

14 December 2017

CENTRAL SERVICES REPORT

Purpose

1. To advise Commissioners of developments within the FC's Central Services and the progress made to achieve the key actions and priorities as set out in the Forestry Commission England (the Cross Border elements only) and Forest Research Corporate Plans 2017-18.

Cross Border Activities and Corporate Plan Update

Resilience: Forest Biosecurity

We will protect our woodland resource and increase its resilience to pests and diseases so that our woodland continues to deliver a wide range of economic, social and environmental benefits.

2. We are continuing to work with Defra colleagues on EU exit matters and are engaging with workshops and meetings where cross-border issues are discussed with colleagues in devolved administrations and FCS. Through these meetings we have been able to share our thinking about our readiness to leave the EU and the effect that this would have on the operability of plant health and FRM legislation. Trade issues are discussed through Defra's Plant Health Advisory forum which now has good representation from stakeholders from the forestry sector.

3. We are also engaging with stakeholders over issues around implementation of the new EU plant health regulation which comes into force in December 2019. The Timber Plant Passporting Technical Working Sub-group for the UK (which includes industry and government representatives) met for the first time on 22 November in Silvan House. The purpose of the group is to prepare for the implementation and delivery of revised internal timber plant passporting requirements which are part of the new EU Plant Health Regulation. The working assumption is that full implementation of the regulation will be part of a negotiated trade deal on exit from the EU. Through constructive discussions, the group developed a risk and issues log at the meeting. We will explore these further to try to develop an approach that minimises the burden on industry while at the same time protects biosecurity. The next meeting of the group will be held in February 2018.

Resilience: Climate Change and Economics

We will protect our woodland resource and increase its resilience to the impacts of climate change so that our woodlands continue to deliver a wide range of economic, social and environmental benefits.

4. We have written a report of the first valuation set for air pollution removal by vegetation which was published by ONS in July 2017. The report details the value of air pollution removal of six pollutants by a range of vegetation types, including woodland, in terms of healthcare costs avoided. The total value of all pollutants removed by woodlands in 2015 was £736.4 million, which is a significant figure, especially given the comparison of recreation at £794 million. The full report can be found [here](#).

Standards and International

We will set the standards for sustainable forest management in the UK, within the framework of international agreements, and promote them domestically and internationally.

5. Forest Europe has concluded a review and presented a report with recommendations to improve the working modalities and enhance the political relevance of the pan-European process, to an Expert Level Meeting in Bratislava on 28-29 November 2017. The Expert Level Meeting also discussed preparations for a Roundtable Meeting to be held in spring 2018 to consider options for the procedural follow-up on the question of a legally binding agreement on forests in Europe (LBA).

Evidence

We will ensure that there is a robust evidence base available to the forestry sector across the UK to underpin its policies and operational decisions.

6. The FC's Expert Committee on Forest Science visited the Northern Research Station from 6 - 9 November to undertake their quinquennial independent review of FR science. This involves a comprehensive review of the quality of science delivered by FR across all of its work and as a consequence staff supplied a large amount of evidence to support their associated presentations and discussions with the committee. The committee chair, Professor Julian Evans, was content with what was presented and believed the committee had enough evidence to produce a constructive report.

Forest Research Activities and Corporate Plan Update

7. On 7 November Ministers in England, Scotland and Wales issued a joint Ministerial Statement on the future of the Forestry Commission including the shared cross-border forestry functions. This confirmed that Forest Research will remain an agency of the FC and will retain its cross border remit across the whole of the UK into 2019 and beyond. At the same time FC England published a document on the Intranet, which FR contributed to, giving more detail about the future of the FC in England including FR.

8. FR continues to progress its transition to its new standalone corporate arrangements for post-April 2019 and has now signed up to its preferred supplier (the Scottish Wide Area

Network) for its future IS interconnectivity (WAN & LAN) connections. A tender for the supply of FR's future IS infrastructure requirements is due to be issued shortly and a range of corporate management software systems, recommended by specialist consultants who have assessed FR's business needs, are due to be evaluated shortly by a group of staff from across the business.

9. Clare Moriarty, Defra's Permanent Secretary, visited Alice Holt on 3 November and tweeted positively about her "Wonderful morning with Forest Research at Alice Holt learning about carbon, pests and future tree species".

