

MINUTES OF MEETING OF FORESTRY BUSINESS UNITS STAFF COUNCIL - TUESDAY 7 OCTOBER 2008 - HEAD OFFICE STIRLING

Trade Union Side

A Gillies, GMB, TUS Chairman
J Brown, Prospect
L Villa, T&S, UNITE
J Brown, Prospect
R Laird, GMB
N Russell, GMB
E Williams, T&G
A Stewart, Prospect
B Hamilton, PCS, TUS Secretary

Management Side

M Ansell, Director FBU
D Killer
J Livingston
M Reilly, HR
M Shearer, Secretary

1. Introductions

M Ansell welcomed all to the October meeting of the FBU Staff Council and thanked them for their attendance.

2. Apologies

Apology received from P Bulloch.

3. Minutes of Previous Meeting

Minutes of 19 March 2008 were agreed a true record and published on EConnect.

4. Matters Arising

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| Page 2, Bio Oil | On Agenda. |
| Page 2, VMDP | On Agenda. |
| Page 4, Workshop Review Updates | On Agenda. |

5. Business Briefing, Director

REBU

Hydro 63MWi identified on FC land in Scotland.
 Several schemes in England and Wales.

 Abhainn Shalachain c.250KW_i has been selected as
 Scheme No 1 (subject to FESMB approval).

Negotiation Improved terms now almost £8 million per annum.

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| Wind | c. 10GWi potential, most in Scotland. Exploring development options. |
| Repositioning | Work going on to try to ensure repositioning programme takes RE potential into account. |

MA explained how the GIS model output is being improved by local knowledge, via FDMs, plus information on grid connections, etc. He advised that all financial returns would be input to Country budgets.

6. Briefings (BU Heads)

FCE: DK advised that Safety was now an Agenda item at all FCEMBs. He reported one occurrence in Scotland concerning a gasmain in Blairadam. No reportable accidents but 2 overturns, involving contractors in England. FCE would not undertake work until a positive safety assessment was carried out. There would be no change to the FCE 'Can Do' approach but safety and resources both required prior to accepting work. All staff will have Safety Folders, including Risk Assessments, site plans, etc. TUS stated they were supportive of the measures introduced by FCE.

Staff: With a considerable number of senior grade retirements over the next year or so FCE were trying to recruit a healthy internal/external mix. Recruitment difficulties within civil engineering seem to be subsiding. FCE would continue to recruit trainees and were looking for other FC staff to transfer to CE work. DK advised that A Dickerson would replace Iain Hampson in January 2009. A replacement for AD required to have chartered engineering status. DK himself would start handing over his duties at the start of April 2009 and would continue for a short time thereafter. Head of FCE will be an internal recruitment in January 2009.

Countries were keen to have budgeted programmes completed. Efficiencies within FCE, however, need to be sought. DK advised that he would be bringing together a Subgroup, involving both staff and TUS, prior to Christmas to revisit overtime arrangements. In an attempt to improve efficiencies this group would consider, amongst other issues, the 2.5 hours travelling time arrangement and working patterns.

Bridge Group: Professional Indemnity Insurance and competitiveness in the market place were both being considered further with Procurement input and redrafted into procedures for the bridge group. This matter will require to be signed off by the FC EB. A new engineer would be required and DK expected the PB5 post to be recruited around Christmas time.

Concluding, DK advised that a possible new base for CE Peebles staff at Glentress was being reconsidered. Peebles currently had no disabled access.

MES: JL advised that fuel prices were slipping back but ahead of the current BP round an additional £1 million had been identified. England and Wales had instructed staff to reduce vehicle mileages in an effort to offset this rise. MES would budget for a 6% increase within the 09/10 budget. He advised that the Bank of Scotland had withdrawn from public sector vehicle leasing. Overall FC were seeing a 3% rise which was equal to an 11-18% rise in real terms in the cost of leasing and also increased machine and vehicle costs.

The Greenerways PB continued to meet and a 5% reduction in travel and transport year on year was required. A 3% reduction in office and buildings' energy consumption was also required and figures for waste reduction would be introduced this year. He advised it was proving difficult to realise these deductions, especially in respect of mileage, but both vehicle size reductions and fuel efficiencies were being obtained. TUS were concerned that changes to FD size would require additional travel. JL advised that these were Country not FD targets.

PDC Review: Review Group had identified differences in requirements from individual Countries. As a result the Review would be scaled back. Overall Countries saw it as part of the service for MES to deliver vehicles at an agreed cost.

Electric Vehicles: JL advised that a Group had been set up to trial electric vehicles and consider progress in this area.

Safety: JL advised MES had a good safety record but a serious accident had recently occurred in Chapelhall. The Fleet Engineer's role had been enhanced to keep on top of this, especially the administration process where shortcomings had been identified. MES were picking up on proposals coming from the FCE Safety Engineers.

