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| SF_col_landscape_logo | Strategic Advisory Group |

record of SCOTTISH FORESTRY STRATEGIC ADVISORY GROUP

1. Wednesday 9 September 2020, Telephone Conference, 13.45

**Present:**

Dave Signorini (Scottish Forestry Chief Executive)

James Stuart (Non-Executive Committee member)

Eleanor Ryan (Non-Executive Committee member)

Phil Taylor (Non-Executive Committee member)

Brendan Callaghan (Head of Operational Delivery)

John Dougan (Head of Operational Development)

Alan Hampson (Head of Standards Evidence & Expertise)

Ross MacHardie (Head of Finance and Business Support)

Jonathan Taylor (Head of Scottish Forestry Executive Office)

Helen McKay (Chief Forester for Scotland)

**In Attendance:**

Marliese Richmond (Corporate Planning and Governance Manager)

Bob Frost (Policy Manager)

# Summary of action points

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| **Actions** | **Status** |
| * ER to pass on contact details to HMcK re activities to promote procurement as a career and defining professionalism around this area.
* HMcK to set up individual meetings with JS/ER/PT.
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# **1. Welcome and introductions**

DS welcomed everyone to the meeting.

**2. Minutes and actions of the last meeting**

JS to provide examples of organisations which successfully use homeworking – JS and MR to meet w/c 14.9.20 to discuss examples JS has gathered of best practice. Some examples focused on short term situation in response to Covid, and others going in the direction of blended working.

Clarified point 12 – first bullet point – not an action that needed to come back to this forum and difficult to progress in current situation. More about giving steer to work on values.

The draft minutes were approved.

**3. Introduction to the role of Chief Forester – Helen Mckay**

HMcK confirmed that her 3 key work areas are:

* **Providing professional advice** - Working with other senior staff in Scottish Forestry to provide impartial professional advice on forestry matters to Scottish Ministers. Liaising with external experts to source and present specialist forestry and silvicultural knowledge to Scottish Ministers as required. In first 6 months the priorities are: hold discussions with team developing UKFS review; participation in process for next UK Forestry research strategy; and programme of engagement with key stakeholders.
* **Acting as Head of Profession within the public sector** - Responsibility for promoting and maintaining professional standards amongst foresters working in Scottish Forestry, Forestry and Land Scotland and the wider public sector in Scotland. Providing support and guidance on Continuous Professional Development for professional foresters working in the public sector. In first 6 months the priorities are: stocktake of professional skills, qualifications, needs and expectations across public sector; and initial signposting and support for CPD for individuals
* **Promoting professional forestry for the sector as a whole** - Taking a visible and active public role in championing the profession. Working with professional bodies and the wider forestry sector to promote and expand the profession of forestry in Scotland. Encouraging collaboration and cooperation across the sector to develop long-term recruitment, retention and career-development planning. In first 6 months the priorities are:

**Discussion Points:**

* **Learn from procurement -** ER flagged up the area of procurement and the efforts which SG, third sector and private sector have made to raise this as a career opportunity – including packs for school, routes into profession, and training opportunities.
* **Definition of a professional forester** – Not a standard industry definition at present. There is an existing academic structure centred around forestry. Institute of Chartered Forester will have a role to play in this with important reference points. HMcK interprets it as the knowledge and skills of a person put to use not only to make your living but to provide a specified output and objective (profit, social, environmental). It will now be possible define a professional forester, set the boundaries, and generate a framework and opportunities around that. There are also lessons to learn from the area of procurement in this, in terms of defining job roles.
* **Importance of encouraging young people into forestry** – Professionalising forestry will help encourage young people to enter the industry. Potential collaboration with National Parks. Use the experience of others e.g. STEM subjects being promoted and the use of bonuses for graduates going into teaching. HMcK is prioritising obtaining an overview of the patchwork of activities being undertaken at present and how to join this up.

