Title: Q1 Performance Report 2024/25

Date: 21st August 2024

Purpose	Decision
How does this link with our corporate priorities of improving biodiversity or delivering nature-based solutions to climate change:	This paper presents Q1 progress towards delivery of our corporate priorities as laid out in our Business Plan, A Nature-Rich Future for All: Year 3.
Summary:	At the end of Q1, performance for 13 of our 15 Corporate plan objectives are rated as green 'on track'. Our Resource and Paybill budgets are currently expected to outturn within tolerance overall at year end. There is a small overspend forecast on Project Allocations which is expected to be managed down by year end. Both Capital and Indirect Capital are currently on track and we are continuing to manage and monitor the larger programmes to ensure that full budget spend is achieved. There has been a change in two of the corporate risk scores this quarter, and one risk (253) is being de-escalated due to the changing landscape of Peat Management. In the People Report, all seven indicators are green.
Actions:	To agree the recommendations below
Recommendations:	The Board is asked to: • Note the overall performance of the Corporate Plan objectives (Performance Report) • Note the position of the resource and capital budgets (Finance Report) • Note the performance of corporate risks (Risk Report) • Note the overall performance of the People Measures (People Report)
Report Author(s):	Authors – Directors, Deputy Directors, Outcomes Managers, Finance, Planning & Performance Team, POD Team
Sponsor:	Stuart MacQuarrie, Jane Macdonald
Annexes	Annex A – Corporate Risk Register (High Risks)

Purpose

1. This paper presents NatureScot's performance for the first quarter of 2024/25. It addresses delivery of our corporate priorities by reviewing: the alignment of performance against our Business Plan, A Nature-rich Future for All: Year 3; progress towards maximising our available budget; assessing risks for delivery; and people information supporting the resourcing of our work. These all support delivery of our Corporate Plan 2022-26, A Nature-rich Future for All.

2. This year the corporate plan priorities were further refined through the identification of our 4 areas of focus for 2024-25 which stimulate the key actions towards delivering our 2030 and 2045 targets to reduce biodiversity loss and restore nature. These areas of focus align most closely with the objectives identified in parentheses although work is being taken forward to identify how they cut across the other 11 objectives. In summary, the Areas of Focus are:

   • Agricultural transformation and land use change (Objective 8).
   • Directing effort into nature expanding out from land and marine Protected Areas, safeguarding 30% of Scotland's special nature locations by 2030 (Objective 1).
   • Creating the conditions for increasing public and private nature finance in Scotland, essential to stopping nature's decline by 2030. (Objective 10).
   • Strengthening approaches to species management such as deer, beaver, and invasive species for positive nature outcomes. (Objective 2).

Summary

3. We are making progress on some of the big issues including on agricultural transformation and land use change with the main building blocks in place, but there are increasing risks on SBS and 30x30, and we have faced challenges to get grouse moor licences in place by 12 August.

4. Progress in regard to 13 of the 15 corporate objectives is rated by the Senior Leadership Team as green with 2 measures rated as amber due to delays in finalising the Scottish Biodiversity Strategy and Delivery Plan, including plans to safeguard 30% of Scotland's nature by 2030. The strong progress we continue to make masks some underlying challenges this quarter including the need to increase staffing numbers in the short term to meet ongoing demands (supported through ring-fenced funding). At the same time, we are working to drive savings in paybill to ensure future affordability for the remainder of the corporate plan period.

5. The emerging political landscape following the UK election is being closely monitored to ensure that the priority given to nature restoration and biodiversity loss remains uppermost in the minds of policy makers. We continue to advise colleagues in the Scottish Government around the risks to our work by uncertainty around progress on 30x30 and the Natural Environment Bill. As noted previously, both of these areas of

work are vital to our 2030 mission. The current position on binding nature targets remains uncertain.

6. We have initiated Public Sector Reform (PSR) streamlining work for offshore wind and provided input to aquaculture PSR processes also. We can anticipate further PSR related activity as we move through the year.

7. All Structural Funds project commitments have now been met and project team stood down with final payments agreed with the Managing Authority. A recent site visit by the Cabinet Secretary Ms McAllan to the Canal and North Gateway project in Glasgow emphasised the importance of these projects to Scottish Government's priorities.

8. Getting the new licencing arrangements for grouse moors in place for the start of the grouse season on 12th August has been challenging as we respond to concerns about the extent of the area of land to which a licence will apply. We will wait to see how this is received by stakeholders as the new licences take effect. The opening date for applications was 15th July which gave a tight timescale for completion by the start of the grouse season on 12th August.

PRIORITY PERFORMANCE	NUMBER	CORPORATE RISK	NUMBER
Objectives	15	Corporate Risks	11
On Track	13	Increased Score	0
Minor Slippage	2	Decreased Score	2

FINANCIAL METRICS	STATUS	PEOPLE METRICS	STATUS
Resource Budget	On Track	Health, Safety and Wellbeing	On Track
Capital	On Track	Employee Engagement	On Track
Indirect Capital	On Track	Attendance	On Track
Paybill	On Track	Employee Relation	On Track
Project Allocation	Minor Slippage	Workforce Profile	On Track
		Internal Movement	On Track
		Retirement Profile	On Track

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
1. Lead the delivery of 30% of land and sea being protected by 2030	Nick Halfhide	AMBER	• Protected Area Official Statistic published. • OECM (Other effective area-based conservation measure) Criteria Stakeholder events held. • 30x30 and Nature Networks frameworks not completed on account of delays in publication of SBS Delivery Plan (of which these frameworks are a component) Big Biodiversity Layer Beta version testing has been delayed due to unexpected staff absence. Moved to Q2 • National Park - Significant technical and strategic input made to the SG led evaluation of nominations and project planning undertaken for the reporter work. • National Nature Reserves - Audit of all NNRs underway by NNR partnership to identify further opportunities for landscape-scale working.
2. Build stronger collaboration reducing the impacts of deer and modernise our wildlife management and underpinning licencing functions to enable a net zero and nature positive future	Robbie Kernahan	GREEN	• Deer Legislation consultation now concluded with SG analysing 1600 responses. • Species licensing review ToR agreed with Minister and stakeholders informed. • 829 species licences processed to date. A reduced number of gull licences issued in line with new policy and guidance. • The Code of Practice for Grouse Moor management at final draft stage. Ready to publish once commencement order for the Act is confirmed. The online grouse licensing went live in July, alongside licensing guidance and framework. • Significant casework and comms for Sea Eagle issues and lamb predation over spring. • Work ongoing to scope and agree Invasive Non-Native Species (INNS) plan with SG and commence work on reviews of INNS schemes including Hebridean Mink Project. • Orkney Native Wildlife Project extension funding secured, phase 2 now commenced.
3. Engage and influence planning and other regulatory systems to ensure they deliver for nature and climate	Robbie Kernahan	GREEN	• Biodiversity Metric - 92 responses submitted to formal consultation, with assessment ongoing to identify the key issues and questions arising. • Renewables Sector Deal - Detailed engagement with the PEAG (Peatland Expert Advisory Group) on our Peat Guidance. Ongoing connection to the biodiversity metric work. We will sit on the new Scottish Government and Scottish Renewables steering group to take forward the data repository for windfarm applications. • InformedDECISION - finalised Accountable Officer (AO) template ready for Scottish Government. E Grade project officer now appointed.

