

**Minutes of the 873rd Meeting of the Forestry Commissioners
Angel Hotel, Cardiff
28 September 2006**

Present:

Lord Clark, Chairman
Tim Rollinson
Ian Forshaw
Paul Hill-Tout
Anthony Bosanquet
Gareth Wardell
Martin Gale
Calum MacDonald
Tony Cooper
Tayo Adebawale
Wilma Harper, Secretary

Also attending:

Jim Lynch (Item 6)
Richard Boddington (SgurrEnergy – Item 7)
Linda McGinley (Minute Secretary)

Apologies

Received from Dr McIntosh

1. INTRODUCTION

The Chairman welcomed everyone to the Board meeting.

The Chairman extended his thanks to Mr Forshaw and staff in FC Wales who had hosted an excellent, interesting tour the previous afternoon, and commented on the strong and positive relationships and partnerships the FC are building up in the local community. He would write to those concerned, thanking them.

2. MINUTES OF PREVIOUS MEETINGS

The minutes of the Board meeting held on 8 June 2006 were agreed as a true record.

3. MATTERS ARISING

None

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4. NON-EXECUTIVE COMMISSIONER RECRUITMENT

The Chairman explained that the recruitment exercise was well underway, with a short list of 4 candidates for the 2 posts in Wales, and 5 for the England post. Interviews are due to be held on 10 October (Wales) and 9 November (England). Thereafter, the process to appoint successful candidates is expected to take a couple

of months, as it involves writing to Ministers in the appropriate countries, as well as No 10 and Buckingham Palace. The intention will be to invite the three new appointees to the December board meeting, as observers.

Dr Adebowale raised the issue of succession planning, in relation to appointments to the Board and National Committees. The Chairman agreed that this is an area that the Board will need to give some thought to, and certainly needs to be considered in view of the forthcoming appointments.

5. DG'S FORWARD LOOK FOR THE FC

Mr Rollinson presented his views on the priorities for the FC for 2007 and beyond, and explained that the presentation was a shorter version of the one he had delivered to staff in FC England over the summer. The presentation can be viewed [here](#).

The Chairman thanked Mr Rollinson, and went on to express his view that maintaining the FC's record for successful delivery against the green agenda is critical. He felt it was very important to engage with politicians, and he considered there was a need for the FC to have a presence in Westminster.

During the discussion that followed, Board members made a number of points including: agreement that it is vital for the FC to secure other forms of income if they are going to continue to deliver value for money public benefit, which is a significant part of their *raison d'être*. Securing funds for capital investment is also an issue. It was important that a strong HR strategy was developed in order to ensure the appropriate policies were in place to develop and recruit the right staff, and identify talent.

Mr Rollinson commented that he had received mixed reactions from staff to the presentation. As expected, there had been a combination of excitement at the prospect of developing the FC of the future, as well as some fear about security of jobs. He had also emphasised to staff the need for the FC to deliver high quality public services.

The Board wished to record their strong support of Mr Rollinson's approach.

6. FOREST RESEARCH DEVELOPMENT STRATEGY

Prof. Lynch attended to deliver his presentation, outlining his vision that 'Forest Research will be a world class research provider in areas relating to sustainable forestry and land use'. The presentation can be viewed [here](#).

Before opening the item up for discussion, Mrs Harper presented her paper, drawing out the key points from the presentation and the implications for the FC as the parent department of the agency, and recommending to the Commissioners that they support this new strategic direction for FR.

During the discussion that followed, Dr MacDonald endorsed the vision, commenting that he had been impressed with the range and scope of research projects currently being undertaken during his recent tour of Alice Holt, and that this new direction would offer further development opportunities.

Mr Gale commented that FR need to set the evolving mould over the next 12 months, and consider the issues around products, markets, resources and locations, especially if they want to compete in the global marketplace. He also felt that FR needed to become more business minded and clear about delivery

The Chairman commented that he had received a letter from Dr McIntosh, in support of the proposals too.

It was agreed that governance structures need be clear, and Mrs Harper was tasked to follow this up. Prof. Lynch thanked the Board for their helpful and constructive comments, which he welcomed.

In summary, the Board endorsed the Strategy, whilst recognising that there was still a lot of work to be done to achieve the vision. Mr Rollinson confirmed that detailed implementation proposals will be developed further, and include a change plan as well as consider implications for staff, facilities and locations, funding and resources and nature and direction of the business.

