

## Forest Enterprise Scotland (FES) Management Board Meeting

**22 November 2016**

### Attendees:

Simon Hodge, Chief Executive  
Trefor Owen, Head of Land Management  
Michael Hymers, Head of Corporate Support  
Michael Ansell, Head of Estates Development  
Donna Hutchinson, Head of Finance and Procurement  
Rosetta Forbes, HR Business Partner  
Brent Meakin, Head of Business Services  
Alan Stevenson, Head of Community and Visitor Services  
Rhondda Salmond, Secretariat

### Others:

Liz Walker (Items 4 & 11)

### 1. Minutes of last Meeting 25 Oct 2016

The Board agreed that the record of 25 Oct 2016 was held to be a true and fair record of the meeting.

### 2. Action Points and Matters Arising

Ref:	Action	Who	Target Date
10/07	Present paper on baseline and ongoing Programme & Project Office requirements, and staff upskilling.	MH	13 Jan 2017
11/01	Circulate link to Rural Economy and Connectivity Committee evidence.	MH	2 Dec 2016
11/02	Provide an update on investigations in to the Depreciation Review.	BM & DM	13 Jan 2017
11/03	FESMB discussion on potential approaches to carry forward and reserves.	DM	13 Jan 2017
11/04	Identify additional functional work programmes/costs for inclusion in 2017/18 and 2018/19 Business Plans.	All	13 Dec 2016
11/05	Provide clarification of Digital & ICT Project governance arrangements to ensure appropriate approval arrangements are in place.	BM & DE	13 Dec 2016
11/06	Approximate costs for Digital & ICT to be submitted to the Budget Management Committee (BMC) (including split between HR and IS costs, and any funding from FC Scotland) to allow consideration of the investment from the carry forward impacting the 2017/18 and 2018/19 Business Plans.	BM & DE	13 Dec 2016
11/07	Communications providing an update on the Organisational Design Programme to be developed	TO	2 Dec 2016

Ref:	Action	Who	Target Date
	and issued to staff.		
11/08	FES Corporate Development Programme scoping session at next meeting.	SH & LW	20 Dec 2016
11/09	Overview on VAT Report recommendations to be presented at future meeting.	DM	18 Jan 2017
11/10	Amend and recirculate Communications Protocol and Lines to Take	MH	2 Dec 2016
11/11	Include FES Communications approach on agenda for FES Team Leaders Meeting	MH	2 Feb 2017

Action Points: 9/07, 10/01, 10/02, 10/03, 10/04, 10/05, 10/06, 10/08, 10/09, 10/10 are discharged.

### 3. Chief Executive Update

Simon Hodge advised that he is meeting Fergus Ewing MSP (Cabinet Secretary for Rural Economy and Connectivity), and discussions could potentially include the Repositioning Programme and future timber supply.

The Autumn Budget Statement is due from Westminster, which will inform Scottish Government decisions on the Spending Review position. A key issue will be how to fund increased woodland creation.

The Rural Economy and Connectivity Committee are due to consider the SG Budget in relation to forestry at their session planned for the 21 December. Evidence has already been submitted from some external bodies, including the Confederation of Forest Industries (ConFor) and Tilhill Forestry. Positive comments on the achievements of FES, and wider FC Scotland have been submitted; however, concerns have also been raised regarding restocking and the Repositioning Programme.

#### **AP 11/01: Circulate link to Rural Economy and Connectivity Committee evidence.**

Over 600 responses were submitted to the Scottish Government consultation on the Future of Forestry in Scotland, including a response from the FC Trade Union. Details of the responses received will be published within 20 days, and a formal response from Scottish Government will be published in spring 2017.

### 4. Quarterly Management Update (FES Dashboard)

Liz Walker provided an update on the FES Dashboard development. Work has been ongoing with Function Leads to develop the remaining thirteen factsheets to enable introduction of quarterly management reporting from financial year 2017/18.

As the dashboard will report on a variety of different Operational and Key Performance Indicators it was agreed that traditional RAG rating methodology may not always represent performance accurately, and alternatives should be considered.

## 5. FES Business Plan Update

Donna Mortimer presented an update on Business Planning. The Budget Management Committee met following the FESMB in October to review information contained in the draft Business Plans, and work is ongoing with Function Leads to undertake in-depth analysis to ensure accuracy.

### **AP 11/02: Provide an update on investigations in to the Depreciation Review.**

The Board discussed the current financial position and options for carry forward/reserves, and options for investment in strategic priorities.

### **AP 11/03: FESMB discussion on potential approaches to carry forward and reserves.**

### **AP 11/04: Identify additional functional work programmes/costs for inclusion in 2017/18 and 2018/19 Business Plans.**

## 6. FES Digital and ICT Strategy

David Exeter presented the FESMB with the draft Digital and ICT Strategy. The Board agreed that the Strategy, subject to revisions, appropriately set the direction for digital and ICT in FES going.

