

# Title: Q2 Performance Report 2023/24

**Date: 6th December 2023**

| **Purpose:** | Decision |
| --- | --- |
| **How does this link with our corporate priorities of improving biodiversity or delivering nature-based solutions to climate change:** | This paper presents Q2 progress towards delivery of our corporate priorities as laid out in our Business Plan, A Nature-rich future for all: Year 2. |
| **Summary:** | At the end of Q2, performance for 14 of our 15 Corporate plan objectives is rated as ‘on track’. Our Resource and Capital budgets are currently expected to outturn within tolerance at year end. The large programmes continue to be managed and monitored to ensure full budget spend is achieved.  There have been two changes to corporate risks this quarter; one risk increased (586) and one risk (21) reduced in likelihood but had no overall change in score. In the People Report, four of the seven indicators are green and three are amber. |
| **Actions:**  | To agree the recommendations below |
| **Recommendations:**  | Board are asked to sign off on:* + The overall performance of the Corporate Plan objectives (Performance Report)
	+ The position of the resource and capital budgets (Finance Report)
	+ The performance of the corporate risks (Risk Report)
	+ The overall performance of the People Measures (People Report)
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| **Report Author(s):** | Authors – Directors, Deputy Directors, Outcomes Managers, Finance, Planning & Performance Team, People & OD Team |
| **Sponsors:**  | Stuart MacQuarrie, Jane Macdonald |
| **Appendices**: Please note all appendices. | Annex A – Corporate Risk Register |

## Purpose

1. This paper presents NatureScot’s performance for the second quarter of 2023/24. It addresses delivery of our corporate priorities by reviewing; the alignment of performance against our Business Plan, a Nature-rich future for all: Year 2; progress towards maximising our available budget; assessing risks for delivery; and reviewing people information supporting the resourcing of our work. These support delivery of our Corporate Plan 2022-26, A Nature-rich future for all.

## Summary

1. Q2 saw First Minister Humza Yousaf announce his first Programme for Government (PfG). The Scottish Government (SG) maintained its commitment to spending £500 million on our natural environment to drive landscape scale change, including through the £65 million Nature Restoration Fund and through new financial support for Nature Networks.
2. SG launched the consultation on the Scottish Biodiversity Strategy, the Strategy's first five-year Delivery Plan, 30x30, Nature Networks, National Parks, and statutory nature targets, marking the culmination of a huge amount of effort from NatureScot, working closely with colleagues in Scottish Government.
3. The Scottish Parliament has voted to approve changes to secondary legislation relating to deer management in Scotland. The move implements recommendations of the Deer Working Group that were accepted by the Scottish Government. They are a signal to the deer sector that the Scottish Government and NatureScot are pressing ahead with changes to deer management to meet the ambitions of the Scottish Biodiversity Strategy and tackle the nature and climate crises.
4. Internally, our intranet has won a silver award at this year’s Intranet and Digital Workplace Awards. The annual global awards, run by Step Two Designs, recognise outstanding contributions to the fields of intranets, digital workplaces, and digital employee experience. This is the second time we’ve won a silver award in the “essential intranet” category. On this occasion we are the only UK winners.
5. Generally, performance has held up well in the year to date so far reflected in the positive position reflected in this report. There may have been scope to achieve even more had we, for example, had further funding for more deer officers or to support projects aimed at the 30x30 objective.

## Forward Look

1. While budget challenges will cause additional pressure on our resources as we plan for 2024/25, most of our metrics are currently rated green as we are progressing well against the targets we have planned for current available resources. Pressure on resources will lead to challenges in maintaining performance and progress at current levels in the short to medium term.

| PRIORITY PERFORMANCE | NUMBER | CORPORATE RISK | NUMBER |
| --- | --- | --- | --- |
| Objectives | **15** | **Corporate Risks** | **10** |
| On Track | 14 | Increased Score | 1 |
| Minor Slippage | 1 | Decreased Score | 0 |

| FINANCIAL METRICS | STATUS | PEOPLE METRICS | STATUS |
| --- | --- | --- | --- |
| Resource Budget | **GREEN** | Wellbeing | **AMBER** |
| Capital | **AMBER** | Change Management | **GREEN** |
| Indirect Capital | **GREEN** | Capacity | **GREEN** |
| Paybill | **AMBER** | Development | **GREEN** |
| Project Allocation | **AMBER** | Workforce Profile | **AMBER** |
|  |  | Internal Movement | **GREEN** |
|  |  | Retirement Profile | **AMBER** |

