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# TWO HUNDRED and SIXTEENTH MEETING OF THE BOARD OF NATURESCOT

## MS TEAMS

## CONFIRMED MINUTES - 27 NOVEMBER 2024

## 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

Jill Robbie Member

Nikki Yoxall Member (until item 12)

## 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

Stuart MacQuarrie Deputy Director of Business Services & Transformation

Claudia Rowse Deputy Director of Green Economy

Eileen Stuart Deputy Director of Nature and Climate Change

Jason Ormiston Head of External Affairs

Graham Boyle Chief of Staff

Sara Lewis Governance Support Manager (minutes)

John Donnelly Head of Finance, Planning and Performance (item 10)

Stephen Coulter Planning and Performance Manager (items 10&11)

## APOLOGIES

David Johnstone Member

# AGENDA ITEM 1: OPENING REMARKS AND APOLOGIES

1. The Chair opened the meeting by welcoming everyone to the two hundred and sixteenth meeting of the Board of NatureScot. He highlighted that the Scottish Biodiversity Strategy had been launched that morning, and that the Nature of Scotland Awards were to take place later in the week. Chair added that since the last meeting NatureScot had been taking part in many examples of working in partnership with other environmental bodies. It was also noted that this was the Chief Executive’s final Board meeting before leaving the organisation in January 2025.
2. Apologies were noted from David Johnstone.

# AGENDA ITEM 2: DECLARATIONS OF INTEREST

3. There was one new declaration of interest from Pete Higgins, who has been appointed to the IUCN Taskforce for Nature Based Education. Members were reminded that updates were due on Register of Interest entries.

# AGENDA ITEM 3: MINUTES AND ACTION POINTS

1. Board members were content to **approve** the minutes of the Board of NatureScot Meeting on the 09 October 2024 subject to minor amendments.

## 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 were informed that the Natural Environment Bill is expected to be introduced to Parliament in early 2025, which will include statutory targets. Once more information on the targets is available, this will be provided to the Board. Therefore, this action is **ongoing**.

 **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 after discussion by the Audit and Risk Committee, it had been agreed that risk will form part of the Three Horizons/Theory of Change approach to developing the new Corporate Plan. 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.) An update was provided that Edward Mountain MSP is liaising with the National Farmers Union, Scotland as well as Scottish Land and Estates with a view to working alongside them on the Scottish Outdoor Access Code’s 20th anniversary. **Ongoing.**

**Action Point 02/214** (Information on Development of Scottish Biodiversity Strategy Framework to be Sent to Board Members) The Board were updated that Nick Halfhide, the Chief Executive and the Chair would follow up on this action point outside of this meeting. It was therefore agreed to **discharge** the action point.

 **Action Point 05/214** (Query on Biodiversity Controls when Moving Salmon) Members heard that staff had contacted David Johnstone (copied to the Board) regarding his query.It was therefore agreed to **discharge** the action point.

 **Action Point 01/215** (Details of ongoing cost liabilities for Kinloch Castle to be provided to Board members) Members noted that they were awaiting these details. **Ongoing.**

 **Action Point 02/215** (Timeline showing key stages of the process for the proposal of a new National Park in Galloway to be provided to members, indicating their key input stages). An update was provided that this information was included in the Board paper provided to members for this meeting. More details will be available after the Protected Areas Committee meeting on 10th December, with the Board receiving further updates at their February and March 2025 Board meetings. It was therefore agreed to **discharge** the action point.

 **Action Point 03/215** – (Share papers from the October 2024 Scientific Advisory Committee meeting along with future dates to Board members) The papers have been shared with members, and dates will be promulgated once know. It was therefore agreed to **discharge** this action point.