As there will be ongoing cost and resource implications as the Digital & ICT project moves forward the Board requested clarity of project governance to ensure appropriate approval arrangements are in place.

### **AP11/05: Provide clarification of Digital & ICT Project governance arrangements to ensure appropriate approval arrangements are in place.**

### **AP 11/06: Approximate costs for Digital & ICT to be submitted to the Budget Management Committee (BMC) (including split between HR and IS costs, and any funding from FC Scotland) to allow consideration of the investment from the carry forward impacting the 2017/18 and 2018/19 Business Plans.**

## 7. Digital and ICT Update

David Exeter provided an update on Digital and ICT. He highlighted that current focus on preparing to transition existing services from FC Shared Services to FES by April 2018. Following this a transformation programme will be introduced to consider options to develop and implement an approach to meet the needs of the business going forward.

## 8. FES Sick Absence

Steven Grant provided an update on sick absence. Data provided suggested that in comparison to the previous year overall sick absence has reduced significantly, however

this is expected to rise due to seasonal trends (cold and flu season, etc). The Board agreed a number of recommendations to improve FES's approach to attendance management, including:

- Senior leaders, including FESMB members, to drive attendance management;
- Improved training and support for local managers;
- Improved provision of MI to allow line managers to more effectively monitor, target and address sickness absence; and
- Introduction of return to work interviews for all absences.

The Board also suggested that rather than developing a Well-being Strategy, details are incorporated in to existing strategies, for example Health & Safety, Diversity, etc.

## **9. Priority Programme/Project Update**

Michael Hymers provided an update on progress of the FESMB priority programmes and projects. This included details of current resource allocations, and potential constraints going forward.

## **10. FES Organisation Design**

Trefor Owen provided an update on progress on the Organisation Design projects. The Senior Responsible Officers (SRO's) for the five individual projects met and agreed that an overarching programme was required to ensure connectivity was achieved, and interdependencies mapped appropriately.

A draft programme brief is being developed and programme governance established. Further scoping is required for both the programme and individual projects, with early focus on Land Management and Community & Visitor Services.

**AP 11/07: Communications providing an update on the Organisational Design Programme to be developed and issued to staff.**

## **11. FES Governance Programme**

Liz Walker presented the draft FES Governance Programme Brief. It was agreed that the programme will be renamed FES Corporate Development Programme to acknowledge the remit of the programme and potential projects now extend further than governance.

It was also agreed that scoping of the programme can now commence.

**AP 11/08: FES Corporate Development Programme scoping session at next meeting.**

## **12. Organisational / Function Updates**

### **Business Services:**

Brent Meakin advised that interviews are scheduled to take place to recruit a Head of Fleet and Services.

### **Land Management:**

Trefor Owen advised that an investigation in to a serious accident affecting a member of staff is nearing completion.

Business improvement reviews are in the early stages of development for Deer Management, Direct Production Clear Fell Harvesting, Civil Engineering, and Ground Preparation.

The Land Management leadership group are working together to improve the approach to Business Planning, which will ensure that priority programmes are identified and considered going forward.

### **Human Resources (HR):**

Rosetta Forbes advised that due to a historic calculation error a small number of staff receiving Temporary Responsibilities Allowance (TRA) had an under/over payment. HR staff are engaging directly with those staff affected.

### **Community & Visitor Services**

Alan Stevenson advised that FES were successful in winning three awards at the Scottish Awards for Quality in Planning.

The 15<sup>th</sup> Mountain Bike World cup held in Fort William has been voted the best downhill event on this year's world circuit by cycling's international governing body.

An update was provided on Forest Holidays.

### **Finance:**

Donna Mortimer advised that focus remains on working to implement recommendations agreed with HMRC from the VAT report.

**AP 11/09: Overview on VAT Report recommendations to be presented at future meeting.**

### **13. FES Internal Communications**

Michael Hymers presented a paper to inform discussion, and seek agreement on FES's approach to Internal Communications. This included adoption of a revised communications protocol and introduction of a weekly 'Hot Issues' / Communications meeting for 'key' members of the FES leadership team.

**AP 11/10: Amend and recirculate Communications Protocol and Lines to Take.**

**AP 11/11: Include FES Communications approach on agenda for FES Team Leaders Meeting**

### **14. AOB**

#### **FES Team Leaders Meeting (Feb 2017)**

Michael Hymers advised that a FES Team Leaders meeting had been scheduled for February 2017, and sought the Boards input regarding speakers and proposed agenda items.

The Board agreed that Bridget Campbell, Director for Environment and Forestry be invited as a key note speaker to provide an update on direction from Scottish Government.

An overview and update on decentralising FC Shared Services should also be included.

### **FES Recruitment Panel**

Rosetta Forbes presented an update on the current performance of the FES Recruitment Panel and sought agreement on recommendations to improve the process.

The Board agreed the recommendations, and acknowledged that development of the approach to Workforce Planning will seek to address any issues going forward.

The date of the next FESMB is the 20 Dec 2016.