**PERFORMANCE REPORT**

## WE HAVE PROTECTED NATURE

| CORPORATE PLAN OBJECTIVE | SLT LEAD | RAG SCORE | Q2 UPDATE |
| --- | --- | --- | --- |
| Lead the delivery of 30% of land and sea being protected by 2030 | Nick Halfhide | **GREEN** | * Frameworks for Scottish Biodiversity Strategy (SBS), National Parks, Statutory targets, 30x30 and Nature Networks Consultation published: Consultation launched September 7th.
* Sign-off pre-commercial agreement for CivTech 8.3 Protected Area Data System and commence development of product: Signed off and work underway.
* Sign off pre-commercial agreement for CivTech 8.5, Nature Networks tool and commence development of product: Slippage due to negotiation over product availability to Local Authorities.
* Develop and agree costed draft implementation plans for 30x30 and Nature Networks with Scottish Government: Drafts complete.
* Commence bilaterals for 30x30 and Nature Networks framework discussion during consultation, establish working group and governance structures: Deferred until SBS consultation progressed.
* Commence initial spatial data analysis to support 30x30: Recruitment delays mean this analysis will start at the beginning of Q3.
* Further support to Scottish Government on National Park proposals and on-going engagement with a range of local and national stakeholders: On target, consultation on new powers/governance launched.
 |
| 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** | * We have built stronger collaboration reducing the impacts of deer by:
	+ Working with SG legislative proposals for an effective regulatory framework and policy integration of incentives for deer management within future rural support. Updated and held Deer Management Round Table meetings. We have supported policy development on primary deer legislation and secondary Scottish Statutory Instrument (SSI) on firearms (non-lead and night sights) as well as male seasons. Firearms SSI has passed, the male seasons moves to vote in parliament.
	+ Developing work with partners on 5 x action plans for the Cairngorm and Loch Lomond and Trossachs National Park Authorities, Clyde Climate Forest, and Atlantic Rainforest priority areas. We have completed recruitment rounds and appointed new Wildlife Manager Officer posts to deliver deer work, so focus has been on working with the Association of Deer Management Groups (ADMG) and Deer Management Groups (DMG) to develop DMG actions to reduce deer populations below 10 deer/km.
* And we will modernise our wildlife management and underpinning licencing functions to enable a net zero and nature positive future by:
	+ We reviewed Beaver licenses (3-year review) and issued 24 licences. We organised Scottish Beaver Advisory Group (SBAG) meetings and initiated task and finish groups for Beaver Strategy and SBAG priorities.
	+ We submitted Goose Policy Review to SG. We have engaged with stakeholders on future scheme support funding and are ready to progress subject to SG budget decisions.
	+ We progressed work on advice to SG on Wildlife and Countryside Act Schedule 2 Review for submission in early Q3.
	+ We have developed the scope and Terms of Reference of Species Licensing Review with SG and await Ministerial approval to initiate.
	+ Supported SG with Wildlife (Muirburn) Scotland Bill provisions; we have initiated and held muirburn and grouse moor code steering groups.
	+ We developed guidance on the Licensing of Hunting with Dogs - this was published on 3rd October. We published data on species licensing - license numbers and take.
 |
| Engage and influence planning and other regulatory systems to ensure they deliver for nature and climate | Robbie Kernahan | **GREEN** | * The extension period for InformedDecision is gathering the required data and on target for end of November completion of the pilot. Work has begun during this quarter on a business case to be considered by Senior Leadership Team for the next phase of NatureScot use of the platform.
* Early preparation for Earraghail Wind Farm Inquiry and ongoing analysis of new decisions in light of NPF4.
* Onshore Wind Sector deal was finalised.
* Development Management pressures managed within tolerances and Development Planning collaboration work ongoing along with start of evidence gathering for some local development plans
 |
| 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** | * Marine survey & monitoring - Undertook monitoring of Wester Ross and South Arran Marine Protected Areas (MPAs) (diving/drop down video) and Hoy Special Protection Area (SPA), East Caithness Cliffs SPA; continued review on the future of Moray Firth bottlenose dolphin monitoring programme; and relaunched the community-led Marine Biodiversity Monitoring Project.
* Marine data, reporting and assessment – completed preparations for migration of data from old Marine Recorder application into new application.
* Enhanced Marine Protection - Supported Marine Directorate (MD) with the Highly Protected Marine Areas (HPMA) consultation analysis and report, and helped to re-scope the revised policy approach/next steps.
* Marine Protected Areas and Priority Marine Feature management - Review of MPA management measures proposed by MD is ongoing. Working with MD to scope Habitats Regulations Assessment (HRA) process. Supported stakeholder engagement meetings. Submitted SPA (marine and colony) fishing advice to MD.
* Marine Fisheries Management - Initial advice on HRA of Fisheries Management Plans and input to Fisheries Management and Conservation Group.
* Marine Energy – continuing to explore resourcing/ capacity with SG Offshore Wind and Marine Directorate. Scoping advice provided to 2 ScotWind sites and 1 Innovation and Targeted Oil & Gas (INTOG) wind project site. Responded to draft assessments for the Offshore Wind Sectoral Marine Plan and draft policy considerations for strategic compensation delivery.
* Aquaculture - responded to SEPA sea lice risk framework consultation and continued to work towards developing a robust interim approach for casework involving wild salmon interactions.
* National Marine Plan - contributed to first national stakeholder forum, and provided further advice on plan structure and Strategic Environmental Assessment (SEA) process.
* Blue Carbon, coastal ecology & adaptation - work on Scottish Blue Carbon strategy delayed to Q3-4.
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**WE HAVE RESTORED NATURE**

| CORPORATE PLAN OBJECTIVE | SLT LEAD | RAG SCORE | Q2 UPDATE |
| --- | --- | --- | --- |
| Co-lead the production of the new Scottish Biodiversity Strategy (SBS) and develop targets to include in a new Natural Environment Bill | Nick Halfhide | **GREEN** | * SBS Framework Consultation, including SBS, National Parks, statutory targets, 30x30 and Nature Networks, issued on 7th September.
 |
| Scale up Peatland Restoration by delivering Peatland ACTION funding to projects | Robbie Kernahan | **AMBER** | * We are currently projecting putting 6,100 ha of degraded peatland on the road to recovery and meeting our 2023/24 delivery target by the end of Q4. Our projected spend is currently £10.4m on Indirect Capiral and £4.8m on Resource.  This is projecting an overspend on our £14.3m allocation.  We are therefore progressing a bid from the Shared Island Fund to meet our additional budget needs. Most restoration work occurs in Q3 because of wider land management issues at other times of the year.
* Continued to stimulate demand through stakeholder engagement e.g., successful work with Farming Advisory Services to influence ~ 30 Scientific Advisory Committee (SAC) Advisors.
* Guidance on Peat Slide risk assessment published and initiated review of mapping requirements to support more accurate project design/procurement.
* Continued to provide regional training on peatland restoration and targeted Continuing Professional Development (CPD) training on peat slide risk assessment, project design and procurement. Engagement with contractors regarding New Entrants Scheme to help expand the workforce.
* We continued to develop/explore systems to support our work. For example, online Application Portal Phase 1 (business analysis) contract let to help consider greater efficiency and alignment of Peatland Action, Peatland Code and Permitted Development Rights processes.
* Recruited 6 new people to Peatland Action and made significant contribution to new SG 'One Plan' for peatland restoration by all Delivery Bodies.
 |
| 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 seeding greater investment from the private sector | Nick Halfhide | **GREEN**  | * Species prioritisation - Board confirmed the high priority of this work. Met with specialists from environmental non-governmental organisations (eNGOs) to confirm progress and next steps, including links to the Scottish Biodiversity List.
* Fossil Code - the revised statutory Fossil Code was launched in August accompanied by blog and podcast from a prominent palaeontologist, Dr Elsa Panciroli.
* Water scarcity - following a change in the weather in Q2 the water scarcity cross-government group was stood down. We are following up internally and with partners on lessons learned.
* Nature Restoration Fund – ‘Helping Nature’ grants awarded in June, have now been offered (27 projects awarded with funding totalling £4.1m). Awards panel for ‘Transforming Nature’ grants met at the end of September and 7 projects totalling £6.4m were awarded. The value of these grants are indicative as are subject to change during the negotiation process before an offer is issued,
* Published action plan on Highly pathogenic avian influenza (HPAI) monitoring, guidance and communications.
 |
| Demonstrate how agriculture can be transformed with new approaches to deliver targeted outcomes for nature and climate | Robbie Kernahan | **GREEN** | * 2023 AECS: 148 applications allocated to NatureScot (no Improving Public Access applications this year), sufficient case officers assigned and trained to assess them all with case officer assessments mostly completed by end Q2 in order to complete final assessments and approvals in Q3.
* Biodiversity Audit App mainstreamed within SG who lead on scoping future options through a ‘Discovery phase’, although still need to clarify governance for the audit within SG workstreams for Agricultural Reform Programme. Meanwhile, we have completed development and testing of Biodiversity Audit process and score cards with farmers and crofters ready for App developers to build the app.
* Secured Piloting an Outcome Based Approach in Scotland (POBAS) platform and intellectual property rights from Sabbio (App developer) which will provide a starting platform for new contractors. Work to expand POBAS and Biodiversity Audit testing with wider groups of farmers and crofters held back by delays in building Biodiversity Audit app.
* Considerable input to SG policy development through the use of ‘discovery phase’ agile processes to help define the business cases for Whole Farm Plans, Biodiversity Audit and cross-support framework measures. Likely to continue into Q3.
* Progress on embedding 10% and 30% nature rich habitat targets into policy thinking. At least 2-3 occasions SG Agriculture and Rural Economy policy leads quoted these targets to inform policy development independently of NatureScot input.
* Discussions started on ways and means of embedding wildlife management schemes into mainstream agriculture support precipitated by Sea Eagle Scheme Drissaig case.
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**THE VALUE OF NATURE IS RECOGNISED**

