

CONSUMER SCOTLAND STRATEGIC BOARD MEETING

Tuesday 14 November 2023

10:00 – 13:00

In person, Edinburgh

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

Sue Bomphray, Director of Operations

David Eiser, Director of Research and Analysis

Douglas White, Director of Policy and Advocacy

Craig McClue, Head of Investigations (for item 6 only)

Fraser Stewart, Research Manager (for seminar session only)

Kathryn Gill, Policy Officer (for seminar session only)

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

Apologies:

Jane Williams, Head of Research (for item 4 only)

Welcome and Declaration of Interest

1. The Chair welcomed everyone to the meeting and formally introduced Lesley Halliday – Consumer Scotland’s newly appointed Board Member. Introductions, a brief overview of Consumer Scotland and general Board meeting procedures were outlined.
2. The Chair thanked everyone for their introductions and invited members to provide any declarations of interests.
3. The Director of Policy and Advocacy declared an interest relating to item 7 of the agenda, which referred to the Work Programme Planning. The interest was noted, and it was agreed that no further action was required by the Director of Policy and Advocacy or the Board.

4. Additionally, LH declared that she is a member of the Law Society's Complaints and Oversight Committee and the Independent Customer Group for Scottish Water. The interest was noted, and the Board took assurance from the agreement reached with the Law Society and Scottish Water on managing any potential conflicts.
5. It was noted that the Head of Research would not be in attendance for item 4 on the agenda. The Chair outlined that the newly appointed Head of Investigations would be joining the meeting for item 6.

Minutes from the Previous Board Meeting

6. The Board approved the minutes of the previous Board meeting held on 3 October 2023.

Action Tracker

7. The Director of Operations updated members on actions completed prior to the Board meeting. It was noted that there are several outstanding actions scheduled for the 6 December Board meeting. Members agreed that some actions may have to be rescheduled and discussed at future meetings.

Post meeting addendum: Timescales have been adjusted for items relating to public awareness proposal, framework agreement, Information Management/GDPR and invitation for WICs to attend Board meeting.

8. The Director of Operations updated members on the position in relation to the tax position of Board member expenses. It was noted that processes used by other public sector organisations had been investigated but gaining a broader view on policy regarding Board expenses was ongoing.
9. The Chair invited any further questions on action tracker. With no additional discussion, this item was closed.

Key Issues Update

10. The Chief Executive provided a high-level update on Key Issues across Consumer Scotland.
11. It was noted that Consumer Scotland's Research Manager, Head of Policy and Markets and Water Policy Manager recently attended an evidence session on the Net Zero, Energy and Transport Committee of the Scottish Parliament. The Board recorded their appreciation of the contribution they had made at the Committee.
12. Consumer Scotland's relocation to share accommodation with Environmental Standards Scotland (ESS) has progressed. Having now received Ministerial Approval, the next steps included receiving

the building warrant, finalising the design and procurement of furniture. The Director of Operations confirmed that formal notice had been submitted to Meadowbank House, Consumer Scotland's current accommodation provider. The importance of the relocation taking place within this financial year was noted.

13. The Director of Operations informed the Board that a project team had been set up with ESS to progress the move including how the two organisations will work together in the shared office space. The Chief Executive further proposed a meeting between the Boards of ESS and Consumer Scotland around the move-in target date. The Board supported this idea. AM asked how the projected savings for the move would be tracked. It was agreed that this would be monitored through our budget.

14. The Chief Executive noted developments that made it necessary to consider Consumer Scotland's approach to the oversight and funding of consumer advice and advocacy activities by other organisations:

- The Scottish Government's intention that Consumer Scotland should take on responsibility for approving levy funding of GB consumer advocacy activity on behalf of consumers in Scotland. He noted that the activity is carried out by Citizens Advice and there was an opportunity to bring greater coherence to the overall programme of levy funded activity on behalf of electricity, gas and postal consumers.
- The designation of Consumer Scotland as the future consumer advocate for heat networks, which was likely to lead to funding for advice as well as advocacy activities. It would be sensible to reach agreements with specialist advice provider/s to deliver the advice function.
- Consumer Scotland already provide grant funding to CAS for the delivery of the Big Energy Savings Network and campaign.

15. In discussion the following points were made:

- Support and funding of other organisations was set out as a function of the organisation in statute;
- Consumer Scotland should take on funding responsibility where that was consistent with the interests of consumers in Scotland;
- A paper setting out principles for decisions on funding of other organisations should come to a future Board meeting.

16. A Board Pocketbook was circulated as part of the paper pack to the Board. The Director of Operations noted that, if useful, this could be circulated annually to update the Board on workstreams.

17. A discussion around statutory functions led to a discussion about a potential need for in-house legal resources. The Director of Operations noted that the Executive Team are aware of the issue and confirmed that it had been considered in developing budget scenarios for 2024-2025.
18. The paper for information on the Energy Consumers Network (ECN) was welcomed by the Board. NM requested that minutes from ECN meetings were included in the Board paper pack. An **action** was taken to include ECN minutes in future paper packs.

