

Forestry Commission

Corporate Plan

for

England

and Great Britain

Activities

2003/04-2005/06

The Forestry Commission Corporate Plan for England and Great Britain Activities 2003–2006

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Foreword by Ben Bradshaw

This Corporate Plan describes the current activities of the Forestry Commission in England and the functions it performs at a Great Britain level on behalf of the Westminster Parliament. The distinction between England and Great Britain activities is consistent with the Forest Devolution Review which also recommended better integration with Defra and the Government Offices for the Regions.

It also sets out the strategic direction of the Forestry Commission's work in line with the 2002 Spending Review and the specific tasks to be undertaken in 2003/4.

Delivering and sustaining public benefits from woodlands is a long-term enterprise. While we must continue to pursue these long-term goals, it is important that the work is undertaken in a manner which is both responsive to and integrated with the Government's wider programmes for sustainable development. This approach is well demonstrated through the plans of the Forestry Commission in 2003 to:

- integrate policy development and implementation work with Defra and the Government Offices for the Regions;
- align targets to contribute wherever possible to wider Public Service Agreements for Defra and ODPM;
- develop the role of woodlands in contributing to the government's renewable energy objectives;
- contribute towards implementing the Sustainable communities Plan;
- implement the access and environmental measures in the Countryside and Right of Way Act;
- facilitate Regional Forestry Frameworks which will help to ensure that forestry policy is both informed and influenced by the distinctive priorities and needs of communities within each Region.



Ben Bradshaw, MP
Forestry Minister for England

Introduction

The Forestry Commission in Great Britain

As the Government department for forestry throughout Great Britain, we provide advice and support to the UK Government and to the devolved administrations in Scotland and Wales. We develop policy, set the standards for sustainable forest management and encourage good forestry practice. We conduct forestry research, provide information and offer grants for managing and expanding woodlands and forests. We have statutory duties to regulate forestry through the control of tree felling and to protect forests from pests and diseases. We manage the public forest estate in England, Scotland and Wales, providing recreation for many millions of visitors, producing more than 5 million cubic metres of timber each year and making a major contribution to the conservation of our natural heritage.

The Forestry Commission operates across Great Britain as a cross-border public body. This allows England, Scotland and Wales to benefit from the economies of scale that a GB-wide body is able to offer. This includes support services such as finance, personnel and IT skills; expertise on matters such as climate change, biodiversity, forest protection and industry development; and access to shared resources such as economic, statistics and forestry training services.

The Forestry Commission answers separately to Ministers in England, Scotland and Wales for the development and implementation of forestry policy. The Commissioners' programmes to deliver each country's forestry strategy are set out in Corporate Plans for England, Scotland and Wales. These programmes are directed and financed by the three administrations to which the Commission is directly accountable. In addition, a number of the Commission's functions are funded directly by Westminster and operated on a GB basis. These include:

- *European and International Forestry Policy* – the Forestry Commission's international policy staff (working with other departments) formulate UK policy in international negotiations, develop the UK's national forest programme and advise on implementation of international and European obligations.
- *Plant Health and Forest Reproductive Materials* – the Forestry Commission's Plant Health Unit operates throughout GB with the vital task of preventing entry of harmful pests and diseases from overseas. We also control the marketing of forest seed, cones, cuttings and plants by approving basic material (eg stands, seed orchards), certifying reproductive material and inspecting the nursery trade.
- *Forest Research* – the Forestry Commission's Executive Agency is a centre of excellence for scientific expertise in forestry. We will spend £10 million in 2003-04 through our Agency and external providers looking at issues such as sustainable forest management, climate change, biodiversity, inventory, forest condition and threats to tree health, ways of measuring the social and environmental benefits of woodlands and improving the economic potential of home-grown timber.
- *Setting and Monitoring Standards of Sustainable Forest Management* – the Forestry Commission is responsible for developing the UK Forestry Standard¹ setting out how the principles of sustainable forest management will be delivered in practice against international agreed criteria. This work includes monitoring the state of the UK forestry sector against Indicators of Sustainable Forestry published in 2002 and supporting the UK Woodland Assurance Standard² which provides for the independent certification of forest management in the UK.

¹ *The UK Forestry Standard*. The Government's Approach to Sustainable Forestry. Forestry Commission and the Department of Agriculture for Northern Ireland. 1998.

² UK Woodland Assurance Scheme. UKWAS Support Unit c/o Forestry Commission, Edinburgh. 2000.

Forestry Ministers in England, Scotland and Wales meet regularly to review issues of common interest. The Secretary of State for Environment, Food and Rural Affairs has overall responsibility for forestry interests within the European Union and for international negotiations on forestry, including the formulation of UK policy. The Secretary of State consults with Scottish Ministers, the National Assembly for Wales and the Northern Ireland Assembly on UK-wide issues.

The Forestry Commission's executive agencies, Forest Enterprise (which manages Britain's public forest estate of over 1 million hectares) and Forest Research operate on a GB basis. The agencies' programmes reflect priorities as expressed in the country strategies.

The Forestry Commission in England

The Forestry Commission's National Office for England is based in Cambridge and is responsible for leading implementation of the Government's Forestry Strategy for England. The National Office is supported by 9 Conservancies (regional offices) which are responsible for carrying out our regulatory and grant support functions and connecting the England Forestry Strategy to the distinctive needs of the Regions.

Forest Enterprise is responsible for managing the Commission's estate which amounts to 257,400 hectares in England and contains 19% of England's woodlands. Forest Enterprise has an England office in Bristol and 11 Forest Districts.

Forest Research has a major research station at Alice Holt near Farnham and several field stations.

Forestry Devolution Review

During 2002 an interdepartmental group undertook the Forestry Devolution Review, which considered administrative arrangements for forestry in Great Britain.

Forestry Ministers decided that current arrangements should be updated, without legislation, to achieve greater integration of forestry with other rural policy work in each country whilst maintaining a collaborative approach to common issues. The key changes agreed by Ministers will be implemented by **1 April 2003** and include:

- establishing a new Ministerial Committee bringing together Forestry Ministers in England, Scotland, Wales and Northern Ireland to discuss international issues, any cross-cutting issues where collaboration would be an advantage, and to monitor the effectiveness of the new arrangements;
- expanding the International Forestry Group to include officials from the Scottish Executive and Welsh Assembly Government;
- enhancing the role of the devolved administrations in determining research priorities through the joint approval of Forestry Ministers;
- strengthening integration of policy development and delivery between the Forestry Commission's National Offices and rural affairs departments;
- appointing executive Forestry Commissioners to head all the Forestry Commission's work in England, Scotland and Wales;
- devolving the Forest Enterprise agency into three separate country bodies.

Corporate Plan

This Corporate Plan describes our current activities at the Great Britain and England levels, the strategic direction of our work up to 2006 and the specific actions we are taking forward in 2003-04. It also includes the performance targets set by Ministers which we plan to achieve by 2006. Progress with achieving these targets will be reviewed in our published Annual Reports to Parliament.

Anyone with comments on this Plan, or suggestions for future Plans, is welcome to write to:

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**DELIVERING
GOVERNMENT
POLICY**

Sustainable Development

The Government's commitment to sustainable forestry is set out in the UK National Forest Programme³, published in February 2003. Sustainable forest management forms part of the Government's wider strategies for sustainable development set out in "A Better Quality of Life"⁴. Our approach to sustainable forest management starts at page 1. The Forestry Commission is leading the Government's efforts to implement the forestry commitments made at the World Summit on Sustainable Development (WSSD). The Government is working with the forestry industry, environmental groups and the devolved administrations in the UK Forest Partnership for action to promote sustainable development in the forestry sector. The Government is working with the Partnership on actions to tackle global illegal logging, Government procurement of timber and timber products, promoting greater uptake of forest certification and forest restoration and protection. The Forestry Commission is supporting the forestry industry in maintaining and monitoring its sectoral sustainability strategy covering the whole wood chain.

