

**Forest Research Executive Board Meeting – 6 March 2007  
held at Alice Holt**

**Present:**

Prof J M Lynch (Chair)	Dr H F Evans
Mr W L Mason	Mr K N Charles
Dr A J Moffat (AJM)	Dr X Christophers
Dr C Quine	Prof P Freer-Smith
Prof S Evans	Mr T Cornwell

Dr D Shannon attended the meeting and Mrs A Melvin (AM) attended for agenda item 6.

**Copies to:** Mrs Liz Holmes, Head of Internal Audit  
Mrs Wilma Harper, Director of Corporate & Forestry Support  
Mrs Ros Bull, Secretary to the Chairman

**Agenda Item 1 – Introduction to purpose/format of meeting**

1. JL introduced this item.

**Agenda Item 2 – Minutes of last meeting**

2. Accepted with two amendments to para 22 (add 'Communications Strategy') and to para 23 (in order to ensure that the 'Brand Change' initiative is managed without wastage it will be rolled out over 3 years). **Noted**

**Agenda Item 3 – Matters arising**

3. Peter Freer-Smith will provide a programme for FR Service Boards to give feedback to FREB. **Action: PF-S**
4. The process for nominating 'Fellows' of FR and coverage provided by such 'Fellows' to be put on agenda and discussed more widely at the next two-day FREB (on 16/17 May). **Action: CH**
5. XC briefed the meeting on the eight research seminars being organised across England in May/June. XC will circulate dates and a suggested 'pick and mix' of topics to FREB. **Action: XC**
6. Following revision of the Communications Strategy, XC will circulate and discuss at FREB. **Action: XC**

**Agenda Item 4 – Feedback from GB EB (28.02.07)**

7. Re-evaluation of FC estate, which does not directly affect FR, is causing some problems because of a change in EU rules.
8. Shared services – an over-arching committee is being proposed to take a strategic view of how service boards will conduct their business. FR need to be represented on this committee. **Action: JL**
9. The impact on FR, should we reduce our demand on centrally provided services, will be discussed with the DG and Wilma Harper. **Action: JL**

10. There was discussion at GBEB about whether FR had bid for money in 2007/08 for restructuring. TC confirmed that he had arranged with Boyd Glen for £0.5m to be added to the FC bid. **Noted**
11. A presentation was made to GBEB by Michael Anstell the new Head of FC Business Units. JL to invite Michael to come to Alice Holt for a meeting with FR. **Action: JL**
12. FR Development Strategy, this was discussed at GBEB and the following was agreed at FREB following those discussions;
- A formal presentation to Commissioners will take place in September.
  - Commissioners (especially the newer ones) to be invited to visit Alice Holt in June.
  - JL to write to Country Directors explaining the process, involving them in the development of the Strategy and the direction of science that we are moving forward on. To be borne in mind that the 20% change in scientific direction detailed in the Strategy is not a 20% cut in funding but a 20% change in what is being undertaken now and the change that will be required over the period of the strategy. **Action: JL**
  - XC will undertake a change analysis indicating the changes that have occurred in the Agency over the past few years for consideration for inclusion in the CEO's opening address in the Annual Report. **Action: XC**
  - The need for a Corporate Plan (which FREB strongly supports) while the Development Strategy is leading our changes was discussed. The need for Commissioners to agree a Corporate Plan approving FR's budget and Key Performance Indicators (KPIs) to be explored during discussions between JL, the DG and Wilma Harper. **Action: JL**
13. HR Strategy document and direction of travel was endorsed by the GBEB, proposals to be contained within present HR budget.
14. Maggie Semple, Civil Service Commissioner and Chief Executive of The Experience Corps, presented a "Diversity" agenda item. The Senior Staff Group agreed, because of the importance of this issue, to meet to discuss equal opportunities issues. JL will brief FREB following this Senior Staff Group meeting. KC will brief FREB on the proposed draft FC Diversity Plan. **Action: JL, KC**

