

**BACKGROUND INFORMATION – England National Committee 22 July 2015****England Staff Council - Consultation Document****Proposed Changes to FC England National Office**Introduction

Forestry Commission England is moving through a significant change programme under the overarching Woodland Policy Enabling Programme (WPEP) which was initiated to implement the Government's Forestry and Woodlands Policy Statement published in January 2013 [link] following recommendations made by the Independent Panel on Forestry.

A separate workstream within WPEP was formed to review and develop options on the future delivery of FCE National Office corporate services. This workstream oversaw the development of future Target Operating Models (TOMs) for both Forest Enterprise England (FEE) and Forest Services (FS), and the delivery of Strategic Outline Business Cases (SOBCs) for corporate services.

Scope of this consultation

The scope of this consultation covers the FCE corporate service teams (Finance, HR, Communications, Executive Office and the WPEP Office) within the National Office in Bristol.

Current Position

The various FCE corporate teams provide support to FCE and, under annual Service Level Agreements (SLAs), to FEE and FS, as well as supporting the other Westminster funded FC entities (i.e. Central Services [CS] including FR and CFS) on strategic finance, financial reporting and accounts, communications and secretariat issues.

The staff involved total 46.5 FTE split across the various teams as follows:

- Finance: 15.5
- HR: 5.0
- Communications: 13.2
- Executive Office: 7.0
- WPEP Office: 5.8

Change in approach

FCE is proposing to transfer substantial elements of the FCE National Office to FEE by end March 2016, or earlier in the final quarter of 2015/16 if circumstances allow. A slimmed down Executive Office function will remain to support the Country Director, along with the FCE Finance Director and a management accountant to support strategic finance work. A significant

communications team presence will also remain in FCE National Office for the time being. More detailed proposals on the future development of communications in FCE, FEE and FS will be put forward for consultation in due course.

No reduction in posts and staff numbers are expected during 2015/16 as a direct result of the transfer of FCE National Office functions to FEE.

The WPEP Office team, which will remain fully within the National Office, will in the short term increase in both project and change management capacity whilst the change programme is being delivered. This will be achieved through a combination of Fixed Term Appointments and external contractors.

It is also proposed that FEE provide the National Office, FS, and where appropriate elements of CS, with corporate services in the short term through SLAs until long term arrangements are put in place for FEE and FS by April 2018 if not sooner. FS plans to develop the capacity and capability it needs to be an intelligent client for these services.

It is proposed that a new Head of HR post be introduced to lead the establishment of HR functions for FEE – including support to the rest of FC England in a transitional period – to lead on HR issues involved in the wider changes to FEE and FCE, and to lead HR functions in FEE and any successor organisation into the future. The job description for this post is attached.

Subject to consultation this post will also oversee the integration of HR Services staff into an enlarged HR team following the EEB's approval of the recommendations made in a specific business case for HR Services developed through the Business Strategy Group (BSG) in line with the Shared Services Roadmap for change. This business case recommends the devolution of these specific services (resourcing, employee life cycle and case management transactional HR work) to FCE and FR. A separate paper is being put to the Corporate Services Staff Council on HR Services on the 28<sup>th</sup> July.

### Rationale for Change

FCE is proposing to adopt a clear policy objective that FEE and FS should establish their own arrangements for the provision of corporate services. The drivers for this policy are:

- FEE going through a transition and becoming more autonomous inside FCE with a view, to be confirmed by Parliament in due course and subject to legislation in Parliament, that it move to a new public body independent of the Forestry Commission.
- The expectation that full devolution of forestry to countries, including necessary legislative changes, will complete in the short-medium term.
- Government policy for the establishment of shared services for UK departments and ALBs. This policy is reflected in Defra initiatives such as One Business, Network Corporate Services, and Unity, with a range of end-points possible for different bodies and services within the Network.

A key element in support of this objective is for FEE to restructure its corporate services, and put in place new supporting systems, sufficient to support a fully autonomous body.

The transfer of the FCE National Office functions to FEE is an integral element of the proposition to strengthen FEE's corporate services as part of its increasingly autonomous operations.

The proposed timing of the transfer has been made to smooth out the change and to ensure that FEE is best placed to engage with the further devolution of shared service functions from Silvan House, such as the transfer of HR Services functions.

The FEE SLAs with the National Office, FS and CS will provide the necessary business continuity assurance during this period of change.

The proposed change is not designed as a cost saving exercise, but is intended to support the delivery of the distinct policy of the UK Government. However, opportunities to realise efficiencies through restructuring teams will be taken where it is sensible to do so.

### Next Steps

Following consultation with FCTU the next steps will be:

- Country Director to brief all staff in the FCE National Office on change proposals [13th July];
- cost centre managers brief their own National Office teams, with the offer of individual 1:1's with staff [within a week of Director briefing];
- to initiate a review of accommodation within the Bristol office to optimise the use of space and achieve the best fit for efficient team working. The results of which will be taken to the Bristol Staff Council in the late autumn of 2015;
- the continued evolution of TOMs and the development of full business cases for all FCE corporate service functions by the FCE change programme;
- consult on any additional posts; and,
- consult, in September, on detailed proposals on the future development of communications in FCE, FEE and FS.

Throughout this process we will, of course, continue to share our thinking with FCTU and consult where necessary as more detailed business cases are developed for each corporate service area, and on posts where they are affected.