



Forest Enterprise Scotland Management Board Meeting FESHO/VCS 18 December 2014

Attendees:

Simon Hodge, Chief Executive
Les Bryson, Head of Operations
Alan Stevenson, Head of Communities, Tourism and Recreation
Alan Duncan, Head of Finance
Zoe Stephens, Head of Corporate Support
Laurie Tyson, Head of Estates
Rosetta Forbes, HR Business Partner
Michael Ansell, Head of Forest Renewables
Jo Ellis, Head of Planning and Environment
Jean Lindsay, Director Human Resources
David Felstead, Head of IS
Frances MacKenzie (Minute Secretary)

1. MINUTES OF LAST MEETING AND MATTERS ARISING

The minutes of the meeting held on 12 November were agreed as a true and accurate record.

AP 1.1: Quarterly Project Report – Glenmore Sewage: This has finally been completed on 1 December 2014.

AP Discharged

AP 1.2: Health and Safety: Review of H&S Leadership Event – All Board Members to review and evaluate in January. Agreed to roll over till February.

AP Rolled Over

AP 1.3: Risk Management: Alan D to split the Risk Register into functions as a basis for functional risk analysis. Completed and distributed.

AP Discharged

AP 1.4: Risk Management: Jo, Michael and Zoe to review the above risks and feedback to Alan D by the end of the week. Simon will write to the ARC. Completed.

AP Discharged

AP 1.5: Business Plan Update: Les and Jo to discuss plant supply.

AP Discharged

AP 1.6: Business Plan Update: Simon asked board members to go back and look at the BP as detailed above and report back to Alan D.

AP Discharged

AP 1.7: Staffing: Rosetta will bring a paper to the Board in February on overtime.

AP Rolled Over

2. IS SERVICE PROVISION

David Felstead and Jean Lindsay updated the board on the current position.

- Windows 7 rollout – 400 machines have been updated so far but there are resource issues if the necessary pace is to be maintained.
- Telephony: Progressing fairly well and should be completed by end July 2015
- Disaster Recovery facility at NRS now fully operational
- Netilla VPN remote access product provided with Windows 7 laptop build and Windows 8.1 table gives a more robust remote access solution from home and whilst on the road when combined with the Vodafone data dongle

A review will take place in January to evaluate the position across the IS project portfolio, including timescales and cost on the Windows 7 rollout. Additional resource is likely to be required if Windows 7 rollout has to be completed in 2015 and a business case will be presented to FESMB.

Board members stressed the importance of communications and letting staff out in the field know how systems are progressing.

Michael H to come back to the Board with a gant chart on IT developments.

AP 2.1: IS Service Provision – Michael H to prepare gant chart on IT developments for February FESMB meeting.

3. RESIDUAL RENEWABLES SITES – LTA 'LITE'

Michael A and Suilven Pielou presented LTAs for consideration by FESMB.

The Board considered a list of potential wind and hydro renewable energy development sites and whether in principle to go to option on them. The results will be fed back to districts and developers in due course.

AP 3.1: Michael Ansell to progress

4. HEALTH AND SAFETY

Les suggested that a slightly longer session on how training has gone needs to be slotted in at the February FESMB. Three representatives from the Health and Safety Committee will join either that or a future FESMB meeting and give an update on where we are at.

The increase in the reporting of Accidents and Incidents that were not previously reported are now being put on the AIRS system which suggests that staff are taking on board how important H&S incident reporting is and this is an important step forward as we seek to evaluate and thereafter develop lessons learned.

Comments were made on driving on public highways. Various views were expressed on the need to record concerns and incidents on AIRS and it was agreed to remit this to the Safety Committee.

AP 4.1: H&S - Les to remit this query to the Safety Committee.

5. FINANCE REPORT

Alan D provided the FE Scotland Management Board with an update on the financial position for 2014/15 and to agree figures to be reported to FC Scotland.

This was a full exercise and the main points are summarised below:

- Net "Cashflow" forecast spend is £12.2m. The significant change this month is a £0.6m reduction in Renewables Wind Income.
- Roads Upgrading – Some critical expenditure (£0.37m) is required on bridge replacements which has not been included in budgets. It was agreed to finance this expenditure from reserves.
- FCS have agreed to fund £0.6m towards Land Registration and Tax issues.
- FCS will fund a further £1m during 2015/16 for Tree Health work.

