

**THE FORTY-THIRD MEETING OF THE EXECUTIVE BOARD  
HELD IN THE SILVAN HOUSE BOARDROOMS  
ON WEDNESDAY 24 FEBRUARY 2010**

**MINUTES**

**Members:** Tim Rollinson (Chairman), Michael Ansell, Keith Gliddon, Wilma Harper, Paul Hill-Tout, Jean Lindsay, Bob McIntosh, Trefor Owen, James Pendlebury

**Guests:** Hannah Cockerill (Agenda Item 7 only), Roger Coppock (Agenda Item 5 only), Liz Holmes (Agenda Items 8 & 9), Chris Probert (Agenda Item 4 only) and Pat Snowdon (Agenda Item 6 only)

**Secretary:** Stephen Bennett

**1. Minutes of the last meeting and matters arising**

The minutes of the meeting held on 10 December 2009 were agreed, with no amendments.

Two matters arising were discussed:

- **Senior Staff Appointments**

Pamela Warhurst, CBE took up post as Chair of the FC in January 2010.

Following an initial embedding down process, a note would be circulated to EB members on how support would be provided for the Chair role, outlining the various functions and responsibilities.

**Action: Paul Hill-Tout & Wilma Harper**

Director, Scotland would brief the Chair about the Forest Holidays Joint Venture.

**Action: Bob McIntosh**

- **Biosecurity**

The first draft of the Biosecurity Strategy had been prepared. It was anticipated that the final document would be ready for sign-off by the EB at their meeting on 23 June.

**Action: Wilma Harper**

## 2. Finance and Accounting Issues

Budget expenditure for 2009-10 for the GB Core, Shared Services and Forest Research remained on track.

The 2009-10 annual accounts were on track for completion by the required deadlines.

The FAS team was dealing with an increasing number of requests about costs for central benchmarking purposes. It was anticipated that this area of work would continue.

Director, FAS had received a letter from HM Treasury that provided a further update on the next steps with regard to the Alignment (Clear Line of Sight) Project. The key proposal was to move to a June publication date for a combined Departmental Report and Accounts. This would be very challenging for the FC and this new timetable would only be achievable if much more work was delivered in year rather than after the year-end.

However, it was possible that the FC GB Accounts would be withdrawn from the Defra Vote. In other words, the FC would return to a separate FC Vote and would no longer form part of the Defra Accounts. This would make the timetable more achievable. Director, FAS would keep the EB informed of progress.

**Action: Keith Gliddon**

## 3. HR Update

Director HR, highlighted the following issues from her paper:

- **Pay Remit**

EB members agreed that as the FC was a GB corporate body, different rates of pay would not be adopted for staff in different countries. Therefore, it was agreed that before the next pay remit was scheduled to be agreed with Ministers, a process or working agreement to the principle of a single pay remit would be developed with the pay policy teams in the three administrations. Director, HR would report back to EB members at the appropriate time.

- **Equality and Diversity**

EB members agreed that they would deliver a strong message to their Management Boards and policy leads about the need to complete the EqIA process when appropriate and that engagement with diverse communities was essential.

- **Reform of the Civil Service Compensation Scheme**

Director, HR would advise EB members of the result of the PCS ballot on strike action (in response to the Government plans to reform the Civil Service Compensation Scheme) as soon as she had the information.

- **Humidity System for Silvan House**

Work to install a humidity system in Silvan House had been halted until contract issues had been resolved satisfactorily.

**Actions: Jean Lindsay**

#### 4. Sustainability Reporting in the Public Sector

EB members agreed that the message that this project was mandatory would be promulgated, as it was necessary to apply the same rules and rigour to achieving business sustainability as was applied to certify the Forestry Commission estate.

However, it was also agreed that better project management and communications were essential. Although OGB43 had been issued, this would not be sufficient. The Programme Board had to clearly identify what tasks had to be completed, by whom and by when and the priority of those tasks. This would need to be clearly communicated to the business.

