

**FORESTRY COMMISSION ENGLAND
EIGHTY SIXTH MEETING OF THE NATIONAL COMMITTEE
NATIONAL OFFICE BRISTOL
1 JUNE 2017 AT 12.30hrs**

Minutes

Present:

Sir Harry Studholme (Chairman)
Mary Barkham
Ian Gambles
Julia Grant
Simon Hodgson
Meirion Nelson
Mark Pountain
Steph Rhodes
Marie Southgate
Clive Tucker

Also present:

Glenda Roberts – Item 5
Mark Broadmeadow – Item 8

Richard Barker - Secretary and England SIRO

1. WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. Richard Greenhous and Steve Meeks had sent their apologies; Steph Rhodes and Meirion Nelson were attending in their places. Shirley Trundle was unable to attend and Marie Southgate, who was given a warm welcome to her first National Committee meeting, was attending in her place.

2. MINUTES OF THE MEETING ON 12 APRIL 2017

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

3. MATTERS ARISING/UPDATES

Plant Health

Steph Rhodes advised the Committee that a targeted survey for Sweet Chestnut Blight was being undertaken and if it was found to be more widespread than currently known there may be a change in the approach to managing it. The outcome was expected towards the end of June. The aerial surveillance programme for *Phytophthora* was underway and the OPM season was ongoing.

The Committee was also asked to endorse the proposals to carry out enforcement tree felling on private land where the owner had failed to do the work required after having been served with a Statutory Plant Health Notice. There were two cases in the South West of England and the Notices had expired (i.e. the trees should have been felled) in July 2015 and March 2016.

The Committee agreed that the enforcement action should take place in order to remove the continuing threat to other trees and in order to demonstrate that the Forestry Commission was continuing to take control of *Phytophthora* seriously. It would also be unfair on landowners who had complied with Notices not to pursue those who had not. The Committee was keen to ensure that the reasons for the enforcement were clearly communicated and that the action had the support of stakeholders. They also expressed concern for the safety of those carrying out the enforcement and asked that this was given very careful consideration.

NAO Investigation – New Forest Verderers HLS

Richard Barker advised the Committee that the investigation had been put on hold for the pre-election period because the complaint had been initiated by an MP. We had been advised that some of the issues in the case came down to legal interpretation which may be outside the scope of the NAO's remit, but this would not become clear until their investigation was complete.

4. FINANCE REPORT

Paper 13/17

Meirion Nelson advised the Committee that the situation was as expected for early in the financial year and he drew attention to the information in the Paper on the indicative and expected RDEL depreciation underspend. It was also noted that the HMRC VAT Compliance Audit risk remained, which may have further financial implications during this financial year. Ian Gambles added that he remained confident with the current year's budget, but he expected that 2018/19 would be much more challenging right across the Defra group and this this would come at a time of change for the Forestry Commission, adding to the challenge.

5. ANNUAL REPORT AND ACCOUNTS

Paper 14/17

Glenda Roberts joined the meeting and explained that the Audit and Risk Assurance Committee (ARAC) had recommended the approval of the accounts at the morning meeting. This was confirmed by the ARAC Chair, Julia Grant.

The Committee discussed the financial performance noting that the variance was minimal. It also explored the mechanism for optimising the future financial position for Defra/Forestry Commission and Forest Enterprise through the Annual Subsidy Limit process. It was noted that Forest Enterprise held some cash reserves in order to mitigate the impact of short term trading cycles and fund future investments. It was also noted that in the longer term timber volumes were expected to decline, but work was continuing to diversify income generation and increase profitability of activities on the Public Forest Estate.

Subject to any final adjustments from the Minister and cross-government clearance, which if substantive would be notified to the Committee, it was content to recommend approval of the Annual Reports and Accounts by the Accounting Officers.

6. FUTURE OF THE FORESTRY COMMISSION

Paper 15/17

Ian Gambles introduced the latest iteration of the future operating model which had been revised since it was last considered by the National Committee. Of particular significance was that the Governance Project Board had now agreed that Forest Research should continue as an agency of the Forestry Commission, providing services to all three countries, through a refreshed funding mechanism. This agreement would need to be confirmed by Ministers in the UK, Scottish, and Welsh Governments.

The other significant development had been the introduction of the Forestry and Land Management Bill in the Scottish Parliament. This would enable the separation of Scotland to be completed, which would have a significant impact in England. There were no plans for primary legislation in England, which meant that the Forestry Commission in England would need to operate under the constraints of the existing legislation.

The Committee made a number of comments on the document and in particular whether there was too much people focus in regard to Forest Enterprise and whether there was adequate focus on business, which was important for financial sustainability. There was also some concern that valuable information would be lost with Forest Services' online presence moving to gov.uk, but reassurance was given that options for the sector to host industry information were being explored and there were no plans for Forest Research to move to gov.uk.

The Committee was asked to send any further comments they might have in writing to Ian by 16 June and it was expected that the plans would be presented to Ministers in the incoming Government for endorsement before the summer recess.

7. HEALTH AND SAFETY REPORT

Paper 16/17

Simon Hodgson introduced the report and reassured the Committee that work was ongoing to ensure that the lone working system was being implemented as required to help ensure peoples' safety.

Near miss non-reporting remained an issue and this would continue to be addressed as it was recognised that reporting and responding to near misses was an important part of the process to prevent accidents.

The transfer of Health and Safety and Technical training to England had been an opportunity to have a refreshed approach and this was reflected in the future work programme.

The Committee gave its support to behavioural change, not just in the Forestry Commission but also through the sector, supporting the Forestry Commission's role in FISA and the continued improvement in policies and procedures. It was also keen to

ensure consistency of reporting within the Forestry Commission was maintained so that change over time could be accurately monitored.

8. WOODLAND CREATION

Paper 17/17

Mark Broadmeadow gave a short presentation expanding on the issues set out in the Paper. In response to questions on the appetite for woodland creation by landowners it was explained that there was a lot of uncertainty around the future of rural support and this had led to reluctance amongst landowners to make long-term commitments. There was also great interest in the outcome of the Doddington North Moor proposal which was being seen as a test case for support for large scale afforestation by the sector.

The unexpected General Election had constrained activity around the promotion of the amendments to EIA afforestation regulations and woodland creation, but this would be picked up as soon as possible after the new Government was in place. It was hoped that this would help improve uptake of current woodland creation incentives.

It was also noted that the prospect of Forest Enterprise creating new woodland through the acquisition of land suitable for planting had not been dismissed. This could become an increasingly attractive and cost effective option if incentive levels to private landowners had to keep increasing in order to achieve substantial areas of new planting.

The Committee acknowledged the challenging operating conditions and the plans that were in place to try and help improve the rate of woodland creation.

9. FOREST HOLIDAYS and CAMPING IN THE FOREST

Paper 18/17

Simon Hodgson drew attention to the current market conditions and situation with third party sites. It was noted that the planning application for Beddgelert had been successful.

It was also noted that discussions were beginning in regard to the Scottish Government Devolution Project.

10. AOB

FWAC Appointments

Paper 19/17

Richard Barker tabled the Paper and after a brief discussion the Committee endorsed the move by David Bliss from the West Midlands to the North West and approved the appointment of Heidi Smith, East England, and Tayo Adebawale, West Midlands.

Next Meeting: 12 July in Bristol (after FESB)

20 September in Bristol