

## Forest Enterprise Scotland (FES) Management Board Meeting

**24 August 2017**

### Attendees:

Simon Hodge, Chief Executive  
Michael Ansell, Head of Estates Development  
Alan Stevenson, Head of Community and Visitor Services  
Michael Hymers, Head of Corporate Support  
Donna Mortimer, Head of Finance and Procurement  
Rosetta Forbes, Head of HR Scotland  
Nicol Sinclair, Head of Business Services (Acting)  
Rhondda Salmond, Secretariat

### Apologies:

Trefor Owen, Head of Land Management  
Brent Meakin, Head of Business Services

### Others:

Jason Liggins (Items 4 & 5)  
John Thomson (Items 4 & 5)  
Ashley Woodhouse (Item 7)  
Chris Nixon (Item 8)  
Matt Ritchie (Item 8)  
Steve Atkins (Item 9)  
Rebecca Boenke (Item 11)

### 1. Minutes of last Meeting 27 July 2017

The FESMB agreed that the record of 27 July 2017 was held to be a true and fair reflection of the meeting.

### 2. Action Points and Matters Arising

Ref:	Action	Who	Target Date
11/04	Function leads to consider annual Health & Safety policy statement for their areas of responsibility, and develop appropriate approach to fulfilling requirements of the Safety Climate Survey Action Plan.	All	21 July 2017
4/07	Develop potential options and timescales for delivery of stakeholder satisfaction KPI.	MH	22 Sept 2017
12/07	Present further detail on developing and delivering Manager Capability to FESMB.	RF	20 Oct 2017
1/08	Circulate link to evidence submitted to the REC Committee regarding the Forestry and Land Management (Scotland) Bill.	MH	1 Sept 2017
2/08	Head of Land Management to work with H&S Team to present proposals to FESMB on addressing weaknesses in the current accident and incident reporting and	TO	20 Oct 2017

Ref:	Action	Who	Target Date
	management process.		
3/08	Corporate Support Team to work with H&S Team to ensure that all lost-time accidents are reported to the Board.	MH & NS	20 Oct 2017
4/08	Corporate Support Team to work with H&S Team to provide the Board with a tracker of H&S investigations.	MH & NS	20 Oct 2017
5/08	Head of Land Management to provide assurance to FESMB that business use of drones adheres to legislation, and all operators are qualified.	TO	22 Sept 2017
6/08	Head of Land Management and H&S team to further develop proposals on H&S investigation capacity, utilising both internal and external resources.	TO & NS	20 Oct 2017
7/08	Provide feedback to Donna Mortimer on the Financial Strategy & Long-term Financial Plan especially proposed actions with Board members as names leads.	All	22 Sept 2017
8/08	Develop and include timeline of activity in the Financial Strategy & Long-term Financial Plan for presentation to NCS.	DM	20 Oct 2017
9/08	Meet with Function Leads in advance of presenting Financial Strategy & Long-term Financial Plan to NCS.	DM	20 Oct 2017
10/08	Head of Land Management to work with Ashley Woodhouse to incorporate feedback and develop Project Initiation Documentation.	TO	20 Oct 2017
11/08	Head of Land Management to ensure engagement with Internal Communications Manager to review language used in Ecosystem Approach to Land Management draft guidance.	TO	22 Sept 2017
12/08	Head of Land Management to ensure engagement with Learning & Development to consider options and requirements regarding Ecosystem Approach to Land Management.	TO	22 Sept 2017
13/08	Head of Land Management to submit Ecosystem Approach to Land Management PID to Portfolio Board for consideration.	TO	22 Sept 2017
14/08	Head of Business Services to form Task and Finish Group for Fixed Price E-Sales project, and subsequently advise FESMB of the sales items to be included in scope.	NS	22 Sept 2017
15/08	Head of Business Services to submit Fixed Price E-Sales PID to Portfolio Board for consideration.	NS	20 Oct 2017
16/08	Head of HR to arrange updates to Function Leads on completion rates during period of Staff Survey.	RF	22 Sept 2017
17/08	Head of Land Management (SRO) to provide CEO with assurance that appropriate governance and monitoring is in place for the Newton Nursery Transition project.	TO & SH	22 Sept 2017
18/08	Head of Land Management to coordinate FES and NCS interests in seed supply.	TO	22 Sept 2017
19/18	All future programmes, projects and business cases	All	22 Sept

Ref:	Action	Who	Target Date
	submitted to the FESMB for consideration must include information on impact on support services at concept stage.		2017
20/18	Head of Corporate Support to consider how to communicate an overview of the Portfolio, and associated business impacts to wider business.	MH	22 Sept 2017

Action Points: 5/05, 2/06, 4/06, 1/07, 2/07, 3/07, 5/07, 6/07, 7/07, 8/07, 9/07, 10/07, 11/07, 13/07, 14/07, 15/07, 16/07 and 17/07 are discharged.

