

**DELIVERY ASSURANCE GROUP (DAG)
MINUTES OF 16th MEETING
Scottish Water, Fairmilehead Office, 21st June 2023**

Jon Rathjen, Scottish Government (Chair)	Barry Greig, Scottish Government
Rosemary Greenhill, Scottish Government	Mark Dickson, Scottish Water
Tracey Gee, Scottish Water	Alan P Scott, Scottish Water
Simon Parsons, Scottish Water	Barbara Barbarito, Scottish Water
Aileen MacKenzie, Scottish Water	Michelle Ashford, WICS
David Satti, WICS	Duncan Robertson, SEPA
Sue Petch, DWQR	Matt Bower, DWQR
Emma Ash, Consumer Scotland	

ITEM 1 – WELCOME AND APOLOGIES

1. There were apologies from Alan Sutherland, Robert Stewart, Nikki MacLean, Gail Walker, Sharon Forrester, and David Hartley.

ITEM 2 – MINUTES AND ACTIONS ARISING FROM MEETING OF 15th March 2023

2. The minutes from the previous meeting on 15th March were agreed to be an accurate record, subject to the corrections/clarifications below, since made.
3. Sue Petch – point 14 what does SLTG stand for? – short life task groups
David Satti – typo in section 1 extra S
Michelle Ashford – in section 9 Mark has become Mack
4. The action points were reviewed:
 - **Action 1** – SG to review TOR and groups – **on agenda today**
 - **Action 2** - SW to update conclusion in DAG report – **complete**
 - **Action 3** – All to provide feedback on appendix F – **Complete will be additional work to be done**
 - **Action 4** - DAGWG to review output reporting – **complete links to above**
 - **Action 5** - SG submit DAG report to ministers and publish on website - **complete**

ITEM 3 - DAG WORKING GROUP REPORT

5. Barry Greig presented the working group update report. DAG 16-23-01 DAGWG report to DAG for Q4 2022-23, which can be found [here](#).
6. Sue Petch noted that the Committed List shows quite a few projects are still to be completed from SR15 and IR18 and queried the appropriateness of the positive tone of the report in this regard when late projects are still only now moving onto the Committed List.
7. Mark Dickson –responded to note there are some projects on the completion programme that were to be completed in the previous period while others were planned to complete in this period. There is now more monitoring of these in place and some re-optioneering has allowed some re-prioritisation.
8. Jon Rathjen noted the benefits of the more flexible programme approach in this period, but this does create a challenge for quality regulators to ensure timelines are being met

ITEM 4 – PROGRESS REPORT OF PERFORMANCE AGAINST THE COMMITTED LIST

9. Mark Dickson presented the report. DAG16-23-03 Progress Report on Performance Against the Committed List, which can be found [here](#).
10. Mark Dickson summarised the main discussion at the last working groups was around monitoring outputs, outcomes and benefits – this will be elaborated in further discussions with Water Industry Commission Scotland (WICS), noting there is a strong collective desire to better understand what this means in terms of outputs, outcomes and benefits.
11. Michelle Ashford noted there doesn't yet seem to be a consistent, common understanding of the definitions of outputs, outcomes and benefits, and there is a need to agree those quickly to allow future discussion to flow better. Michelle noted the report's executive summary is good, but including more on lessons learned, optioneering and examples would help bring more out. Michelle offered separately to follow up directly with SW on some minor errors in the report.
12. Mark Dickson agreed examples would help to draw out more but is also conscious of the need to strike a balance given the report is already lengthy. Is the option of referring back to SEPA and DWQR papers for additional detail
13. In response to Rosemary Greenhill's question about the purpose and publication of the Report, Jon Rathjen explained publication is in the interests of transparency and sharing information that of interest but is not a report intended for the public; rather, it is an internal document which shows that this Group is assured of delivery of the programme. He went on to note that public-facing updates tend to be higher level with focus on areas like Net Zero. However, it is important that the public and academics for example can access the report if they want.
14. Sue Petch sought clarification on the timeline for the Task & Finish Group on outputs? Sue noted that delivery and investment etc are in range, but what does tell us about committed customer service levels; as it stands, the Report doesn't offer granularity to that degree which quality regulators need to see.
15. Jon Rathjen responded that detail can be considered in the regular bilateral conversations and any issues identified escalated to the working group for consideration if required.