7. Bio Oil Survey

The survey had resulted from an earlier FBUSC meeting and the report had been issued to TUS prior to the meeting. Harvesting machine operators in Scotland had been included in the survey. Questions had been developed with input from H&S Officer and HMOs and a considerable number of questionnaires had been returned. No major concern was identified with bio chains. There were a small number of reported side effects, varying in severity, in respect of skin problems, breathing and vision difficulties reported. JL stated risks were confirmed as different to mineral oils and that differing guidance from suppliers and degrees of compliance within FC were also found. Castrol were now reconsidering the hazard data sheets and further training for users of bio oil (see Report Recommendations). The TUS asked for clarification on the procedure for staff raising problems and JL advised that any staff experiencing difficulties would be referred to Capita. TUS thanked JL for his input and would prepare a summary for briefing staff.

8. Value for Money Delivery Plan

TUS had requested an update on VMDP progress and enquired about the information to be issued to staff. MA advised that this was only Year 1 for VMDP and FBU Head of Finance would be tracking progress and reporting to both FBUMB and SB on the £2.059 million savings contained within VMDP across CSR07.

MES input to VMDP: JL reported that reviews at both Chapelhall and Gweithdy Cymru were currently on hold. A move from 3 to 5 year CAPES vehicles required consultation with TUS and was progressing slowly. Overall MES expected to meet its VMDP bottom line commitment but further initiatives would continue to be sought as the CSR goes through.

FCE input to VMDP: DK advised that depth of surface surveying was ongoing with software developing along the way. He expected to see savings coming through after Year 1. He anticipated benefits of scale from tendering multi projects and that firmer results on all FCE projects, including in-house consultancy service to FC and Stress Laminated Timber Bridge project would be available by P9. FCE were focusing on improving on industry standards across maintenance, upgrading and new build roads.

PSSB input: MA advised that seed sales were currently running behind target.

HR Briefing: MR advised that a software provider had been identified to produce a recruitment package for FC. Competency Frameworks would be introduced to smarten Person Specifications. A training course for staff involved in recruitment would be rolled out and it had been agreed that there was no need for an HR representative at all recruitment boards. A new Head of HR Services, Lynsey MacPherson (to replace Graham Millar) would take up post in November.

9. FC Business Plan Downturn

TUS expressed concern over reducing programmes for roads, VME and Restocking over the coming 2 years. DK provided updated downturn figures as of today and advised discussions with Countries were ongoing. JL stated BP meetings were ongoing with nothing settled as yet. There were no real changes anticipated at this time, although he did expect this to change as the BP process went through.

10. Succession Planning/Grading of MES and FCE Posts

Discussion centred around grading of MES apprentices and TUS requested MES consider a similar approach to the Internal Audit process. Agreed MS would look at this further.

ACTION: MS

11. This item was removed from the Agenda by TUS.

12. MES Review

JL advised TUS of a discussion at the recent FESMB meeting regarding the review of Chapelhall Workshop. FESMB had requested an all encompassing review of Scottish MES workshops, including buildings with a measurement against Greenerways targets (ie wood boilers, etc). MA/JL would draft Terms of Reference for issue to TUS.

ACTION: MA/JL

The Welsh Review was ongoing and this would now be delivered to Peter Garson, Head of Estate Management, Wales. All queries would be dealt with by the existing Subgroup which was currently awaiting a response from PG prior to drafting its report. Accepting there was concern amongst staff, JL would try to ensure progress was made.

13. Health & Safety

TUS requested an update on FCE Safety Engineering posts and implications. DK advised that this trial would conclude in December and it had already been agreed that the full-time post would be continued and advertised via an internal trawl. The post would be included in 2009/10 BP. A decision on the Safety Engineer posts in England and Wales was still to be concluded but DK felt these would remain as part-time positions.

14. MES Land Training Apprenticeship

JL advised TUS of the LTA accreditation scheme available to all apprentices and mechanics. A decision would be taken as to whether MES became an accrediting body. Meeting discussed the previous CSCS Scheme in detail and TUS were concerned at the value the LTA Scheme would bring. JL took on board TUS concerns and in an attempt to fully explain the scheme and its benefits he would invite a speaker to MES Workshops with a view to introducing the scheme within MES thereafter.

ACTION: JL

15. Any Other Relevant Business

a. Machine Working Hours/Travel Time to Site/External Work/Income

Querying the above points, JL advised TUS that pdc rates were calculated at 1600 hours per machine. If hours reduce, pdc rates rise. DK advised he was introducing the SubGroup mentioned earlier to consider this whole issue, ie how to address work/life balance. All agreed hours worked had to match workloads but that shift working, etc all required to be considered. MA advised he would be discussing the use of external work as a balancing tool with the EB to seek their view on this matter.

16. Date of Next Meeting

Meetings for 2009 agreed as:-

18 March 2009

7 October 2009