

Forestry England Board Meeting Agenda

6th December 2022 09:30 - 13:00

Virtually via MS Teams

Attendees

Forestry England Board: Julia Grant, Amanda Grist, Tristram Hilborn, Peter Latham, Jennie Price, Chris Simpson, Richard Stanford, William Worsley (Chair)

In attendance: Josephine Lavelle and Meera Hindocha (Item 3), Andy Venn and Hayley Skipper (Item 6), Paul Johnson and James Simpson (Item 7), Mari Sibley

Secretariat: Rachel Mackintosh

Apologies: Mike Seddon, Gurch Randhawa

NO. / TIME mins	Start time	ITEM (Materials)	OUTCOME REQUIRED	LEAD
Welcome				
1. 10 mins	09:30	Chair's Welcome and Update		Chair
2. 10 mins	09:40	Declarations of Interest Approval of minutes, matters arising and action log. Matters Arising	For information	Chair
Items for Approval				
3. 20 mins	09:50	Commercial Sensitive	Discussion & Steer	Josephine Lavelle and Meera Hindocha
4. 10 mins	10:10	M7 Finance Report	Approval	Amanda Grist
5. 20 mins	10:20	Commercial Sensitive	Discussion & Steer	Tristram Hilborn and Amanda Grist
6. 20 mins	10:40	Commercial Sensitive	Discussion & Steer	Andy Venn and Hayley Skipper
7. 20 mins	11:00	Workforce Update	Discussion & Steer	Paul Johnson and James Simpson

	11:20-11:30	10 min Break		
8. 20 mins	11:30	Commercial Sensitive	Discussion & Update	Chief Executive
9. 10 mins	11:50	Risk Appetite Statement	Discussion & Approval	Tristram Hilborn and Rachel Mackintosh
Management Accountability				
10. 20 mins	12:00	CEO report	Discussion & note	Tristram Hilborn
11. 10 mins	12:20	ARAC Chair report	Discussion & note	Julia
Concluding items				
12. 5 mins	12:30	AOB		Chair

Future meetings:

1 March 2023	Virtual
9 - 11 May 2023	Visit and meeting - Location TBC
18 July 2023	Virtual
9 - 11 October 2023	Visit and meeting - Location TBC
6 December 2023	Virtual

All proposed visits are subject to Government guidance in place at the time.



Forestry England board meeting minutes

21st September 2022 09:00 - 12:05

The Speech House Hotel, Coleford, Gloucestershire, GL16 7EL

Attendees

Forestry England Board: Julia Grant, Amanda Grist, Tristram Hilborn, Peter Latham, Jennie Price, Gurch Randhawa, Mike Seddon, Richard Stanford, William Worsley (Chair)
In attendance: James Simpson and Joy Ashford (Item 3 MS Teams), Mari Sibley (Items 4,5 & 6), Mat Maguire, (Item 6 MS Teams), Clare James (Item 7 MS Teams), Becky Rhodes (Items 1-10)
Secretariat: Rachel Mackintosh
Apologies: Chris Simpson

Agenda items

1. Welcome

| Item Lead: Sir William Worsley

The Chair welcomed members to the eighteenth full meeting of the Forestry England Board.

The Chair welcomed Rebecca Rhodes, Forestry Commission Chief of Staff to observe the full meeting, and Mari Sibley Director of Estates and Legal attending to the break following item 6.

Chair's update

The Chair noted the passing of Queen Elizabeth II, sending condolences to the royal family and he passed on thanks to all involved in the Forestry England response. He also noted the new government and the desire of the new Secretary of State to visit a forest near his constituency. The new forestry minister is yet to be confirmed. The focus of the new government is economic growth which is helpful for our sustainable productive timber business. He noted the Environmental Audit Committee is holding an enquiry into timber, TORS to be circulated to the Board. Meeting with David Hill on ALB reform had taken place, was useful but more relevant to FS.

Forestry Commission family updates

FS: discussions with Defra on meeting tree planting targets taking place, models on tree mortality during the drought produced, advice on breeding waders published, latest figures on plant health outbreaks shared.

Forward look: considering taking on a Board apprentice within FC as part of a scheme to increase diversity in public appointments, more details will follow. There will be a Parliamentary Reception in House of Commons 26 October, it is hoped all Commissioners will attend, the briefing note and guest list to be circulated.

Action Items	Person responsible	Deadline
Circulate TORs of Environmental Audit Committee enquiry into timber with members.	Rebecca Rhodes	ASAP
Circulated briefing note and guest list for Parliamentary reception	Rebecca Rhodes	ASAP

2.1 Declarations of Interest

There were no declarations for the meeting.
Updates to Gurch's and William's registers noted.

