

**MINUTES OF THE FORESTRY COMMISSION SCOTLAND
JOINT STAFF COUNCIL MEETING
THURSDAY 15 DECEMBER 2005
SILVAN HOUSE**

Present:

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

Union Side: Malcolm Crosby (Vice Chairman), Robert Beaney, Colin Watret, Gordon Donaldson, Alistair Gillies, Edward Shephard

1. Welcome and Apologies

Dr McIntosh welcomed everyone to the annual meeting of the joint Staff Council.

Apologies were received from James Ogilvie, David Robertson, Fiona Barnett, James McDonald and Ashley Woodhouse.

2. Minutes of Last Meeting

The minutes of the previous meeting held on Tuesday 14 December 2004 were accepted as a true and accurate record.

3. Matters Arising

Malcolm Crosby highlighted two matters arising from the previous meeting. Unfortunately, illness had prevented David Robertson from completing his paper summarising the consultation process undertaken in the office move for Central Scotland Conservancy. It was hoped that this best practice guide would be available for circulation shortly. Secondly, Malcolm Crosby reported that the up and running Scottish Operations Review was going reasonably well. It was agreed that it should be reviewed a year on, timing with the turn of the financial year. Hugh Insley would meet with Gordon Donaldson to take this forward.

Bob McIntosh also introduced his paper, which summarised the current top level issues in FCS and opened it up for comments. He confirmed that the tweaks being made to SFGS should not impact on GLADE delivery. There was a lengthy discussion concerning paying agency status arising from the new Rural Development Regulations (RDR). He envisaged that the outcome would not have any immediate implications for Conservancy office workloads but that the situation would need to be reviewed once the revised SFGS and GLADE were in place. There was as yet no indication of how much new RDR monies would be available.

Bob McIntosh was confident that money would be secured for delivering forestry's contribution to the climate change programme, the decision being imminent. It was agreed that FES should start gearing up for its role in the afforestation programme, with fast growing conifers providing the best route for the programme. In terms of electricity production, small to medium scale plants would be more desirable since they generate more spin-offs, including reducing timber transport, compared to the large-scale wood consuming plants.

Jean Lindsay provided an update on taking forward the FCS staff survey results. She reported that Anne McCann, an independent facilitator, had been appointed to work with FCS in taking this forward. As a first step, a series of focus group meetings would be held in February and March to further explore the areas of dissatisfaction identified in the report. She explained that due to the distortion of FCS results, FE and FC Scotland would be looked at holistically. The TUS stated that it was hoped the confusion over location options would not be repeated and that the electronic version would be more user friendly for the next survey exercise.

Jean Lindsay also advised the TUS on progress made on the Management Development Programme. A pilot is being developed and early discussions with assessment centre providers is underway. Staff would be informed of developments at the end of December before having a chance to input at focus group meetings timetabled for late January / early February. Aimed initially at PB4s, it was hoped all staff of this grade would attend the pilot project scheduled for late summer 2006. The TUS expressed concern over the fact that the pilot was restricted to PB4s. It was explained that this pay band was initially selected because the advancement from PB4 to PB3 could represent a significant change and because the numbers of PB4 staff was a good sample size for trial. It was envisaged that the Programme would be opened up to a much wider group should the pilot prove successful. Management also confirmed that attendance was not compulsory at this point, but it was in staff's best interest to attend. The Programme aims not to assess individual performance but to assess development needs. The working group has an important role to play in conveying this message across to staff. Edward Shephard added that it would be important to receive feedback from participants of the pilot Programme.

Malcolm Crosby thanked Bob McIntosh for his report, which would be circulated with the minutes.

Hugh Insley provided a progress update for FES and highlighted some of the issues it faced. Positive achievements included: acquisition of the Loch Katrine water catchment and latterly the chance of restoring the Cairngorm summit to the National Forest Estate, developments in community engagement and WIAT; securing £3m from the Scottish Executive for investment in recreation of which £1m has been earmarked for redevelopment of the mountain biking centre at Glentress and that renewables income was beginning to flow, with it likely that Whitelee was going ahead in 2006. On the challenges, he stated it was clear that there was a need to move to a more

dynamic position with the Estate. He explained the mechanics of the revolving fund whereby new areas would be acquired through selling land, which was not delivering well. Co-location presented another challenge to staff along with advantages brought with new offices. All the signs were that the next spending review would be much tighter spending review. One of the biggest risks we faced was getting into a situation of falling income levels and the need to cut costs when we were so inflexible on staff levels. The worst possible outcome could be the need to lose staff and be unable to finance redundancies. We needed to think ahead on this one and create some headroom for flexibility and this would require the management and staff side to work closely together to ensure the most secure outcome for existing staff.