| CORPORATE PLAN OBJECTIVE | SLT LEAD | RAG SCORE | Q2 UPDATE |
| --- | --- | --- | --- |
| Inspire people to connect with nature, increasing appreciation of nature’s value through impactful delivery and communication of our work | Nick Halfhide | **GREEN** | * Strategic Funds - Natural and Cultural Heritage Fund (NCHF) Claim 2 and Green Infrastructure (GI) Claim 9 submitted although the NCHF Claim 2 has since been rejected by the Managing Authority (SG); 12/13 NCHF projects completed; 10/12 GI projects completed.
* National Nature Reserves (NNRs) - peatland action work progressing at Ben Wyvis and Kirkconnel Flows (with NatureScot registering for its first carbon credit for Ben Wyvis); visitor management reporting remains mainly positive with good initial results reported from local visitor management measures at Muir of Dinnet; scoping of car park charging pilot; Invasive Non-Native Species (INNS) control on wetlands, peatland and woodland sites. Upland path works progressing at Beinn Eighe and Creag Meagaidh.
* 'Make Space for Nature’ summer campaign: creation of engaging content across TikTok, Snapchat and Meta channels encouraging people to help nature in 'five ways for five weeks'. We've seen strong performance across all channels which exceed the two campaign Key Performance Indicators (KPIs) this quarter.
* Scottish Outdoor Access Code (SOAC) summer campaign (paid social media and radio) completed; new SOAC website content on wildlife disturbance (including Gaelic translation) and deer management published and responsible mountain biking video created with Developing Mountain Biking in Scotland (launched during Cycling World Championships).
* Active support and leadership provided for the greenspace and biodiversity elements of the NHS Climate Emergency and Sustainability Strategy and the refresh of the Scottish Government’s Learning for Sustainability Action Plan
* Presentation on Green Health Partnerships to Directors of Finance annual conference.
* First meeting of the Long-Distance Routes forum held since before COVID19 with circa 25 routes represented.
* Publication of latest SOAC awareness and Nature Omnibus survey reports
 |
| Influence the regulatory, policy, market and institutional infrastructure needed to stimulate private sector investment into nature | Robbie Kernahan | **GREEN** | * Facility for Investment Ready Nature in Scotland (FIRNS): Funding team recruited and in place. Assessments carried out and grant awards announced by Minister. 27 projects were funded with a spend of £3.6 million (£1.8 NatureScot/SG, £1.8m Lottery). Ministerial announcement of Round 2 planned for 2 October at Ecosystems Knowledge Network’s (EKN) Scottish Nature Finance Forum.
* Hampdens: Residential gathering held to facilitate further development of this work. South of Scotland Enterprise (SOSE) supporting next phase of work on the Heart of the Borders expansion project
 |
| 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** | * Capacity: E-grade Natural Capital Manager, who will lead on NatureScot’s policy and advice on Natural Capital, has been recruited.
* Contracts to develop next phase of landscape tool being let.
* Natural Capital Asset Index re-basing workshops underway involving internal and external expert input.
* Paper on landscape partnership prioritisation within NatureScot prepared and shared.
* Natural Capital awareness sessions offered across NatureScot, and SharePoint/website information material being revised and developed.
* Lessons learned from Natural Capital Landholding tool template shared with SG whole farm planning ‘discovery phase’ team.
 |
| Promote understanding and awareness of skills and capacity needs for the nature-based sector | Nick Halfhide | **GREEN** | * New Land-based Apprenticeships will include 5 new Units developed by NatureScot related to Peatland, Nature-positive Amenity Grassland and Regenerative Agriculture.
* Video commissioned to showcase a range of nature-based jobs.
* Joined the Chartered Institute of Ecology and Environmental Management (CIEEM)-led ‘Green Jobs for Nature’ Partnership Project, a 2-year communications campaign focussed on people/groups not adequately represented in the nature-based sector.
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**WE HAVE TRANSFORMED HOW WE WORK**

|  CORPORATE PLAN OBJECTIVE | SLT LEAD | RAG SCORE | Q2 UPDATE |
| --- | --- | --- | --- |
| Deliver new ways of working to stimulate achievement of our ambitions | Jane Macdonald  | **GREEN** | Excellent progress has been made throughout the quarter with all commitments from our transformation delivery programmes and other enabling services either achieved or substantive progress made against longer term plans. Resource has also been provided in response to short term urgent requests to allow progress to be made on major projects within other objectives e.g. deployment of Senior Developer to provide Technical Architect support to InformedInsights. **Workplaces:*** In line with our Estates Strategy, which aims to reduce space, cost and carbon emissions, the Silvan House relocation to Meadowbank House has been completed successfully and staff have settled in well to the new environment. This move will deliver an annual saving of more than £200,000.
* Our new NatureScot Way Workplaces Programme Manager is now leading on prioritised location reviews which will accelerate progress. Battleby Business Case concluded and staff consultation on details of relocation commenced. Work continues on the Dunoon options appraisal and business case. In addition to the Edinburgh savings above, recent decisions (Battleby, Stirling, Clydebank) will save around £50,000 per year, and more importantly we will also avoid over £1,000,000 capital costs for impending structural works.
* GGH Air Con project has progressed following detailed consideration of requirements. This project will be delivered in Q3 and will address a key business continuity risk.

