

**Minutes of Board meeting held on 30 July 2021, 09:00 – 12:00
(Held on MSTeams)**

Present

Jim Martin (JM)	Chair
Richard Dixon (RD)	Member
Marie Fallon (MF)	Member
Paul McAleavey (PM)	Member
Annalisa Savaresi (AS)	Member (present for items 1-4, 6)

In attendance

Transition Team:

Brendan Callaghan (BC)	Interim CEO
Neil Langhorn (NL)	Head of Interim Strategy Development
Jamie McGrandles (JMcG)	Head of Investigations
Rebecca Peppiette (RP)	Head of Secretariat
James Aldred (JA)	Business Manager (Minutes)

1	Board closed session
2	Welcome
	<p>RD and AS declarations of interest related to air quality matters, and membership of the steering group that carried out the independent review of the Scottish Government’s Cleaner Air for Scotland Strategy, remain current. These are listed in the publicly available Board Minutes of May and June 2021.</p> <p>RD declared an interest related to the Friends of the Earth Scotland submission to the Aarhus Convention Compliance Committee.</p> <p>The minutes from the June meeting were approved with one amendment under item 3, to update existing lines to “the European Commission will be publishing a package of proposed legislation on 14 July 2021 to deliver the European Green Deal informally called ‘Fit for 55’”.</p> <p>The running list of matters arising was reviewed and, as agreed at the June 2021 meeting, the requirement for a briefing on the UK internal market legislation was added.</p>
3	CEO Update
	<p>BC presented the recruitment strategy and proposed staffing structure. With reference to the draft July Board minute, it was noted that the statement regarding a recruitment freeze until vesting would not apply to the permanent recruitment of the three senior management posts. Recruitment to these posts, and the permanent Chief Executive Officer post, will be advertised externally.</p>

	<p>The Board recommended that amendments be made to two of the proposed post titles: 'Head of Standards and Compliance' - to clarify the term 'standards' in light of the post holder's role in overseeing the ESS' Investigations function; and 'GIS Officer' - to reflect the range of spatial analysis tools available. The Board requested that the economist roles be reviewed to determine whether a policy and analysis-focused job title might better encompass the roles as envisaged.</p> <p>Throughout, it was requested that the international and European Union perspective be more explicitly demonstrated within the draft staffing structure. A balance across the analysis side of the organisation, and the legal technical side, will be reviewed going forward.</p> <p>BC noted that the draft structure had been costed and that, if approved, a business case would be submitted to the Finance Directorate in August to request an appropriate increase to ESS' overall budget allocation, as part of the next Spending Review.</p> <p>The Board approved the recruitment strategy and staffing structure, with the amendments requested, and support the associated budget increase request. The process for next steps, including spending review discussions and the role of the Scottish Parliamentary committees, was reviewed.</p> <p>BC presented the updated milestone planner and an overview of the next steps in establishing the vesting date for ESS, including the assurance paper prepared for the Scottish Government Strategic Environmental Policy Programme Board on 18 August 2021. If agreed at this meeting, the vesting date will be included within the ESS commencement order, which is currently being drafted and due to be laid before Scottish Parliament on 8 September 2021.</p> <p>The Board considered the assurance provided from the transition team, and confirmed their formal support for the proposed vesting date of 1 October 2021.</p>
<p>4</p>	<p>Governance</p> <p>Revised Standing Orders were presented and the majority of recommendations were approved, with some further updates requested, to:</p> <ul style="list-style-type: none"> • Refer to 'ESS Board members' throughout for clarity in relation to the Board, and 'ESS' where there is reference to the organisation; • Enable Board members to decide if new urgent matters can be considered at a Board meeting, at the time of the meeting; • Review the scheme of delegation once per year; • Keep the Board approval of spend at 5% of total revenue; • Keep the Board approval of procurement proposals at £25,000; • Make clear that the Board will sign off annual accounts.

	<p>Small additional corrections for clarity and consistency where also recommended.</p> <p>RP undertook to circulate these amendments after the meeting for final sign off. The Board agreed to revisit the standing orders and scheme of delegation, and their operation, six months after vesting.</p> <p>NL presented the developing approach to performance monitoring and draft measures. The Board approved the principle of short-term output and longer term outcome measures, and that there would be three to four output indicators reported against annually, and one to two outcome indicators reported on a three to five year basis. PM and MF offered support for the further development of the direct and indirect outcome measures, including the measure regarding the environmental significance of ESS' impact and a move to a people centric approach. Inclusion of a timeliness criteria across the output indicators, indications of where work is being carried out with partners, and an expansion on the survey model of stakeholder feedback, was also recommended alongside the development of the baseline that focuses on gap reduction.</p> <p>The Board reviewed the proposed approach to risk management and approved it as a structure, agreeing to hold a further developmental session to discuss the identification and classification of individual risks. The Board also reviewed the proposed skills matrix, and requested that guidance be provided on the intended comparators for gauging skill levels and a 1-5 scale be introduced. The matrix will be completed and evaluated for consideration at a separate session, or later Board meeting.</p> <p>RP presented the Business Continuity Plan (BCP), noting that it was currently aligned with the Scottish Government BCP, and that a post-vesting version was in preparation. RP gave updates on the ESS draft budget, procurement processes, accommodation and recruitment.</p> <p>On communications and stakeholder engagement, BC reported engagement with the Climate Change Committee to discuss respective remits and possible collaboration. NL reported that ESS had been consulted by the Scottish Government on draft DEFRA proposals for the European Commission's liaison with UK bodies overseeing compliance with environmental law. NL and Scottish Government had agreed that a simpler format should be suggested to DEFRA and we await feedback from them and the Commission.</p> <p>The Board received and discussed the proposed options for the public launch of ESS, suggesting additional journalists to be engaged with and recommendations to build an appropriate profile. BC undertook to review the proposals accordingly with the contracted communications service.</p>
<p>5</p>	<p>Interim Strategy</p> <p>NL gave an update on the development of the ESS analytical function, noting that a SEFARI fellowship had been agreed and the post holder would be assessing the availability of data on environmental performance and developing ESS' proposed approach to data acquisition and assurance. In addition, ESS'</p>

	<p>application for the assignment of a Fast Stream statistician had been successful and the post holder would be assigned for one year from 6 September 2021.</p> <p>On the interim strategy, a final draft will be presented at the August Board meeting for approval, with any amendments made and circulated for agreement in correspondence prior to the September meeting, to allow final launch thereafter.</p>
6	<p>Investigation planning</p> <p>JMcG updated the Board on current representations, alongside further progress on air quality research. The Board agreed in-principle to the broad next steps of this area of work as recommended, and requested an accompanying communications strategy.</p> <p>On investigation and enforcement procedures, the Board requested that an overview of the process, with a clear definition of the stages of the investigation process, be brought to the August meeting for approval, to ensure that there is a fair process in place for vesting.</p>
7	<p>Any Other Business</p> <p>The Chair noted that in light of expected Scottish Government announcements on the resumption of physical meetings, it was expected that Board meetings would move to being at least partially in person from October 2021.</p> <p>Future schedule of meetings:</p> <ul style="list-style-type: none">• 27 August 2021• 24 September 2021• 29 October 2021• 26 November 2021 – updated to 3 December 2021• 28 January 2022• 25 March 2022

James Martin
Chair, Environmental Standards Scotland
27 August 2021