

Forest Enterprise Scotland (FES) Management Board Meeting

23 November 2017

Attendees:

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

Apologies:

Brent Meakin, Head of Business Services

Others:

Linda McKenna (Item 5)
 Jason Liggins (Item 8)
 Paul Calderwood (Item 11)
 Nicola McKeand (Item 12)

1. Minutes of last Meeting 26 October 2017

The FESMB agreed that the record of 26 October 2017 was held to be a true and fair reflection of the meeting.

2. Action Points and Matters Arising

Ref:	Action	Who	Target Date
4/07	Develop potential options and timescales for delivery of stakeholder satisfaction KPI.	MH	17 Nov 2017
5/09	Head of HR to engage with Internal Communications Manager to plan approach to communicating final Workforce Plan.	RF	15 Dec 2017
9/09	Head of Business Services and Head of HR to present a strategic appraisal of L&D business requirements, outlining short, medium and long term priorities.	NS & RF	17 Nov 2017
2/10	FESMB members to provide feedback to Head of Corporate Services on personal and collective areas for development for inclusion in the FESMB Development Project.	All	17 Nov 2017
3/10	Head of Business Services and H&S Team to liaise with Procurement Team to consider options for securing external resources for H&S investigations.	NS	17 Nov 2017
7/10	Head of Finance and Procurement to consider and progress appropriate governance for the Procurement &	DM	17 Nov 2017

Ref:	Action	Who	Target Date
	Contract Management project.		
10/10	Head of Finance & Procurement and Head of HR to provide further analysis to FESMB on increase in staffing costs.	DM & RF	17 Nov 2017
11/10	FESMB members to submit information on potential in-year investment opportunities to Head of Finance & Procurement.	All	17 Nov 2017
1/11	Head of Business Services to provide FESMB with details of changes to Business Services resourcing, including headcount and related costs.	NS	30 Nov 2017
2/11	Head of Land Management to map Land Management programme spend for 19/20 to enable consideration of draw down from reserves.	TO	15 Dec 2017
3/11	Business Services and function leads to collaborate on separating cost of change from business as usual, and provide an update to head of Finance and Procurement.	All	15 Dec 2017
4/11	Head of HR to ensure consistent terminology is applied when calculating staffing figures and related costs.	RF	15 Dec 2017
5/11	Head of Estates Development and Head of Finance and Procurement to discuss and agree costs relating to New Woodland Investment Programmes.	MA & DM	15 Dec 2017
6/11	Head of Corporate Support to consider how future corporate dashboards can be shared with appropriate business leads whilst maintaining commercial/business confidentiality.	MH	19 Jan 2018
7/11	Head of Business Services to present information to FESMB on the type and location of personal information held across the organisation, and options to meet General Data Protection Regulations.	NS	19 Jan 2018
8/11	Head of HR to arrange facilitated FESMB session in early 2018 to discuss and progress actions in response to the Staff Survey 2017 results.	RF	15 Dec 2017
9/11	Head of Finance and Procurement to provide function leads with outline of the roles/responsibilities for the Supplier Development Programme Champion to aid identification of a suitable volunteer.	DM	15 Dec 2017
10/11	Portfolio Office to amend Portfolio Report RAG Status to indicate if status is improving, the same or declining.	MH	15 Dec 2017
11/11	Portfolio Office to provide Portfolio Board with quarterly resource plans.	MH	19 Jan 2018
12/11	Portfolio Office to present Portfolio Board with a proposal on how to develop a presentation on portfolio information to wider staff group.	MH	19 Jan 2018

Action Points: 12/07, 2/08, 3/08, 8/08, 2/09, 3/09, 4/09, 9/09, 11/09, 16/09, 1/10, 4/10, 5/10, 6/10, 8/10, 9/10, 12/10, 13/10, 14/10, 15/10, 16/10, 17/10, 18/10 and 19/10 are discharged.

It was noted that the Built Asset Management Board (BAMB) had submitted to the FESMB by correspondence seven cases for approval, which have been agreed. This includes:

- Durriss Office Accommodation – proceed with options appraisal;
- Durriss Storage – improvement works approx. £43k;
- Tummel Deer Larder – extension of current facilities approx. £150k;
- Glenmore Visitor Centre – remodel of existing facilities approx. £80k;
- Cairnbaan Offices - proceed with options appraisal;
- Upper Tullochbeg Farm – essential maintenance approx. £25k; and,
- Rogie Farm Tenanted Property – completion of roof replacement.

3. Chief Executive Update

Simon Hodge advised that Fergus Ewing (Cabinet Secretary for Rural Economy and Connectivity) had attended an event at Barony College, Dumfries to meet staff delivering restocking and/or renewable energy developments on the National Forest Estate (NFE). Mr Ewing praised staff for the variety of business areas delivered on Scotland's NFE.

