

**Forest Research Executive Board Meeting – 13 August 2008  
via video conference**

**Present:**

<b>Alice Holt</b>	<b>NRS</b>
Ken Charles	Janet Dutch
Hugh Evans	Bill Mason
Peter Freer-Smith	
Wilma Harper	
Helen McKay	
Alison Melvin (AKM)	
Andy Moffat (AM)	
James Pendlebury (Chair)	
Sandra Smith	

**Apologies:** Xanthe Christophers  
Chris Quine

**In attendance:** Helena Ladbury, minute secretary

**Copies to:** Liz Holmes, Head of Internal Audit  
Ros Bull, Secretary to the Chairman

**Agenda Item 1 – Minutes of last meeting and matters arising**

1. The minutes of the July meeting were accepted as an accurate and fair representation of the meeting.

**Matters Arising**

2. Item 2.5

The new time recording system is expected to go live in the next week or so. FREB members are asked to ensure that their staff know that it will be a priority for them to enter their details.

Item 2.28

PRINCE2 training - one Practitioner course has been cancelled due to lack of take up, however it will be rescheduled at a later date. This will allow those currently due to attend Foundation training to follow on with a Practitioner course.

Item 3.11

C&FS scores – PF-S reported that these were fair and that the outturn had on the whole been good. Completed evaluation forms have been sent to HoDs to enable them to discuss issues arising. PF-S has already received some feedback; any problems will need to be addressed in next year's work.

PAG proposals – PFS reminded HoDs of his email of 16/7. New programme proposals will be needed for 8 September meeting to prepare for Autumn PAG round. HoDs were asked to amend any programmes rolling over if necessary. Spreadsheet to be returned by 28/8, new proposals should be shown.

JP and SS will discuss how to fill in the financial part of the report.

Item 3.24

JP had a very positive discussion with Tony Hutchings regarding next steps for the

Urban Regeneration and Greening Centre. He will be discussing a formal launch with AM and PF-S tomorrow and will issue an all-FR memo in due course. **Action: JP**

Item 5

Climate Change Centre – JP reported that he, the DG and WH have discussed this and the DG is keen for progress to be made. The aim will be for a significant and focused Climate Change Centre to be established as a part of FR.

Item 10

HoDs and SS were reminded of the need to ensure that country-specific spend is recorded as such.

Item 11

PhD students' paper – JP thanked AM for his draft paper – they will discuss its contents and consider next steps. A final paper will be submitted as an agenda item at the September FREB meeting. **Action: JP/AM**

Item 15

HoDs were reminded of the need to fill in the TSU budget line on PAG contract proposals for 2009/10.

HMCK – asked whether a budget line for professional services could be included for the 2010/11 PAG round and this was agreed.

BM raised concerns about the level of detail required for the October round given the lack of time available. JP and SS to discuss. Guidance from finance will be needed.

Item 17

Business Continuity Plan – KC has sent out emails requesting updates to those named in the plan and is awaiting replies. **Noted**

Item 18

Progress on the Risk Register is ongoing.

Item 24

Future external income projections for the DG – this is yet to be done. **Action: JP**

Items 32 & 33

Budgetary expenditure – JP and SS will cover these points when they go through budgets in more detail. JP advised that a final budget for the 08/09 financial year has not yet been set by Keith Gliddon. Clarity was also needed on new SLAs.

Item 39

HoDs/JD were reminded of the need for timely review of STTAs and FTAs in order for HR to follow the required timetable for termination or renewal of contracts.

**Action: HoDs/JD**

Item 43

Attendance of HR member at recruitment boards – JP and KC have still to discuss this matter. **Action: JP/KC**

Item 45

In light of XC's absence, HoDs/JD should send their reports for communications purposes directly to Jo Davies.

Item 47 (ii)

Publishing in open access journals – this will be discussed at the C&FS/HoDs meeting in September.

Item 47 (iii)

SS will look at subcontracting services policy with a view to revising for 09/10 charging/costing. **Action: SS**

Item 50

Diversity – KC will issue a note to FREB on this subject shortly – it can then be disseminated to project leaders. EqIAs will be the main consideration for staff to

consider. KC advised that he has a meeting with the Diversity Technical Group on Tuesday.