England Forestry Strategy

In December 1998, the Government published the first forestry strategy for England⁵. The Strategy, which can be downloaded from our Internet website (www.forestry.gsi.gov.uk/efs) sets out the Government's strategic priorities and programmes for forestry in England. It is founded on 4 guiding principles: **quality, integration, partnership and public support**, which will frame our work on implementation. The Strategy is based on 4 interrelated 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**

This Corporate Plan explains how the Forestry Commission intends to lead the implementation of these programmes with partners over the next few years.

England Forestry Forum

At the same time as publishing the Strategy, the Government established a Forum to share ideas and review progress with the Strategy's implementation.

In 2000 the Forum established 8 Working Groups to examine specific issues. The Working Groups submitted their reports in January 2001 and the Government published its response in October. A further Working Group on Biodiversity is due to report in 2003. Papers and reports of the Forum's work are available on our Internet website at:

www.forestry.gov.uk/englandforestryforum

Recent Legislation and Policy Development in Government

The years 2000-2003 saw the launch of new statements of Government policy and a major piece of legislation which set the wider context for forestry policy. These developments include:

³ *The UK National Forest Programme 2003*

⁴ *A Better Quality of Life. A Strategy for Sustainable Development in the UK.* Cm 4345. The Stationery Office. 1999.

⁵ *A New Focus for England's Woodlands.* Strategic Priorities and Programmes. Forestry Commission, Cambridge. 1998.

- **Rural White Paper**⁶ whose overall aim is to “sustain and enhance the distinctive environment, economy and social fabric of the English Countryside for the benefit of all”;
- **Urban White Paper**⁷ whose vision is that of “towns, cities and suburbs which offer a high quality of life and opportunity for all”;
- **England Rural Development Programme**⁸; which redirects some support for agriculture and forestry, enabling land managers to adapt to changing markets and adopt sustainable production systems which both enhance the countryside and support the wider rural economy;
- **Countryside and Rights of Way Act**⁹; which makes new provisions for access to the countryside; amends the law relating to nature conservation and the protection of wildlife and makes further provision for Areas of Outstanding Natural Beauty.
- **UK Energy White Paper**¹⁰; which sets out the Government’s approach to Energy Policy and the role of renewable sources of energy .
- **England Biodiversity Strategy**¹¹; which establishes a ‘route map’ for biodiversity, covering all sectors and stressing the economic importance of biodiversity and its contribution to quality of life in both urban and rural areas.
- **Sustainable Communities: building for the future**¹² which sets out a long-term programme, building on the Urban and Rural White Papers, to create more liveable cities and sustainable communities.

2002 saw the publication of the Government’s responses to the Policy Commission on Food and Farming and the Urban Green Space Task Force¹³. These responses set out the next steps in securing a sustainable countryside and improving the quality of life in urban areas. The Forestry Commission has engaged actively in these reviews and our specific further contributions will be set out in relevant chapters of this Corporate Plan.

⁶ *Our Countryside: the Future; A Fair Deal for Rural England*. CM 4909. The Stationery Office, 2000

⁷ *Our Towns and Cities: the Future; Delivering an Urban Renaissance*. CM 4911. The Stationery Office. 2000.

⁸ England Rural Development Programme 2000-2006. Department for Environment, Food and Rural Affairs. 2000.

⁹ Countryside and Rights of Way Act 2000. The Stationery Office.

¹⁰ *Our energy future - creating a low carbon economy*. CM 5761 The Stationery Office, 2003

¹¹ *Working with the Grain of Nature A Biodiversity Strategy for England*. Department for Environment, Food and Rural Affairs, 2002.

¹² *Sustainable Communities: building for the future*. Office of the Deputy Prime Minister, 2003

¹³ *The Strategy for Sustainable Farming and Food*. Department for Environment, Food and Rural Affairs 2002

Connecting to Regional and Local Agendas

It is vital that the England Forestry Strategy sets down strong roots in every part of the country so that it may respond effectively to the distinctive needs of different regional and local agendas. The English Regions White Paper¹⁴, provides the wider mandate and context for this approach.

Since 2000 we have:

- aligned our Conservancies with the boundaries of all the Government Offices for the Regions and taken steps to encourage closer working between our respective staffs, including secondments;
- modernised our Regional Advisory Committees, constituted one for each Region (except London) and ensured that their expertise better reflects distinctive regional priorities;
- set up a Regional Support Unit for England to lead the development of our culture and capacity in response to the evolving regional agenda.

Tasks for 2003

Through the GB Forestry Commission we will:

- lead the Government's work to implement the forestry commitments made at the 2002 World Summit on Sustainable Development;
- work with industry and environmental groups through the UK Forest Partnership for Action on a programme to promote sustainable development in the sector;
- implement the new devolution arrangements.

Through the Forestry Commission in England we will:

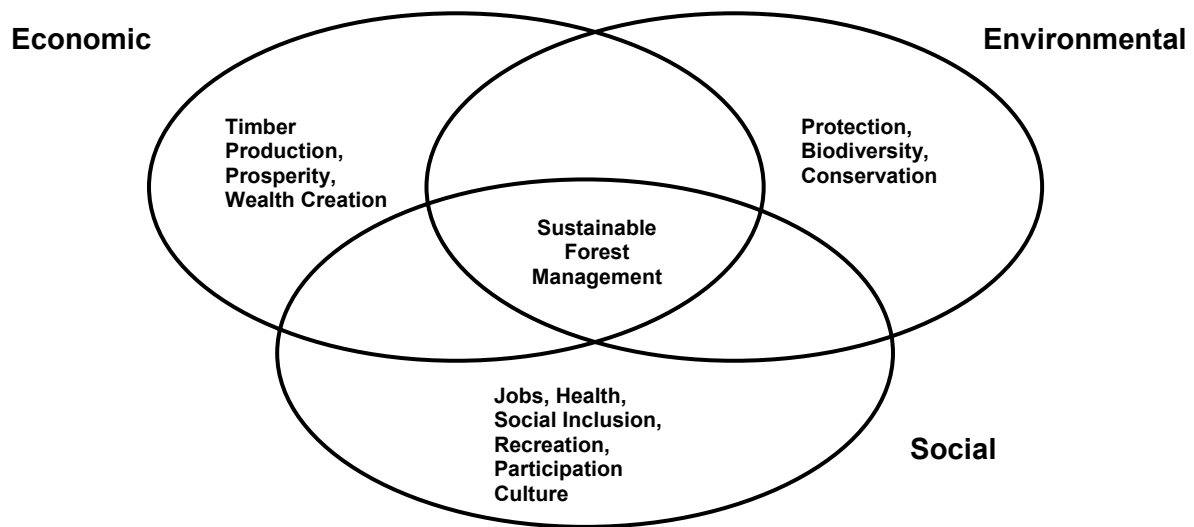
- lead implementation of the Government response to the recommendations of the England Forestry Forum;
- integrate policy development and working relationships with Defra and the Government Offices for the Regions in the light of the Forestry Devolution Review and the English Regions White Paper;
- produce best practice advice and support the preparation of Regional Forestry Frameworks to underpin the England Forestry Strategy;
- contribute to the Government's review of the 2000 Rural White Paper;
- contribute to the Defra/Treasury review of forestry in England and the related wider Defra review of rural policy delivery arrangements.

¹⁴ *Your Region, Your Choice: Revitalising the English Regions*. Cm 5511. The Stationery Office. 2002

**SUSTAINING AND
EXPANDING OUR
WOODLANDS**

Sustainable Forest Management Principles

Sustainable forest management is achieved when the social, economic and environmental functions of a woodland are interacting in support of each other. This interaction is represented in the following model:



The precise point of balance between social, economic and environmental functions will vary in every woodland in response to local circumstances and priorities.

Sustainable forest management is secured when the following pre-requisites are in place:

- **a woodland resource** which is able to provide the goods and services which individuals and society require in the long-term;
- **public and private support** which provides the mandate for any necessary management operations;
- **a workforce** which is willing and able to manage woodlands;
- **secure income** which pays for work to be undertaken.

