

FOREST ENTERPRISE ENGLAND

FRAMEWORK DOCUMENT

APRIL 2003

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Chapter 1: Status

- 1.1. Forest Enterprise England was set up as an Executive Agency on 1 April 2003 to undertake the English work of the former Great Britain Forest Enterprise agency. It is responsible for managing the public estate placed at the disposal of the Forestry Commissioners by the Secretary of State for Environment, Food and Rural Affairs. It employs over 800 staff, of which almost 30 are based at its headquarters in Bristol and the remainder throughout England, with a Forest Holidays unit in Edinburgh.
- 1.2. The Agency is part of the Forestry Commission in England. The Forestry Commission is a government department, headed by a Board of Forestry Commissioners established by statute (the Forestry Act 1967 as amended). For its work in England, the Forestry Commission reports to the Secretary of State for Environment, Food and Rural Affairs.
- 1.3. This document sets out the relationship between the Agency, the Forestry Commission and Ministers and sets a framework for the operation of the Agency, consistent with the Forestry Act 1967.

Chapter 2: Aims and Objectives

2.1. The aims and objectives of the Agency have been set to assist the Forestry Commission achieve its overall aim of:-

" protecting and expanding England's woodlands and increasing their value to society and the environment."

2.2. The overall aim of the Forestry Commission is expressed in more detail through the England Forestry Strategy which has 4 inter-related programmes which reflect the Government's wider policy aims:-

- Forestry for rural development;
- Forestry for economic regeneration;
- Forestry for recreation, access and tourism;
- Forestry for environment and conservation.

2.3. Within these overarching objectives and programmes, the aim of the Agency is:-

"To manage the public estate owned by the Secretary of State for Environment, Food and Rural Affairs in a sustainable way, so as to contribute towards the economic, social and environmental objectives of the England Forestry Strategy."

2.4. The objectives of the Agency are:-

Sustainable forest management

- *It is an overarching objective to manage the estate sustainably in all respects*

Economic

- *To increase the contribution of the estate to the rural economy.*

Environmental

- *To conserve and enhance the biodiversity, landscape and cultural heritage of the estate.*

Social

- *To promote public access to the estate and develop diverse recreational opportunities.*

- *To expand the role of the estate in improving the environment of disadvantaged communities and bringing brownfield land into beneficial public use.*

Operational

- *To be efficient, cost-effective and commercially and environmentally aware in all operations.*
- *To provide high-quality services to customers.*
- *To be a caring and fair employer.*
- *To maintain safe working practices, and a safe environment for visitors*

2.5. In achieving these specific objectives, the Agency must:-

- Play a leading role as an exemplar of sustainable forestry by demonstrating best practice through sustainable management of the estate;
- Contribute to delivery of wider relevant government policy objectives;
- Act in partnership within government, and with the voluntary and private sectors; with the forestry industry; and with local communities, consulting fully on programmes and initiatives and actively looking for opportunities to increase sustainable benefits to society.

2.6. The Forestry Commission National Committee for England will, after consultation with the Agency Chief Executive, set annual targets for the key performance indicators listed in Annex A, measuring the most important outputs generated by the Agency. The targets may be varied by agreement between the Forestry Commission National Committee for England and the Agency Chief Executive. Performance against the agreed targets will be reported in the Agency's Annual Report.

Chapter 3: Responsibility and Accountability

- 3.1. The **Secretary of State for Environment, Food and Rural Affairs**, decides the policy and financial framework within which the Forestry Commission in England, and the Agency, operate and is accountable to Parliament for all matters concerning the Agency. This role is normally delegated to the Parliamentary Under Secretary, Defra.
- 3.2. The **Forestry Commissioners** are statutorily responsible for the stewardship of the estate placed at their disposal by the Minister. Their relevant duties and powers are set out in Annex B. The Forestry Commissioners have delegated to the statutory **National Committee for England** the normal exercise of their duties and powers in connection with the estate. The National Committee, in turn, delegates management of the estate to the Agency. The National Committee is chaired by a non-executive Forestry Commissioner and its members include a further two non-executive Commissioners, the Director England, the Agency Chief Executive, and an observer from the Department for Environment, Food and Rural Affairs.
- 3.3. The **Director General** is the Deputy Chairman of the Forestry Commissioners and the senior official in the Forestry Commission. In addition to his role as a Commissioner, the Director General is the Principal Accounting Officer, formally responsible to Parliament for the financial affairs of the Forestry Commission including the Agency. In practice, the Director General's role in relation to the Agency is delegated to the Director England as Additional Accounting Officer.
- 3.4. The **Director England** is the executive Forestry Commissioner responsible to the Forestry Minister and to the Director General for the work of the Forestry Commission in England. The Director England is appointed Additional Accounting Officer and is a member of the National Committee for England. The Director England is responsible on behalf of the Forestry Commissioners for the oversight of the Agency. In particular, the Director England is responsible for advising the National Committee for England, and Ministers, on the Agency's corporate plan and performance targets and for ensuring that the Agency operates a proper system of financial management. The Director England also advises the National Committee for England, and Ministers, on the strategic direction of the Agency, performance management and on ensuring that the Agency has the resources, delegations and authority necessary to effectively deliver its remit.
- 3.5. The **Chief Executive** of the Agency is responsible normally through the Director England to the Forestry Commission National Committee and Ministers for the management of the estate, and of the Agency and its staff. The Chief Executive has a right of direct access to the Commissioners, and to the relevant Minister, and will meet them at least once a year. The Chief Executive is a member of the National

