

Meeting Minutes

Minutes of the Meeting of the Board of Scottish Canals held on 23rd March 2017 at 9.30am at The Falkirk Wheel, Camelon, Falkirk

Present:	Andrew Thin	- Chair
	Tanya Castell	- Vice Chair
	Cathie Bankier	- Non-Executive Director
	Deborah Benson	- Non-Executive Director
	Steve Dunlop	- Chief Executive
	Martin Latimer	- Non-Executive Director
In Attendance:	Nicola Christie	- Head of Legal Services (Secretary)
	Katie Hughes	- Director of Estates and Commerce
	Claire Lithgow	- Director of Finance
	Richard Millar	- Director of Infrastructure
	Josie Saunders	- Head of Corporate Affairs
	Lesley Corr	- Executive Assistant
	Wilma Kelly	- Observer

1. Welcome and Apologies

The Chair welcomed everyone, in particular Wilma Kelly, Health & Safety Director for the Energy Networks Division of Scottish Power, who was attending the meeting as an observer as part of the Board shadowing initiative. There were no apologies.

2. Declaration of Interests

There were no declarations of interest with regard to the agenda items.

3. Approval of the Minutes from Previous Meeting and Matters Arising

The Board considered and approved the draft minutes of the meetings held on 2nd February, subject to amendments as agreed by the Board, and 3rd March 2017.

4. Review of Previous Actions

The progress report on actions from previous meetings was reviewed and would be updated.

Defined Contribution Pension Scheme

The Board was updated on the review of the defined contribution pension plan to be offered to all eligible employees. The key aims of the review were to provide a pension arrangement fully compliant with Scottish Canal's auto enrolment duties, whilst ensuring the pension provider offered ongoing support to members throughout their journey to retirement. Following engagement with the Trade Unions, a consultation was underway and would close on 29th April 2017.

The Board would continue to be updated on the cost implications in providing a competitive pension offer as a valued benefit for employees.

Dundas Hill Site Acquisition

The Board welcomed the confirmation that the outline planning consent approved by Glasgow City Council had not been called in for further consideration by the Scottish Government. It was noted that discussions were ongoing with the Scottish Government sponsor team to achieve the requisite Ministerial approval for this acquisition. The Board recommended that a structured briefing be held with the sponsor team to reinforce Scottish Canal's financial sustainability drivers.

Health & Safety update – Oakfield Bridge, Crinan Canal

The Board was updated on the ongoing investigation following an incident at Oakfield Bridge on the Crinan Canal involving a member of the public.

The Board was assured that appropriate actions were being progressed to enable safe bridge usage following a logical process and that discussions would be held with Transport Scotland. The Board would be updated at the next meeting.

Action:

The Board to be updated on actions progressed to enable safe bridge usage at the next meeting.

5. Audit & Risk Committee (ARC) report

The minutes of the Audit & Risk Committee (ARC) meeting held on 8th March 2017 were noted. The ARC Chair highlighted the key issues discussed including the review of the corporate risk register and risk management. The Board noted that the outcomes from a follow up meeting to consider risk appetite would be reported to the Board in due course. In addition, the ARC chair reported significant progress made in relation to the business continuity and disaster recovery arrangements with scenario planning in place to address potential security risk. It was noted that Internal Audit was adding value with internal audit reviews and assurance mapping. It was further noted that the external auditor's preparations for the 2016/17 external audit were underway and that the accounting policies had been reviewed. Briefings on the insurance arrangements 2017/18 and cyber risk were also noted.

Ratification of Jim Barton appointment to ARC

The Board ratified the appointment of Jim Barton, formerly of Transport Scotland and Chair of BEAR Scotland, as a co-opted ARC Member for a year with effect from 8th March 2017.

Approval of Internal audit Plan 2017/18

The Board considered the content and expected outputs of the draft Internal Audit Plan 2017/18. It was noted that the ARC had recommended that a review of the Linlithgow Embankment project be included as an appropriate operational project given its complex elements. The ARC had further recommended that the Board support the proposal of three additional days for internal audit to maintain the momentum following the assurance mapping exercise.

Following the recommendations of the ARC, the Board approved the Internal Audit Plan 2017/18, containing three additional days for internal audit.

Approval of revised terms of reference

The Board considered the ARC terms of reference which had been revised following feedback from Internal Audit and Committee members. It was noted that the revised terms of reference differed from the model terms of reference for an Audit Committee included in the Scottish Government Audit Handbook but that a degree of flexibility in applying this guidance was acceptable given that the recommended changes were considered good practice. It was agreed that the revised format provided a clearer and appropriate framework and, following the recommendation of the ARC, the Board approved the adoption of the revised ARC terms of reference.

The Board commended the Chair of the ARC for a comprehensive summary reflecting the work of an effective ARC.

6. Strategic Workshop

The Board and Executive team participated in a workshop focused on the way forward regarding the key strategic themes of corporate structure; monetisation/innovative funding models and digital participation.

7. Any Other Business**Crown Estate Consultation****Action:**

The Board agreed to submit a response to the open consultation on the future of the Crown Estate in Scotland before the deadline for responses on 29th March 2017.

Customer Forums, Boater's Surgeries and Stakeholder Meetings

The Board emphasised the duty of care it owed to Scottish Canal's employees who should not have to tolerate verbal abuse as had been witnessed at the recent Lowland's Customer Forum. The Board was concerned that a small, destructive group of customers were a drain on limited resources due to a disproportionate time spent dealing with repeated issues.

The Board requested that the Executive team consider the use of various modes of communication/social media to encourage more productive and resource efficient future engagement with customers.

Date of Next Meeting

The next meeting would be held on 4th May 2017 at The Wheel Room, Falkirk Wheel

Signed Andrew Thin Date