ACTION 1 – SW to establish timeline for the Task & Finish Group and confirm to Group

16. Alan P Scott – Work has started on definitions under SR27 preparatory activity – the starting point is what do we mean by Outputs and Outcomes, how do you use and measure and from there develop and articulate the relationship between them. APS noted this is complicated as outcomes are impacted by multiple factors e.g. climate, asset deterioration. It would be helpful to reach an agreed understanding, say by the end of this year. Alan noted SW had previously requested feedback on the issue of definitions from stakeholders which is still outstanding.
17. David Satti – noted that the so-called Table G has a glossary of previously-discussed and agreed definitions including for Outputs which sets out WICS' working definition
18. Mark Dickson – acknowledge David Satti's point and suggested a list of relevant definitions are re-circulate, noting DWQR's close interest on outcomes and issues affecting those such as service risk etc.

ACTION 3 – Secretariat and SW to establish a Short Life Task Group to consider the issues, incl clarifying what gets reported elsewhere and what should be brought into this report and report to the DAG working Group.

ACTION 2 – Group members to offer any further views on definitions to SW/DAG Secretariat for consideration and discussion at the Definitions Short-Life Task Group Stakeholders who would like to be involved in the SLTG should inform the Secretariat.

19. Sue Petch acknowledged that the report is for a specific period but asked whether water scarcity issues are having an impact on delivery?

20. Mark Dickson – responded to that it is starting to have an impact – one example would be Invercarnie work has been impacted in terms of availability of water for testing – further examples can be provided in due course.

ACTION 4 – SW to provide update report on impact of water scarcity on delivery to DWQR by end of first week of July.

21. Jon Rathjen noted current political priority in relation to water scarcity. Clearly this has been an issue for a number of summers now and it is anticipated for inclusion in the next Programme for Government. Jon noted a rare cross-party information-sharing call the day before this meeting with SW, Cabinet Secretary and SEPA.

22. Rosemary Greenhill noted official-level resilience sessions had been established within Scottish Government looking at summer contingency in the round, not just water scarcity. Sessions include SEPA, SW, Met Office etc every 2 weeks looking at policy decisions. Ministers may attend or sessions elevated to wider Ministerial level if required.

23. David Satti – noted some apparent mismatch between numbers quoted across the Report requires clarification– e.g. on page 3 Tier 2 is £403m replacement, £182m enhancement and £75m growth that £660m doesn't align with the £687m figure quoted earlier. In conclusion the replacement figure quoted is £405m (may be a typo).

ACTION 5– SW to offer a reconciliation of numbers and agree with WICS

ITEM 5 – Operation of stakeholder groups SG

24. Barry Greig – A paper has been written and shared or discussed with Jon and Michelle regarding the operation of the stakeholder groups. Initially this is a practical change to merge the groups as we have done today. Paper will raise need for a wider review of the TOR in line with SR27 commissioning process.

ACTION 6 – SG to circulate stakeholder groups paper in due course.

25. Mark Dickson – welcomed this and highlighted need for clarity on membership given overlap of personnel and topics.

26. Jon Rathjen – Conscious that later in period there will be more delivery focus so as a Group need to be aware of how its role changes over time. Group must give the Cabinet Secretary confidence of its role in assuring the programme.

27. Sue Petch suggested it will be important to consider how the Joint Delivery Groups (JDGs) link in; the water JDG does have a standing agenda item to consider anything that needs to be escalated to this group, so worth considering whether there should be a

more formal link given that issues raised at IPPG aren't always flagged at JDGs and *vice versa*. Links could be improved for each of the three JDGs (SEPA: Water, SEPA: Wastewater, and DWQR.) for example by updates from each JDGs fed into DAGWG.

ACTION 7– SW (BB) to recirculate the document with the links between the JDGs and IPPG/DAG

ACTION 8 – SW/Secretariat to carry out a gap analysis of governance structures having considered the distribution and sequencing of all governance groups incl JDGS, IPPG, and reflect in review paper in preparation.

ITEM 6 - AOB

No other business

28. The next meeting is scheduled for 20th Sept 2023, to be hosted by Scottish Government

DAG Secretariat July 2023