### 3. Chief Executive Update

Simon Hodge advised he had met Fergus Ewing (Cabinet Secretary for Rural Economy and Connectivity) to discuss the potential implications of the Spending Review. We are working with the Scottish Government (SG) on the 2017/18 Programme for Government.

There will be another meeting with Fergus Ewing in relation to progress of the Forestry and Land Management (Scotland) Bill.

#### **AP1/08: Circulate link to evidence submitted to the REC Committee regarding the Forestry and Land Management (Scotland) Bill.**

The New Agency Project has received feedback on the design brief for the New Agency brand supporting an approach that is an evolution of the current brand, and that is capable of keeping the cost of change to a minimum.

The Restocking Strategy is in the final stages of development, and we have sought input from the Cabinet Secretary on this.

Two ministerial visits to the National Forest Estate (NFE) will take place over the next few weeks. Fiona Hyslop (Cabinet Secretary for Culture, Tourism and External Affairs) is visiting the 7Stanes facility at Ae, and Humza Yousaf (Minister for Transport and the Islands) is officially opening the Cuningar Loop site.

### 4. H&S Accident and Incident Reporting

Jason Liggins and John Thomson provided a Health and Safety update, including staff days lost due to accidents in the preceding month, an overview of AIRs reporting and associated investigations, current H&S Team investigations, and key issues/concerns.

The update highlighted that there has been no staff time lost due to accidents/incidents in July or August.

Scrutiny of AIRS reports in relation to timescales and compliance with OGB23 shows a 70% have not had the required follow up, with many manager actions outstanding for long periods. When discussing with managers feedback on non-compliance highlighted that:

- There was poor quality/lack of information being input to AIRS;
- Pressures of work; and,
- The AIRS system is not user friendly, and the need for refresher training.

**AP2/08: Head of Land Management to work with H&S Team to present proposals to FESMB on addressing weaknesses in the current accident and incident reporting and management process.**

**AP3/08: Corporate Support Team to work with H&S Team to ensure that all lost-time accidents are reported to the Board.**

**AP4/08: Corporate Support Team to work with H&S Team to provide the Board with a tracker of H&S investigations.**

**AP5/08: Head of Land Management to provide assurance to FESMB that business use of drones adheres to legislation, and all operators are qualified.**

## 5. H&S Investigations

Jason Liggins presented a paper seeking agreement on proposals to improve the effectiveness of FES internal investigation of serious accidents, including the formation of a panel of trained investigators.

An overview of the current approach was provided, where the H&S Team are supported by staff that have no formal training and are trying to carry out the role in addition to their other job responsibilities.

The FESMB acknowledged that any staff supporting internal investigation of serious accidents should have the appropriate skills and training, and that this should be incorporated in to their Forward Job Plan. They also sought to understand external capability to support investigations, and enable transparency. It was not felt appropriate to link this requirement with finance and H&R investigations capacity.

**AP6/08: Head of Land Management and H&S team to further develop proposals on H&S investigation capacity, utilising both internal and external resources.**

## 6. Financial Strategy & Long-term Financial Plan

Donna Mortimer presented the draft Financial Strategy & Long-term Financial Plan to the FESMB. The strategy and associated plan were developed in response to feedback from National Committee for Scotland (NCS) and the Audit and Risk Committee (ARC) on FES's long term financial sustainability.

The strategy and plan considers how financial risks and liabilities will be identified and managed. It is proposed that once agreed they will be presented to NCS in November 2017.

**AP7/08: Provide feedback to Donna Mortimer on the Financial Strategy & Long-term Financial Plan, especially proposed actions with Board members as names leads.**

**AP8/08: Develop and include timeline of activity in the Financial Strategy & Long-term Financial Plan for presentation to NCS.**

**AP9/08: Meet with Function Leads in advance of presenting Financial Strategy & Long-term Financial Plan to NCS.**

## **7. FES Apprenticeship Programme**

Ashley Woodhouse presented the draft project brief for the FES Apprenticeship Programme, outlining that the main roles for consideration at this stage were Forest Management Craftsperson, Civil Engineering and Forest Machine Operations.

The FESMB suggested the project objectives should be refined to focus on using the apprenticeship route:

- where this will effectively meet a business need;
- where this will contribute to SG skills objectives; and
- in a way that allows the private sector to participate.

The Board further indicated that:

- The PID should be further developed to consider the risks associated with increased headcount and the cost of supernumerary apprentices and associated support staff.
- The scope should not extend to machine operators at this stage – the project commission was to focus on forest crafts-people and civil engineering.
- Apprentice employment contracts need to have a mobility clause to allow them to be placed in the business after initial training at the apprenticeship hub.
- The scheme should be aimed at producing future supervisors and managers for the business.