Committee for England and is designated as Agency Accounting Officer, responsible for the Agency's accounts and financial procedures and for the proper, effective and efficient use of resources provided to the Agency within the terms of the Framework Document and in pursuit of the agreed objectives and targets.

- 3.6. In particular, the Chief Executive is responsible for:-
- Preparing the Agency's Corporate Plans as described in Chapter 4, and achieving the targets set in them;
 - Appointment and organisation of the Agency's staff, and deployment of other resources to achieve the aims and objectives set out in Chapter 2;
 - Maintaining financial and management information systems to assist in the monitoring and control of performance;
 - Preparing and submitting the Agency's Annual Report and Accounts;
 - Establishing and chairing an Agency Management Board comprising senior managers of the Agency.
- 3.7. The Director General, Director England and Chief Executive are liable to be summoned to appear before the Public Accounts Committee to answer for their respective responsibilities. It will be for Ministers to decide who should represent them at other Parliamentary Committee hearings. In practice, where a Committee's interest is confined to the day to day operations of the Agency, Ministers will normally regard the Chief Executive as the person best placed to appear on their behalf.
- 3.8. Ministers, and the Director England, will encourage Members of Parliament and others to communicate with the Chief Executive on operational matters related to the Agency. The Chief Executive will ensure that any matter on which it is proper for the Forestry Commissioners or Ministers to reply, is referred to them without delay.
- 3.9. The Chief Executive will provide Ministers with any information necessary to answer Parliamentary Questions or to deal with any other Parliamentary business about operational matters for which the Agency is responsible. Ministers are expected to ask the Chief Executive to reply to Written Questions from Members of Parliament about matters for which the Chief Executive has delegated authority. The Chief Executive's replies will be published in the Official Report.
- 3.10. The activities of the Agency are subject to investigation by the Parliamentary Commissioner for Administration.

Chapter 4: Planning and Reporting Framework

- 4.1. The Chief Executive will prepare annually a draft Corporate Plan covering the following 3 financial years. It will set out the Agency's proposed programmes for acquisitions and disposals, income generation, social and environmental outcomes, timber production, efficiency measures and partnerships in the light of prevailing Spending Review targets and any further targets/guidelines set by the National Committee for England. The plan will set out transparently the costs and benefits of environmental outputs which will be funded separately by the Forestry Commission.
- 4.2. The Corporate Plan will be submitted for consideration by the National Committee for England by December each year. The agreed Plan will be included as a component of the Forestry Commission Corporate Plan for England which will be published following approval by Ministers.
- 4.3. The Chief Executive will report to the National Committee for England regularly during the course of the year on progress with the implementation of the Agency Corporate Plan. Exceptionally, the National Committee, or the Minister, may propose changes to the Agency's annual targets as expressed in the Forestry Commission Corporate Plan for England.
- 4.4. The Agency will prepare and keep up-to-date Forest Design Plans covering its entire estate, proposing future afforestation, thinning, felling and regeneration and will submit the proposals to the Forestry Commission for approval.
- 4.5. The Chief Executive will prepare an Agency Annual Report and Accounts in accordance with Cabinet Office guidance and the requirements of "Government Accounting". The Report will show how the Agency has performed against the targets set out in the Corporate Plan including the agreed environmental outputs and associated costs. The form of the Accounts will be agreed between the Forestry Commission, the Treasury and the Agency. The Accounts will be subject to external audit by the Comptroller and Auditor General. The Annual Report and audited accounts will be laid before Parliament by Ministers and published, normally alongside the Forestry Commission Annual Report and Accounts for its work financed by Parliament.

