**SCOTTISH FORESTRY EXECUTIVE TEAM**

**Minutes (Official)**

**28 June 2023, Silvan House, Central Meeting Room 1 and Teams Meeting**

**SET Attendees:**

Brendan Callaghan (BC) – Chair

Zahid Deen (ZD)

Alan Hampson (AH)

Ross MacHardie (RM)

Jonathan Taylor (JT)

James Aldred (JA) – minutes

**In Attendance:**

Helen McKay (HM), Chief Forester

Kevin Macmillan, Head of Project Management Office (KM) for item 2

Kyle Usher, Head of Innovation (KU) for item 5

Marelle Dalziel (MD), HR Business Partner, for item 6

**Apologies:**

None

1. **Minutes and actions of previous meeting**

The minutes of the 19 and 23 May meetings were approved.

The action log was discussed and updated as follows:

* AP4/Nov 22, Business Continuity Plan update: Noted as ongoing with a target date of Autumn 2023. Open
* AP3/Feb 23, Benchmarking of ethnic minority representation among staff against other organisations: Closed as on meeting agenda.
* AP1/Apr 23, Woodland creation statistics submission: Noted as complete and now closed.
* AP2/Apr 23, Handling plan for woodland creation announcement: Noted as complete.
* AP3/Apr 23, Addressing concerns on planting on agricultural land (e.g., prime land), land reform, etc.: Noted that SOG would take the lead on this issue, and closed accordingly.
* AP1/May 23, Accrual of backdated pay awards: Noted as complete and now closed.
* AP2/May 23, Prioritisation options analysis: Closed as on meeting agenda.
* AP3/May 23, Risk Appetite workshop for SET & SAG members: Noted as ongoing with a target date in autumn. Closed as meeting in diaries.
* AP4/May 23, Review of risk register discussions to identify any potential additional risks: Noted as complete and now closed.

BC reported a request from the non-executive advisors for a meeting with the Accountable Officer, voicing their concerns around recent limited-assurance audit findings; the capacity of the organisation to handle and manage change; and underperformance against woodland creation targets, and suggesting a meeting with Internal Audit to begin an organisational review.

* **Action: BC to notify Internal Audit of the request and discuss with the incoming Interim Chief Executive.**

1. **Recommendations on prioritising change at SF in light of Woodland Creation announcements**

KM introduced the paper, noting the intent to identify scope overlaps in projects across the Agency, and to review the capacity for delivery and change within the organisation.

The approach looked at twelve agreed woodland creation actions and undertook analysis with key stakeholders, including SOG, the Steering Group, and key action leads. The paper made recommendations as to which actions should go ahead and when impacts would be expected.

All other change and project activity, including the SLA transition programme and the Improvement Programme, had then been reviewed with the stakeholder group for relative prioritisation alongside the priority woodland creation actions.

AH noted the proposal not to proceed with the proposed action on FGS penalties and queried whether there were other options under consideration to deter repeated application variation requests. JT noted the current 25% slippage rate and the potential to improve delivery if this could be resolved. ZD noted the need to address the root causes of that slippage. BC voiced the opinion that making the completion of guidance a prerequisite for developing training might cause unnecessary delays, and that training should be given a higher priority than guidance, with the same resources needed for both.

HM noted the short proposed duration of the Rapid Process Improvement project; KM clarified that the project was planned to be timebound and select the most impactful actions.

BC noted that an upgraded Public Register could be a considerable project, with Forestry Plans needing to be digitised before a new Public Register could be implemented, and with forestry plan renewal being a more rapidly increasing profile of work than woodland creation.

* **Action: ZD/KM to review proposed timetabling of Process Efficiency Project – Long Term Forest Plans.**

Regarding the recent Future Grant Support for Forestry consultation and its links to the prioritisation exercise, BC reported that analysis of the consultation responses was underway, with the report expected in August/September and SF’s response planned for Autumn. The future grant support programme was being negotiated through the Agriculture Bill development process, with AH liaising with the Agriculture Reform Programme policy team. ZD recommended that SF request some of the development support resource contracted for ARP be allocated to support SF’s work on FGS.

* **Action: SET to review the interaction between SF and the Agriculture Reform Programme on the development and implementation of future grant support for forestry.**

SET noted the importance of the vacant Improvement Conservator role in coordinating and delivering the wider woodland creation delivery action plan, and discussed the potential for resourcing.

* **Action: BC et al to determine the resource requirements associated with the delivery of the revised woodland creation programme.**

**SET approved** the presented prioritisation approach and recommendations, subject to the actions noted above.

1. **Next steps in preparing SF’s Corporate Plan 2023-26**

JT introduced the paper, noting good feedback received from staff on the development of the Corporate Plan to date, and the ask to temporarily pause further development in light of woodland creation developments. The draft Plan’s narrative was planned to be revised to reflect the increased focus on woodland creation.

