Scottish Forestry
Coilltearachd na h-Alba

Executive Board Minutes

Executive Board Meeting held on Tuesday 2 July 2025

Saughton House, E1 Scottish Forestry Large Meeting Room and Microsoft Teams

Approved

Present:

- Zahid Deen, Director of Transformation and Corporate Services (ZD) - Chair
- Brendan Callaghan, Director of Operational Delivery (BC)
- Jonathan Taylor Head of Corporate Affairs (JT)
- Gary Henderson, Senior Finance Manager (GH)
- Helen Sellars, Head of Sustainable Forest Management (HS)
- Helen McKay, Chief Forester for Scotland (HM)

In Attendance:

- Julie McClymont, Executive Office Assistant (JM) – Minutes
- Marliese Richmond, Corporate Planning and Governance Manager (MR)
- Kevin MacMillan, Head of Programme Management Office (KM)
- Lynne Wilson, Digital Business Partner (LW)

Apologies:

- Paul Lowe, Chief Executive (PL)
- Adam Dearnley, Director of Finance (AD)

1. Welcome and declarations of interest (as relevant)

1.1 The Chair welcomed everyone to the meeting.

1.2 No new declarations of interest were made.

2. Minutes and actions of previous meeting

2.1 The minutes from the previous meeting were approved.

2.2 Actions arising from previous meetings:

The Executive Board noted the updates provided.

- 24/11 Cyber and fraud training is available in Glasgow and Edinburgh on 4th and 11th September. Costs are currently being reviewed, and further details will be shared by LW once a decision has been made.
- 25/14 Liz is waiting for clarity on Paul's availability before scheduling a meeting with him and the regulations team. A further discussion is planned, but the date is yet to be confirmed.
- 25/16 HM confirmed matter is in hand next steps are preparing advice to send to PL. HM noted regular meetings with Matt Williams and a meeting has been arranged with Colin Cambell (Head of JHI). HM noted that the goal is to explore ways to improve engagement and ensure Scottish Forestry is kept informed of developments.
- 25/18 GH confirmed that AD has spoken with PL, and temporary support has been arranged. The individual is planned to start in August.
- 25/19 GH noted that AD has spoken with Lindsay regarding FGS payments but was uncertain about the implications of the SLA advice.
- 25/21 ZD confirmed closed as an email was drafted to Paul regarding the Copilot Enterprise licences.
- 25/22 ZD had asked Stephen Dent to gather names and use cases from all EB members for the Copilot Chat pilot. Some responses were still outstanding. Members who had not yet responded were asked to provide both names and intended cases to Stephen by the end of the following week.
- 25/24 Learning and Development ZD confirmed this was in hand.

3. Standing item: woodland creation update - ALL

3.1 BC informed the Executive Board that the statistics for Woodland creation for 2024/25 ended at approximately 8,470 hectares and advised that this was slightly below expectations but within the forecast range.

3.2 BC confirmed that a submission was provided to Cabinet Secretary RALRI, with input from PL, that the contributing factors to delays, included project complexity and timing.

3.3 BC noted some questions from the Woodland Trust regarding native woodland figures as percentage of the overall, which misinterpreted the statistics. He noted that the WTS acknowledged that there could be better presentation and Jason Hubert will explore with Forest Research to see if it can be included.

3.4 BC noted that Cabinet Secretary and Diarmuid O'Neill, Director EnFor, had recognised the factors involved in this year's final out turn and emphasised the actions to approve more woodland creation. .

3.5 BC noted that Confor had highlighted that confidence and multi-year funding were the key issues affecting delivery. BC then confirmed that Cab Sec understood this and that written exchanges with Defra had taken place, though finding a solution was difficult.

BC commented for 2025–26, the outlook was more positive and confirmed that 6,000 - 7,000HA had already been approved, with another 900HA expected soon. BC also noted that delayed projects from 2024/25 could boost next year's figures.

3.6 BC also informed the EB that The Programme for Government (PFG) monitoring exercise had mistakenly rated 2025–26 as "amber-red," but this was corrected to "amber-green" after BC and Diarmuid O'Neill clarified the situation.