Implementing Sustainable Forest Management in the UK

The United Nations has established a **Forum on Forests** with the aim of promoting the implementation of sustainable forest management world-wide. In close consultation with other Government departments, the aim of the Forestry Commission is to ensure that the UK is both a leading proponent and a leading exemplar of sustainable forest management through its contributions to key international events, in particular the United Nations Forum on Forests, the UN Convention on Biological Diversity and the Ministerial Conference on the Protection of Forests in Europe.

The UK has made international commitments to the principles of sustainable forest management which are set out in the **UK National Forest Programme**, published in 2003 and in the UK Forestry Standard, published in 1998 and currently being updated. The Standard explains what our commitments mean in practice and provides a mechanism for ensuring that they are consistently applied. The Forestry Commission is responsible for monitoring the state of UK forestry against criteria and indicators in the Standard and refining guidance on our regulatory framework where this proves necessary. The UK Forestry Standard also provides a flexible framework for enabling a range of approaches to sustainable forest management which respond to the specific needs of country forestry strategies.

The UK is a signatory to the **UN Convention on Biological Diversity** and in 2002 the Forestry Commission represented the UK in negotiations of an expanded international work programme for forest biological diversity. This has set the direction for collaborative work which aims to help halt and start to reverse the trend of losses of forest biodiversity by 2010. The UK is committed to help implement this programme and the Forestry Commission is leading an analysis of how current and planned actions within the UK could contribute.

The UK Woodland Assurance Standard (UKWAS) launched in 1999 and chain of custody certification provide the opportunity for woodland owners to demonstrate to consumers that timber comes from sustainably managed forests. Over one million hectares of woodland have now been certified against UKWAS in Great Britain including the entire Forestry Commission estate. In recognition of the work of the Forestry Commission in this area, we were presented with a Gift to the Earth award by the Worldwide Fund for Nature in 2001. The Forestry Commission is working with partners to make certification more accessible to owners of small woods.

The Government published its **UK Climate Change Programme**¹⁵ in 2002 setting out the policies for adapting to climate change and measures to mitigate its effects.

The Forestry Commission has a long-standing research programme into the impacts of climate change on woodland and on the part forests and forest products play in carbon cycles. We published **Climate Change: Impacts on UK Forests**¹⁶ at the beginning in 2002. Building on this, the Commission will be examining potential impacts and adaptation strategies at regional level in England, Scotland and Wales. A start has been made on this with a report on Eastern England. Woodland expansion and the management of existing woodland make a significant positive contribution to the UK's greenhouse gas balance through sequestration of carbon. As a source of renewable energy and materials, forests have the potential to make even greater contributions through replacement of fossil fuels and more energy-intensive materials.

The increased use of timber in construction is recognised as a highly desirable objective in sustainable development. Wood is a renewable and recyclable resource. Its production and use in building reduces atmospheric carbon while providing great advantages to the energy efficiency of buildings throughout their lives. Yet, despite the increasing availability of supply from UK woodlands, wood has been losing out in competition with less sustainable materials. The Forestry Commission is a partner with UK and overseas producers in '**wood. for good**', a commercial campaign which aims to increase the market for timber by promoting the advantages of using wood from sustainably managed forests, and providing information to consumers and to people involved in specification, design and building.

The Forestry Commission's Plant Health Unit operates throughout GB. With support from Forest Research it has the vital task of preventing entry of pests and diseases from overseas which could harm our woodlands and controlling the spread of any that may become established. Specific threats include:

- *Ips typographus*

The Eight-toothed Spruce Bark Beetle is considered the most aggressive pest of spruce. We will continue to be vigilant at ports to ensure that this insect is not introduced. We will also maintain our monitoring programme of forest health survey plots required under EU legislation to preserve our "Protected Zone" status and thus maintain our import controls on relevant goods from other EU Member States.

¹⁵ *Climate Change: The UK Programme*. CM 4913. The Stationery Office. 2000.

¹⁶ *Climate Change: Impacts on UK Forests*. Bulletin 125, Forestry Commission. 2002

- Pine Wood Nematode

There have been no further findings in the EU since the outbreak in Portugal in 1999. The nematode has, however, been detected in imported wooden packaging material arriving in Finland, Sweden and France. As a consequence, the EU introduced emergency measures in 2001 for the treatment of coniferous wood packaging from Canada, China, Japan and the USA. EU Member States have also been required to increase monitoring of such imports.

- Asian Longhorn Beetle

This insect is also associated with wooden packaging material and is a serious potential pest of many hardwood trees and some fruit trees. An outbreak (the first recorded in Europe) was reported in Austria in 2001. We will continue to monitor a wide range of imports from China which are now covered by statutory requirements.

- *Phytophthora ramorum*

This fungus causes Sudden Oak Death and is an emerging threat. It infects some species of oak and other genera in California. Emergency import restrictions on known susceptible host plants and wood were introduced in June 2002;

- Horse Chestnut Leaf Miner,

This has gradually spread across continental Europe. It was recorded in Wimbledon in June 2002. It defoliates but does not kill its host. No control measures are available but research in Europe may provide an effective control.

- Wood Packaging Material

There is now widespread recognition of the risk of introducing pests via this pathway. The Forestry Commission has been playing an active role in the preparation of an international standard to regulate these products and the Food and Agriculture Organisation of the United Nations will be recommending adoption of this new standard in 2002.

Following consultation, new GB wide regulations on the marketing of **Forest Reproductive Material** were introduced on 1 January 2003 and are being widely promoted.

The Context for Sustainable Forest Management in England

England is one of the least wooded countries in the world and our woodland resource is one of the most intensively used.

International comparisons of woodland areas are:

	Woodland Area (Millions of Hectares)	Percentage of Total Land Area	Population (Millions)	Area of Woodland Per Person (Sq Metres)
England	1.1	8.5	49	225
UK	2.8	11.5	59	476
EU	116	37	375	3085
World	3869	30	5978	6472

Of the woodland resource in England 19% is owned or leased by the Forestry Commission and managed by Forest Enterprise. The remainder is owned by a diverse range of other public bodies, charities and private owners. Half of the woodland area is currently the subject of active management plans agreed with the Forestry Commission. The potential of woodlands to contribute towards sustainable development priorities has not yet been fully realised.

The four key programmes of the England Forestry Strategy are designed to tackle these challenges. Their effective interaction in accordance with the principles of sustainable forest management will support more woodlands across England, producing a diverse range of public benefits.

Strategic Priorities

We will:

- seek to increase awareness about the contributions which new and existing woodlands can make to sustainable development and sustainable communities;
- support the active management of woodlands where this is necessary to deliver public and private benefits;
- seek to increase understanding with partners about the potential for woodlands to contribute towards protecting the wider environment;
- promote awareness amongst woodland owners and agents about sustainable forest management principles and the UK Forestry Standard;
- seek to involve more woodland owners and wood users in helping to implement the England Forestry Strategy;
- promote the preparation and implementation of long-term woodland plans;
- use Forest Enterprise as an exemplar of sustainable forest management and expand its role wherever it is able to add value to existing arrangements.

Tasks for 2003

Through the GB Forestry Commission we will:

- lead the Government's preparation for the 2003 Ministerial Conference on the Protection of Forests in Europe;
- work in partnership with WWF and IUCN on an international initiative on Forest Landscape Restoration;
- publish an updated UK Forestry Standard;
- prepare a UK implementation strategy for the UN Convention of Biological Diversity's expanded programme on forest biodiversity;
- facilitate the development of simplified and cheaper auditing procedures for the certification of small woods;

Through the Forestry Commission in England we will:

- develop with Defra a new England Woodland Grant Scheme as part of the interim review of the England Rural Development Programme;
- introduce new support mechanisms for existing woodlands as set out in *Sustaining England's Woodlands*¹⁷;
- maintain certification to the UK Woodland Assurance Standard for the Forestry Commission estate.

¹⁷ *Sustaining England's Woodlands*. Forestry Commission, Cambridge 2002

**IMPLEMENTING
THE ENGLAND
FORESTRY STRATEGY**

Forestry for Rural Development

Setting the Context

Woodlands provide significant income and work opportunities in many rural areas. Over 14,000 people are currently directly engaged in forestry and related wood-processing industries, woodland recreation and wildlife conservation work. Many more jobs are sustained in the tourist industry supporting visitors to woodland attractions.

