|  |  |
| --- | --- |
| SF_col_landscape_logo | Senior Executive Team Minutes |

**24 July 2024**

**Saughton House, E1 Meeting Room and Microsoft Teams**

**Present:**

Paul Lowe, Chief Executive (PL) – Chair

Brendan Callaghan, Director of Operational Delivery (BC)

Zahid Deen, Director of Transformation and Corporate Services (ZD)

Alan Hampson, Director of Policy and Practice (AH)

Gary Henderson, Interim Head of Finance and Business Support (GH)

Helen McKay, Chief Forester (HM)

Jonathan Taylor, Head of SF Executive Office (JT)

James Aldred, Corporate Support Manager (JA) – minutes

**In Attendance:**

Neil Murray, Improvement and Development Conservator (NM) – for item 4

Pat Snowdon, Head of Economics & Woodland Carbon Code (PS) and Jason Hubert, Head of Forest Sector Development (JH) – for item 6

Louise Maclean, Information Governance Manager (LM) – for item 7

Marliese Richmond, Corporate Governance and Planning Manager (MR) – for item 8

**Apologies:**

Ross Machardie, Head of Finance & Business Support (RM) – GH substituting

**Welcome and declarations of interest**

The Chair welcomed everyone to the meeting. No new declarations of interest were made.

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

A correction was noted to GH’s job title from ‘Business Services’ to ‘Business Support’. The minutes as amended were approved.

Regarding actions arising:

* Tree health: noted as actioned and closed accordingly. JT reported that going forward SF would be included in the monthly Directorate processes for risk management updates.
* National Stakeholder Group framing paper: noted as on the agenda and closed.
* Woodland creation: noted a working assumption of the end of November for any additional funding to be usable.
* Woodland Carbon Code: noted that a meeting was due in the next week and closed.
* Cybersecurity: review of National Cybersecurity Centre template underway and aiming to complete by August. Cybersecurity training options had been identified and were being reviewed for costs to the organisation.
* Equality Action Plan: noted as outstanding due to current limited EDI resource availability.
* Expenses system: noted as complete and closed.

1. **Standing item: woodland creation update**

SET noted the excellent performance in 2023/24. BC noted that approximately 1,500 ha of applications had been accelerated from 24/25 into 23/24. In addition 2,000 – 2,500 hectares of woodland creation were expected to be delayed from 23/24, which was lower proportionally than previous years. While the vast majority of approved projects had commenced, 10 projects had not been started and resolutions were being sought.

Regarding 2024/25 performance, the current approximate 9,000 hectares of approvals were expected to drop back to around 7,000; including pipeline projects, a year-end figure of around 10,000 hectares was currently projected. AH reported that this figure had been included in the Programme for Government development process, with a flag that additional funding could potentially support a further 2-3,000 hectares.

SET discussed the outlook for longer term demand, noting difficulties with and poor publicity arising from, some current large woodland creation schemes, and possible increased demand for wood products arising from planned increases to housing stock and possible use of biomass for aviation fuels. BC noted the increased media interest in woodland creation could provide an opportunity for positive ‘good news’ stories, including a possible annual report on woodland creation.

AH noted upcoming workshops on future targets and commitments as an opportunity to surface the relationship between woodland creation targets and available budgets.

* **Action: BC to produce short update to Ministers incorporating: current position on woodland creation approvals and medium term outlook; relationship between WC targets and available budget, and upcoming advice on future targets; and proposals for a possible annual report on woodland creation.**

1. **Amendment to the Forestry and Land Management Act 2018 (Sponsor: BC, presenter: NM)**

NM introduced the report, which sought agreement to pursue an amendment to the Forestry and Land Management (Scotland) Act 2018 through a legislative vehicle such as the Land Reform Bill or the Nature Restoration Bill, to support Scottish Forestry’s regulatory activities and clarify some ambiguities in the legislation.

NM noted that the proposed amendments would a) clarify the position as to who could be prosecuted for illegal felling, as currently only the individual who actually undertook the felling could be prosecuted, and b) ensure that forests and woodlands remained such in perpetuity, covering land sales and preventing ‘salami slicing’ of existing woodland.

SET discussed these issues and also the outcomes of other cases previously submitted to COPFS. PL asked if the legislation defined the term “person” and asked for clarification to be sought from SGLD.