2.2 Approval of Board minutes

The following minutes of the Forestry England Board meeting 20 July 2022 were agreed as a true record.

2.3 Actions

The updated action log was reviewed and agreed. Two actions remained in progress and rolled into forward look.

2.4 Matters Arising

In response to a question, Richard noted that with the change in Government it was unlikely the reform agenda would go away completely but the direction would depend on new Secretary of State and Forestry Minister.

3. Official sensitive: commercial item

4. Official sensitive: commercial item

5. Official sensitive: commercial item

6. Official sensitive: commercial item

7. Health and Safety 6 month review including culture programme

**| Item Lead:
Clare James**

Clare provided the 6 month review and update on the culture project.

The Board were pleased with the progress of the project, the discussion included

- The sharing of good practice and learning was taking place through the intranet with a plan in place to monitor implementation of actions from reports
- The marketing team were engaged on connecting with the harder to reach members of the staff group.
- The leading indicators were welcomed, it was noted they were input led and it would be good to develop some output indicators. Clare confirmed temperature checks were planned through the Health and Safety committees for feedback.

8. CEO report

| Item Lead: Mike Seddon

Mike drew attention to the following:

- Woodland creation targets: the lease with the York Community Forest had been signed with others in the pipeline, reprofiling of the targets is taking place with Defra.

- Commercial sensitive item
- Commercial Sensitive item
- Forest Live - encouraged by level of interest in the tender to run the concern when current contract ends.

The discussion that followed included:

- Understanding that the traffic management issues that arose around Forest Live this year are being addressed. The Board expressed their thanks to the team for their efforts to smooth the issues on the nights of the concerts.
- The impact of Dothistroma needle blight at Lobslack nursery was confirmed to impact on this year's stock and supply.
- Consideration of options for deals on membership with the current cost of living crisis was requested. Mike will take this forward with Katy David.

Health & Safety

Tris noted there had been one additional Riddor since the report where a chainsaw contractor suffered a fractured jaw.

Safeguarding

A report was going to commissioners in December.

Risk

The risk appetite statement would return to the Board in December following discussion at SLT.

Action Items	Person responsible	Deadline
Consider options for membership deals in cost of living crisis.	Mike Seddon with Katy David	6.12.22

9. M4 Finance report

| Item Lead: Amanda Grist

Amanda took the Board through the M4 Financial report. She noted that the report now focused on EBITDA figures. She highlighted that the finances were £1.4M better than plan, with timber up although despatch volumes lower than plan. Recreation income (car parking and visitors) was down. This was mitigated by pay and non-pay underspend. In terms of the forecast this was £6M worse than plan due to a variety of market factors including inflation. This is likely to be pulled back by underspends. The strategic reserves can cover an increased deficit this year but reduces amount available for investment, and is not sustainable in the long term.

Mike noted that the financial position will be discussed at upcoming SLT and ET to look at priorities with a view to mitigating the forecast position. Tris noting that the Business plan will give us a 5 year view, Board will be updated on this in December. Richard noted it can be expected cuts from Defra are coming.

The discussion that followed noted:

- The 5 year forecast will be important to see which way the trend goes in December It was noted Your Offer not currently included.
- Information requested on which parts of the business inflation will have the biggest impact. Amanda to provide.
- It was noted that another way of addressing the deficit is to grow areas of income, e.g energy, camping etc but this will need investment. Mike noted the basic areas

are timber and carparking, other areas will be higher risk, higher reward. Tris to identify areas that could be grown and require investment.

Action Items	Person responsible	Deadline
Provide information on which parts of the business will see biggest impact from inflation	Amanda	6.12.22
Identify areas of potential growth that would require investment	Tris	6.12.22

10. ARAC Chair report

| Item Lead: Julia Grant

Julia provided the ARAC chairs report from the meeting held 16 September 2022.

Key highlights included:

- Noting the amount of staff churn and transition.
- Internal audit provided a review of governance assurance frameworks, ARAC has requested a rationalising of these to provide real evidence for ARAC and Board on assurance. NAO sympathetic to this.
- Government functional standards being worked through. Security arrangements against functional standards reviewed.
- Timetable for ARA remains the key issue; it needs to allow time for reflection. It was noted NAO/EY are also under pressure.
- Risk: likely areas for new government focus discussed but too early to confirm. FC and FR registers reviewed.

AOB

There was no AOB.