Hugh Insley stressed that staff should not get too carried away with the business problems since creative solutions would be sought. He ended his update, highlighting a few of the positive achievements of FES's successful year, which included hosting the World Mountain Bike Cup at Fort William. It was also looking likely that it would host mountain biking if Glasgow's bid for the Commonwealth Games in 2014 was successful.

It was agreed that it would be more fitting to follow on the discussion with a finance update and so the item was brought forward.

4. Finance Update

There was a lengthy discussion on the implications of the 2007 Spending Review. Bob McIntosh explained that the Review had been deferred for a year and while this allowed for more certainty over the next two years, it also gave the Executive another year to look very hard at spending. Indications were that it would be a tough spending round, with the Executive looking for cost reductions given the predicted slow down in economy growth. External experts would be visiting FCS early next year and the outcome would not become apparent until the following year.

It was agreed that in preparation for the outcome, both staff and Management would need to work together on a strategy covering programmes and staffing. On the latter, Gordon Donaldson stated that while Management's commitment to the protection of existing staff was a good place to start, other factors would have to be considered at the same time, including the impact on staff health from the non filling of posts. Hugh Insley acknowledged this concern and said that each case would have to be looked at individually and through open discussion. Management also envisaged monies would become tailored to specific programmes, with a much tougher line on partnership projects and a requirement to fulfil multiple objectives. Opportunities to develop would come about through small-scale disposals and the revolving fund. A debate followed on land disposal processes and options. Alistair Gillies questioned whether we could be left high and dry if political fashion was followed. Bob McIntosh said we would continue to purchase land to support climate change, the WIAT agenda and native woodland expansion. Hugh Insley further confirmed that land sales for house building was progressing slowly and was therefore unlikely to generate a significant income.

Paul Snaith circulated a summary of budget proposals for 2006/7 and 2007/8. This was literally hot off the press and was yet to receive National Committee approval. He summarised the projections for FCS first of all and highlighted the expenditure increases for the Forestry Development Programme (£1m) and Grants (£3m), which represented the extra funding allocated for WIAT. He explained that because of state aid issues, which were now nearing resolution, £3m for the timber transport fund would now be drawn down next financial year instead of this. Staff numbers were also projected to increase and, with a bottom line increase of £6m in 2007/8, provided for a positive outlook. However, he stressed that this was in excess of the money available and that savings of around £300k would have to be found in each financial year. Some of these may come from staffing should opportunities arise.

On the FE-side, the projections, which excluded the additional funding for WIAT, also provided a positive picture. The current plans include increasing staff numbers for WIAT, The Seven Stanes project and the apprenticeship scheme were desirable but it would depend on affordability. He also hoped additional income would come through to sustain work done on conservation and recreation as a result of wind farm income. Gordon Donaldson queried the net loss figures for Forest Holidays. Paul Snaith explained that in the early year the PPP would be investing heavily so returns would be lower.

Bob McIntosh stated that it would be vital to start making plans in preparation for the next spending round should it prove to produce a flat result and the TUS agreed with this approach.

Malcolm Crosby thanked Paul Snaith for his financial update.

5. Health and Safety

Malcolm Crosby asked whether anything should be raised on this matter given the recent tragic accident at Fort Augustus. He also stated that the TUS was generally happy with the organisation's approach to health and safety. Hugh Insley said it had been one of two recent accidents and although no report had been received, the risk assessments pointed to everything being in place. A debate followed on mountain bike accidents, which have the biggest exposure and which has exercised the FC most in its approach to safety.

Malcolm Crosby explained that the TUS were attempting to raise the profile of this issue and a health and safety rep had been appointed. He requested a list of safety reps for Forest Districts / Business Units and Conservancies to facilitate an assessment of training needs. Jean Lindsay agreed to provide these contact details.

Action: Jean Lindsay

6. Recruitment, Trawls, Staff Complement Changes

Malcolm Crosby stated the TUS wanted prior notification of both internal and external trawls and that the mechanism for doing so needed to be sorted out. While it did not represent a large problem, it was recognised that it was more about understanding the scale of issues involved.

It was agreed that Malcolm Crosby should meet with Jean Lindsay to agree a protocol on recruitment and complement changes.

Action: Jean Lindsay / Malcolm Crosby

7. Issues Update

Bob McIntosh and Hugh Insley had previously provided updates on current issues under Matters Arising.

Malcolm Crosby asked what progress had been made with the Business Improvement Programme. Disappointment was expressed over the lack of active developments to date. Bob McIntosh explained that the programme, which was looking at efficiency gains of GB central services, was not included in his remit. However, he was able to report that developments were being made but that some parts were not as advanced as others.

8. AOB

None.

9. Date of Next Meeting

14 December 2006 at 2:00pm.