that he will commence in the role after COP26 and update his Register of Interest form when arrangements are finalised.

Julie Hutchison declared a connection with Fife Coast and Countryside Trust, mentioned in the Chief Executive's report 2.13.2. They are a client of her employer.

5 Approval of minutes of meeting held on 27 July 2021

The Clerk to the Board advised the Board of an amendment to item 18, requested by the Head of Finance and confirmed that with the Board's approval she will incorporate it into the final minute.

The minutes of the meeting held on 27 July 2021 were **approved** as an accurate record of the meeting, subject to minor changes identified.

6 Matters arising

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

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Action 666 (Approval of the minutes of the Agency Board meeting held on 25 May 2021)

UPDATE: A full briefing for board members will be supplied ahead of publication. Ongoing.

Action 667 Chief Executive's Report (SEPA 18/21)

UPDATE: Training material has been made available to the Clerk to the Board and has been distributed to interested Board members on Diligent Boards. Proposed closed.

Action 668 Chief Executive's Report (SEPA 18/21)

UPDATE: An IAF update is on the agenda for today, 28 September 2021, item 11. Proposed closed.

Action 669 Chief Executive's Report (SEPA 18/21)

UPDATE: Added to the board planner. IAF update on the agenda for today, 28 September 2021, item 11. IAF part of action proposed closed.

Action 670 Chief Executive's Report (SEPA 18/21)

UPDATE: Two Board buddy sessions have been held – one on Flood Risk Strategies and one on Scottish Flood Forecasting Services. The broad implications of the recent rainfall events were discussed at both these sessions. Ongoing.

Action 671 Q1 Performance Report (SEPA 20/21) UPDATE:

Added to the board planner. Ongoing.

Action 672 Calendar of meetings for 2022 (SEPA 23/21)

UPDATE: The February 2022 date has been changed, and the revised calendar has been circulated to Board members. The calendar with the revised date has now been published. Proposed closed.

Action 673 Board Buddy Register

UPDATE: The size can be increased on the excel spreadsheet but when PDF'd to go onto Diligent Board it remains small. Proposed solution is for Board members to use the zoom in button, on Diligent board as this increases the size to as large as you want. Proposed closed.

7**Chair's report**

The Chair advised that much of his time has been spent on the recruitment of new Board members. There were lots of applications and he thanked the Board for encouraging applicants through their networks. The recruitment is on schedule for formal induction before the new members join in January 2022.

The Chair and Chief Executive met with the Chartered Institute of Waste Management Chair and CEO, Colin Forshaw and Sarah Poulter on 28 July 2021 and the subjects covered included criminality and the growing problems of fly tipping and the shipment of materials. They also discussed proper supply chain waste analysis, which the Chair will follow this up with Mr Mathieson.

The Chair and Chief Executive met with the Scottish Land and Estates Chair and CEO, Mark Tennant and Sarah Jane Laing on 28 July 2021 and will be attending their conference on 29 September 2021. They discussed cashflow and asset management as part of post covid recovery, and issues regarding fly tipping.

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The Chair and Chief Executive met with the Scottish Whisky Association CEO & Head of Sustainability & Innovation, Karen Betts and Morag Garden, and Edrington CEO, Scott McCroskie on 4 August 2021. They discussed that business recovery from covid is better than expected, and what is next on sustainability and innovation.

The Chair and CEO met with the Scottish Salmon Producers Organisation Chair and CEO, Atholl Duncan and Tavish Scott on 6 September 2021, and discussed the Russell Greig's review that is underway.

The Chair advised that the SEPA Board Planning Day had taken place on 8 September 2021.

The Chair and Chief Executive met with the Scottish Water Chair and CEO, Lady Susan Rice and Douglas Millican on 13 September 2021 regarding waste water management. There will be substantive papers coming to the Board at a future date.

8 Management Reports

8.1 Chief Executive's Report (SEPA 29/21)

The Chief Executive introduced the report and drew attention to the aquaculture report highlighting that it was near completion.

He advised that John Kenny, Chief Officer for Circular Economy, has been appointed Acting Chief Executive over the last fortnight, excluding today, to allow him to reduce his hours to aid with his covid recovery. He has shared this with all staff to let them know the arrangements that are in place and to lead by example in respect of health.

