

DRAFT Minutes of the Board meeting held on Friday 4 July 2025, 10:00 – 13:35 held in Lomond, Thistle House, 91 Haymarket Terrace, Edinburgh, EH12 5HD and via Microsoft Teams

DRAFT SUBJECT TO APPROVAL AT THE 3 OCTOBER 2025 BOARD MEETING

Board:

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

*attending via Microsoft Teams

Apologies:

Jamie McGrandles (JMcG), Head of Investigations, Standards and Compliance

Attendees:

ESS Team (Items 2-7 as noted):

Mark Roberts (MR), Chief Executive
Lucy Fitzpatrick (LF), Senior Communications Officer (Items 2-3)
Kirsty Laing (KL), Business Support Officer (Minutes)
Neil Langhorn (NL), Head of Strategy and Analysis
Charlotte Lowe (CL), Governance Lead
Rebecca Peppiette (RP), Head of Corporate Services and Communications
Lauren Queen (LQ), In-house Solicitor

1.	Private session
2.	Welcome The Chair welcomed the Board and attendees to the meeting. There were apologies from JMcG. CS noted his interests relating to biodiversity due to his former position as Chair of the UK SPA [Special Protection Areas] and the Ramsar Scientific Working Group. MS declared an interest relating to her position as interim Board Member of the Water Industry Commission for Scotland. The minutes of the previous meeting on 25 April 2025 were approved.

3. Governance

MF provided an update on the work of the Audit and Risk Committee (the Committee) highlighting the Committee's discussion on the qualified assurance opinion provided by Scottish Government for the new Oracle finance system.

RP presented a summary of expenditure to date for the financial year 2025/26. The Board noted the updates and that a revised budget will be brought the Board meeting of 3 October 2025 for approval.

ACTION: to present the revised budget to the Board meeting of 3 October 2025 for approval.

RP presented the draft Annual Report and Accounts. In discussion, the Board:

- noted the inclusion of HM Treasury's Taskforce on Climate-related Financial Disclosures (TCFD) and pension information
- agreed the amendments to the report that were made following the Committee's review at the meeting of 23 June 2025
- noted that the return of £100k to the Scottish Government in January 2025 did not form part of the Autumn Budget Review due to time constraints, therefore was not reported publicly. It was recommended that a clarification be added to the Annual Report and Accounts to set this out

MF presented the Committee's Annual Report to the Board, detailing that requirements and assurances have been met for the financial year 2024/25. The Board noted the Committee report, approved the draft Annual Report and Accounts for onward submission to external audit, and thanked the Committee and team.

RP presented options for the Board's future consideration of the draft Annual Report and Accounts.

The Board agreed to review the draft 2025/26 Annual Report and Accounts by correspondence from 2026 onwards (unless circumstances required a meeting for

	<p>more detailed consideration of the Report) and that the Board meeting schedule be amended accordingly.</p> <p>LF presented the report summarising progress on the review of the ESS Communication and Engagement Plan. In discussion, the Board considered:</p> <ul style="list-style-type: none"> • the proposed outline of the contents for the Plan, including the draft communication vision and alignment with ESS' Strategy 2026-31 • the focus on external communications drawing on key communication principles • the role of the Board in the Plan, liaising with organisations and key stakeholders <p>The Board noted the progress with the Plan and approved the proposed outline subject to amendments discussed.</p> <p>CL presented the ESS risk register, noting recommendations from the 23 June 2025 Committee meeting. In discussion, the Board:</p> <ul style="list-style-type: none"> • considered the continued diligence managing potential cyber risks • noted the 'reasonable assurance' provided by the Internal Audit review of risk management and the steps being taken to implement recommendations • considered the outcome of the Audit and Risk development session, noting the discussion around risk appetite and ESS' increased confidence in certain risk areas <p>The Board approved the updates to the risk register and noted the next steps for the review of ESS' Risk Management Policy and framework, which will be presented to the Board at the 3 October 2025 meeting.</p> <p>The Board Champions for equality, sustainability and cyber gave updates on ongoing work in their respective areas.</p>
4.	<p>Chief Executive's update</p> <p>MR provided an update on ESS' activities since the last Board meeting, highlighting:</p>

	<ul style="list-style-type: none"> • engagement with The Scottish Parliament's Rural Affairs and Islands Committee and the Scottish Government (SG) regarding the Natural Environment (Scotland) Bill and ESS' anticipated role and reporting mechanisms as the independent review body • the recent publication of the SG's Public Service Reform strategy • people updates, including the progress of ongoing recruitment <p>AS presented the draft minutes of the recent ESS International Advisory Panel meeting. The Board discussed progress on commissioning a report on Scotland's international regulatory alignment and considered how to continue to make best use of the Panel's expertise.</p>
5.	<p>Casework update</p> <p>MR presented an update on ongoing casework highlighting:</p> <ul style="list-style-type: none"> • cases nearing conclusion including Ramsar, Special Protection Areas (SPA) and the Sustainable Management of Fisheries • ongoing work in areas such as incineration overcapacity and vehicle idling • new representations received in relation to the regulation of sewage discharges <p>The Board noted the updates and in discussion:</p> <ul style="list-style-type: none"> • agreed to review the Sustainable Management of Fisheries draft report by correspondence • discussed timescales for active casework and requested further detail on next steps <p>ACTION: to provide further detail on next steps for active casework</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"> • progress against the team's workplan and upcoming milestones for analytical projects on sea floor integrity, rural diffuse pollution, and Invasive Non-Native Species (INNS) • progress on the draft Strategy consultation process, noting the engagement sessions that have taken place and the plan for upcoming sessions • completion of the six-monthly review of analytical prioritisation <p>The Board noted the updates and in discussion:</p> <ul style="list-style-type: none"> • noted the SG's positive response to the report into combined sewer overflows • noted plans to review ESS' approach to identifying and prioritising issues for analysis under the new Strategy for 2026-2031 and requested that nominated Board members have early input to this • considered capacity and resourcing across all the ESS teams • noted the timelines for finalising the consultation analysis of the draft strategy and requested early sight of this <p>ACTION: to provide further details on the review of ESS' approach to identifying and prioritising issues for analysis</p> <p>ACTION: to share Strategy consultation feedback with Board members by correspondence in advance of the next Board meeting</p>
7.	<p>Any other business</p> <p>The Board discussed and confirmed the meeting dates and schedule for 2026.</p>

Dr Richard Dixon

Chair, Environmental Standards Scotland

[DATE]