

**FORESTRY COMMISSION ENGLAND
EIGHTY EIGHTH MEETING OF THE NATIONAL COMMITTEE
NATIONAL OFFICE BRISTOL
20 SEPTEMBER 2017 AT 12.30hrs**

Minutes

Present:

Sir Harry Studholme (Chairman)
Ian Gambles
Julia Grant
Richard Greenhous
Steve Meeks
Mark Pountain
Mike Seddon
Clive Tucker

Also present:

Steve Fowkes – Item 7
PK Khaira-Creswell – Item 9

Richard Barker - Secretary and England SIRO

1. WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. Mary Barkham and Shirley Trundle had sent their apologies. Simon Hodgson had also sent his apologies and Mike Seddon was attending in his place.

2. MINUTES OF THE MEETING ON 12 JULY 2017

The minutes of the previous meeting were agreed as a true record.

3. MATTERS ARISING/UPDATES

Plant Health

Richard Greenhous updated the Committee on the current surveillance activities. Work on Sweet Chestnut Blight, which was still subject to a contain and eradicate policy, has been paused and the focus had turned to the annual aerial surveillance programme. Sweet Chestnut Blight appeared to be more widely established and to have been present for more time than previously thought, although not spreading. *Phytophthora* surveillance had shown some spread but not as much as might have been expected given the summer weather. Further impacts from *Chalara* die back of ash were being observed. There had been a welcome increase in action to address *Phytophthora* in Wales following concerns over cross border spread.

There had been a number of false alarms around *Xylella fastidiosa* and it remained an area of concern in terms of EU action and the ability to respond as required to any outbreak.

The Plant Health Resilience Plan had reached an early draft stage but there remained a lot of work to do on it.

In response to a question on EU exit it was explained that a considerable amount of work was going on to making sure that, as part of a wider process, adequate arrangements would be in place to protect our plant health interests after EU exit.

Future of the Forestry Commission

Ian Gambles advised the Committee that he had received a positive response from Ministers and the proposal had been approved without substantial change. It was expected that a Written Statement to Parliament would be made by mid-October after which information would be given to FC staff.

In response to questions it was noted that the work of the Independent Panel set up by the coalition government and the response to it was becoming less relevant as time passed. The key issue to sustain is the current government's manifesto commitment to keep the public forests in trust for the nation. The statement to Parliament was not expected to trigger any adverse reaction as it would be confirming this commitment, whilst giving some scope to the Forestry Commission to manage the estate more flexibly. This flexibility would allow the buying and selling of land on a case by case basis where it could improve its overall natural capital value provided that there was no permanent net loss in land area.

SW FWAC Chair Appointment

The Committee confirmed the cleared by correspondence decision to appoint John Wilding as Chair of the South West FWAC.

4. FINANCE REPORT

Paper 26/17

Steve Meeks advised the Committee that progress was broadly to plan. The budget changes, set out in the Paper, were explained in more detail and it was noted that the FC report was for period 5 whereas the FE report was for period 4.

The Committee was pleased to note that the unqualified accounts had been successfully laid prior to the summer recess and thanked those that had made this possible. The business planning process was expected to remain challenging with FC expected to contribute to managing the Defra wide budget gaps in both 2018/19 and 2019/20. We are engaging in the process through the two Outcome Systems Groups which cover the activities of the Forestry Commission.

Steve Meeks also provided an update on the situation with internal audit, which was now part of GIAA. The Committee was concerned that there appeared to be little specific progress on resourcing or in undertaking the audit programme, which has been reprioritised.

The Committee was also concerned that the Accounting Officers would not have the necessary assurance if progress was not made immediately. The Committee expected to see a firm plan to achieve the required outcomes with resources allocated by 20 October and fully supported the demands for action being placed on GIAA by the Forestry Commission.

In response to questions on the full year outlook for Forest Enterprise Mike Seddon explained that the outlook remained positive, with improved income from car parking, which was likely to be maintained and much of the remaining timber production for the year already been sold ahead. However, the speed of timber uplift would affect final outcomes. It was noted that improved income generation had been achieved with some additional operating costs, which was to be expected. It was also noted that there would be some additional costs for the organisation as it went through the development of new corporate services and the transfer process. This would result in some short term parallel running and added cost. There would also be pressure on the Forestry Commission contribution to Forest Enterprise in 2018/19 and 2019/20 as part of the wide challenge across Defra.

5. NAO VERDERERS HLS

Paper 27/17

Having noted the content of the Paper, including the letters from the NAO the Committee asked for further clarification on the issue of statutory duties in relation to sources of funds. It was explained that there was an underlying duty not to harm a SSSI during normal management operations, which were part of the core funded activities of Forest Enterprise. However, there was a wider duty when the opportunity arose, for example through third party funding, to make improvements to the condition of SSSIs. Forest Enterprise was currently considering how it could improve the way it presented its statutory duties in regard to SSSIs and SACs, linking the duties to the funding arrangements in order to try and improve clarity.