Mr Ewing also launched FES's Modern Apprenticeship programme, seeking eight new Modern Apprentices to begin a career in forestry in the south of Scotland with the potential for further opportunities in other areas during 2018. The organisation is seeking a diverse range of applicants for the programme.

The first Forest Tourism Summit was held at Glentress Forest and was attended by both Mr Ewing and Ms Hyslop (Cabinet Secretary for Culture, Tourism and External Affairs). It brought together a wide range of public and private tourism interests, to listen to ideas and concerns, seek new opportunities and address economic challenges within the sector.

To support progress of the Forestry and Land Management (Scotland) Bill through Parliament Simon along with the Cabinet Secretary and other members of the Bill team met with representatives of all of the political parties to hear views and answer questions.

The Spending Review has now moved in to the final stage of debate and agreement.

4. Business Plans (FY's 18/19 and 19/20)

Donna Mortimer presented a paper on progress with the current Business Plan (BP) exercise, to aid with the analysis of the BP and to discuss the next steps in the process of balancing to the agreed net cash figures.

The net figures provided highlight a significant shortfall for 18/19, and the FESMB discussed opportunities to reduce the disparity. This includes having a clear distinction of costs associated with change programmes and attribution of charges from Business Services.

AP1/11: Head of Business Services to provide FESMB with details of changes to Business Services resourcing, including headcount and related costs.

AP2/11: Head of Land Management to map Land Management programme spend for FY 19/20 to enable consideration of draw down from reserves.

AP3/11: Business Services and function leads to collaborate on separating cost of change from business as usual, and provide an update to head of Finance and Procurement.

AP4/11: Head of HR to ensure consistent terminology is applied when calculating staffing figures and related costs.

AP5/11: Head of Estates Development and Head of Finance and Procurement to discuss and agree costs relating to New Woodland Investment Programmes.

The FESMB agreed that £1m is to be released from Estates Development and attributed to non-domestic sporting rates in 18/19.

5. FES Quarterly Dashboards

Linda McKenna presented the FESMB with the Q2 Dashboard, and sought input around the future development and use of, and proposed improvements to the dashboard.

The FESMB discussed and agreed the improvement measures, and revision to timescales. They thanked Linda for her efforts in reviewing and amending the approach.

AP6/11: Head of Corporate Support to consider how future corporate dashboards can be shared with appropriate business leads whilst maintaining commercial/business confidentiality.

6. General Data Protection Regulations (2018)

Nicol Sinclair advised the FESMB that legislation is changing in May 2018 in respect of the General Data Protection Regulations (GDPR), and outlined the differences from the current Data Protection Act (1998). He highlighted what impact this is likely to have on the business and key risks associated with data breaches and non-compliance.

The FESMB discussed the requirements of the new regulations, and how responsibilities could be met going forward through the role of a Data Protection Officer (DPO). This included giving consideration of the approach being developed by Scottish Government and other departments.

AP7/11: Head of Business Services to present information to FESMB on the type and location of personal information held across the organisation, and present options to address General Data Protection Regulations.

7. Staff Survey 2017

Rosetta Forbes presented the FESMB with a high level overview of the FES results from the Staff Survey 2017, indicating that in comparison to the 2105 results:

- 73% of staff completed the survey, an increase of 12%;
- Employee engagement had dropped to 60%, a decrease of 9%; and,
- Overall, there were 6 areas of improvement, 33 deteriorations, and 28 with no change.

The FESMB agreed that it was very important to consider the results in depth, and that a facilitated session should be held early in 2018 to develop appropriate actions to take forward results.

AP8/11: Head of HR to arrange facilitated FESMB session in early 2018 to discuss and progress actions in response to the Staff Survey 2017 results.

8. H&S Accident/Incident Report

Jason Liggins presented a paper to the FESMB outlining that there were 68 incidents reported in October 2017, including 9 workplace accidents.

There were three lost time incidents recorded (one which resulted from a slip and trip incident the previous month). In total 27.5 days were lost attributed to injuries sustained at work. One employee RIDDOR report was submitted in association with a progression in the severity of a pre-existing Hand Arm Vibration (HAVs) condition.

Slips, trips and falls continue to be the associated with the highest number of reported incidents, approximately 10% of all recorded incidents. Other key issues include work near Overhead Power Lines, the use of ATVs and vehicle accidents/incidents.

The H&S Team are continuing to support the Health & Safety Executive (HSE) investigation at Ben Lora following the fatal accident in July. There have also been two chainsaw accidents, one in relation to a member of staff and a second in relation to a contractor, in recent weeks that require investigation and support to affected staff.

