

Forest Enterprise Scotland (FES) Management Board Meeting

27 July 2017

Attendees:

Simon Hodge, Chief Executive
Amanda Bryan, Chair National Committee for Scotland
David Gould, National Committee for Scotland (pm only)
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
Donna Mortimer, Head of Finance and Procurement
Rosetta Forbes, Head of HR Scotland
Nicol Sinclair, Head of Business Services (Acting)
Rhondda Salmond, Secretariat

Apologies:

Brent Meakin, Head of Business Services

Others:

Rebecca Boenke (Item 12)

1. Minutes of last Meeting 28 June 2017

The FESMB agreed that the record of 28 June 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
5/05	FESMB to be advised how the cost of change for the New Agency will be embedded in to Business Planning process	DM	21 July 2107
2/06	Head of Fleet and Buildings to work with Head of ED and Head of LM to identify a forward programme of rationalisation sales based on a consistent and agreed set of business tests	NS	18 August 2017
4/06	Present future paper to FESMB on benefits of new IT system to support fixed price e-sales	NS	18 August 2017
1/07	Function Leads to remind staff of importance of checking accuracy and validity of information prior to submitting for inclusion in the Corporate Dashboard	All	18 August 2017
2/07	Review Corporate Dashboard with FESMB members	MH	22 Sept 2017

Ref:	Action	Who	Target Date
3/07	Engage with Health and Safety Team to consider appropriate information for inclusion in Corporate Dashboard	RF	18 August 2017
4/07	Develop potential options and timescales for delivery of stakeholder satisfaction KPI	MH	22 Sept 2017
5/07	Review accuracy of environment KPI RAG rating, and advise of any amendments	TO	18 August 2017
6/07	Revise Corporate Calendar to incorporate milestones and timescales associated with completing key tasks	MH	18 August 2017
7/07	Function leads to identify and submit potential investment opportunities for spend within financial year, and/or for inclusion in future Business Plans to Donna	All	4 August 2017
8/07	Present potential investment opportunities for spend within financial year, and/or for inclusion in future Business Plans to FESMB for agreement	DM	18 August 2017
9/07	Submit paper to NCS on the LM and C&VS Future Structures business case	TO	3 August 2017
10/07	FESMB to contribute to and agree approach to communications in relation to the LM and C&VS Future Structures business case	TO	3 August 2017
11/07	Engage with Function Leads on cases where performance management policy or procedure is not being adhered to	RF	18 August 2017
12/07	Present further detail on developing and delivering Manager Capability to FESMB	RF	20 Oct 2017
13/07	Provide FESMB with update on Digital developments, including the Digital Business Case	NS	18 August 2017
14/07	Function Leads to provide feedback on Business Services Service Schedules	All	31 August 2017
15/07	Present paper to FESMB on Apprenticeships	TO	18 August 2017
16/07	Present proposals to the Recruitment Panel to build resilience and capacity within the Procurement Team and wider business, including contract management	DM	22 Sept 2017
17/07	Simon Hodge to engage with Business Service leads on pressure points impacts on portfolio and project resourcing and scheduling	SH, DM & RF	4 August 2017
18/07	Issue communications to staff updating them on portfolio priorities following the NCS meeting on 10 August	MH	10 August 2017

Action Points: 1/05, 6/05, 1/06, 3/06, 5/06, 6/06, 7/06, and 8/06 are discharged.

3. Chief Executive Update

Simon Hodge provided an update on the fatal accident on the National Forest Estate. The FESMB thoughts are with the family and friends of those affected at this very difficult

time and offer them our deepest condolences. The focus is now on working with Tilhill Forestry and the Health and Safety Executive as investigations into this tragic incident continue.

He also provided an update on the key processes impacting FES being taken forward as part of the Scottish Government One Project, specifically the Programme for Government and Spending Review.

The Programme for Government is expected to contain substantial content on forestry and land management, for FES including four commitments: restoring Plantations on Ancient Woodland Sites; woodland creation; vacant and derelict land opportunities; and as an exemplar of rural development.

A meeting has been scheduled with Fergus Ewing (Cabinet Secretary for the Rural Economy and Connectivity) and Bridget Campbell (Director for Environment and Forestry) to discuss potential options for the Spending Review.

