

29 June 2021
Online

MINUTE OF BOARD MEETING

ATTENDANCE

Trustees

Patrick Cadell
Alan Dobie
Richard Eastmond
John Finney
Dave Gibson
Jim Gibson
Phil Graves
Clare Jefferis
Chris Loynes
Raymond Simpson
Jane Smallman – Meeting Chair
Andrew Whitfield
Sheila Wren

Staff

David Balharry – Chief Executive
Kevin Lelland – Development & Comms
Emma Reed – Award & Engagement
Kerry Ross – Finance & Resources
Kevin Cumming – Land Operations Manager, South (item 22)
Nikki Gordon – Carbon Officer (item 12)
Helen Mason – Secretariat
Clare Pemberton – Secretariat
Iona Sutherland – Secretariat (minute taker)

Apologies

Emily Henderson - Trustee
Mike Daniels - Policy & Land Management

1 WELCOME, INTRODUCTIONS, APOLOGIES & CONFLICTS OF INTEREST

Jane Smallman welcomed everyone to the meeting and requested declaration of any conflicts of interest in relation to the meeting: there were none. Trustees **noted** that the Register of Interests would be updated and would be appended to the call for the meeting in future **[Action Point 17]**.

2 MINUTES OF LAST MEETING (INCL. OUTSTANDING ACTIONS)

Trustees **approved** the draft minute and draft confidential minute of the Board meeting of 22 March 2021.

Outstanding actions to note:
(from March Board minute action point table)

Action Point 7

The Standing Orders would be updated to reflect the Committee terms of reference as set out in the Scheme of Delegation, and also to align with the revised Articles of Association. Each Committee would update its own terms of reference and pass to the Governance Committee to review to ensure consistency.

(No. 6 on June action point table)

Action Point 16

The Trading Co. Review had been carried forward to 2022 owing to implications arising from the development of Corporate Strategy.

(No. 10 on June action point table)

Action Point 17

An Anonymous Donations Policy would be produced by the Finance Committee following the Fundraising Committee's review of the Ethical Donations Policy.

(No. 11 on June action point table)

Action Point 21

Assessment of the priorities and impacts of the Trust's engagement work would be considered as part of the Corporate Strategy development.

(No. 15 on June action point table)

Nº	From	Action Point	Owner	Status
1	Sep 2019	Continue contact with LDNP on Glenridding Common lease	MT	Ongoing
2	Jun 2020	Consider Board Development	MT	Ongoing
3	Dec 2019	Circulate upcoming events	ER	On hold
4	Dec 2019	Abridged fund review spreadsheet to be made available to Trustees	KR	c/f to Q3 to allow time for completion and Finance Committee review
5	Jun 2020	Provide: analysis of missing aspects in governance thread; annual business cycle; clarity on roles and responsibilities, linking into Scheme of Delegation (SoD)	KR	c/f Sept 2021 Board meeting
6	Sep 2020	Revise Committee remits, to take into account the SoD, and bring to the Governance Committee for review	KR	Standing Orders to be updated in line with Committee remits in SoD, and revised Articles. Each Committee to update own remit & GC to review all.
7	Dec 2020	Consider how to increase Trustee engagement with Trust properties	DB	Discharged
8	Dec 2020	Review position of Fundraising Committee convener after Trustee election	Trustees	Discharged
9	Mar 2021	Consider appropriate format and means for briefing Trustees on land management activities	DB	Discharged
10	Mar 2021	Trading Co. Review	KR	c/f 2022
11	Mar 2021	Produce Anonymous Donations Policy and present to Finance Committee for approval	KR	c/f Q3, following review by Fundraising Committee
12	Mar 2021	The relevant Trustees to sign the documents relating to the Annual Accounts	KR	Discharged
13	Mar 2021	Annual Review of Investment Policy	KR	Initial review carried out. Finance Committee to undertake further review & bring recommendations to Dec 2021 Board mtg
14	Mar 2021	Produce Equality, Diversity & Inclusion (EDI) action plan with clear objectives, top line targets and the financial investment	KL	Discharged
15	Mar 2021	Assess priorities & impacts of engagement work, as part of Engagement Review process	ER	Discharged. Engagement work priorities to be integrated with Corporate Strategy developments
16	Mar 2021	Produce costed roadmap for carbon credibility along with proposals for managing cultural change within the Trust	MD	Discharged
17	Jun 2021	Update Register of Interests	KR	Sep 2021 Board meeting
18	Jun 2021	Produce budget for staffing and resourcing EDI objectives for 2022	KL	Dec 2021 Board meeting