**Public service reform*** As part of Public Service Reform (PSR), NatureScot led a review of Environment and Economy Leaders Group (EELG) Estate lease dates. This included hot spot locations where organisations can work more closely together on Estate rationalisation.

**Finance**Draft 2022/23 Annual Report and Accounts were prepared and subject to external fieldwork review by Mazars (our auditors) in Q2. We remain on track to have the audited accounts completed and signed in November.**ITIP and Digital Delivery:*** Silvan House Data Centre was shut down and core network re-architecture work completed with very minimal business disruption. IT work to support entry to Meadowbank House was also completed to plan.
* Full access to key business systems now hosted/ accessed via the Cloud (including email, MS Teams, Oracle Fusion, our electronic records and document management system (eRDMS) and the intranet) was maintained throughout the recent failure of the GGH aircon system, a much-enhanced level of resilience for business continuity.
* Additional Click-Share units and cameras have now been configured and distributed to larger offices in line with agreed prioritisation. This will improve our connectivity and the quality of calls in support of our hybrid working model. Any remaining sites are offices with single figures occupancy. These will be addressed in Q3.
* Appointment of Idox plc to assist with the options appraisal for GIS cloud migration; discovery workshops have been completed and work is on track for completion of summary report and recommendations by the end of Q2.
* Q2 saw us more than 40% of the way through this year's planned laptop replacement. Supplies of additional laptops are on order to allow replacements to be completed in Q3. Most of the older mobile phones in circulation have now also been replaced with up-to-date models. This is again critical to the success of our hybrid working model and business resilience.
* A project is underway to develop an online funding application portal and grant management system. This aims to improve our own efficiency as well as provide a more inclusive process for those applying for our funds. It is due to complete in Q3. Workshops involving the business, external stakeholders and customers all completed.

**Net zero:*** GGH PV project is underway and will provide a further 100kW of renewable energy as part of delivering our net zero plan. This project will be completed by mid Q3.

**Data strategy implementation*** Work has continued to embed the data strategy and establish measures with a view to having a clear plan in place to improve data maturity by the end of the year. Work in Q2 has focussed on mapping key data flows and producing data concept models for delivery plans. This will in turn support the implementation of new technologies to deliver our work.

**Communications*** Formal feedback results from the staff conferences held in May found that 80% of respondents agreed that their expectations of the events were met, and 46% cited clarity of understanding of NatureScot's purpose.
* Our intranet won a silver award at this year's Intranet and Digital Workplace Awards. The annual global awards recognise outstanding contributions to the fields of intranets, digital workplaces, and digital employee experience.
 |
| Transform our individual and collective leadership capability | Jane Macdonald  | **GREEN** | **People strategy implementation*** Our People Strategy will be delivered by a new People Programme. We are planning a soft launch in Q3. In the meantime, work continues across several high priority actions which will be absorbed within the delivery programme.
* Phase 2 of skills requirements work underway and to be concluded in Q3. This will help us to understand any skills gaps and is critical to delivering a strategic workforce plan.
* Inner Development Goals framework has been introduced to Extended Leadership Team (ELT) with a view that we embed this into our leadership offering and Performance Development Conversations (PDC) process.
* Audit of Insights within ELT undertaken. Conclusion of Insights for all ELT in progress; and met with Transport for Wales leadership lead to review how to embed this tool into our leadership development offering.
 |
| Sustain our focus on developing a happy and resilient workforce | Jane Macdonald  | **GREEN** | * Career MOTs model has been sourced with supplier engagement to be confirmed in Q3. Taken together with our developing talent programme these actions allow us to develop our staff in line with our ambition to be an employer of choice and will further strengthen succession planning in support of strategic workforce planning.
* In order to increase disclosure rates we will run an awareness raising campaign for Equality, Diversity and Inclusion (EDI) with a focus on data cleanse and promotion of data as a tool. We will also look at whether the structure of our questions acts as a barrier to completion rates. This will help us to ensure that we can support our employees in ways appropriate to their needs.
* Implementation of an interim flexi system is delayed due to staffing resources issues, but is due to be reviewed in Q3. This will support the policy changes brought in to increase the agility of our workforce.
* Lone working review in progress as is the review of H&S Coordinators role. This will ensure that we are responsive to emerging needs and issues across the organisation in continuing to ensure the health, safety and wellbeing of our people.
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# PERFORMANCE DASHBOARD

# A dashboard is a high level overview of performance. For more information please click on the measure title that will take you to the source data. RAG status has been removed from the dashboard until we have mature measures.

