

## **LINK meeting with Keith Connal and Ginny Gardner, SG Environment Directorate, 14 April 2016**

### *Participating*

*LINK - Helen Todd Chair, Charles Dundas Vice Chair, Lloyd Austin Governance Convener, Bruce Wilson Economics Vice Convener, Deborah Long Land Convener; Jen Anderson, Daphne Vlastari - Staff SG Environment Directorate - Keith Connal and Ginny Gardner.*

### *Note:*

*Ginny joined the Directorate 1 year ago and was previously in Graham Dixon's office. Currently she is tasked with delivering RAFE and working on forestry/the future of the Directorate.*

Keith noted that over the next few weeks, he and Ginny will be meeting with different stakeholders to get informal views on the future structures and governance arrangements for forestry in Scotland. These meetings were with SNH, SLE, ConFor, Forestry Policy Group, NFUS, Forestry Producers Association, Community Woodlands Association and others. This is on the basis of the Minister's recent discussions at UK level, the decision to establish a joint project board for GB and the likely dismantling of the FC as a UK body with legislation following to devolve Scottish forestry responsibility to Holyrood.

A questionnaire is being distributed among participants to focus the discussion. This questionnaire will be available ahead of meetings with other stakeholders but was not ready on time for sharing with LINK in advance. The discussions will inform a consultation expected to be issued following the May elections.

Keith reiterated numerous times that the work and thinking currently initiated by officials is subject to ministerial approval after the election.

***Action: LINK to summarise views expressed in meeting and add further thoughts on the questionnaire for sending to Keith and Ginny.***

Lloyd asked if there had been discussion of whether any remaining GB aspects of FC's remit could usefully become UK, so taking in Northern Ireland. Keith indicated not, though reported the suggestion to do so has been made by FC. When asked about the likely legislative timeline, Keith indicated that two pieces of legislation will have to be passed: first, in the Scottish parliament (primary legislation) and then a second piece of legislation in Westminster as required under the Scotland Act. He envisaged the Scottish legislation passing through Holyrood in a year, with the Westminster one following.

Keith indicated that what they would like to see is a simpler, more effective and operational set-up.

He also indicated that Scottish ministers are likely to retain ownership of the Scottish Forestry Estate, in which case it would remain multipurpose (e.g. timber production, climate change, peatland restoration etc.). He added that additional elements might be included in the overall objectives of the estate, depending on what "we see fit".

Lloyd and Charles commented that the re-thinking of the Directorate begs the question of whether this also ought to be done for other (rural) agencies. They noted that devolution of the Crown Estate will mean involve inheriting multi-purpose landownings. Charles asked whether there is scope for such an expanded review of how these agencies operate and deliver.

Keith indicated that this has been raised with ministers. And that officials are talking very closely with the Crown Estate transition team. There would be an intra-organisation at the point of transfer of the CE and consultation on arrangements for long term management and double devolution issues. Legislation would be sufficiently flexible so that, if it were desirable for a future land management agency to manage the 4 estates currently managed by the Crown Estate, that would be possible to arrange. Officials had provided ministers with a list of their other landholdings (crofting, NNR), what they are and information on management and purpose. In this respect they are exploring the scope for a land management organisation. Ministers / Government could retain the option of doing a forestry organisation only. Keith also noted that Forestry Enterprise Scotland is already considering itself as a land management organisation.

Lloyd indicated that around 2/3 of FC's tree covered land is made up of two types of trees – commercial and heritage. He noted that importance of ensuring that in the new set up, profitability concerns do not impact the support given to heritage forestry. This will be an important element to take into account in designing the new organisation.

Charles noted that LINK would be in favour of expanding the information/education side which the Directorate has already been engaged in. He overall indicated that nothing that the Directorate has been doing should be taken out of its future remit. Adding to what Lloyd said he noted that fine work should not be dependent on the profitable work.

Keith indicated that this would largely depend on the fundraising structure of the organisation – currently a mix of grant-in-aid and timber production income.

Lloyd indicated that state management of land has generally been a good thing. LINK would support SNH keeping NNR; and the state retaining heritage woodland. Deborah added that having the state involved means that it act as an exemplar for the private sector. It can also help build and disseminate the practical experience needed for private sector involvement. The example of starter farms was raised and Keith felt new legislation would increase the possibilities in that respect.

Lloyd noted that the FC's acting at the edge / ahead of its remit in Scotland had been a pattern of the last 20 years and more; the Commission has proved a highly effective deliverer of good - and sometimes not so good things (monocultures, planting in inappropriate areas); thus it would be critical that land use objectives are built into the legislation to avoid creating situations where the new body is empowered to revert to some of the less good examples from the last 50 years.

Keith indicated that FES documents reference the land use strategy. Charles added that FES are the single best manager of deer, barring in a couple of private estates and much of the NGO –managed landholdings.

Regarding the type / category of legal entity the new organisation would be, Lloyd indicated that he did not have any strong views as long as it was clear what it was and why it made sense to do it like that.

The benefit of being together is the credibility and experience that would be gathered together. But there might be some criticism about the elements of the organisation that are quasi-commercial but would still be owned by the state. Ginny asked if there was specific criticism that had been raised. Lloyd responded that this is what he had heard and referenced example of Scottish Water being regulated by SEPA.

Deborah indicated that it would be good to retain the success and delivery mechanisms in the new structure. Lloyd added that it would be good to have an output based approach. He noted some slightly wariness on the way the planting target was taken forward and in which places there was planting. This could be owed to the fact that the target had not been sufficiently explained by government. Keith indicated that SNH's Stuart had already raised this with him.

Bruce supported the importance of having exemplars and indicated he would like some issues retained at cross-border level: research, health and standards. International issues also should remain cross-border to ensure common approach.

Lloyd indicated the importance of bringing in N. Ireland for some of these discussions.

Keith indicated that they were hoping Scottish ministers and UK ministers would agree on how to manage cross-border issues but they are also preparing for a scenario where the ministers would not agree and England kept structure of Directorates. At the moment UK ministers are willing to talk but it is important to be prepared.

If SNP retains government they will want to have a say over the agreement of cross-border issues, e.g. UK standards.

The consultation is going to be close to the questions presented at the meeting. It will be a mix of statements of intent by the government, propositions and open ended questions.

Keith and Ginny anticipate that the Directorate restructure will appear in the first programme of government.

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