Action: ER to pass on contact procurement details to HMcK. HMcK to set up individual meetings with JS/ER/PT.

**4. Building capacity and professionalism in the public sector – Helen McKay/John Dougan – See separate discussion paper**

JD described the situation that forestry, as a sector, has seen and continues to see, significant growth, with growing emphasis and recognition of the important contribution that it can make to achieving a range of key priorities for the Scottish Government. Government programmes seek to build on and expand that contribution, which is placing increasing demands on capacity, particularly in respect to professional forestry skills within the whole sector, and, as a subset of this, within the public service.

There are a number of specific challenges including:

**Demographics** - The sector, has, like many other land use sectors, an ageing workforce, with historically little “churn” and few new entrants. In recent times, this has begun to change, many existing foresters within the sector are, or have come towards, the end of their active careers and this has created a greater range of opportunities for new entrants. This is likely to be an ongoing factor for at least the next 5 years.

**Expanding Activity Levels** - Activity levels across the sector, both in respect to managing existing forests (felling and restocking etc.) and in woodland creation activity, have already risen significantly, and are set to continue with new, ambitious targets being set by Government.

**Lack of Diversity** - Like many rural land use sectors, the sector has, historically, tended to lack diversity, and not to be representative of wider society. Whilst significant gains have been made, particularly in respect to better gender balance, much improvement still needs to be made.

**Poor Structure to Skills Development** - Traditionally much of the skills development undertaken within the sector, certainly post formal qualification, has been predominantly through mentoring. Formal provision through structured events does take place, but to date it’s been fairly inconsistent and ad hoc. It should however be recognised that the public sector has tended to be stronger in that respect than the private sector. With the loss of experience and the shift towards teams with a much higher percentage of new entrants, the “mentoring” approach has become progressively less effective and can lead to a lottery for new entrants as to the level of support, its consistency, quality and degree of expertise. Steps have begun to be undertaken to address this, through the development of structured programmes and joint, sector wide initiatives, in partnership with ICF and ConFor, but these are still at an early stage.

**Lack of Investment** - With the largely “ad hoc” approach to the development of new staff, and the relatively small scale of many of the businesses operating within the sector, investment in skills development for foresters is often limited and well down the list of priorities. The use traditionally of a “mentoring” based approach has also tended to mask the true level of investment required to provide effective skills development for new entrants.

**Squeeze on Existing Experienced Capacity** - In the current circumstances, the whole sector has a high demand for experienced foresters, something which is a finite resource. This tends to create an environment where many businesses will chose to try to “buy” this experience rather than investing in skills development themselves. This also serves to act as a disincentive to those businesses who are inclined to invest in skills development as they perceive a significant “flight risk” once that investment has been made.

**Lack of Training Capacity** - The pressure on the limited resource of existing experienced foresters has resulted in these individuals typically being deployed in what are perceived to be business critical roles, often supporting less experienced teams and individuals. This has resulted in a lack of capacity to utilise their time to invest in skills development.

**Broadening of Roles** - To be fully effective, Foresters have to have an understanding of and operate within a widening set of expectations. The role, and the resultant skills required, have broadened significantly over recent years, making it all the more challenging to equip people with the full range of knowledge and experience required.

**Discussion points.**

**Increasing skills and increasing workforce** - One role the public sector can excel in is encouraging partners to collaborate. It may be helpful to explore the option of attaching grant conditions around commitments to training and learning for existing and new staff across the workforce.

**Pay and conditions** – There was considerable discussion on the pay both across the sector and within SF as an organisation.

* Historically, foresters had parity with other compariable public sector workers, teachers, but BC felt that this had fallen behind. The top of the salary band for Woodland Officers is £30K. It was felt recruitment and retention is a high risk issue.
* There is a perception that the private sector is ‘poaching’ SF staff – however, a recent analysis of staff moving on within SF showed that around 30% retired, 30% were internally promoted, and 30% went to the private sector or elsewhere.
* There is a ‘drag’ factor on capacity and workload of staff – staff are already dealing with higher workloads resulting from previous increase in targets; and issues around staff retention.