19	Jun 2021	Amend principles for carbon credible journey and circulate for approval	MD	
20	Jun 2021	Produce AGM/EGM report	ER	Sep 2021 Board meeting
21	Jun 2021	Collate comments & questions from AGM open forum	ER	Sep 2021 Board meeting, as appendix to AGM report
22	Jun 2021	Explore possibility of combining Kilmarie work party with Trustee visit to Knoydart	DB	By 2 July
23	Jun 2021	Circulate Schiehallion scoping study around Trustees	KC	By 2 July

3 MATTERS ARISING

No matters arising.

4 EMPLOYMENT ISSUES

There were no issues to report. Trustees noted that there were currently 58 staff with 1 recruitment process underway.

5 HEALTH, SAFETY & WELLBEING

Kerry Ross advised that 10 applications had been received for the 'Mental Health First Aider' role. As there were only 4 vacancies, a selection process would be carried out, and other ways of engaging the remaining six staff with the mental health and wellbeing aspects of the Trust would be considered.

6 SAFEGUARDING

There were no issues to report. However, for the benefit of new Trustees Emma Reed outlined the role of the Health, Safety & Wellbeing Committee, the Risk & Reputation Committee and the wider Board in respect of safeguarding.

7 EQUALITY, DIVERSITY & INCLUSION

Covered under item 11.

8 ANNUAL PLAN UPDATE

Covered under item 14.

9 RISK REGISTER UPDATE

Kevin Lelland commented that the Risk Register was approved annually at the March Board meeting and discussed quarterly by the Risk & Reputation Committee. Three new risks had been identified in connection with: the impact of IR35 legislation; the need to bring forward processes for commercial agreements with corporate partners; and the wind energy policy, given the increase in applications for wind energy developments in and around Wild Land Areas.

Kerry Ross clarified that the agreements with all current contractors had been reviewed and the IR35 process had been carried out where required. Going forward, the new project inception process would allow the IR35 requirements to be captured

at the appropriate early stage with new contractors. It was anticipated that this risk would be reduced by the end of 2021 at the latest. Kevin Lelland advised that one of the proposals to the Risk & Reputation Committee was that an audit of commercial agreements with corporate partners would be carried out.

Trustees **noted** the quarterly review, with changes to and timelines for mitigations to be implemented against the Risk Register.

10 INVESTMENT POLICY UPDATE

Kerry Ross advised that the investments parameters document had been merged with the Investment Policy. The Finance Committee (FC) sought Board approval for two amendments to the wording around exclusions in respect of tobacco companies and adult material. Recognising that it was good practice to tender for professional services every five years, Trustees were also asked to approve: that the tendering and appointment of investment managers would be delegated to the FC; and that the FC would conduct a further review of the investment policy and bring recommendations to the Board in December 2021.

In discussion, Trustees noted that as the Investment Policy also acted as the mandate to the Trust's investment managers, a catch-all clause for exclusions would be best avoided as it would put too much onus on the investment managers to discern if a potential investment aligned with Trust objectives. The proposed review to be carried out by the FC would consider whether further restrictions or amendments were required.

Trustees **approved**:

- the two wording changes to the Investment Policy, with a further amendment as follows: 'No direct investment in tobacco *companies*'
- a further review of the investment policy by the Finance Committee with recommendations to the Board in December 2021 [**Action Point 13**].
- that the tendering and appointment of investment managers would be delegated to the Finance Committee

11. EQUALITY, DIVERSITY & INCLUSION ACTION PLAN

Kevin Lelland introduced the Equality, Diversity and Inclusion (EDI) Action Plan and reported that progress had been made through the audit exercise in terms of understanding the current Trust position, identifying where the organisation aspired to get to and the steps required in order to achieve that. Kevin Lelland proposed that EDI objectives and targets would be built into the Trust's Annual Plan, and that an external consultant brought in to support and upskill the Management Team and other staff involved, to take forward the actions to the end of the year. It was recommended that 7 tasks would be integrated into the remaining part of the 2021 Annual Plan with a number of further activities brought forward for 2022. A budget for staffing and resourcing EDI objectives for 2022 would be brought to the December Board [**Action Point 18**].