Organisational Indicators

19. The Director of Operations introduced a discussion on the draft Performance Framework.
20. The Director of Operations outlined that there are aspects of Consumer Scotland's work that are easily measurable through KPIs. However, as an advocacy organisation, Consumer Scotland have a duty to influence areas of policy making which is more difficult to track, measure and quantify.
21. Collaboration with Matter of Focus has taken place which has assisted in developing the impact framework. The Director of Operations provided an overview on the framework being developed, noting that it will consist of three main aspects: recommendation register, impact assessment review and workstream monitoring. Each aspect was outlined for the purpose of the Board.
22. In discussion the following points were made:
 - Support for the statement regarding the framework being a continuous area of improvement, as it aligns with Consumer Scotland's value: *"We are committed to improvement and we will review our work and its impact to continually learn and develop."*
 - The need to evaluate both areas of work that were considered successful and those where our impact was less than desired.
 - The need to review KPIs at regular intervals.
23. The Chair wrapped up the discussion by praising the close link between the set of organisational indicators and Consumer Scotland's Strategic Plan. The Chair then summarised the discussion as follows:
 - Consumer Scotland are committed to publishing Organisational Indicators.
 - An **action** was taken for the Board to be sent an amended paper for approval.
 - Assessment on areas where Consumer Scotland have had an impact is important. Additionally, learning reviews on areas where Consumer Scotland could improve should also be recorded in the report.

Budget Planning Update

24. The Director of Operations led the discussion on Budget Planning.
25. A brief overview was presented to the Board regarding Consumer Scotland's budget process, including the different sources of funding – core Scottish Government grant and three levy grants.
26. The Budget Planning paper outlined several funding outcome scenarios and presented to the Board how Consumer Scotland would operate under any of the given scenario examples. Members discussed areas of the organisation where lower funding scenarios would limit the ability of the organisation to deliver its work programme. This was particularly problematic as the outcome of the gas, electricity and post levy funding process was unlikely to be known before the Work Programme had to be laid before Parliament.
27. The Director of Operations stated that the core budget grant request had been submitted to the Scottish Government. The Scottish Government's draft budget would be published in mid-December and final approval will likely be given by the Scottish Parliament in late February or early March. As electricity, gas and postal levy funding are granted through the UK Government this will be confirmed later, around April 2024.
28. The Director of Operations noted that there were other factors considered in the budget, including the 2023-2025 Scottish Government pay deal and the move to a 35-hour full-time working week. It was noted that the budget did not cover Heat Networks funding as a sum had not yet been agreed.
29. Board members enquired to whether there was a future projection of the budget considered, that would look at the impact of future budgets on Consumer Scotland. The Director of Operations noted that there is a 5-year plan in progress and today's discussion would help refine that. An **action** was taken to provide a reforecast on the budget for the current financial year.
30. The Chair summarised by reminding the Board that we will have more information on budgets in December. It was agreed that the 5-year plan would be reviewed by the Board at a future meeting.
31. The Chair closed this item, noting that there has been good progression since the last budget discussion.

Investigations Governance

32. The Director of Research and Analysis led the discussion on investigations governance. The Head of Investigations joined the meeting for this item. The Chair noted that this was the Head of Investigations first week at Consumer Scotland and invited members to introduce themselves.

33. The Director of Research and Analysis gave an overview of the agenda item, outlining that the aim of the paper is to provide an overview of the decision-making process for investigations. It was noted that the Board's feedback would help shape the next stages of refining the process.

34. The decision-making process proposed consisted of four stages:

- Prioritisation – development ideas for pipelines and prioritising based on strategic objectives.
- Pre-investigation – detailed scoping exercise followed by approval from Executive Team and Board.
- Pre-launch – further evidence gathering and preparation of materials.
- Investigation – formal public launch followed by publication of investigation report.

35. In discussion the following points were made:

- The benefit of collaboration with other organisations to prevent overlap and the legal regulation surrounding investigations. The Chair noted it would be useful to see paragraph 22 of the Investigations paper to be worked up as a set of tests. An **action** was taken for the Head of Investigations to formalise the governance framework and scope out the design and implementation of a consultation on that framework.
- The importance of the Board role in scrutinising the investigations process, noting the need for further consideration on how this would work in practice.

36. The Head of Investigations left the meeting.

Work Programme Update

37. The Director of Policy and Advocacy led the update on the Work Programme. Opening remarks noted that there has been significant development in the Work Programme planning process, having learnt lessons from last year's process.

38. An overview of the Work Programme was delivered to the Board, noting workstream proposals from the Energy, Post, Water and Consumer Market teams. Further prioritisation of workstreams will take place and the Director of Policy and Advocacy noted the draft Workplan would go to the Board for approval in December.

39. Discussion was held around ensuring CS's strategic objective are reflected in the workstream prioritisation framework. The Director of Policy of Advocacy informed the Board that staff have carried out work to ensure workstreams are linked to strategic objectives and continue to reflect

issues for consumers in Scotland. Part of this process has led to the set-up of strategic co-ordination groups which will lead to a more collaborative method of working across teams.

40. The Chair summarised by formally noting the positive progress in the Work Programme development.

AOB

41. The Chair thanked attendees, noting the next Board meeting was on the 6th December 2023 (Governance).

42. There being no other business, the meeting closed.

Seminar Session – Net Zero Research– provided by Consumer Scotland’s Research Manager

43. Consumer Scotland’s Research Manager and Policy and Advocacy Officer joined the meeting. The Research Manager led the seminar session on Consumers and the Transition to Net Zero.

44. Consumer Scotland’s strategic plan has a commitment to investigate and understand consumer priorities for, and experiences of, net zero. The Scottish Government stated in their 2022-2023 programme for government that Consumer Scotland should consider undertaking work to track consumer engagement with decarbonisation in Scotland. Following this, Consumer Scotland commissioned research externally, resulting in an online survey of adults (16+) in Scotland. Key findings of the research were presented to the Board.

45. A discussion followed the presentation regarding certain areas of the report and the future development of this research. The Chair noted that this research is centrally linked to Consumer Scotland’s legislation and strategic objectives.

46. The Chair thanked the Research Manager and the Policy Officer for their attendance, and the seminar session was closed.