WE HAVE PROTECTED NATURE

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE	BOARD/214/08
			• Inquiries - Earraghail inquiry complete. Early meetings for Coul golf course indicate the case will be dealt with entirely through Hearing procedures. • Development Management in fulfilling our statutory duties during Q1 we have been consulted on 350 cases with varying degrees of complexity (Planning, Energy, Forestry, Environmental Impact Assessments).		
4. Influence the transformation of marine management through new marine planning, protection and fisheries management frameworks, and working with the marine renewable energy sector	Nick Halfhide	GREEN	• Climate change and coastal: Input to Scottish National Adaptation Plan 2024-2029 (SNAP3) consultation completed. • Comms: Agreed content of a joint marine protection communications strategy with Marine Directorate. • Energy: Contract on charging re tendered. Progressing Draft Service Level Agreement with Marine Directorate Licencing and Operations. Recruitment of new roles underway. Comments provided to Scottish Government on draft policy papers to help inform the Statutory Instrument of the Energy Act, particularly around changes to Habitats Regulations Appraisal. Provision of casework advice, especially around scoping, with one application consented in Q1 - Green Volt and one received - Salamander. Public Sector Reform review of offshore wind initiated. • Enhancement: Native oyster guidance published • Survey: Four marine surveys complete (Southern Trench MPA, Orkney Priority Marine Features, Shiant SPA and Elgol collaboration with fishermen). • Planning: Provided advice on National Marine Plan 2 policies for ecosystem health and on environmental baseline report. • Marine Protection: Priority Marine Feature (PMF) national status assessments delayed as result of Judicial Review appeal decision and need for further clarity from Marine Directorate. • Marine Development: Feedback provided on aquaculture consenting pilots and support for SEPA's implementation of new sea lice risk framework. Worked with Supporting Good Development and Operational colleagues to agree coordinated approach to ports and harbours casework. Recruitment in progress for new roles on marine energy-related onshore infrastructure. • Fisheries: Provided Nature advice (joint with JNCC) and Strategic Environmental Assessment scoping response on Fishery Management Plans.		

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
5. Co-lead the production of the new Scottish Biodiversity Strategy (SBS) and develop targets to include in a new Natural Environment Bill	Nick Halfhide	**AMBER**	• Completed the review of the SBS consultation and adjusted the Delivery Plan and the final SBS. Publication of both was originally expected before summer recess but now looks likely to have to wait until after the summer recess due to election rules. • Refined the Delivery Plan targets, making them SMART compliant, and agreeing on lead delivery partners. • Engaged with other delivery partners to agree lead partners for the most relevant actions. • We worked with Scottish Government and our Scientific Advisory Committee to develop indicators, measures and targets for the seven target topics and develop further work on refining target selection linked to the Natural Environment Bill.
6. Scale up Peatland Restoration by delivering Peatland ACTION funding to projects	Robbie Kernahan	**GREEN**	• Published the validated hectare output for 2023/24 - reaching the milestone of 10,360 ha in one year, with NatureScot exceeding its target by 10% to deliver 6,700ha (a 30% increase on output last year). • On track to deliver 8,600 ha target this year with over 12,000ha of applications in the pipeline. • Introducing a new competitive process to assess projects including leveraging in potential for over £2m private finance. • Secured additional funding of £0.85m from Shared Islands Initiative (a cross border initiative between Ireland, Northern Ireland and Scotland) • Promoting benefits of Peatland restoration at the Scottish Land and Estates conference and Royal Highland Show. • Provided training in use of Public Contracts Scotland to support the procurement/tendering process for contractors working on restoration projects.
7. Lead, enable and convene others around the development of ambitious and coherent actions to restore nature. Deliver a major Nature Restoration Fund (NRF) targeted at high impact nature recovery projects and	Nick Halfhide	**GREEN**	• Scottish Biodiversity List - we have been working with the Species at Risk (S@R) work and engaging with other partners. • Additional funding for NRF projects, particularly the Orkney Native Wildlife project. Allocated additional development funding where good applications have been received. • Engage with partners started to develop a Scottish Code for mineral collection to protect our geological heritage.

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
seeding greater investment from the private sector		GREEN	
8. Demonstrate how agriculture can be transformed with new approaches to deliver targeted outcomes for nature and climate	Robbie Kernahan	GREEN	• Agri-Environment Climate Scheme (AECS) - circa 360 applications received (fewer than average 500+/year) - allocations to ops officers ongoing. • Farming with Nature (FwN) - Farm Biodiversity Scotland audit and app finalised for 2024 testing. App launched and more than 250 farmers and crofters recruited to test. • Training delivered to key NatureScot testing staff and external agri-environment agents. • Agriculture Reform Programme (ARP) - Contributed to SG development work on both the Enhanced delivery approach and the Whole programme measures to inform ongoing development of future delivery mechanisms for agricultural support.

