



RECORD OF THE 1ST MEETING OF THE DELIVERY REFERENCE GROUP

3rd March 2017, 12.00pm – 3pm.

Silvan House

Present

Jo O'Hara (Chair, Head of FC Scotland, and SRO for the project)

Brendan Callaghan (FCS, Head of Delivery & Regions)

Sue Kearns (Scottish Government)

Shireen Chambers (ICF)

Tim Liddon (Confor)

David Sulman (UKFPA)

Charles Dundas (LINK)

Jamie Farquhar (instead of Stuart Goodall – Confor)

Ross Johnston (instead of Nick Halfhide – SNH)

Alan Farquhar (instead of Carol McGinnes – SEPA)

Sasha Laing (FCS, Secretary)

Apologies

James Nott (Project Manager, FCS)

Ref:	Action	Who?	Target Date	Status
1/1	JN & SL to consider how to score work-streams to aide prioritisation of delivery and transparency. DRG sign off will be required.	JN, SL	April 2017	Ongoing
1/2	DRG members to discuss the work-stream approach further with their members and to come back to the group with comments by correspondence	All	April 2017	Ongoing
1/3	DRG Members were requested to consider how they could contribute resource to the work-streams	All	April 2017	Ongoing
1/4	When confirmed, Work-stream 1 & 2 Leads to contact SK	SK + FCS Work-stream 1 & 2 leads		
1/5	ICF and Confor to put forward named representatives to support the delivery of the individual work-streams.	ICF, Confor	April 2017	Completed

Ref:	Action	Who?	Target Date	Status
1/6	Statutory Bodies to provide input on work-streams as required.	SEPA, SNH	As Required	
1/7	JN to speak to SK on how SG approach the development of Process Agreements	JN	April 2017	Ongoing
1/8	SC to contact RICS to discuss their potential involvement.	SC	April 2017	Ongoing
1/9	JN to finalise work-streams definitions	JN	April 2017	Ongoing
1/10	DRG and FCS to decide the leads of each stream and the membership of each supporting focus group,	FCS, DRG	April 2017	
1/11	SL to send out meeting dates for April, May & June	SL	March 2017	Completed
1/12	SL to send out Project Board Structure and Governance	SL	March 2017	Completed

1. Introductions

JO'H welcomed everyone to the first meeting of the Delivery Reference Group (DRG). During introductions CD noted that Andrew Campbell and Sian Williams would alternate with him as SE Link reps. JF also asked that the regards of the board be passed to Jim Dewar following recent events.

JO'H offered her thanks to the board for volunteering their time to help implement the recommendations presented within the Mackinnon Report, acknowledging FCS commitment to change and the backing of a supportive Minister.

2. Remit and Key Milestones (JO'H) (Paper DG1.1)

2.1 Remit

The group agreed the remit and membership.

JO'H emphasised the importance of the two-way communication role of group members – feeding views from their constituencies in, and helping to communicate progress and dispel myths. All agreed that transparency should be added to the principles of empowerment, trust and proportionality underpinning the project. In that spirit, it was agreed that the minutes will be published. It was noted that JN will be attending the next Forest Timber Technologies meeting to raise programme awareness.

2.2 Key Milestones

The next summit is anticipated in the spring (May/June) with the primary purpose of following up on the two initial summits. The aim will be to show how the Mackinnon Report has been taken forward with the expectation that Jim will come back April to

review progress. The summit is also likely to cover developments surrounding anticipated legislation.

3. Current Process and Where the problems are (BC)

BC went through the stages of the approval process, and the group discussed issues associated with each:

3.1 Early Engagement

Inconsistency in early engagement with conservancies by applicants was noted - particularly in cases relating to land purchase or native woodlands.

Q. Who is approached and is it the same person in every case?

A. Applicants generally speak to the relevant Conservancy depending on where the land parcel is located within Scotland. National Office involvement is only in larger cases where an EIA screening is going to be required.

3.2 EIA Screening

An EIA determination is required on all afforestation projects above the relevant threshold. The result of the determination will be whether or not a full Environmental Statement (ES) is needed. Of the 500 cases put forward since 2015 only 3 have resulted in an ES being requested – all of which were large cases. Some determination decisions can be prolonged, requiring significant information to be provided by the applicant. The approach currently taken is to help the applicant avoid an ES by addressing potential impacts prior to the submission of an EIA determination/WC application. TL noted that this approach could result in more work being required by the applicant to avoid the need for an ES, and that this approach lacks focus.