 **Action Point 04/215** – (A timeline showing key stages of the process for the development of the Corporate Plan 2026/30 to be provided to Board members which indicates anticipated engagement with Scottish Government) A draft timeline had been prepared and was waiting for further input from the Chair before sharing more widely with members. **Ongoing.**

 **Action Point 05/215** (Chair, CE and Robbie Kernahan to discuss opportunities for the Board to have greater oversight/ownership of the species licensing process) It was agreed that the licencing review on governance would be allowed to conclude before this discussion takes place. **Ongoing**

# AGENDA ITEM 4: MATTERS ARISING

6. There were no matters arising.

# AGENDA ITEM 5: ITEMS FOR AOB

7. Chair stated that he had an AOB regarding annual Board appraisals.

8. Ian Gambles requested an AOB regarding the intention for the Board to attend some site visits and their March Board meeting in the Galloway area, in relation to the proposed new National Park. His query was subsequently covered by the National Park agenda item, in which he sought clarification of what the visits entailed.

9. Pete Higgins requested an AOB to update on JNCC membership.

# AGENDA ITEM 6 – CHIEF EXECUTIVE’S REPORT

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

* Launch of the Scottish Biodiversity Strategy and Delivery Plan.
* COP29 and COP16.
* Scottish budget announcement on 04 December 2024.
* Proposal for a new National Park in Galloway.
* Introduction of grouse moor licencing.
* Senior Leadership Team engagement in streamlining prioritisation approach.
* Paybill.

11. The Chief Executive expanded on the issues encountered on the introduction of grouse moor licencing. Some land management groups had challenged the amount of land that was covered by a licence believing that it was for applicants to decide on the area a licence should relate to. Legal advice confirmed this, and NatureScot altered its licencing approach appropriately. Subsequently though, discontent was noted from the Royal Society for the Protection of Birds, and Raptor Persecution UK. NatureScot are in dialogue with these organisations to assist them in interpreting the relevant legislation.

12. Members questioned why the legislation was specifically concerned with raptor persecution and not wildlife more broadly. Robbie Kernahan informed that the licenced area did cover wildlife more broadly than raptors, but the bill was initially developed specifically to respond to raptor persecution. More policy coherence was expected as the bill develops. Legal advice may be sought by NatureScot, if a licence is challenged.

# AGENDA ITEM 7: POSSIBLE GALLOWAY NATIONAL PARK – REPORTER PROGRESS UPDATE

13. This agenda item provided the Board with an update on the Reporter process for the National Park proposal as the formal consultation phase begins. The reporting work on the new National Park proposal for Galloway is part of the 30x30 delivery plan. The Board were asked to note this update and confirm support for the proposals for ongoing Board involvement in the Reporter work.

14. Eileen Stuart updated that the online consultation went live on 07 November, and that events have been taking place in Galloway to engage with key stakeholders, listening to concerns and aspirations, encouraging engagement with the proposal, and explaining the process and NatureScot’s role as Reporter. Recent analysis showed that 336 responses to the short consultation and 48 to the longer consultation had either been started or completed. There has been much positive debate, including with the Ayrshire National Farmers Union of Scotland (NFUS) on the benefits of a new National Park for farmers. A pack of educational material for primary schools in the area has been distributed, again with positive feedback.

15. The Board asked for assurance that stakeholders beyond the NFUS would be engaged in the process, including those beyond the dairy supply chain. Members offered their help in providing contacts for such stakeholders.

16. Members heard that feedback and engagement received has been passionate and forthright, but also respectful. The earlier intimidation of staff members and their families has been mitigated. Different ways for quieter members of the community to engage are being considered to allow for full engagement.

17. The reputational damage risk to NatureScot through the impartial role of Reporter had been noted by the Audit and Risk Committee.

18. Members thanked the Protected Areas Committee for their continuing work on the proposed new National Park, and looked forward to hearing the views from their meeting on 10 December which would shape and inform the Board site visits and meeting in Galloway in March 2025.

19. The Board were happy to note the update and confirmed their support for the ongoing Board involvement in the Reporter work.