The meeting ended at 12.05

6 December 2022

Paper Title: Commercial Sensitive

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**

6 December 2022

Paper Title: Forestry England Finance Report

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**



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BOARD PAPER

Paper Title: Update on Recruitment and Retention Risks in Forestry England

Author/Presenter: Paul Johnson and James Simpson

Paper Requirement:

Decision Required	For Approval	For Steer	Official/Commercial Sensitive
		X	

Executive Summary of key points and action required

This paper provides an update on our work to address recruitment and retention risks in Forestry England and sets out the key actions we are taking. This paper builds on that presented to the Board in September 2022.

The Board is invited to note progress and provide any further feedback on the action plan.

How this paper takes forward Forestry England's strategic aims in Growing the Future

This paper provides an update and assurance that the right people will be in the right parts of Forestry England to deliver our strategic aims within Growing the Future and beyond 2026.

Core messages for non-executives to promote

The core message is that Forestry England has a robust action plan to address the immediate and medium-term recruitment and resourcing challenges faced by the organisation.

Content

1. Purpose and context

To update the Forestry England Board on the actions now being taken to address the recruitment and retention issues facing the organisation.

2. Discussion

Following the September 2022 Forestry England Board, that set out the key issues, a detailed action plan has been formulated and is summarised in **Appendix 1**. This will help address the many interconnected issues that are driving recruitment and retention challenges in the organisation.

This delivery plan builds on key actions within the Forestry Commission People Strategy whilst also accounting for the strategic direction of Forestry England and immediate operational issues we are facing. The plan is segmented into five key themes, specific actions with a schedule of works to December 2023, initially. These are illustrated in the schedule summary timeline on page 2.



Timeline		Q4					Q1			Q2			Q3		
		Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	
Theme	Item														
Marketing Branding	Employee Value Proposition & Branding	Review Complete			Revised branding live										
	Career Pathways				Live on website										
Recruitment Process	Post filling process	Interim process live													
	End-to-end recruitment		Scope agreed		FTC appointed		MHR (HR system) contract	System build		User testing	Training materials	Business comms		Go Live	
	Interim recruiting		Identify bulk campaigns		Recruitment team appointed	New team launched									
	Standardised Job Descriptions	Identify roles			Agree final versions	Identify phase 2									
	Accessing talent pools		Source contacts	Build networks			Create rolling programme		Re-review options	Cont improve options					
	Induction			Revise existing materials	Release materials	Business feedback									
Resource	Short Term Capacity	Interim team appointed													
	Outsourcing		Assess gaps	Agree work packages	Procure packages		Start contracts								
Employee Experience	Revise notice periods	Analysis	Proposal	Consult FC Trade Union	Individual consultation	Final decision & business comms	Contract revisions	Implement changes							
Workforce Planning	Approach/process	Forecasting review		Management information (MI) reporting	Toolkit/ templates finalised		2023 MI produced	District/Team Discussions begin	Commence Business Plan (BP) submissions		National plan/BP alignment				
	Early Careers / Career Pathways		Identify grass roots Apprentice reqs agreed	Educational liaison								New apprentice cohort start			
	Over resource lower Pay Bands	Options review		Recruit			Roles begin	Trend analysis							
	Review Workloads		Focus group	Reportee ratios analysis		Implement PB5/6a solutions Objective setting			Q1 objectives review						



The actions and milestones have been selected to specifically address the points that were raised in the 21 September 2022 meeting. The summary observations from that meeting were:

- The Board agreed that the recruitment and retention situation was of concern and action was required. The Board challenged whether sufficiently radical action was being taken.
- Recruitment and retention issues are problematic across the country, noting the particularly acute issues in the Southeast due to regional cost of living pressures.
- The counterpart forestry organisations in Scotland and Wales have different and more generous pay policies.
- The need to better explain the benefits of working for Forestry England and tell our story to attract staff.
- Consideration be given to standard job descriptions and titles and ensuring the language, imagery and content is attractive and inspiring.
- Consideration be given to the level of investment in apprenticeships and if this needs to be increased.
- Our interventions should support our aspiration to become Forestry Sector leaders.
- Forecasting must be realistic regarding the posts to be recruited within this financial year and should focus on priority areas.
- It was proposed Forestry England bring in additional recruitment specialists / consultants for immediate support.

The action plan considers the above points. Some key highlights are noted below:

- We are addressing the recruitment and retention issues through a programme led approach.
- Continuing to support pay revisions and the Your Offer programme;
- Placing story telling at the heart of our recruitment advertising strategy by appointing an external agency to work alongside us on our marketing and branding materials;
- Review technical apprenticeship numbers and use non-technical apprenticeships for Support Function roles
- Accessing wide ranging talent pools that diversify the organisation with a focus on transferable skills rather than pure technical knowledge;
- Build long-term networks that promote the organisation, the variety of work we undertake, and secure talent pipelines up to 15 to 20 years in advance by working closer with schools, colleges and universities and Sector / Partnership organisations and agencies;
- Standardisation of job descriptions and job titles that are easy to understand and encapsulate key skillsets; and
- A review of our forecasting and workforce planning model that connects Operations, Finance and HR into a single, accurate source of information to support, inform and challenge the business with people related costs and issues.

