

Forest Enterprise Scotland  
Management Board Meeting  
Inverness / Edinburgh / Dumfries 13 May 2015

Attendees:

Simon Hodge, Chief Executive  
Bridget Campbell, Director of SG E & F Directorate (Item 4 & 5)  
Michael Ansell, Head of Forest Renewables  
Les Bryson, Head of Operations  
Jo Ellis, Head of Planning and Environment  
Rosetta Forbes, HR Business Partner  
Donna Hutchinson, Head of Finance  
Michael Hymers, Head of Corporate Support  
Alan Stevenson, Head of Communities, Recreation and Tourism  
Laurie Tyson, Head of Estates  
Hilda Todd (Minute Secretary)

## 1. MINUTES OF LAST MEETING & ACTION POINTS

Michael ran through the action points from the previous meeting.

**AP 3.1: Donna** will circulate a proposal of a more condensed version of the Risk Register for future FESMB meetings.

**Discharged**

**AP 3.2: Donna** to arrange a meeting to discuss how FES/FCS manages VAT in the future.

**Discharged**

**AP 3.3: Donna** to incorporate FES's ability to service the Scottish Government's strategic needs as a risk in the risk register.

**Discharged**

**AP 5.1: Michael** will work with the DIS digital team to re-visit what information relating to UKWAS is made available to staff/contractors on the internet/intranet.

**Discharged**

**AP 5.2: Michael** will discuss how comms around UKWAS fits with the wider comms priorities.

**Discharged**

**AP 5.3 Simon** will include the UKWAS logo in his PowerPoint presentation for the forthcoming 'All Staff Briefings'.

**Discharged**

**AP 7.1: Michael** will draw together a business case for additional Secretariat / Corporate Support capacity for the Board to consider against other new / emerging posts.

**Discharged**

**AP 7.2: Rosetta** to speak to David Beagley and the resourcing team on how best to communicate HR information to staff.

**Discharged**

**AP 10.1: Alan** will discuss the ongoing Equality & Diversity review with Nicky and clarify how FES will feed into the process.

**Discharged**

## **2. FINANCE REPORT (FY 14/15 & FY 15/16)**

Due to the BMR cut off dates and the timing of the meeting the FY 14/15 End-of-Year Summary Paper (including details of FES's Financial / Operational programme performance) is not available for review. It will be presented during the FESMB in June (i.e. 18 June 2015).

Donna presented a brief update on the FY 15/16 financial position.

The capital allocation for FY 15/16 would need to be revisited and clarification provided to relevant Cost Centres to confirm which projects had been approved and allocated resource (i.e. capital).

Les confirmed that the Isle of Arran timber handling/storage facility would not be in a position to complete in FY 15/16 and had therefore been deferred to FY 16/17. The capital provisionally allocated (i.e. £220K) could therefore be re-allocated to an alternative project(s).

In addition Les confirmed that no capital allocation had been made for the Re-development of the Longman Workshop in FY 15/16. Income generated as a result of the re-development has however been included in the Business Plan for FY 16/17. Either the capital associated with the re-development needs to be allocated for FY 15/16 or the income against it in FY 16/17 needs to be removed.

**AP 2.1: Laurie** to liaise with the Built Asset Management Board and review the proposed capital projects and confirm which would receive capital allocation in FY 15/16.

## **3. RISK MANAGEMENT**

Donna presented a revised Risk Management proposal to ensure the Functional / Business focus to risk management. Board members would make available to Donna their top risks based on their function / area of business. The top ten summary risks (scoring 12 and over) will then be presented to the Board for review / discussion.

Estates have their own risk register which Laurie will bring to the next FESMB meeting.

**AP 3.1: Laurie** to present the Estates risk register to the June meeting of the FESMB.

The risk register will continue to be updated every six months, with lower residual risks put to the Functional / Business risk registers.

**AP 3.2: Donna** will invite, Michael H, Alan and Jo along to the next Risk Management meeting.

#### Top risks

9. An exercise is proposed to look at all our contracts income and expenditure. Still in early discussion, but we could look at partial exemption.
18. Les and Donna looking at downgrading. Although not a top risk, it throws up affordability concerns.
21. Keep in as UK Government removing support for offshore wind after 2020.
24. More progress in June and Donna will keep Simon updated.
36. Downgrade at next review.
37. Continuing due to coal failure. Laurie will confirm to Donna for submission ahead of audit. Simon asked Donna to revisit our contingent liability on restoration.
40. Jo will look into including *Dendroctonus micans* (bark beetle) in the next revision.
47. Keep as we may need to discuss resources with Transport Scotland.
49. As 18.

