

28 September 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. An e-Learning training module on the import requirements for wood packaging material has been drafted by the Plant Health team. Virtual College has been contracted to convert the draft into the FC's e-learning format. The intention is to carry out user testing with stakeholders over the autumn period and for the module to be published on the FC's web pages with the aim of making it available to the UK Plant Health Authorities, Border Force and stakeholders by 31 January 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.

3. JBA Consulting has modelled the impact of woodland creation on flood levels at Southwell in Nottinghamshire. This is a significant step in incorporating woodlands into assessments of proposed flood defence schemes and developing evidence on the economic value of this. Now that JBA has the capacity to include woodlands in their flood defence assessments, we hope that this will be the first of a series of analyses to build 'hard evidence' on the role of woodlands in flood alleviation. The report is available on the FC website ([www.forestry.gov.uk/economics](http://www.forestry.gov.uk/economics)).

4. Numbers for Good have carried out an assessment of potential new investment mechanisms for forestry – the report reviews whether the development of the social investment market in recent years provides an analogy for environmental investment in future. It stresses the importance of partnership and collaboration in this area and focusses on two mechanisms: community-funded forestry and environmental impact bonds. The latter includes an interesting forest resilience bond in the US. Numbers for Good also began to investigate steps to take to bring a new investment mechanism to market. This report is also available at [www.forestry.gov.uk/economics](http://www.forestry.gov.uk/economics).

5. We have been working on developing our analysis on potential future trade scenarios for wood products following EU exit using the World Trade Organisation's (WTO) Tariff Analysis Online tool. We now have a document detailing the various WTO tariffs associated with very specific live plant and wood products according to product type e.g. particle board, oriented strand board etc. and treatment e.g. whether or not agglomerated with resins or other organic binding substances, whether worked (sanded)/unworked. The tariffs reviewed were based on the most-favoured-nation principle, as well as tariffs agreed between the EU and other countries through trade agreements, for comparison. This data can be used to explore what the impacts of various exit outcomes could be for the timber industry.

## 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. Confor and the ICF organised a research collaboration meeting, which we hosted at Silvan House, to discuss ways of getting greater industry engagement and funding into the process of research commissioning. A total of 26 attendees from across the research spectrum, roughly 50% private sector and 50% public sector, explored ways in which this might happen. A tax advisor was on hand to set out the opportunities for tax relief on research and the national Tree Improvement Strategy was described as a possible way for further cross sector collaboration. The meeting agreed that collaboration has to be the way forward and the next steps are to explore ways of doing this. Positive feedback was received and the meeting agreed a follow up, which will be on Wednesday 22 November.

7. A new FR modelling strategy has been endorsed by the Research Strategy Management Board. With the publication of ForestYield in 2016, FR colleagues in this research programme were asked to look at how modelling is now taken forward to set out a plan for addressing future needs over the next ten years or so. The strategy encompasses all of the modelling work within FR to ensure that, where possible, new models are not developed in isolation and the whole of FR's modelling expertise has a clear vision of what needs to be done. Important aspects of the work will include new models for improved spruce, emerging species, and carbon calculations. In addition, and following on from the review undertaken last year to deliver the requirements of the MacPherson review of government business critical models, a number of improvements to the current models will deliver some quick wins.

8. The final conference for this phase of the Observatree project took place in Edinburgh on 14 September. The conference celebrated the achievements of this multi-award winning project and was well attended and very well received. Plans for a second phase have been developed and agreed by the partners and a formal announcement will be made later in the year.
9. Plans are in hand for the quinquennial independent review of Forest Research science. This will be carried out in November by the members of the Expert Committee on Forest Science, and will involve a comprehensive review of the quality of science delivered by FR across all of its work. The last review in 2012 provided some very useful pointers to help FR deliver its science, and this review will allow us to monitor how well they have done in delivering the recommendations and provide an independent assessment of the majority of the science we commission.
10. The following publications have been published in the last six months:
- UK Forestry Standard (4<sup>th</sup> Edition)
  - UK Forestry Standard – summary checklist (2<sup>nd</sup> Edition)
  - FC Research Note: Ecological impacts of ash dieback and mitigation methods
  - FC Research Note: Implications of lowland broadleaved woodland management for the conservation of target bird species
  - FC Technical Note: Assessing the stem straightness of trees
  - FC Research Note: Choice of silver birch planting stock for productive woodlands
  - FC Research Note: Assessing the investment returns from timber and carbon in woodland creation projects
  - FC Plant Health Guide: Importing wood, wood products and bark (3<sup>rd</sup> Edition)
  - FC Plant Health: Pitch pine canker (Pest Alert)

## **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.**

11. We were instrumental in hosting the New Generation Plantations 10 year anniversary meeting and conference in June at Chatham House in London and the Edinburgh Centre for Carbon Innovation. We had a great deal of help from Forest Research, FC Scotland, and Sir Harry Studholme. The event was a success: it attracted over a hundred people from all over the world, as well as from the UK, and helped to raise the profile of forestry.
12. The 4<sup>th</sup> Edition UK Forestry Standard was made available on 5 July. On certification, FSC international have also now indicated that the remaining conditions they require for UKWAS approval can now be 'closed out' and we expect this to happen shortly. We chaired a working group to look at a sustainable funding solution for UKWAS and recommendations will be discussed at the UKWAS steering group AGM in September.

