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THE FORESTRY COMMISSION ENGLAND EXECUTIVE BOARD MINUTES OF THE 114TH MEETING Conference Room, National Office, Bristol 16 October 2018

Attendees:

Ian Gambles
Richard Greenhous
Simon Hodgson
Steve Meeks
Meirion Nelson
James Pendlebury
Jo Ridgway
Mike Seddon
Joe Watts

Jenny King – Minute Secretary

Apologies:

1. Welcome

Ian Gambles opened the meeting. James Pendlebury was attending the meeting via teleconference call.

2. Minutes and actions

The minutes of the previous meeting were agreed as a true and accurate record.

An update on the following action point was given:

Simon Hodgson confirmed he would send Steve Meeks FE's return of high level business aims to be achieved from the spending review, action point 2 of July 2018.

3. Matters arising

None.

4. Future Forestry Commission

Steve Meeks summarised the project plan and work towards each work stream, with the addition of a work stream to address the closedown of Silvan House. Meirion Nelson requested that FR remained linked in to the closedown of finance at Silvan House to ensure FR staff remained able to access legacy ledgers. James Pendlebury confirmed FR participation in conversations regarding the devolution of cross border functions. James reported that work towards the closedown of Silvan House in relation to FR staff and oracle services was ongoing and continued to carry a degree of risk for the organisation.

The board discussed Forestry Commissioner recruitment and ensuring successful candidates possessed the breadth of skills needed by the new boards. Steve confirmed that the shadow boards were anticipated to meet in advance of the next financial year.

Jo Ridgway reported progress of the working together work stream and strong working relationships between the business areas' HR functions. Collaborative

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working between HR functions was contributing to the 'offer 2020' project, the closedown of Silvan House and working with Trade Unions.

Steve Meeks reported that Defra were looking to review the corporate approach to security across government to include physical security alongside information security. This review would impact the development of essential corporate functions in each business area and in Director's Office.

Action 1: Steve Meeks to share Defra's security paper with the EEB.

Steve Meeks confirmed full documentation lists for the documentation work stream were being led by the business areas and would be finalised by mid-November.

5. Finance report

Steve Meeks summarised the paper and the pending Q2 changes and changes to FC's baseline at annex A.

Steve reported that Defra group funding gaps for 2019/20 would not be finalised until the outcome of the EU Exit work was confirmed. The board discussed the savings FC could be asked to make, including through managing churn and other efficiency measures. Ian Gambles confirmed that the FC would need to demonstrate that it had taken a hard look at the way it was running the business. The board agreed the need for a long term financial strategy leading into the Spending Review and expressed its concern at the annual demands for one-off savings. Merion Nelson confirmed the FR interim board was due to discuss its target operating model at its next meeting, and was already making decisions anticipating the need to make savings from next year.

6. Tax update

Meirion Nelson, Richard Greenhous and Simon Hodgson provided an update of their business areas' ongoing compliance with tax, laid out in Paper 12. Jo Ridgway confirmed she was content with tax compliance of FCE payroll. The board discussed the ability of employees and their line managers to access information regarding their taxable benefits.

Action 2: Jo Ridgway to follow up with Richard Greenhous and Joe Watts how to ensure that employees and their line managers can access the information they need regarding their taxable benefits.

Action 3: Steve Meeks to establish a tax committee, relying on FE tax advice and engaging professional support from time to time if appropriate.

The board discussed existing processes in place to audit FC's tax compliance and it was agreed that board members on the ARAC and working with GIAA should ensure FC tax was reviewed appropriately by the ARAC and GIAA.

7. Reward update

Head of HR FE summarised the benefits available to the FC to offer to staff through the Defra benefits arrangement, MyLifestyle. The board discussed the attraction and credibility of the offer to staff, ensuring consistency of access to rewards to staff and potential risks associated with the scheme. The board agreed the need to ensure the reward scheme aligned with the FC 'offer 2020' project. The board agreed the need for user groups to test what would be considered

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acceptable to staff to ensure any rewards scheme, and ways that the scheme could tie into work on staff wellbeing. The board agreed to look at implementing the Defra flexible benefit arrangement in principle and approve the adoption pending a more detailed cost and commercial / contractual information exercise.

8. Spending review

The board discussed planning for the spending review in the context of EU exit and the new Environmental Land Management Scheme. FE, FS and FR would be required to feed into one FC conversation with Defra for the spending review. The board agree to hold a workshop to consider potential saving areas before Christmas 2018. Steve Meeks agreed to draft a high-level assumptions and scenarios paper to be discussed at board level by each business area ahead of the workshop.

Action 4: Steve Meeks to draft and circulate a paper ahead of FE, FS and FR board meetings to inform the spending review workshop.

Action 5: Jenny King to set a date for the spending review workshop.

9. Trees, woodlands and forestry strategy

The Trees, woodlands and forestry strategy would draw together how FC could contribute to government's priority outcomes, and plan how these could be achieved. Work on the spending review and the strategy should be aligned and the FC should therefore be consistent in its approaches to both. The board agreed the strategy would be for the sector as a whole and therefore needed to incorporate not only the FE and FR perspective, but that of the forestry sector.

Richard confirmed that Defra were content with the FC commencing internal work on the strategy, but that ministers had overall ownership. It was assumed at this stage that the Tree Champion would have a role in the strategy. The board agreed the need to consider the role of Commissioners and FC's new governance arrangements. Steph Rhodes was drafting a PID for the strategy.

Richard confirmed it was likely there would be some form of stakeholder consultation in spring 2019.

Action 6: All EEB Members to let Richard Greenhous have comments on the Trees, woodlands and forestry strategy paper by 26 October.

10. AOB

Ian Gambles closed the meeting, noting that this was the final scheduled meeting of the England Executive Board, which would cease to exist from 1 April 2019, when all its functions would pass to the new FC Executive Board.