He drew the Board's attention to the Mental Health Sessions held with staff on 23 September 2021 and advised that we will provide statistics from these sessions to the Board.

The Chief Executive confirmed that the Parliamentary Committee Meeting that morning of 28 September 2021 had gone well. The Chief Executive was joined by Ian Gulland, CEO from Zero Waste Scotland and Nick Halfhide, Director of Nature and Climate Change from nature.scot.

The Chair highlighted his thanks to everyone involved in SEPA regaining its UCAS accreditation following the pandemic and cyber-attack.

The Board proposed that the report include one or two sentences on lessons learned and requested that, if possible, the Leven project highlight the difference between green and blue hydrogen.

Action: Chief Executive / John Kenny.

In respect of section 2.2, (Permitting), the Board noted that it would have been helpful to know the expectations at the beginning of the restoration of our permitting services and what the lessons learned were. Ian Buchanan advised that SEPA is learning a large amount and fully utilising the opportunity to do permitting differently as well as simplifying it. The learning can be brought out in detail in a future Chief Executive's Report.

Action: Ian Buchanan.

APPROVED

In response to a question about further details in relation to vehicles stopped on section 2.3.1 (Multi-agency roadside stops), Ian Buchanan advised that typically there is a mixture of traders that either did not understand or know what was required of them and those that are deliberately trying not to comply. He confirmed that waste stops are generally in partnership with the Police.

In response to a question on how SEPA became involved in projects such as those highlighted in section 2.13.2, (Lyne burn restoration project, Dunfermline) and 2.13.3, (Mid Calder Weir, River Almond near Livingston), and what the economics and cost recovery on these projects is, John Kenny advised that the economics were the biggest impact and factor on the delivery of the River Basin Management Plan (RBMP), and highlighted that the shift has been in opportunities being sought on One Planet Prosperity, and Placemaking agendas, sector plans and intelligence gathering on where the biggest improvements can be made for the investment. The Water Environment Fund delivery is funded by Scottish Government, including the staff costs to deliver.

The Board congratulated the team on the progress made in section 2.2, (Permitting).

The Board commented that it was good to see the recruitment in Procurement (section 4) highlighting that David Morgan demonstrates a good example of using public money to improve the environment through the work he leads and suggested utilising this in future recruitments.

The Board also noted that section 2.11, (Decom North Sea: Decom Live @ Aberdeen Harbour) is one of SEPA's most mature sector plans and strategies and is paying dividends, highlighting that it would be really interesting to bring it to the Board in 2022, after the new Board members have joined.

Action: Clerk to the Board.

In response to a question regarding the streamlining of the Chief Executive Report and the Monthly Performance Report, the Chief Executive advised that the Monthly Performance Report is to provide the Board the opportunity to hold the Executive to account and that the Chief Executive Report provides updates and highlights on specific areas of work. He advised that Board feedback will be sought in the future in respect of potentially merging the reports.

In response to a question on whether SEPA has the resource for the leadership role highlighted at 2.15.2, (Place-making, Glasgow), John Kenny advised that David Harley is providing the senior leadership role, and that although this does require a large amount of his time there are huge benefits and opportunities.

The Board noted that there is a national target to reduce accidental drowning in relation to section 3.3, (Scottish Fire and Rescue Service – Water Safety Scotland) and expressed interest in this target being monitored.

The Board noted that a discussion on hydrogen, nuclear involvement and decommissioning agendas would be of benefit at a future meeting.

Action: John Kenny/Clerk to the Board.

APPROVED

In response to a question regarding the data being assessed for compliance in section 2.5, (Finfish aquaculture), and whether that are any problems expected, Ian Buchanan advised that there is no expectations of any significant problematic activities.

In response to a question on how SEPA are managing a systematic and strategic rollout of place-making projects and if not SEPA, who are the other main players in these projects, the Chief Executive advised that it is systematic and confirmed that last year, 2020, SEPA picked six places to focus on as pilots or trials. He advised that SEPA is flexible on whether it is the lead or a participant in these projects and confirmed that while there has been progress on all projects, the Leven and Clyde projects have progressed the most. Progress updates on all six can be included in future Chief Executive's Report.

Action: Chief Executive.

