

## Meeting Minutes

**Minutes of the Meeting of the Board of Scottish Canals held on 14<sup>th</sup> August 2017 at 9.00am at The Falkirk Wheel, Camelon, Falkirk**

<b>Present:</b>	Andrew Thin	- Chair
	Cathie Bankier	- Non-Executive Director
	Deborah Benson	- Non-Executive Director
	Martin Latimer	- Non-Executive Director
	Steve Dunlop	- Chief Executive
<b>In Attendance:</b>	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
<b>Apologies:</b>	Tanya Castell	- Vice Chair

### 1. Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies were received from Tanya Castell. The Chair confirmed that Naila Akram, Community Relations Manager at Balfour Beatty, would be attending Board meetings as an observer with effect from the next meeting.

### 2. Declaration of Interests

There were no declarations of interest.

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

The Board considered and approved the draft minutes of the Board meetings held on 26<sup>th</sup> June 2017, subject to amendment as agreed.

### 4. Review of Previous Actions

The progress report on actions from the previous meeting was reviewed and actions discharged were noted.

The Chair reported that discussions were ongoing with the sponsor team on the recommendations for consideration by the Minister regarding the composition of the Board. The Board would be updated on progress at the next meeting. It was agreed that a programme of Board training would be undertaken following the Minister's decision.

### 5. Corporate Risk Register

The Board reviewed the Corporate Risk Register and agreed the risk descriptions subject to amendment to eliminate duplication. The Board was assured by the Executive team that appropriate risk mitigation was in place for terrorist attacks.

The Board appointed Cathie Bankier to lead on the review of the narrative of the controls in place and planned actions for each corporate risk. The Board noted that further discussion with the Chief Executive was planned.

#### **Action:**

**The Board to be updated on the review of the Corporate Risk Register at the next meeting.**

### **Risk Appetite Statement**

The Board considered the proposed risk appetite statements. The Board agreed that it remained open to the concept of risk appetite statements and risk tolerance as part of the suite of management tools in place to achieve effective risk management. Following discussion it was noted that the risk appetite statements and risk tolerance should be framed within the context of Scottish Canals' projects and

tightly focussed to be of practical value to the business. The Board agreed to reconsider the format of risk appetite statements and risk tolerance at the next meeting.

**Action:**

**The format of risk appetite statements and risk tolerance to be discussed at the next meeting.**

**6. Quarterly Health & Safety Report**

The Board reviewed the Q1 Health and Safety report and welcomed the positive reporting trends and that all Q1 actions from the Health & Safety Action Plan 2017/18 had been delivered. The Board noted that management focus on Health & Safety had driven an increase in near miss reporting and management audits. The Board was assured that actions identified had been progressed and, when completed, appropriate feedback communicated.

The Board further noted that close partnership working with the Trades Unions had resulted in the development of a clear action plan based on the findings of the recent staff Health & Safety survey which had been jointly published and promoted to all staff.

The Board was assured that, following full investigation, appropriate actions had been completed as a consequence of an incident at Muirtown Basin on the Caledonian Canal and that this matter was closed. A report on the impact of usage of Oakfield Bridge on the Crinan Canal would be included in the Q2 report.

**Action:**

**A report on the impact of usage of Oakfield Bridge on the Crinan Canal to be included in the Q2 report.**

**7. Quarterly Business Report**

The Board reviewed the Q1 Business Report presented in the context of the core themes of financial sustainability; public value; and empowering and motivating people as set out in the Corporate Plan 2017-2020 and as reflected in the Business Plan 2017/18.

The Board noted the positive financial sustainability highlights reported, in particular the lease arrangement agreed with Natural Retreats for the marketing and operation of the holiday cottage portfolio and transactional spend above plan for the quarter at The Falkirk Wheel. The Board also welcomed recognition by VisitScotland of The Falkirk Wheel as a 5 Star Attraction.

The Board further noted the public value importance of clear, strategic partnership working with third parties and congratulated the management team on the well run Glasgow Canal Festival and Royal visit to the Kelpies.

The Board commended the competent actions undertaken by local teams in response to unplanned bridge closures, in particular the mechanical breakdown of Muirtown bridge, and the partial collapse of the pier at Ardrishaig which demonstrated an empowered organisation.

The Board noted that close engagement with the sponsor team was ongoing and welcomed the additional grant-in-aid to fund works to Ardrishaig pier.

The Board noted satisfactory progress of all corporate and strategic KPIs in accordance with the Business Plan for 2017/18. It was agreed that the financial strategy would be reviewed at the Board meeting in December.

**Action:**

**Financial strategy to be reviewed at the Board meeting in December.**

**8. Quarterly Finance Report**

The Board was assured of good financial management demonstrated by the encouraging performance against budget as reported in the Q1 Finance Report.

The Board discussed cashflow liquidity and noted the constraints to short-term cash management. The Board was appreciative that sudden, significant and unexpected calls on cash, for example in

relation to the capital project at Culloch Weir and the anticipated works pier works at Ardrishaig, had been funded by Scottish Government. The Board requested a report for the next Board meeting to reconsider the ongoing requirement to hold a cash contingency, what the value of this should be and the circumstances in which the contingency may be utilised.

**Action:**

**A report on the cash contingency to be considered at the next Board meeting.**

**9. Caledonian Canal Centre**

The Board discussed the progress report on the redevelopment of Macveans supermarket in Fort Augustus into the Caledonian Canal Centre. The Board noted progress in relation to costing, design, funding, business plan development and community engagement. It was reported that the design had been enhanced to improve the commercial viability and quality of the centre and that this had resulted in an increased build cost, but with an increased revenue return and a strong projected yield. The Board further noted that the potential for third party funding continued to exist.

The Board agreed that Scottish Canals was well placed to strengthen the Fort Augustus strategic tourism offer by creating a flagship destination hub. This would score highly in meeting Scottish Government's key objective of economic growth which would be further enhanced given the rural location.

The Board approved the additional spend to achieve an increased revenue return and a strong projected yield.

**10. Forward Board Programme 2017 / 18**

The Board agreed the forward Board meeting programme for 2017/18 and that the proposed site visits and stakeholder engagement would add value. In line with this revised programme the Board visited key hubs between the Falkirk Wheel and the Kelpies and received presentations on the potential for further development along the Falkirk corridor. The Board also engaged with volunteer lock-gate keepers.

**11. Any Other Business**

There was no further business.

**Date of Next Meeting**

The next meeting would be held on 21<sup>st</sup> September 2017 in the Glasgow area.

Signed ..... Andrew Thin      Date .....