It was clear that there was a resource issue. EB members would be advised of the resources required both within the business and the central team within CFS. As there were no further funds available, resources at the centre must be increased as a result of re-allocation of existing funding.

It was acknowledged that gaps remained in the data, particularly for waste production and water usage. Effective data gathering systems were being developed.

EB members also wanted to know what the FC's targets were and understand the context of how they were established in order to justify those targets externally.

**Actions: Wilma Harper & Chris Probert**

The EB approved the transfer of responsibility for sustainability data management and the Carbon Reduction Commitment Scheme to FAS.

**Action: Keith Gliddon & Chris Probert**

The DG was willing to meet with the Sustainable Development Commission if necessary to engage in a robust dialogue about the impact of changing targets on small departments.

**Action: Tim Rollinson**

## 5. Science in the Forestry Commission

EB members were briefed about the governance structure for science within the FC and how the various components linked together, including the Science and Innovation Strategy, Corporate Plans, FR Framework Document, FR's Science Strategy and the role of Chief Scientist.

### 5a. Science and Innovation Strategy (SIS)

The draft SIS was essentially a refresh of the existing Strategy. A more extensive re-draft was scheduled to begin in 18 months time. As such, a full public consultation had not been undertaken. However, a few key internal staff from across the FC and external stakeholders had provided comments.

The focus had been on innovation, national outcomes and links to other Government Departments over three key issues of climate change and forestry, biosecurity and forest products. It was pointed out that no-one else was carrying out research with regard to these issues.

Unlike other Government Departments, the FC's SIS was based not only on the science that the department required to underpin policy development and strategy delivery but also forestry industry requirements.

The EB endorsed the SIS but asked for the following:

- the reason for specific pieces of research should be clarified e.g. strategic, private sector, technical aspects of forestry, etc;
- the SIS should be restructured, with the first section focused on research priorities and innovation and the second section describing the delivery process;
- the foreword would contain bold and visionary top-line messages.

**Actions: Roger Coppock**

EB members would send any further detailed comments to Roger Coppock by 2 March prior to submission of the SIS to Commissioners and Ministers.

**Action: EB members**

In order to facilitate a serious discussion about what the FC wants from its science, evidence and research activities, a seminar would be scoped out to take place in the early summer. This would be the starting point of a more fundamental review of the SIS

and would help shape the development of the FC's relationship with Forest Research and the future role of the FR Agency.

**Action: Tim Rollinson & James Pendlebury**

EB members would consider and suggest participants for this seminar.

**Action: EB members**

## 5b. FR Corporate Plan

EB members were content with the draft of the Corporate Plan.

**Action: James Pendlebury & Keith Gliddon**

## 6. FR Progress Report

The EB noted the contents of the progress report and were pleased to note that the target for external income had been reached.

The EB was advised that C-Cure Solutions Ltd. had now held two Board meetings. All the formal paperwork to establish the company had been lodged and a bank account opened. An independent chairperson, Brian Allison had been nominated. He had attended the second Board meeting to offer advice and support. He would take on the role of chair subject to a clear and agreed business plan, appropriate remuneration and the opportunity to invest in the company. The Board decided that the business plan would be finalised and a Chief Executive engaged to take things forward. It had been made clear that failure to employ a dedicated Chief Executive to deliver against an agreed plan would result in failure of the business.

## 7. GB Corporate Plan

EB members were generally content with the draft of the Corporate Plan with the following suggestions for change:

- Include more text on the Biosecurity Strategy;
- Include more text on Business Sustainability;
- Include text on the review of the People Strategy;
- Review the key actions for HR, and;
- The foreword should focus on 'big ticket' items.

**Actions: Wilma Harper**

Detailed comments would be forwarded to Head of CFS by 2 March.

**Action: EB members**

## 8. FC Internet and Intranet

The presentation of the proposed thematic structure of the new FC Internet pages was well received and approved as a way forward by EB members.