THE VALUE OF NATURE IS RECOGNISED

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
9. Inspire people to connect with nature, increasing appreciation of nature's value through impactful delivery and communication of our work	Nick Halfhide	GREEN	• Structural Funds - All project commitments now met and project team stood down with final payments finally agreed with the Managing Authority. A recent site visit by the Cabinet Secretary Ms McAllan to the Canal and North Gateway project in Glasgow emphasised the importance of these projects to Scottish Government's priorities. • Visitor Management - simplified messaging and signing approach to lighting fires is being rolled out and refreshed guidance in preparation with the National Access Forum. • Scottish Outdoor Access Code (SOAC) - Spring campaign successfully completed: content from two social media influencers had over 228,000 views, radio activity reached nearly 1.6 million people, paid-for social media activity saw 32.1k link clicks from 1.9m impressions at a Click Through Rate of 1.66%. The SOAC education pack has now been viewed nearly 13,000 times since it was updated. • Learning for Sustainability - Toolkit created with positive demonstration work and discussions taking place with local authorities across Scotland

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
10. Influence the regulatory, policy, market and institutional infrastructure needed to stimulate private sector investment into nature	Robbie Kernahan	**GREEN**	- Facility for Investment Ready Nature Scotland (FIRNS) Round 2 - £1.05M Awarded to 8 projects; projects commence over next 90 day period. - Contributed to the SG Natural Capital Market Framework Engagement paper. This will draw on lessons learned from the FIRNS programme; our collaboration with CreditNature on an approach to nature credits; and the development of options for blended finance for peatland restoration. - Flow Country Partnership Scottish Charitable Incorporated Organisation (SCIO) launched. World Heritage Site – the IUCN report recommends inscription. - Completed NRF grants for £460k and private grants for £270k. - Announced a £2.1m partnership with Scottish and Southern Electricity Networks (SSEN) Distribution.
11. Drive the establishment of Natural Capital as an integral part of public and private business planning and investment decisions at national, landscape and landholding/business scales	Robbie Kernahan	**GREEN**	- Natural Capital Asset Index (NCAI) indicator refresh ongoing. - Phase 1 options appraisal for the Minimum Viable Product (MVP) build of the Natural capital tool is complete. Extension issued for Phase 2 of project. - Contract underway to review economic valuation appraisal of our current methodologies for the landscape scale natural capital tool. - Working with Highlands and Islands Regional Economic Partnership (HIREP) to embed a Nature Capital approach in community wealth building policy and practice
12. Promote understanding and awareness of skills and capacity needs for the nature-based sector	Nick Halfhide	**GREEN**	- Published 4 pathways to nature-based jobs which have been tested with various external stakeholders. - SBS delivery plan volunteering and citizen science framework/s - scoping meeting with key partners held. - Cohort of 15 NatureScot STEM ambassadors established with training and support provided.

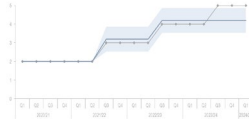|			
			WE HAVE TRANSFORMED HOW WE WORK
CORPORATE PLAN OBJECTIVE	**SLT LEAD**	**RAG SCORE**	**Q1 UPDATE**
13. Deliver new ways of working to stimulate achievement of our ambitions	Jane Macdonald	**GREEN**	**Estates Strategy** • Dunoon Relocation – relocated to Queens Hall in June with current office due to be handed back to VisitScotland (week commencing 1st July) • Cupar Business Case - now completed. We will be relocating to County Buildings on 23rd July ahead of lease expiry of Elmwood College on 31st July. • Clydebank Business Case - drafted in April with preferred option to re-locate to Social Security Scotland (SSS) Office in Glasgow. However, SSS have withdrawn their offer so we are now working with SG Property on two other options. With the lease of the Clydebank office due to expire in November a solution is being prioritised. • Battleby Business Case - we are awaiting decisions on the location of the Perth public sector hub. SG are in discussion with Perth and Kinross Council about Pullar House. A paper for decision will go to the Council on 4 September. • We are nearing completion of an options appraisal for Galashiels. **Information Technology Implementation Programme** • Office Connectivity Redesign - work to consolidate network connections under the new Scottish Wide Area Network (SWAN) 2 framework is progressing well. • Network Security - Q1 saw completion of work to connect additional systems to our external Security Information Event Management (SIEM), increasing cyber-resilience. • M365 Infrastructure - Q1 saw continued migration of infrastructure and services to Microsoft's Cloud with decommissioning of remaining legacy servers. **Digital Delivery Programme:** • 'Restart Licensing' Project – work to implement an on-line licensing system is progressing well and is on-target for Grouse licensing provision. • CivTech - A Beta version of the platform has been shared with Local Authorities.

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
		GREEN	• Farming with Nature – development of the tool to support farmers and crofters identify habitats and biodiversity on their land is progressing well. It has been security tested and OS mapping is now deployed. In addition, the biodiversity audit tool is also progressing with 63 MAs now concluded. • Cloud GIS - Governance arrangements in place to support work on moving our GIS systems to the Cloud. Work on three core workstreams now commenced. • Grants Management System - business case approved for a new on-line system to support efficiencies in grant management. Awaiting funding confirmation. • Accessibility compliance – work to ensure our systems are accessibility compliant has been delayed but new role now recruited to accelerate work. **Strategic Resource Management:** • Implement new Project Management Office (PMO) - successful recruitment for all roles. Team development work initiated to support team cohesion and working relationships. • Progress the 2023-24 Annual Report and Accounts - on-track for completion in Q3. **Communications:** • 'Making Space for Nature' – To drive behavioural changes, the Spring campaign saw content from three social media influencers receive over 228k views. Social media also had 3 million impressions. • Other activity included: Scottish Outdoor Access Code (SOAC) spring campaign completed with two social media influencers having 208k views and radio activity reaching 1.6m people; attendance at Royal Highland Show.
14. Transform our individual and collective leadership capability	Jane Macdonald	GREEN	• The Global Leadership for Sustainable Development (GLSD) course has started and we have attended 2 of the 5 virtual sessions. One participant has also attended an in-person gathering in Tunisia hosted by the Inner Development Goals (IDG). An in-person event took place in June which scoped the next steps for the rest of this year. • The revision of the Learning Framework (including linking the IDGs) is continuing. A workshop with ELT was hosted by P&OD in May

CORPORATE PLAN OBJECTIVE	SLT LEAD	RAG SCORE	Q1 UPDATE
		GREEN	• The Organisational Development Manager has been trained in Insights, a tool to help people recognise different working styles • To support Strategic Workforce Planning (SWP), work on a prototype has continued with three trial teams. Analysis of this protype will be reported to the People Programme Board (PPB) in August.
15. Sustain our focus on developing a happy and resilient workforce	Jane Macdonald	GREEN	• A Talent Management paper was authorised by SLT and is now with TUS for consultation. • Cohort 2 of the 'Career Conversation' Hosts training is now in train. Our intention is to scale this up across NatureScot. • A 'Health, Safety and Wellbeing' Project Team has been set up. Trial dates for a HSE Stress Management Tool have been identified in June and July. • The 'Skills Project' Phase 1 was concluded and phase 2 enacted. An initial ELT session took place in May. This was followed by a wider workshop with colleagues in June.