In response to a question on SEPA's contribution to COP26 primarily being operational, the Chief Executive advised that SEPA's focus, in addition to operational support, is to use COP26 being hosted in Scotland as a platform to have businesses accelerate their plans to help the environment and advised that in w/c 2 October 2021, a Sustainable Growth Agreement is expected to be announced with Tennents. The Board asked that this contribution to help businesses accelerate their journey to decarbonise be communicated externally.

Action: Chief Executive/Martin Grey.

The Board noted the report.

8.2 **Monthly Performance Report (SEPA 30/21)**

In response to a question on why the Scottish Government has requested monthly performance reports instead of quarterly reports and how long this might continue, the Chief Executive advised that the primary reason for the change is in response to the cyberattack and explained that the Cabinet Secretary wants regular reports for assurance purposes on the recovery. Monthly reporting will continue until at least the end of March 2022.

In response to a question in relation to section 2.2.2, about the fifty percent fewer development cases, and whether there has been any indication that SEPA had, in hindsight, not got the balance right on which cases to take forward and which to leave to local authorities, John Kenny advised there are none that SEPA is aware but advised that he will check.

Action: John Kenny.

In response to a question about understanding the impact of SEPA's inability to do Part A activities (section 2.3.3), Ian Buchanan advised that SEPA can do Part A licences but has not been open for business as usual. SEPA has been working with applicants across the country to ensure that any business-critical applications have been progressed through the system and therefore there has not been any significant consequences of SEPA not processing Part A activities as normal. Business as usual activity is expected to increase over the coming month.

In response to a question regarding SEPA's approach, and the statement that SEPA ran a series of briefing sessions under item 3 (to look after our staff), and whether there was a more impactful way to show how SEPA looked after employees, the Chief Executive

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confirmed that this will be described better going forward and advised that not enough was done on the long-term picture and that this will be explained in more detail.

In response to a question on whether the review and confirmation of the Compliance verification plan (Measure 4) was completed in September 2021, Ian Buchanan confirmed that this is almost all in place and on track to be completed by the end of September 2021.

In response to a question about the level of confidence in respect of the telemetry data transfer happening before the winter (Measure 9), David Pirie confirmed that confidence is high, and that there is a version currently being piloted and tested.

In response to a question on how many topics there are in total on the Management Development Programme (MDP) (Measure 12), and whether additional detail can be provided to the Change Committee at a future meeting, John Kenny confirmed that an MDP update is scheduled for either the October 2021 Strategy Board meeting or the next Change Committee meeting. The Chief Executive confirmed that he will follow up with the Change Committee Chair on future dates.

Action: Chief Executive / Clerk to the Board.

In response to a question about whether SEPA has the tools for engagement in relation to liaisons with all planning authorities and consulting bodies (Measure 2), John Kenny advised that the new approach is intended to achieve the biggest benefits on the highest number of areas. It was agreed that a discussion would take place offline between John Kenny and Philip Matthews and reported back to the Board in respect of tools to quantify the engagement.

Action: John Kenny

In response to a comment regarding the performance dashboard (section 2.0), and whether there is the right balance between regulation, corporate and flooding, the Chief Executive advised that he is confident that there is the right mix, but that this can be reviewed over time.

The Board noted the report.

9 Future of Work (SEPA 31/21)

The Chief Executive introduced the report with Fiona Mactaggart and Roisin Murray-Williams in attendance, and advised that the update today is to give the Board a briefing on the results from the initial staff survey with decisions coming back to a later date.

The Board were delighted to see the 82% response rate.

In response to a question about whether SEPA is looking at the business needs, the Chief Executive advised that the business needs are being factored in along with staff engagement and preference and then decisions will be made on both the assessment of business needs and staff flexibility requirements. Whether SEPA makes these decisions on an organisational level, or a team level is still being discussed.

The Board noted that the broad principles being set and then taking a team-based approach on the direction of travel is reassuring.

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Fiona Mactaggart advised that there have been seven staff sessions in addition to the survey with seventy members of staff involved. The staff were advised of the Future of Work draft Vision and the enthusiasm and drive was impressive from those attending. It is clear that staff do not want to go back to the way SEPA worked in March 2020. Staff understand the urgent need for change and want the organisation to be bold and take risks, learn as we go and work together to find innovative solutions.