# AGENDA ITEM 8: BOARD COMMITTEE UPDATE – AUDIT AND RISK COMMITTEE

20. Ian Gambles, as Chair of the Audit and Risk Committee (ARC) provided an update on their recent meeting which took place on 14 November. He highlighted the following areas:

* Draft Annual Report and Accounts delayed, with an estimated sign-off date for the final version by the Accountable Officer in early December. There was an ambition to bring this work forward to the summer for the next financial year.
* ARC received a Finance Update at their meeting, in which they received assurance that NatureScot was in a good position to forecast full spend for the current financial year. Active management of the paybill budget was acknowledged.
* Consideration of the draft Internal Audit Plan for 2025/26.
* Agreed approach for Board engagement in the organisation’s risk appetite, which will take place as part of the development of the next Corporate Plan.
* Discussion on the Corporate Risk Register, encouraging a more dynamic and real time approach to inclusion of live and current risks.
* Examined a deep dive into Wildlife Management, which concluded that there were potential issues considered outwith the remit of the ARC, specifically whether the current risk management process supports the level of depth and analysis required to properly assess and mitigate the management of the risks inherent within wildlife management. Work is ongoing with the Wildlife Management team to consider this.
* Future deep dive areas were agreed.

21. Members thanked Ian for the update.

# AGENDA ITEM 9: BOARD COMMITTEE UPDATE – PROTECTED AREAS COMMITTEE/SCIENTIFIC ADVISORY COMMITTEE

22. There had been no full PAC meeting, or SAC meeting since the last Board meeting.

**AGENDA ITEM 10: Q2 2024/25 PERFORMANCE REPORTS**

23. This agenda item provided members with Q2 progress towards delivery of the corporate priorities as laid out in NatureScot’s Business Plan, A Nature Rich Future for All: Year 3. The Board were 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).

24. At the end of Q2, performance for all 15 Corporate Plan objectives were rated as on track. A small overspend forecast on the Resource and Paybill budgets required in-year surrenders to be made. The Capital budget was shown to be on track, however the Indirect Capital budget was forecasted as an overspend – the expectation of surrenders will bring the forecast back to full spend on funding programmes.

25. There had been no changes in Corporate Risk scores. There was one new potential risk, which is being considered to capture the risk of NatureScot committing to multi-year expenditure of funding which might not subsequently be supported by Scottish Government in future years and that would then potentially require support from Grant-in-Aid. This would affect Peatland and Nature Restoration Fund projects for example.

26. In the People Report, six indicators were rated as green (on track), with one rated as amber (internal moves). Internal moves were under review, particularly fixed-term appointments as part of a pro-active approach to managing headcount.

27. Directors were invited to provide the highlights of Q2 performance in their directorates:

Nick Halfhide – Director of Nature and Climate

* Work on the proposal for a new National Park in Galloway.
* Work on developing the Natural Environment Bill.
* Developing landscape scale approaches with stakeholders in Angus and Deeside.
* Almost all of the Nature Restoration Fund budget has been allocated for this, and next financial year.
* Provision of advice on the Ossian wind farm project, with positive gains for nature.
* Positive traction on both nature restoration and climate resilience work.
* COP 29 and COP16 show continued commitment and discussion.
* Challenge to ensure that the Scottish Biodiversity Strategy and Delivery Plan provides necessary momentum for national authorities to take action.

28. The Board requested a written update on the landscape scale work being undertaken.

**Action Point 02/216**

29. Robbie Kernahan – Director of Green Economy

* Licencing work progressing, although challenging issues around the species licencing review, with unacceptable treatment of staff by some members of the public. The Board asked to be kept informed on the issues involved.
* Increasing volume of work on planning applications, currently at 171 applications.
* Potential for increased funding for peatland restoration in the next financial year.
* Development of the Natural Capital Investment Framework signals positive action to attract private investment in nature.