3.7 BC noted that Cabinet Secretary approved changes to grant rates, and Brendan said the timing was good to make these changes without disrupting existing contracts

3.8 BC noted that discussions on the development of the next SG Climate Change Plan were still on-going.

3.9 JT questioned BC in regard to risk and how to reflect on what happened with stakeholder engagement and perception affecting woodland creation delivery, noting these perceptions might harm forestry's image, but didn't appear to be impacting actual results. JT suggested that the EB may want a broader discussion on this topic at some point.

3.10 BC advised that it was difficult to separate the various challenges, such as funding and high-profile cases delays, from their impact on investor confidence. BC explained that forestry projects can be a 3–5-year process and that risk can deter land buyers, and some had become more cautious about acquiring new land.

3.11 ZD questioned the increase in woodland creation in England and whether there were any lessons learned or comparisons.

3.12 BC explained that England had multiple funding schemes, including planning grants that are paid in advance, which supported smaller projects. ZD suggested discussing this further with Sam Malpass when she joins the team, and Brendan agreed.

- **Action** BC to arrange discussion with the New Head of Policy & Practice Director Sam to explore learnings from England's woodland creation funding.

3.13 ZD referred to a media post on Gresham House publicly announcing record investment in its forestry portfolio. BC noted investment can be in existing woodland and that while Gresham House remained active in Scotland, their cautious approach to carbon values had limited their involvement in new woodland creation.

3.14 ZD raised a point on interim updates to the Cabinet Secretary around woodland creation statistics and suggested on going narrative during the course of the year within the Management Information reports (MI) and proposed a visual tool like colour coding to highlight key determining factors and status on those. BC agreed and supported adding narrative and visual indicators, like colour coding, to future management information packs

- **Action -** BC to work with colleagues to develop a visual MI narrative on woodland creation pipeline and key factors

4. Standing Item: Finance Update

4.1 GH introduced the paper and reported that the 2024 audit was progressing well and expected to be completed in time for the Audit Assurance Committee. GH also noted that the final expenditure for the year was £64.8 million—£4.3 million below the last forecast and £6 million under the original budget—mainly due to lower-than-expected programme costs, particularly in building grants.

4.2 GH advised that the budget planning for 2025–26 was also underway, with some additional pressures identified, especially in JT Team's around staffing costs.

4.3 JT questioned whether the year-end underspend could have been better predicted. GH explained that improved budget monitoring was underway, with a new staff member supporting more accurate forecasting and better written reports.

4.4 BC also confirmed that the underspend was mainly due to woodland creation slippage.

4.5 ZD had suggested a timeline for future budget reviews and checks with cost centres. Gary agreed and said an email would be sent outlining the process.

- **Action -** GH Circulate a timeline for budget monitoring and engagement with cost centres

- **Action -** GH to send email to ZD on information being sent budget holders with updated monitoring plans

4.6 HM referred to the all-day staff event and stated it was worth the cost and suggested noting that in the records. Gary had confirmed most costs were being tracked and could be shared later.

5. Risk Management Update

5.1 MR updated the group on the review of the risk appetite statement. She had gathered feedback from subject matter experts across various risk categories. Most changes were minor, though some, like those related to EIA screenings, technology, and cybersecurity, reflected evolving views and operational realities.

5.2 The original statement was developed collaboratively with SG Risk Management and that the current refresh was informed by SG materials and examples, though tailored to Scottish Forestry's context.

5.3 JT also highlighted the need for regular engagement and collective ownership of risk management (noting that past documents had remained static for too long) and the importance of aligning with evolving Scottish Government practices. MR added that the issues log still needed updating and should be maintained alongside the risk register as a living document.

5.4 HS raised a question about how the risk appetite statement mapped onto the risk register, noting that the strategic risk category around policy was not reflected in the current live register.

5.5 MR had explained that while the strategic category existed as an option, no current risks had been categorised as strategic by risk owners. She acknowledged, as SG risk teams, that this created a gap between the appetite statement and the register. MR also confirmed that the wording and themes from the appetite statement were not currently mirrored in the register. ZD suggested that MR follow up with HS.