WE HAVE PROTECTED NATURE

Measure	Performance Overview	Actual	Cause	Response
Stakeholder interest in MPA Information (hits on webpages)		1,653	Our page on "Enhancing the protection of our seas" received 75 views this quarter. While our page on Marine Protected Areas (MPAs) received 889 page views. It has been a quiet quarter in the media for marine protection.	We are currently in the process of developing a joint communications strategy with the Marine Directorate for enhanced marine protection in Scotland's seas. It is anticipated that this will lead to increased social media communications which will help drive traffic to the webpages.
No. of restoration projects for which we've provided advice		8	From Q1 2024/ 2025, we have decided to change what we report. The figures will therefore appear substantially different from 2023/ 2024. The key differences are the scope of the measure has been expanded to include coastal and marine habitat enhancement projects, and we will now only be reporting on those projects which are actively doing something on the ground (e.g. seagrass planting) and to which the team has provided advice in that quarter. Previously, we had also reported on advice provided to potential projects but with growing advice requests associated with developments, increasing interest from credits markets, and corporate bodies seeking nature positive activities, plus projects often not progressing beyond the exploratory stage, for clarity and to avoid the risk of double counting via other reporting measures, we have made these changes.	We will, continue to advise and keep track of projects from the initial enquiry stage. In Q1, in addition to providing advice to existing projects, we have received a number of new enquiries from groups, corporate bodies and individuals interested in setting up projects. We have also been providing advice to existing NatureScot and Marine Directorate colleagues, as well as feeding into the process of developing the new SMEEF administered Scottish and Southern Energy Networks (SSEN) seagrass restoration fund. We are also continuing our involvement in research, working groups, etc.
License applications turnaround time within standards		**474**	We are not in a position to be able to advise whether or not the licences have been issued in accordance with an agreed turnaround time as we still do not have a service level statement with an agreed turnaround time.	Aiming to produce these standards in Q1 to then report in Q2.
No. and Types of licenses that are processed through the online system		1,536	Figures now include Deer Authorisations and Fit and Competent Registrations	As new licence application types can be applied for online the numbers will increase.

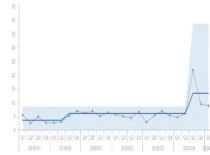|				
No. of catchments with established beaver populations		5	We have approved no new applications so far this year, we are liaising with the Abriachan application on how to progress their application.	We are aware that the Beauly application is undergoing further decisions outwith NatureScot. Internal Discussions are ongoing about a release on Taynish NNR but this is not imminent and would not lead to a new catchment.
% of holding objections for formal planning applications		9%	At 9% The proportion of holding objections remains just in the Red RAG tolerance level. Half of the holding objections were to Shared Rural Network mast applications (9/18), and holding objections to peatland restoration proposals were also a significant contributor (4/18 or 22%).	

WE HAVE RESTORED NATURE

Measure	Performance Overview	Actual	Cause	Response
No. of individual farm businesses that have completed a biodiversity audit		71	NatureScot's Farming with Nature Team has recruited c.300 farmers and crofters to undertake testing of the Biodiversity Audit during Q2.	No change in Q1 but there will be many Bio Audits completed in Q2.
No. of marine renewable energy consultations we provide advice on avoiding impacts on nature		137	Encompasses Easter holiday period. Includes the following significant consultation responses issued: Green Volt Derogation, Cenos Scoping, Bellrock Scoping, Arven Scoping, WoO SEI Scoping, Culzean Marine Licence Application.	Appointed 2x E Grade Marine Energy Sustainability Managers and currently: recruiting 2x Marine Sustainability Advisers, 1x Marine Mammal Ecologist & 1x Underwater Noise Adviser.
NatureScot is in partnership with new recipients		6	6 new Transforming Nature Development funding recipients (out of 9 new TN Development grants).	During this quarter there was 1 full NRF decision panel, and 1 interim panel. Budget for NRF delivery projects is still currently fully committed for 24/25, with no further funding confirmed to date. Hence no new recipients of Helping Nature or Transforming Nature delivery funding.
External funds raised by SMEEF and the amount allocated to projects.		200,000	£400K expected from SHEPD in Q2	Q1 contributors mentioned above £500k expected in Q2 as part of £2m five year commitment from 7 contributors
Area (hectares) of peatland put on the road to recovery		550	Completed projects in this quarter from projects carried forward form previous year	Target for the year is 8,600 ha, 3,886 have now been offered/approved with a further 12,606 pending approval.

THE VALUE OF NATURE IS RECOGNISED				
Measure	**Performance Overview**	**Actual**	**Cause**	**Response**
Engagement Rate on Make Space for Nature (MSFN) webpages		99%	Q1 Worked with three social media influencers to increase videos views rather than driving traffic to website.	Paid for media advertising across social channels exceeded KPIs, at 99% engagement rate and almost 47k web page visits.
No. of Landscape partnerships that NatureScot is involved in that use a natural capital approach	N/A	N/A	Delay in reporting due to recruitment and development.	Aiming to report in Q2 with new recruitment.
Nature-restoration jobs and skill development opportunities created through our activity		171	Peatland Action Running Forest to Bog Site management operations, along with Bairns on Bogs.	No further plans for WWR scheme this FY and PYE has now been mainstreamed.
Young People that we engage with on Skills	No. of young people that we engage with on skills	386	Attending UHI Student Conference, Supporting EY Foundation young students and providing "Bairns on Bogs" opportunities.	Further opportunities to work with EY Foundation and developing STEM ambassadors.
National Nature Reserve online engagement	N/A	N/A	N/A	N/A

WE HAVE TRANSFORMED HOW WE WORK

Measure	Performance Overview	Actual	Cause	Response
Sq meterage of floorspace dedicated to NatureScot	No Data	Decrease of 1900m2 since 2021	Following a procurement exercise we have appointed Savills to carry out the updating of all of our space plans and benchmarking data.	An inception meeting will be held in July to discuss the programme and make a start on this work. We anticipate updated benchmarking data will be produced by Savills by Q3. To date, seven office reviews have identified 1900m2 of workstation floorspace that is no longer required.
Total emission reduction (tCO2)		457,405	Data Currently being collated	Will be presenting Q1 and Q2 data together.
Workforce Diversity		49	Cultural norms across Scotland remain leading to slower than hoped for progress in diversifying our workforce diversity commitments	We will continue to work on Equality Outcomes and their contributory actions. This includes actions that will increase opportunities for minority groups and support retention. The results of the 2024 EDI data campaign **were published internally** in July 2024 and this **outlined** our aims and next steps.
% Of Implemented Audit Recommendations		78%	The Priority 1 implementation rate has increased to 89% there is only 1 delayed recommendation and this relates to Learning and Development.	In relation to other recommendations, there are 7 that are delayed, and these relate to NatureScot's H&S framework, Learning and Development, the Organisational Response to Pulse Surveys, Financial Forecasting, CivTech and the Net Zero Plan.

