

CONSUMER SCOTLAND GOVERNANCE BOARD MEETING

Tuesday 24th September 2024

12:30 – 15:00

Virtual, Via Teams

Minute

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

David Eiser, Director of Research and Analysis

Douglas White, Director of Policy and Advocacy

Jill Rosie, Assistant Director of Strategic Partnerships

Sally Sandground, Finance, Governance and Corporate Services Manager

Ian Forbes, Finance and Accountancy Advisor (items 4 to 6)

Andrew Denholm, Head of Communications (item 7)

Polly Mazurkiewicz, Governance, Digital and Communications Officer (secretariat)

Apologies

Sue Bomphray, Director of Operations

Welcome and Declaration of Interest

1. The Chair welcomed the Board to the meeting.
2. With regards to declarations of interests, the Chair updated the Board on work to finalise the recording of Transparency Statements. The proposed process had been refined and agreed by the Chair, and would be circulated to members after the meeting.
3. Transparency Statements will be recorded in minute-taking moving forward, in instances where members have a connection with an agenda item but no mitigating action is required. Formal declarations of interest will continue to be recorded in accordance with the code of conduct.
4. LH updated the Board that she had formally stepped down from the Independent Consumer Group and therefore no longer declares a conflict of interest on Scottish Water issues.

5. An **action** was taken by the secretariat to review how the Register of Interests is recorded and published, to ensure changes of this nature are clearly articulated.
6. JW noted an outstanding action to declare an interest regarding the Chief Executive of ADS. The Director of Operations was scheduled to discuss with JW on her return from leave.

Minutes from the Previous Board Meeting

7. The Board approved the minutes of the previous Board meeting held on 20th August 2024.

Minutes from the Previous Audit and Risk Committee (ARC) Meeting

8. The Board noted the minutes of the previous ARC meeting held on 11th June 2024. These were approved at the preceding ARC meeting.

Action Tracker

9. The Assistant Director of Strategic Partnerships updated the Board on actions recorded on the Action Tracker and the following points were noted:
 - Action 190 – The Board’s public engagement was being actively considered with a Board meeting to be held at ADS Offices in Glasgow next year. The meeting would be combined with a visit to ADS’ consumer helpline call service, and a visit to the CAS Extra Help Unit. The Board supported this approach.
 - Action 205 – a strategic session with the Board on the public policy context was being considered by the Chief Executive and would be arranged ahead of finalising next year’s draft work programme.
 - Action 206 was discussed and a further **action** was taken to arrange an informal financial deep dive at the end of October.
 - In relation to the recall of goods update paper which closed off action point 204, members offered feedback. An **action** to look at how we present our outputs was taken.

Chief Executive Update

10. The Chief Executive provided an overview of three key topics:
 - The Strategic Review of Charges (SRC27)
 - i. The SRC had reached a significant point. A draft MOU between Consumer Scotland, Scottish Water and the Water Industry Commission for Scotland (WICS) has been finalised and shared in the Board papers pack for information.

- ii. The MOU sets out how consumers are represented in the SRC process using 3 pillars: evidence base, challenge, and confirmation.
 - iii. The Challenge Pillar will give a Special Terms of Reference to the existing water Independent Customer Group (ICG) to challenge Scottish Water to demonstrate it is putting evidence from consumer research at the heart of its Business Plan. The Chair of the ICG would report jointly to the Boards of Consumer Scotland and Scottish Water on its fulfilment of its Special Terms of Reference. During the SRC27 period new members appointed to the ICG would be jointly agreed by the Chair of the ICG, Consumer Scotland and Scottish Water.
 - iv. The confirmation pillar is a new element in this SRC process and will see consumers being directly asked if Scottish Water's final business plan for the SR27 period commands their support, through deliberative research. This confirmation pillar is designed to enable WICS to answer the requirement placed upon them in the Scottish Government's Commissioning Letter to demonstrate that their Determination of water charges commands consumer support. It was noted that it is believed to be the first time in UK water regulatory processes that consumers would be directly asked to reach a view on an overall final Business Plan to inform a regulator's Determination.
 - v. The Chair noted he was very pleased with the progress we are making.
- Budget Requirements for 2025-26
 - i. Budget negotiations are in progress. A new process for engaging with the Scottish Government is being followed for FY2025-26, reflecting our NMO position.
 - ii. We have written to the Scottish Government setting out our financial requirements, being mindful of the current public sector financial environment. We will write formally to the Minister for Public Finance in similar terms.
 - iii. The Chief Executive and Board discussed next steps and subsequent stages of the process.
 - We are publishing later this week new net zero research which looks at consumer attitudes to taking action towards net zero.

