

STRATEGY BOARD MEETING MINUTES

FOREST ENTERPRISE ENGLAND

9th November 2016 10:00 – 12:00
National Office, Bristol Business Park, Bristol

ATTENDEES

Chair- Simon Hodgson (Chief Executive, FEE)
Julia Grant (Non-executive board member)
Sir Harry Studholme (Non-executive board member/ Forestry Commission Chair)
Rachael Edwards (Head of Strategy & Insight, FEE)
Paddy Harrop (Head of Marketing, FEE)
David Hodson (Head of Finance & Business Support, FEE)
PK Khaira-Creswell (Head of Corporate Affairs & Governance, FEE)
Jo Ridgway (Head of HR, FEE)
Michael Seddon (Director of Operations, FEE)
Mark Street (Head of Estates, FEE)

Apologies: Mark Pountain (Non-executive board member)

Guest: Sarah Bloomfield (Doctoral Researcher, University of Bath – Observing Only)

Secretariat: Nadia Balasco

AGENDA TOPICS

1. Welcome and Introduction | Item Lead: *Simon Hodgson*

Simon Hodgson welcomed Julia Grant to the Board and also introduced Sarah Bloomfield to the meeting who would be observing as part of a research project that looks at particular tensions within organisations.

Action items	Person responsible	Deadline
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None

2. Consent Agenda / Item Lead: *Simon Hodgson*

The minutes of the July meeting were agreed.

Action items	Person responsible	Deadline
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None

3. Chair Report | Item Lead: *Simon Hodgson*

Discussion:

The Chair updated on the main ongoing issues within FEE:

- Transition update: the transfer of corporate services into FEE (i.e. executive office functions, HR and finance) is a two/three year transition programme. The project is progressing forward with the next phase finance and the HR business cases both due in December. The target date for

completion of all transfers is April 2018. Phase one of the HR transfer is now complete with work progressing on the second phase (pensions and payroll).

The expectation that Forest Services will draw a shared service provision from DEFRA remains in the plan but it has been agreed that FEE will provide a service for FS for an interim period. However, FEE will not be setting itself up to be a long-term service provider of FS corporate functions. This process is allowing opportunity to review and modernise all current systems.

Work is ongoing to support Ministers determine future arrangements for forestry in England, including arrangements for Forest Research, in preparation for completion of forestry devolution to Scotland.

Action items	Person responsible	Deadline
None		

4. Financial Performance Report

| Item Leads: *David Hodson*

Discussion:

The Board were provided with the financial position to mid October 2016 (month 6). The main points highlighted included:

- The forecast saw an improvement against plan due to excellent performance in both timber and recreation.
- The year-end cash balance is expected to be £1.7m worse than plan. This is due to revised assumptions around land transactions (receipt loss £8m and spend avoided £5.2m, net £2.8m resource loss), increase in capital programme of £0.9m and improvement in trading position of £1.9m.
- Transition programme: Approx. £6m is set aside for the transition due for completion by 2018/19. Transition beyond that date will be a pressure.

Action items	Person responsible	Deadline
None.		

5. Management Performance Dashboard

| Item Lead: *Rachael Edwards*

Discussion:

The ET reviewed the updated Dashboard completed to the end of September 2016. The main points of discussion included:

- Accident rates: showed a red rating. This is because the rate is higher than at same stage of previous year. This warrants continued monitoring however trends over a longer period of time are not causing concern.
- H&S in practice: Discussion as to the steps FEE is taking to comply with legal requirements as well as best practice. Michael Seddon drew the Board's attention to the Staff survey results that report H&S as one of FEE's stronger aspects. In the last quarter, FEE defended a case in West forest district (horse riding incident) and the outcome was in favour of FEE. Additionally, during the recent UKWAS visit to North district, commendation was given to staff for the intervention and

handling and positive outcome of two incidents that occurred. It was agreed that focus should be on making commendation a proactive part of FEE's culture.

Conclusion:

Generally feedback and outcomes are positive and the management team appear to be monitoring what is done well/not so well. MI data was not available on sickness as the data from the older systems used lacked integrity and cannot yet be relied upon. There continues to be challenges with some of the work handed over to the FEE national team. However, both HR teams are working together to resolve.