The Chief Executive outlined the proposed next steps of engagement with the Board, including bringing the Vision and high-level decisions to the Board for consideration, with the Executive then making detailed decisions on the offices. The Board agreed this approach and highlighted the importance of informing them at the right time about the financial elements to lease breaks and the aggregate size of office decisions if the portfolio of the estate is being changed.

The Board noted the update and agreed the next steps.

The Board had a ten-minute break.

10 COVID Update (Verbal)

The Chief Executive introduced the item with Robbie MacDonald in attendance.

Robbie MacDonald highlighted that the position is more positive than a few weeks ago and advised that the current reproduction rate is estimated to be between 0.8 and 1.1. Both the lower and upper limits have decreased since the previous week. The number of new daily infections for Scotland is estimated to be between 219-394 per 100,000 people, and the lower and upper limits have increased since the previous week. During the early stages of the pandemic when the country hit more than 50 infections per 100,000, the country went into lockdown however it is indicative that the vaccination programme is working, and that other measures are now in place.

He advised that the growth rate for Scotland is estimated as being currently between -3% and +2% and again, the lower and upper limits have decreased from the previous week. Average contacts have decreased by 6% and the main contacts at work have decreased by approximately 17%, while the contacts outwith home, school and work have increased by 6%. Face coverings are being worn by 82% of individuals when meeting contacts outside of the home, and hospital and ICU occupancy rates have plateaued. The scale of any future increase or decrease on any hospital and ICU occupancy is highly uncertain and depends on the level of infections.

He confirmed that modelling suggests that within the next week 29 local authorities out of 32 expect to exceed 50 cases out of 100,000 people with a 75% probability and advised that 2 local authorities are expected to exceed 300 cases per 100,000 with a 75% probability (South Ayrshire and Stirling). Nationwide, levels of covid in waste water have declined since the previous week.

He concluded by stating that there is a long haul expected throughout the winter. The situation is improving however, we need to remain on our guard.

In response to a question on reflections on the Oxford Study that sore heads and cold like symptoms can be a precursor to developing covid and would there be any value in advising staff that if they are experiencing those symptoms, to take a lateral flow test, Robbie MacDonald advised that the best advice to staff is that if you have any symptoms at all, take a lateral flow test before meeting people.

APPROVED

In response to a question on whether different infection rates in the different areas of the country would impact how SEPA manages its offices in different parts of the country, Robbie MacDonald advised that the Covid response and recovery group does factor in different infection rates and has a flexible framework to accommodate this within the Scottish Government guidelines.

The Board noted that SEPA will still need to be flexible in respect of staff with children as covid infections have spread across the schools, and that as the country moves towards herd immunity and more restrictions are removed, individuals with suppressed immune systems and no protection from the vaccine, will become more at risk and that SEPA needs to be mindful of staff in that situation.

In response to a question about what assistance SEPA is offering staff when there is more cold, flu and norovirus going around, Robbie MacDonald advised that staff who do not automatically qualify for the flu vaccine can have the vaccination paid for by SEPA. With regards to those with children or are themselves or have family members with suppressed immune systems, he advised that HR are aware of a handful of staff that do require extra measures and where possible staff are still be encouraged to work from home.

The Board noted the update.

The Board had a five-minute break.

11 IAF Update (SEPA 33/21)

Jo Green introduced the report with Bridget Marshall in attendance.

Bridget Marshall provided detail on the ambitious timescale both for SEPA and the Scottish Government. The timing is ideal due to SEPA's rebuilding with the Integrated Authorisation Framework (IAF) providing a real backbone and legislation matching the clear ambition and allowing for a major transformation implementation.

The Chair proposed that a separate session be held for the Board on the implications of the IAF in practice.

Action: Jo Green/Bridget Marshall

The Chief Executive advised the Board that when the Phase 2 EPA Book was revised, a clearer strategy on regulation was articulated and four types of activities were specified: authorise people to use the environment; provide advice and guidance; verify people are complying with their authorisation and take enforcement action if they are not; and support innovation. He confirmed that the IAF process will massively reduce the amount of time required to authorise people to use the environment without losing the quality of the decisions to grant authority.

In response to a question regarding the timing, and how much SEPA can do to future proof our work now and ensure it is easy to adapt when IAF becomes live, Bridget Marshall advised there are several Permitting cells currently in operation to re-establish the Permitting service and undertake work to simplify permits for new applications, and confirmed that this enables the IAF team to work with Permitting cells and ensure their work provides the standard conditions for the IAF. The standard conditions will become part of the consultation for IAF and once the consultation process is complete, this reduces the right of appeal and therefore immediately streamlines and simplifies the process.