- **Action -** MR to follow up with HS on strategic risk categorization in relation to policy.

5.6 BC raised concerns about annomolies in risk scoring and the large gaps between current and target scores. He suggested there needs to be more conversations required on scores. MR acknowledged the issue and noted that some scores may need adjustment. MR also added that the recent audit had not flagged this issue but focused more on the process.

5.7 HS had also agreed with BC point on score relativity and added that some risks, such as stakeholder perceptions, might be too narrowly categorised. HS suggested that certain risks could be broader in scope and more appropriately classified as strategic, with ownership potentially extending beyond corporate function and suggested this be reworded.

5.8 ZD thanked MR and suggested to create a table on EB/owners and their responsibilities.

- **Action -** MR to rework deep dive topics and present back to EB

- **Action -** MR to create table illustrating collective EB and individual risk owner responsibilities for risk management

6. Improvement and Delivery Programme Update

6.1 KM shared his paper with the EB and highlighted that the IPB planning event went live with 2 EIA already published and a closure report was being prepared. A paper was drafted for Rachel Martin/JT for approval with a view for the website to go live in August pending approval.

6.2 KM noted that the management information proof of concept had been completed with a project initiation document in development to define the next phase. The WCC case type technical build was in progress, with testing planned for September and rollout expected in October/November. He advised that the project would impact external stakeholders, requiring coordinated change management. KM referred to the Long-Term Forest Plans and stated work had resumed, with implementation targeted for early 2026.

6.3 A draft PID was in progress for the Information Governance project and a new workstream called Geospatial Futures was being formed including drone use and the Canopy Project.

6.4 ZD clarified that while these projects were reported to the IDP Board, the update was shared with the Executive Board for visibility and the IDP board's membership and structure might change, to reflect a broader focus on change management.

6.5 HM appreciated the focus on supporting external stakeholders through training and guidance. KM acknowledged this and was unsure on the format but confirmed it was on the plan.

6.6 JT thanks KM for the good overview and stressed the importance of keeping staff informed about project developments in a clear and relatable way. KM agreed and noted ongoing efforts to improve communication and manage resource constraints.

6.7 HS expressed an interest in the geospatial futures project and suggested aligning it with existing policy work. ZD supported this and proposed involving the policy and practice team in shaping the workstream.

- **Action -** KM/HS to discuss geospatial futures with Policy and Practice team

- **Action -** KM to Include smart silviculture use case in geospatial futures workstream

7. Cyber Security Action Plan

7.1 LW provided an overview of the papers. The plan followed national and international best practices and included a structured response framework, clear roles, and a severity matrix. Following feedback from PL, a three-tier command model (Gold, Silver, Bronze) was added to clarify executive oversight and operational coordination. LW also introduced incident-specific playbooks starting with one for malware that would guide actions during specific scenarios.

7.2 LW also highlighted the need to align cyber response with business continuity planning and was planning to run workshops with colleagues to explore how the organisation would continue operating during outages.

7.3 HM asked about keeping playbooks updated. LW explains that playbooks focus on roles, not names, and updates are managed through annual reviews and notifications from active directory when staff leave. Automation isn't in place yet, but prompts help ensure updates happen.

7.4 JT praised the work and suggested sharing the presentation with the Audit Assurance Committee in August, as it aligns with audit actions and their interests.

- **Action -** JT to consider presenting the cybersecurity update to the Audit and Assurance Committee

7.5 BC raised concerns over IT systems and internal capacity.

7.6 BC Highlighted that many services (like Casebook) are third-party and accessible externally, while core systems (like Scots Account) are critical and vulnerable and if it is compromised, most internal functions would be severely impacted. ZD asked if we were we spending enough time on 3rd party provision in our planning and could more be done.

7.7 LW acknowledged and noted that disaster recovery plans are being developed for each digital partner (e.g. FLS, Scots Account, Casebook). LW commented that central register of plans to be in one place is in progress, with service owners responsible for update and advises with third-party systems, the agency has a strategic role in incident response.