We use large quantities of sawn timber, boards, paper and other wood products in England amounting to the equivalent of about 50 million cubic metres of wood every year. However, less than 5% of this demand is currently supplied from England's woodlands and forests. Domestic wood production in England is unlikely to rise significantly in the future without a substantial increase in the level of new woodland creation, which currently averages about 5000 hectares per annum.

Prices for domestically produced timber are currently experiencing their worst recession for at least 20 years. This has arisen largely as a consequence of the strength of the pound in relation to European currencies which has had the effect of reducing the price of imports and thereby the market price for timber in the UK. This has led to many forestry businesses undergoing severe economic pressures, and many private woodland owners have deferred plans for forestry operations.

New markets need to be developed for wood products, particularly for lower-grade broadleaves, if the long-term management of woodlands is to be assured. Wood for renewable energy production presents a significant opportunity. Biomass is the next most significant renewable resource after wind and can be used for electricity, heat and liquid fuels. Forestry woodfuel is available now and can fill the supply gap while energy crops are grown. Woodfuel can be secured in long-term contracts to provide financial security to energy projects as energy crops are developed.

We currently support a wide range of regional and local partnerships which aim to improve markets for wood, help forestry businesses and provide opportunities for farmers to diversify. Examples include: the South West Forest in Devon, Cumbria Woodlands and the Heartwoods Initiative. We will continue this work with the support of the England Rural Development Programme (ERDP) which includes the Woodland Grant Scheme, the Farm Woodland Premium Scheme and the Energy Crop Scheme.

The ERDP 2000-06 was approved by the European Commission in September 2000. This makes additional resources available to support forestry through:

- an extra £4 million per annum from 2003 to support woodland management and new woodland creation through the Woodland Grant Scheme (WGS);
- the Energy Crops Scheme which supports the establishment of short-rotation coppice;
- increased funding for the Farm Woodland Premium Scheme (FWPS).

The Energy Crops Scheme (ECS) and the FWPS are both DEFRA schemes but are jointly administered with the Forestry Commission. They have strong connections with our work because ECS will contribute towards the development of the woodfuel market and over 60% of current new planting under the WGS is undertaken with the support of annual FWPS payments.

Forest Enterprise has an important diverse role to play in supporting rural development through:

- sustaining forest management operations and related opportunities for employment;
- developing the public forest estate as a major resource for tourism, particularly in areas with vulnerable rural economies such as Kielder in Northumberland, the Lake District and the Forest of Dean;
- identifying opportunities for providing more affordable homes on land surplus to the public forest estate.

Government Policy

The Rural White Paper seeks to facilitate the development of competitive and sustainable economies in the countryside and the tackling of poverty in rural areas.

The Energy White Paper seeks to encourage the development of a viable biomass energy sector. It also supports the development of a strong biomass supply chain offers diversification opportunities for farmers and foresters, as well as creating related job opportunities which can support rural communities.

Strategic Priorities

Our aims are to increase the contribution of trees, woods, and woodland based businesses to the sustainable development of rural areas.

We will work closely with partners in DEFRA, the Countryside Agency, Regional Development Agencies and representatives of the industry as we advance our aims through the following approaches to our work:

- reviewing our policies and practice to ensure that they continue to contribute towards the implementation of Government priorities;
- supporting the national and regional Rural Affairs Forums in promoting a broadening of the rural economy base as advocated by the Policy Commission on Food and Farming¹⁸ (2002) and recognised in the Government's Sustaining Food and Farming Strategy¹⁹ (2002);
- fostering the development of new markets for wood and wood products;
- fostering the use of wood as a source of renewable energy, particularly for smaller-scale community and district heating schemes and combined heat and power plants.
- helping woodland-related businesses by providing advice, business and technical training to serve their needs;

¹⁸ Response to the Report of the Policy Commission on the Future of Farming and Food by HM Government. Cm 5709. The Stationery Office. 2002.

¹⁹ *The Strategy for Sustainable Farming and Food: Facing the Future*. Department for Environment, Food and Rural Affairs. London. 2002.

- helping farmers and other land owners to utilise farm woodlands and diversify into forestry;
- using Forest Enterprise as an exemplar of diverse and sustainable approaches to rural development.

We will sustain our programmes across the country, but will increasingly target resources for rural development where woodlands are best able to contribute towards the regeneration of the most disadvantaged rural areas. We will be particularly active in considering the potential for woodlands to address the needs of under performing rural areas identified by Defra as part of their focus on rural productivity.

Tasks for 2003

We will:

- establish a strategic framework for advancing the role of woodlands as a source of renewable energy in England and to ensure that we have the tools, information and resources at the national and regional level to make a difference;
- establish wood-fuel co-ordination posts in 3 regions and undertake wood-fuel surveys in partnership with the Regional Development Agencies;
- develop and implement a programme of joint work with the forest industry sector responding to particular challenges within England;
- develop a baseline for the SR2002 performance target from the 2003 survey of the health and financial viability of woodland and forestry related businesses;
- develop a new Harvesting, Processing and Marketing Grant and support for woodland associations as part of the ERDP;
- work with the Countryside Agency to implement an agreed programme of work to support a woodland component of the 'Eat the View' Initiative;
- contribute to Defra's review of Learning, Skills and Knowledge for Rural Occupations.

Forestry for Economic Regeneration

Setting the Context

The Economic Regeneration Programme supports the Government's wider policies for the regeneration and sustainable development of urban areas.

Woodlands can perform a diverse range of roles in the urban context such as:

- restoring brownfield land to beneficial public use;
- providing an attractive setting for new development;
- improving the quality of life and creating sustainable communities in disadvantaged areas;
- improving the environment as a basis for attracting investment;
- filtering noise and atmosphere pollution.

The Economic Regeneration Programme has been developing through a comprehensive research programme and practical demonstrations such as:

- the 12 Community Forests;
- the National Forest;
- the Forestry Commission Land Regeneration Unit;
- the work of Forest Enterprise in establishing over 2500 hectares of new woodlands in priority areas.

Government Policy

The Rural and Urban White Papers seek to:

- bring brownfield land back into sustainable social and economic use in order to regenerate communities disadvantaged by industrial change or decline;
- promote more open space to provide an attractive setting for future urban development.

Sustainable Communities: Building for the Future²⁰, sets out the Government's programme to support the creation of more liveable cities, including a step change in housing supply, new growth areas, more attractive built and green environments and more sustainable communities.

Living Places, Cleaner, Safer, Greener²¹ complements the Sustainable Communities Plan and sets out the Government's vision for public space including open green space and woodland.

²⁰ *Sustainable Communities: Building for the Future*. Office of the Deputy Prime Minister 2003

²¹ *Living Places, Cleaner, Safer, Greener*. Office of the Deputy Prime Minister 2002

Strategic Priorities

Our aim is to use woodlands to support Government policies for regeneration by:

- increasing awareness about the potential of trees and woodlands in and around towns and cities to improve the environment of disadvantaged areas; to enhance health, well being and quality of life of urban communities and to provide a green setting for future development;
- seeking ways to highlight the potential of woodlands in planning guidance;
- adding value to the programmes and existing resources of the Government's regeneration agencies;
- promoting the value of community forestry, and continuing to support existing Community Forests by building on their expertise and experience in urban areas;
- promoting the importance of long-term support and management in order to secure enduring public benefits
- using Forest Enterprise as a major instrument for implementation where appropriate land holdings can be secured;

Our work is brought into the mainstream by working closely with other Government Departments including Office of the Deputy Prime Minister (ODPM) and the main bodies working on regeneration issues such as: English Partnerships, Regional Development Agencies, Countryside Agency, Environment Agency and Groundwork.

In order to reflect current policy, we have refined our priorities to focus on those areas where we can be most effective:

- the top 20% of the most deprived wards based on the Government's Indices of Deprivation 2000;
- the Coalfield wards – as defined by ODPM;
- brownfield land;
- land currently being worked for minerals or landfill.

