

CONSUMER SCOTLAND GOVERNANCE BOARD MEETING

Wednesday 6th December 2023

12:30 – 15:00

Virtual, via Teams

Board Members present:

David Wilson, Chair

Angela Morgan, Member (AM)

Nick Martin, Member (NM)

James Walker, Member (JW)

Lesley Halliday, Member (LH)

Also in attendance:

Sam Ghibaldan, Chief Executive (second half of meeting)

Sue Bomphray, Director of Operations

David Eiser, Director of Research and Analysis

Douglas White, Director of Policy and Advocacy

Hilary Tennent, Finance, Governance and Corporate Services Manager

Catriona Kirk, Governance, Digital and Communications Officer (minutes)

Welcome and Declaration of Interest

1. The Chair welcomed everyone to the meeting. It was formally noted that LH had officially been appointed.
2. The Chair invited members to provide any declarations of interests.
3. Interests from the previous Board meeting in November were declared from the Director of Policy and Advocacy and LH. It was agreed that these would be recorded as standing interests, however no action was required.
4. Apologies were noted from the Chief Executive for the first half of the meeting as he was attending the Scottish Energy Advisory Board.

Minutes from the Previous Board Meeting and ARC Meetings

5. The Board approved the minutes of the previous Board meeting held on 14 November 2023.

6. The Board noted the approved minutes of the Audit and Risk Committee held on 03 October 2023.

Action Tracker

7. The Director of Operations updated members on the action tracker, with the following highlights noted:
 - Agenda items had been rearranged given the short timescale between the November and December Board meetings. Items moved have been reallocated to future Board meetings.
 - It was agreed that Board Expenses would be grossed up for tax and national insurance in line with other public bodies. Work to implement this on a retrospective basis will be carried out by our payroll provider, the AAB group (formerly French Duncan).

Strategic Risk Register

8. The Director of Operations led discussions on the Strategic Risk Register. A brief overview was provided for those not present at the Audit and Risk Committee (ARC) meeting.
9. The Director of Operations presented the key aspects of the discussion at the ARC:
 - Risk scores had been reduced on three items.
 - Risk score had been increased on the finance item relating to the Oracle Fusion implementation.
 - New risks were discussed in relation to investigations and Consumer Scotland's proposed responsibility for funding other public or third sector bodies.
 - Finance risk 23-001 to be reviewed following the Scottish Government draft budget announcement on 19th December.

Management Accounts and Budget

10. The Director of Operations led discussions on the Management Accounts and Budget. A brief overview was provided for those not present at the ARC meeting.
11. The key items discussed were:

- Our management reporting continues to evolve and our Accountant is working closely with the Operations team to ensure the right level of information is provided to both the management team and the ARC/Board.
- The first report focuses on providing an annual accounts comparable basis forecast of the expenditure outturn. The second report is the regular update on spend v budget that the committee are familiar with.
- Our current year forecast reflects certain categories being underspent. This is mainly in relation to research and our accommodation fit-out where we expect the spend to be incurred towards the end of the financial year.
- It was agreed to share a regular report of any budget reallocation agreed by the CEO under his delegated authority.

12. It was agreed that Consumer Scotland's medium term plan and budget scenarios would be revisited at a future Board meeting once budget from Scottish Government was confirmed later this month.

Work Programme

13. The Chair invited the Director of Policy and Advocacy and the Director or Research and Analysis to lead on the draft Work Programme. The Director of Policy and Advocacy provided a brief overview of the discussion regarding the draft Work Programme at the previous Board meeting on 14 November 2023, and the work that had been completed since then. The draft Work Programme had been circulated to Board members prior to the meeting.

14. Positive feedback was noted from Board members and the Board thanked all staff involved in the Work Programme development. It was agreed that any further feedback would be sent via email to be incorporated into the final draft of the Work Programme. The Director of Policy and Advocacy noted that the final draft would then be sent to the Board via email for approval ahead of submission for consultation in January 2024.

15. Discussions were had regarding the budget outcome and how this would affect the Work Programme. It was agreed that wording would be added to the Work Programme, reserving the right to revise the workload following the budget announcement.

16. The Chair concluded the discussion by reiterating the positive feedback from the Board. The timeline for the Work Programme next steps were outlined as follows:

- Board feedback required by 13 December 2023
- Amended Work Programme sent to Board for approval on 18 December 2023
- Work Programme submitted for consultation 15 January 2024.

Chief Executive's Report

17. The Chief Executive presented his quarterly report to the Board, highlighting the huge amount of activity taking place across Consumer Scotland. LH declared interest relating to Scottish Water discussions. The interest was noted but the Chair stated that no additional action was required.

18. A few aspects from the paper were discussed in greater detail, as recorded below:

- **Upcoming area of work:** initial discussions are taking place regarding how to ensure consumers are at the heart of the next Strategic Review of Charging for Scottish Water. Discussions will continue with Scottish Water and Water Industry Commission for Scotland (WICS) in the coming months. The Chair noted that this issue would be discussed at a future Board meeting.
- **Budget:** The Chief Executive briefly update the Board on the budget position and reiterated that discussions will be revisited following the confirmation of the budget.

19. The Chair invited any other questions regarding the CEO report. In response to a question about what CS's role in Ofcom's review of options for the future of the Universal Service Obligation for postal services, the Director of Policy and Advocacy noted that the Post team would be invited to a future Board meeting to discuss their workplans and research carried out.

Funding Routes

20. The Chair noted that a positive first meeting with the new CAS Chair and Vice Chair had taken place on the 30 November. The meeting was also attended by AM and the Chief Executive.

21. The Board then discussed the Funding Routes paper. A number of points were made in discussion, which the Chair summarised the discussion by noting:

- Agreement with the principles set out in the Funding Routes paper.
- Agreement in principle with the proposals set out in the paper in relation to:
 - the Scottish element of funding for GB advocacy in the electricity, gas and postal sectors;
 - the future funding of heat networks advice services;
 - the Consumer Advocacy grant provided by the Scottish Government.

- Agreement that CS should consider best practice examples as it develops its operational approach to funding external organisations. It was agreed that this would be discussed further following the meeting with AM.

AOB

22. The Chair invited any other business.

23. The Director of Operations updated the Board as per the items below:

- Standing orders – have been updated to reflect new Board member fees. A breakdown of the fees was provided to the Board and explained that Board members have increased from £226.92 to £230 per day and Chair fees have increased from £307.92 to £310 per day.
- Sharing Board papers – considering more efficient ways of sharing papers. Options included Objective Connect and Teams. The Director of Operations took an **action** to discuss options with board members and gather feedback.

24. The Chair thanked everyone for attending and wished attendees well for the Christmas break. The next Board meeting will be held on 13th February 2024 in Edinburgh.