#### **Agenda Item 5 – HR Service Board**

15. CQ briefed FREB on this item.
- The 'old' HR Service Board has been disbanded.
  - Business Improvement Group has been reformed into a new Service Board.
  - Countries/FR are able to decide on their representative.
  - It is felt that the Service Board should have an overview of spending.
  - Service Board advised HR Director that HR Strategy was too ambitious in that it was advocating changes which the Board felt could not be achieved in the time-span forecast.
  - The detail of the direction of travel (as decided by GBEB) and costs associated with the HR Strategy will go back to the HR Service Board in April.
  - Our representation at a professional level in the absence of a Business Partner could be an issue.
  - Other service boards are comprised of 'expert buyers' which is not the case with the HR Service Board.
  - Funds could be released and possible conflict of interest resolved if HR Business Partners were paid for by the area they served.
  - Is the role of the new Service Board to set strategy or monitor delivery?
  - Some difficulty with the links between the Service Board/HR Management team and delivery at Country/FR level. Unclear how delivery at Country/FR level will be reported back to the Service Board in the absence of HR Business Partner/HR representative on the Service Board. **Noted**

## Agenda Item 6 – Development Strategy – Progress up-date

16. Dr David Shannon (DS) presented this item. (Reference should also be made to agenda item 4 Feedback from GBEB). The following recommendations were made;

- Six science “*Priority Area Working Groups*”, (PAWGs) led by Heads of Divisions, will be established to analyse each area for existing research coverage, coherence, prioritisation, resource and staff allocation and identification of gaps and opportunities. **To report by June 2007.**

FREB will work from the analysis by the PAWGs combining this with its understanding of the need for flexibility and the importance of retaining capacity to answer the needs of customers. It will also take account of FR’s drive for innovation and of consultation with FC Corporate and Forestry Support.

- In order to achieve our very challenging business goals, a monthly business meeting allied with FREB meetings will be adopted with the Director Research, FR HODs and our Business Development Manager to 1) review progress on bids, 2) share and prioritise future opportunities and 3) allocate resources. **With immediate effect.**
- A Financial Systems Working Party will be established to ensure FR has a finance system which meets future needs of FR. **To report with recommendations by August 2007.**
- The system of annual Divisional Visitor Groups will be reviewed giving consideration to the alternative of a five-yearly whole organisation audit from 2008 reporting to the FC Director General and FR’s CEO. **To report by September 07.**
- At the scheduled FR/CFS meeting (20 March), a major agenda item will be to explore how competing needs for maintaining longer term research, practical outputs, peer-review recognition and a flexible and responsive advisory capacity can be delivered. **Report to staff to follow meeting by May 2007.**
- Development Consultants will be employed to scope the Alice Holt site potential by liaison with local planning authorities and potential interested parties. **This will be commissioned as soon as possible.**

17. The Next Steps will include (a) seeking clear direction as to the development of the Alice Holt site (expertise, facilities etc). (b) The changing thrust of FR’s activities which will have very significant implications for the scientific and technical skills base required and the need for retraining and recruitment of new expertise. (c) Achieving the required external income from research contracts delivered to non-FC customers. (d) developing new income streams through the commercialisation of FR’s intellectual property. (e) The enhancement of FR’s project management and service delivery skills (see also ‘STAFFING’), (f) the cost of centrally provided services will need to be carefully analysed to ensure that the scale of the activities contributing to the overhead charges are commensurate with FR’s future needs and (g) ensuring that these activities are carried out in a manner which builds teamwork and staff motivation.

18. DS will produce a ToR for the development of the PAWGs. The ToR produced by XC will be used as a starting point and FREB is invited to send suggestions to DS.