**Action: KC**

Item 53

Customer satisfaction – JP and AKM to discuss this further.

Item 54

Carl Foster to discuss C&FS requirements with Jim Dewar.

Item 56

Procurement – Following her meeting with Eric Holmes (Head of Procurement) SS reported that he would like to visit Alice Holt. The aim will be to go through FR's contracts, and if possible to use FC contracts in the future in order to standardise. This will also enable FR to keep abreast of any changes in legislation. Framework agreements should be used whenever possible, tapping into agreements which the FC already has in place when appropriate. SS will also be looking at the POP module of Efinancials.

Item 51

Brand Management (website) – HMCK advised that discussions had been held with countries, the central Comms team are to completely revamp home pages. FR wishes to stay with the current architecture, but significantly improve signposting on its website. HMCK will action on FR's behalf.

**Action: HMCK**

**Agenda Item 2 – Update from James Pendlebury**

3. JP reported that he had had a very useful, positive meeting with Paul Hill-Tout (Director, England) who would like increased FR involvement on the FCE EB.
4. JP also reported that the FCE Delivery Plan is key to what FCE will want from FR, and that monitoring would be moving up the FCE agenda in the coming months which could be important for the TSU. FREB were asked to please bear this in mind.
5. Paul Hill-Tout has flagged to Defra FR's need for increased financial support. FREB were reminded that links with Defra are vital and that FR needed to take a more coordinated approach to its interactions with Defra.
6. JP will discuss FR arrangements with FC Scotland with Bob McIntosh (Director, Scotland) and FC Wales with Trefor Owen (Director, Wales). **Action: JP**
7. JP reported on meetings which he had had recently with staff at various TSU Field Stations. These meetings have generally been quite positive with the new climate of openness and clarity appreciated. However, further clarity on chargeout rates was requested.
8. JP reported that capital investment was a major issue at AH, the two most urgent items being roof repairs and replacement of the central heating system. He will flag these items in his report to the FC EB later this month.

**Agenda Item 3 – Finance**

9. SS advised that the current projected budget deficit was likely to increase in light of recently received SLAs.
10. SS advised that she has changed the format of the finance report submitted to FREB. She explained that areas of concern can be highlighted and that later in the financial

year a forecast column would be added. It was requested that line numbers be added to future reports. SS agreed to this and added that she would write some explanatory notes to accompany the new report and also advised that it may change slightly in the future.

**Action: SS**

11. SS advised that once the new time recording system was operational she would be able to produce quarterly work-in-progress calculations to feed into her report to FREB.

12. SS will investigate a number of lines on her report where expenditure is currently higher than expected and will report back to September's FREB meeting.

**Action: SS**

13. WH advised that C&FS budgets for 08/09 have now been approved, but with the proviso that they may need to be reduced. There is still some confusion over SLAs and FR's core budget has not yet been agreed. JP, WH, SS and Keith Gliddon to discuss.

14. SS reported that there was no agreement yet on FE income.

15. SS advised that currently there is no provision for, or policy on, bad debts. This will be looked at and EU contracts monitored.

16. SS advised that a fleet review will take place as part of the Efficiency and Delivery Review and that negotiations will take place with MES regarding the increase in mileage charges of fleet vehicles.

17. SS advised that she would look at FR accounting policies which differ from those of the FC and also reported that depreciation is running higher than expected and that depreciation periods need to be reviewed.

**Action: SS**

18. Charge-out rates were discussed and the following points made.

- FREB were advised that there are 209.7\* chargeable days per year and that all staff whose days are chargeable need to achieve this or justify if they do not.
- It was important to have a charge-out rate system that was transparent and that all could understand.
- The new time recording system will have three options
  - Full cost recovery
  - Actual = an individual rate based on the salary of the individual concerned
  - Average = an average rate for the payband being quotedThe first option includes the cost of overheads; options two and three do not.
- Any projects which include PSRE funding need to be charged at full economic cost.
- The need for accuracy of recording productive, administrative, travel and report-writing time was stressed, as was the need to book all time costs before the end date of the contract.
- All other direct costs should be shown separately e.g. T&S, M&S.
- Admin staff who spend time on EU bid preparation must charge their time as such.
- Currently TSU administrative staff tend not to record their time to productive codes.