APPROVED

In response to a question on whether there have been any lessons learned from Radioactive Substances for the other sectors, Bridget Marshall confirmed the lessons learned from their framework has brought transformational change in how that sector approaches their permitting and enforcement and proposed that Paul Dale from Radioactive Substances attends the future IAF session at the Board.

In response to a question on how the IAF will be helpful in advancing carbon reduction and circular economy, Bridget Marshall advised that the ability for SEPA to drop the waste activities into relatively low tier permits and removing exemptions allows revamping of the regulation legislation. She proposed that Andrew Sullivan from Waste also attends the future IAF session for the Board to discuss examples such as Electronic Waste Transfer. With regards to the carbon reduction, she advised that SEPA is taking the opportunity to essentially reimplement the Industrial Emissions Directive (IED) and change the policies around energy efficiencies, in discussion with Scottish Government and advised that there will be a separate policy consultation relating to this which could also form part of the future IAF session for the Board.

John Kenny and Ian Buchanan also advised that there will be opportunities to choose where there are barriers for entry to assist with criminality and to fix some of the current issues with the enforcement provisions.

In response to a question on how changes in the framework will be undertaken, for example, with regards to the fit and proper person test, Bridget Marshall advised that the legislation sets out a more enabling approach and takes a broader range of factors into account which will allow SEPA to look at close associates for example.

In response to a question on whether Scottish Government sees SEPA differently to how SEPA see itself, and whether the Scottish Government has begun to consider how all of its non-departmental public bodies (NDPB)s will work together to deliver a low carbon economy, and what the role of each NDPB will be, the Chief Executive advised that the planet will get to 5 degrees warmer if Scotland waits for the wording to be consistent across the public sector or for each NDPB to neatly have its own responsibilities in achieving a low carbon economy. The effectiveness and efficiency of such a large system will always be challenging however, if the Scottish Government and its NDPBs continue to have good relationships with each there should not be any barriers. He confirmed that SEPA has good relationships with both Scottish Government and partner agencies.

In response to a question on what SEPA can do to help keep the IAF delivery timescales moving, Bridget Marshall advised the Board that SEPA was heavily involved in the drafting of the legal instructions and is now focused on providing policy resource to support the lawyers in Scottish Government. SEPA continues to do as much as it can to keep momentum going.

In response to a query regarding engagement, Bridget Marshall advised that a huge amount of external engagement has taken place over the years and that it will continue to do as much co-development as possible with a wide range of stakeholders, including NGOs. The Chief Executive confirmed that SEPA must co-develop and explain the system to people including highlighting that short permits are both clearer and easier to enforce.

The Board thanked all those involved.

The Board noted the update.

APPROVED

12 Board Work Programme**12.1 Board Engagement Activity**

Michelle Francis advised she had been invited to participate in Callander Climate Questions, to kick off Callander Climate Week, and was a panel member answering questions drafted by S5 school pupils. Panel members included Dr Mike Cantlay (Chair of Nature Scot), Evelyn Tweed (MSP), Martin Earl (local councillor), Susan Holden (Callander Community Council Leader), and Neil Kitchen (written a book on climate). It was an interesting and good event.

Harpreet Kohli advised that he had attended the Scottish Government Board members induction all day workshop which was a helpful and beneficial event.

12.2 Board Buddy Register

The Clerk to the Board advised that the Board Buddy Register has been updated with all recent or planned meetings.

In response to question on whether the suite of Board Buddy groups created for this financial year provide cover of all areas needed to assist the Executive, the Chief Executive confirmed that one or two more Board Buddy Groups may be required for additional topics however, confirmed that the existing groups cover the key areas.

The Board noted that it would be good if some of the Board Buddy groups could meet in person subject to Scottish Government guidelines.

The Board noted the update**13 Board Committee Reports****13.1 Audit Committee verbal update of meeting held on 28 September 2021**

The Chair of the Audit Committee advised that there had been an internal audit report on SEPA's management of the data breach from the cyber-attack and highlighted that SEPA's performance was described as exemplary, and that the auditor had stated that SEPA demonstrated a robust, well managed and compliant approach, covering proactive dealings with the Information Commissioners Office (ICO) and good communication with data subjects. He advised that the Committee had expressed its appreciation to the Head of Governance, the Data Protection Officer, and the wider team involved and that the report will be posted on Diligent Boards for Board members to read.