Tasks for 2003

We will:

- work closely with ODPM to help implement the Government's "Living Places" agenda and contribute to the successful implementation of Sustainable Communities: Building for the Future;
- broaden the scope of our work with English Partnerships and Groundwork;
- strengthen data on the potential for woodland to bring brownfield land into beneficial public use through work with English Partnerships on the national brownfield strategy and developing IT based support system to identify projects of greatest public benefit;
- launch the Land Restoration Trust with English Partnerships, Groundwork and the Environment Agency as a national vehicle for restoring brownfield land and managing it for public benefit in the long-term;

- launch “Newlands” in partnership with North-West Development Agency as an exemplar of good practice;
- Work with Defra, Countryside Agency, the National Community Forest Partnership and others to deliver an appropriate succession strategy for England’s 12 Community Forests and begin mainstreaming their benefits across other urban areas and programmes.
- introduce pilot studies in Health Action Zones to demonstrate the range of contributions that community woodlands can make in tackling priorities in health policy.

Forestry for Recreation, Access and Tourism

Recreation

England's forests and woodlands are a major resource for recreation, tourism and sport. Over 300 million visits are made each year and a recent survey showed that 70% of people in England have enjoyed a visit to a wood during the year. Woodlands are the largest focus for land-based recreation in the countryside.

About 350,000 hectares of woodland currently provide access as part of plans agreed with the Forestry Commission.

The public forest estate, managed by Forest Enterprise, is the largest resource available for informal access and recreation in England. Visitors have freedom to roam over 200,000 hectares where there are no legal or other constraints. Additional facilities provided by Forest Enterprise include walks, cycle ways, nature trails, car parks, picnic sites, children's play and adventure trails, camping and caravan sites, holiday cabins and visitor centres. The forests are also used for a wide range of specialist activities such as challenging downhill mountain bike courses, car rallies, horse riding and orienteering. The Forest Park network is a major focus for tourism, attracting millions of visitors to areas such as the New Forest, Forest of Dean, Thetford and Kielder. A wide range of maps and guides is published to help people enjoy the public forest estate and Forest Enterprise is working with the Ordnance Survey to ensure that their maps provide information on access opportunities to woodlands which are dedicated as access land.

The Forestry Commission also encourages **private landowners** to provide access opportunities to woodland. This is promoted through management grants and the Community Woodland Premium.

Many challenges, however, remain:

- less than one third of woodlands are currently open for access beyond public rights of way;
- most woodlands are located in relatively isolated rural areas and there is a severe shortage of access opportunities close to major population centres;
- information on access opportunities remains fragmentary;
- young people, disadvantaged and minority groups are currently underrepresented amongst those visitors using woodlands for recreation;
- most existing access provision lacks long-term security;
- there is a shortage of advice on providing and managing safe public access to woodlands;
- there is insufficient information available to landowners on developing commercial opportunities which will help to support the costs of providing recreational facilities.

Community Participation

The creation and sustainable management of woodlands can present significant issues and opportunities for society. The active early involvement of stakeholders will often improve plans and enable woodlands to make a valued long-term contribution to sustainable development.

The Community Forests, the National Forest, the National Trust and the Woodland Trust, amongst others, are making valuable contributions to the fast-developing field of community involvement in countryside and peri-urban land management.

Forest Enterprise is committed to increasing the involvement of people and communities in the sustainable management of the public forest estate and in 2000 published its approach to working with communities²².

Many other woodland owners develop their plans with the involvement of local communities and stakeholders. The Forestry Commission, in addition to formal consultation procedures on felling licences and Woodland Grant Schemes, now also supports landowners in undertaking wide-ranging scoping studies which are used to inform the preparation of long-term Forest Plans.

Life-Long Learning

The Forestry Commission also has an important role in promoting a better understanding of the role of woodlands in sustainable development and the contribution played by wood products and the forestry industry.

We undertake this role by:

- working directly with the formal and informal learning sectors through education rangers and forest classrooms provided by Forest Enterprise and other woodland managers;
- working indirectly through our support for the Forest Education Initiative (FEI) which is a partnership between the forestry industry, environmental NGOs and educationalists seeking to maximise the use of woodlands for learning.

Government Policy

The Rural White Paper seeks to:

- increase opportunities for people in all sections of society to get enjoyment from the countryside;
- encourage people to be fully involved in influencing and shaping the decisions that affect them.

The Countryside and Rights of Way Act 2000 provides new measures to open up public access to mountain moor and heath and will enable landowners and some long term tenants to dedicate their woodlands for public access in perpetuity.

Strategic Priorities

Our aim is to use woodlands to help deliver the Government's access and recreation policies through the following strategies:

- increasing access opportunities to woodlands closer to where people live;
- securing more convenient access to woodlands and providing recreational opportunities for all;
- enhancing the contribution to recreation made by the public forest estate;
- improving the quality and usefulness of information about access;

²² *Forests for people - working with communities in Britain*. Forest Enterprise 2000 and *Forests for people - working with communities in England*. Forest Enterprise 2000

- encouraging community participation in the creation and sustainable management of woodlands;
- promoting a better understanding about the benefits of trees, woods and forests.
- Helping to provide advice to landowners on the development and management of recreational opportunities in woodlands.

We will concentrate our resources upon providing recreation opportunities which are closer to the major urban areas and more convenient for disadvantaged communities.

Tasks for 2003

We will:

- complete arrangements for the FC to act as relevant authority for woodland dedicated under the Countryside and Rights of Way Act, introduce measures to encourage dedication and start to dedicate the public forest estate;
- complete work on the “Woods for People” study with partners to improve understanding of the nature and distribution of woodland access and priorities for attention;
- contribute towards the Government Review to understand the use of the countryside by ethnic and other minority groups;
- complete the redevelopment of Forest Holiday cabin sites in Cornwall and North Yorkshire with the support of the Capital Modernisation Fund;
- host a seminar and develop with partners a national framework for the role of woodlands in education and learning;

Forestry for Environment and Conservation

Setting the Context

Trees and woodlands play a critical role in our environment. They absorb carbon dioxide, provide habitats for wildlife, contribute to distinctive landscapes and provide wood – a renewable and sustainable resource for our everyday needs. Managing existing woodland, and creating new woodland can help to protect vulnerable habitats and species, contribute to our finest designated countryside and improve the wider environment.

The Commission's objectives for this area are to conserve and improve the biodiversity, landscape and cultural heritage of our forests and woodlands. The UK Forestry Standard²³ and its associated Guidelines set out the detailed environmental standards for forest and woodland management and creation.

Biodiversity

There are no natural forests left in England, but over 20% of our woodlands are of ancient and semi-natural origin. Many of the new woodlands created last century were established on open semi-natural habitats and some ancient woodland sites were planted with exotic species.

The Government's priorities for maintaining and enhancing biodiversity are set out in the UK Biodiversity Action Plan (UKBAP). At the heart of the Plan is a range of Habitat and Species Action Plans which will guide nature conservation efforts over the next 10-15 years. In 2002 the Government also published *Working with the Grain of Nature: A Biodiversity Strategy for England*. Woodland and forestry is one of key sectors covered by the strategy.

The Forestry Commission has the lead responsibility under the UKBAP for taking forward Habitat Action Plans for woodlands and the action plans for some species associated with woodlands. We have been working closely with English Nature and other partners to prepare and implement strategies for the restoration and expansion of native woodland habitats and for bringing them into a favourable condition. The final Habitat Action Plans, covering Lowland Mixed Deciduous and Birch Woodland, are in draft form and once approved all native woodland will be covered. We have established an English Native Woodland Partnership to co-ordinate implementation and research, and to advise us on suitable government measures.

We work in partnership with English Nature, the Government's statutory adviser on nature conservation, through an Accord with joint programmes.

The public forest estate is a key biodiversity resource. It incorporates 180 Sites of Special Scientific Interest (SSSIs), including the New Forest, the largest in England, all managed in accordance with management plans agreed with English Nature. 93% of woodland SSSIs on the Commissioners estate have been assessed as being in 'favourable or recovering condition' but some other habitats on the estate require more work to achieve this status. Forest Enterprise is a leading agency for delivering the UKBAP in England and is implementing plans for key habitats such as lowland heath, upland oakwoods, pasture woodland, limestone pavement, red squirrel and butterflies.