The FESMB agreed the outlined approach and that project should move to the next stage, including integration into the FES portfolio and working with HR to meet recruitment and selection deadlines.

The Board noted the contact from Inverness College and indicated an openness to considering the establishment of a northern apprentice hub.

**AP10/08: Head of Land Management to work with Ashley Woodhouse to incorporate feedback and develop Project Initiation Documentation.**

## **8. Ecosystem Approach to Land Management**

Chris Nixon and Matt Ritchie presented a paper outlining the SG Ecosystems Approach to decision-making processes affecting land use, which gives a set of principles that can be applied to any plan or decision that may positively or negatively affect the environment, whether directly or indirectly.

To support staff in applying the approach new draft guidance has been developed to equip staff with a set of natural asset (capital) and ecosystem service-related planning

principles to guide future Land Management Planning on the NFE; and enable FES to monitor and demonstrate delivery of the Ecosystem Approach.

The FESMB suggested that further revisions of the guidance were needed to consider and reflect recreation and tourism, coordination with the National Spatial Plan, and to reduce technical terminology/jargon.

**AP11/08: Head of Land Management to ensure engagement with Internal Communications Manager to review language used in Ecosystem Approach to Land Management draft guidance.**

**AP12/08: Head of Land Management to ensure engagement with Learning & Development to consider options and requirements regarding Ecosystem Approach to Land Management.**

**AP13/08: Head of Land Management to submit Ecosystem Approach to Land Management PID to Portfolio Board for consideration.**

## **9. Fixed Price E-Sales Software**

Steve Atkins provided an overview of software that will go live in Autumn 2017, providing an online sales catalogue for fixed priced timber sales and other items.

The FESMB agreed the implementation and use by FES of this software. They also agreed that a Task and Finish Group should be formed to develop the scope of the project, including an agreed list of products for inclusion, benefits that can be achieved, impacts on staff and communication.

**AP14/08: Head of Business Services to form Task and Finish Group for Fixed Price E-Sales project, and subsequently advise FESMB of the sales items to be included in scope.**

**AP15/08: Head of Business Services to submit Fixed Price E-Sales PID to Portfolio Board for consideration.**

## **10. Organisational/Functional Updates**

**Finance:** Donna Mortimer advised that the Risk Register has been circulated to Function Leads to update in preparation for the ARC meeting.

As the consultation stage of the Finance and Accounting Services (FAS) business case is complete the project has moved in to the assimilation phase.

**Corporate Support:** Michael Hymers advised that Fergus Ewing will be visiting all the FCS Conservancy offices to meet staff, and has potential to engage with FES staff working in these locations. He will also take the opportunity to visit the private forestry sector, including Norbord.

Dates for the FES Staff Communications meetings have been agreed, and will be communicated to staff.

**Estates Development:** Michael Ansell advised that progress is being made on a number of disposals and developments. This includes New Woodland Investment Programme (NWIP) disposals, which are now being actively marketed.

**HR:** Rosetta Forbes advised that the final informal meeting had been held with FC Trade Unions on the 2017 Pay Award. It is unlikely any award will be included in the October pay run.

The Staff Survey will be live from 25 Sept 2017.

**AP16/08: Head of HR to arrange updates to Function Leads on completion rates during period of Staff Survey.**

GB HR have been reviewing the Internal Transfer arrangements, and details will be communicated to staff.

FC Trade Union have approached GB HR seeking to review/renegotiate the Consultation matrix. A formal response to the request will be agreed by EB.

**Business Services:** Nicol Sinclair advised a draft Business Services H&S Policy Statement has been developed, and a H&S Committee formed. Due to the small number of staff in the Corporate Support Team, they will also be included.

A Target Operating Model is being developed for HR as part of the SG Forestry Devolution Programme, and a payroll business case will need to be considered.

## **11. Portfolio Management**

Rebecca Boenke presented the FESMB with new/updated business cases for consideration and prioritisation in the portfolio.

- **Loch An Tor Reservoir:** The FESMB agreed the business case, and gave authority to proceed.
- **Glencoe Reservoir:** The FESMB requested further information and clarification of the costs presented for each option.
- **Newton Nursery Transition:** The PID needs further refining, and resubmission at a later date

**AP17/08: Head of Land Management (SRO) to provide CEO with assurance that appropriate governance and monitoring is in place for the Newton Nursery Transition project.**

**AP18/08: Head of Land Management to coordinate FES and NCS interests in seed supply.**

**AP19/08: All future programmes, projects and business cases submitted to the FESMB for consideration must include information on likely impact on support services at concept stage.**

**AP20/08: Head of Corporate Support to consider how to communicate an overview of the Portfolio, and associated business impacts to wider business.**

## **12. AOB**

Simon Hodge advised that a staff communication was being developed to provide an overview of the wider change programme, and this would be issued in the next few days.

The date of the next FESMB is the 28 September 2017.