

14 March 2019

FUTURE FORESTRY COMMISSION BOARD STRUCTURE – TERMS OF REFERENCE

Purpose

1. To seek the Board's approval on updated versions of the FR Board and the Expert Committee on Forest Science (ECFS) Terms of Reference (TOR) following feedback provided at the December Commissioner's meeting. Additional assurance is also provided on compliance with Cabinet Office governance requirements.

Background/Introduction

2. In preparation for the new Forestry Commission coming into effect from 1 April 2019 the Board were provided at their meeting in December with a draft governance structure, along a National Committee Scheme of Delegation, a full suite of draft TORs and a matrix proposing the functions to be delegated by the Board of Commissioners to the three sub-boards.
3. Although the Board approved the majority of the documents it asked for changes to be made to the FR Board and ECFS TORs, along with additional assurance that the TORs were compliant with relevant Cabinet Office governance requirements.

Details

FR Board TOR

4. An updated FR Board TOR is attached at Annex A and, as requested by the Board, includes 'promote the long-term operational and financial sustainability of Forest Research' as an additional duty.
5. The Board membership now reflects a further private sector Non Executive in line with the proposed Memorandum of Understanding as discussed at the December Commissioners meeting.

FFC Board TORs

6. The draft also now states that the FR Board may act by three of their number notwithstanding a vacancy in their number, which is in line with the agreed Board of Commissioners TOR.
7. It is recommended that the additional quorum statement is replicated in the Forestry England (FE) and Forest Services (FS) TORs.

ECFS TOR

8. This TOR has undergone a more fundamental redraft to focus primarily on the quality assurance of FR science, but with a secondary purpose as a resource to advise if required the Forestry Commission, the UK Government and the devolved administrations on the formulation and delivery of strategies for forestry science in the UK.
9. An updated ECFS TOR is attached at Annex B for the Board's approval.

Resource Implications

10. The cost of the FFC governance structure will be contained within current and anticipated resource baselines.

Risk Assessment

11. The Board TORs reflect the requirements set out in the Cabinet Office Corporate Governance code as adjusted for use by an arm's length body. The Code sets out the requirements for a main board of a large government department and, therefore, not all of the requirements are directly applicable to the FC, such as the need for a Remuneration Committee and that the Chair of the board will normally be the Secretary of State. I have taken an appropriate and proportionate approach to ensuring that the FC Board TORs comply with all the key areas including the role of the board, its composition and effectiveness.
12. Whilst we have covered all the forestry legislation within the TORs, each board will have to be conscious of a wide range of other statutory duties on public bodies.

FFC Board TORs

13. With the exception of the ECFS TOR, the drafts have been provided to the NAO, GIAA and Defra's Legal and Accountability & Governance Teams for comment. No adverse comments have been received.

Communication Issues

14. The new governance structure will be communicated to internal and relevant external stakeholders as part of our wider FFC communications plan.

Implementation and Evaluation Proposals

15. The new governance structure will take effect from 1 April 2019, although preparatory meetings are being held prior to that date to aid the transition process.

Recommendations

16. The Board of Commissioners are asked to review and approve the amended FR Board and ECFS TORs through a minuted decision at its meeting on the 14th March 2019.

Steve Meeks

FCE Finance Director /Chief of Staff