FINANCE

Financial Metrics (£m)	Measure	Budget	Forecast	Variance	Rating
Resource Budget	Outturn within 1% of final budget	65.4	65.3	0.1	ON TRACK
Capital	Outturn within 5% of final budget	2.6	2.5	0.1	ON TRACK
Indirect Capital	Outturn within 5% of final budget	19.6	19.6	0.0	ON TRACK
Paybill	Outturn within 1% of final budget	41.6	41.6	0.0	ON TRACK
Project Allocation	Outturn outwith 1% of final budget	18.5	18.9	-0.4	MINOR SLIPPAGE
Peatlands	Outturn within 1% of final budget	16.6	16.6	0.0	ON TRACK
Farming with Nature	Outturn within 1% of final budget	2.2	2.2	0.0	ON TRACK
Nature Recovery Fund	Outturn within 1% of final budget	9.7	9.7	0.0	ON TRACK
FIRNS	Outturn within 1% of final budget	1.5	1.5	0.0	ON TRACK

*Resource under 1% - on track, up to 10% minor slippage, over 10% major slippage (** Capital under 5% / up to 10%)

Resource Budget Performance
- An underspend of £0.106m is currently forecast on the Resource budget. **However, this assumes £1.940m of surrenders will be achieved from the Objectives**. Additional funding from SG has been requested for £450k for Goose Schemes, we are waiting for confirmation in ABR. At the same point in 2023/24 an overspend of £0.541m was forecast.
- The current Paybill budget and forecast is £41.576m. An exercise with Directorates to find Paybill savings is currently underway. When Paybill savings are realised, budget will be transferred to projects to spend. This has been disclosed to SG within a 5%

savings commission requested in July 2024. Below is summary table on a directorate level. This will be tracked going forward within SLT papers.

Directorate	Gross Paybill	Gross Saving Target	D Grade FTE	Net Saving Target (post churn)	D Grade FTE
Green Economy	£19.4m	£970k	17	£335k	6
Nature and Climate Change	£10.5m	£544k	10	£283k	5
Business Service and Transformation	£9.1m	£442k	8	£190k	3
Chief Executive's Group	£2m	£104k	2	£50k	1

- The project budget and target are £18.5m with a current forecast of £18.9m. The Project Allocation Forecast Tracker does not include any ring-fenced funds NRF, Peatlands, FIRNS and FwN are therefore excluded. (JNCC grants are included £1.157m for Budget and Forecast)
- Confidence levels are allocated against the Corporate Plan Objectives to identify financial risk / surrenders.
- Finance meets each Objective Lead monthly to advise and challenge commitments, spend and surrenders. In collaboration with Objective Leads allocations can then be made to high priority and achievable work during the remainder of the year.
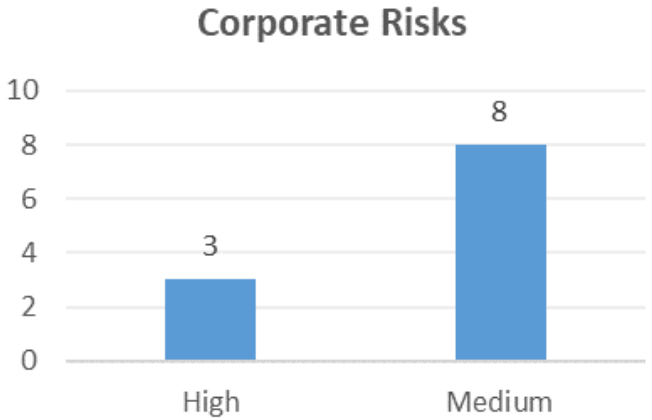
Programme funding including Indirect Capital

- Programmes are forecast to breakeven, however further work is required to incorporate confidence levels to achieve breakeven from Peatlands and NRF.
- We expect a total of £16.550m from SG to fund Peatland Action (including employee costs) for 2024/25. Currently we have £14.05m approved (£10.14m capital funding and £3.91m resource) with a further £2.5m to follow.
- The Nature Restoration Fund (NRF) budget is £9.730m, this is split £2.750m Resource and £6.980m Indirect Capital.
- The Farming with Nature budget is £2.155m. We are currently forecasting full spend on this programme which includes £1.3m from Core GIA.
- The Facility for Investment Ready Nature in Scotland (FIRNS) budget is £1.5m, £1.3m from SG and £0.3m from our Core GIA. We are forecasting full spend of £1.5m.

Capital Budget Performance

- An underspend of £0.094m is forecast on the Capital budget.
- NatureScot currently leases land at Blawhorn Moss NNR which includes the access road and carpark for visitors to the NNR. The land is being sold however the purchase value is not available yet.

RISK AND AUDIT

Corporate Risks	Risk Changes
Corporate Risks 10 8 6 4 2 0 3 — High 8 — Medium	Changes to Corporate Risk Scores ↑ **0** Gone Up ↓ **2** Gone Down Change to Corporate Risk Register - proposed ↗ **1** New Corporate Risks (potential) ↘ 1 Risk De-Escalated

Risk

The Corporate Risk Register holds the high priority risks for NatureScot. There are currently 11 approved Corporate Risks, 8 medium, and 3 high. During Q1 the rating of two risks were reduced. Risk no. 253 "Peatland restoration target and budget" has been reduced from high to medium because we have stimulated demand to take part in restoration schemes so that we now have applications for over 12,000ha of restoration, significantly above our target to restore 8,600ha, therefore the risk of not reaching target is significantly reduced. Risk No. 586 "Structural Funds – failure of programme delivery and/or funding mechanism" has been reduced from very high to medium given the positive position of the programmes but will still be monitored closely.

The Corporate Risks have been reviewed to ensure that they still require to be managed at the corporate level. One of the current corporate risks Risk no. 253 "Peatland restoration target and budget" was agreed by SLT that it would be more appropriately managed at the Peatland Programme Board level. There is a proposal to replace this risk with an alternative risk related to peatland management although the precise detail of this is to be confirmed.