## WE HAVE PROTECTED NATURE

| **Measure** | **Performance Overview** | **Actual** | **Cause** | **Response** |
| --- | --- | --- | --- | --- |
| [**Stakeholder interest in MPA Information**](https://naturescot.nexus.objective.co.uk/documents/A3962324/details) | **No Graph Available** | 778 | The Highly Protected Marine Areas page had an engagement rate of 67.4% (58/86 were engaged sessions). The Marine Protected Area (MPA) had an engagement rate of 62.9% (435/692 were engaged sessions). As this is a new measure we do not have enough data points to know whether or not this level of engagement is where we expect it to be. | This is the first quarter using the new system for reporting stats. Engaged sessions are when a user is on the page for more than 1 second and does something. The HPMA page has been republished under the title Enhancing protection of our seas.  |
| [**No. of restoration projects for which we’ve provided advice**](https://naturescot.nexus.objective.co.uk/documents/A3938660/details) | **20 restoration projects where we provided advice** | 20 | This quarter appears to have been a consolidation period and there are fewer enquiries from new projects than last quarter. One active project is on hold following one of the partners terminating their involvement. | We have continued to provide advice to internal and Scottish Government colleagues as well as enhancement related contact with NGOs such as Flora and Fauna International and Blue Marine Foundation. |
| [**License applications turnaround time within standards**](https://naturescot.nexus.objective.co.uk/documents/A3972998/details) | **Not Ready to Report** |  | The standards have not yet been agreed. | Once standards have been agreed we will then report against them. The aim is to be able to report by in Q3.  |
| [**No. and Types of licences that are processed through the online system**](https://naturescot.nexus.objective.co.uk/documents/A3920276/details) | **At the end of Q2, 0 licences are in progress, 7 were issued, 13 refused, 0 revoked and 9 withdrawn**  | 29 | The numbers are usually higher for the period March to mid-May as that is the main gull nesting season. | The online licensing system development is paused whilst we review the project. Internal Audit will complete their report and we will progress based on their findings. |
| [**No. of catchments with established beaver populations**](https://naturescot.nexus.objective.co.uk/documents/A3920275/details) | **There are currently 4 beaver catchments** | 0 | This quarter no new licences were issued for beaver translocations and no new beaver populations were discovered. | It is anticipated we will receive an application for the Spey catchment. Beauly catchment has indicated they want to do more consultation. |
| [**No. of successful resolutions to the mitigation requests**](https://naturescot.nexus.objective.co.uk/documents/A3963728/details) | **Not Ready to Report** |  | This will be reported on a six-monthly basis due to the manner of gathering data. | This will be reported at the end of Q3 with a full update.  |
| [**% of holding objections for formal planning applications**](https://naturescot.nexus.objective.co.uk/documents/A3918504/details)  | **There were 6.21% holding objects in Q2** | 6.21% | One more holding objection compared to Q1 (increase from 4.79% to 6.21%). Roll out of the Shared Rural Network telecom mast development programme was responsible for 4/10 holding objections. | We have been reinforcing messages re. information/assessment requirements for planning submissions, including further standing advice re. landscape assessment. |

## WE HAVE PROTECTED NATURE

| **Measure** | **Performance Overview** | **Actual** | **Cause** | **Response** |
| --- | --- | --- | --- | --- |
| [**No. of individual farm businesses that have completed a biodiversity audit**](https://naturescot.nexus.objective.co.uk/documents/A3920272/details) | **No Graph Yet** | 67 | 58 land managers have now accepted a NatureScot Management Agreement and another 9 are engaging with Biodiversity Audit testing.  | 67 Land Managers are directly testing the NatureScot biodiversity audit process either through a NatureScot Management Agreement or as part of partnership stakeholder working.   The aim will be to create whole Biodiversity Audits on each of these farms. |
| [**No. of marine renewable energy consultations we provide advice on avoiding impacts on nature**](https://naturescot.nexus.objective.co.uk/documents/A3920434/details) | In Q2 there were 126 consultations on marine renewable energy | 126 | Consultations to note: Berwick Bank additional information, scoping for Sound of Islay tidal development, scoping advice for two ScotWind developments and 1 cable marine licence (Cambois) issued. | Of the 126 consultations, 114 were on wind, 10 on tidal and 2 on wave.  |
| [**NatureScot is in partnership with new**](https://naturescot.nexus.objective.co.uk/documents/A4124199/details) **recipients** | **No Graph Yet** | 0 | Only funding round open this quarter was for existing Transforming Nature Development phase recipients. In Q1 there were 22 new recipients for the Helping Nature stream. | Next quarter gives us a better opportunity to gather more data regarding this measure including for applications coming in for NRF October deadline |
| [**No. of hectares of natural habitat put on the road to recovery using private finance**](https://naturescot.nexus.objective.co.uk/documents/A3919222/details) | **Not Ready to Report** |  | Reporting for this measure has been delayed due to unforeseen circumstances. | This measure will be removed from the quarterly report and included as a corporate plan measure in the annual report.  |
| [**External funds raised by SMEEF and the amount allocated to projects.**](https://naturescot.nexus.objective.co.uk/documents/A3736347/details) | £119,481 of external funds were raised by SMEEF in Q2 | £119,481 | Grants have been allocated and spending is underway. The Q2 figure of £119,481 includes £118k from NRF. Payments from private sources complete. | Fundraising is ongoing, and grants expenditure is underway. We don’t have a target for this measure in place yet, but we are ahead of where we had planned to be.  |
| [**Area (hectares) of peatland put on the road to recovery**](https://naturescot.nexus.objective.co.uk/documents/A3736343/details) | 1636ha have been put on the road to recovery so far this year | 1636 ha | A total of 1,636 ha has been put on the road to recovery this year to date which is made up of 305 ha of completed projects, and the rest being part of projects still underway. | Outturn target has been reduced to 6,100ha in response to applied confidence levels on the 8,180 ha. We are confident in making 6,100ha as most restoration work occurs in Q3 because of wider land management issues at other times of the year. 33 additional projects are being considered for 2023/24. |

## THE VALUE OF NATURE IS RECOGNISED

| **Measure** | **Performance Overview** | **Actual** | **Cause** | **Response** |
| --- | --- | --- | --- | --- |
| [**No. of Make Space for Nature Webpage visits**](https://naturescot.nexus.objective.co.uk/documents/A3920259/details) | 42,000 website visits on the Make Space for Nature page in Q2 | 42,000 website visits | There were 42k views of the summer tips webpage (35k of these being new users). 63% of the traffic to the MSFN summer campaign webpage came via Snapchat | Q2 activity exceeded campaign KPIs (70% web engagement rate/1% CTR) with summer results returning 98.6% and 2.19%. Q3 activity includes an autumn campaign with a new social media influencer and podcasts |
| [**No. of Landscape partnerships that NatureScot is involved in that use a natural capital approach**](https://naturescot.nexus.objective.co.uk/documents/A3919298/details) | **Not Ready to Report** |  | The data set has been investigated by the team and upon further work will gather historic data. | New meeting set to discuss possible alterations to this measure to progress the data set and establish historical data. |
| [**Nature-restoration jobs and skill development opportunities created through our activity**](https://naturescot.nexus.objective.co.uk/documents/A3736341/details) | 160 nature restoration jobs and skill development opportunities this quarter  | 160 | Working with Rivers was a 3-month placement scheme that finished at the end of June. This was very successful with many of the 21 placements securing jobs either with the Fisheries Trust employer or another employer. The CEMVO scheme came to an end in Q1 | We are setting up a similar scheme next year for 10 placements, but for 6 months in partnership with Graduate Career Advantage Scotland (GCAS). Placements will start next April. We have now applied to the ‘New to Nature’ scheme to fund 2 CEMVO placements and are awaiting a response |
| [**National Nature Reserve online engagement**](https://naturescot.nexus.objective.co.uk/documents/A3736345/details) | engagement for Q2 was 873,319 on our NNR webpages | 873,319 | Increase in engagement with a few peak days for each reserve. | New Meta measures no longer counting engagement on shared NNR page so seeing a significant drop in count for this page. |

