

Minutes of the Board Meeting held on Friday 13 September 2024, 10:00 – 13:15

Lomond, Thistle House, 91 Haymarket Terrace, Edinburgh, EH12 5HD

Board:

Richard Dixon (RD), Acting Chair
Marie Fallon (MF)
Paul McAleavey (PM)
Annalisa Savaresi (AS)
Morag Sheppard (MS)
Chris Spray (CS)

Attendees:

ESS Team (Items 2-7 as noted):
Mark Roberts (MR), CEO
Neil Langhorn (NL), Head of Strategy and Analysis
Jamie McGrandles (JMcG), Head of Investigations, Standards and Compliance (items 2-4 only)
Rebecca Peppiette (RP), Head of Corporate Services and Communications
Lauren Queen (LQ), In-house Solicitor
Charlotte Lowe (CL), Governance Lead (Minutes)

1.	Private session
2.	Welcome and declarations of interest The Acting Chair welcomed the Board and attendees to the meeting. The Board declared their interests at item 5 relating to Board fees. CS noted his interests relating to biodiversity, including his former position as Chair of the UK SPA [Special Protection Areas] and Ramsar Scientific Working Group, and updating that he no longer sits on the Scottish Government’s Biodiversity Programme Board. MS declared an interest relating to her position as interim Board Member of the Water Industry Commission for Scotland. 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 were originally listed in the Board minutes of May and June 2021.

The minutes of the previous meeting were approved by the Board.

On the matters arising, the Board:

- requested an update on the proposal for commissioning work on keeping pace with the European Union
- noted that the requirement for signposting enquiries to other bodies is still manageable, but the team will continue to consider options for automation
- requested that missing biographies for the International Advisory Panel are gathered

NL provided an update on next steps following the Board and Executive team's workshop on development of ESS' next Strategic Plan. The Acting Chair provided an update following the Board's private session on the Strategic Plan and the Board discussed next steps for further sessions with ESS staff and wider stakeholders. The Board requested a periodic update on staffing and a live copy of the ESS organogram.

Action: to share the ESS organogram and add a periodic staffing update to the Board forward planner.

The Acting Chair thanked the Board and ESS team for their input to these sessions.

3. Chief Executive's update

MR provided an update on ESS' activities since the last Board meeting, including:

- engagement with the Natural Environment Bill team regarding the proposed Independent Review Body
- planned attendance at the Net Zero, Energy and Transport Committee regarding the Climate Change Targets Bill
- introduction of emergency spending restrictions across the Scottish Government and its agencies

The Board discussed opportunities to influence the Natural Environment Bill through the legislative process and, more generally, types of environmental monitoring roles and requested a revision of criteria for ESS taking on a monitoring role discussed previously with the Board.

Action: to revise the previously discussed criteria for ESS taking on a monitoring role.

The Board recorded their thanks to Dr Nerys Llewelyn Jones and the team at the Interim Environmental Protection Assessor for Wales for hosting this year's meeting between the UK environmental scrutiny bodies. The Board noted the value of these meetings, highlighting areas of common work and items for further collaboration.

[At this point RP left the meeting].

The Board noted that the milestone planner requires updating following the recent publication of the Programme for Government, and that the team is considering items for a thematic review.

4. Investigations and representations

JMcG presented the update on ongoing casework, highlighting that the team is processing a range of information received from public authorities in response to section 23 and section 24 notices. The Board noted that some cases with section 24 notices currently live had been open for over a year and requested more detail on these cases.

Action: to share further details on cases open for over one year.

JMcG provided an update on the Scottish Government's improvement plan in response to ESS' local authority climate change duties improvement report. The Board discussed the plan, and noted that the ESS team is undertaking work to understand the proportion of emissions per each of the 15 scope 3 categories, with a view to informing decision-making on mandatory reporting. The Board were keen that ESS press the Scottish Government to go further than they have proposed.

[At this point JMcG left the meeting].

5. Governance

[At this point RP rejoined the meeting].

MF provided an update on the work of the Audit and Risk Committee, noting updates to global audit standards and engagement with Deloitte on the annual audit process.

The Acting Chair introduced the draft Framework Agreement between ESS and Scottish Ministers, summarising the Committee's feedback, including changes that need to be made, and noting next steps. Subject to these changes, the Board approved the draft for discussion with the Scottish Government.

RP provided an update on the 2024/25 budget and expenditure to date, highlighting that ESS has returned funds to the Scottish Government as part of the Autumn Budget Review. ESS may consider voluntarily returning additional funds, where feasible, following the announcement of emergency spending measures across the public sector in Scotland.

RP updated the Board on the progress of ESS' annual audit, noting that sign-off of the Annual Report and Accounts has been expedited due to internal circumstances at Deloitte. While the report will be finalised to schedule, RP noted pressures on the team, including the delayed receipt of the ISA 260 report from Deloitte.

RP highlighted that the move to a new Oracle finance system is progressing and the team remains positive about implementation in October 2024. The Board noted that the Chair of the Audit and Risk Committee and Acting Chair of the Board had been briefed on planned mitigations involving movement of contingency funds, and that an audit trail would be kept regarding any manual fixes required during the changeover.

RP provided an update on new members' annual fee limits issued by Scottish Ministers, which will decrease annually in a schedule set out to 2026/27. Board and Committee fees will be monitored at regular points during the financial year to ensure that the new recommended limits will not affect ESS' ability to perform its functions.

RP presented the People Strategy on behalf of the cross-team staff working group who drafted the document with support from ESS' external HR advisor. The Board

	<p>commended the team for their work on this and recommended minor updates, ahead of publishing the strategy online.</p> <p>CL presented the corporate risk register, providing an update on mitigations relating to ESS' systems, including the move to the new Oracle finance system and a 'real-life' test of ESS' Business Continuity Plan (BCP) during the July 2024 global IT outage. MS provided a verbal Cyber Champion update, highlighting emerging risks in relation to ransomware, phishing and artificial intelligence and recommending potential methods of protection. The Board approved the updated risk register.</p>
6.	<p>Strategy and Analysis</p> <p>NL provided an update on the work of the Strategy and Analysis team, highlighting:</p> <ul style="list-style-type: none"> • options for commissioning work on keeping pace with the European Union • recent high-profile publication of the analytical report on sewage discharges and upcoming publication of reports on marine litter and soil health • positive response to ESS' first call for evidence on invasive non-native species and ongoing analysis of these responses <p>The Board praised the work carried out on the call for evidence and recommended undertaking a reflective exercise to inform future opportunities.</p> <p>Action: to undertake reflective exercise relating to recent call for evidence.</p> <p>The Board discussed the recommendations made in the soils report, highlighting soil as an important resource in Scotland and supporting the strength of the recommendations in light of poor availability of data.</p>
7.	<p>Any other business</p> <p>The Board agreed future meeting dates, noting that the next meeting would be hybrid to reduce travel in light of current spending measures.</p>

Dr Richard Dixon

Acting Chair, Environmental Standards Scotland

6 December 2024