Development of the Internet was the top priority. Although it would reflect the structure of the Internet, the Intranet was a secondary priority for the time-being. EB members were content with this.

The EB approved the draft Action Plan, Governance Structure and Web Principles and Measures.

Although EB members agreed that the new role of Lead Web Manager was necessary, the business had no funds to support this. Therefore, a re-allocation of existing funds would be necessary. Director, Finance and Head of CFS would discuss how to achieve this and circulate the business case to EB members.

**Action: Wilma Harper & Keith Gliddon**

EB members were clear that they did not want a GB Communications Plan but accepted that a Communications Strategy that focused on systems, tools and methods of communication may be useful. However, EB members asked for further clarity on the scope of a Communications Strategy before agreeing to this piece of work.

**Action: Trefor Owen**

Director, Wales commended the work carried out by the Web Strategy Group to date and asked EB members to pass this on to Group members.

**Action: EB members**

## 9. Internal Audit – Treasury Strategic Improvement Plan

EB members noted the findings of the Treasury Review and the focus on a group audit function shared across Government Departments.

It was agreed that, as a cross-border public authority, the FC had already developed a group audit function that served the FC's needs very well. The EB would strongly resist any attempts to change this situation.

**Action: EB members**

## 10. Audit & Risk Committee (ARC) Chairs' Feedback

The Head of Internal Audit raised the following issues for EB members' information following the recent meeting of ARC Chairs:

- The ARC Chairs were of the view that there should not be a separate GB ARC. Any GB issues that arose would continue to be considered at the meeting of ARC Chairs.
- ARC Chairs had requested a consistent approach to risk registers across the FC.
- ARC Chairs had requested key risks identified for the GB Core and Shared Services.

**Actions: Liz Holmes**

## 11. Instruments for Woodland Creation and Management

EB members noted the progress in the development of new instruments for woodland creation and agreed that there were several interesting options, including taxation allowances, incentives for developers and a biodiversity points system and 'bank', among others. It was likely that a package of initiatives would be developed. A meeting had been scheduled to discuss these options in more detail.

The EB supported the proposal to form a dedicated team to support the Woodland Task Force by working up some of these options for woodland creation to develop funding models for use across GB. It was agreed that the team must include external expertise in carbon investment markets.

**Actions: Pat Snowden**

## 12. Any Other Business

Seven items of any other business were raised:

- **Review of Board Effectiveness**

EB members endorsed the recommendations of the recently published report that reviewed the Effectiveness of the Board of Forestry Commissioners.

- **EB Meetings during 2010**

EB members agreed that EB meetings during 2010 would be extended until approximately 3 pm, when necessary, during 2010.

- **NHS Forest**

Director, England was scheduled to meet with the NHS to establish a strategic partnership and develop a way forward with this project. Both FC Scotland and FC

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Wales had also engaged with the NHS on this, although to date FC Scotland had focussed solely on planting woods in hospital grounds. Director, England agreed to share progress to support taking this project forward in Scotland and Wales.

**Action: Paul Hill-Tout**

- **Renewable Energy**

EB members would send comments on the note circulated on 23 February on renewable energy development within the FC to the DG directly.

**Action: EB members**

- **External Income for the FC**

EB members would send comments on the suggested structure, timings and attendees of the seminar on external income to Director, Business Units directly.

**Action: EB members**

- **UKFS Update**

EB members would send comments on the progress report recently circulated directly to Richard Howe. The new version of the Standard would be circulated to EB members for approval.

**Action: EB members & Richard Howe**

- **Electioneering**

The DG would warn staff via his blog about the inevitable electioneering and rumours that would circulate about the FC in the run-up to the general election and advise staff not to worry and panic.

**Action: Tim Rollinson**

## 13. Date of next meeting

The next meeting of the EB was scheduled for 9am, Wednesday 28 April 2010, in the Silvan House Boardrooms. This meeting had been extended until 3.30pm.