

SCOTTISH WATER BOARD MEETING MINUTES

Date 25th June 2025
Start Time 9:30am
Finish Time 3:00pm
Place New Marchmount House, Dumfries

Present:	Mrs Deirdre Michie	Chair
	Mr Alex Plant	Chief Executive
	Mr Peter Farrer	Chief Operating Officer
	Mr Alan Dingwall	Chief Financial Officer
	Mrs Catriona Schmolke	Board Member (Items 1 to 5 only by MS Teams)
	Mr Steve Dickson	Board Member
	Mr Iain Lanaghan	Board Member
	Mr Graham Dalton	Board Member
	Mr Ken Marnoch	Board Member
	Mr Ian McAulay	Board Member
	Mr Allan Clow	Board Member
In attendance:	Mrs Emma Campbell	Group Legal Counsel & Director of Governance and Corporate Secretary
	Mrs Wendy Kimpton	Director of Strategy & Regulation (Item 5(i) only by MS Teams)
	Mr Raymond Buchanan	Director of Corporate Affairs (Item 5(ii) only by MS Teams)
	Ms Natalie Walker	Principal Communications & Engagement Consultant (Item 5(ii) only by MS Teams)
	Dr Jo Blewett	Deputy Director, Scottish Government – Water Industry Team (Item 6 – Scottish Government / Scottish Water Board Session only)

PART I

1. APOLOGIES

There were no apologies received.

2. DECLARATION AND REGISTRATION OF INTERESTS/MATTERS ARISING

There were no interests which required declaration or registration. There were no matters arising.

3. BOARD MINUTES (Part I)

- (i) Draft Minutes of the Board Meeting held on 28th May 2025
The draft Minutes of the Board meeting held on 28th May 2025 were approved.

Paper 47/25 approved.

- (ii) Special Remuneration Committee Meeting held on 8th May 2025
The draft Minutes of the Special Remuneration Committee meeting held on 8th May 2025 were noted.

Paper 48/25 noted.

- (iii) Remuneration Committee Meeting held on 22nd May 2025
Mr Marnoch, Chair of the Remuneration Committee, provided a verbal report of the Remuneration Committee meeting held on 22nd May 2025.
- (iv) Draft Minutes of the Special Remuneration Committee Meeting held on 3rd June 2025
The draft Minutes of the Special Remuneration Committee meeting held on 3rd June 2025 were noted.

Paper 49/25 noted.

- (v) Draft Minutes of the Audit & Risk Committee Meeting held on 27th May 2025
The draft Minutes of the Audit & Risk Committee meeting held on 27th May 2025 were noted.

Paper 50/25 noted.

- (vi) Audit & Risk Committee Meeting held on 12th June 2025
Mr Lanaghan, Chair of the Audit & Risk Committee, provided a verbal report of the meeting held on 12th June 2025.
- (vii) Special Remuneration Committee Meeting held on 25th June 2025
Mr Marnoch, Chair of the Remuneration Committee, provided a verbal report of the special Remuneration Committee meeting held on 25th June 2025.

4. MONTHLY / QUARTERLY PERFORMANCE

- (i) Safety, Health & Wellbeing Report

Mr Farrer presented the paper, reporting improvements in the RIDDOR Injury Frequency Rate and Total Recordable Injury Rate (TRIR) against both the 12-month rolling position and the three-year rolling average. Following a query from the Board, he acknowledged that the Lost Time Frequency Rate (LTFR) remained flat. Mr Farrer noted that there had been no RIDDOR reportable accidents within the Alliance and Delivery Partners in the past eight months, highlighting the contribution of the 'We Care, Your Safety, Our Partnership' Strategic Improvement Plan.

The Board noted the progress of the Health & Safety Strategic Improvement Programme, commending the Person Responsible for the Contract (PRC) assurance checks. The Board discussed the need to consider the role of client expectations and requirements within this assurance process, testing whether these were appropriate and achievable. Mr Farrer advised that Scottish Water was supporting a supply chain initiative to use a drama-based training provider to run behavioural safety scenarios, noting that the outputs from this exercise would be shared across Scottish Water's industry collective.

The Board considered the background to and the issues arising from one incident which had been assessed as significant during May 2025. Following a query from the Board, Mr Farrer detailed the circumstances of the incident and confirmed the actions being taken by Scottish Water. He explained that a standardised industry-wide process would be developed and implemented to guide the use of vacuum excavators, clarifying that this would apply to scenarios where High Voltage (HV) risks were present. The Board welcomed Scottish Water's focus on driver at-fault incidents. **The Board discussed road safety and welcomed Scottish Water's focus on driver at-fault incidents.**

The Board discussed the increase in the long-term absence rate. Following a question from the Board, Mr Farrer outlined Scottish Water's process for managing long-term absence, which was supported by an external occupational health provider.

Paper 51/25 noted.

(ii) Chief Executive Report

Mr Plant outlined the continuing work to raise the public profile of water in Scotland. The Board considered Scottish Water's performance, welcoming the introduction of the Performance Dashboard. Following a query from the Board, it was agreed that incident trend analysis would be included in future Water Quality reports to the Board.

Action 1 – Mr P Farrer & Professor S Parsons

The Board highlighted the importance of ensuring a balance of leading and lagging indicators and the need to welcome the reds and challenge the greens. Following a suggestion from the Board, it was agreed that Mr Plant would review the Performance Dashboard to ensure that this emphasised the importance of Health and Safety. Following a suggestion from the Board, it was agreed that the water resources position would be included within future Performance Dashboards.

Action 2 – Mr P Farrer

Further to a comment from the Board in relation to Net Zero Emissions performance, it was agreed that further explanatory narrative would be included in future Performance Dashboards.

Action 3 – Mr A Plant

In response to a query from the Board, Mr Plant and Mr Farrer outlined the key drivers of the reduction in the Stakeholder & Communities Experience Measure (sCEM) and the actions being taken by Scottish Water to improve this metric.

Following a question from the Board, Mr Plant explained that the Workday Optimisation programme was focussed on ensuring that Scottish Water realised the full functionality of the Workday system, with particular emphasis on addressing process inefficiency.

Paper 52/25 noted.