In response, it was suggested that within SF:

* Either a regrade or new grade for trained staff be proposed in light of these ambitious targets, the current focus on the importance of woodland and the evidence of lack of parity with other public sector professions. Although a regrading would be a small investment compared to the £50M capital being invested in new woodlands. It was highlighted that this was unlikely to be supported given constrained finances post Covid.
* Given it will be unlikely that we can compete on pay, the package available to potential staff must be developed and sold – benefits such as flexible working; long term career progression; and working in an area which has a sense of purpose, which younger people in particular seek.
* Tease apart the short term critical shortages facing SF at present, and prepare business case and seek support for additional funding for the recruitment of a cohort of new, targeted workers with a bespoke plan of support around that, to transition the gap to meet the 18,000ha target.

**5. Programme for Government – New Woodland Creation Targets – Dave Signorini/John Dougan**

DS gave a summary of the PfG target of 18,000 hectares per year by 2024. There is the political will and capital funding to achieve this – but not the necessary revenue funding and no clear plan of how we are going to get to 24/25.

JD talked through the barriers and issues:

**Capacity to Deliver** - Having enough trees, enough contractors, enough machine operators, enough equipment, enough supervisors to actually create the woodlands

**Land to Plant** - Each hectare planted can’t be planted again, in theory (various studies, WEAG, JHI etc have been undertaken) there is more than enough land across Scotland to meet the target, but majority tends to come forward in concentrated areas, where wider factors drive land use change. This can generate and focus tensions into “hot spots” and bring into wider debate the acceptability of larger scale land use conversion, particularly to productive forests as currently delivered by the sector

**Capacity to Develop and Plan** - The sector has gone through a period of significant expansion in activity, both with woodland creation and also in timber harvesting and related management of existing forests. This has largely been at a time when the demographic is aging, and capacity and experience is progressively being lost as people leave the industry to retire. We therefore have a capacity squeeze, both in terms of numbers, but also experience, skills and professionals.

**Capacity to Regulate and Support** - SF has gone through the same challenges as the rest of the sector, rising activity, in parallel with loss of experience, and increasing “legacy burden” of activity as approvals increase year on year.

**Wider Consensus and Support by stakeholders and the public** - In principle, expansion is supported in a strategic sense, in a detailed sense, it rarely is, particularly in respect to productive conifer schemes. The sectors “license to operate” is vulnerable in that respect and the more we do (certainly in its current form), the more we put that under pressure. We need to understand and develop what an acceptable and thus sustainable model for productive woodlands actually looks like. The sector would say this already exists in the form of UKFS. Many in the wider stakeholder community, don’t appear to support that view

**Revenue funding** – Long term financial planning raised by Audit Committee especially around revenue funding.

**Discussion points:**

**Willingness of land owners to plant trees is essential** – There must be supporting infrastructure of grants and regulations to make planting attractive to land owners. **New and different partners** – Look at the potential to work with new and different partners:

* Farmers wishing to diversify, especially larger pockets of land currently used for lamb and beef - EU exit tarrifs may drive some farmers to diversify. It was clarified that the Farming and Forestry Officer has good relationships with the NFU and groupings of local farmers; and there are initiatives in place to assist small farmers with applications. However, it tends to be wider macro economic factors which direct farmers to plant trees.
* SF needs to work with partners at a regional level to unpick and navigate issues around regional levels of forestation. Long term, land use and development needs to be mapped out alongside networks of partners in a strategic regional way to build confidence and relationships.
* Explore possibility of working with larger public sector land owners such as NHS trusts, Network Rail, British Canal Trust etc to meet their net zero emission targets. It was clarified that there is a focus on a reduction in emissions rather than off-setting – but nonetheless there will be some unavoidable emissions. Working with these landowners could win public support for forests – it would enable them to benefit from having more trees close to where they live. It would help make the target of 18,000ha legitimate, bringing not only commercial benefits but social and biodiversity outcomes.