11. The Board raised further points for discussion from the Chief Executive's wider report, including the move to a 35 hour working week and the role of the newly appointed 3rd sector champion.

12. The Board thanked the Chief Executive for his update.

Management Accounts

13. The Finance and Accountancy Advisor joined the meeting.

14. Following discussion at the preceding ARC, the Finance, Governance and Corporate Services Manager provided a brief overview of Consumer Scotland's Management Accounts and Outturn for Quarter 1. It was noted that while Q1 presents as an underspend, we believe our budget is correct and will revert to it as year progresses. It was noted that the next iteration of report, following the introduction of the Oracle finance system by the Scottish Government, will provide more textured discussion.
15. The Board noted the financial update.

Savings Report

16. Following a positive discussion at the preceding ARC meeting, the Assistant Director of Strategic Partnerships updated the Board on commitments to making savings across the organisation.
17. There was general support from the Board on the format of the Savings Report paper.
18. The Assistant Director highlighted that as we continue to use our drive to push efficiency and cost saving, we are keen to be seen as a leader and innovator in the public services reform agenda.
19. It was noted that the presented report was useful for identifying organisation wide savings, however, there remained a need to document and monitor specific, projected and qualitative costs and benefits made as a result of the office move to Thistle House. An **action** was taken to consider how this is presented moving forward.
20. The Board noted the update. Savings reporting would continue to be tabled at the Board on a quarterly basis.

Annual Report and Accounts

21. Following the ARC's endorsement, the Board approved Consumer Scotland's Annual Report and Accounts, and Representation Letter, for FY2023-24.
22. The Chair thanked the Operations Team and everyone else involved for their hard work on what is a huge piece of work. The Chief Executive reiterated his thanks and noted the positive comments made by the Auditors at the Audit and Risk Committee meeting on the Annual Report and Accounts.
23. The Finance, Governance and Corporate Services Manager recorded her thanks to the Director of Operations for her leadership in the process, and thanked the wider organisation for their input and responsiveness when responding to requests for information.

Communicating our strategic value as an organisation

24. The Chair welcomed the Head of Communications to the meeting.
25. The Assistant Director of Strategic Partnerships presented the Board with an update on work taking place to strengthen Consumer Scotland's strategic position and messaging:
- A programme of portfolio meetings had been convened between policy leads, research and analysis, and strategic and communications colleagues
 - Senior Leadership Team meetings had been revamped
 - A Core Brief document has been produced internally, ensuring joined up messaging on key issues and policy positions across the organisation.
 - A Scottish consumer sector chief executives group was in the process of being established, with our Chief Executive as Chair. Its purpose would be to look at how the sector is equipped for the future and to take partners forward together.
26. The Head of Communications updated the Board on Communications activity and noted:
- Core communications and news outputs continued under business as usual .
 - The portfolio meetings were providing the opportunity to influence outputs earlier in the process, bringing teams together and helping with articulation of strategic aims and key themes. This was supporting the development of an overarching position on who we are and what we want to achieve.
27. The Board discussed how best to portray the breadth of our outputs and our achievements, and that Consumer Scotland's role continued to evolve. It was noted that different challenges exist with different stakeholders.
28. The Assistant Director of Strategic Partnerships provided an update on planning for Board engagement in public. The newly appointed Strategic Partnerships Manager was preparing a proposal.
29. The Director of Policy and Advocacy shared that a multifaceted approach was being taken, with information reaching stakeholders in different ways to suit their bespoke needs. For example:
- A quarterly newsletter sent to MPs, MSPs, governments, regulatory and other stakeholders.
 - All publications and reports were shared with the Scottish Parliament Information Centre (SPICe) and the House of Commons Library.
 - A programme of quarterly in-person meetings take place with key stakeholders at Director and CEO level.
 - Individual teams meet with their stakeholders on a regular basis.

- Further to this, a stakeholder engagement plan was being finalised to build on this and to ensure an organisation-wide targeted approach.

30. The Board thanked colleagues for their paper which had prompted fruitful discussion.

AOB

31. With no other business, the Chair closed the meeting, noting that the next Strategic Board meeting on 12th November 2024 will be held at Thistle House, Edinburgh.