Action – Mrs Harper

7. RENEWABLE ENERGY

Dr MacDonald introduced Mr Richard Boddington from SggurEnergy Ltd, who delivered his presentation outlining some of the processes, costs and other factors associated with wind-farm development. The presentation can be viewed [here](#). This was in response to the Board's desire to explore renewable energy development opportunities following their June tour.

This elicited a full discussion by the Board, raising a number of questions and issues. It was agreed that Dr MacDonald would follow up some of the outstanding queries arising from the presentation, and provide a paper for the next Board meeting. The Chairman thanked Mr Boddington for taking the time to come along to the Board meeting, and for providing some food for thought on this subject.

Action – Dr MacDonald

8. CORPORATE GOVERNANCE: AUDIT COMMITTEE AND CORPORATE RISK MANAGEMENT

Mr Cooper introduced this paper, which set out the proposed future structure of Audit Committees within the FC and the formation of a corporate risk forum. The GB level body would be the Corporate Risk and Audit Committee, but would not consider the accounts. He explained that the paper is a product of collaboration with Mrs Harper and Mr Gliddon, Director Finance. Mr Cooper commented once these bodies were set up the relationship between the Audit Committees and Internal Audit should be clarified.

Dr MacDonald raised the question of how joint venture bodies would fit into such structures, and the Chairman responded that this needed to be pursued. Mrs Harper agreed to seek guidance on this and feed back.

Action – Mrs Harper

9. HEALTH AND SAFETY ANNUAL REPORT

Mr Rollinson introduced Ms Ramsay's paper, which provided Commissioners with a report on the management of health and safety in the Forestry Commission in 2005/06. The report included the FC accident statistics for 2005/06 and an outline of the measures being taken to improve the management of health and safety issues within the organisation.

During the discussion that followed, a number of queries arose that require follow up action. In particular Mr Rollinson agreed to provide an interim report on the progress of the Visitor Safety Review which is currently underway, at the December Board meeting.

It was noted as a matter of procedure, that 'Health and Safety' is usually the first Agenda item after 'Matters Arising', and it was agreed that this would be followed in future.

These concerns aside, the Board accepted the paper.

Action – Mr Rollinson

10. MEETING DATES 2007

Mrs Harper introduced this paper, setting out the meeting dates for next year, and also proposing to the Board that they reduce to one tour per year. The Commissioners, in particular the non-executives, place high value on the tours and wished to continue with the current level of two per year. The Chairman added his own endorsement of the two-tour approach, and explained that he finds the tours invaluable for building good Board and staff relationships and interaction between the countries. Commissioners also felt that the staff involved in hosting the tours benefited a great deal from them too. It was agreed to continue with two, with England and Scotland due to act as hosts next year.

Regarding the dates, there was a query as to whether or not the June dates clashed with school holidays. This has now been clarified, and the 2007 dates and locations are confirmed as:

7/8 March (Edinburgh), 13/14 June (England) 27/28 September (Scotland), 4/5 December (London).

11. REPORTS

a) Director General

The Board noted the contents of the DG's report. Mr Rollinson wished to draw the Commissioners' attention to a number of key items:

- The high level of wood-fuel activities, this was very encouraging
- The issues surrounding the FC's Paying Agency status
- The Better Regulations initiative
- The completion and laying down of the six sets of annual reports for 05/06 by July 2006; a great achievement

b) Director Scotland

The Board noted the contents of Director Scotland report and raised no queries. Dr MacDonald wished to highlight the forthcoming launch of the new Scottish Forestry Strategy next month.

Mrs Harper raised with the Board an item not covered in Dr McIntosh's report, concerning FC Scotland's decision to revoke by-laws in Scotland. She explained that the Board needed to be aware of this development, and the possible implications for England and Wales. The Board acknowledged this.

c) Director England

Mr Hill -Tout had nothing else to add to his report, and wished to highlight the formal launch event for Natural England on 11 October. No queries were raised.

d) Director Wales

Mr Forshaw drew the Board's attention to the recent positive outcome of the wind farm Judicial Review.

e) Audit Committee Annual Report 2005/2006

This was accepted

12. ANY OTHER BUSINESS

Olympics 2012

Mr Gale reported for information that the wood industry was collectively expounding the use of woods for the Olympics, and the initiative 'Wood for Gold' has been launched. The Chairman added that the FC and FR, through Ron Melville, (Conservator, London Conservancy), were working to ensure that there is 'green' legacy from the Games, through the initiative 'Greening the Games'.

13. DATE OF NEXT MEETING

Thursday 7 December 2006, Ergon House, London

Linda McGinley
18 October, 2006