3.3 EIA Consultation

SK provided the following insights regarding the renewables EIA process:

- a. The scope of each statement is tightly specified (unlike forestry)
- b. The community voice is very important to ministers and can present a difficult obstacle to proposals
- c. Effective community engagement could build wider support of the application when the community understands better the implications of the development.
- d. Windfarms providing an element of financial community benefit can help with community objections, but engagement and involvement in the process is probably more important. Recognised that the financial options available to forestry are more constrained.
- e. Windfarm construction is seen as more 'reversible' than forestry.

3.4 Submit FGS

BC stated that following a formal consultation process an ES design could require changes so as to comply with grant conditions, but in the majority of cases consent was

secured without the need for revisions. It was noted that greater design detail is required as part of the grant application, so the work undertaken for the EIA determination is re-used.

3.5 Assessment and Consultation

Typically takes 8 weeks to assess a new case for FGS eligibility, compliance with the UKFS, scoring and undertake a site visit. Again this could result in further design changes.

3.6 Approval and Contract Issue

FCS holds a monthly clearing to approve FGS cases, whereas Agriculture cases are cleared annually. Clearing is an EU regulation requirement to ensure a competitive process. The vast majority of cases are approved at clearing.

TL noted that the delay issues in forestry approvals occur *before* the application is even submitted as an FGS, therefore these aren't often captured in the data. The complexity of the scheme was recognised within the Mackinnon report though FCS wanted it to be noted that some processes are part of EU rules associated with grant payments.

4. Overview of work-stream approach (BC) (Paper DG1.2)

BC went through the paper, confirming that as of the January 2017 clearing round 11381 hectares of new woodland creation had been approved at a value of £55.6M. A subsequent clearing round had increased this to 12700 hectares and £74M.

It was confirmed that the woodland creation processing times graph did not include pre-application or EIA approval time. It also doesn't differentiate between time spend with FCS and time spent with the applicant. It was also recognised that not all pre app discussions lead to actual WC applications.

The group expressed concern that fundamental management information is not available as a result of IT constraints. Many of these constraints relate to wider issues with the CAP IT system. FCS is working towards improving the provision of management information, but this is resource-intensive. TL gave an example of the provision of data on approval times by numbers of schemes rather than by area being unhelpful. The lack of management information was noted within the Mackinnon Report and is being addressed within the work-streams.

JF wanted to formally record Confor's appreciation of FCS has done to date to improve the provision of better management information to the sector.

Q. Given the amount of detail and work required to develop and implement, is there enough Conservancy resource to deliver?

A. There is ability to address this issue in the short term but discussions will be needed with Scottish Government in spending reviews if a requirement for additional resource is identified as a result of this work.

5. Review of Individual Work-streams (Paper DG1.3)

BC speaking on behalf of JN outlined the workstream approach. Recommendations with similar outcomes have been pulled together into 6 individual work-streams with associated deliverables, presenting a coherent, sensible and recognisable approach. Initial analysis by FCS had identified some quick wins, a number of medium term changes, and a few pieces of work which will need a longer timeframe and resource to implement.

SC acknowledged and commended the ambitious delivery timescale but noted concern over the available resource and speed of delivery. TL asked why JN's post would not be backfilled whilst he was undertaking the Programme Manager role. JO'H noted that JN was working 3 days a week on the project and that he was being supported by SL. His role is to organise the delivery and it would then be for others to deliver each work-stream. The group agreed that if members agreed that a recommendation was not realistically deliverable, that this should be indicated to the Cabinet Secretary as soon as possible.

SC asked how the work-streams were to be prioritised? The response was largely by impact and deliverability.

Action Point 1/1 JN & SL to consider how to score work-streams to aide prioritisation of delivery and transparency. DRG sign off will be required.

Action Point 1/2 It was agreed that members could discuss the workstream approach further with their members and to come back to the group with comments by correspondence asap.

Action Point 1/3 Members were requested to consider how they could contribute resource to the work-streams.

A specific question was raised regarding the concordats with SEPA and SNH as one of the 'early wins', and whether this should be left until the end of the process. It was agreed that new concordats are close to completion, and that these could be reviewed once other workstreams had been implemented

SK offered input from SG on undertaking Pre-scoping and early community engagement given their recent work on streamlining agreements relating to the energy consents section 36's. It was agreed that this would be very helpful.

