

**MINUTES OF THE FORESTRY COMMISSION SCOTLAND
JOINT STAFF COUNCIL MEETING
SILVAN HOUSE**

TUESDAY 14 DECEMBER 2004

Present:

Official Side: Bob McIntosh (Chairman), Hugh Insley, Paul Snaith, Jean Lindsay, Ann Alexander, Kathy Brown (Secretary)

Union-side: Malcolm Crosby (Vice Chairman), David Robertson, Robert Beaney, Colin Watret, John MacBeth, Edward Shephard, Gordon Donaldson, Alistair Gillies.

1. Welcome and Apologies

Dr McIntosh welcomed everyone to the meeting.

Apologies were received from James Ogilvie. John Macbeth took Susan Darcy's place and Alistair Gillies replaced James Macdonald at the meeting.

2. Minutes of Previous Meeting

The Minutes of the previous meeting were accepted.

3. Matters Arising

Dr McIntosh stated that there was no additional matters arising from the last meeting, held on 9 December 2004. All items would be dealt with as agenda items. It was agreed that agenda items 4 and 6 be covered together.

3. Review of the Estate

Dr McIntosh advised that Ministers had welcomed the review and accepted the 30 recommendations that the Working Group made. The 4 main recommendations included extended opportunities for local communities to purchase and take an interest in FCS land; Forest Enterprise Scotland to be more involved in Woodlands in and Around Town Initiative and FCS to have more flexibility to buy and sell land to help achieve our objections. He added the

Forestry Act would be changed to remove restrictions and allow joint ventures although due to the legislative programme changes were unlikely to happen until 2007.

Malcolm Crosby welcomed what had been said and asked if the TUS had been invited to comment on the National Forest Land Scheme consultation. Dr McIntosh confirmed that it was a public consultation and that everyone could comment. The TUS asked what processes would be put in place before communities could purchase FCS land. Dr McIntosh explained that there would be a series of tests to go through before buying FCS land, including whether it is in the wider public's interest, what gains there are to the community and what public benefit would be lost. The community would need to raise the money for the purchase, at the DV's valuation price, and a sustainable Business Plan would be essential.

There were some discussions about the sale of land for affordable housing and the importance of this as a way of the FCS providing support to help the Scottish Executive to deliver its objectives. Dr Insley confirmed that the use of timber in affordable housing initiatives would be promoted as much as possible but there was a limit to the extent of pressure that FCS could apply. Dr McIntosh pointed out that it was worth remembering that the Review of the FC Estate was a very positive report.

Malcolm Crosby asked if guidelines would be produced on land sales. Dr McIntosh said that it would be viewed on a case by case basis; there wasn't a programme of sales but the option to sell would be used where necessary. Dr Insley confirmed that the Business Plan included disposal income from the sale of FC housing and areas of land, but not forests. He had asked Area Land Agents and FDMs to identify areas that did not sit comfortably within the estate and which do not deliver our objectives.

The TUS queried if there had been any further developments on the possible transfer of land management from other public bodies to FES. Dr McIntosh explained that as part of the efficiency review FC/SEERAD/SNH had been asked to consider if there were any synergies that could be achieved.

4 & 6. Conservancy Boundary Changes and Office Locations/Staff Consultation re Office Moves

It was agreed to discuss agenda items 4 and 6 together. David Robertson explained the background and the reasons for the relocation of the Central Conservancy Office. He explained that there had been an in depth process which had involved many discussions with staff. He was pleased to say every effort had been made to take account of local views and to balance the needs of staff although it was inevitable that there would be winners and losers in terms of

travel time to the new location. The TUS strongly recommended that the methodology used in this instance should be used as the baseline for other office relocations and similar projects requiring staff consultation. David Robertson agreed to set out the methodology and this will be circulated as a best practise guide.

5. Finance

Paul Snaith circulated copies of a Spending Review 2004 paper. He commented that it was a good settlement, which had provided additional funding for WIAT and the Strategic Timber Transport Fund. Provisional discussions on the Business Plan were ongoing. Based on current figures there would be a shortfall of £1.3m in 2005/06 but he was confident that this would be found by increased income. The position was more positive in future years with a net excess of £0.6m 2006/07 and £1.8m in 2007/08. In addition to the funding outlined in the paper, there would be an additional £3m for recreational capital projects and Dr Insley and his team were working up ideas on how to put this funding to best use.

