

SCOTTISH WATER BOARD MEETING MINUTES

Date 27th May 2026
Start Time 10:15am
Finish Time 3.00pm
Place Strathearn Room, Gowans Terrace, Perth

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
Mr Steve Dickson	Board Member
Mr Graham Dalton	Board Member
Mr Ian McAulay	Board Member
Mr Allan Clow	Board Member
Mr Barry White	Board Member
Dr Belinda Howell	Board Member

In attendance:

Mrs Emma Campbell	Corporate Secretary and Director of Governance & Group Legal Counsel
Ms Kirsty McLaughlan	Head of Health & Safety (Item 4(ii) only)
Mr Rob Mustard	Director of Capital Investment (Items 4(i), 4(ii) and 7 only)
Mr Ken Marnoch	Adviser to the Project Atlas Non-Executive Sub-Group (Item 5 only)
Professor Simon Parsons	Director of Wastewater (Item 6 only)
Ms Joanne Kay	Wastewater Operations – General Manager (Item 6 only)
Mrs Karen Dee	Wastewater Services Strategy Actions – General Manager (Item 6 only)

PART I

SAFETY/CULTURE MOMENT

The Chair led the Board in a safety/culture moment.

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 25th March 2026
The Draft Minutes of the Board meeting held on 25th March 2026 were approved.

Paper 34/26 approved.

- (ii) Draft Minutes of the Board Meeting held on 29th April 2026
The Draft Minutes of the Board meeting held on 29th April 2026 were approved.

Paper 35/26 approved.

- (iii) Special Board Meeting held on 21st May 2026
The Chair provided a verbal report of the Special Board meeting held on 21st May 2026.
- (iv) Draft Remuneration Committee Meeting held on 18th March 2026
The Draft Minutes of the Remuneration Committee meeting held on 18th March 2026 were noted.

Paper 36/26 noted.

- (v) Remuneration Committee Meeting held on 15th May 2026
Mrs Schmolke, Chair of the Remuneration Committee, provided a verbal report of the Remuneration Committee meeting held on 15th May 2026.
- (vi) Draft Audit & Risk Committee Meeting held on 24th March 2026
The Draft Minutes of the Audit & Risk Committee meeting held on 24th March 2026 were noted.

Paper 37/26 noted.

- (vii) Special Audit & Risk Committee meeting held on 11th May 2026
Mr Clow, Chair of the Audit & Risk Committee, provided a verbal report of the Special Audit & Risk Committee meeting held on 11th May 2026.
- (viii) Audit & Risk Committee meeting held on 26th May 2026
Mr Clow, Chair of the Audit & Risk Committee, provided a verbal report of the Audit & Risk Committee meeting held on 26th May 2026.

4. MONTHLY / QUARTERLY PERFORMANCE

- (i) Safety, Health & Wellbeing Report

Mr Mustard presented the paper, updating the Board on Safety, Health and Wellbeing performance and progress during March and April 2026. He reported that both the RIDDOR reportable injury and Lost Time Accident (LTA) rates had deteriorated marginally compared to 2025/26 but remained below the three-

year rolling average. The Board queried whether performance had plateaued, rather than improved. Mr Farrer explained that there had been a significant improvement in Health & Safety performance since the change in Scottish Water's approach to Health & Safety three years ago, with a more aligned, industry-wide approach. Following a suggestion from the Board, it was agreed that future Safety, Health & Wellbeing Reports would include relevant benchmarking data.

Action 1 – Mr R Mustard

Further to a question from the Board, Mr Mustard explained that the inclusion of supply chain hours within Scottish Water's reporting was anticipated to result in a c.10% increase in total hours worked for Scottish Water over the year.

The Board considered the Health & Safety incidents in the period. Mr Mustard highlighted ongoing risks relating to asset condition and control of work, which had been discussed at the recent Beyond Zero Harm meeting. While existing measures focused on core activities, recent incidents had arisen from peripheral tasks, highlighting the need to extend the focus to supporting activities. Following a question from the Board in relation to the LTA at Clydesdale Street, Hamilton, Mr Mustard clarified that the hot weather working procedure did not permit the removal of Personal Protective Equipment (PPE) and instead required staff to take breaks, stop work if necessary and notify their line leader.

The Board welcomed the continued rollout of Safety Observations across Scottish Water, noting that this would enable more consistent reporting of hazards. The Board queried how the data was being used, emphasising the importance of monitoring engagement trends and recognising individuals in order to support a stronger safety culture. Mr Mustard explained that Health & Safety "Good Catches" were communicated across the organisation, supported by digital channels. Individual recognition was provided through a letter from the relevant Director and a follow-up discussion with their Senior Leader. The Board suggested that line leaders should also reinforce this approach, and that Good Catches should encompass Wellbeing. Following a request from the Board, it was agreed that examples of Good Catches would be included in future Safety, Health & Wellbeing Reports.

Action 2 – Mr R Mustard

Paper 38/26 noted.

(ii) Safety, Health & Wellbeing Annual Review including Beyond Zero Harm Strategy Refresh

Ms McLaughlin presented the Safety, Health & Wellbeing Annual Review. The Board commended the improvements, discussing the need for continual focus. The Board queried the approach to safety by design, including early contractor involvement in design and standardisation. Mr Mustard highlighted the role of the Enterprise Primary Designer, noting that Ms McLaughlin would attend the

June Enterprise Board meeting to discuss Beyond Zero Harm. It was agreed that the Enterprise provided an opportunity to share and embed learning, and that relevant examples should be incorporated within the Safety, Health and Wellbeing Reports. Ms McLaughlin advised that Scottish Water was developing a leading indicator on designing for safety. Following a question from the Board in relation to Safety Observations, Ms McLaughlin outlined the focus on ensuring consistent reporting of hazards across both field and office-based employees.

The Board discussed the level of deaths in service, observing that this appeared high. Ms McLaughlin explained that these cases were reviewed and monitored by the People team. Following discussion, it was agreed that further analysis would be undertaken to understand the underlying trends and actions.

Action 3 – Ms K McLaughlin and Ms L Highway

In response to a Board query, Ms McLaughlin confirmed that, following the October 2025 Board discussion, Scottish Water had aligned with best practice by introducing a process to record public Health & Safety incidents on its assets. No incidents had been reported to date and any future incidents would be included in the Safety, Health & Wellbeing Reports.

Further to a question from the Board, Ms McLaughlin explained that, as radon presented a chronic exposure risk with long-term health effects, it was managed as an occupational health hazard rather than a process safety risk. Following discussion, the Board requested further assurance on radon risk and it was agreed that this would be provided in the next Safety, Health and Wellbeing Report.

Action 4 – Mr R Mustard

Paper 39/26 noted.

(iii) Chief Executive Report

Mr Plant presented the paper, updating the Board on preparations for the IWA World Water Congress and Exhibition in October 2026 and noting the implications of the ongoing Middle East conflict.

The Board considered the Performance Dashboard. Mr Plant noted continued strong operational performance and the focus on addressing early challenges to aspects of investment performance. The Board considered the results of Scottish Water's annual survey of local authority leadership and discussed the drivers.

Further to a question from the Board in relation to the Killin water quality incident, Mr Farrer confirmed that abstraction from the River Dochart had resumed. Following discussion, it was agreed that an update would be provided to the Board following receipt of SEPA's lessons learned review of the incident.

Action 5 – Mr A Plant and Mr P Farrer

Paper 40/26 noted.