Update on Recruitment & Retention Risks in Forestry England

It should be noted that the action plan supports broader Forestry Commission work such as Your Offer and reviewing usage of Civil Service Recruiting that will help address underlying issues related to recruitment and retention.

The SRO for the programme is Paul Johnson. Monitoring and reporting will be against the milestones identified in the action plan with bi-monthly updates to the Executive Team and updates into the CEO Board report.

3. Recommendation

The Board is invited to note progress with work and provide any further feedback on the action plan.

4. Resource implications

Budgets for most of the proposed actions have been built into the business plan. A key additional resource is the increased headcount within HR to deliver the actions against both the short and longer-term issues highlighted and is included in the latest round of Business Planning.

5. Risk management

The risk is already included on the risk register and is regularly reviewed and updated as part of those processes.

6. Equalities analysis

Not undertaken.

7. Attachments

Appendix 1 - Detailed Recruitment & Resourcing Action Plan

Paul Johnson

Head of HR

18 November 2022

6 December 2022

Paper Title: Commercial Sensitive

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**

BOARD PAPER**Paper Title:** Risk Appetite Statement**Author/Presenter:** Tristram Hilborn / Rachel Mackintosh**Paper Requirement:** To approve the Forestry England Risk Appetite statement

Decision Required	For Approval	For Steer	Official/Commercial Sensitive
	X		

Executive Summary of key points and action required

The Forestry England Board are asked to approve the Risk Appetite Statement, following the steer provided at the July 2022 Board meeting.

How this paper takes forward Forestry England's strategic aims in Growing the Future

The risk appetite statement forms part of the strategic direction of Forestry England, identifying the level of risk the organisation is willing to take to achieve its strategic aims.

Core messages for the non-executives to promote

The risk appetite level is appropriate to the functional area. Forestry England's risk appetite levels range from Averse to Eager, with the predominant level of risk being a cautious to open level.

Content**1. Purpose and context**

Following the Board meeting in July, and further consultations with the Senior Leader Team, the risk appetite now identifies key exceptions in relevant risk categories.

Once this statement has been approved, the ET plans to produce a visual representation of the statement to be shared with the senior leadership team that will help inform appropriate decision-making.

This statement has followed the format agreed with the rest of the Forestry Commission and in line with the recommendations of Governments Orange Book 'Management of Risk'.

Final risk appetite statement

The following dashboard at figure 1 provides a visual overview of the risk levels proposed.

Risk appetite levels	Averse	Minimalist	Cautious	Open	Eager
Governance					
Strategy					
Health & Safety, Forestry and land management, recreation					
Forest Resilience and climate driven environment change					
Management of strategic assets and quarries					
Acquisitions					
Commercial Activity					
Legal obligation ourselves					
Legal in defending ourselves against third parties					
Financial					
Commercial and Corporate Partnership					
Commercial Services (public contract regulations - goods / services / construction)					
People: Culture and behaviours					
People: Legal and statutory requirements					
Cyber Security					
Technology & Connectivity					
Information					
Project/Programme risks					
Reputational risks					

2. Recommendations

The Forestry England Board are asked to agree and approve the risk appetite statement attached as Appendix 1, Item 9 Paper 9.2.

3. Resource implications

No additional resource requirements

4. Risk management

The risk appetite statement will form part of our risk management approach, empowering decision makers and identifying those decisions that require escalation should the level of risk identified exceed the levels set out in the statement.

5. Equalities analysis

It is not considered that there is an equalities impact in the statement itself. The equalities impact of individual risks will be considered as part of that individual risk analysis.

6. Communications

Once agreed the risk appetite statement will be communicated to:

- Be communicated back to the Forestry England Senior Leadership team to use and embed with respective senior management teams.
- To the Forestry Commission ARAC for information on the Forestry England risk appetite.

Final risk appetite statement

7. Attachments

Appendix 1 Forestry England Risk Appetite statement, Item 9 Paper 9.2

Rachel Mackintosh and Tristram Hilborn

Forestry England Head of Corporate Governance, Strategic Programmes and CEO office
and Chief Operating Officer

25.11.22

6 December 2022

Paper Title: CEO Report

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**