Dr McIntosh confirmed that STTF and WIAT funding were part of the baseline. He explained that if we can demonstrate to the Scottish Executive that the funding had been put to good use, there would be a stronger possibility of retaining the additional funding in future years' baselines. STTF expenditure will need to be recorded separately and a cost benefits analysis carried out to help provide strong justification for retaining the level of funding into future years.

David Robertson asked if there were any lessons to be learned from the Spending Review process and any messages that the TUS could help to convey to staff. Dr McIntosh said the key was to align our programmes to hit the correct political buttons and to help the Scottish Executive to deliver its aims and objectives. The increase in the National Office team had been questioned by some but it had proved to be essential in establishing good relationships and seeking support from various Scottish Executive departments. He stressed that the positive outcome of the Spending Review would not have been achieved otherwise.

Colin Watret asked if wind farm income had been included in the Business Plan. Dr Insley explained that a modest assumption had been built in but that, if planning approval comes through there could be a substantial increase and if so it would be essential to identify a sensible programme to utilise this funding stream. It was noted that it was advisable never to look further than three years ahead and using such one off income to fund ongoing programmes should be avoided.

Gordon Donaldson queried if it was hoped that the FES staffing numbers would level out rather than continue to reduce. There was concern about the further

reduction due to the Operations Review in view of the enlarged programme of activities over the next few years to fulfil the Scottish Executive's programme. Dr Insley reassured the TUS that he hoped that staffing levels would level out. He added that if a good case was made for additional staffing then it would be considered and that there was also the possibility of additional staffing for the WIAT initiative.

Robert Beaney raised the question of the new modern apprenticeship scheme. Discussions followed and Dr Insley pointed out that the lack of young forestry workers was becoming a serious issue all over Europe. He pointed out the FE had no specific targets set but he was supportive of FDM's engaging.

Paul Snaith confirmed that the National Committee would consider the Corporate Plan at their February meeting and that the approved budget will be published in March 2005.

7. Scottish Operations Review

Malcolm Crosby said that the TUS wished to formally record the painful process arising from the review during the year. A lot of staff felt they had put in a great deal of time and effort and the outcome was unsatisfactory. The TUS could not support the proposals put forward by FES Management. A trawl, which would have had TUS amendments, had been issued without referral to Malcolm Crosby. It was confirmed that the draft trawl had been referred to Gordon Donaldson instead with a note stating that Malcolm Crosby had seen it. Dr Insley explained that this had been an oversight and that there was nothing untoward. Malcolm Crosby added that this oversight was an unfortunate end to a difficult process.

Dr Insley explained that it might have been better if the working group had included representatives from the Business Units and Staff Side. Both were included in The Steering Group which had the power at the end of the day, but it might have been better if there had been the same representation on both groups.

Edward Shephard stressed the importance of agreeing a protocol to follow in future change management issues. Dr McIntosh explained that the GB staff council had agreed that Personnel Division would work with the TUS to develop a protocol and that this idea had the full support of the Executive Board. There was a debate about feeding the issues arising from the Operations Review into the development of the protocol and both parties agreed that there were many lessons to be learned from this. It was agreed that the methodology used for the Central Conservancy office relocation would serve as a useful model of good practice. It was noted that the likely timescale for the GB protocol was summer 2005.

Malcolm Crosby stressed the importance of finding a mechanism for recovering the situation, as the alienation within District staff was considerable. He suggested that it would be helpful to have someone neutral and independent to feed views into Management. It was agreed that Dr Insley and Gordon Donaldson would meet to discuss the way forward. The draft implementation proposals would be referred to the National Organising Committee and then to the FE Staff Council. Dr McIntosh agreed to ask about the process for the GB protocol at the next meeting of the Executive Board.

8. Next Meeting

It was agreed to continue with an annual joint meeting. December was agreed as a suitable timing so that it would be possible to discuss the Business Plan. The next meeting will be held on 15 December at 2pm.