The Committee recognised there were entrenched views and that some people failed to accept the fundamental need to address the issues of wetland degradation and no process of engagement would change these views. The Committee also recognised that the sustained campaign had been challenging for local staff and expressed its full support for those involved and the difficult work they had been undertaking. The Committee suggested that the level of well organised protest was likely to increase, not just against the wetland restorations in the New Forest, but also around other estates management issues and that how the organisation engages people and prepares for campaigns and protests should be re-appraised.

6. SUPPORT FOR AFFORESTATION

Paper 28/17

Richard Greenhous introduced the paper and explained that afforestation remained a government priority. He also confirmed that the material for the 2018 round of Countryside Stewardship woodland creation grants had gone live on 18 September as expected, 4 months earlier than in the previous year, and there had already been a positive reaction to this. Similarly 2017 agreements were being issued around 4 months earlier than in the previous year. However, it remained the case that people were reluctant to commit to woodland creation. Reasons included the uncertainties surrounding EU exit, although the new initiatives outlined in the Paper could improve the situation.

The Committee discussed a more proactive approach, including engagement with the Church Commissioners, MOD and expansion of the Public Forest Estate as a way of helping achieve the 11m trees target for the current parliament. It was noted that Ministers were well aware of the opportunities that could be offered through the Public Forest Estate, but this would need convincing arguments for Treasury to agree to direct intervention.

7. PROFESSIONAL STANDARDS IN FORESTRY

Ian Gambles introduced the item and explained that there were some concerns over skills and expertise available to progress plans for large scale afforestation. In part this arose from the long period that there had been since any large scale commercial planting in England and the changes in regulation. Steve Fowkes, Business and Markets advisor joined the meeting and explained how the Policy and Advice Team had been working to try and improve standards by engaging with ICF Members and Agents and have arranged a series of workshops to raise understanding of what is required in larger scale afforestation and management plans. Additionally the Forestry Commission must work to do to ensure that applications are considered to a consistent standard.

The Committee endorsed the work being undertaken to help achieve a common understanding of the requirements by Forest Services staff and the applicants and was keen to encourage the free exchange of information for mutual benefit. The Committee also recognised the challenges caused by staff turnover in Forest Services.

8. 25 YEAR ENVIRONMENT PLAN

Richard Greenhous updated the Committee, explaining that the approach to the Plan had changed. The Plan would now be published as a complete document, not a framework for consultation. There had been a series of round table events on various aspects of the plan during the last few months to help its formulation. When published it would also be considered a 'live' document which would continue to be developed after initial publication. Publication was imminent and was hoped to be by the end of November.

9. CENTENARY PROJECT BRIEFING

PK Khaira-Creswell joined the meeting and provided an overview on the progress that had been made on the centenary project ahead of a substantive agenda item at the Committee's November meeting. The project was being based around three themes, environment, resilience and wellbeing and work was now being undertaken narrow down the ideas in order to decide what should be taken forward in the core programme.

The Committee made a number of comments and suggestions with the expectation that they would be addressed by the November meeting including the need to take proper account of the commercial activities of the Forestry Commission. The

Committee was also keen to ensure that the direct costs to the Commission remained under close control and were justifiable in the context of the current pressures on public spending. The Committee was also keen to ensure that there was a long term positive impact and lasting legacy from the centenary project.

10. FESB UPDATE

Mike Seddon reported that FESB had met on 2 August and their discussions had included expanding the performance dashboard to include longer term outcome indicators, agreeing to develop an energy strategy for the estate and considering the new FE/PFE web site that would come in in April 2018.

It was also noted that the second Natural Capital Accounts for the estate had been published.

11. FOREST HOLIDAYS and CAMPING IN THE FOREST **Paper 29/17**

The Committee noted the activities reported in the Paper and were advised that the Delamere appeal had not yet been submitted, but was imminent. The Chair updated the Committee on the LDC decision to consider a sale of their interest in the Forest Holidays business. There followed a wide ranging discussion of the issues that the Forestry Commission had to consider and the outcomes that might be achieved. It was also noted that, while the advice of the National Committee was being sought, the Forestry Commissioners would have to make any decisions on what is a cross border issue, with Scotland and NRW also having an interest.

12. MEETING DATES

Committee members were asked to let the Secretary know if any dates were unsuitable, final confirmation of dates would be given as soon as possible after the meeting.

13. AOB

Defra Group NED Engagement

The proposal, which had been circulated on 15 August, had received a favourable response.

Tree Inspections – recent court case

The Chair brought the Committee's attention to a recent court case where the frequency of tree safety inspections had been a key issue. Whilst the advice used for the basis of the judgement pre-dated the work of NTSG it did have implications for the sector. It was suggested and agreed that NTSG should be asked to give more consideration to the issues raised by the case.

Next Meeting:

15 November in Bristol (after FESB)