4. FES Corporate Dashboard

Michael Hymers presented the FES Corporate Dashboard for Q1 of 2017/18 highlighting key achievements and performance against Key Performance Indicators (KPI's) and Operational Performance Indicators (OPI's), and progress reports from the Programme Office.

AP1/07: Function leads to remind staff of importance of checking accuracy and validity of information prior to submitting for inclusion in the Corporate Dashboard

The FESMB agreed that the Glentress Project could proceed to next stage, following the signing of a partnership Agreement with Forest Holidays and submission of an application for planning.

Linda McKenna will take up the role of Corporate Development Officer from 7 August, and part of this role will include reviewing the content of the Corporate Dashboard, including how best to incorporate appropriate health and Safety data.

AP2/07: Review Corporate Dashboard with FESMB members

AP3/07: Engage with Health and Safety Team to consider appropriate information for inclusion in Corporate Dashboard

AP4/07: Develop potential options and timescales for delivery of stakeholder satisfaction KPI

AP5/07: Review accuracy of environment KPI RAG rating, and advise of any amendments

5. Corporate Calendar

Michael Hymers presented a paper on the development of a Corporate Calendar that aims to consolidate all of the separate elements associated with 'key' corporate milestones, including reporting points and meetings.

Once the format is further developed and agreed by the FESMB the calendar will be shared across the organisation to:

- Help inform scheduled reporting;
- Support the development and completion of a stakeholder bulletin; and,
- Inform the agenda for national Committee for Scotland meetings and updates.

The Corporate Support team were thanked for the efforts made in pulling together a comprehensive approach.

AP6/07: Revise Corporate Calendar to incorporate milestones and timescales associated with completing key tasks

6. Financial Update

Donna Mortimer presented the Finance Dashboard for Q1 of 2017/18, highlighting changes that have been made to simplifying and enhancing the Business Monitoring Reporting (BMR) to meet business requirements.

The FESMB recognised the efforts by the Finance Team to review and update the approach to the BMR.

Donna advised that actual expenditure approx. £30.4m was slightly below forecast for the period, however the budget was set last year and needed some minor revisions. Programme expenditure is currently in line with the budget.

Work continues by the Finance Team to identify and consider the cost of change associated with developing and delivering the FES Change Programme, including the New Agency Project.

An investment slate concept is also being considered, seeking to identify and prioritise strategic investments that can be spent in year, and longer term options for inclusion in Business Plans.

AP7/07: Function Leads to identify and submit potential investment opportunities for spend within financial year, and/or for inclusion in future Business Plans to Donna

AP8/07: Present potential investment opportunities for spend within financial year, and/or for inclusion in future Business Plans to FESMB for agreement

7. Land Management and Community & Visitor Services Future Structures

Trefor Owen presented the Land Management (LM) and Community & Visitor Services (CVS) Future Structures business case, highlighting changes to the document following previous feedback and answering questions from FESMB members.

The FESMB signed off the LM and C&VS Future Structures business case, which will be discussed with National Committee for Scotland (NCS) on 10th August. No further issues were raised with respect to the proposal, the focus of discussion being on the input required from Business Services, particularly HR, and on the management of this project alongside other change initiatives, particularly devolution.

AP9/07: Submit paper to NCS on the LM and C&VS Future Structures business case

AP10/07: FESMB to contribute to and agree approach to communications in relation to the LM and C&VS Future Structures business case

8. Annual HR Dashboard

Rosetta Forbes presented the Annual HR Dashboard. Key highlights include:

- Increase in headcount as a result of transfer of Central Services and change management posts;
- There has been little change of demographics in relation to gender, disability, race and age;
- Overall there has been 11% staff turnover in year;
- 184 posts were considered by the Recruitment Panel, with 89% approved; and,
- Reduction in average working days lost to sick absence from 10.22 to 9.44, with 46.1% of staff having no sick absence.

9. Performance Management

Rosetta Forbes presented a paper to the FESMB with an overview of performance management ratings for 2016/17, highlighting issues and how the process could be improved.

For the 2016/17 performance year, 142 employees (17%) were rated Top Performer (TP), whilst 5 employees (0.6%) received a Not Fully Effective (NFE) rating. The number of TPs has increased in comparison to 2015/16 whilst the number of employees rated NFE remained the same: 109 (13.6%) TP and 5 (0.6%) NFE.