**SET noted the report and approved** the recommendations.

* **Action: JT to circulate team plan templates to SET prior to commencement of the planning process**

*(at this point RM left the meeting)*

1. **Chief Forester's Report**

HM introduced the report, noting that a non-final version had been circulated and a finalised version would be provided after the meeting. HM reported that she had prioritised within the role’s defined work areas to focus on sectoral capacity building, and noted that the role’s cross-sectoral influence and co-ordination had proved valuable in delivering outcomes.

Considering the sector as a whole, key achievements to date included progress in the development of a technical training hub for forest workers and managers, and key challenges included the early departure of college and university forestry students into the working sector, with impacts on education institutions from the loss of student fees. As a result, the Scottish School of Forestry had paused their BSc Forestry course, with only 6 of the initial cohort of 30 wishing to enrol full-time for the 3rd taught year.

A meeting had taken place in May with industry leaders, Scotland's Rural College and the Scottish School of Forestry, leading to a consensus on changes to course structures so that the sector could recruit employees but students could also complete their courses. A switch to modular block courses could help employee learning, and employers noted that this would be a good taught complement to shadowing-based graduate programme.

SRUC was actively developing a technical apprenticeship and potentially a graduate apprenticeship thereafter; these were viewed as a compromise option, providing employment and experience but also taught learning for students. A pre-apprenticeship approach had been piloted, providing a 1-week residential course, then work experience at a business or farm for 6 months; administration was done by central organisers, leading to little direct ask of businesses other than hosting and supervising the apprentices.

BC queried how the number of forestry graduates could be improved, and HM suggested better engagement with school and college pupils; better interaction with potential career changers; and possible engagement with the Institute of Career Advisors to promote forestry as a potential career.

AH noted the helpfulness of the Chief Forester’s ambassadorial role, and noted the potential loss of skills and knowledge in the transition to a new post. HM said that networks and contacts could be difficult to transfer, and that some prioritisation among these could be valuable.

SET noted the important work undertaken to resolve the skills gap issued, and thanked HM for the report. JT recommended that HM meet with the Cabinet Secretary if possible.

*(at this point RM rejoined the meeting)*

1. **Approach to Innovation 2023-24**

KU introduced the report, noting that while SF as an organisation had strengths in service development and some elements of transformation, innovation had been identified as an area of challenge, but also one that required an appetite for risk.

BC noted ongoing digitisation efforts in some areas to replace manual or outdated processes and systems, querying whether functionality was a higher priority than innovation. ZD noted some opportunities where digitisation had already been completed, and the potential to align digitisation and automation.

In discussion, SET members supported options relating to the automation of grant processes; management data; and woodland creation development processes, but noted the need to manage within existing resources and budgets.

HM noted the previous Forestry Ideas & Rewards Scheme, which used a staff suggestion approach, and queried whether a similar approach could be used to source ideas for areas of innovation.

Asked whether there was any comparable data on other organisations’ budget proportions spent on innovation, KU reported that there was little data available within SG, but that some innovation-focused companies might spend up to 10-15% of budgets on innovation.

**In response to the recommendations, SET noted** an appetite for innovation to be a more prominent part of the organisation in anticipating future problems and opportunities for efficiency, but that specific projects were likely to require clear resource requirements.

1. **Equality & Diversity Action Plan update**

MD introduced the report, noting in response to SET’s previous request (AP3/Feb 23) for benchmarking of ethnic minority representation against other organisations’ mainstreaming reports that it had proved difficult to make meaningful comparisons due to inconsistencies in data presentation.

However, it was clear that SF was underperforming in terms of its gender pay gap and the representation of younger people in its staff complement. MD noted the restarting of the studentship programme as a possible means to improve the representation of young people. MD also noted that job postings for lower grade support roles tended to ask for significant experience for any new hire, which might be impacting the recruitment of younger people.

On the report’s recommendations, SET queried the magnitude of the necessary change, and MD reported that modelling had been requested.

SET approved the report, action plan and targets and a general communications update for staff.

1. **AOB**

JT reported that SF’s interim Chief Executive would be taking up the post on 3rd July, and undertook to inform the non-executive advisors.

**SET approved** the staffing post amendments that had been circulated by BC by correspondence on 22nd May.

1. **14 August budget discussion**

After the meeting minuted above, SET met virtually on 14 August to discuss the current budget position and agreed a revised baseline budget for 2023/24.

* **Action: SET members to liaise with RM on outstanding small value items.**
* **Action: RM to confirm proposed date for six monthly budget review and process for subsequent internal monitoring of monthly spend.**
* **Action: RM to explore capitalisation of existing costs and potential use of grant funding lines for additional activity.**
* **Action: SET to collate up to date list of posts and roles for discussion at 17 August meeting**