* **Action: NM/BC to seek clarification from SGLD as to definition of 'a person'**

SET discussed the need to flag the apparent deficiencies in the legislation, possible avenues to correct them, and the need for public consultation on the proposed changes, to Ministers. It was agreed to produce a Ministerial submission laying out the issues and options, and noting that any consultation would bring the current vulnerabilities into the public domain.

* **Action: BC/NM to produce submission to the Cabinet Secretary, raising issues with current legislation as laid out in the report and setting out options, for PL approval prior to submission**

1. **SET Forestry Strategy Implementation Plan: options (AH)**

AH introduced the paper, noting agreement at the previous meeting to explore extension of the current Implementation Plan to March 2026 to allow an incoming Scottish Government to set out its new priorities. The paper recommended approval of that extension and of a proposal to hold a Forestry Strategy Summit in spring 2025 to highlight achievements to date and provide an opportunity to take stock with stakeholders and garner input to the development of the next Implementation Plan.

**SET approved** the extension of the current plan period to March 2026, and **approved** the proposed Forestry Strategy Summit **subject to amendment** to an annual forestry conference with a broader theme and set of topics.

* **Action: AH to take forward proposed summit as first annual forestry conference in spring/summer 2025**
* **Action: SET members to suggest other potential agenda items to AH in next few weeks**

1. **National Stakeholder Group: framing paper on the interplay between carbon sequestration and timber production (Sponsor: AH, Presenter: JH, PS)**

AH spoke to the report, which sought to frame the issues for discussion at the National Stakeholder Group meeting on 19 September 2024 around the implications of the forecast changes in the carbon storage and sequestration capacity of Scotland’s forests.

JH noted that new models from Forest Research had amended the indicative optimum age for cutting Sitka spruce to 60-90 years for ideal carbon sequestration. AH noted some uncertainty around the current Forest Research model, which currently recommended four 25-year rotations when two 50-year rotations could provide more sequestration. A key challenge was that the private forestry sector aimed to harvest as early as possible for profit realisation and maximisation purposes.

PS noted that the amount of carbon sequestration was expected to drop over the next 20 years due to the age profile of the current forest estate.

In discussion, SET noted the complexity of the issues raised and the need for clear options regarding possible solutions and interventions. One option noted was to review the definition of “sustainable forest management” to state that it would not be considered sustainable to be harvesting trees planted under carbon objectives until a certain number of years had passed. SET queried whether the timing for a September meeting was appropriate given the gaps in current understanding and analysis.

AH noted that the intention of the paper was to surface the issues and explore initial views on options. JH and PS noted that some modelling of possible policy changes was underway.

**Actions:**

* **PS / AH to engage with Climate Change team to discuss sequestration context**
* **SET to meet before the end of August for a follow-up dedicated conversation with clearer options for presentation at the NSG meeting**
* **Depending on the outcome of the dedicated SET meeting, AH to consider framing for the Cabinet Secretary and whether the September NSG was appropriate timing for the discussion**
* **AH to develop plan B for September NSG meeting – possible focus on timber production**

1. **Business Continuity Plan (Sponsor: JT, Presenter: LM)**

LM introduced the paper, which presented the updated Business Continuity Plan for SET’s approval, noting that a recent audit report into business continuity planning had prompted a revision and refresh of processes. A Winter 2024 Business Continuity Exercise was planned for early December, with feedback provided to SET to inform future exercises. JT noted that the Plan would be shared with the Audit and Assurance Committee with plans for future development and testing.

SET welcomed the production of the materials and the progress achieved since the audit report.

In discussion, SET members queried whether the scope of the BCP was limited to risks to the organisation’s ability to operate, or whether it included more catastrophic external events that the organisation might have to shift to address (e.g. a future Storm Arwen, tree pest outbreaks, etc.)

AH noted SF’s role in advising Ministers beyond formal correspondence, and recommended that integration be pursued with the relevant SG Divisional contingency plan.

SET requested the provision of a separate incident management plan, either as an annex or a standalone document, to be used in responding to short notice issues, and including contact details, suggested actions to be taken, a draft agenda for an incident meeting and key initial questions to be asked.

SET requested that the current binary SET/non-SET incident level approach be broadened to consider additional thresholds (e.g. a gold / silver / bronze approach), with appropriate reporting and escalation lines.