10. FR is making good progress on its approved programme of Defra-funded estate capital work. The Alice Holt glasshouse is due to be replaced by the end of December; the Molecular Lab refurbishment at NRS was completed by the end of November and; the Newton Office roof replacement already being finished.

11. FR is still progressing well against its corporate plan targets for the year.

FR Science Priority: Protect Our Trees and Forests

12. FR contributed to a strategic workshop on Hylobius in July at which there were representatives from country and industry. In essence there is broad support for a future research programme and the next steps of scoping the programme of work and how such a collaborative programme would be governed and funded are underway.

13. FR led a collaboration to publish "*The role of social sciences and economics in understanding and informing tree biosecurity policy and planning: a global summary and synthesis*" for Biological Invasions. FR also contributed to an article led by Tom Holmes from USDA "*Fundamental economic irreversibilities influence policies for enhancing international forest phytosanitary security*" (Current Forestry Report).

14. FR also recently published a paper in Forest Ecology and Management entitled "*Predisposition of forests to biotic disturbance: Predicting the distribution of Acute Oak Decline using environmental factors*".

15. FR staff recently held meetings at University of Toronto and Great Lakes Forestry Centre, Ontario, Canada as part of the initiation of the new collaborative project on Emerald Ash Borer development. This project will be an important collaboration in guiding and informing our approach to the risk from this pest which many feel poses an exceptionally high risk to the UK as it spreads west from Russia.

16. FR staff visited Spokane (Washington State), to attend a working group on the US Forest Service 'Agdisp' aerial spraying model, funded by FC Scotland as an extra part of the helicopter spraying project. During the same visit, a presentation on aerial spraying in forestry in the UK was given to an ISO pesticides application meeting hosted by ASABE (American Society of Agricultural and Biological Engineers).

FR Science Priority: Enhance Forest Ecosystem Resilience and Service Provision

17. FR attended the recent Action Oak launch at House of Lords and also attended the associated steering committee and chaired the subsequent Research Committee. Action Oak is still an evolving partnership including FR, Defra, FC, Woodland Trust, Woodland Heritage, Duchy of Cornwall and RBG Kew which is seeking to catalyse more interest and funding for research around oak health in Britain.

18. The EU GREENSURGE project held a closing conference in Malmo, coinciding with the launch of a [handbook](http://greensurge.eu/working-packages/wp6/D6.3_GREENSURGE-WP6-guide-FINAL.pdf) with substantial FR contribution – see http://greensurge.eu/working-packages/wp6/D6.3_GREENSURGE-WP6-guide-FINAL.pdf

19. FR chaired the second full meeting of the PESFOR-W COST Action (17 – 19 Oct, Opatija, Croatia) which had over 70 participants from more than 30 countries.

20. FR has upgraded its flux tower equipment at Harwood to make it remotely accessible over the mobile internet. FR has also installed new automatic weather stations (bought with Defra capital funding) at the forest monitoring plots in Thetford, Coalburn (Kielder), Llyn Brianne and Rogate, and a weather station in the Queen Elizabeth Research Forest.

21. FR staff attended the second Lead Author Meeting for the Elaboration of the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories at Victoria Falls, Zimbabwe.

FR Science Priority: Ensure Sustainable Management and Adaptation of our Forests to Climate Change

22. In ongoing efforts to strengthen understanding of the management of alternative species, FR is summarising a series of underplanting trials including the impact of microclimate on the growth of shade tolerant species.

23. FR staff have spent most of the summer processing Sitka needles from the Brecon site for the "Sitka Spruced" BBSRC funded FR-Oxford collaboration. The 684 trees which have been felled for measurements have now had material sent off for DNA extraction and normalisation for use in genomic selection. They also have archived needle samples (-80°C freezer and silica gel back-up) for any future DNA extraction safely stored at NRS. Work is beginning at the second site in Kintyre.

24. FR staff made a successful trip to Sicily/Italy in September with Westonbirt staff collecting *Acer lobelii*, *Tilia platyphyllos* from its most southerly populations, and also *Abies alba* from important populations in Calabria highlighted in a recent paper by G. Kerr *et al.* In return, seed will be available to FR for trials.