The Board endorsed the exemplary performance reported by the Chair of the Audit Committee and stated that it is testimony to the professionalism and dedication of the Executive and the organisation through a difficult and stressful time.

The Audit Committee Chair advised that there had also been a verbal update from the Chief Officer of Finance and that the Audit Committee had expressed some concern on the short-term pressures both on the staff and the current year finances, particularly given that the Scottish Government has requested 2% in year savings and asked that the Board to be updated in October 2021 on this matter and that the Board be updated longer-term on the implications of the Scottish Government's comprehensive spending review.

There was a session on the annual accounts for 2020-2021 with the audit by Grant Thornton due to begin, acknowledging that the accounts will be qualified, and that Audit Scotland intends to make a Section 22 report to parliament. Encouragingly, Grant Thornton indicated that Audit Scotland are likely to focus on the wider lessons learned

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from the cyber-attack rather than specifically the accounts qualification and he advised that the Committee had discussed ensuring that the auditors gain timely access to investigation reports on the cyber-attack as appropriate.

He advised that there had been a session on the Risk Register noting that normally the Risk Register would have been reviewed by the Audit Committee in June 2021, and that the Board will review it today in the private session. Regarding the process, the Committee welcomed the move to workstreams (Corporate, Flooding and Regulation) Risk Registers and the sleeker Risk Cards. Concern was noted that the key things discussed during Board sessions such as procurement, resourcing and succession planning do not feature in the Corporate Risk Register and the Committee had reflected on whether there is a mismatch in the process. It has been agreed with the Head of Governance that the Audit Committee will have a further discussion on this topic, the reasons for this and how this can be mitigated.

Finally, there was a paper on the Tarbolton Landfill decision making and governance arrangement. The paper will be reviewed following Audit Committee comments and come to the Board on 26 October 2021.

The Board noted the update.

13.2 Change Committee Update

The Chair of the Change Committee advised that no further meetings had been held however, dates are being discussed with the Chief Executive and will be scheduled shortly.

The Board noted the update.

14 Action Note

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

Action 572: Next update is due on 22 February 2022. Ongoing

Action 587: The Board discussed action 587 in detail and agreed that there would be a session at the next Strategy Board meeting. Ongoing.

Action 628: It is recommended that an update will come back to the Board at the appropriate time and that this action be closed in the meantime. Proposed closed.

Action 633: The final document has been circulated with the Board papers for homologation on 28 September 2021. Proposed closed.

Action 649: An action plan is in place. The further discussion will be diarised in the planner as appropriate. Ongoing.

Action 650: Update in Charging Scheme paper, on the agenda for 28 September 2021, item 20. Proposed closed.

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

Action 662: This has been added to the Board planner. Ongoing.

APPROVED

Action 663: IAF update on the agenda for 28 September 2021, item 11. Proposed closed.

Action 664: At its meeting on 29 June 2021 the Audit Committee discussed a set of questions to pose to management and agreed that these would be addressed in a paper to be discussed at the meeting on 28 September 2021. Subject to amendment following that meeting, the paper will be presented to the 26 October Strategy Board. Ongoing.

Action 665: This work is being progressed. Aquaculture website has been updated to reflect the Boards suggestion 09/09/2021. Ongoing.

In response to a question regarding Action 628, the Clerk to the Board confirmed that a specific date is not yet scheduled however it is on the planner to be scheduled.

15 Any Other Business

No other business was raised.

16 Date and time of next meeting

The next meeting will be held on 30 November 2021 at 1.00pm virtually.

The Board had a ten-minute break.

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

17 Annual Report 2021 – Performance Section (SEPA 27/21)

The Board noted the report.

18 Equality Mainstreaming Report (SEPA 32/21)

The Board noted the report.

19 Risk Management Annual Review (SEPA 26/21)

The Board noted the report.

20 Hydro Charging Scheme Update (SEPA 28/21)

The Board noted the update

21 Flood Risk Management (FRM) Strategies Update (Verbal)

The Board noted the update.