* **Action: LM/JT to revise plan to:**
* **Incorporate role in advising Ministers beyond formal MiCase correspondence**
* **Clarify whether catastrophic events (e.g. Storm Arwen, Ips outbreaks, etc.) are in scope**
* **Incorporate staggered approach to incidents (e.g. gold / silver / bronze approach) with appropriate reporting and escalation / de-escalation arrangements**
* **Produce incident management guide, including draft agenda for an incident meeting, attendees with contact information, initial set of questions**

1. **Risk register – quarterly review (Sponsor: JT, Presenter: MR)**

MR spoke to the report, which provided an update on the processes sitting behind the Strategic Risk Register; proposed a process and template for a new Strategic Issues Log; and included an up to date Strategic Risk Register and Issues Log.

The paper asked SET to note the report and proposed actions, and to approve the holding of a Risk Identification Workshop to support subject matter experts in identifying and flagging risks.

In discussion, SET suggested presentational amendments to the Register and its reporting, suggesting a move towards the reporting of key red risks and issues for SET attention and potential periodic deep dives into individual risks and issues.

* **Actions:**
* **JT / MR to bring issues log to future meetings of SMT as standing item**
* **JT / MR to propose how risk register will be presented and monitored in future**
* **JT / MR to scope proposed Risk Identification Exercise**

1. **AOB**

ZD noted a proposed paper to the next SET meeting on future grant support for forestry, led by NM and shaping potential governance options.

* **Action: NM to bring paper to September meeting on future grant scheme approach, incorporating input from SET and other appropriate contacts.**

On forward planning, SET agreed to take the Terms of Reference paper by correspondence, and noted that the same was expected of the Corporate Plan and Strategy.

1. **Date of Next Meeting**

Wednesday 11th September, 11am, Saughton House E1 Spur Large meeting room & Microsoft Teams.

**Meeting Action List**

| **Ref** | **Meeting** | **Action** | **Lead / Staff Member** | **Target Date** | **Status** |
| --- | --- | --- | --- | --- | --- |
| 24/11 | Jun 24 | Cybersecurity: LW to scope potential offer for Executive-focused cybersecurity training (previously delivered via Scottish Business Resilience Centre) | ZD / LW | ASAP | Open |
| 24/12 | Jun 24 | Equality Action Plan: MD to prepare summary piece prior to next People Survey, taking a 'you said, we heard, we did' approach to include the recognition of issues identified as well as development and implementation of actions. | ZD / MD | Prior to next People Survey | Open |
| 24/14 | Jul 24 | Woodland creation: BC to produce short update to Ministers incorporating:   * Current position on woodland creation approvals and medium term outlook * Relationship between WC targets and available budget, and upcoming advice on future targets * Proposal for possible annual report on woodland creation | BC | End August |  |
| 24/15 | Jul 24 | Amendment to the Forestry and Land Management Act 2018:   * NM/BC to seek clarification from SGLD as to definition of 'a person' in legislation * BC/NM to produce submission to Cabinet Secretary raising issues with current legislation as laid out in report and setting out options, for PL approval | NM / BC | End August |  |
| 24/16 | Jul 24 | Forestry Strategy Implementation Plan:   * AH to take forward proposed ‘summit’ as first annual forestry conference in spring/summer 2025 * SET members to suggest potential other agenda items to AH in next few weeks | AH, all | ASAP |  |
| 24/17 | Jul 24 | National Stakeholder Group:   * PS / AH to engage with Climate Change team to discuss sequestration context * SET to meet before the end of August to consider proposals * Depending on outcome of SET meeting, to consider framing for Cabinet Secretary and whether September NSG is appropriate timing * AH to develop plan B for NSG - possible focus on timber production | AH, all | End August |  |
| 24/18 | Jul 24 | Business continuity plan: LM/JT to revise plan to:   * Incorporate role in advising Ministers beyond formal MiCase correspondence * Clarify whether catastrophic events (e.g. Storm Arwen, Ips outbreaks, etc.) are in scope * Incorporate staggered approach to incidents (e.g. gold / silver / bronze approach) with appropriate reporting and escalation / de-escalation arrangements * Produce incident management guide, including draft agenda for an incident meeting, attendees with contact information, initial set of questions | JT / LM | Update at September Meeting |  |
| 24/19 | Jul 24 | Strategic Risk Register and Issues Log: JT/MR to:   * Bring issues log to future meetings of SMT as standing item * Propose how risk register will be presented and monitored in future * Scope proposed Risk Identification Exercise | JT / MR | September meeting |  |
| 24/20 | Jul 24 | Future forestry grant scheme: NM to bring paper to September meeting on future grant scheme approach, incorporating input from SET and other appropriate contacts. | NM | September meeting |  |