

**8th DECEMBER 2025****OFFICIAL SENSITIVE – FORESTRY COMMISSION PEOPLE BOARD UPDATE**

This paper provides a summary of key outcomes from the second meeting of the Forestry Commission People Board meeting held on 18 November, for consideration by the Forestry Commission Executive Board. The discussions focused on the following priority areas:

- HR Programmes
- Key Performance Indicators (KPI) and HR Dashboard Development
- Guaranteed Sale Price - proposal to limit usage under the current Relocation policy
- Mid-year review reports and next steps for process improvements


**HR Programmes Update**

Most projects are currently rated green. Targeted interventions are in place for projects rated amber/red specifically the FC/FCTU Recognition Agreement, Operations Contract Review Project and the Terms and Conditions project linked to the Civil Service Reforms. These challenges are primarily linked to FCTU relations and the recent Tier 1 Industrial dispute.

Appendix A provides a summary dashboard and highlights the opportunity for Executive Board sponsorship of some projects.

**HR KPI/Dashboard development**

The People Board welcomed the proposed suite of metrics, seeking to establish a unified dashboard for both the Forestry Commission People Board and Forestry Commission Executive Board. This approach will provide tailored levels of detail for each Board and will be designed to align with Defra ExCo style and content where possible / relevant. While the proposal offered a broad spectrum of options, it was decided to build from basics (workforce planning and budgets as illustrated below). The next step is to develop a prototype following an iterative development approach. Work is required to align definitions and data inputs across the whole FC, to ensure quality outputs, though this will be balanced with the need to surface information to the Boards in the next quarter.

	FC Executive Board	FC People Board
Workforce Planning & Budgeting	FTE by FC and by units (FR, Forestry England, FS & Commissioners' Office)	FTE by FC and by units (FR, Forestry England, FS & Commissioners' Office)
	FTE v Budget – actuals YTD v forecast	FTE v Budget – actuals YTD v forecast
	FTE categorised by permanent and CL (Contingent labour e.g., FTA, agency) in line with Defra ExCo reporting	FTE categorised by permanent and CL (Contingent labour e.g., FTA, agency) in line with Defra ExCo reporting
	Supporting commentary to highlight exceptions, variances and trends & spending review implications with action needed	Supporting commentary to highlight exceptions, variances and trends & spending review implications with action needed

Dashboards and salient commentaries will be presented quarterly for each People Board and Executive Board.

## HR Policy Review

The Board received a comprehensive update on the policy review project, and the proposed approach. 48 policies currently reside with HR.

The approach proposes

- a policy prioritisation framework with structured scoring against nine criteria to identify high priority policies
- steering group oversight providing inclusive governance to lead the refresh
- a standardisation approach, using consistent templates to simplify and align policies
- training & support to build confidence in applying refreshed policies
- communications plan providing clear messaging and accessible channels to support engagement
- resourcing review noting the FTA in place currently to lead on this work
- centralised policy hub

The People Board agreed to the prioritisation policy review exercise which will take place over the coming weeks. This exercise will ensure that the most critical policies are addressed first. Assessment criteria was discussed and agreed for ranking / scoring purposes.

An approach to bundling policies by common category was promoted, as was the opportunity to trial the new format on a simple policy in the first instance.

Allowing People Board to approve non-contentious policies and those where no significant changes has been necessary is proposed.

## Guaranteed sale price - proposal to limit usage under Relocation policy

A paper was brought to the Board to consider the removal of the guaranteed sales price offer, which is currently a discretionary benefit under the Relocation Policy. In a falling

property market this is exposing us to financial risk, as well as considerable administration, alongside a generous relocation policy.

After some discussion, the People Board agreed that this discretionary mechanism should only be applied in exceptional circumstances, supported by a robust business case. Such exceptional circumstances would be for enforced relocation, considering business criticality, and would require sign off beyond the direct line manager. This retains our ability to apply discretion, while removing the current 'low bar' for the scheme.

### **Mid-year review report**

The mid-year performance review analysis highlights persistent challenges in both completion rates and the quality of performance management discussions across the organisation. Mid-year completion rates are generally lower than last year, despite significant investment in training, communications and support.

Further, a cultural reluctance to record poor performance is evident with only two "Poor" ratings reported across the Forestry Commission. This is inconsistent with HR casework and anecdotal evidence. Managers' often default to "Growing" ratings as a softer option, reflecting discomfort with delivering constructive feedback.

Underlying issues include limited benchmarking among managers, lack of confidence in handling difficult conversations and a perception that line management responsibilities are secondary to technical tasks/roles. This has resulted in missed opportunities for meaningful dialogue and development. The current process is seen as overly complex and compliance-driven, reducing engagement. Data integrity concerns (Employee input errors and late progress updates) further complicate reporting.

There was no desire to move to forced distribution ratings based on normal distribution statistics, as it was considered that this would not produce improved outcomes. The People Board agreed that the focus must shift from quantity of reviews to quality, embedding performance reviews as a tool for objective setting, role clarity and career development rather than being a tick-box exercise.

Key priorities include:

**Cultural Change:** Make line management an enforced objective with clear accountability.

**Manager Capability:** Refresh training on constructive feedback and challenging conversations.

**Process Simplification:** Redesign the performance review form for clarity and engagement.

**Compliance & Reporting:** Introduce mid-cycle compliance checks, clearer deadlines, and targeted communications.

**Benchmarking:** Facilitate manager-to-manager discussions to align expectations of good and poor performance.

There is strong appetite to move toward a culture of continuous improvement, accountability, and meaningful engagement.

Appendix B includes the mid-year review report for reference.

**Summary and ask of EB**

- EB are invited to seek any points of clarification on the matters discussed by the People Board.
- EB members are asked to offer themselves to sponsor the projects without a named sponsor in appendix A.
- EB are requested to support the recommendation to restrict the guaranteed sales price usage to business critical and enforced relocation only.