

**DRAFT MINUTES OF A SPECIAL MEETING OF FORESTRY BUSINESS
UNITS STAFF COUNCIL – THURSDAY 1 JULY 2010, SILVAN HOUSE TO
DISCUSS FBU REVIEW**

Trade Union Side

A MacKenzie, FCTU Secretary
A Gillies, GMB, Vice Chairman
R Laird, GMB,
B Hamilton, FCE PCS, Secretary

Management Side

M Ansell, Director FBU, Chairman
J Livingston, Head of MES
F MacCulloch, Head of FCE
J Morgan, Head of PSSB
M Shearer, Secretary

Also attending: Jean Lindsay, Director HR
Alison McSheaffrey, HRBP, FCS
Lindsay MacPherson, HR Services

1. Introductions

MA welcomed everyone and thanked them for attending. Attendees introduced themselves around the table. This was a special meeting of the FBUSC to discuss a single item, the FBU Review.

2. Apologies

FCTU advised there were no apologies as FBUSC members were happy to let FCTU attendees lead on this subject.

3. FBU Review

a. Outline of the Agreement reached by the FC Executive Board on 23 June 2010 (MA)

MA advised the purpose of the meeting was to solicit the views of FCTU and discuss the FBU Review Report in general terms. The consultant's recommendations have been endorsed by the FC EB as the way they wish to proceed.

A summary of the report recommendations is as below:

	Area	Recommendation
a.	Forest Civil Engineering	Delivery within countries and small central team retained within FC GB
b.	Design, Bridges & Structures	Small central team retained within FCGB
c.	Bridge Manufacturing	Licence IP to 3 rd party or parties
d.	Radio & Electronics	Transfer management to Information Services
e.	MES Workshops	Outsource or (very) small central team within FCGB; delivery within countries
f.	Fleet Management	Outsource or split between countries
g.	Seed Collection/Supply	Retain within FCGB; either PSSB or elsewhere
h.	Nurseries	No clearly preferred option; need to explore possibilities further with 3 rd parties

MA said the report should be accepted for what it is, an external consultant's view

The EB discussed the recommendations at length subsequently agreed two courses of action:

a. Recommendations that should be taken forward now;

- Forest Civil Engineering
- Design, Bridges and Structure
- Bridge Manufacturing
- Radio and Electronics

b. Recommendations that require further exploration and analysis:

- MES Workshops
- Fleet Management
- Seed Collection/Supply
- Nurseries

The EB members agreed to recommendations b. in principle, but asked that further investigation into the market for outsourcing be carried out before any decisions final decisions were taken. It was agreed that seed collection/supply would form part of this exercise.

The purpose of today's meeting is not to open up discussion on the EB's endorsement of the report but to obtain FCTU views on the recommendations and to discuss how the FCTU wish to engage in the implementation stage.

MA provided detail on each of the recommendations and advised that a.-d. would form Phase 1 of the implementation with e.-h. in Phase 2. Phase 1 Recommendations would be taken forward immediately. Further work was required on Phase 2 and decisions would be dependent on the findings of the investigation into the market for outsourcing. The importance of FCTU input was stressed going forward. MA then sought FCTU views on the report.

AMack said FCTU had some issues with the report and had to responsibly represent the interests of approximately 200 members. Particularly they felt there were a number of 'off-the-cuff' remarks, assertions and somewhat ill-considered comments contained in the report and requested these be reconsidered. Going forward, FCTU suggested they meet with FC to gain a deeper understanding of the recommendations and the potential impact on their members flowing from each of the stages. FCTU provided a document containing their suggestions for report modifications and general observations on certain aspects of it.

3.b. Communication with FBU and FC Staff

MA advised FC has discussed some amendments required to the report, primarily commercial points. Having heard the FCTU views, FC stated they were prepared to consider their proposed amendments to remove sensitivities or add clarity. MA asked FCTU to outline their required amendments. He advised the intention had been to issue a note to FBU staff and a Q&A from the DG today with a link to the report. FC will now consider FCTU points and if appropriate ask the Consultant, Paul Jarah to amend according, with a view to issuing this tomorrow. FC were keen to communicate the EB decisions to FBU staff as early as possible.