The Board is asked to note the removal of risk No. 253 from the corporate risk register and that work is progressing to add an alternative risk to better reflect the changing Peatland picture. No risks are currently rated as "Very High".

Audit

Whilst the Priority 1 implementation rate has decreased to 80%, it is still above the KPI target of 75%. There are also only 2 delayed Priority 1 recommendations from the Learning and Development and CivTech Processes audits. In relation to lower level Priority 2 and 3 recommendations, there are 5 delayed ones which relate to the H&S Framework, Learning and Development, Organisational Response to Pulse Surveys, Financial Forecasting, and Net Zero Plan audits.

Implementation Rate

% of Priority 1 recommendations that have been implemented successfully

PEOPLE

People Metrics	Status
Health, Safety & Wellbeing – Employee Engagement	

Key Messages:

- Accidents have increased significantly in Q1 2024/25, and Near Misses have reduced; POD will monitor employee wellbeing engagement during 2024/25.

- Q1: Accidents= 16 (Q4↑11); Near Misses = 3 (Q4↓4)

The XmR charts below for Accident and Near-miss reporting in Q1 indicate that our overall reporting level has increased with both accident and near-miss charts showing signal changes with higher mean lines and broader acceptable bounds of variation. Both charts are showing the signal change at Q1 last year which links with our increased engagement on incident reporting.

POD will continue to monitor to see if incident numbers increase during the year which may suggest other factors are involved. The only consistent themes identified were the ongoing incidence of staff being bitten by ticks (69% of accidents) and 2 relatively minor road traffic incidents.
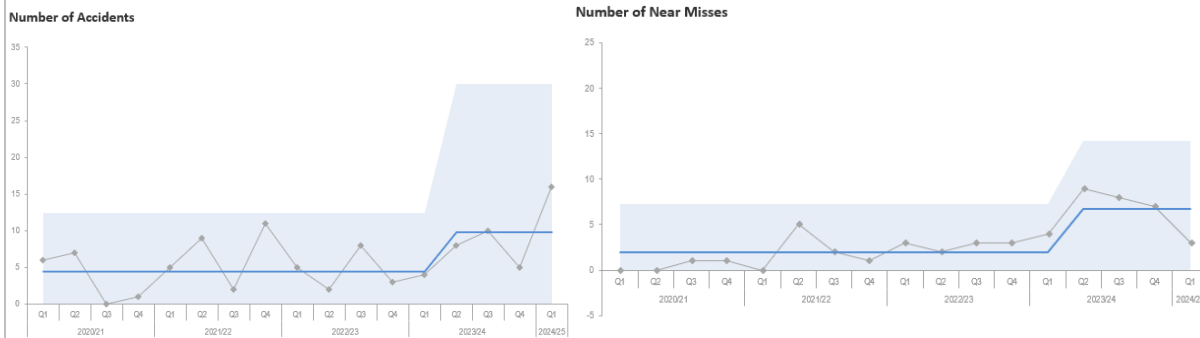
(This graph shows number of accidents)

(This graph shows number of near misses)

Employee Engagement	**Green**

Key Messages:

The Q4 pulse survey saw a reduction in our response rate 66% (↓12%). The focus was learning and development. The key messages show that colleagues feel supported by their line manager, and that the majority have access to the learning and developed needed to perform their role. There is more we can do to signpost colleagues to learning opportunities, and making time for this is key to ensuring this is a priority.

- 'I have access to the learning and development I need for my role': 64% of respondents gave this question a score of 6 and above (average score 6.32), an increase of 2% since the Jan 2023 survey.
- 'I have opportunities to develop my skills across different areas of the organisation': 43% of respondents gave this question a score of 6 and above (average score 5.1), this is a 4% reduction since the Jan 2023 survey.
- 'I go to these places to access learning and development': 25% of respondents said they would speak with their manager to access learning, 22% said they would search for learning externally themselves and 16% said they would search the intranet for learning opportunities.
- 'I have had opportunities to learn and develop in my role': 41% of respondents said they have had opportunities within the last 3 months, 15% said in the last 6 months and 16% said within the last 9 months.

- 'What barriers to do you face in accessing and participating in learning and development': 29% of respondents said they didn't have enough available time to develop their skills, 25% said that the content was not available and 19% felt the process for requesting learning was unclear.
- 'I feel able to discuss my career with my manager': 87% of respondents scored 6 and above to this question (average score was 7.97).

Attendance	Green

Key Messages:
- Sickness is within target and annual leave is on target. Mental health remains the top reason for absences, although there has been a significant reduction in Q1 related to this reason. In addition, there has been an increase seen in absences relating to musculoskeletal disorders.

Sickness – Target: less than 2 days per person per quarter
- Q1: 1.60 days per person sickness (1.62 days in Q4; ↓0.02days). The number of sick days lost in Q1 2023/24 was 1.29 days per person (↑0.33days).
- Short-term absences continue to be the bulk of working time lost in Q1. The top reason for short-term sickness in Q1 was respiratory, with 205.5 days lost in Q1 (137.5 days in Q4; ↑ 68 days). This is where we have seen our largest increase in days off since Q4 (↑68 days).
- There has been a significant increase in absences due to musculoskeletal and joint disorders in Q1 with 182.5 days lost (124.5 days in Q4; ↑58 days). The increase in Q1 is a direct result of 3 long term sick absence cases which POD are aware of.
- In terms of work-related stress there has been a significant reduction in Q1 to 56 days lost (↓58 days in comparison to Q4). The reduction year on year has been caused by the successful resolution of some long-term cases.

Employee Assistance Programme (EAP) & Employee Benefits
In August 2024 we will be changing our EAP provider. Our new provider has additional benefits in terms of proactive health promotion, which ties in with our health, safety, and wellbeing culture improvement work and links with the introduction of the Inner Development Goals. The new provider (Spectrum life) will offer 8 structured counselling session per annum for employees, and it also opens this service up to spouses/partners and some categories of dependants. There is also access to a mobile app and 24/7 helpline via WhatsApp, SMS, and an online platform with advice and guidance and real time events like yoga and exercise classes.

Annual Leave
- Q1: 38% of holiday leave booked or taken.
- This is on track, with a notional target of 25% utilisation at this point in the year (Q1).

Employee Relations	Green

Key Messages:
- Formal casework has increased since Q4 with 5 open cases (Q1 ↑4).