**Nursery suppliers** – Given the momentum and commitment from government, it is possible to give the nurseries at the top end of the supply change confidence.

**Programme of work** - It was noted that there needs to be some calibration of the risks in meeting the target of 18,000ha, prioritizing and including this in risk register. Need to be ready to be honest around those risks with Scottish Ministers – and be frank about what the input (eg revenue funding/skills development) needs to be. Explore issues at regional level with Conservators. Consider transforming this target into programme approach with plan in place on how to take this forward – but be mindful that much of the work will lie in the Improvement Programme and day to day operations – may be difficult to craft the boundaries of this.

**6. EU Exit and impacts on forestry – Bob Frost/Alan Hampson**

Bob Frost gave a summary of the current situation and main issues.

**Overview the EU and forestry** - The EU has no direct legislative competence on forestry – it has a Forest Strategy and Action Plan. Forestry is affected by numerous cross-cutting EU Directives and Regulations, such as climate change, plant health and trade. The forest industry has to comply with EU legislation such as pollution control, quality standards and employment rules. Currently the Forestry Grant Scheme receives around 50% co-financing from the EU.

**Forestry sector: major impacts** - Cross-border disruption due to changes to reserved and English legislation and/or to policies (e.g. Forest Reproductive Material, plant health). Northern Ireland Protocol uncertainty on how it will be implemented and its impact on the movement of timber and wood products. Adverse impacts on domestic timbers processors and forest owners due to UK trade measures. Future funding for Forestry Grant Scheme – replacement of CAP funding. Loss of Scotland’s ability to influence international Sustainable Forest Management practices and standards if UKG diverges from EU processes / fora. Loss of seasonal labour due to changes to UKG immigration policy, reducing capacity to meet woodland creation targets (inc. nursery workers). Trade/markets: unknown how it will impact on domestic processors (+ive/-ive).

BF also provided an overview of the actions being taken and the impact if these actions are not delivered covering: Scottish Plant Health (Forestry) legislation; GB Forest Reproductive Material; GB Plant Health Regulation PH-05; NIP: Plant Health controls import/export SI; Labour; and Funding.

**Discussion points:**

**Plant health risk** – One of the main concerns is plant health risk. Any issues could impact for years and decades. In addition, the increased planting targets may require some species of seed to be important, and it can be difficult to check for diseases and pests. However, there is no requirement to take a separate Scottish approach which makes taking action easier. It is felt that the importance of maintaining plant health and the potential impact of disease is better understood following the corona virus pandemic.

**Continuation of EU trading scheme** – This may have an impact on carbon targets and market.

**Export of timber**  - There is a substantial export of timber from Scotland, which may be affected by timber controls and tariffs. Lockdown has demonstrated the importance of wood pallets and packaging and will be important to develop an effective system because of scale of trade across the EU.

**Funding issues** – The CAP is going to be replaced. In the short term, there is no risk as the UK Treasury has committed to funding obligations. The longer term challenge will be to ensure this money supply from the SG when this is no ring fenced. There are so many potential variable post Covid and EU Exit, including the different approaches of the SG and UK Government. One positive aspect is that continuity is important in relation to funding of woodland creation as you plan projects 2-3 years in advance. This was difficult to achieve with EU funding. Now, woodland creation is part of the overall conversation about rural land use and government subsidies.

**Strategic issues** – SF must maintain a reactive and flexible agile response to different issues arising from Covid 19, Brexit and the Scottish Parliament election. We need to maintain an overview of issues and be aware of where we need to prioritise and focus our efforts.

It was clarified is that the next stage will be to prepare a submission to Mr Ewing on these issues. Communications will also be sent out to external partners to inform them of these issues.