## Forest Research Activities and Corporate Plan Update

13. FR continues to progress its transition to its new standalone corporate arrangements for post-April 2019 and is due to sign up to its preferred supplier for its future IS interconnectivity (WAN & LAN) connections by the end of August. Other work on IS corporate applications (Finance & HR), staffing and infrastructure is progressing well and recommended options should be selected by early October. FR has created a Transition Programme Board (including the Director Finance FC England) to oversee all its transition related work on IS, HR, Finance and Communications; a Programme Manager has been appointed and will start in October.

14. FR is progressing well against its corporate plan targets for the year and, in respect of its delivery of the core research programme, progress on 6 of the 7 programmes is good. The exception is Programme 6 "Forest resources assessment, GHG balance and modelling" where the ambition of the countries and FR for a new modelling strategy is not matched by the available budget. Therefore, in an effort to address this problem, the Programme Steering Group and CFS are discussing funding options with the Research Strategy Management Board.

15. Professor Peter Freer-Smith recently retired from FR after 30 years' service and work is underway to recruit his replacement. We intend to maintain our positive links with Peter by appointing him as an FR Fellow.

16. On 27 June Dr Thérèse Coffey MP, Parliamentary Under Secretary of State for the Environment and Rural Life Opportunities, visited NRS. She discussed tree health research and the application of decision support systems to deliver guidance on species choice and future management regimes to support the drive to plant more trees in the light of climate change and biotic threats. During her visit the Minister also held a roundtable discussion with representatives from the forestry industry to discuss steps to increase tree planting rates. Defra ran a positive story on the visit:

<https://www.gov.uk/government/news/minister-celebrates-world-class-forest-research>

### FR Science Priority: Protect Our Trees and Forests

17. FR's tree health teams have been deeply involved in supporting Defra with respect to Chestnut Blight (and the recent unwelcome discovery of it in mature trees in east London). They have also offered support to French colleagues now that *Phytophthora ramorum* has been discovered in larch in Brittany.

18. FR's Joan Webber, along with FR Fellow Clive Brasier and Thomas Jung (Phytophthora Research Centre, Mendel University, Brno, Czech Republic), spent three weeks in Japan working in collaboration with scientists at Gifu University to undertake surveys looking for Phytophthoras. One of the aims of the Japan survey was to try and find out if Japan is part of the centre of origin of *P. ramorum* and *P. lateralis*, although they were also on the lookout for any new Phytophthoras which could pose a risk to Europe. This survey is part of the EU PONTE Project (Pest Organisms Threatening Europe).

19. FR staff attended a 'Forest Insects & Their Allies' Workshop in late April and gave two talks entitled '*Climate Matching: Use of provenance mixtures to control forest pests and pathogens*' and '*Spiders in Plantation Forests*'.

### FR Science Priority: Enhance Forest Ecosystem Resilience and Service Provision

20. Work on Action Oak is progressing fast and proving to be a significant amount of work. The original research proposal is being amended to broaden the scope and fit it together better, to prioritise direct/responsive mode projects, and to phase the work. Four sub-committees have been formed – Governance and Partnership, Fundraising and Public Engagement, Research and Monitoring, and Community Outreach. The project will be formally launched in October at a parliamentary reception hosted by Lord Gardiner. Thereafter, members of the initiative will collaborate to raise funds to meet the Action Oak objectives – to improve the health and sustainability of GB oaks.

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

21. FR staff gave three presentations at the European Climate Change Adaptation (ECCA 2017) conference in Glasgow in early June – one focusing on novel decision-making approach, one on agent-based modelling in the Trossachs, and another on our research and collaboration in the Queen Elizabeth Forest Park Demonstration Forest.

22. FR participated as an independent expert in a government-to-government visit to Mississippi with a specific focus on the sustainability of wood pellet production exported for consumption in the UK. FR has also been invited by the Intergovernmental Panel on Climate Change (IPCC) to contribute as a Lead Author on the development of refined guidance on compilation of (LULUCF) greenhouse gas inventories.

23. FR is in discussion with the South Downs National Park Authority about the possibilities for climate change adaptation demonstration plots and volunteer-run forest monitoring plots in the National Park.