## WE HAVE TRANSFORMED HOW WE WORK

| **Measure** | **Performance Overview** | **Actual** | **Cause** | **Response** |
| --- | --- | --- | --- | --- |
| [**Sq meterage of floorspace dedicated to NatureScot**](https://naturescot.nexus.objective.co.uk/documents/A3955829/details) | **No Graphs to report** |  | This measure is in further development now that the workplaces programme manager is in post | This data is currently being collated and will be reported in Q3 once all historic and current data can be collated correctly. |
| [**Total emission reduction**](https://naturescot.nexus.objective.co.uk/documents/A3736962/details) | No update this quarter  |  | The Emissions data is being processed and will be reported in Q3. | Due to the time to process the data we will be reporting Q1 and Q2 data in Q3 once processed. |
| [**Workforce Diversity**](https://naturescot.nexus.objective.co.uk/documents/A3724366/details) | **Age**Staff ages this quarter: 15 staff are between 16 and 24, 141 staff are between 25 and 34, 173 are between 35 and 44, 244 are between 45 and 54, 204 are between 55 and 64 and 25 are 65 or over **Disability**19 staff have declared a disability **Ethnicity**Staff workforce ethnicity: 0 staff identify as Black Scottish/British, 612 have not declared, 10 prefer not to say, 15 identify as other, 164 identify as white and 1 identifies are Caribbean |  | Cultural norms remain. We continue to work in Partnership to tackle these | We will continue to work on Equality, Diversity and Inclusion (EDI) actions and increase opportunities within diverse communities.  In Q3 & Q4 the POD Senior Adviser will encourage staff to complete their EDI data and will restructure and amend the questions we ask staff to complete, to encourage a higher response rate. |

## FINANCE

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Financial Metrics (£m)** | **Measure** | **Budget** | **Forecast** | **Variance** | **Rating** |
| Resource Budget | Outturn within 1% of final budget | 60.8 | 61.2 | (0.4) | **ON TRACK** |
| Capital | Outturn within 5% of final budget | 2.3 | 2.5 | (0.2) | **MINOR SLIPPAGE** |
| Indirect Capital | Outturn within 5% of final budget | 16.0 | 15.7 | 0.3 | **ON TRACK** |
| Paybill | Outturn within 1% of final budget | 39.0 | 39.3 | (0.3) | **MINOR SLIPPAGE** |
| Project Allocation | Outturn within target allocation range | 13.1 | 13.4 | (0.3) | **MINOR SLIPPAGE** |
|  |  |  |  |  |  |
| Peatlands | Outturn within 1% of final budget | 14.3 | 14.3 | 0.0 | **ON TRACK** |
| Farming with Nature | Outturn within 1% of final budget | 2.6 | 2.6 | 0.0 | **ON TRACK** |
| Better Places Fund | Outturn within 1% of final budget | 0.9 | 0.9 | 0.0 | **ON TRACK** |
| Nature Recovery Fund  | Outturn within 1% of final budget | 7.7 | 7.3 | 0.4 | **MINOR SLIPPAGE** |
| FIRNS | Outturn within 1% of final budget | 1.8 | 1.7 | 0.1 | **MINOR SLIPPAGE** |

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

| Financial graphs | summary of performance |
| --- | --- |
| A graph showing a line graph  Description automatically generated with medium confidence**cid:image001.png@01DA1965.BFB36F90**image | The current forecast is £13.385m against a project budget of £13.074m. The confidence levels / financial risk of slippage on our corporate plan objectives is £2.325m. Although above tolerance, there is opportunity, based on the surrender profile, to bring expenditure in line with budget over the rest of the year.The paybill forecast is currently £0.3m above budget (this is made up of £66k from Nature and Climate Change, £153k from Green Economy £69k from Business Services and Transformation and £12k EO and Comms) based on the pay settlement assumption at the start of the year. We expect sufficient savings to be realised through leavers and vacancy gaps to remove this variance by year end, with any additional pressure to be covered by flexibility on project or programme spend.The paybill split between core and ring-fenced funding is shown here with round £300k/month being spent on ring-fenced posts.  |

## Finance

**Resource Budget Performance**

* An overspend of £0.355m is currently forecast on the Resource budget, however it is anticipated that we will end the year within our target outturn. At the same point in 2022/23 an overspend of £0.591m was forecast.
* We received confirmation from SG of a budget reduction of £0.705m for IFRS16 leases. This is higher than our current forecast for IFRS16 leases and we understand that there will be an opportunity later in the year to revise this figure. We are currently confirming this approach with SG.
* We continue to use confidence levels against the Corporate Plan Objectives. The Objective Leads are expected to reduce their allocation by this value and bring their Objective programme in on budget by year end.
* Finance team colleagues engage with Objective Leads, on a monthly basis.
* Our Farming with Nature (FwN) budget reduced from £1.285m to £1.083m. During the quarter, SG confirmed that the £1.5m SRDP retention can be retained and used to deliver the Farming with Nature programme.
* The Facility for Investment Ready Nature in Scotland (FIRNS) budget remains at £1.8m. Grants are currently being awarded to deliver the programme. We are forecasting an underspend of £0.14m.
* The budget management exercise began in early Q2, challenging uncommitted budgets and ensuring that allocations are optimised with respect to high priority work considered achievable during the remainder of the year.
* We will continue to monitor project surrenders throughout the year, using our knowledge and experience of previous slippage patterns to ensure that appropriate demand is ready to allocate when funds become available.
* The paybill outturn is currently projected to exceed the budget by £0.329m. This follows the early approval of staffing requirements for 2023/24 in response to identified resourcing pressures. This proactive approach ensures that we can respond to the developing needs of the organisation in the right timeframe. It is anticipated that sufficient savings will be achieved throughout the year to meet the paybill budget.
* If the 2023/24 SG based pay settlement is agreed the Paybill forecast cost will increase by c£650k. A lower settlement cost is factored into the existing forecast.