In discussion, Trustees:

- suggested that the Trust might consider developing partnerships or investing in land close to diverse communities; and noted that a review of the Trust's strategic partnerships was in progress and would consider where partners, including John Muir Award alliances, could help address EDI issues. Events would also be explored as a channel for reaching more diverse communities
- noted that the Trust would review how it gathered data in respect of contact with various groups e.g. Award participants, Junior Ranger participants, volunteers, new members etc. to provide more reliable data from which to calculate baseline and targets
- noted that targets would be identified by the year end and would be built into a 10-year plan. The Trust's primary objective to protect wild places would lead the EDI work, and appropriate targets should be set. Work carried out by other organisations in the sector could be used as a guide in this area.

Trustees **approved** the EDI Action Plan and, in principle, the recommendation for resources and investment, subject to further due diligence and approval in line with the Trust's financial processes. Trustees also **agreed**, in principle, that the EDI Action Plan would be integrated into the Trust's Annual Plans for the remainder of 2021 and then into 2022.

12 CARBON DESCENT TRAJECTORY

David Balharry provided context to the carbon descent trajectory paper by outlining key strategic projects the Trust was involved in, notably: influencing policy in respect of a carbon tax; benchmarking carbon stock on Trust properties; working with other eNGOs to face the market collectively in respect of selling carbon sequestration; and exploring capacity for increasing carbon capture on Trust properties. As 50% of Trust land was under crofting tenure, the Trust was also working with the Woodland Trust, the Crofting Commission and crofters to explore opportunities for carbon capture on croft land with a view to simultaneously providing economic benefit for crofters.

David Balharry highlighted that the Trust had set ambitious targets to reach zero direct greenhouse gas emissions by 2030, and minimising emissions outwith direct control to as close to zero as possible by 2035.

The Trust was at the beginning of an exploratory partnership with 'Wilder Carbon' to estimate the baseline carbon stock on Trust properties. Access to their Wilder Carbon Habitat Tool would, along with their platform, open up the potential to engage new audiences and secure investments for holistic, nature-based land management. In addition, funding had been secured for CivTech to work with the Langholm Initiative, South of Scotland Enterprise and Southern Upland Partnership to assist with the innovation of technology for landowners to accurately, easily and cheaply assess carbon stock and sequestration on their land holdings. A pilot project was being carried out at Langholm with a view to rolling it out to other properties.

In discussion, Trustees:

- advised caution with regard to the scientific research on carbon or woodland sequestration at present recognising that it was a developing field
- remarked on the Trust's capacity to influence others in its supply chain, and those who live on, work on or visit its properties
- recommended that the Trust could make hard changes in the areas of transport and supply chain e.g. reviewing choice of supplier, and making changes to contract terms and procurement procedures to require best practice
- advised that the Trust should remain focused on its core charitable objectives, setting targets which were realistic and appropriate while recognising the need for the Trust to be carbon credible
- noted that a cultural shift would be required and responsibility for effecting this would sit with the Executive Team rather than with a working group so that the change came in a meaningful way from senior management
- noted that the allocation of resources for this work would be brought forward in December towards the end of the Corporate Strategy preparation
- noted the need for terminology in this field to be clearly defined

Trustees welcomed this work and **noted** the proposals for a descent trajectory, targets and estimated costs. Trustees requested that the principles for the Trust's carbon credible journey be amended and circulated for approval outwith the Board meeting **[Action Point 19]**.

13 APPOINTMENTS TO COMMITTEES

Kerry Ross commented that it would not be assumed that incumbent Committee members would continue to serve but that each Committee would be appointed anew. Trustees **noted** that the Chair was an ex officio member of each Committee.

Trustees **agreed** the following appointments to Committees:

- Finance Committee: Jim Gibson would continue to serve as convener with Jane Smallman and Phil Graves as members
- Health, Safety & Wellbeing: Richard Eastmond would serve as convener with Chris Loynes and Andrew Whitfield as members
- Risk & Reputation: Andrew Whitfield would continue to serve as convener with Alan Dobie, Patrick Cadell, Phil Graves and Sheila Wren as members; Emily Henderson to be consulted on whether she wished to remain on Committee
- Fundraising Committee: Chris Loynes would serve as convener (subject to discussion with Emily Henderson) with Clare Jefferis, John Finney as members; Emily Henderson to be consulted on whether she wished to remain on Committee
- Governance Committee: John Finney would serve a convener with Alan Dobie and Clare Jefferis as members
- HR Policy Committee: Sheila Wren would serve as convener with Richard Eastmond and Andrew Whitfield as members

