

THE SEVENTY-FIFTH MEETING OF THE EXECUTIVE BOARD
HELD IN THE SILVAN HOUSE BOARDROOMS
ON TUESDAY 13 OCTOBER 2015

MINUTES

Members: Ian Gambles (Chair), Wilma Harper, Simon Hodgson, Jean Lindsay, Jo O'Hara and James Pendlebury

Guests: David Felstead (agenda item 8 only) and Nicol Sinclair (agenda item 9 only)

Secretary: Stephen Bennett

Apologies: Simon Hodge (represented at meeting by Brent Meakin)

1. Minutes of the previous meeting and matters arising

The minutes of the meeting held on 9 September were agreed.

The following matter arising was discussed:

- **.pst Files**

The process to identify and back up .pst files would be clarified for staff via the Connect Bulletin.

Action: David Felstead

2. Forestry Governance Project

The target date to provide advice to Ministers on options was March 2016.

This project focused on three main strands of work: legislation; finance; and, Forest Research. Lawyers were currently exploring the scope of the legislative options which would involve primary legislation in Scotland and either primary or secondary legislation in England. Director, England was providing background briefing on these matters based on work carried out in previous exercises. The financial workstream was yet to be commenced.

The strand of work to review the future of Forest Research was underway although governance and administration arrangements had yet to be finalised. Although the Oversight Group had yet to meet, the Working Group had met. FR stakeholders had started to express their views. The Forestry Commissioners would work through their views at a workshop scheduled for their December meeting.

3. FC England Change Programme

Under the EU Payments Programme FC England was progressively transferring the administrative responsibility for grant payments to the Rural Payments Agency, although the difficulties with the CAP Delivery programme had delayed some elements of implementation. Defra was now considering options for further integration in due course.

A Head of Information Systems had been appointed for FEE. The transfer of the FC England HR, Communications and Finance functions to Forest Enterprise England was underway. The Bristol Office was being re-organised accordingly.

A revised structure of the Defra Senior Team (Directors and Deputy Directors) was due to be announced as a result of their Voluntary Exit Programmes. Shirley Trundle would remain as Director of Countryside and Nature including responsibility for forestry policy.

4. FC Scotland Change Programme

The FC Scotland team was currently considering a range of future financial scenarios in preparation for the spending review.

The programme for the establishment of corporate services in Scotland was being finalised for submission to the SG Director. Meanwhile, the proposals in the Business Cases to form independent Diversity and Procurement functions had now been agreed.

The consultation with the FCTU on the Forest Enterprise Scotland (FES) Change Programme was underway with a view to achieving implementation by April 2017. The principal aim of this Programme was to ensure the FES was structured and resourced effectively for the next ten years.

Scottish Government officials were working with FCS to consider the issues associated with the future of forestry in Scotland. Firm proposals or options were unlikely to appear before summer 2016.

5. FR Refresh

The consultation exercise for the FR refresh was underway. Consultation with the FCTU commenced on 16 September for 30 days. A meeting to discuss the consultation response with the FCTU had been scheduled. Meetings had been held with the staff affected. The Scottish Minister's meetings with the FCTU and ICF had gone well.

The financial implications of the proposals for FR were being worked through.

6. Spending Review 2015

The extent of the impact of Spending Review 2015 on the FC remained unclear, but it would inevitably include cuts over the Spending Review period. The Defra Secretary of State was currently in discussions with Treasury and Defra's settlement was likely to be finalised in November. This meant that the implications for the FC would not be known until the New Year. Director England would keep the EB informed.

Action: Ian Gambles

Meanwhile the FC England team continued to tightly control the current in-year spend.

The EB was informed that Capital Bids had been submitted by Defra for modernisation of the Defra organisation and woodland creation (linked to carbon reduction).

7. Shared Services Update

Director Central Services briefed EB members on the following issues:

- **Hand Arm Vibration Syndrome (HAVS)**
The FC would review its compliance with the HAVS Operational Guidance to ensure compliance with a Notification of Contravention from the Health and Safety Executive as a result of their visit to a Scottish Forest District.
- **Holiday Pay**
The FC remained in discussion with the FCTU about the details of implementation of Holiday Pay both going forward and also dealing with back pay.
- **Natural Resource Wales (NRW)**
NRW would not be utilising the majority of FC systems by 2017.
- **Internal Audit**
The Internal Audit team would move into the Government Internal Audit Agency by 2017.

8. Information Services Strategy

The EB reviewed the draft Information Services Strategy and endorsed it subject to the following changes:

- It would be a three-year Strategy from 2016-2019;

- The Strategy would refer to the fact that the current service would be decentralised and that a key aspect of the Strategy would be the transition of services to the countries and supporting the new arrangements for delivery.

The Central Services Management Board would sign off the amended Strategy.

Actions: Jean Lindsay/David Felstead

9. NRW Additional Costs

The EB endorsed Director Central Services' role to open discussions with NRW in order to negotiate the level of additional costs.

Director Central Services would engage with the Chief Executive of NRW and begin negotiations.

Action: Jean Lindsay

10. Any Other Business

One items of other business was discussed:

- **Whistleblowing**
The EB discussed and reviewed the bi-annual report on Whistleblowing cases in the FC.

11. Date of next meeting

The next meeting of the EB was scheduled for 10.30am, Wednesday 2 December, in the West Boardroom of Silvan House.