It was agreed that MA would issue a note to FBU staff today informing them of the reason for delay.

AMack suggested FCTU work with FC to propose changes to the consultant as their paper contains 7 pages of changes/alterations. It was agreed that FCTU would leave their summary with FC to allow them to work through these prior to issue of the revised report. JBL explained FC would consider FCTU proposals, agree changes/amendments to be put forward to the consultant and have the amended report issues with the DG's note to FBU staff.

Actions:

MA to write to FBU staff informing them of reasons for delay.
DG's note to be issued to staff Friday 2 July 2010 with Q&A and link to final report published on Intranet

Article to appear in 9 July issue of eConnect.

3.c. Next Steps

MA next advised he will step down as Director FBU at the end of this week. F MacCulloch will take over as Interim Director FBU and will be responsible for taking forward Phase 1 Recommendations Nicky Whitaker has been appointed as the Implementation manager for Phase 2 recommendations and will be taking up post on the 19th of July The already established FBU Review Steering Group chaired by Simon Hodge will continue with a revised remit. FCTU will be able to and were encouraged to feed their views into the implementation process.

AMacS advised she would be drafting a high level HR Plan linked to key pieces of work and this would sit alongside an agreed Communications Plan. FC were keen to have early FCTU consultation and involvement through a regular Forum to be chaired by F. MacCulloch. All agreed there was not a 'one size fits all' for this work and that the forum should reflect the area to be covered as the work strands were identified.

FCTU stated their main requirement was for timeous and accurate information going forward. It was agreed Allan MacKenzie would be the point of contact for FCTU and he would disseminate to GB representatives as appropriate. FC advised F MacCulloch would be their point of contact.

MA clarified the EB view that facts notwithstanding the EB direction has been agreed in principle, if the Phase 2 action does not produce expected benefits then a rethink will happen. FCTU welcomed this clarification.

FCTU enquired what BU Heads would do to brief staff after the issue of the DG's communication.

FMacC advised information would be cascaded through FCE managers and he would be commencing his briefings tomorrow and summarise the plans on this point shortly.

FCTU also raised concern about staff morale once the DG's email is received.

MES would follow the cascade model used when the FBU Review was announced and would aim to meet with all available staff by the end of next week.

PSSB would work to a similar cascade form and aiming also to complete briefings by the end of next week.

FCTU would issue a note to the 179 TUS members within FBU and work in tandem with this timescale.

MA advised he would issue a note to FBU staff today to advise them the DG's note would be issued tomorrow and the reasons for the slight delay (to incorporate FCTU views/comments as far as reasonable).

4. Any Other Relevant Business

a. FCTU queried whether the MES Scotland Review decisions would be progressed in the light of the FBU Review implementation programme. MA advised implementation would proceed for elements that made sense and this group was due to meet next week. JL advised the decisions on Chapelhall work and the vehicle conversion tender would proceed as agreed earlier.

AG wished to discuss the MES Scotland Review items at this FBUSC meeting further but agreed it was appropriate to remit these points till Thursday 8 July when the review group is due to meet.

b. JBL stated her disappointment that the FBU Review Report had been leaked when a new Partnership Agreement with FCTU had just been agreed. AMacK expressed his disappointment at this also.

To conclude, summary of actions agreed:

- FCTU provided comments on report to FC
- FC will consider FCTU comments as far as possible with their own and consultant will incorporate and re-issue his report
- DG's note and Q&A will be issued 2 July 2010
- Article to be included in 9 July eConnect bulletin
- F MacCulloch to draw up detailed plan for Phase 1
- N Whitaker to draw up detailed plan for Phase 2
- Implementation Forum was agreed with F MacCulloch chairing with support from Lindsay MacPherson and Alison McSheaffrey drawing this together with TUS involvement
- FC advised that FBU Review Steering Group would go forward with an refreshed remit
- FC advised that Michael Ansell would step down from Director FBU post at the end of this week

MA thanked everyone for their positive input and the meeting closed.