In addition, trustees **agreed**:

- Alan Dobie would continue as Trust representative on the Des Reubens & Bill Wallace Grant Committee
- Emily Henderson would be approached with regard to continuing as Trust representative on the John Muir Birthplace Trust
- Jim Gibson and Jane Smallman would serve as Directors of the JMT Trading Company
- Gair Brisbane would be appointed as an advisor to the Finance Committee

Trustees **agreed**, in principle, to appoint a Vice Chair, the duties of which would replicate those of the Chair. Trustees **nominated** Jane Smallman as Vice Chair and agreed that she would assume the role at such time as Dave Gibson resumed his duties as Chair. Until that point she would continue as Acting Chair.

Trustees remarked on the need for a clearer route for Board engagement with key land and policy issues and agreed that this would be discussed further at the July Topical Forum.

[Chair's note: Following the meeting, Emily Henderson confirmed that she would continue to serve on the Fundraising Committee and the Risk & Reputation Committee, and to act as Trust representative on the John Muir Birthplace Trust. Alan Dobie stood down from the Risk & Reputation Committee so it would comprise: Andrew Whitfield (convener), Patrick Cadell, Phil Graves, Sheila Wren and Emily Henderson.]

14. ANNUAL PLAN UPDATE

David Balharry introduced the Annual Plan (AP) Update outlining the request to delay the delivery of 9 tasks within the plan until the next Annual Plan period to allow for alignment with the Corporate Strategy development. David Balharry explained that within an Annual Plan period, developments and changes happen because of unforeseen work, and that the processes for managing this may need to be refined. Trustees noted that the red/amber/green system was not linked to the similar colour coding on the Risk Register and that 'red' status did not indicate urgency.

In terms of the AP task relating to Land Registration for Trust properties, David Balharry advised that landowners were being given the opportunity to formalise the boundaries of their land by 2024. The Trust was currently undertaking work to map the boundaries of common grazings, and to resolve any areas under dispute.

Trustees **approved** proposals to delay the 9 'red' tasks, and requested that in future the paper would focus on 'red' status items and alert Trustees to any emerging 'amber' issues. Trustees **approved** a modification to the Scheme of Delegation to allow the CEO to authorise £150,000 of out-of-budget, *unfunded* expenditure, and that *funded*, out-of-budget expenditure would be presented quarterly to the Finance Committee for monitoring.

15. MATTERS ARISING FROM COMMITTEES

Discussion recorded in a separate confidential minute.

16. FINANCE & FUNDRAISING UPDATE

Kerry Ross presented an update on the Trust's financial performance and reserves position to 30 April 2021, and reported that income was on target. She explained that some costs would move into 2022, either owing to multi-year costs having been included in a 1-year budget, or because certain land-based projects had taken longer to launch than anticipated due to weather conditions. The position with regard to general reserves remained strong and, as the Corporate Strategy development moved forward, strategic thinking would be required in respect of how to invest those reserves, should the Trust decide to do so. Trustees **noted** the position.

In discussion, Kerry Ross advised that the appointment of an England & Wales Policy Officer had not yet been taken forward but the England & Wales Development Manager did provide resource in that locale.

17. CORPORATE STRATEGY SCOPE & PROGRESS REPORT

David Balharry invited Trustees to discuss the Corporate Strategy (CS) paper, highlighting that the discussion would help to frame the first facilitated session planned for July aimed at exploring high level content. A further facilitated session was planned for August to scope prioritisation and sequencing. As a first step the importance of having a clearly defined purpose and clear definition of 'wild places' would be vital; secondly, protecting the core objectives by bringing forward longer-term land management planning would be essential; deploying the strategy with focus would then follow. In terms of the timeline, the September Board paper would seek agreement on a first draft to go out to consultation with key stakeholders during October and November. In December feedback from the consultation would be considered alongside budgeting with a view to producing the final version for publication in March 2022.

