



## DIRECTOR'S REPORT MAY 2010

### RESPONDING TO CLIMATE CHANGE

#### **Harvesting & Marketing - *Programme 1: Managing more diverse woodlands***

1. The final volume of timber despatched to the end of March 2010 is 885km<sup>3</sup>. I am pleased to report that we met our thinning target of 180km<sup>3</sup>, despite adverse weather conditions, and that we exceeded our performance target on broadleaves thinning.
2. The sixth and final of our annual electronic timber sales was held in March and most lots sold with excellent demand for all parcels. We also saw a modest rise in log and bar prices although overall prices are significantly below 2008 levels. I am pleased to report that we have marketed the full published sales plan, a measure warmly welcomed by Wales' timber processors in light of the continued reluctance of the private sector to market timber following the economic downturn. Despite trading conditions being difficult for sawmills, the continuing weak pound has maintained a healthy demand for home grown timber across all products. We see this continuing well into FY 2010/11.

#### **Better Woodlands for Wales - *Programme 1: Managing more diverse woodlands***

3. My Grants and Regulations Operations team had a busy end to the financial year approving BWW claims, with over 90% of the committed BWW budget claimed. All valid claims submitted before the close of the year and not required for inspection were successfully processed. The area of approved BWW cases is now 30,121ha, which includes future new planting of 349 ha, of which 272 ha is native woodland.
4. BWW cases of interest that have recently been approved include: The University Woodlands in Aberystwyth, which are being developed for public access and a large scheme in the Elan Valley that combines significant public access and Plantation on Ancient Woodland Site (PAWS) restoration.
5. There have been 19 reported alleged illegal fellings since the end of February, mainly in South Wales, resulting in five cases that will be investigated. An owner who appealed against a recent grant reclaim, via the Institute of Chartered Foresters, lost his appeal and has begun to repay £18k to FCW. Another £24k was reclaimed from a south Wales based County Borough Council for a large new planting that had failed.

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## **Woodland Creation - *Programme 1: Managing more diverse woodlands***

6. In response to the Minister's recent announcement to create 100,000 ha of new woodlands over the next 20 years, my Grants and Regulations team has set up a project to ensure that our BWW grant scheme is correctly designed and resources are in place to begin delivery towards meeting this target.

## **Assembly Government Woodland Estate Research Project - *Programme 1: Managing more diverse woodlands***

7. The project is well under way and information is being gathered from a range of sources to ensure we take advantage of the knowledge gained, for example, by the HM Treasury led Operational Efficiency Programme in England. We are collating information about previous disposals of FC land in Wales, legal issues and are reviewing a series of options related to ownership and management of the Assembly Government woodland estate. We have begun work on a revised portfolio analysis, drawing on experience from the recent audit of our existing portfolio analysis and begun a series of market soundings of customers and stakeholders to canvass their views. The process of drawing this information together will begin in June and we plan to present a set of draft conclusions from the first phase of this study to the Committee in July.

## **Restocking Operations - *Programme 1: Managing more diverse woodlands***

8. After the adverse winter weather caused a four week delay in the restocking programme, staff and contractors have been particularly busy in the last three month period, in an effort to catch up. By the end of the financial year some 1,154 hectares had been restocked, just short of the 1,200 hectare annual target. The effectiveness of restocking on the Assembly Government woodland estate is systematically monitored by Forest Research annually. Stocking density is the key parameter measured and the target in productive crops is to achieve 2,500 stems per ha by year 5. The average stocking density achieved for crops planted in 2005 was 2,423 plants per hectare, an increase of 5.2% on the results for the preceding year, adding to the trend of steady improvement.

## **Climate Change Consortium Wales - *Programme 2: Tree protection and health***

9. My Head of Forest Research in Wales and Head of Policy and Programme Development attended the formal launch of the Climate Change Consortium of Wales (C3W) in Swansea in March. This involves Aberystwyth, Bangor, Cardiff and Swansea Universities and will run for six years.

## **Forest Quarantine Panel - *Programme 2: Tree protection and health***

10. The European and Mediterranean Plant Protection Organisation (EPPO) Forest Quarantine Panel met in Cardiff last March. The meeting was addressed by the

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Minister for Rural Affairs, chaired by the Director General of EPPO and attended by the Head of Forest Research in Wales. Key issues were pine wood nematode, emerald ash borer, and Asian and citrus longhorn beetles.

