

Meeting Minutes

Minutes of the Meeting of the Board of Scottish Canals held on 21st September 2017 at 9.30am at Clyde meeting room, Scottish Canals, Glasgow

Present:	Andrew Thin	- Chair	
	Tanya Castell	- Vice Chair	
	Deborah Benson	- Non-Executive Director	
	Martin Latimer	- Non-Executive Director	
	Steve Dunlop	- Chief Executive	
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	
	Naila Akram	- Observer	
	Apologies:	Cathie Bankier	- Non-Executive Director

1. Welcome and Apologies

The Chair welcomed everyone to the meeting, in particular Naila Akram, Community Investments Manager at Balfour Beatty, who would be attending Board meetings as an observer for six months as part of the Scottish Government Board shadowing initiative. Apologies had been received from Cathie Bankier.

2. Declaration of Interests

There were no declarations of interest.

3. Approval of the Minutes from Previous Meeting

The Board considered and approved the draft minutes of the Board meeting held on 14th August 2017, subject to amendment as agreed by the Board.

4. Matters Arising and Review of Previous Actions

The Chair congratulated the team for the work undertaken to date on the Ness Weir which had been brought to life by co-ordinated digital media communications. The Board was advised that the fish pass had been deployed and the works were expected to be complete by mid-October 2017.

The Chair also welcomed the increase in residential boats moored at Port Dundas. The Board noted that the moorings at this location were currently full and that there was an increase in demand for living on water in Glasgow.

The Chair further commended the team for the explanatory signage of anticipated works at the Caledonian Canal Centre, Fort Augustus. The Board was advised that the works had commenced at this location.

The progress report on actions from previous meetings was reviewed and it was noted that several actions had been discharged. The Board agreed that the actions regarding the risk controls would be re-opened and discussed at the next meeting.

5. Audit & Risk Committee (ARC) Report

The ARC Chair reported to the Board on the key issues as detailed in the draft minutes of the ARC meeting held on 7th September 2017. The Board noted the ARC's views regarding the Corporate Risk Register and risk appetite which would be addressed by the ongoing review to be considered at the next Board meeting. The Board discussed the limited assurance of the internal audit review undertaken to ensure that there were controls in place covering physical and information security and cash handling at the Caledonian Canal office & Clachnaharry Sea Lock. The Board was assured that

the risks were low, new processes were being embedded by management and lessons learned would be cascaded throughout Scottish Canals. An update on the key controls briefing on Human Resources and reviews of the anti-bribery standard, codes of conduct, whistleblowing policy and procurement strategy were noted together with the feedback from the ARC's annual self-assessment questionnaire and the annual review of external audit. The Chair of the ARC reminded Board members of the requirement to report gifts and hospitality accepted and declined in the course of Scottish Canals business. The Board welcomed the positive content of the Gender Pay Gap report. The Board were updated on the work programmes to ensure compliance with anticipated new data protection legislation and amendments to the current Corporate and Operational Governance Arrangements to provide assurance that procedures were being followed.

To assist with succession planning, the Chair of the ARC proposed that the current co-opted ARC member, Jim Barton, be offered an extension of twelve months to his current term of appointment and that the independent ARC member, David Watt, be offered an extension of six months to his current term of appointment. The Board approved the extensions as proposed, noting that this was an exception to the Audit & Risk Committee Terms of Reference.

6. Cash Contingency briefing paper

The Board discussed the appropriateness of the contingency held in cash for funding emergency expenditure on canal infrastructure in accordance with Scottish Canals Framework Document with the Scottish Government as well as protecting against unforeseen cash flow demands.

The Board noted that the scale and nature of emergency expenditure on canal infrastructure had exceeded the contingency and in every circumstance where there had been an emergency or critical asset failure Scottish Government had provided the necessary financial support to fund the works.

The Board agreed that, in accordance with the responsible management of public money, it was not appropriate to maintain a ring-fenced contingency in cash as it was not the best use of public funds and not in the public interest. It was agreed that the Chair and Chief Executive would discuss this Board recommendation with the sponsor team with a view to revising the wording of Scottish Canals Framework Document to retain a liquidity requirement and report back to the next meeting.

Action:

The Chair and Chief Executive to discuss cash contingency requirements with the Scottish Government sponsor team and report back to the next meeting.

7. Strategic Update

The Executive team provided the Board with an update on key strategic projects.

8. Any Other Business

Health & Safety Update

The Board was updated following a recent fall from height on the lock walk way at Lock 2 of the Forth & Clyde Canal near Grangemouth. The Board noted the immediate action taken following the incident and that a full accident investigation to establish the root cause was underway. The incident had also been reported to the Health & Safety Executive. The Board would be further updated at the next meeting.

Board Member Recruitment

The Chair reported that Scottish Government and Scottish Canals would complete a skills review prior to Scottish Government commencing a recruitment process for Board members to replace current members due to leave the Board in July 2018.

Board Shadowing Initiative

The Board thanked Wilma Kelly for her contribution to Scottish Canals as a participant in the Board shadowing initiative. Wilma thanked the Board and Executive team for the experiential learning opportunity and agreed to provide a Board shadowing case study for Scottish Canals web-site. It was noted that Wilma had met with Naila as part of Naila's induction programme.

Action:

Corporate Affairs to liaise with Wilma Kelly regarding her reflections on the Board Shadowing initiative for the Scottish Canal's web-site.

Date of Next Meeting

The next meeting would be held on 2nd November 2017 at The Falkirk Wheel.

Richard Brown, Director of Regeneration Services, Glasgow City Council (GCC) and Chair of the Glasgow Canal Regeneration Partnership joined the Board and provided an overview of the collaborative working relationship between Scottish Canals and GCC to unlock regeneration opportunities in North Glasgow.

The Board undertook site visits along the Glasgow Branch of the Forth & Clyde Canal to further understand the strategic significance of the canal environment as a catalyst for regeneration opportunities in North Glasgow.

Signed Andrew Thin Date