9. Internal Audit Report Action Plans

Donna Mortimer presented an update on progress and refinement of the draft action plans in response to recommendations in the Internal Audit Reports on Finance Support Visits, Procurement and Contract Management.

Details of the Internal Audit reports and draft action plans were considered and discussed with the Audit & Risk Committee in November 2017, including any links to the development and publication of the annual accounts in 2018.

The draft action plans will be presented for final agreement by Internal Audit in early December 2017.

A number of key actions have been agreed to progress recommendations, including:

- Introduction of an Assurance Framework by the end of March 2108;
- Development and testing of an internal control checklist;
- Identification and agreement of action to be taken prior to vesting of Forestry and Land Scotland in April 2109; and,
- Sampling to gain assurance that issues are being taken forward/addressed.

A further Senior Team Leaders meeting would be held on 26 January 2018 to progress the agreed action plans.

10. Organisational/Functional Updates

Estates Development: Michael Ansell advised that some disposals of land/buildings were moving to the final stage in the sale process.

He is meeting with Mr Ewing and the SAA in early December 2017 to discuss non domestic sporting rates, and the impact on sustainable deer management on the National Forest Estate.

Michael highlighted an escalating risk regarding recruitment and retention of staff with the continuing pay cap for Civil Servants.

Land Management: Trefor Owen identified an emerging risk in relation to new staff receiving appropriate training and consolidation, which is resulting in additional support and input from other staff members.

HR: Rosetta Forbes advised that the pay Award 2107 has formally been rejected by the FC Trade Unions. The pay award will be implemented, and reflected in the December 2017 staff pay. Communications to all staff are planned week commencing 27 November 2017.

Corporate Support: Michael Hymers advised that proposed Stage 2 amendments to the Forestry and Land Management (Scotland) Bill were beginning to be submitted for consideration. Function leads and appropriate staff may be required to respond to requests for information or input to discussion in preparation for the Cabinet Secretary meeting with the Rural Economy and Connectivity Committee (RECC) on 7 December 2017.

Community & Visitor Services: Alan Stevenson advised the Sherriff Officer has released their findings in relation to a motor sports rally fatality, with observations and recommendations on spectator management by event organisers in the future.

A request for a review may be submitted following a recent decision to refuse a Community Asset Transfer Scheme (CATS) request. The review must be submitted by 1 December 2017 for consideration by a Scottish Government panel.

Finance & Procurement: Donna Mortimer advised that an update has been issued advising of staff that are transitioning in to or been recruited to post in Finance and Procurement.

She highlighted that, following a recent recruitment exercise, there was an emerging risk about the quality of suitable applicants for advertised vacancies.

AP9/11: Head of Finance and Procurement to provide function leads with outline of the roles/responsibilities for the Supplier Development Programme Champion to aid identification of a suitable volunteer.

Business Services: Nicol Sinclair advised that the Digital Services Business Case consultation had now closed. There were a few queries raised by the Trades Unions and/or staff, and a response to these has been issued.

11. LM & C&VS Future Structures Next Steps

Trefor Owen advised that the consultation on Future Structures for Land Management and Community and Visitor Services had now concluded. The Trade Unions have not supported the proposal as presented; however their response contains much valuable feedback.

The FESMB will carefully consider all the feedback provided from the Trade Unions and others before a decision is reached. Further dialogue with the Trade Unions will be sought as part of this process, as well as engaging with the National Committee for Scotland.

It was acknowledged that the FESMB were grateful to the Trade Unions for their response, and to all staff who were involved in feeding into it.

12. Portfolio Management

Nicola McKeand presented the FESMB with an update on the portfolio priority programmes and projects, highlighting those with red/amber RAG status in relation to costs, schedule, risks, issues and dependencies.

There were no new programmes or projects for consideration at this time; however a request will be submitted to the December meeting to consider, and where appropriate prioritise, the project to take forward recommendations from the Internal Audit reports.

AP10/11: Portfolio Office to amend Portfolio Report RAG Status to indicate if status is improving, the same or declining.

Nicola outlined plans to introduce a Programme/Project Manager Internal Network to share information on workstream progress, dependencies and best practice.

She has been engaging with Forest District Managers and function leads on how to consider embedding portfolio management principles at a local level, and gain and understanding of wider business impacts.

AP11/11: Portfolio Office to provide Portfolio Board with quarterly resource plans.

AP12/11: Portfolio Office to present Portfolio Board with a proposal on how to develop a presentation on portfolio information to wider staff group.

13. AOB

No items were raised under AOB.

The date of the next FESMB is the 21 December 2017.