**SCOTTISH FORESTRY EXECUTIVE TEAM**

**Minutes (Draft)**

**Tuesday 19th July 2022**

**SET Attendees:**

Dave Signorini (DS)

Helen Mackay (HM)

Zahid Deen (ZD)

Ross MacHardie (RM)

Jonathan Taylor (JT)

Doug Howieson (DH)

Alan Hampson (AH)

James Aldred (JA) – minutes

**In Attendance:**

Julie Fitzpatrick (JF), Ella Hashemi (EH) – item 6

**Apologies:**

Marelle Dalziel (MD)

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

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

AH updated on the ongoing review of UK Forestry Standards, noting that an agreed position had been reached on species proportions to be used as the basis for consultation. The proposal used minimums and ranges as opposed to specific proportions. The next stage would be for the proposal to go to the Project Board for approval.

**> Action: AH to ensure Chief Forester endorses advice to Minister on proposed species proportions**

Updates on other actions had been provided offline and would be collated.

1. **Budget setting discussion – Ross MacHardie**

RM introduced the paper, noting an expected £1.5m budget increase to meet woodland creation targets and a subsequent £400,000 of savings identified towards SG savings exercises, resulting in a total budget of £19.2m.

SET reviewed the proposed budget allocations line by line, noting the working assumption of a 5% pay uplift and 10% vacancy rate for 2022/23. Although progression for 2022-23 has been implemented (affecting about 1/3 of staff), with the Pay Settlement for 2022-23 still under discussion, there is still considerable uncertainty around these figures.

It was agreed:

* To lower the allocation for agency costs to £180k on the basis of spend to date.
* To lower the publicity budget to £120k given underspend in the previous year.
* To lower the travel budget by £8k to £135k, to reflect that while staff travel was expected to remain at reduced levels given continued hybrid working, fuel costs had increased.
* To release £200k from the £350k allocated under ‘miscellaneous’ towards the implementation of the new financial system, on the grounds that these costs were unlikely to come forward at this level in 2022/23.
* To allocate an additional £100k to the Tree Health budget to reflect the increased fuel costs of tree surveys.
* To allocate an additional £3k to the Training budget to maintain the same level as the previous year.
* To allocate an additional £124k to the Office budget to support the Future Working Project.
* To allocate the remaining released funding (£162k) towards the potential creation of new staffing posts not yet approved.

The potential need for resource to support the short-term costs of a modal shift to electric vehicles was noted, as hypothecated SG funding was not due to come on stream until 2023/24. It was agreed not to allocate any additional resource at this stage until likely costs and timescales had become clearer.

**> Action: RM to produce and circulate updated allocations for final SET approval.**

SET noted the need for consistent monthly management information to allow ongoing monitoring and management of budgets, and the early identification of areas of likely underspend so that resources could be reallocated to other priority areas and projects.

1. **SLA discussion with FLS: verbal update – Zahid Deen**

ZD updated on discussions with FLS, noting that FLS were seeking a change to the SLA methodology, with SF being asked to pay 50% of the costs for iTrent, financial and other systems. Negotiations were underway with the aim to sign off a revised SLA in early August. ZD noted that the outcome might impact future budget requirements.

It was agreed to review the proposed cost increases and draft a Ministerial briefing accordingly, focusing not just on the costs but also the potential benefits and efficiency saving s in the future.

**> Action: ZD to draft briefing for DS review**

Discussion ensued about the potential to decouple SF from the HR and financial systems currently incorporated in the SLA, and the resulting potential need to set up a formal project to establish and test alternative systems. BC noted that procuring independent systems could lead to issues of governance and risk management that would be managed centrally if Scottish Government systems were instead used.

**> Action: RM to provide options appraisal for the approach to a potential new SF financial system.**

1. **Estates & offices business plans update – Ross MacHardie**

RM noted the reduced estate management services offer from FLS in the current SLA negotiations, which if implemented, would result in more responsibilities being taken on by SF.

Notably this was likely to include reduced advice and support on lease renewals, with conservators expressing concern given increased requirements from SG Property Services regarding business cases for renewals or alternative options. JT noted that Property Services did not provide support to agencies towards these requirements.

**> Action: RM to explore options for external support towards meeting estates advice and support needs.**

Discussion ensued around the drivers of SF’s estate management approach, with upcoming lease expiries requiring some short-term decisions and the Future Working Project taking a longer-term approach.

It was agreed to use the first phase of the Future Working Project to support the development of an estates management strategy, with development commencing as soon as possible after the FWP’s first phase report.

**> Action: RM to produce baseline per-head costs for the assessment of future options.**

1. **Equality Diversity and Inclusion Action Plan – Ella Hashemi (obh Marelle Dalziel)**

EH joined the meeting and introduced the report and draft Plan, noting some improvement in some metrics around gender balance, but that ethnic minorities remained significantly underrepresented among SF staff and a considerable gender pay gap remained.

SET discussed the possibility of setting targets for the recruitment of underrepresented groups, with EH noting the intention to focus on appropriate geographical and business areas. For example, roles in the Central Belt would attract higher targets for ethnic minority recruitment given the higher proportion of ethnic minority population in the area; similarly, targets would focus on non-forestry roles as the demographics of forestry graduates would make some targets unrealistic.

In discussion:

* ZD noted that any future budgetary constraints on the recruitment of new staff would reduce opportunities to increase the diversity of SF’s staff complement.
* AH noted the limited number of applicants for many posts, and that a mentoring scheme for underrepresented groups could be part of the offer at advertisement.
* HM noted that increased diversity in SF and general forestry publicity could help encourage a more diverse applicant intake.

SET noted the need to review training for recruitment panels, to ensure a consistent approach to recruitment.

**> Action: JF to review recruitment panel training approach**

On bullying and harassment, HM noted the need for the proposed bystander training to be updated to take into account hybrid working approaches, and that the staff survey results could be used to identify and target problem business areas.

ZD noted that Civil Service language around diversity tended to be positive and celebratory. EH undertook to incorporate the equality outcomes for Scottish Forestry which used this positive language.

JT noted the relative lack of gender balance in SF decision making forums (Executive Team, Operational Group, etc.).

The action plan was approved.

**> Action: EH/MD to provide biannual updates to SET on implementation**

**> Action: EH/MD to liaise with Rachel Martin on internal communications approach**

**> Action: JT to ensure actions are appropriately embedded in business plans, and to consider how E&D should be embedded in the development of SF’s new Corporate Plan.**

1. **Standing Item: Health, Safety and Wellbeing – Brendan Callaghan**

Item deferred to future meeting.

1. **Update on proposed changes to governance & other groups – Jonathan Taylor**

Item deferred to future meeting.

1. **AOB**

DS noted that an alternative date would be sought for the 23rd August meeting due to leave and other commitments.

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