6. RISK MANAGEMENT

Alan D updated the Board on Risk Management.

Emerging Risks

Proposed amendments to Town and County Planning in respect of Hill Tracks. Discussed and agreed that Jo Ellis will act as the national lead for FES and raise the issue with Brendan Callaghan and Jo O’Hara, drawing in Simon if necessary to get short-term clarity.

It was agreed to revise the wording of the “Devolution of Central Services” emerging risk as follows:

<p>Devolution of Central Services – Preparing for and managing the devolution of shared Services</p>	<p>The Roadmap for Change was published in November 2014. Devolution of Procurement and HR are being prioritised and progress being made. Dedicated resource to support business change is being considered by the Business Strategy Group as capacity is an issue and hindering momentum.</p>
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Two new emerging risks were added:

<p>Slope Stability – Potential resource requirement required to address slope stability mitigation works following geotechnical assessment.</p>	<p>The as yet unknown costs associated with slope stability mitigation could be high and are likely to put significant strain on the existing FES budgets unless extra funding can be made available.</p>
<p>West Loch Awe Timber Haul route (WLATHR) - Potential reputational risk to FES if the adjudication process (commencing on 5th January 2015) or any work required following the adjudication determination is delayed past the agreed timescale.</p>	<p>There is a growing level stakeholder and political interest that has built up over time in FES pursuing a resolution to the contractual dispute over the construction of the WLATHR. Careful management is required to ensure the stakeholders are kept fully informed of progress.</p>

7. HR UPDATE AND L&D TECH TRAINING REVIEW

Rosetta updated the Board as follows:

- HR working through the priorities and opportunities as listed on the Priorities Sheet and talking to FDMs. If any of the board members disagree contact Rosetta.
- Protection of Vulnerable Groups – The internal audit has now been concluded to ensure that we are compliant with a report going to the Audit and Risk Committee in March.
- The TUS submitted a paper on Performance Management as they are becoming more aware that mid year reviews are not always undertaken. Board members to ensure that their team members with reporting responsibilities definitely undertake these reviews.
- Updates given on Equality and Diversity, Staff Survey and Operational Pay.
- An overview of the findings from the Review of Technical Training Delivery Models. The Board discussed and agreed that Option 2 is the appropriate model.

Resource to be identified to undertake a scoping exercise and Rosetta will produce a transition plan which would see direct operational delivery devolved to the countries with increased outsourcing. As an interim measure, an Intelligent Buyer role could be retained across countries. The Board was open to FES or FEE hosting this function.

AP 7.1: Rosetta to co-ordinate devolution of Technical Training.

8. ORGANISATIONAL/FUNCTIONAL UPDATE

Simon: Simon gave an update on strategical organisational issues.

Alan S: Land Reform Bill – This may provide an opportunity to deliver changes which will assist with managing irresponsible behaviour which could also embrace improvements to event management.

Laurie: Some concerns over Falgunzion with some improvements being required to the property. Clearance obtained on 6 land areas for disposal next year.

Jo: Currently working through a series of acquisitions in Moray and Aberdeenshire FD and bringing them into the land management planning process.

Michael A: Will come back to the Board in February with either a clear recommendation or a shortlist of further schemes to invest in.

Zoe: Annual Review for last year is now ready and will go live on Monday 22 December. An MSP reception on 28 January on Value of Forestry to Scotland will be held and FDMs/senior managers are to be invited.

AP 8.1: Frances to check with James MacDougall on list of invitees

Alan D: VAT clarification still awaited from HMRC and a Tax and VAT working group is going to be set up.

9. AOB

- LTA Guidance paper – Board members asked to look at this paper and feed back any comments after Christmas. A meeting has been arranged between Simon/Mary Lindsay/Donald McLellan to further progress.
- Zoe to canvas senior managers group on suggestions for visits to the NFE by the Minister.
- Alan S to give consideration on our Minister offering an update to Richard Lochhead on recreation and car parking.

AP 9.1: Zoe to canvas senior managers regarding visits by the Minister to the NFE.

AP 9.2: Alan S to explore potential briefing for Minister.

The next FESMB meeting will take place on 15 January 2015.