**Indirect Capital Funding Programmes (including Peatlands)**

* We are forecasting an overall underspend on Indirect Capital of £0.326m.
* Peatland Action restoration, conservation, management and associated employee costs for 2023/24 remains at £14.25m. The first official forecast for 2023/24 will be completed in October. We have received the £864k income for Peatlands and remain over-allocated on Indirect Capital.
* The Nature Recovery Fund (NRF) budget for 2023/24 is currently £6.750m. This is split £1.750m Resource and £5m Indirect Capital. We have received the additional £1m for Indirect Capital but there is a possibility of handing some of this back to SG at SBR.
* Awards are currently being agreed for Nature Recovery Fund and Peatlands, with an over-allocation approach to ensure that full budget spend is achieved.
* The impact of slippage on large value programmes such as NRF presents a risk to spend levels. The anticipated slippage is provided for at 10% of the forecast outturn (£0.438m). This is split to Indirect Capital (£0.326m) and Resource (£0.112m) budgets.

**Structural Funds Programmes**

* Following the delays to the claim timescales advised by the Managing Authority (SG) earlier in the year and the rejection of our penultimate NCHF claim at the end of September, our cash drawdown requirements have increased to £20m rather than £10m, as initially forecast. We have drawn down £16m at the end of September and have updated our Sponsor Team on the additional requirement.
* The handling of our penultimate NCHF claim by the Managing Authority has increased the risk of de-commitment over the remainder of the programme. We are increasing the resource employed to manage claims for our Structural Funds Programmes and are engaging with the Managing Authority to resolve the challenges raised.

**Capital Budget Performance**

* An overspend of £0.187m is forecast on the capital budget following a review of the Deerline and online licensing projects.
* We will continue to review and actively manage the capital budget (in particular for Deerline and other projects where costs have increased) to ensure outturn can be brought in line with budget for the year.

**RISK**

| **Corporate Risks** | **Risk Changes** |
| --- | --- |
|

|  |
| --- |
|  |

One risk is very high, 3 are high and 6 are medium | Changes to Corporate Risk Scores↑ **1** Gone Up ↓ **0** Gone Down Change to Corporate Risk Register - proposed↗ **0** New Corporate Risks ↘ **0** Risk De-Escalated  |

## Risk

1. The Corporate Risk Register holds the current corporate risks for NatureScot. Activity and project risks are managed within the risk management system, which underpins the corporate risk register. All risks are managed in line with the Risk Management Policy and monitored regularly for compliance and visibility of impact.
2. There are currently 10 approved Corporate Risks, 6 medium, 3 high and 1 very high. During Q2 the overall score for risk 586 - Structural Funds – failure of programme delivery and/or funding mechanism increased from high to very high; and the likelihood of risk 21 – Budget management decreased, but it hasn’t impacted the overall risk score.
3. During Q2, the Corporate Risks have been reviewed to ensure that they still require to be managed at the corporate level. None of the current corporate risks have been required to be archived or de-escalated this quarter.
4. For risk no. 21 Budget Management, the likelihood has been reduced as this risk concerns core budget. The overarching financial risk of de-commitment on structural funds is not included in this risk and is reported in risk 586.

**SLT are requested to note the performance of the corporate risks.**

**PEOPLE**

| **People Metrics** | **Status** |
| --- | --- |
| **Wellbeing  - Accidents are slightly out with our target levels and Near Misses are within target levels** | **Amber** |
| **Key Messages:*** Our Health & Safety engagement theme for Q2 was about the safe use of work equipment. We were pleased to see the number of safety conversations more than doubled this quarter.

**Accidents & Near Misses*** **Target: to stay within variations around the mean (4.4 for number of accidents & 5.8 for number of near misses) -** Q2: Accidents = 6; Near Misses = 5

There has been no significant change from Q2 2022/23, however there have been a number of tick bites which has contributed to the slight increase in accidents this quarter.  |  |
| **Change Management, Communication, Leadership & Empowerment Pulse Survey** | **Green** |
| **Key Messages:** * The response rate was 48%, a slight decrease from May 2023 (52%; ↓4%).
* The ‘Employee Net Promoter Score’ where colleagues would proactively recommend NatureScot as an employer was -4, an increase from July 2022 (-7; ↑3). The Engagement Index has also improved, with a score of 6.75, compared to July 2022 (6.5; ↑0.25).
* 76% said they were 'proud to work for NatureScot', a slight increase from July 2022 (72%; ↑4%).
* 63% of the pulse survey respondents (in the survey from Q2) said that they rarely think about looking for a job with another company, this is an increase of 12% from July 2022 (51%; ↑12%).
* Responses to all change management questions showed a positive increase. Comments made around change projects which have been managed well, included the move to cloud based Objective Nexus and the organisational design work. Comments about change projects not managed well, included changes to area offices.
* There was an increase of 6% in people who felt well-informed about what we are doing outside the organisation, although there was a decrease of 10% who felt well-informed about what is happening inside NatureScot (from May 2022 responses).
* 65% thought that senior leaders are visible and approachable, an increase from Sep 2022 (55%; ↑10%). Confidence in senior leaders has also increased to 63% from Sep 2022 (57%; ↑6%)).
* 52% thought decision-making was ‘open and transparent’, an increase from Sep 2022 (45%; ↑7%). Although, there was a reduction to 50% in those who thought that ‘they have an opportunity to affect decisions that impact on their role’, from September 2022 (58%; ↓8%).
 |  |
| **Capacity** | **Green** |
| **Sickness – Target: less than 2 days per person per quarter*** Q2: 1.60 days per person sickness (1.29 days in Q1; ↑0.31 days). Although the number of days lost to sickness has increased, the rolling annual average is 6.4 days, which compares favourably with the annual UK average days lost to sick absence is 7.8 days[[1]](#footnote-1).
* Short-term absences continue to be the bulk of working time lost in Q2; only 2.5% of 237 sick absence occurrences in Q2 were long term.
* The top reason for short-term sickness reason in Q2 was coronavirus, with 199 days lost.