FR Science Priority: Publish Official Statistics and Effect Knowledge Exchange

25. FR staff took part in a meeting with Tilhill staff regarding the possibility of establishing sample plots in improved Sitka Spruce stands and related model development. FR has

subsequently supplied Tilhill with sample plot protocols to support them in establishing plots from which they will supply FR with data for future model development.

26. FR continues to project manage and deliver technical outputs for the FC Replacement Survey Tools project. There are two "apps" being produced: the "tariff app", which generates volume estimates and other tariff outputs and the "Stratification app", which surveys/tariffs for the tariff app using an interface to the FC Forester Web system.

27. The following Official Statistics were released in September, October & November:

- Nursery Survey: 2017 edition (7 September)
- Forestry Statistics 2017; Forestry Facts & Figures 2017 (28 September)
- Woodland Carbon Code Statistics: Data to September 2017 (19 October)
- Timber Price Indices: Data to September 2017 (9 November)

28. We also submitted data to international organisations on wood production and trade (including annual timber market statement) and on forest accounts.

29. Ken Roy, Defra group Head of Profession for Statistics, visited Silvan House on 30 October. In addition to providing Ken with information on the work of statisticians in FR, a good discussion was held on future developments for the Defra group statistics portfolio, identification of Official Statistics and the new Code of Practice for Statistics (due early 2018).

30. FR has finalised the [Lyme disease briefing note](#). FC Scotland will publicise this through its autumn blog which will act as a reminder to watch out for ticks and to encourage more people to fill in the staff survey (226 have so far). FC England have revised their Intranet pages to highlight the issues of ticks and have included a link to the briefing note. FR has also put together a communications plan for disseminating the briefing note.

31. FR made a presentation at the symposium "Leading Women in Fungal Biology" (30-31 August), in the Netherlands. The symposium was in honour of Prof Johanna Westerdijk, a leading scientist in the first part of the 20th century.

32. FR helped arrange and host a site visit for a group of 12 NRW staff on 6 September to view the Slowing the Flow project at Pickering.

33. FR staff spent a day in Cardiff delivering a workshop to 13 Welsh Government and NRW staff on the research in Programme 4 and the commissioned study on the Value of Welsh forest resources. The workshop was well received.

34. FR chaired the Woodlands for Water Payments for Ecosystem Services session at IUFRO World Forestry Congress in September and also chaired a panel on 'social dimensions of forest health' at the same conference.

35. FR delivered an establishment course and two Continuous Cover Forestry courses at the New Forest for FE England, and a Productive Broadleaves course to 18 staff from Forest Services England in the Forest of Dean at the end of October. FR has also been delivering

various mensuration and soil courses in England and three Hylobius courses at Ae (for both England and Scotland).

36. FR hosted an educational visit by Welsh Government staff to Alice Holt on 16 - 17 October which went well. FR received positive feedback about the visit.

37. The development of Forester web Release 7 is progressing to schedule and budget. Additional funding was given by countries to accelerate development in order to complete this work by June 2018.

38. The Forester Cloud Platform infrastructure is now in place and Forester web and Geostore instances are installed. The initial vector data load and its configuration are now complete. The next stage is the live load of data when a go-live date is agreed. So far over 8-10 TB of spatial data (mostly raster) has been loaded into the cloud. The test and training environments have now been set up and the final performance testing looking at performance across a range of district office/network scenarios, has been set for early November.

39. FR's current Aerial Photograph holding has been refreshed GB-wide. This refresh (and an associated change in file format to JPEG2000) was required to support Geostore and to avoid licensing issues. Colour infrared imagery (50cm resolution) has also been sourced GB-wide, to further support Geostore as it develops.

40. FR staff attended a meeting on Sentinel-2 Analysis Ready Data run by Satellite Applications Catapult, along with partners from Defra's Earth Observation Centre of Excellence and Aberystwyth University. The workshop brought together UK and international GIS and Earth Observation (EO) experts from academia, industry and government to explore evolving standards and production of Sentinel-2 Analysis Ready Data (ARD), some of which we eventually want to make available via Geostore.