- Advertising costs should be built into the contract cost if staff need to be recruited to service a bid.
- Finance must be advised of the terms of contracts.

\* This is an EU issued figure based on the following:

Annual leave	30.0
Sick leave	5.0
Training	4.3
Admin, management, public holidays	12.0
Weekends	104.0
Subtotal	155.3
Therefore working days =	209.7
Total	365.0

19. A bid writing seminar for Project Leaders was requested covering how to write bids, accounting procedures and offering the opportunity to share experiences. It was suggested that live proposals could be used in such a seminar and that it would be helpful to look at a proposal costing spreadsheet. **Action: AKM**
20. Bids split between C&FS & EU for funding need discussion. SS to present a paper to a future FREB meeting. **Action: SS**

#### **Agenda Item 4 – Explanation of accounting procedures**

21. SS gave an explanation to FREB of accounting procedures.

#### **Agenda Item 5 – Staffing**

22. KC presented his report and reminded FREB that extensions to FTAs will continue to be reviewed on an individual basis.
23. KC reported that negotiations for the replacement of central heating boilers are taking place.

#### **Agenda Item 6 – Update on the Efficiency & Delivery Review**

24. PF-S reported that working meetings are in progress, and that arrangements for him to meet staff in divisions/units are in hand. He had attended a meeting on 31 July with the TUS who asked the following
- To what extent is the Review focusing on current year savings
  - Are cash savings being applied equitably
  - Could SS please explain FR's accounting system to a TUS rep
25. The TUS reported that JP's all-FR staff email had been welcomed. JP advised another all-FR email would be issued in due course.
26. PF-S reminded FREB that all working group meetings were confidential, as would be the final report delivered to JP.

27. It was suggested that other Defra agencies could be approached informally to see whether anything could be learnt from them regarding efficiency savings.

### **Agenda Item 7 – Strategy Development**

28. Science

Towards the end of the year JP and PF-S would discuss the development of an FR Science Strategy to decide on FR's priorities as an organisation. It was important for FR, as a science provider, to have a view on the science of issues facing the forestry sector. FR should not be afraid to be scientifically radical or innovative in its thinking. The matter would also be discussed at the ACFR meeting in November. It was suggested that development and delivery of the science/policy interface could be included in this, including interpretation for policy makers or the provision of policy guidance. It was further suggested that FR could benchmark itself against its global peers and that FR's younger scientists could be invaluable for horizon scanning.

**Action: JP/PF-S**

29. WH advised that she will be reviewing the FC's Science & Innovation strategy but does not yet have a timetable in mind.

30. Business Development

AKM has written a paper which she will discuss with JP next week. JP will then develop a coherent plan of action covering processes and support networks.

**Action: JP**

31. Communications

XC had written a paper on Visitors to FR Sites before she went on leave; an interim solution to her absence was needed. KC will follow up with JP. **Action: KC/JP**

32. The review of the Library is ongoing.

### **Agenda Item 8 – Division Reports**

33. BSSD

Following a meeting with Defra which also involved FCE, HMCK reported that FR has been asked by their Industrial Crops Division to lead a significant series of short rotation forestry trials focusing on eucalyptus, but also using alder, ash and sycamore. Funding has been secured for the next three years with the possibility of follow-on funding in the next CSR. Input from other divisions will be needed for this research and there is the possibility for additional funding to be bolted on. AM expressed a wish to be part of the planning process. WH asked HMCK to provide a paragraph on this topic for the DG's next report to Commissioners. This research will build on a similar trial being led by Alan Harrison, currently on secondment to FCS, and FREB wished to express its thanks to him for the work he has done. HoDs/JD were asked to provide any assistance required by HMCK as a priority.

**Action: HMCK & HoDs/JD**

34. EHSD

- (i) AM has submitted a paper to JP, written by Jane Devlin, entitled "Datasets and Information sharing with third parties". JP to read and return to AM and Jane Devlin for comment. It can then be discussed at a future FREB. HM asked that

the revised paper considers sharing models as well as datasets and information.