24. FR in conjunction with FC, FCS, WWF and Confor hosted the annual "encounter" of The New Generation Plantation (NGP) Platform in June in the UK. The NGP platform (managed by WWF International) aims to share and promote the highest standards of plantation management around the world. The participants manage over 12 million ha of forest land worldwide. It is a unique worldwide partnership of forestry companies, governments, and Environmental Non-governmental Organisations (ENGOS) which facilitates knowledge exchange and is closely associated with the Forest Stewardship Council (FSC) forest certification scheme and has links with the International Union of Forest Research Organizations (IUFRO). See <http://newgenerationplantations.org/> for more information. Amongst other events and field trips the Platform had a meeting with the All-Party Parliamentary Group on Forestry (APPGF) in Whitehall, a discussion session with the IUFRO task force on planted forests, and a reception hosted by Cabinet Secretary Fergus Ewing at Edinburgh Castle.

## FR Science Priority: Publish Official Statistics and Effect Knowledge Exchange

25. IFOS have held a number of meetings with the countries regarding a core range of remote sensing products that FR can offer in relation to wind blow and clear felling. FCE are particularly interested in the latter as a possible way of monitoring illegal felling.

26. The following Official Statistics were released in June and July:

- Woodland Area, Planting and Publicly Funded Restocking: 2017 Edition (15 June);
- Latest quarterly statistics on the woodland carbon code covering data to June 2017 (13 July);
- Public Opinion of Forestry 2017 reports covering the surveys run earlier this year in Scotland, Wales and across the UK (13 July).

27. It is worth noting that IFOS have been doing a considerable amount of work on Land Registration for FE Scotland in mapping and determining what we believe we own (Deeds) and what Registers of Scotland think we own (Registrations). Differences are beginning to appear and work is underway to manage and resolve these anomalies.

28. IFOS have held talks with the Office for National Statistics about FR supplying non-woodland tree cover data for UK Natural Capital Accounts.

29. FR's Tree Health staff and other project colleagues designed a series of seven posters which were displayed at the National Plant Show, Birmingham in June. The posters illustrated the threats posed by Phytophthoras to our trees and wider landscapes, showed Phytophthora disease cycle in nurseries, and practices known to mitigate risk of spreading these diseases.

30. FR staff sat on the organising committee of the International Peatland Society conference in Aberdeen for which they organised a peatland forestry workshop and excursion.

31. A "*Tree Breeding and Forest Products*" [Programme 5] knowledge exchange event took place at NRW's Garwnant Visitor Centre on 9 May. FR staff gave presentations at this very well-attended event and were joined by a number of external speakers.

32. The Royal Welsh Show took place from 24 - 27 July and FR's stand was well received. In addition, Peter Freer-Smith attended an invitation only meeting with the Cabinet Secretary, Lesley Griffiths, on 25 July to discuss the use of [home-grown] timber in construction.

33. FR staff attended the IUFRO Foliage, Shoot and Stem Diseases meeting on Invasive Forest Pathogens & Implications for Biology and Policy in Ontario (Canada) and gave two oral presentations, on Observatree and on *Neonectria neomacrospora*.

34. Observatree was named best community / volunteer initiative at the Horticulture Week awards in June at Woburn Abbey. The nomination was for the great work the



volunteers did following the Oriental Chestnut Gall Wasp outbreak and for their wider surveillance activities. Representatives of the project received the award from Lord Heseltine and the project will get free on-line and print advertising in the Horticulture Week magazine.

## FR Business Priority: Grow Our Business

35. FR's developing links with China continue to be promoted via two separate visits by FR staff to the Institute of Applied Ecology, Chinese Academy of Sciences in Shenyang in NE China to examine options for applying for research funding and areas of general co-operation.

36. FR are preparing the second phase proposal for H2020 project B4EST which will evaluate, provide evidence for, recommend and communicate methods of developing and testing resilient and productive forest reproductive material and its deployment across Europe to help stimulate a bio-based economy.

## Ways of Working

37. Progress on establishing new Corporate Service arrangements for the countries and FR is ongoing and 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 confirmed 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.

38. Work on establishing the future services for FR is now progressing well. Over the last few months both the provisional agreement between senior officials of all three Governments to leave FR as an agency of the FC, as well as the provision of transition programme funding from within the FC Westminster Group, has meant that the pace of work on determining FR's future requirements for corporate services has increased significantly. FR's programme continues to run slightly behind those of England and Scotland, but we anticipate that the work will complete to a similar timeframe.

39. 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 is maintaining the existing business-as-usual services for as long as they are required.

40. Natural Resources Wales exited all FC services on 31 March 2017. We are continuing to work with the Welsh Government towards reaching a final financial settlement for 2017/18 and beyond.

## Shared Services

### **2017 Pay Award**

- 41. Formal pay talks with the Trade Unions began on 25 September.
- 42. The Senior Staff Pay Committee will meet on 27 September and pay increases will be implemented during early October.
- 43. Office Holder pay increases were implemented during September.

### **Gender Pay Gap Reporting**

- 44. The FC has been ready to publish its legally required Gender Pay Gap Information for some time. However, we have been asked to wait and publish with the rest of the Defra family. The current date for this is the end of November which still achieves the legal deadline.

Jean Lindsay  
Director Central Services  
September 2017