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# TWO HUNDREDTH and TWELTH MEETING OF THE BOARD OF NATURESCOT

## CROSS KEYS HOTEL, KELSO – 14 MAY 2024

## UNCONFIRMED MINUTES

## MEMBERS PRESENT

Colin Galbraith Chair

Margaret Davidson Member

Ian Gambles Member

Jaboury Ghazoul Member

James Harrison Member

Peter Higgins Member

Colin McPhail Member

Wayne Powell Member

Heather Reid Member

Nikki Yoxall Member

## IN ATTENDANCE

Francesca Osowska Chief Executive

Nick Halfhide Director of Nature and Climate Change

Robbie Kernahan Director of Green Economy

Jane Macdonald Director of Business Services & Transformation

Eileen Stuart Deputy Director of Nature and Climate Change

Stuart MacQuarrie Deputy Director of Business Services & Transformation

Claudia Rowse Deputy Director of Green Economy

Jason Ormiston Head of External Affairs

Graham Boyle Chief of Staff

Sara Lewis Governance Support Manager (minutes)

## APOLOGIES

David Johnstone Member

Jill Robbie Member

Stephen Coulter Planning and Performance Manager

John Donnelly Head of Finance

# AGENDA ITEM 1: OPENING REMARKS AND APOLOGIES

1. The Chair opened the meeting by welcoming everyone to the two hundred and twelfth meeting of the Board of NatureScot., Particular welcome was given to new Board member Professor James Harrison, who joined the Board on 01 May.
2. Apologies were noted from Jill Robbie and David Johnstone (members), along with John Donnelly (Head of Finance) and Stephen Coulter (Planning and Performance Manager). Technical issues had meant that they were unable to join the meeting online as planned.

# AGENDA ITEM 2: DECLARATIONS OF INTEREST

3. Wayne Powell declared that he is now the Chair of Interface, part of the business element of Scotland’s Rural Collage (SRUC) where he is also Principal.

# AGENDA ITEM 3: MINUTES AND ACTION POINTS

1. Board members were content to **approve** the minutes of the Board of NatureScot Meeting on the 13 March 2024.

## Action Points

5. The **actions points** were reviewed:

**Action Point (03/206)** (Board Members to be consulted on advice to Scottish Government on recommended statutory nature targets.) Members acknowledged that staff are currently providing further information to support the SBS Programme Advisory Group. Therefore, this action is **ongoing**.

**Action Point (06/206)** (Next Steps/Draft Plan for Kinloch Castle to be Presented to the Board.) Members noted output from the Minister’s commission to Rural and Environment Science and Analytical Services division will not be available until June 2024 at the earliest. This action point is therefore **ongoing**.

**Action Point (03/208)** (Board wider discussion on the core purpose and role of NNRs to take place during 2024.) Members noted that a workshop session had been scheduled for the October meeting, which will be followed by a paper at the November meeting, therefore the action point remains **ongoing**.

**Action Point (05/208)** (A paper to be prepared for the Board regarding gaining evidence through systems thinking and innovation in the environmental arena.) Members noted that an update paper is expected during Q1 2024/25, therefore this action point remains **ongoing**.

**Action Point 03/209** (Board sub-group to develop refreshed narrative on resilience to climate change.) Members heard that this area is subject to a deep dive by the Audit and Risk Committee (ARC) at their May meeting, and that further work on this action point would take place after that. The action point therefore remains **ongoing**. The Chief Executive and Nick Halfhide agreed to discuss how this action should be progressed.

**Action Point 01/212**

**Action Point 04/209** (Details of 30x30 implementation plan resourcing costs to be provided to members.) Members noted that these details will be included in the 30x30 paper scheduled for the June Board meeting. It was therefore agreed to **discharge** this action point.

**Action Point 06/209** (Risk appetite scenarios to be prepared for the Board, and then a ‘futures thinking’ discussion to be arranged.) Members received an update that risk appetite had been discussed at the ARC meeting on 06 February, where it was agreed that further work needed to be done before the full Board had another discussion. It was expected that the full Board would discuss risk appetite again after March 2024. This action point is therefore **ongoing.**

**Action Point 01/210** (Streamlined Approach to Licencing.) Robbie Kernahan to follow up with Jill Robbie and Pete Higgins on how the new approach to licencing will work in practice for those applying. In discussion of this action point, Robbie Kernahan agreed to circulate the Terms of Reference and commission from the Scottish Government (SG) for NatureScot’s licencing review.

**Action Point 02/212**

Members acknowledged that Robbie had been in discussion with Jill and Pete, and therefore agreed to **discharge** this action point.

**Action Point 05/210** (Review of Equality, Diversity, and Inclusion Survey.) Nikki had been briefed on the results and will be involved in the wider communications for the organisation in due course. It was therefore agreed to **discharge** this action point.

**Action Point 01/211** (List of Beaver Translocations for Board Members) The list had been sent to Board members, therefore it was agreed to **discharge** this action point.

