



Richard Leonard MSP  
Convener  
Public Audit Committee

02 April 2025

Dear Convener

Thank you for your letter to the Director General for Net Zero of 7 March requesting information in relation to the 2023/24 audit of the Water Industry Commission for Scotland (WICS). The Director General has asked me to respond and I will attempt to address your questions in turn below.

**Can the Scottish Government explain why the sponsorship team did not attend WICS Board meetings following the publication of the section 22 report on the 2022/23 audit of the Water Industry Commission for Scotland? Did the Scottish Government not consider that the issues arising from the section 22 report required an “escalation beyond normal governance arrangements”?**

The Scottish Government recognised immediately that the issues arising from the initial section 22 report on WICS called for escalation beyond normal governance arrangements. As part of that, monthly assurance meetings were established from January 2024 attended by the Chair and Chief Executive Officer of WICS and myself, with the Director General attending whenever available.

This does not preclude officials attending WICS Board meetings and I have agreed with the WICS Interim Chair that a sponsorship team representative will attend Board meetings regularly as an observer. This will help to ensure the continuity of Board engagement as the monthly assurance meetings reduce in frequency.

**Can the Scottish Government provide further details on the extent to which the requirements of the Framework Document, in relation to the appraisal of the performance of the Board, Chair of the Board and Chief Executive were not fully complied with.**

As part of the independent review into WICS’s governance arrangements, the reviewers were unable to establish evidence that annual appraisals of the WICS Chair or Chief Executive Officer had been undertaken during 2023, or that the WICS Board had conducted regular self-assessment.

Yours sincerely,

Kersti Berge  
Director of Energy and Climate Change