Les requested that a significant downturn in timber income be included as a Top Risk, given recent movements in exchange rates and the Industry's response. Given forward sales it is currently difficult to gauge the impact on the current year but the situation will be monitored closely.

#### Emerging Risks

All emerging risks to be kept on the register.

Add Restocking (overall cost) as an emerging risk.

**AP 3.3: Donna** to incorporate the above as appropriate.

**AP 3.4: Board members** to consider what changes need to be added / removed when the next full update of the Risk Register is carried out in October.

#### **4. DIRECTOR'S INTRODUCTION / OVERVIEW**

Bridget Campbell (Director of SG Environment & Forestry Directorate) joined the meeting.

Bridget gave a résumé of her objectives as she feels forestry is an undervalued asset within Scotland. It would be beneficial if Simon met regularly with Dr Aileen MacLeod, explaining our risks, objectives and direction. FC Commissioners are looking at moving on, pushing for the devolution of forestry and where the future lies. Bridget has asked the Cabinet Secretary to consider a paper on the options for the future of the FC/FE in Scotland.

#### **5. FUNCTIONAL INTRODUCTIONS / UPDATE**

The Board members introduced themselves to Bridget and informed her of their roles and responsibilities.

#### **6. H&S CLIMATE CHANGE SURVEY OUTCOMES / NEXT STEPS**

Les provided details of the 'headline' results of the H&S Climate Change Survey and stressed their importance in setting the direction for further culture change within FES and in particular the valuable insight that they provided to the National Safety Committee, FESMB and Cost Centre managers.

The individual Cost Centre Reports would be cascaded out by the H&S team, with the offer of a facilitated rollout. A general communication on the results of the survey would be placed in E-connect, providing an overview of the high's / lows and the actions that have been proposed to address those issues identified.

The Board then discussed the specific results for Cost Centre 580. Positives were organisational commitment, engagement with H&S and resources.

The following unfavourable responses were of concern as relatively high:

- Failing to lead H&S initiatives within the office environment.
- Staff by grade responses against the industry benchmarks, below average.
- H&S oriented behaviours were surprising, especially the results from senior management.
- Too many risks to get the job done.
- Turn a blind eye to H&S instructions.

The three lowest scoring areas were:

- Usability of procedures.
- Better accident and near miss reporting.
- H&S oriented behaviours

Board members mentioned H&S at the majority of their staff meetings.

Cost centre 580 has a very distinct group of staff who are office and out stationed based. As a leadership group we need to tailor our responses and look at how we engage with staff. The FC H&S Strategy Group is looking into our responses to staff. Slips and trips were concentrated on at a recent FCS H&S committee meeting. The apprentices must be included in the Forest District H&S processes and line managers engage staff in H&S discussions. It would be useful to feedback the results of the survey at the next H&S meeting and ask staff how they want to take the various issues forward.

**AP 6.1: Michael H** will circulate all AIRS records to the Board.

**AP 6.2: Michael H** will contact Nicky Whitaker and ensure that Cost Centre 580 staff, based in Silvan House, are made aware of the H&S meetings arranged for FCS/Silvan House staff.

**AP 6.3: Les** will ask Jason Liggins to discuss with Michael how this feedback can be used.

## 7. HR UPDATE & STAFFING

Rosetta informed the group that Ali Walker was the new interim HR director.

Due to a number of high profile disclosures, the cabinet office has asked Government departments to review their 'whistleblowing' policy. The FC made a few adjustments and an article has been published in the eConnect bulletin.

Due to the short term nature of the two FLOW vacancies in the north, it has been decided to hire in support from Bell Ingram.

Payment of overtime and holiday pay was raised, given the upcoming meeting with the TUS to begin the process of taking the issue forward within FC/FE.

## 8. AOB

Michael H confirmed the Organisational Development Programme Board Meeting will be on the 19 June 2015 as a video conference (facilities available in Inverness, Edinburgh and Dumfries).

Michael H raised a number of Partial Retirement requests that had been raised at E-o-Y PMS reviews. There appear to be very few opportunities available for people to downgrade and/or work alternative work patterns (i.e. part-time working) and we don't want to create posts to facilitate requests for people to take partial retirement.

**AP 8.1: Rosetta** will look at the wider process and pull something together to see if FCS can support staff and identify potential opportunities.

Laurie enquired whether we should continue with the acquisition of land for planting via leasing scheme, due to the relative low activity and departure of Ewan Reid from Estates. Laurie will forward the latest report produced by Ewan to Simon, who

commented that this was a useful additional offering in our commitment to establish new woodland and should continue, although without further marketing.

The next Board meeting is confirmed as the 18 June 2015.