**Annual Leave*** Q2: 57% of holiday leave booked or taken; this is better than target for Q2 in terms of accrued leave booked or taken i.e., 50%.
 |  |
| **Development - Key areas of information casework are health & wellbeing; short- and long-term absences; performance; reasonable adjustments and redeployment** | **Green** |
| **Formal Casework – Target <=50% of informal casework** * Q2: 13.8% (4 cases), with one case in each of the following categories: dignity at work, grievance, discipline hearing and employment tribunal
 |  |
| **Informal Casework*** Q2: 29 cases. The key categories are health & wellbeing; short- and long-term absences; performance; reasonable adjustments and redeployment.
* The introduction of the Employee Passport, which allows colleagues to document reasonable adjustments and carry these with them from team to team and role to role will aid greater awareness around reasonable adjustments and facilitate clarity around individual needs.
* The introduction of Read and Write Gold software, which will be open to all, should greatly improve how reasonable adjustments are facilitated.
 |  |
| **Workforce profile**  | **Amber**  |
| **Turnover – target: increase maintain in the range of 8-10%*** Q2: average turnover is 11% (over last 12 months), with 22 leavers in Q2. The percentage stays the same due to an increase in average headcount.
* 38% left for personal reasons, 30% were colleagues leaving for alternative employment and 11% of these were retirements/early retirements.
* The graph below shows that there has been a gradual, but steady increase in the turnover rate since the lockdown restrictions were lifted and the recruitment market became more competitive.

Employee Turnover %  XmR chart showing the % rates of employee turnover per quarter, as an average over the preceeding 12 months (otherwise known as a rolling annual turnover).  So Q1 21/22 represents the turnover for that quarter + the previous three quarters, divided by four.  Data shows seasonality in general, but with a recent downturn.(This graph shows the employee turnover)* We have seen a significant increase in the return rate for exit questionnaires during Q2 (20 in total), with 91% of leavers responding (Q1 43%; ↑48%). There are no significant issues emerging from the feedback so far, however we plan to summarise the feedback bi-annually and share with the relevant stakeholders.
 |  |
| **Internal Movement** | **Green** |
| **Target: increase internal moves** • Q2: Internal moves have reduced again this quarter, with 34 internal moves (37 in Q1). This is 4% of our headcount of employees moving into alternative roles through promotion or same grade reassignments. It includes those returning to their substantive post following a temporary reassignment.* In Q2 there have been 42 recruitment campaigns; 3 (7%) have failed to attract a successful candidate. In comparison, there were 59 recruitment campaigns in Q2 of 2022/23, and 11 (19%) failed campaigns. Recruitment exercises in Q2 have reduced compared to previous months.

**Headcount and FTE****This graph shows the trend of the organisations headcount and FTE to date**(This graph shows the trend of the organisations headcount and FTE to date)* In Q2 the headcount is 802 and FTE is 739. Since Q1 of 2022/23 the headcount and FTE have been steadily increasing. This is due to the increase in project funded posts in Peatland Action, Scotwind and Transformative Land Use. The peak in Q2 of 2021/22 was due to the Programme for Youth Employment.
 |  |
| **Retirement Profile** | **Amber** |
| * Q2: 178 employees are aged 57+. This is predicted to rise to 228 in 2025/26 (28.46% of current headcount).
* In Q2, 3 employees retired (16% of leavers in Q2). The average retirement age for Q2 is 61.5, which is a reduction from Q1.

This graph shows average of employees retiring(This graph shows average of employees retiring) |  |

**Annex A – Corporate Risk Register (High Risks)**

| **RISK TITLE** | **DESCRIPTION** | **CONTROLS** | **IMPACT** | **LIKLE-HOOD** | **RISK LEVEL** | **COMMENTS** |
| --- | --- | --- | --- | --- | --- | --- |
| 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 antivirus protection. Upgrades are performed automatically and can also be applied in an ad-hoc manner\*All PCs are protected by Sophos antivirus protection. Upgrades are received on a daily basis but can be applied ad-hoc\*All incoming emails are scanned for viruses. \*All internet access, are scanned for viruses via Zscaler service.\*Raise staff awareness of potential risks relating to email links and infected documents through regular communications.\*Sandbox controls/ environment implemented\*Control of USB devices \*Awareness raising with staff via Blogs and update articles\*Incident Management Group in place\*Corporate data backed up to cloud  | 4 | 3 | High | At present we see no let up in the "high" risk status for the organisation, if anything, the risk is increasing as state actors look for alternative ways to attack Government agencies (so perhaps there's a route to Scottish Government infrastructure through our environment for example). There has been an increase in very sophisticated phishing attacks (hand crafted) recently, combined with social engineering. We must ensure staff at all levels of the organisation are aware or the risk |
| 253 - Peatland restoration target and budget. | As a result of the immature and complex operating environment, there is a risk to: meeting the annual Peatland ACTION restoration hectare target; and spending the annual budget. | • Realistic planning• Invigorating demand• Real-time monitoring• Increasing resilience to change in projections• Regular and robust review and control• New Guidance on operating during nesting season being update to allow risk based approach to operations during that period. | 4 | 3 | High | The likelihood of the risk remains 3 (high) because: - We currently have limited projects to have confidence against our 6100 ha. target. The uncertainties around peatland code, green finance and wider land management consideration are the key reasons for a limited pipeline. - If we do make this target, there is a risk of overspend given that the cost/ha is much higher that the budget - we have confidence in spending our £4.3m resource budget because of the demand for the Project Development Support Scheme (PDSS) This is despite success if controls - more stringent/robust programme planning - stimulating demand through various communications - progress on the speed of Permitted Development Rights (PDR) prior-notification process - operating in the bird breeding season, - expanding our PO network/capacity - expanded contractor capacity - comfort with technical guidance - supported the Peatland Code process There is less risk on the resource budget due to overcommitment. Thus, the focus of our controls are on: - POs focused converting demand into projects. - accelerating PDSS to bring forward projects into 2023/24 - use of standard costs to bring cost/ha under control. - exploring use of EU Shared Islands Fund to bring in resources for capital projects - if needed. |
| 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 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. | \* 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 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. | 4 | 3 | High | Risk continues to be High for NatureScot. Prioritisation and budget scenarios work complete and will be covered at SLT on 19 September. Separately, discussions underway with The Environment and Forestry Directorate (ENFOR) on agreeing a path to a balanced budget. Pay remit discussions indicate new additional pressures emerging that will also need to be taken into account. |

1. CIPD Health and Wellbeing Report 2023 [↑](#footnote-ref-1)