Formal Casework – Target <=50% of informal casework
- Q1: these cases include unsatisfactory performance during probation, disciplinary and long-term sick absence.

Informal Casework
- Q1: we continue to report 34 informal casework cases. Most ongoing cases in Q1 were health and wellbeing, and short and long-term absences categories.
- Q1 saw an increase of 4 new cases of long-term absence, and 3 cases of unsatisfactory performance.
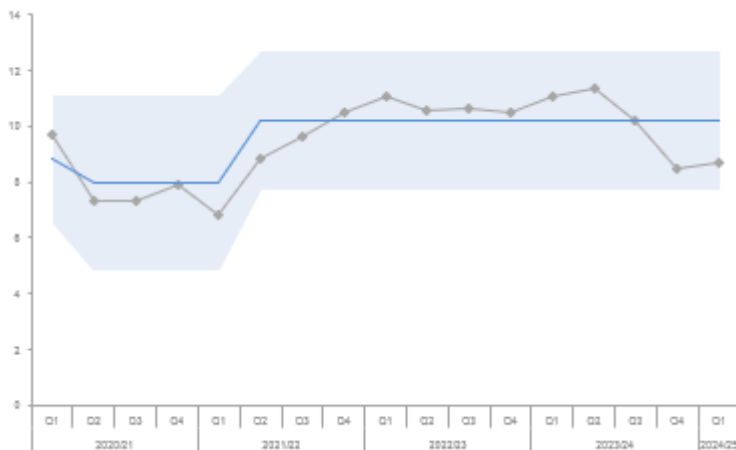
| Workforce Profile	Green
Key Message: • Employee Turnover has increased since Q4; headcount is increasing; the number of recruitment exercises have increased in Q1 to 58 (Q4 56; ↑2) , and there has been an increase to the retirement profile in Q1 with 8 retirements (Q4 3; ↑5). **Turnover – target: maintain in the range of 8-10%** • Q1: turnover is 9%, with 17 leavers in Q1. • In Q1 47% of leavers were retirements, 12% were colleagues leaving because of their fixed term contract ending, 18% left due to personal reasons and 12% due to alternative employment. • The graph below shows a slight increase in turnover this quarter, following a significant reduction in Q4. (This graph shows the employee turnover) • We have seen a 72% return rate for exit questionnaires in Q1 (13 in total), (Q4; 73%). • The annual average return rate for 2023/24 is 72%, (↑ 28% on 2022/23), which indicates our promotion of the exit questionnaire has been successful. No significant issues highlighted. • In Q1 we have included supplementary questions to our exit questionnaire to understand why colleagues are attracted to alternative employers and leaving NatureScot. • We have also asked a broader range of questions to retirees regarding the pension awareness sessions and to support succession planning. • Our hope is that these questions will provide an insight into why employees are leaving the organisation and if NatureScot is doing enough for those reaching retirement age. • Leavers by grade – In Q1 many of our leavers were D Grade (35%) with 24% being E Grade. In Q1 most of the leavers are aged 60-64 (30%) and have either 15-19 years' service or 30+ years' service with NatureScot. Leavers with 0-4 years' service are aged between 25-40 and have left due to the conclusion of their fixed term contracts.	

Internal Movement	Green

Target: increase internal moves

- Q1: We have seen a significant increase in our Internal moves this quarter with a total of 40, compared to 16 internal moves in Q4 (↑24). This is 5% of our headcount (note: includes those returning to their substantive posts following a temporary reassignment). We have seen this increase because of the Natural & Cultural Heritage Fund Project coming to an end during Q1.
- In Q1 there have been 58 recruitment campaigns (Q4 56; ↑2); 1 campaign (2%) failed because there were no applicants when it was advertised to internal employees only. This campaign has been readvertised and has been successful in attracting 13 external candidates, and a successful candidate has now been appointed.
- Of the recruitments which have gone live in Q1, 15 recruitment campaigns have been filled internally, 5 have been filled by external candidates; 38 vacancies are currently in progress.
- In Q1 there have been 28 new starts (Q4 8; ↑20). 24 of these have been offered as fixed term contract ;2 fixed term contracts have been offered as a 2-year contract, 2 have been offered as a 1-year contract, the others have been offered as contracts which are less than 1 year (this is based on their original offer following recruitment and not on any further extensions approved) and 4 have been offered permanent contracts.
- Many of our new starts in Q1 have been B grades (43%). 11 of these are NNR Officers and have been recruited as part of the NNR Funding for additional staff resource which was approved in Q4.

Headcount and FTE
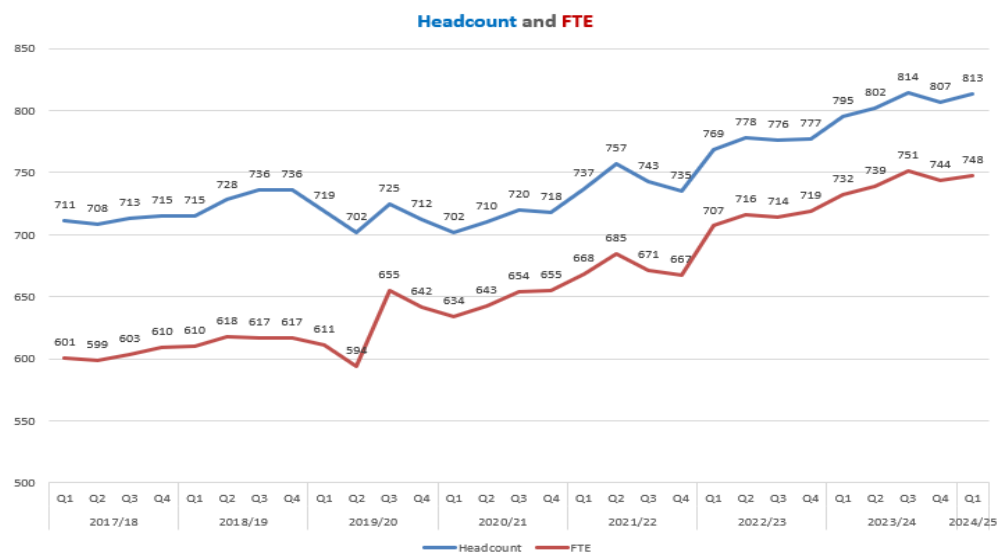
(This graph shows the trend of the organisations headcount and FTE to date)

- In Q1 our headcount was 813 (↑6) and FTE was 748 (↑4).