²³ *The UK Forestry Standard*. The Government's Approach to Sustainable Forestry. Forestry Commission and the Department of Agriculture for Northern Ireland. 1998.

Landscape

Woodland is a key component of the English landscape. It makes a special contribution to many National Parks and Areas of Outstanding Natural Beauty (AONBs).

In 2002 we renewed our Accord with the Association of National Parks and this now covers the full contribution which woodland can make to National Park purposes. We are closely involved with the work of the Countryside Agency in designating proposed new National Parks in the New Forest and the South Downs. We also have an Accord with the Association of AONBs, and in 2002 we agreed with the Countryside Agency to jointly fund 4 new woodland officers to help increase the contribution of woodland to the environment and the economy of AONBs.

We are committed to safeguarding the distinctive variety of landscapes across England and will continue to support the Countryside Character Programme as a framework to guide our consideration for the management and creation of woodland..

Heritage

The character of the countryside today owes much to the activities of previous generations, and the remains of their settlements, burial sites, fortifications, field systems, earlier industrial processes and designed landscapes are all around us. Areas of ancient woodland often contain features that relate to earlier woodland management as well as archaeological sites which have been lost to developments in surrounding agricultural areas. However, the information held by archaeological services on woodland areas is acknowledged to be poor, partly due to the difficulty of effectively using aerial photographs.

It is therefore vital that such sites are managed in a way that conserves and enhances this cultural heritage and all applications are assessed to ensure compliance with our Archaeological Guidelines. We also consult local authority archaeological services about all applications for creating woodlands to avoid adverse impacts on archaeological remains.

The public forest estate contains a wide range of archaeological sites. These include 732 Scheduled Ancient Monuments which are actively conserved through management plans agreed with English Heritage. Many archaeological sites are also equipped with interpretation as part of forest recreation provision.

Government Policy

The Rural White Paper seeks to:

- protect and enhance our most valuable landscapes and cultural heritage;
- provide better protection for special designated wildlife sites;
- sustain and restore species and habitats at risk.

The Countryside and Rights of Way Act²⁴ gives greater protection to wildlife and natural features by placing an obligation on all public bodies “to have regard to” conserving biological diversity. The Act also places a similar obligation to contribute to ‘conserving and enhancing the natural beauty’ of AONBs²⁵.

²⁴ Section 74 of the Countryside and Rights of Way Act 2000.

²⁵ Section 85 of the Countryside and Rights of Way Act 2000.

Strategic Priorities

Our aim is to ensure that woodlands play a full role in delivering the Government's environmental policies through the following strategies:

- protecting the existing woodland resource, particularly ancient or semi-natural woodland, from external threats and gradual decline.
- enhancing the ecological 'condition' of woodland, and conserving priority species associated with it;
- improving the contribution of all types of woodland to the conservation of biodiversity in the wider landscape;
- increasing understanding of the role of woodland in protecting the environment;
- strengthening the contributions which woodlands make to the environmental, social and economic objectives of National Parks and AONBs;
- ensuring that both new and existing woodlands play a positive role in conserving and improving landscape character;
- avoiding adverse impacts of woodland creation on archaeological sites, and raising awareness of the cultural heritage within woodlands;
- developing the public forest estate as an exemplar for Government policies on the environment, biodiversity and the cultural heritage.

The priorities for our environmental programme are SSSIs, ancient woodlands, National Parks and AONBs.

Tasks for 2003

We will:

- lead implementation of the Plan of Action for woodlands and forestry in the England Biodiversity Strategy;
- develop a policy statement on the management of England's ancient woodlands and set out plans to restore ancient woodlands on the public forest estate;
- develop and pilot condition assessments for ancient woodlands;
- establish the protection of woodlands as an integral part of the Entry Level Agri-Environment Scheme;
- develop a policy statement on the removal of woodlands to restore important habitats and initiate a survey to inform future strategies for restoring heathland on the public forest estate;
- produce guidance on native woodlands creation and management priorities to support the development of Regional Forestry Frameworks;
- work with ODPM to revise national planning policy guidance on ancient woodlands and advise planning authorities on the application of the advice;
- continue research with partners on the causes of decline in woodland bird species;
- publish an updated Accord with English Nature;

- develop action plans/Accords with each National Park which set out measures for increasing the role of woodlands in delivering their objectives;
- strengthen joint working with the Environment Agency to increase the contribution of woodlands to environmental protection;
- manage all 180 SSSIs and 732 Scheduled Ancient Monuments on the public forest estate in accordance with plans agreed with English Nature and English Heritage.

**EFFICIENT
USE OF
RESOURCES**

Financial Resources and Efficiency Measures

Source of Funds

Cash funding for our activities in England and our GB functions comes from Westminster, from the EU (which contributes to the cost of woodland grants) and from income from the public forest estate managed by Forest Enterprise. Like the rest of the public sector, we now also make provision for resource costs which do not involve movements of cash – mainly the cost of the capital invested in the public forest estate and depreciation charges for use of assets.

Westminster funding for the Forestry Commission was decided as part of the Government's 2002 Spending Review. Table 1 shows the planned sources of income and expenditure up to 2005/06.

In November 2000 the Government announced that, as a consequence of modulation arrangements introduced in the England Rural Development Plan, additional **EU** funds would be available until 2006/07 to support landowners in sustaining woodlands and creating new woodlands for public benefit. This support is provided through the Woodland Grant Scheme (FC), and the Farm Woodland Premium and Energy Crops Scheme operated by DEFRA. Additional EU support is also potentially available through the Structural Funds. The Forestry Commission is currently actively engaged with partners in connection with Objective 1 funding in Cornwall, Merseyside and South Yorkshire and Objective 2 in most of the northern counties, the Welsh Marches and Devon.

Timber sales represent the main source of **income for Forest Enterprise** and its financial performance is closely linked to the strength of the round timber market. Over recent years, there has been a major decline in the price of round timber. Measured in pounds in real terms, prices remain at the lowest levels ever encountered. Factors such as the strength of sterling and high sawn timber production levels in Sweden and the Baltic States have contributed to the fall in prices. There is no sign of an early recovery and this Plan assumes that prices will continue at their present depressed level.

Use of Funds

At the GB level, our resources support work which benefits all three countries. The largest component is research and development carried out by our executive agency Forest Research (about 90%) and by other providers (about 10%): almost all research results are applicable to more than one country. The remaining expenditure is on protecting Britain's trees from pest and diseases, representing British interests on the international stage, and other GB-wide work including the costs of the Board of Forestry Commissioners, the development of the timber market, and the development and promotion of standards for sustainable forest management.

Resources in England are used to sustain and expand woodlands and woodland services in accordance with the England Forestry Strategy. We plan to spend approximately 53% of grants on woodland expansion and 47% on the management of existing woodlands over the period of the 2002 Spending Review.