### **National Forest Estate Wind Farm Programme - Programme 3: Renewable Energy**

11. Activity since my last report has focussed mainly on addressing the peat issues that have given rise to Countryside Council for Wales's (CCW) formal Planning Objection to the Pen-y-Cymoedd Project. FCW has worked closely with CCW and the Option Holder to develop possible mitigation in terms of an exemplar management plan covering extensive areas within the development area. Whilst this proposal has been well received there are still issues relating to specific turbine locations in terms of deep peat avoidance and landscaping that have to be resolved between the Option Holder and CCW.
12. An early draft of the Planning Applications for the Brechfa Project has been received. This development is complicated by its geography, which is resulting in part of the development being subject to Local Authority Planning and the other part being governed by the Infrastructure Planning Committee. Of the other four projects, three are progressing as expected, and the other is currently a low priority for the Option Holder who is focussing on Pen-y-Cymoedd.

### **Commissioners Tour June 2010 - Programme 3: Renewable Energy**

13. The Commissioners Tour theme will be ***Fuel for thought – Renewable Energy in Wales*** and hosted in south Wales. It will include a site visit to the Pen-y-Cymoedd wind farm development and a tour of the Western Wood Energy Plant at Port Talbot.

## **WOODLANDS FOR PEOPLE**

### **Focus on Forestry First – Programme 6: Woodland based learning and sector skills**

14. Focus on Forestry First is a training initiative designed to tackle the skills shortage in the forestry sector in Wales. It is managed by Mid Wales and the Marches Assessment Centre and was developed with support from FCW and funding from the Process and Marketing Knowledge Transfer Grant Scheme under Axis 1 of the Rural Development Plan. The £1 million, three-year scheme was launched in April and will help business in the timber industry to draw up training plans free of charge, offer up to 100% funding for training courses, and maintain training records on an online database.

## **Garwnant Visitor Centre - Programme 5 Recreation and Access**

15. Garwnant Visitor Centre is open and staff are now based at the centre. The education team are working with local schools to establish a new name for the centre, which will be officially launched by the Minister for Rural Affairs on 8<sup>th</sup> July 2010.
16. A primary theme of the centre is all ability access, and we have recently introduced new facilities and trails to the area to further support this. We also aim to offer and promote a range of opportunities for local seminars, training events, and local groups to utilise the centre, as well as provide a day visitor experience for local communities and for visitors to the Brecon Beacons National Park.

## **DEVELOPING A COMPETITIVE AND INTEGRATED FOREST SECTOR**

### **Wood Energy Programme - *Programme 3: Renewable energy***

17. There are currently 128 registered schemes, including 7 new registrations since March. There are 18 approved projects with a total grant value of £423,600. So far £93,600 has been paid out in grants. The Project team has identified fuel supply chain concerns as a key barrier to uptake which will be a focus area for attention in 2010/11. A new Project Manager has been identified and will transfer from WAG on a three-year secondment from mid May. A series of five roadshow events across Wales will be promoted and take place in May.

## **IMPROVING ENVIRONMENTAL QUALITY**

### **Newborough Forest Design Plan - *Programme 10: Site based biodiversity, heritage and landscape***

18. A draft Newborough Forest management plan has been produced but after an initial meeting with CCW it has been agreed to substantially reformat this to make it clearer and easier for the public to understand. This is presently being done and dates have been suggested for the next meeting of the Newborough Liaison Partnership, which will be in June. This date will be decided shortly and attendees notified via newsletter.

## **BUSINESS MEASURES**

### **E-recruitment - *Business measure 2: Staff diversity***

19. The bilingual e-recruitment system launched in Wales in April, and the first FCW post is now available in both languages. Feedback on the new system will be monitored to ensure adjustments and improvements are made where necessary.

## **Staff Survey - Actions for People Support - *Business measure 2: Staff diversity***

20. The results of the 2009 Staff Survey have led to the following actions being progressed by People Support nationally with input from FCW HR in Wales: Promote flexible working options, particularly targeted towards male staff; continue to deliver existing tools that assist staff to relieve stress and achieve a good work/life balance; and train and support managers to communicate better with people with disabilities.

## **FCGB People Strategy 2011–2016 – *Business measure 3: Staff training***

21. The HR Management Board is currently determining the overall theme and key areas required for the next People Strategy. As the Strategy is owned by the business, each Country's Board has been engaged at an early stage to ensure it is heading in the right direction.

## **Investors in People - *Business measure 3: Staff training***

22. Investors in People interviews will be taking place in June, when 4% of FCW staff will be interviewed.

**Trefor Owen**  
**Director FCW**  
**May 2010**