Chapter 5: Financial Planning and Control

- 5.1. The Forestry Commission's work in England, including the work of the Agency, is funded from a Parliamentary Vote augmented by EU and Agency receipts. The Agency will be involved in Spending Review discussions about this financial provision and, at the conclusion of each Review, will be set a 3 year forward budget. Annually, following approval of its Corporate Plan, the Agency will be allocated a net accruals-based budget for the following year starting 1 April.
- 5.2. The Agency will submit reports to the Director England on in-year financial performance against budget, including forecasts for the full year. Frequency and format of reports will be set by the Director England. The Chief Executive will operate an effective management information system to generate reports on performance against financial and other objectives. Subject to the approval of the Director England, the Agency will be permitted to carry forward from one financial year to another any surplus on its budgets. This flexibility will be withdrawn only if the Forestry Commission's Vote [or Departmental Expenditure Limit] would otherwise be overspent.
- 5.3. The Agency will maintain a comprehensive and up to date Risk Register, specifying the risks which apply to its work and how they are controlled.
- 5.4. The Chief Executive is responsible for arranging the internal audit of the Agency in accordance with Treasury standards, to satisfy the responsibilities of an Agency Accounting Officer. After informing the Chief Executive, the Director England may also arrange for internal audits to satisfy the responsibilities of the Principal and Additional Accounting Officers.
- 5.5. The Chief Executive has the delegated financial authority set out in Annex C.

Chapter 6: Staff

- 6.1. The staff of the Agency are employees of the Forestry Commissioners. The Forestry Commissioners appoint the Chief Executive and set his/her terms of service. The Chief Executive is responsible for recruitment, and for appointment and management of all staff, subject to agreement by the Director England of appointments to the Senior Civil Service.
- 6.2. In exercising these responsibilities, the Chief Executive will operate the following procedures and structures common to the Forestry Commission as a whole, as agreed through the FC Staff Council:-
 - Pay and grading;
 - Terms and conditions of service;
 - A common database of personnel records;
 - Recruitment on merit, by fair and open competition;
 - Fair treatment for staff in accordance with the status of the Forestry Commission as an equal opportunities employer;
 - Staff performance appraisal, transfer, development, promotion and disciplinary procedures (including where relevant right of appeal to the Director General);
 - A partnership approach to staff relations, especially ensuring that staff are consulted on all appropriate matters through the Staff Council structure.
- 6.3. Before initiating any actions relating to these procedures and structures which would have an impact on personnel policies, or personnel management, across the Forestry Commission as a whole, the Chief Executive will discuss and agree such proposals with the Director England.
- 6.4. The Agency is committed to recognising and rewarding staff achievements, appreciating that this will assist in provision of an effective service to customers and stakeholders. The skills and aptitudes which staff need to achieve Agency objectives can be improved through constructive personnel management policies, and promotion of career development programmes which encourage personal development, and recognise the value to the Forestry Commission as a whole of promoting interchange of staff. The Agency also recognises the benefits of employing a diversity of people from the widest range of backgrounds and of work patterns which are advantageous to both the employee and the employer.

Chapter 7: Support Services

- 7.1. Following implementation of the Forestry Devolution Review, many services in the Forestry Commission will continue to be shared in the interests of efficiency. An internal market operates between the Agency and other parts of the Forestry Commission whenever one part uses another's services. The provision of services will be managed by Service Boards which will agree the nature, quality and cost of services to be provided and any notice to be given of termination. Director England will consult the Chief Executive in nominating England representatives to Service Boards.
- 7.2. Except as agreed under the Service Board structure, neither the Agency nor the Forestry Commission shall be tied to the other for support services, and may purchase services elsewhere.

Chapter 8: Review of the Framework Document

- 8.1. The Framework Document may be varied from time to time after consultation between the National Committee for England, Ministers and the Agency and with the agreement of the Forestry Commissioners, Cabinet Office and the Treasury.
- 8.2. The Framework Document will be reviewed by the Forestry Commissioners' National Committee for England no later than 31 March 2005.
- 8.3. Copies of this Framework Document, and of any subsequent amendments, will be placed in the libraries of both Houses of Parliament, and published on the Forestry Commission England website.
- 8.4. Enquiries about this Document should be addressed to:-

Director England
The Forestry Commission
Great Eastern House
Tenison Road
Cambridge CB1 2DU

Tel: 01223 314546
Email: fcengland@forestry.gsi.gov.uk

KEY PERFORMANCE MEASURES

Sustainable Forest Management

- Percentage of forest estate certified as sustainably managed.
- Percentage of estate managed in accordance with approved Forest Design Plans;

Social

- Increase in area of forest estate with public access;
- Area of new woodland created in priority areas for improving the environment of disadvantaged urban communities.