TABLE 1

Sources of Finance

£m	2001-02 Outturn	2002-03 Estimated Outturn	2003-04 Budget	2004-05 Plan	2005-06 Plan
Provided by Parliament					
– Grant	62.9	52.2	58.2	58.2	58.2
– Capital Modernisation Fund	3.1	10.6	3.0	–	–
- Civil Service Modernisation Fund	1.0	–	–	–	–
- Invest to Save Budget	–	0.6	0.2	–	–
Total Cash Funding Provision	67.0	63.4	61.4	58.2	58.2
Other Resource Provision ²⁶	34.5	34.5	20.7	20.7	20.7
Total Parliamentary Resource Provision	101.5	97.9	82.1	78.9	78.9
EU Co-financing of Woodland Grants	4.3	6.8	6.8	5.8	6.1
Forest Enterprise England					
– operating receipts	24.2	26.0	25.1	25.9	25.9
– recreation, conservation and heritage	5.6	6.5	7.0	7.0	7.0
– sales of surplus assets	5.5	2.6	1.0	1.0	1.0
Forest Enterprise Cash Receipts	35.3	35.1	33.1	33.9	33.9
Total Cash Funding/Receipts	106.6	105.3	101.3	97.9	98.2
Total other resource provision	34.5	34.5	20.7	20.7	20.7
Total Resource Provision	141.1	139.8	122.0	118.6	118.9

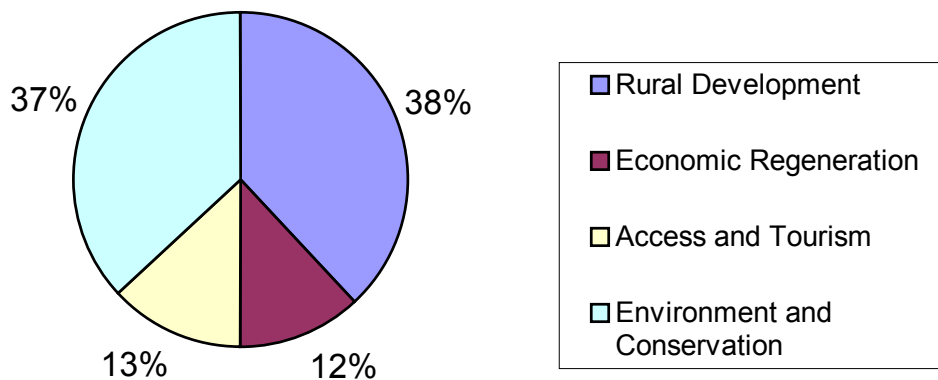
²⁶ Other Resource Provision covers accruals changes and the cost of capital and depreciation charges for the use of assets

Use of Funds

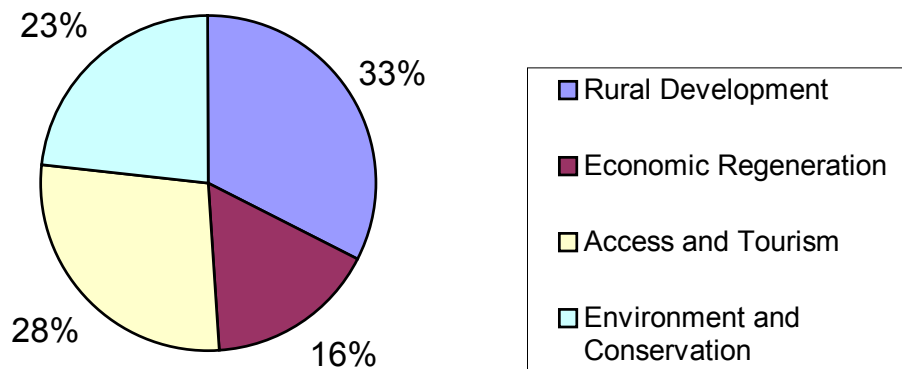
£m	2001-02 Outturn	2002-03 Estimated Outturn	2003-04 Budget	2004-05 Plan	2005-06 Plan
Forestry Commission GB					
Research and Development	9.8	10.0	10.0	10.0	10.0
Pensions and Retirement Compensation	12.2	1.5	1.6	1.6	1.6
International Forestry Policy	0.4	0.4	0.4	0.4	0.4
Plant Health	0.1	0.1	0.1	0.1	0.1
Other GB level policy matters	6.5	7.7	7.7	7.7	7.7
Civil Service Modernisation Fund	0.9	–	–	–	–
Invest to Save Budget	–	0.6	0.2	–	–
Changes in Working Capital	1.3	(2.2)	–	–	–
Total Cash Expenditure	31.2	18.1	20.0	19.8	19.8
Other Resource Costs	1.6	1.6	1.3	1.3	1.3
Total FC GB Resource Expenditure	32.8	19.7	21.3	21.1	21.1
Forestry Commission England					
Woodland Grants and Partnerships	16.9	18.4	18.5	18.5	18.5
Policy, Regulation & Administration	9.5	7.7	8.1	8.3	8.6
Changes in Working Capital	–	–	–	–	–
Total Cash Expenditure	26.4	26.1	26.6	26.8	27.1
Other Resource Costs	0.2	0.2	0.2	0.2	0.2
Total FC England Resource Expenditure	26.6	26.3	26.8	27.0	27.3
Forest Enterprise England					
Operating Costs	30.5	31.2	33.2	34.1	34.1
Recreation, Conservation and Heritage	14.1	15.0	16.3	14.6	14.6
Cost of Surplus Land Sales	0.3	0.3	0.2	0.3	0.3
New Planting	0.5	1.0	1.4	0.3	0.3
Other Capital	1.1	2.0	0.6	2.0	2.0
Capital Modernisation Fund	3.1	10.6	3.0	–	–
Changes in Working Capital	(1.3)	1.0			
Total Cash Expenditure	48.3	61.1	54.7	51.3	51.3
Other Resource Costs	32.7	32.7	19.2	19.2	19.2
Total FE England Resource Expenditure	81.0	93.8	73.9	70.5	70.5
Total England Resource Expenditure	107.6	120.1	100.7	97.5	97.8
Total England/GB Resource Expenditure	140.4	139.8	122.0	118.6	118.9

Forestry Commission Grants, Licensing and Partnership Funding

In England



Expenditure by Forest Enterprise on the public forest estate



The underlying methodology for the pie-chart is only indicative, since by its nature multi-benefit forestry delivers a range of benefits from individual woodlands and so apportioning costs can be difficult.

Improving Efficiency

The Forestry Commission Service Delivery Agreement for 2003-06 requires us to actively pursue efficiency gains and achieve better value for public money.

The targets for the Commission in England are set out in Annex B. The main risks in achieving these targets are: reductions in funding as a consequence of a further decline in the timber market, and changes in the demand for woodland grants as a consequence of external factors which may change the relative attractiveness of woodland as a land-use.

Strategic Priorities

We will continue to strive to achieve better value for public money by:

- improving the performance of our executive agencies;
- improving the administration of our grant schemes;
- implementing our E-business strategy to enhance services and increase efficiency through the greater use of information technology;
- evaluating the effectiveness of mechanisms for implementing the England Forestry Strategy.

Tasks for 2003

Through the GB Forestry Commission we will:

- implement conclusions from the Forest Research Agency Quinquennial Review;
- develop the GLADE system for enabling the delivery of grants and licences electronically;
- introduce on-line applications for plant health certificates for exports;

Through the Forestry Commission in England we will:

- establish a new agency to manage the public forest estate.

People in the Forestry Commission

Setting the Context

The Forestry Commission is the employer of choice for many people who want to work in forestry or in rural areas. We employ 1350 people directly on the activities covered by this Corporate Plan. This includes 980 staff working exclusively on English activities, of whom 814 work on the management of the public forest estate. The other 370 members of staff work on functions which span forestry in the whole of Britain.

A continuing programme of change

Our staff, and the way they go about their work, have changed greatly in recent years. Between 1994 and 1999, we reduced the number of staff by 23%. In 2000, we unified our former industrial and non-industrial staff groups, to create a unified workforce capable of more flexible deployment on the more varied tasks facing the Commission today. Prompted by the nation-wide programme of reform of the Civil Service announced in 1999, and by our first-ever survey of all staff in 2000, we introduced a major change programme (called Connect) which involved management at all levels and staff throughout the country in identifying changes which would make the Commission a more efficient and a better employer.

The changes involved:

- **Clearer leadership**, so that everyone knows what the Forestry Commission is about and stands for, what our plans are for the future, what part each unit can play, which things are priorities and which are not;
- **Greater trust in people at all levels**, with more flexible ways of working and less concern about where people sit in the hierarchy;
- **Better communications**, more informal, oral and interactive;
- **Improved people management**, developing and making the best use of our staff.

The Connect programme of changes was implemented in 2001 and 2002. It included a commitment by the organisation in summer 2002 to be guided by a new set of FC values:

- Teamwork
- Professionalism
- Respect
- Communication
- Learning
- creativity

A second Staff Survey was conducted in November 2002.

Benchmarking progress

We have benchmarked our progress against other organisations, and against our own performance before the Connect change programme.

