

THE SIXTY-SIXTH MEETING OF THE EXECUTIVE BOARD
HELD IN THE SILVAN HOUSE BOARDROOMS
ON WEDNESDAY 5 MARCH 2014

MINUTES

Members: Bob McIntosh (Chair), Ian Gambles, Wilma Harper, Jean Lindsay, James Pendlebury and Paul Snaith

Guests: Roger Coppock (agenda item 11 only), David Felstead (agenda item 9 only), Richard Howe (agenda item 10 only) and Colin Sobota (agenda items 7 & 8)

Secretary: Stephen Bennett

1. Minutes of the previous meeting and matters arising

The minutes of the meeting held on 25 November 2013 were agreed.

Three matters arising were discussed:

- **Appointments**
The draft advert to appoint a new Commissioner for England was being discussed with Defra officials.
- **Tree Alert**
This project was progressing; IT issues were currently being addressed.
- **Corporate Plans**
All of the Corporate Plans had been completed and were about to be submitted to Ministers for final approval.

2. FC England – Change Programme Update.

The EB was updated on progress with Defra and FC England's Woodlands Policy Enabling Programme (WPEP).

The business case was progressing and would be discussed at the Defra Executive Committee meeting later this month. With regard to the required legislative changes, drafting authority was awaited from Ministers.

High level discussions were underway to transfer responsibility for forestry grants to the Rural Payments Agency and Natural England. The first stage was a re-design of Forest

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Services. This was in progress and staff were being engaged. It was acknowledged that this was very complex and that major progress could not be made until after the CAP Steering Group meeting in April.

3. Central Services Update

Director Central Services advised that the proposed project plan, stages and timeline of Phase 2 of the WPEP Cross Border project would be discussed and agreed by the WPEP Programme Board on 10 March.

Executive Board members confirmed that their members on the Cross Border working group were representing Directors' views and also briefing Directors and Management Boards on progress and developments.

The Business Strategy Working Group was exploring options and agreeing procedures for further devolution of shared services concentrating on areas where there was a good case for change e.g. where legislation is different between the two countries. It was expected that a 'road-map' for this would be available by July.

A recent workshop with representatives from NRW had gone well.

Business Plans for 2015-16 were under discussion to model different budget scenarios.

4. Finance and Information Systems Update

Accounts for FC Cross Border/England had been prepared for the nine month period ended 31 December 2013. NAO, the external auditors, had not raised any significant issues.

The Business Monitoring exercise for Central Services for the second quarter ended December 2013 was recently completed. There were no significant issues or variances.

As part of the Westminster Government's Fraud and Error Reduction Programme, departments were required to have their last five years supplier spend data analysed to identify possible instances of fraud or error. Data for all parts of the FC was analysed as part of this review. Local cost centres were investigating the results of this.

The HMRC audit of VAT would begin shortly following the appointment of a new review team.

EU procurement regulation changes had been agreed by the EU Member States and had two years to be transposed into law in UK by Westminster and Scottish Government. Westminster Government had published eight papers on their proposed approach and had a committee looking at the best way to make the regulations law in England and Wales. It was expected that the changes would come into force later in 2014-15.

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The procurement team was reviewing the information coming out of Westminster and keeping the FC/FE England management team informed of developments and their impact. The Scottish Government indicated they would consult on the changes during 2014 and expected to finalise the new regulation in the summer of 2105. The Procurement Team were finalising an impact assessment document on the new Public Procurement regulations for the FC senior management team.

The Procurement Reform Bill (Scotland) had passed stage 1 of its journey through the Scottish Parliament. The principles of the Bill were agreed and stages 2 and 3 would determine its final form. It was expected to become law this year. The Procurement Team had produced an impact assessment document on the Bill for the FC senior management team.

Both legislation changes would have a significant impact on the way procurement was conducted in the FC and the Procurement Team was providing detailed information for the senior management teams in England and Scotland to allow them to make informed decisions on the future direction.

A major upgrade of the financials systems had been completed with the implementation of version 4.2 of eFinancials. This involved a rewrite of the software and provided a range of enhanced functionality to system users. The system was installed on new hardware that should improve performance.