Action items	Person responsible	Deadline
None		

6. FE Strategic Framework

| Item Lead: *Rachael Edwards*

Discussion:

The draft FE Strategic Framework was presented to the Board. The main points discussed were:

- The Strategic Framework sets out the future direction for FEE. It aims to ensure all are focussed on organisational objectives and provides a clear vision of the work involved to further develop FEE. It is intended primarily as an internal document.
- Detailed comments were received on the five themes for inclusion in the next draft.
- Overall the Board was supportive of the developing Framework and its clarity of message.
- It was agreed to keep strong, simple language within the document and for it to be inspirational and help staff understand where FEE's future lies and connect their work to this.

Conclusion:

- Rachael Edwards will collate all feedback received and use to create the near final version for the Board. The intention is to launch the Framework at staff briefings in the spring.

Action items	Person responsible	Deadline
None		

7. Capital Programmes

| Item Lead *Michael Seddon*

Discussion:

- The Board were provided with an update on the Capital Programmes. Monitoring of cash flow for individual projects within the programme has been strengthened. Currently there are no significant operational issues to report.
- Lobslack nursery: Contracts were signed this week, the project is now entering into development phase.
- The principles of the proposals for the Haldon Visitor Centre Project have been approved by the Executive Team.
- Wendover Forest Centre development is likely to come into programme in 17/18.

- The planning application for the proposed Forest Holidays site at Delamere is still be determined. Details plans for the linked Forest Centre are in development.
- The Board welcomed the popularity of FEE Forest Centres but noted the dynamic tension between this and the character of the site and offer. It was confirmed that consideration is being given to the future model, to what it will look like, sustainability of the larger business centres, and whether centres have profitable growth, and if there is potential to expand. Sites are independently evaluated annually in addition to visitor experience surveys approximately every three years. Results have shown that there will be some visitors who move away from sites as they become bigger and more popular, utilising instead other quieter areas of the forest. There is still a lot of potential to improve, to get sites adequate for demand and to enhance the way in which things are done, but not diminish the visitor experience of why people come to the forest.

Conclusion:

- The Board noted progress to date and that continued monitoring of progress and cash flow was planned.

Action items	Person responsible	Deadline
None		

8. Friends of Westonbirt Arboretum, FC trustee nomination

| Item Lead *Simon Hodgson*

Discussion:

The Board discussed and approved the recommendations in paper 29/16 to:

- re-appoint John Hammond, Margaret Headon and Malcolm Potter as FC nominated Trustees of FOWA for a further 3 year term; and
- Agreed that the future FC nominated Trustee recruitment process: (i) adopt the principles of fair and open recruitment using a portal such as charityjobs.co.uk; (ii) where mutually agreed by the Director Westonbirt and FOWA CEO the exercise may be organized by the FOWA executive and be in parallel with member appointed trustee recruitment, and (iii) a subset of pre-vetted candidates are submitted to the FE Strategy Board for formal FC approval.

Action items	Person responsible	Deadline
Board to report back to Andrew Smith that the recommendations are approved.	Simon Hodgson	ASAP

9. 2016 UKWAS Audit Outcome

| Item Lead *Michael Seddon*

Discussion:

The UK Woodland Assurance Standard is a critical assurance for FEE's sustainable land management. The board reviewed the PowerPoint which provided a context for 2016 audit results showing that all current issues are being managed. In summary there is a positive trend of fewer corrective actions and high numbers of commendations.

Continuation of certification is reliant on the day to day efforts of all staff in FEE, as well

as at audit time. The Board expressed its thanks to all who have contributed to secure continuation of certification.

Action items	Person responsible	Deadline
None		

10. Business Areas Update Report | Item Lead *All*

Discussion:

The Board reviewed the report and Sir Harry Studholme thanked all who were involved and contributed to recent collaborative work on grey squirrels.

Action items	Person responsible	Deadline
None		

11. Risk Register | Item Lead *David Hodson*

Discussion:

The Board reviewed the risk register and agreed there were no major changes to date to highlight and that no new additions were required to be added.

As a reminder for everyone the risks are ranked in order of the scores on the individual risks on the right hand side of the table.

Action items	Person responsible	Deadline
None		

12. AOB | Item Lead *All*

Discussion:

No future agenda items were raised.