Retirement Profile	Green

- Q1: 181 employees are aged 57+ (23% of Q1 headcount). This is predicted to rise to 217 in 2025/26.
- In Q1, 8 employees retired (47% of leavers). The total retirements in 2023/24 was 15 which was in line with our forecast projections. The average retirement age for 2023/24 was 62. Our average retirement age in Q1 is 64. POD expect the number of retirements in 2024/25 to continue to increase as we are already aware of a further 7 retirees in Q2 and 1 in Q3.
- The forecast for retirements in 2024/25 is 20, based on an average retirement age 60-63 and service of 25 years +.

Average Age Retirements at NatureScot and Forecast (F)
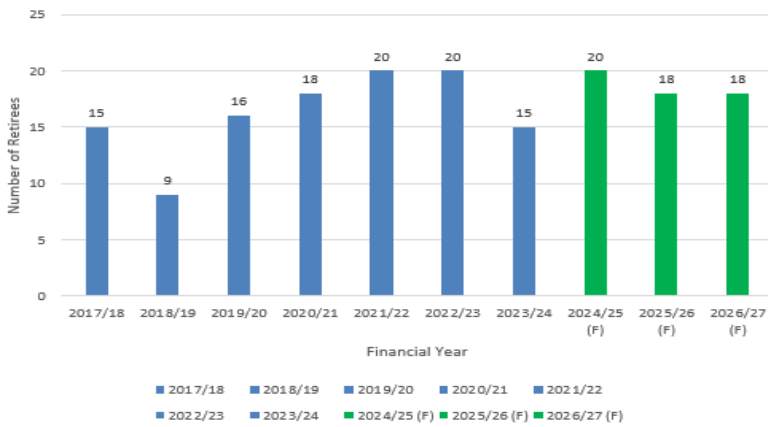
(This graph shows number of retirees and our forecasted retirements)

Annex A – Corporate Risk Register (High Risks)

Risk Title	DESCRIPTION	CONTROLS	IMPACT	LIKLE-HOOD	RISK LEVEL	Comment
47 - Computer Virus/Malware	As a result of inadequate protection, or inappropriate system use, including accidental activation of email links by that lead to malware downloads, there is a risk that NatureScot systems becoming infected with a malware or virus agent, resulting in NatureScot systems and data become unavailable, encrypted or corrupted, significant system downtime and huge operational impacts	*All file servers are protected by Sophos anti-virus protection. Upgrades are performed automatically and can also be applied in an ad-hoc manner *All PCs are protected by Sophos anti-virus protection. Upgrades are received on a live basis but can be applied ad-hoc *All incoming emails are scanned for viruses. *All internet access is scanned for viruses via Zscaler service. *Raise staff awareness of potential risks relating to email links and infected documents through regular communications. *Control/restriction of USB devices *Awareness raising with staff via Blogs and update articles *Incident Management Group in place *Corporate data backed up to cloud *Zfilter showing us user behaviour and stopping internet threats * Regular meetings of TDS/ICS to check on patching levels and compliance issues.	4	3	High	Our cyber awareness training continues to receive good completion scores (at present 95%) and we have recently had a "satisfactory" rating in the Cyber Training Audit. We continue to be on exceptionally high alert for malware and virus attack, in particular after experiencing an ongoing NEtextender attack since early April. This attack has reduced dramatically, but is still ongoing / attempts are continuing to be made
393 - Future Funding of NatureScot	As a result of on-going reductions in public expenditure or new cost pressures there is a risk our grant-in-aid settlement may not match statutory and	* Ensure that our priorities are aligned with published Programmes for Government and ministerial portfolio priorities, specifically those aligned to the Programme for Government and Bute House Agreement * Provide realistic and evidenced assessment of the impact of possible cuts in our grant-in-aid	4	4	High	For the coming year, NatureScot has received an uplift in recognition of new areas of work linked to wider nature restoration ambition. However, whilst new resources will flow into key areas of focus as noted in our Business Plan, there is an expectation that decisions on resources provide us with headroom in

Risk Title	DESCRIPTION	CONTROLS	IMPACT	LIKLE-HOOD	RISK LEVEL	Comment
	fixed costs as well as corporate plan priorities. Unless other funding sources are secured this could result in an inability to adequately resource delivery of agreed priorities, leading to failed outcomes and reputational damage.	budget through the annual Spending Review process. * Develop and put forward proposals, through the annual Spending Review process and other avenues with Scottish Government, for delivering more and better outcomes for nature and people through wider Scottish Government funding. *Reduce expenditure in some business areas through budget setting processes aligned to business planning cycle. * Identify efficiencies and savings in our current spending and ways of working to maximise the resources available for front line delivery. * Have an effective communications strategy in place which promotes the added value of our work. * Identify and implement opportunities to generate income from the services we provide. * Identify and implement opportunities for external funding of NatureScot-led work through the business planning process (including at Outcome and Activity levels) and at the project development stage for significant scale projects. * Develop proposals for new, preventative projects that can help deliver a wider set of SG priorities, and build awareness and support of these. * Develop and refresh a short, medium and longer term financial plan based on potential financial scenarios.				anticipation of a challenging 25/26 settlement. Charging for advice in support of ScotWind is advancing.

Risk Title	DESCRIPTION	CONTROLS	IMPACT	LIKLE-HOOD	RISK LEVEL	Comment
740 – Nature Finance	As a result of any or all of poor governance; lack of due diligence; or poor communications, NatureScot's reputation could be significantly damaged by misjudged or poorly delivered interventions to influence private investment in nature. There is also a risk that, if we do not proceed with the urgency required to stimulate private sector investment into nature, that significant nature restoration will be unachievable. There is therefore a balance of acting with due diligence, versus not acting at all. There are also specific risks attributed to individual projects or partnerships which are dealt with at the project level.	Our approach to managing this risk is directed by the Azets report (2022) against which there were 15 recommendations. These were discussed and approved by Audit and Risk Committee in a deep dive on 7th Feb 2024 and further refined, before being presented to Board on 13 March 2024.	5	2	**High**	Governance: 0.4FTE D-grade resource aligned to the Nature Finance objective in order to provide support to the reporting of governance requirement. Risk register created and added to corporate register as per ARC/Board decision. Internal Governance panel not yet fully arranged, but Helen McGeorge as internal audit has agreed to join it and act as challenge function. Aiming to be set up by end Q1. External reporting of Nature Investment Partnership goes weekly to SG PINC team. Reputational risks managed by internal oversight of any communications/ PQs etc