**Action Point 02/211** (Nikki Yoxall to support the SAC in discriminating between evidence and perception, or hypothesis in our work) Members noted that Nikki Yoxall will be involved with developing guidance on uncertainty and disputed evidence. It was therefore agreed to **discharge** this action point.

**Action Point 03/211** (Pete Higgins to be kept informed of progress on ongoing dialogue with science organisations) Board acknowledged that partnership working is a key feature of the Business Plan’s focus for 2024/25. It was therefore agreed to **discharge** this action point.

**Action Point 04/211** (Consult SG and the National Access Forum regarding consideration of the need for a review of the Access Code) Follow up on this is expected in Q3 due to the limited number of meetings of the National Access Forum. **Ongoing**.

# AGENDA ITEM 4: MATTERS ARISING

6. There were no matters arising.

# AGENDA ITEM 5: ITEMS FOR AOB

7. No items were requested under AOB.

# AGENDA ITEM 6 – CHIEF EXECUTIVE’S REPORT

8. Board members noted the contents of the Chief Executive’s report, in particular the following key themes:

* Withdrawal of the SNP from the Bute House Agreement, implications for NatureScot, and confirmation of Mr Swinney as the new First Minister.
* Importance of capitalising on the budget settlement for 2024/25 through this year’s business plan.
* Public Service Reform, including NatureScot’s part on the Single Scottish Estate Programme board.
* Engagement with the Scottish Fisherman’s Federation, hosting the Strategic Nature Conservation Bodies meeting, and visiting the Isle of Rum to look at wider island opportunities and meet residents.

9. Members discussed plans for the Chair to hold the first in a series of round table events, to explore the developing relationship between the productive sector and nature conservation and recovery.

# AGENDA ITEM 7: ARC UPDATE

10. Ian Gambles, Chair of the Audit and Risk Committee (ARC) gave an update on the recent ARC meeting which took place on the 09 May. The update featured the following highlights:

* Finance Update: satisfactory financial position at this point in the financial year. Awaiting confirmation of the peatland restoration budget for 24/25 however work on restoration continues.
* External audit plan for 2023/24
* Progress in establishing a Project Management office to offer advisory and delivery services for projects within NatureScot.
* Health and Safety deep dive on chainsaw use.
* Risk management deep dives on media management and climate change adaptation.
* Structural Funds: a positive outcome on the final claim to the Managing Authority (MA) is anticipated. Although there had been some disallowed by the MA, it was recognised that the funding had delivered very positive results for nature. A lessons learned exercise will be undertaken to influence how future grant schemes are run.
* Update on Information Management, cyber-security, and digital initiatives.

11. Ian informed that if members had suggestions for future deep dives for ARC, they would be welcomed. He also reminded the Board that short cyber-security e-learning courses were available to members, and that they were encouraged to complete them, to help strengthen the organisations’ response to cyber-threats.

12. Members queried when the Structural Funds programme completes, and were informed that final decisions on reimbursements and disallowances by the MA would be complete by 20 June. There would be a dispute resolution process available if required. Allowance had been built into this financial year’s budget to absorb disallowed claims if needed.

# AGENDA ITEM 8: Q4 2023/24 PERFORMANCE REPORTS

13. This paper presented the Board with Q4 progress towards delivery of NatureScot’s corporate priorities as laid out in the business plan ‘A Nature-Rich Future for All: Year 2’. Stuart MacQuarrie updated that the main themes shown through the report for this quarter were legislation, partnership working and digital transformation. The Board were asked to approve:

* The overall performance of the Corporate Plan objectives (Performance Report)
* The position of the resource and capital budgets (Finance Report)
* The performance of the corporate risks (Risk Report)
* The overall performance of the People Measures (People Report)

14. Each Director was invited to give an overview of progress in their areas during Q4:

Nick Halfhide – Director for Nature and Climate

* Final bid for structural funds submitted to MA.
* Work on Scotland’s new National Park(s).
* Nature Restoration Fund work completed.
* Challenging work on offshore wind gathering pace.
* Concerns over the impact that recent ministerial changes may have on progressing the Natural Environment Bill, championing the Scottish Biodiversity Strategy, and securing additional funding for the Nature Restoration Fund.

Robbie Kernahan – Director of Green Economy

* 35% more peatland restoration completed than the previous year – 6800 hectares.
* Increasing planning casework, with a specific focus on supporting onshore wind and wider energy infrastructure.
* Opportunities for digital innovation, and the recent award for use of Artificial Intelligence in casework.
* Developing partnership working on codes of practice, however aware of the need to push for ambition to improve nature.