Economic

- Percentage of the annual timber increment which is harvested;
- Income generated from sources other than timber production and sales of land and property.

Environmental

- Percentage of SSSIs in favourable or recovering condition;
- Progress with implementing relevant UK Biodiversity Action Plan targets;

Operational

- Cost per cubic metre of timber production;
- Profit/loss on timber operations;
- Number of reportable accidents per hundred employees;
- Rate of return from capital invested in the 'Forest Holidays' business;
- Percentage of customers and community partners "satisfied".

ANNEX B

THE STATUTORY RESPONSIBILITIES AND POWERS OF THE FORESTRY COMMISSIONERS

The responsibilities and powers of the Forestry Commissioners are derived mainly from the Forestry Acts 1967 and 1979 and the Plant Health Act 1967, but with important additional powers, relating to recreation and amenity, granted under the Countryside Act 1968. Since 1985, the Forestry Commissioners have also been statutorily required, in carrying out their functions, to endeavour to achieve a reasonable balance between the interests of productive forestry and the environment.

This Annex covers the main statutory responsibilities of the Forestry Commissioners for the management of the estate.

General

Under Section 1 of the Forestry Act 1967, the Forestry Commissioners are charged with the general duty of:

"promoting the interests of forestry, the development of afforestation and the production and supply of timber and other forest products in Scotland, and in England and Wales."

This general duty includes that of:

"promoting the establishment and maintenance in Scotland and in England and Wales, of adequate reserves of growing trees."

Section 3 of the 1967 Act gives the Forestry Commissioners a power to manage land placed at their disposal by Ministers and provides that the timber (including all forest products) produced on this land belongs to the Commissioners.

Other Duties and Powers

The Wildlife and Countryside (Amendment) Act 1985 amended the Forestry Act by including a statutory balancing duty on the Forestry Commissioners:

"In discharging their functions under the Forestry Acts 1967 to 1979 the Commissioners shall, so far as may be consistent with the proper discharge of those functions, endeavour to achieve a reasonable balance between:

a. the development of afforestation, the management of forests and the production and supply of timber and

b. the conservation and enhancement of natural beauty and the conservation of flora fauna and geological or physiographical features of special interest.”

The Forestry Commissioners also have a duty, under the Countryside Act 1968 to:

“have regard to the desirability of conserving the natural beauty and amenity of the countryside.”

The Countryside Act 1968 also gave the Forestry Commissioners powers to provide recreational facilities, and to acquire and manage land for the provision of recreational facilities and for the planting of trees in the interests of amenity:

“The Commissioners may, on any land placed at their disposal... provide or arrange for or assist in the provision of tourist, recreational or sporting facilities and any equipment, facilities or works ancillary thereto, including without prejudice to that generality:-

- a. accommodation for visitors,*
- b. camping sites and caravan sites.*
- c. places for meals and refreshments.*
- d. picnic places, places for enjoying views, parking places, routes for nature study and footpaths.*
- e. information and display centres,*
- f. shops in connection with any of the aforesaid facilities,*
- g. public conveniences.”*

and the Commissioners shall have power to make such charges as they think fit in connection with any of those facilities.

A number of Acts dating from 1877 govern the Commissioners' management of the New Forest. There are also statutes covering the Forest of Dean dealing with such matters as the timber inclosures.

FINANCIAL DELEGATIONS TO THE AGENCY

The powers delegated to the Chief Executive are exercised within normal Civil Service rules, conditions and standards, except where specific exceptions have been agreed in writing with the Director England.

The Chief Executive has delegated authority:

- *to approve all current expenditure;*
- *to approve capital expenditure up to £1m for any single contract;*
- *to authorise acquisition and disposal of land in accordance with guidelines set by the National Committee for England.*
- *to settle claims and authorise write-offs up to £500,000;*
- *to give written authority for appropriate sub-delegations.*

In the interests of public accountability and value for money, the Commission's policy is to allocate significant contracts through competitive tendering unless there are strong reasons for not doing so. The Chief Executive will:-

- *sell timber by competitive tender, except for sales of specialist or purely local interest not exceeding 150,000 cubic metres of timber annually;*
- *purchase or sell other goods or services by competitive tendering where sums over £50,000 are involved.*

except by agreement of the Director England, which may be given generally or specially, and subject to or free from conditions.