41. FR hosted a Scottish Remote Sensing Working group in July; continued their consultancy work on HS2; advised DEFRA and FC England to undertake an in-depth cost-benefit analysis of applying SAR (Synthetic Aperture Radar) techniques to aid grant monitoring and; issued 3 consultation papers to the Habitat Condition working groups (composed of country reps and other Departments or Agencies) to gain 'fine tuning' feedback on the approach to habitat condition assessment.

FR Business Priority: Grow Our Business

42. FR submitted the second stage proposal of a Horizon 2020 bid – B4EST which aims to increase forest survival, health, resilience and productivity under climate change and natural disturbances, while maintaining genetic diversity and key ecological functions and fostering a competitive EU bio-based economy.

43. FR received funding from the Northern Ireland Forest Service to carry out rainfall run-off modelling of catchments draining into Omagh, to investigate if the effect of woodland expansion has been successful. FR has also been asked to set up hydrological monitoring

network for NRW to gather baseline rainfall/run-off data in the Pennal Catchment, near mid Wales, as part of NRW Natural Flood Management project.

44. The Scottish Forestry Trust has awarded £10k this year to FR staff to use satellite imagery to improve *Hylobius* risk prediction. The final tranche of Genomia funding is being used as matched funding.

45. Staff from across FR are due to play a substantial role in a new 3-year contract, led by the Centre for Ecology and Hydrology, to evaluate Glaister policy interventions in Wales. A modelling and scenario testing platform will be developed for rapid assessment of the environmental and socio-economic impacts of key policy questions related to the EU exit process and the 'key challenges' identified by the Natural Resources Policy.

46. FR has developed an Expression Of Interest "*Optimising new shelter woodlands in Wales*" for submission under the Welsh Government's Rural Development Programme "Sustainable Management Scheme" (SMS). The EOI, which was submitted to WG on 5 September 2017, is for a 3-year project. There is a two-stage application process with the [stage 1] EOI decision expected on or shortly after 4 November 2017. No details have yet been published for the likely timing for stage 2 applications.

Ways of Working

47. Shared Services: Progress on establishing new corporate service arrangements for the countries and FR is ongoing and, as previously reported, is now anticipated to continue throughout most of 2018/19. Both England and Scotland plan to establish some core systems and services from 1 April 2018 and therefore to take 'lead responsibility' for the delivery of services to their part of the organisation from this point onwards. That said, the work to transition business systems will continue for a further nine months beyond this point and England have now reaffirmed that they will need to draw on all of the existing Finance services until at least June 2018 and all IT systems (if only as a contingency) until September 2018. FR's new transition programme manager has now taken up post and this has enabled their pace of this work to increase. At the present time all three programmes are operating to similar timeframes and although all of the schedules are challenging they remain broadly on track to close down the existing shared services by April 2019. The next few months will prove particularly challenging for the shared service teams as we balance the need to maintain current services, support the country and FR transition programmes and where possible release existing staff into new roles, particularly in Scotland. The primary responsibility continues to be maintaining the existing business-as-usual services for as long as they are required.

48. Cross-Border Functions: The coordinated announcement by all three Ministers on the future arrangements for the provision of cross-border functions including FR has provided a welcome injection of pace into this area of the transition work. A cross-border working group, reporting to Deputy Directors of all three governments and FC, is now drawing up plans for the delivery arrangements for each of the functions as well as drafting an overarching MoU between all of the parties. Of particular note is the expectation that Scottish Ministers will wish to delegate some or all of their Plant Health '67 powers and

duties back to Commissioners, in a similar manner to the existing delegation from Welsh Ministers, to enable FC to continue to deliver a GB-wide Tree Health and FRM function.

Shared Services

Pay 2017

49. All of the three key pay processes are now complete. Office Holder and Senior Staff Group pay increases were applied in September and the annual pay award to staff will be implemented and paid to staff on 29 December.

Tax Audits and FC Tax Programme

50. With the formal completion of the HMRC audits, we are now in the process of finalising our future approach to ensure there is no recurrence of the difficulties encountered.

51. We are finalising arrangements for the devolution of tax matters to the Countries and FR from 1 April 2018. This will see the cessation of the Tax team in Shared Services. The final 2017-18 corporate VAT return, completed in April 2018, will be submitted by FAS to HMRC. From May 2018, it has been agreed that England will submit the corporate VAT return and potentially other returns to HMRC.

Jean Lindsay
Director Central Services
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