Jane Macdonald – Director of Business Services and Transformation

* Good progress in digital technology and delivery programme.
* Transformation programme board established – the Transformation and Resourcing Sponsor Group.
* Recruitment taking place to resource the new Project Management Office, which will be operational by August.
* The People Programme has been established, with strategic work planning and skills development work taking place.
* Publication of the Business Plan for 2024/25.
* 1 amber rating in the report reflects a delay in skills development work due to staff illness. External support has been engaged to push this work forward.
* Concerns include ongoing cyber-risks, including the current attack on the NetExtender system. The need for ongoing vigilance was highlighted, while the organisation continues to develop the infrastructure to respond to cyber-threats. The budget was also a concern, particularly looking to the next financial year.

Jason Ormiston – Head of External Affairs

* Strong public interest in recent beaver reintroduction media releases.
* Challenging work continues on the ‘food and nature’ debate. NatureScot will have a stand at the Royal Highland Show, which will aim to show how it is possible to improve nature while producing food.
* Use of influencers to increase the reach of the Make Space for Nature campaign.
* Significant reach seen on the Scottish Outdoor Access Code campaign.

15. The Board queried the underspend on the capital budget. They were informed that this challenge was due to inherent operational challenges in peatland restoration and delivering the Nature Restoration Fund. It was however stated that the overall position is that a flexible approach to resourcing will enable an outturn within the budget tolerances.

Risk – Stuart MacQuarrie

16. It was drawn to members’ attention that there was a new corporate risk for nature finance.

Jane Macdonald – People Report

* Slight reduction in staff turnover.
* Improved staff response rate for recent surveys.
* Amber rating for retirement profile indicator, due to not yet completing work on implementing a new approach to strategic workforce planning, to respond to workforce demographic trends.

17. The Board acknowledged the improved response rate to surveys, specifically on Equality, Diversity, and Inclusion, where staff indicated that at least half of staff are rarely stressed at work, and the increase in staff who are comfortable in confronting poor behaviour by colleagues.

18. Members recognised that the number of full-time employees (FTEs) is rising, and queried whether this may cause an issue in light of the expectation that future years’ budgets will reduce. Jane Macdonald assured that the People and Organisational Development team monitor the workforce profile, and that much of the increase in FTEs is due to short term appointments being made for this financial year, and in light of this year’s budget settlement.

19. The Board approved the overall report of performance for the year, noting that significant outcomes had been achieved for nature. They conveyed their thanks to NatureScot staff for the strong performance evidenced in the report.

# AGENDA ITEM 9: BOARD OF NATURESCOT STANDING ORDER REVIEW

20. This paper provided the current Board Standing Orders for review and approval by members. No amendments had been made as part of the review by the Chair and Chief of Staff. Board members were asked to review the document and highlight any queries.

21. Members were content to approve the Standing Orders subject to a minor editorial amendment.

# AGENDA ITEM 10 – BOARD COMMITTEES (ARC, SAC, PAC) ANNUAL REPORTS 2023/24

22. This agenda item provided annual reports from the Board Committees, namely the Audit and Risk Committee, the Scientific Advisory Committee, and the Protected Areas Committee. The reports gave a summary of the Committees’ work throughout 2023/24. The Board was asked to endorse the ongoing activities of the Committees and sub-groups.

23. Members were content to endorse the ongoing activities of the Committees and sub-groups and conveyed their thanks to the Chairs and Committee members for their work.

**AGENDA ITEM 11: BUSINESS PLAN AREAS OF FOCUS AND BOARD INVOLVEMENT – NEXT STEPS**

24. This preliminary discussion took place around the four areas of focus in the 2024/25 Business Plan: land management, 30x30, Nature Finance and Wildlife Management. Prior to the meeting it had been proposed by the Chair that Board members are mobilised around these four areas, in a way that complements existing staff and Board work. The intention is to build momentum in these areas of work which have nature recovery at their core, over the current financial year.

25. Stuart MacQuarrie informed that Board member involvement in the business plan areas of focus will lead into the Board workshop taking place in August, where priorities for the next Corporate Plan will be discussed. The Executive will contact members in due course to arrange discussion sessions.

26. It was suggested by members that there should be a discussion following the Chair’s round table on the relationship between food and nature which takes place on 11 June. Board members will be sent a list of the confirmed attendees for the round table, and information on planned next steps.

**Action Point 03/212**

*Post meeting note: The Executive Office have tabled this discussion for the Board meeting on 12 June.*

Information Papers

**FORWARD PROGRAMME OF BUSINESS**

27. The Board Forward Programme of Business was presented to members. Members had no further updates to make to the programme other than those made above.

**NATURESCOT BOARD MEMBER ENGAGEMENT**

28. This paper gave a short summary of Board members’ internal and external engagements with NatureScot related work since the last Board meeting.

AOB

29. Chair updated that he would succeed Aoife Martin as the second NatureScot/Joint Nature Conservation Committee representative, alongside Pete Higgins.

Date of Next Meeting

30. The next meeting of the Board of NatureScot is planned to take place on 12 June 2024 online via MS Teams.

31. The Chair thanked all those in attendance. The meeting was closed.

# END