In discussion, Trustees:

- recommended that the CS would flow from the Trust's core land management remit, with particular focus on deer, carbon and visitor management
- commented that the Trust's ability to influence relied on engaging external audiences and it might want to consider bringing in external expertise to prioritise and target these different groups appropriately
- highlighted that with only 60% of staff having taken part in the SWOT analysis, there was potential for the results to be skewed
- suggested that tangible and measurable targets be included
- remarked that the various areas of desired growth be explored in terms of the benefit each would bring to the Trust and how they interrelated
- suggested that the key goals of our primary business areas should guide the timeframe rather than linking it into the 50th anniversary

- suggested greater investment in land staff to ensure exemplary land management on properties
- commented that the Trust might consider taking on the management of other land in partnership without purchasing, thus opening up another income stream; though Trustees also noted the need for caution with regard to putting the Trust into a position where it might be restricted in its capabilities to effect change
- recommended consideration be given to how to attain greater consistency of higher-level funding

Trustees were invited to send further comments to Helen Mason by email ahead of the facilitated session in July.

18. AGM REFLECTION TO INFORM PAPER FOR NEXT BOARD MEETING

Emma Reed provided initial feedback on the AGM & EGM on 19 June and advised that more a comprehensive overview would be presented at the September Board **[Action Point 20]**. In summary, an external company, Civica Election Services, had been engaged to manage the voting during the event, as well as administering the proxy voting and the Trustee Election Members' ballot in advance. Zoom was used as the hosting platform and an external facilitator was on hand to assist people with the technology on the day.

177 people had registered to attend and approximately 110 attended on the day, 30 fewer than in 2020. Over 50% of attendees were from England and a number of people joined from overseas. 1000 proxy votes were cast in advance of the AGM.

The AGM survey was still open but had seen 42 responses to date, with largely positive feedback. Positive comments centred mainly around the effective chairing and the staff presentations; while the constructive feedback tended to focus on the length of the day and fatigue with online meetings. Members remarked that the Civica voting platform worked well with only 3 people experiencing difficulty on the day, although a member of Civica staff was available to support behind the scenes. A member who at the 2019 AGM had raised the need for a Members' consultation commented on the value of the consultation process which had subsequently taken place. Initial feedback had indicated that members valued the opportunity to attend online so a blended model would need to be considered going forward.

Trustees recognised the professionalism and preparation of those involved which had led to a successful event, and requested that the comments and questions raised at Open Forum be collated **[Action Point 21]**.

Emma Reed advised that the Management Team had decided to postpone the 'Members Gathering' owing to ongoing uncertainty around Covid restrictions.

19. KILMARIE ACQUISITION UPDATE

Following the recent purchase of the Kilmarie hatchery site, David Balharry reported that Trustees were welcome to join the work party planned for July which would involve site clearance but would also provide a valuable opportunity for discussion on the way forward.

20. INTRANET UPDATE

Kevin Lelland reported that with the recent growth in staff numbers to 58, maximising communication was an important aspect of supporting staff through this change and facilitating this organisational development. Consequently, the Management Team had decided to invest in an intranet; a small internal team was working on the project and the wider staff would be consulted with a view to having a facility in place by the autumn. The intention was for Trustees to have full access to the intranet to afford sight of internal conversations and activities.

In addition, Kevin Lelland advised that he was working on creating a new section on the Trust website for project development which the public could access for project updates and with contact details of the project lead.

21. TRUSTEE VISITS TO PROPERTIES

David Balharry welcomed Trustee engagement with the properties and requested that this be arranged via Helen Mason in the Secretariat. Going forward, opportunities were likely to arise for Trustees to engage on site with various issues.

Staff would explore the possibility of combining the Kilmarie work party in July with a visit to the Knoydart property **[Action Point 22]**.

22. SCHIEHALLION CAR PARK

Kevin Cumming presented proposals to provide an exemplary mountain experience at the Trust's East Schiehallion property. He explained that in recent years visitor numbers to the FLS-owned Braes of Foss car park had escalated and were creating a number of hazards. Although the Trust did not own the car park, the majority of visitors using it were doing so in order to climb East Schiehallion. The Trust had an opportunity to address visitor infrastructure limitations and turn the situation into a key engagement opportunity and model of sustainability for wild places. Funding had been secured at the start of the year to carry out a scoping study which had since been completed. As the Trust could be engaged in either a purchase or lease of land, it was important that Trustees were able to engage at this juncture and advise whether to move to the next stage. Trustees **noted** the recommendation to proceed to a full feasibility and design study.

Trustees **welcomed** the proposals. Kevin Cumming would circulate the scoping study and Trustees could feed back any comment **[Action Point 23]**.