**SCOTTISH FORESTRY EXECUTIVE TEAM**

**Minutes**

**Tuesday 17th May 2022**

**SET Attendees:**

Dave Signorini (DS)

Zahid Deen (ZD)

Ross MacHardie (RM)

Jonathan Taylor (JT)

Rosetta Forbes (RF)

Doug Howieson (DH)

Alan Hampson (AH)

James Aldred (JA) – minutes

**In Attendance:**

Marelle Dalziel (MD)

Amy Nicolson (AN), Bob Frost (BF) – item 8

**Apologies:**

Helen Mackay (HM)

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

DS welcomed everyone to the meeting. The previous minutes were agreed.

The following updates were received on action points:

* AP1/Jan 22 - MD and ZD to scope out a draft EDI Plan with staffing/resource requirements mapped out, for discussion at SET in April.
* AP2/Jan 22 - ZD to present Workforce Plan scoping paper to SET in April.
* AP3/Feb 22 - MD to revise and present People Response Action Plan.

ZD reported that progress on these had been temporarily delayed due to staff absence. The EDI plan was in production and would be brought to the next SET meeting for discussion.

Other action points related to items included on the agenda for discussion.

1. **4-day Working Week Public Sector Pilot – Dave Signorini**

DS introduced the paper, noting that a preliminary expression of interest had been submitted subject to SET decision.

RF reported that discussions with Scottish Government contacts had indicated that:

* While the 32-hour commitment was non-negotiable, there was expected to be flexibility around the ‘four day’ approach, with other models acceptable.
* The stated September timescale for commencement of the pilot was expected to be significantly ambitious, with the organisation providing the supporting Centre for Workplace Transformation yet to be appointed.
* Participating organisations would be able to temporarily increase their staffing complement to offset capacity challenges, but there was unlikely to be additional funding available to support this.

In discussion, the following points were noted:

* That a high amount of change was already underway within the organisation in relation to hybrid and flexible working approaches, meaning an additional pilot could be challenging.
* That many areas within the organisation already struggled with the ‘right to disconnect’, i.e. the maintenance of good work/life boundaries, and that a reduction in hours could therefore prove difficult to implement.
* That reverting to standard operation after the completion of the pilot could potentially be difficult if staff had become accustomed to the new way of working.
* That some studies of reduced-hours working showed a possible offset of lost staffing capacity by increased productivity.
* The potential risks of reducing staffing capacity at a time of high demand, a high level of vacancies, and existing inequity in workloads.
* The need to manage customer and stakeholder expectations if staffing resources were to be reduced, and the associated reputational risks from potential reduced service delivery.
* That moving to a 32-hour week could encourage greater prioritisation of workloads and greater flexibility of resources.

Ultimately the decision was taken to not participate in the initial pilot, but to maintain a watching brief. A further discussion about a holistic approach to staff wellbeing, including the ‘right to disconnect’, workload management and prioritisation, was requested for a future meeting.

***> Action: DS to inform Scottish Government***

***> Action: ZD/MD/JA to liaise on future discussion***

1. **Update on SF Target Operating Model – Zahid Deen / Emma Wright**

ZD updated on development of the TOM to date, noting that an updated version would be brought to the July SET meeting, with a detailed programme plan to go to the Improvement and Delivery Programme Board.

Issues discussed included:

1. Whether planned enhancements to the Forestry Grant Scheme should fall within the scope of the project. AH noted that no major changes were expected within the next six months, and that the initial planned enhancements were primarily around improving the public register and adding additional scheme elements as had been done for crofting and climate change, with these unlikely to have much impact on the improvement programme.

However, AH reported a public consultation was expected on the future grant support approach, and that this would provide opportunities to review the current model of applicant support and engagement, as well as for process and IT improvements. Implementation for the new scheme was already at the business case stage, and options development could come forward by six months’ time.

It was agreed to explore how best to connect Policy into the Programme Board to help scope where these developments should be taken into account within the Programme.

***> Action: ZD/AH to discuss Policy integration***

1. Whether the current programme budget was sufficient for both the current programme work and any subsequent implementation work. RM noted potential competing interests such as the proposed new financial system and potential costs arising from the review of SLAs with Forestry & Land Scotland, and undertook to review what additional amount could be set aside.

***> Action: RM/ZD to discuss budget requirements for the programme, and possible inclusion of a forward budget planning model for the organisation (see minute 4)***

This led to a wider discussion on budget planning and the mid-year reallocation of projected underspends, with RM noting that the new financial system should allow an improved approach to budget monitoring and management.