- **Action -** LW to review third-party dependencies and consider need for any additional planning measures

7.8 JT referred to scenario testing for business continuity and what does the impact look like. LW noted exercises will vary and micro testing will be done in Cyber month – October and will engage with LM.

- **Action -** LW to coordinate workshops with LM on business continuity and scenario testing

8. Review of Updated EB Terms of Reference

8.1 JT presented the updated Terms of Reference and confirmed the revised ToR would be used going forward unless there were objections and invited the EB for feedback.

8.2 HS suggested a need for the organisation to discuss strategic policy and whether there was value in forming a group. JT acknowledged the potential gap and agreed it's worth exploring.

- **Action** - HS to discuss with the new Director of Policy and Practice Director about the potential for strategic policy group.

8.3 HM raised concern about the lack of clarity around the Chief Forester's role in governance meetings suggested clearer guidance is needed. JT Suggested Helen discuss this with PL to clarify expectations and ensure appropriate involvement.

- **Action** - HM to Clarify Chief Forester's role in regard to meetings with PL

8.4 The EB confirmed that Terms of Reference were approved by the group.

9. AOB

JT raised awareness around the work of volume and complexity around information requests, which is putting pressure on teams. JT noted that additional resources have been brought in, and a review is underway, including learning from SG. JT advised he will share proposed changes with the Executive Board (EB), possibly by correspondence.

ZD acknowledged the issue is causing stress and concern across the organisation and supported sharing the update as soon as possible, not waiting for the next EB meeting and suggested a short discussion may be more effective than extended email exchanges.

- **Action -** JT to circulate FOI review proposals by correspondence.

Meeting closed.

Executive Board Minutes

Next meeting

Thursday 14 August 2025 10:00,

Saughton House E1 Spur Large meeting room & Microsoft Teams.

Executive Board Actions from the Meeting.

Ref	Meeting	Action	Lead / Staff Member	Target Date	Status
25/28	July 2025	Woodland Creation: BC to arrange discussion with the New Head of Policy & Practice Director Sam to explore learnings from England's woodland creation funding	BC	August 2025	New
25/30	July 2025	Woodland Creation - BC to work with colleagues to develop a visual MI narrative (i.e colour coding) on woodland creation pipeline and influencing factors	BC	August 2025	New
25/31	July 2025	Finance - GH Circulate a timeline for budget monitoring and engagement with cost centres	GH	August 2025	New
25/32	July 2025	Finance - GH to send email to ZD on information being sent budget holders with updated monitoring plans	GH	August 2025	New
25/33	July 2025	Risk Management - MR to rework deep dive topics and present back to EB	MR	August 2025	New
25/34	July 2025	Risk Management - MR to Follow up with HS on strategic risk categorisation	MR/HS	August 2025	New
25/35	July 2025	Risk Management - MR to create table for EB and risk owner responsibilities for risk management	MR	August 2025	New
25/36	July 2025	Improvement and Delivery Programme - KM to discuss geospatial futures with Policy and Practice team	KM/HS	August 2025	New
25/37	July 2025	Improvement and Delivery Programme - KM to Include smart silviculture use case in geospatial futures workstream	KM	August 2025	New
25/38	July 2025	Cybersecurity - LW to review third-party dependencies and propose additional planning measures	LW	August 2025	New

25/39	July 2025	Cybersecurity - LW to coordinate workshops with MR on business continuity and scenario testing.	LW	August 2025	New
25/40	July 2025	Cybersecurity - JT to consider presenting the cybersecurity update to the Audit and Assurance Committee	JT	August 2025	New
25/41	July 2025	Governance - HS to discuss with the New Policy and Practice Director Sam the potential for a strategic policy governance group	HS	August 2025	New
25/42	July 2025	Governance - HM to Clarify Chief Forester's role in regards to meetings with PL	HM	August 2025	New
25/43	July 2025	FOI Volume Awareness - : JT to circulate FOI review proposals by correspondence.	JT	August 2025	New