**Action: FREB**

19. CQ identified 'Integrated Land Use' and 'Biodiversity' as important areas which will have to be linked to the different FR Growth Areas. **Noted**
20. The importance of good communication was emphasised during this process both with staff and FC customers through meetings with CFS and the Countries. DS's paper and JL's paper to Commissioners will be sent to FR staff with a covering note from JL. **Action: JL**
21. Agreed that;
- A meeting of FR Growth Area Co-ordinators will take place once ToR are finalised (by 16 March). **Action: DS**
  - PF-S will map CFS funded programmes (by 16 March). **Action: PF-S**
  - There will be a week to consider the above, when the FR 'Champions' meet they will add external funding to the 'map'.
  - HoDs to consider members of their staff who could be allocated to Growth Area Groups and to let PF-S know (who will revise the list). **Action: PF-S**
22. AM introduced her paper on 'External Funding Activity' which detailed the results of bids made during January and February and new opportunities under review. This report will be up-dated monthly. AM noted that some additional external resources have been identified to assist staff undertaking bids.
23. In line with the Development Strategy which states that:
- FR recognises that income from the FC is likely to decrease in real terms. It commits FR to grow its external income from 15% to 27% of total income over 5 years (with a higher aspirational figure of 38% by 2012).
  - 20% of the current FC spend with FR will be re-deployed to develop the priority areas and respond to future developments and undertakes to achieve this by re-allocating resources and staffing to fit the needs of the new directions.
  - FR undertakes to increase its use of partnerships to achieve its aims and further develop its presence in Wales.
- FR must move to a culture where, once a corporate strategy is agreed, staff are on board and have the capability, capacity and motivation to move quickly to take advantage of funding available which is in line our agreed strategy. **Noted**
- Agenda item 7 – Finance**
24. TC introduced his paper. 2006-07 forecast has held steady with some improvement, expectation is to exceed target contribution to meet full cost recovery. TC emphasised the need to maintain prudence for the remainder of the year. **Noted**
25. Charges from FC central services, particularly HR, remain unresolved. FR's position is that 2005-06 should be the base year so discussions with the FC are not yet concluded. If final charges come in at the higher rate, TC will reject any additional amount. **Action: TC**
26. TC has circulated an analysis of the first 10 months' results of our CFS programme spend and asked for any cross project adjustments to be advised to him as a matter of urgency. **Action: HoDs**
27. The outcome of the Risk Management workshops has yet to be reviewed and TC will develop a version suitable for roll-out across FR. **Action: TC**

28. TC produced his latest pass at a financial plan for next year. This indicates a sizeable shortfall. **Noted**
29. Capital funding bids have been received. Capital cannot be released until the outcome of the Public Spending Review 2007 is known. Applications for funding will be discussed at the forthcoming business planning meetings. **Noted**

### **Agenda Item 8 – Staffing**

30. KC introduced this item. Average planned staffing for 2006/07 is 270 FTE. Our present staffing figure is 278.3 with an end of year prediction of 274.7. Average predicted by end of year is 270. The actual figure is ahead of prediction due to the level of casual and FTA staff taken on by the TSU and Biometrics to service the survey/mapping contracts.
31. Figures >1.4.07 show a drop due to the number of FTAs and casuals due to leave over the course of the next 7 months. Extension of these appointments and the appointment of additional staff will be subject to critical examination given the possibly adverse financial situation next FY. **Noted**
32. KC proposed that an additional sum of £22K be made available for the provision of training for staff in the following areas;
- Project management (PRINCE 2) (external)
  - Personnel management (Essential Skills for Managers) (FTS)
  - Financial management (FR, Internal course).

There was discussion about the implications of adopting PRINCE 2 as a corporate standard. Biometrics is developing a process suitable for FR and SE agreed to provide FREB with more information. **Action: SE**

33. KC briefed FR EB on his visit to the High Court in regard to a personal injury claim being brought against FR. **Noted**

### **Agenda Item 9 – Divisional Reports**

34. Divisional reports were tabled and will appear on the Intranet. **Noted**

### **Agenda Item 10 – Appendix ‘A’s**

35. HoDs were reminded of the procedures in connection with overseas visits and the need for staff to get prior approval before making a booking. We need to be mindful of the need for economy and multiple attendance at the same meeting needs careful scrutiny. TC will issue an instruction reminding staff of the procedure to be followed. **Action: HoD/TC**

### **Agenda Item 11 – AoB**

36. KC briefed FREB on the Seasonal Campsite planning application in the forest behind the Research Centre.
37. AM raised the question of rewards for staff who win contracts outside of the present Non-Pay Benefits and Rewards, Guidance Note No. 10. It was agreed that this deserved more detailed discussion at a future date. **Noted**

### **Date of future meetings:**

10 April 2007 – video link

May meeting is moved to 16/17 May at Bangor. The new Welsh Commissioners and Ian Forshaw and Bridget Emmett (CEH) to be invited.

**Action: XC**