**Action: JP/HL**

- (ii) AM advised that input from HoDs is still required for the Integrated Monitoring project (non-NIWT).

**Action: HoDs**

35. FMD

- (i) BM highlighted the good contacts which have been forged in Scotland with the FCS Timber Development Programme.

- (ii) Also highlighted was the good work FR has done on wind turbines and forestry carbon impacts.

36. THD

HE reported considerable media and public interest in the problems currently besetting horse chestnuts. This raised the question of responsibility for urban and street trees which merits further investigation. AKM advised that the RRSP has a meeting arranged with the Local Authorities' Research Council and that this could provide a forum for discussion of this issue.

**Action: AKM**

37. RD

- (i) PF-S reminded HoDs that new contract proposals for C&FS are needed for the Research Planning meeting taking place on 8 September. A financial template was therefore urgently needed.

**Action: SS**

- (ii) JP will ask Jim Dewar to accept submission of proposals two weeks in advance of the next PAG round rather than three.

**Action: JP**

38. BD

JP and AKM will discuss AKM's report to FREB.

**Agenda Item 9 – AOB**

39. New job codes for the time recording system – any comments or queries to be submitted to SS please.

**Action: FREB**

40. HMCK gave a verbal update to FREB of the PMS review meeting she had attended the previous day. The main points to emerge from the meeting were

- The new system will not simply be a tweak to the current one.
- Performance Assessment and Personal Development will be linked to the evolving competency framework.
- FR staff will be updated on the competency framework as it develops.

**Action: KC**

- There will no longer be a link to performance related pay.
- The Working Group will make recommendations to HR at Silvan House by the end of 2008/early 2009.
- A go-live date of April 2010 is planned.
- A questionnaire to all staff will be issued by the Working Group within 7 – 10 days seeking views.
- Draft recommendations will then go out to consultation.
- Communication will be via the HR intranet and existing cascade systems.
- Fiona Wright (HR) has offered to hold focus groups if required, however FREB

felt that initially the questionnaire and consultation would be likely to be sufficient to obtain views of FR staff. However, this would not preclude holding focus group meetings if they were felt to be necessary.

- Staff should be encouraged to answer the questionnaire and respond to the consultation in order to give as broad a view of FR opinions as possible.

41. AKM raised the question of external speakers at AH. Gary Kerr co-ordinates internal speakers and NRS has a committee of 3 who report to CQ (as head of station) on this matter. A similar model is suggested for AH. AKM to take forward with PF-S.

**Action: AKM/PF-S**

42. JP reminded FREB of the visit of Commissioners to AH in September. This would be an important opportunity for FR to showcase its work. There will be a run through on 10 September for all staff involved in the visit. JP & PF-S to have a meeting with Mark Oram and Jo Davies to discuss.

**Action: JP/PF-S/HL**

43. PF-S is drafting a paper for the FC EB on GM research. Any staff who receive enquiries about GM research should forward them to JP and PF-S, copied to WH.

44. Simon Hodge has asked for information and support on FC Scotland's contribution to the update of Scottish Government climate change policy. FR is a critical element of this.

45. WH reported the following

- Anna Brown has been asked for information on Red Band Needle Blight to enable WH to update the FC EB prior to the Commissioners' visit to AH.
- She has redrafted the ToRs for the Climate Change Steering Group in order to make them more focused on delivering their action plan.
- Commissioners Tayo Adebawale and Judith Webb attended an event to encourage women and other under-represented groups into public appointments.
- She had attended a presentation regarding the potential of the FC estate for wind farms. In regard to the Sustainable Development Commission's visit to AH it was important to remember that the FC is very different from a Whitehall department.
- Regarding the C&FS/HoDs meeting in early September – please let WH/Jim Dewar know of any information for the agenda. HL and Elizabeth McArthur to liaise re domestic arrangements.

**Action: HL**

46. Authors for next year's Annual Report – FREB were asked to feedback by correspondence to JP. Views on the future content and dissemination of the report would also be welcomed.

**Action: FREB**

**Next meeting: 2 September at NRS (preceded by PRINCE2 briefing at NRS on the afternoon of 1 September).**