The FC had now received accreditation to comply with the Cabinet Office requirements for the Public Sector Network, subject to some further improvements that would be taken forward in the next few months to ensure accreditation was maintained. The EB would approve the initial strategic outline of the new IS Strategy at a future meeting prior to sign off by the country management boards and the ICT Service Board.

Actions: Paul Snaitth

5. HR Update

Treasury Pay Guidance had not been received but was expected during March 2014. This would include a 1% pay cap as previously informed.

A Working Group had been formed to review operational pay policy and how it was applied across the FC. The Group had determined that there were some operational activities that could not be delivered using overtime, on-call volunteers or by using rostered contracts. On that basis it was agreed that there was a continued need for operational posts which contractually required staff to work flexibly, work longer hours and carry out on-call duties. The Group was now examining how current operational pay policy was being applied to determine the scale of any issue before meeting again to consider next steps.

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The final stages of the auto-enrolment project had been completed. The FC registered compliance with the Pension Regulator in December 2013.

The Cabinet Office had advised that the ongoing valuation of the PCSPS would be completed soon and this would include a decision on the level of employers' contributions.

The new Facility Time arrangements would be launched in April 2014 and included a new agreement that took into account the principles of the Cabinet Office Central Framework.

The Fatal Accident Inquiry into the death of Mr John MacKinnon in an overhead powerline accident on Skye took place on the 19 and 20 November 2013. Five members of FC staff were cited as witnesses. This was a difficult time for all staff involved.

The Sheriff's Determination had been published. The Determination was comprehensive and fair. The main areas of concern raised in the Determination had already been identified in the accident investigation. These included:

- Pre-commencement meetings and Contract Management

The FC revised its guidance on pre-commencement meetings and on contract management. This work would be launched with supporting seminars in April – September 2014. The seminars would be aimed at FC staff, customers and contractors.

- Goalposts

The FC had already revised its guidance on goalpost management. As a result of the Sheriff's Determination this guidance would be reviewed to ensure that it was absolutely clear on when and why goalposts were required and who had the responsibility for erecting, inspecting, maintaining and removing the goalposts. Also FISA 804 was published in September 2013. The FISA Electricity Working Group would review it in light of the Determination. As part of this review the H&S Team would examine the emergency procedures.

Terms of reference had been produced for the project group working on the procurement exercise for lone working systems. These had been agreed with the Countries.

Actions: Jean Lindsay

6. Equality and Diversity Update

The Executive Board was advised of the current level of diversity of the FC's workforce. EB members expressed concern about the continued lack of diversity and discussed several methods of improving this, including programmes of positive action.

At this time, EB members agreed that the existing action plans in each part of the business to improve the diversity of the workforce would continue e.g. FC Scotland was

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currently focused on addressing the balance of gender diversity. The Diversity Team was also asked to continue to disseminate information externally about the wide range and variety of job roles available within the FC and to promote both our employment and recreation opportunities within the lifestyle media for protected characteristics, particularly BAME and disabled communities.

The Board was pleased to acknowledge the range of customer initiatives that had been developed and delivered to diverse communities but acknowledged that the process of Equality Analysis was important and needed further support to ensure it was being carried out at appropriate times. EB members agreed that they would raise this issue with their respective management boards.

Action: EB members

7. Review of Leadership Programme

The EB was informed of the outcome of the review of the FC Leadership Programme and agreed that a centrally managed programme was no longer required within the FC.

The EB confirmed their commitment to continuing to support the development of the existing participants.

The component parts of the FC would now develop their own approach to leadership development. However, EB members wanted to maintain the ability to second people to different parts of the organisation so that each part of the FC could learn from each other.

8. FC Values Refresh

The EB was updated on the project to refresh the FC Values.

EB members were content to sign off the wording of the refreshed Values, after a reference to political impartiality was brought into the supporting text for the professional value.

It was agreed that the Values had stood the test of time and EB members asked that this statement should feature in the communications exercise to launch the refreshed Values.

It was felt to be important to measure whether the Values were being achieved successfully. This would be monitored by building in relevant questions to the next Staff Survey.

Action: Colin Sobota

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9. IT Security

The EB received a presentation about cyber security.