Jane Macdonald – Director of Business Services and Transformation

* Strong progress reflected in the Performance Reports, however resources under pressure while trying to meet organisational ambition and priorities.
* Good progress on rationalisation of the NatureScot estate, with the planned move of the Perth office to Pullar House, Cupar and Clydebank moves complete, and a decision made on the way ahead for the Galashiels office, all contributing to net-zero building emissions.
* Work continues to improve technical connectivity across offices.
* Career conversations piloted and now being rolled out to all staff.
* Trial of the Health and Safety Executive ‘Stress Indicator Tool’ due for roll-out to staff during Q4.
* Annual staff survey being prepared for publication.
* Concerned that strategic workforce planning has had to be paused while resource is found to continue to the next steps of this programme of work, which will align the workforce with the new developing Corporate Plan.

30. Chair requested that a visit for him to the new NatureScot office at Atlantic Quay is arranged.

**Action Point 03/216**

31. Jason Ormiston – Head of External Affairs

* Completion of the second Roundtable discussion took place in August with key marine and land stakeholders, based around food and nature. Next to take place in January with the same cohort. The session will concentrate on agreeing statements and actions to build momentum for action.
* Royal Society of Edinburgh Roundtable event in December.
* Staff conference scheduled for 12 December with open invitation to Board members to attend.
* Publication of the Scottish Biodiversity Strategy and Delivery Plan.
* Work to transition to an interim and then new Chief Executive.
* Consideration of NatureScot’s reputation as Reporter for the proposed new National Park in Galloway.
* 20th anniversary of the Scottish Outdoor Access Code in February 2025.
* Continuing work towards the next Business Plan.
* Internal communications team work to share the Scottish budget announcement in early December.

32. Members queried why they had not been invited to take part in the Chair’s Roundtable discussions. Chair informed that the intention had been to firstly encourage positive discussion and debate from different stakeholders, before any next steps were identified, which could include members. The organisations represented at the Roundtable events were encouraged to own the discussion, rather than it being driven by the Board.

33. Finance Report – John Donnelly, Head of Finance, Planning and Performance

* Slippage was noted in the report in some areas due to late allocation of funds to NatureScot over the summer months. The situation has now been superseded since the report was prepared.
* Ongoing work on paybill budget to make more manageable in future years where there is the expectation of a lower budget.
* Surrenders were anticipated which will bring the forecast budget overspend back in-line for full spend.
* Ongoing work to prepare the final draft of the Annual Report and Accounts with an anticipated sign-off date of early December before Scottish Government submit to parliament.

Risk Report – Stuart MacQuarrie, Deputy Director of Business Services and Transformation

* New potential risk highlighted, as at para. 25.

People Report – Jane Macdonald – Director of Business Services and Transformation

* Good response to the hybrid working pulse survey, which will help to inform work to ‘Build the Buzz’ in offices.
* New Employee Assistance Programme launched which includes staff household members.
* Extensive work taking place on paybill and fixed-term appointments. A lessons learned exercise on the use of fixed-term appointments will be undertaken.

34. Members were content to agree the recommendations to note the contents of the report.

**AGENDA ITEM 11: BUSINESS PLAN PRIORITISATION AND RISK APPETITE 2025/26**

35. This agenda item provided an update on progress with the Business Plan for 2025/26 and sought input from the Board. The Board were asked to consider the following recommendations and agree or comment as appropriate:

* Consider the themes in the opening narrative and advise if anything further should be added.
* Review the approach taken to streamline business plan to enable more meaningful 90 day plans and reports.
* Review the revised 4 foundation blocks of the new business plan as a basis for focus for next year.
* Retain the performance measures from 2024/25 subject to any minor amendments to individual measures.
* Note the current position and gap between project and staff bids and available resources forecast and the work now required to close that gap.
* Retain our current approach to risk appetite and our current stance towards each risk category.

36. Stuart MacQuarrie presented this paper to the Board, informing that the Audit and Risk Committee had reviewed the audit on Corporate Prioritisation, which encouraged a focused set of priorities as one of the audit recommendations. This would inevitably lead to a streamlined Business Plan. The potential for a reduced budget settlement for the next financial year means that prioritisation is key to ensure that NatureScot can deliver as much significant benefit to nature as possible, on the available budget.