The FESMB agreed the recommendations on improving the process.

AP11/07: Engage with Function Leads on cases where performance management policy or procedure is not being adhered to.

10. Manager Capability

Rosetta Forbes presented a paper seeking approval from FESMB to establish an approach to further develop the capability of current and future FES' managers and leaders, and investment in a learning portal.

The proposed approach would include the development and launch of a FES Manager's Training Academy, specifically aimed at developing skills for effectively leading and managing people and strengthen compliance in the following areas:

- Employee relations;
- Health & Safety;

- Performance;
- Change; and,
- Finance and Procurement.

The FESMB agreed the concept. Potential links were identified to developing a clearer approach to competency frameworks and 'authorisation to operate' approaches that might be adopted for critical areas like H&S, finance and people management.

AP12/07: Present further detail on developing and delivering Manager Capability to FESMB

11. Organisational/Functional Updates

Estates Development: Michael Ansell advised that progress is being made on a number of disposals and developments.

Corporate Support: Michael Hymers advised that the number of Freedom of Information (FoI) requests submitted to FES has increased significantly over the last few months; however there is no clear trend or theme.

The New Agency Project (NAP) will be seeking the input of the FESMB on potential governance options for F&LS going forward.

The format of the All Staff Communications meetings will be discussed at the Scottish Executive Board (SEB) next week. Following the SEB a draft agenda and outline of the format will be circulated to the FESMB.

Finance: Donna Mortimer advised that there were a number of emerging risks in relation to application of high procurement and contract management standards. Guidance needs to be reviewed and revised, and necessary support introduced to assist staff.

Business Services: Nicol Sinclair advised that Allan Mooney, the new Head of Learning and Development take up post on 31 July 2017.

As part of the Digital Virtualisation Project, work will begin in September 2017 to begin migration of finance applications into Scotland. This work will take approx. 14 months to complete. David Exeter will provide an update to FESMB, including details of the Digital Business Case.

AP13/07: Provide FESMB with update on Digital developments, including the Digital Business Case

Business Services have circulated draft service schedules to delivery functions as a basis for service level agreements and Business Plan settlement.

AP14/07: Function leads to provide feedback on Business Services Service Schedules

There has been a slight delay in commencing the Business Plan process, and revised timescales will be circulated as soon as possible.

Community & Visitor Services: Alan Stevenson advised that an options appraisal would be undertaken on the Sign Unit at Balnacoul. Following this a business case will be submitted to the FESMB outlining potential options and any staffing implications.

Land Management: Trefor Owen advised that £1.9m funding had been secured for peatland restoration, and a contract manager appointed to oversee the project.

Work has been ongoing to consider and develop the organisation's approach to Apprenticeships. A paper will be presented to the FESMB on potential options.

AP15/07: Present paper to FESMB on Apprenticeships

Turnover in the Procurement Team this has impacted on capacity and this was now being felt by the business.

AP16/07: Present proposals to the Recruitment Panel to build resilience and capacity within the procurement team and wider business, including contract management

HR: Rosetta Forbes advised that the consultation on the Finance and Accounting Services (FAS) Business case was now complete. The FC Trade Union have raised some issues, and these are being managed in preparation for moving in to implementation.

The Civil Service recently lost a legal case in relation to changes to redundancy; however they plan to appeal this decision. This has the potential to impact on any staff considering redundancy options.

A further legal case has concluded that charges introduced for Employment Tribunals are illegal, and therefore should be abolished. There is potential that there may be an increase in tribunal cases raised following this decision.

12. Portfolio Management

Rebecca Boenke presented the FESMB with a revised and prioritised portfolio that incorporated views and feedback from the meeting held in June 2017.

FESMB considered the revised portfolio, and the impacts on different business areas. It provided a good insight into the critical role of Business Services, and in particular the need to continue to build HR and procurement capability and carefully schedule demand through the next several years of change.

AP17/07: Simon Hodge to engage with Business Service leads on pressure points impacts on portfolio and project resourcing and scheduling

AP18/07: Issue communications to staff updating them on portfolio priorities following the NCS meeting on 10 August

13. AOB

There were no items raised under AOB.

The date of the next FESMB is the 24 August 2017.