Externally, that involved a re-evaluation against the Investors in People accreditation which we were awarded in 2000. During 2002, the core part of the Forestry Commission, plus our Forest Enterprise executive agency won re-accreditation. The assessors noted tangible improvements in performance since the original accreditation.

The November 2002 Staff Survey, too, showed progress. Indeed, of the 160 questions asked, only 8 showed a poorer performance and there were big improvements in team working, leadership and training. Morale had improved, there was a big increase (18%) in staff who would recommend the Commission as a place to work, and almost 40% of staff felt that the Commission was a better place to work than it had been at the time of the last Survey only 2 years ago. There were still areas of concern but the Survey gave a strong indication that the culture change programme was moving quickly in the right direction.

People: Health, Safety and Diversity

We put a lot of effort into developing and operating safe working practices and ensuring the general welfare of all staff, particularly those working in the forest which can be a dangerous workplace. The number of reportable accidents per hundred employees has progressively reduced and now stands at 2.6 for Forest Enterprise. This achievement has been helped by a series of forestry safety seminars run jointly with the Health and Safety Executive and a new system of support visits which have measured the performance of safety management. Health and Safety will remain a priority for the Forestry Commission in working with the forestry industry as a whole.

The Forestry Commission's sick absence record is already significantly better than the average for the Civil Service.

Working days absence per staff year

	2000	2001	2002
Civil Service Average	10.1	9.9	9.2
Forestry Commission	8.0	8.7	6.9

Ill-health retirements, however, are running at a higher level than the Civil Service as a whole. We are giving fresh attention to occupational health policies and management practices, in order to reduce both sick absences and ill-health retirements.

Although we are making progress with the number of women in senior posts, we have not attracted significant numbers of staff from diverse ethnic backgrounds - less than 0.2% of staff at present and 1% of job applicants.

Tasks for 2003

We will:

- implement the staffing consequentials of the Forestry Devolution Review, especially creating a new agency to manage the public forests in England, and equipping the National Office for England to assume a greater range of responsibilities;
- strengthen our staffing interchange with, increasing secondments to and from other government departments from 3 in 2002-03 to 5 in 2003-04;

- re-evaluate Forest Research Agency against the Investors in People accreditation;
- draw up an action plan for next steps in change management, including the follow up to the November 2002 Staff Survey;
- make further increases in the diversity of our staffing, including increasing from 14% to 15% the proportion of senior posts filled by women and work actively through the appropriate agencies and networks to raise the profile of forestry in general and the Commission in particular as a career for people from a diversity of backgrounds;
- make further improvements in our occupational health policies and management practices, in order to reduce staff sickness levels to 6.3 days per year and maintain ill-health retirements below 4.84 per 1000 staff and ensure that the number of reportable accidents in Forest Enterprise is no more than 1.80 per 100 employees.

Public Service

The Commission is committed to achieving high standards of public service. The following formal Statements of standards are now in place:

- Statement of General Standards of Service (Forest Enterprise);
- Woodland Grant Scheme Applicant's Charter;
- Felling Licence Charter;
- Plant Health Charter.

Performance against these standards is reported in our Annual Report.

We work extensively with partner organisations, with customers, and with the people who use England's forests. We recognise that good communications with all these groups is essential.

In all our contacts we aim to be:

Honest – we will treat people honestly as befits our responsibilities as Crown servants.

Open – we will make information available on all our services and how we are performing. In line with Open Government, we will also make information on all our activities available on request.

Accessible – through our helpline and Internet site, and through personal contact and published materials. Wherever possible we will use plain language. We will also make contact names and addresses widely available.

Listening – we encourage views about forestry and what we do. We will consult openly about our policies and about the range of services we provide, at both national and local levels.

Responsible – if we get something wrong we will admit to it and put it right. We will also respect people's privacy and dignity.

Tasks for 2003

We will:

- create web areas within our website to provide regional information on forestry and the work of the Forestry Commission.

Progress with Implementing the 2000 Spending Review Targets for 2001-2004

TARGET	FORECAST BY 31.3.03
GB ACTIVITIES	
Publish the National Forest Programme for the United Kingdom based on the forestry strategies for each country.	Publish by February 2003
Publish UK Indicators for monitoring sustainable forest management	Published October 2002
IMPLEMENTING THE ENGLAND FORESTRY STRATEGY	
<u>SUSTAINABLE FOREST MANAGEMENT</u>	
Area of new woodlands (ha):	17,000 10,300
Area of woodland with approved plans for sustainable forest management (ha):	500,000 510,000
<u>RURAL DEVELOPMENT</u>	
Area of new woodland in Rural Priority Areas (ha):	8,000 4,700
Area of woodland in RPAs with approved plans for sustainable forest management (ha):	230,000 224,000
Volume of timber harvested from the Forestry Commission estate (m ³):	4.2 million 2.8 million
<u>ECONOMIC REGENERATION</u>	
Area of new woodland planted in economic regeneration priority areas (ha):	4,500 2,000
Area of new woodland planted on land previously used for industry, landfill and mineral extraction (ha):	1,000 550
Area of new woodland planted within Community Forests and the National Forest (ha):	4,500 2,600
<u>ACCESS, RECREATION AND TOURISM</u>	
Increase in area of woodlands with public access (ha):	12,000 8,100
Increase in area of woodlands with public access near urban areas (ha):	10,000 6,700
Number of day visits to woodlands per annum:	340 million see ¹
<u>ENVIRONMENT AND CONSERVATION</u>	
Increase in the area of ASNW with approved plans for sustainable forest management (ha):	35,000 23,000
Area of new native woodland planted in accordance with the UK Biodiversity Action Plan (ha):	3,000 3,800
<u>VALUE FOR MONEY</u>	
Unit cost of grant administration p/£grant:	16p 19.5p
Percentage compliance with Woodland Grant Scheme charter standard:	85% 75%
Unit cost of timber production on the Forestry Commission estate £/m ³ :	13.55 13.70

¹ Interim report for 2002 to be published in 2004

2002 Spending Review Targets for 2003-2006

SUSTAINABLE DEVELOPMENT

Promote the contribution of woodland to sustainable development as measured by achieving positive trends in the UK Indicators of Sustainable Forestry.

Strengthen the role of woodlands and forestry in the sustainable development strategy of each region through promoting the preparation of regional expressions of the England Forestry Strategy by 2004.

Create 15,000 hectares of new woodland from 2003 to 2006 in accordance with the England Forestry Strategy and the England Rural Development Programme.

Promote an increase in the area of woodland certified against the UK Woodland Assurance Standard for sustainable forest management in England to 350,000 hectares (32%) by 2006.

RURAL DEVELOPMENT

Promote the sustainable utilisation of England's woodland resource by increasing the percentage of the annual increment in the growing stock which is harvested in relation to the baseline of 38% in 2000.

Improve the health of woodland and forestry related businesses as measured by an increase in the confidence of businesses in relation to the 2003 baseline study.

ECONOMIC REGENERATION

Improve the environment of disadvantaged urban communities and help to attract investment by creating 2700 hectares of new woodlands in priority areas from 2003 to 2006.

ACCESS AND RECREATION

Promote healthier lifestyles and increase environmental awareness by expanding the area of woodlands with public access by 10,000 hectares in priority areas over the period 2003-2006 in relation to the 2003 baseline study.

Increase the number of day visits to woods and forests to 350 million by 2006.

ENVIRONMENT AND CONSERVATION

Bring into favourable condition by 2010, 95% of all SSSIs where the Forestry Commission has statutory responsibilities.

Lead implementation of the UK Biodiversity Habitat Action Plans for woodlands in England for delivery by 2015.

Reverse the long-term decline in the number of woodland birds by 2020 as measured annually against underlying trends using the Woodland Birds Index.

VALUE FOR MONEY

Reduce the unit cost of administering grant aid to 16p/£ by 2006 while maintaining a minimum of 85% compliance with the FC Customer Service Standard for the Woodland Grant Scheme and achieving 100% electronic serving delivery capability for such payments by 2005.

Reduce the unit cost of producing a cubic metre of timber on the Forestry Commission estate to £13.55/m³ by 2006 while increasing the proportion of woodland managed in accordance with low impact silvicultural systems.