37. Stuart highlighted to members that this Business Plan has 4 foundation areas underpinning NatureScot’s work. The Board’s views on positioning, narrative and focus were all welcomed, both at this meeting as well as at a Board workshop in the new year.

38. In discussion, the Board made the following key points:

* The extent to which marine environment will feature in the Business Plan, as currently agriculture features heavily. The Board were assured that marine will be represented more fully in subsequent versions of the plan, however if the Board felt that there was not sufficient focus in this area, then this would be reconsidered.
* Stronger wording was requested which reflects the Board sub-groups expression of ambition and progress.
* It was recognised that this was the first draft of the Business Plan, and that much of the narrative is yet to be perfected into the final product. Work would be done in the coming weeks to expand on the required outcomes, with Board sign-off scheduled for March 2025.
* Members acknowledged that the current performance measures will be reviewed as part of the new Business Plan.

39. Members agreed the recommendations and noted that the process will rationalise the balance between work to be done, and resources available, after the Scottish budget announcement on 4 December.

**AGENDA ITEM 12: COMMUNICATION AND PUBLIC ENGAGEMENT STRATEGY**

40. This agenda item returned to the Board after being considered by them earlier in 2024. At that stage, a Board sub-group was formed to support further development of the draft strategy, which is now presented to the Board for their final approval. The Board were asked to:

* Approve the Communications & Engagement Strategy.
* Confirm the continuing operation of its sub-group to support implementation and approve revisions based on new Business Plans on behalf of the Board.

41. Members made the following key comments:

* The Board sub-group had put significant time and effort into ensuring that this strategy is fit for purpose. They had considered the need for clear messaging and timelines, stakeholder analysis and stakeholder plans, all of which underpin adaptable Corporate and Business Plans.
* It was noted that a holistic approach to the management of land across Scotland was needed and should be included in messaging, such as tree planting, peatland restoration and how the tenant farming sector use their land. Support in helping to understand the agricultural sector within Scotland was offered by members. Jason Ormiston informed that the current positioning of NatureScot was to approach the farming community through areas of common ground, hence the focus on food and nature.

42. It was proposed by the Chair that the strategy was approved by the Board, and that the strategy would remain in place until the new Corporate Plan is introduced in 2026. 2025 would give opportunities for further discussion on how the approach in the strategy could be further developed to meet the demands of the new Corporate Plan.

43. The Chair proposed that further discussion on agriculture and nature should be taken forward, possibly as part of the existing agriculture group involving both staff and Board members. This discussion should seek to agree the future strategy content in relation to agriculture and nature and clarify what NatureScot can deliver. Terms of Reference will be drawn up to agree the remit of the sub-group.

**Action Point 04/216**

Information Papers

**FORWARD PROGRAMME OF BUSINESS**

44. The Board Forward Programme of Business was presented to members. Members had no further updates to make to the programme.

**NATURESCOT BOARD MEMBER ENGAGEMENT**

45. This paper gave a short summary of Board members’ internal and external engagements with NatureScot related work since the last Board meeting. It was noted that it would be helpful to include forward engagements in this report so that any influencing opportunities could be identified.

AOB

46. Chair presented his AOB, which highlighted that Board member appraisals were being arranged during December. He welcomed the opportunity to meet with members and discuss their work for NatureScot over the past year.

47. Pete Higgins informed Board colleagues that 3 new independent members had joined the Joint Nature Conservation Committee (JNCC). A new Chair was yet to be appointed. Pete also updated on a private member’s Bill petitioning on Climate and Nature. The Bill looks to give JNCC duties regarding achieving both strategy and targets for climate and nature.

Date of Next Meeting

48. The next meeting of the Board of NatureScot is scheduled to take place on 12 February 2025 online.

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

# END