EB members acknowledged the importance of this issue and asked the Head of Information Services to deliver the presentation to country Management Boards as a next stage and discuss there how to cascade the message to staff and raise awareness.

This process involved changing the culture of the FC. This would be achieved by:

- Being persistent and consistent about messages and the reasons why cyber security was important;
- Senior staff demonstrating support;
- Information Awareness training; and,
- Spreading the message through all available channels and networks e.g. SIROs.

Actions David Felstead

10. International Forestry Update

The EB was provided with an overview of the work carried out by Corporate and Forestry Support Division (CFS) on international forestry, forestry standards and certification. EB members were pleased that the new working arrangements with Defra were working well. Defra's influence in Whitehall had proved valuable and Defra officials had no appetite to change the FC's current role which was valued by them.

CFS kept the country teams informed and involved.

Director England advised that he was happy to discuss key international issues with Defra colleagues as necessary.

The EB continued to support the work being carried out by CFS on international forestry and standards work and endorsed the guiding principles, as follows:

- UK policy on international forestry was informed by domestic practice and the UK approach was promoted internationally.
- A proportionate, or risk-based, approach was taken using existing UKFS-based mechanisms so that potentially detrimental impacts and burdens on forest owners and the UK sector were avoided or minimised.

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- A common UK approach was developed to forestry issues where desirable and feasible - taking account of country priorities, UK organisations (such as Confor), research findings, and the practicalities of forest management.
- The approach to forestry issues was coordinated across the Westminster Government, taking full account of the agreed approach articulated by the UK Forestry Standard.
- Forestry expertise and specialists from across the UK were engaged in informing, developing and influencing the outcome of international forestry processes.

11. Tree Health Business Case Update

The EB was updated on progress on the business case approved by Defra for additional funding for tree health issues.

Work on the business case to meet the expected resource requirements over the next two years continued, focussing on the recommendations of the Tree Health and Biosecurity Taskforce. A number of workshops were held with Defra and Fera colleagues to ensure a coordinated and collaborative approach. The current position was that the FC had received confirmation of allocations for funding for two years to cover the agreed England and cross-border programmes. This included continuation of work on Phytophthora and OPM that had previously been funded from Defra sources. It would allow increased inspections of imports, and surveillance of protected zones, and provided additional capacity for horizon scanning, risk assessment, and understanding of economic impacts.

Action: Roger Coppock & Ian Gambles

The EB congratulated Roger Coppock and Andrew Smith and their teams on their achievements with regard to this project.

12. Any Other Business

Eight items of other business were raised:

- **Woodland Carbon Code**

The Woodland Carbon Code was one of four finalists shortlisted in the 2014 Climate Week Awards in the category for the "Best initiative from government or public services".

- **Director Finance**

Director Finance would retire on 15 August. Although he would not be replaced, some of his board level functions would still be required. To that end, the role would be examined in the wider context of shared service delivery with the aim of breaking down some of the existing silos, etc. The EB would receive recommendations about the future delivery of shared services in due course.

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- **Trisection of Cross Border Funding**

A project was underway to examine the various methods of trisecting cross border funding within the FC. Any final decisions would be a matter for the three Government's. Director Finance's initial thoughts would be circulated to EB members for consideration by 14 March.

Action: Paul Snaitth

- **Pensions and Tax**

The tax relief threshold on pensions was reducing. As the system was very complex, seminars in Edinburgh and Bristol would be provided for members of the Senior Staff Group as soon as possible.

Action: Jean Lindsay

- **Birmingham University**

Senior FR staff were scheduled to visit the new research department at Birmingham University.

- **Observatree**

The EB would receive an update on this venture at their next meeting as the year one delivery plan had been agreed.

Action: James Pendlebury

- **Silvan House**

Director, Central Services advised that a further half floor of Silvan House would be offered to prospective tenants. All staff in Silvan House would be advised of the accommodation changes necessary to facilitate this.

- **Civil Service Competency Framework**

Concern was expressed that some staff were struggling to relate to the Civil Service Competency Framework and finding its length and complexity a challenge. It was requested that this information was relayed to those civil servants that had developed the framework.

13. Date of next meeting

The next meeting of the EB was scheduled for 9am, Wednesday 4 June 2014, in the Silvan House Boardrooms.