Action Point 1/4 When confirmed, Work-stream 1 & 2 Leads to contact SK

5.1 Work-stream 1 – Pre-application and Consultation Process

FCS lead proposed using the Customer Reps Group as a sounding board. Recognised that a number of the workstreams may need to liaise with this group so the project manager will need to keep this under review so as not to overload them. Initial proposals were for two separate groups for WS 1 and 2. SC offered three ICF representatives to cover relevant work-stream content. It was agreed that we should aim for two groups, with 5-6 representatives, and a 50/50 split between FCS and Industry. Statutory Bodies input on the work-streams is also likely to be required.

Action Point 1/5 ICF to put forward named representatives to support the delivery of the individual work-streams.

Action Point 1/6 Statutory Bodies to provide input on work-streams as required.

5.2 Work-stream 2 – EIA Processing Improvement

FCS lead proposed, some items have already progressed on this workstream. SK offered support from SG on establishing processing agreements.

Action Point 1/7 JN to speak to SK on how SG approach the development of Process Agreements

Work-stream 3 – Approval Process

All members of the group supported the aspiration behind the recommendation in the report relating to accredited agents (i.e. apply the heaviest regulation where there is the greatest risk, and apply the concept of earned recognition), however all also raised concerns about the model as proposed, and some alternatives were suggested. The primary concern was that it appeared to remove the requirement for judgement by the woodland officer and place it in the hands of a third party – who may be a competitor of the agent making the application. SC was also of the view that the proposed model did not deliver against the principles of trust and empowerment. SK suggested that the proposal should be reviewed in relation to the Aarhus Convention to ensure compliance.

FCS explained technical concerns relating to the ongoing approval recommendation in the light of the current Rural Development Regulation.

Following discussion it was agreed that DRG would need to put further thought into who would be an appropriate lead for this particular work-stream. SC was particularly keen to be involved in the focus group for this workstream. TL suggested that RICS be

approached to see if they would be able to provide a chair for this group. This was accepted as a suggestion worth exploring further.

Action Point 1/8 SC to contact RICS to discuss their potential involvement.

Points raised;

- Full support of the Earned Recognition model as the ideal but recognition that it isn't the model recommended. Feel it conflicts with business interests.
- Recognition that the system needs to be made simpler. Accredited Agents may not work for WC proposals but could for long term forest planning.
- Industry did not want to see the devolution of FCS regulatory authority as it provides security and transparency of process.

Work-stream 4 – Management Information and Targets

Work-stream 4 was accepted as primarily internal, the challenge is having the IT to manage it. DRG members would like input into the content of the Annual Report.

Work-stream 5 – Promotion, Training and Public Information

It was noted that Promotion and Communication was something that straddled all work-streams. Having a separate Communication stream was discussed, but after further discussion it was felt that it was part of all streams and so it should not stand-alone.

It was agreed that the UKFS is at the heart of all applications and FCS staff should be more confident applying it. As an agreed document signed up to by all stakeholders, applications should be presented that meet the UKFS and not what the owner/applicant would like. Likewise FCS staff should not be requiring applicants to go beyond UKFS or the requirements of the grant scheme. TL emphasised that owners objectives are still highly relevant.

Work-stream 6 – Pilot Project

This stream addresses the broader issue of taking a regional approach to getting a strategic change in land use. It will require the involvement of a Local Authority and MSP's to build support. It was agreed that this should build on the land use strategy and WEAG Report, and it would help meet planting targets, though it will need time to develop.

6. Next Steps

Action Point 1/9 JN to Finalise work-streams definitions,

Action Point 1/10 DRG and FCS to decide the leads of each stream and the membership of each supporting focus group,

Action Point 1/11 SL to Schedule DRG meetings monthly from April until June,

7. Any Other Business

The question was asked where this group fits into the broader response to the Mackinnon Report and Climate Change Plan. JO'H responded by noting that the Delivery Group was to provide external support and challenge to the project, and assurance to the Director ENFOR and the Cabinet Secretary that FCS is responding appropriately and proportionately to the Mackinnon Report recommendations. It was also to test the details of the delivery principles, offering alternative approaches and identifying issues that may prevent the recommendations being delivered. The outcomes will also feed into a wider range of measures aimed at increasing planting rates.

The question was asked who sits on the Project Board. JO'H responded by noting that the Board consisted of Jo O'Hara, Jim Dewa and Brendan Callaghan. The aim of the Board was to coordinate activity, track progress against milestones and ensure that James had the necessary resources to manage the projects delivery.

Action Point 1/12 SL to send out Project Board Structure and Governance to all group members.