1. Whether short-term project management support should be procured while a full-time project manager was recruited to support the programme. This was agreed by SET.
2. **Standing Item – Budget and Staffing Information**

**Budget paper:**

RM highlighted a projected fall in the area of newly planted woodland in the financial year from 12,000 to 9,700ha, with an associated rise in projected underspend on forestry grants from between £5-6m to £13-14m. Together with continuing underspends on staffing and salaries, the total forecast underspend was around £14.6m. Attempts had been made to identify options for reallocation, but no substantial opportunities had come forward.

DH noted that some two-thirds of unclaimed woodland creation grants for 2021/22 were expected to be claimed in the following financial year; RM confirmed that these would have to be paid for from 2022/23 budgets.

AH reported that some £1m of Timber Transport Fund claims had been delayed due to planning permission delays, with local authorities suffering from lack of capacity.

RM reiterated that budget management and monitoring were expected to improve significantly with the implementation of the new financial system, and that work was underway to identify and correctly allocate budgets to appropriate budget holders. SET requested that the budget discussion between ZD and RM (see minute 3b) also incorporate the possible inclusion of a forward budget planning model in the Target Operating Model.

**Staffing update:**

MD reported on current vacancy levels and recruitment progress across the organisation. Where internal applicants had applied for roles and been unsuccessful, these cases were being reviewed to explore at what stage these applicants had been rejected and whether support was required to improve future prospects and retention.

ZD noted the continuing unsuccessful attempts to recruit to some posts, and reported that options to supplement advertising with external agency support were being explored.

DS noted the need for SET to have regular and consistent reports on vacancy information as part of the suite of management information needed to inform decision making.

***> Action: MD/ZD/RM to discuss existing available information and the appropriate balance between resource and production of the management data needed for SET.***

1. **Standing Item – Equality, Diversity and Inclusion**

MD reported that the EDI Action Plan was in development, and that the Corporate Plan objectives and People Survey outcomes would be reviewed to inform this work. A timeline would be developed and proposals discussed with ZD and subsequently with SET.

***> Action: MD/DS to meet next month and review.***

1. **Standing Item – Health, Safety and Wellbeing**

DH reported that a Health & Safety policy statement was in development, including an assurance framework. A workplan would be brought to SET by correspondence for approval prior to the SAG meeting, which would then be implemented by cost centre managers, audited annually and reported back to DS as accountable officer.

***> Action: DH to circulate via correspondence***

1. **Forestry Grant Scheme enhancements: verbal update – Alan Hampson**

AH reported that short term priorities for the review of the Scheme had been agreed with the Minister, but that a wider review of future grants for forestry with view to 2026 implementation was still to be discussed. Options would be submitted to the Minister by end of July. Key issues included the possibility of means testing; the need to balance public money offered with private investment and/or expected timber income; the community benefit from local developments; and public perception of the scheme.

Stakeholder engagement on the agreed short term priorities was to be undertaken through standard channels, with the approach to consultation on the wider review still to be confirmed; it was possible this might take the form of a full 3-month public consultation.

DH noted the likelihood of a short-term dip in grant applications as the old scheme was grandfathered out, and the need to have clear messaging on the expected changes to allow a continued flow of applications.

1. **Scottish Forestry Strategy: second Implementation Plan – Alan Hampson**

(AN and BF joined the meeting at this point.)

AN noted the requirement for a new Implementation Plan to end March 2025, and that a draft Plan had been developed and taken to the 11 May meeting of the National Forestry Stakeholder Group. The Group had been asked to comment on the list of proposed actions and possible lead and partner organisations against each action. Of 29 total actions, SF was due to lead on 15.

AH confirmed that the actions had been cross referenced against the SNP manifesto, the Programme for Government and the Bute House Agreement. It was suggested that this be incorporated into the main Plan document.

It was agreed to:

* Progress the document to design stage ready for Ministerial approval
* Mirror the delivery reporting approach from the previous plan, with six-monthly reports to SET for assurance.

Options for launching the new Plan discussed included the upcoming Parliamentary forestry debate in June, and the June Highland Show.

***> Action: AH to come back with launch options***

1. **AOB**

AH noted the ongoing review of UK Forestry Standards, and the need for SF to agree a common view on maximum proportions of species.

***> Action: DH to meet with Chris Stark and Helen McKay to discuss; if consensus cannot be reached, [Policy team] to bring a correspondence paper to SET setting out options for agreement.***

ZD reported that the new version of the Service Level Agreement with FLS was on track for signature by the end of June or early July, and undertook to sight SET by correspondence prior to sighting SG. Governance arrangements were being developed for the transitioning of Finance and HR systems out of the SLA.

DS noted that it was RF’s last meeting, and thanked her on behalf of SET for her professional advice and support.

1. **Closed session for SET Members only**