

**FORESTRY COMMISSION ENGLAND
EIGHTY FIRST MEETING OF THE NATIONAL COMMITTEE
FOREST RESEARCH LODGE, ALICE HOLT
13 JULY 2016 AT 13.00hrs**

Minutes

Present:

Sir Harry Studholme (Chairman)
Mary Barkham
Ian Gambles
Richard Greenhous
Simon Hodgson
Steve Meeks (*by telephone*)
Mark Pountain
Shirley Trundle

Also present:

PK Khaira-Creswell (Secretary and England SIRO)
Josie Sterling (Minute Secretary)

1. WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. Apologies had been received from Clive Tucker.

2. MINUTES OF THE MEETING ON 26 MAY 2016

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

3. MATTERS ARISING/UPDATES

Plant Health

Richard Greenhous updated the Committee on plant health matters. Aerial surveillance for plant health had recently been undertaken over the South-West showing significant sweet chestnut dieback and mortality. This was not unexpected but is concerning.

Oriental chestnut gall wasp: It had been discovered in a number of areas across London. The Cambridge modelling team predicted a 97% chance of wider spread, and this had now occurred. We have no viable measure beyond existing approaches to mitigate this spread.

Green spruce aphid: Colleagues in Wales had seen an anticipated peak in mortality of spruce from the aphid. They have called a meeting to consider the implications. FS will reassess the position on the overall plant health risk register following a stock take of emerging knowledge.

OPM: The spraying programme was complete, with the surveillance and nest removal period now underway, as planned. The processes and associated tree health resilience strategy are also being reviewed in the context of wider organisational and government

changes. These look at tree health issues more strategically and holistically, rather than individually and in isolation from each another.

Corporate Plan

The publication of the Corporate Plan, delayed as a result of election and referendum purdah, had been further delayed because of the change of government following the referendum result. FC England were now making an assessment of options and identifying any revisions needed.

Strategy Board

An update was provided by Mark Pountain from the morning's FE Strategy Board. A discussion regarding the forward looking strategic framework had been held, with draft proposals for vision and main elements shown to the Board.

The Board had also discussed the FE Leadership model developed with the Cambridge Strategy Centre; positive feedback from the latest financial report which showed timber prices and recreation going well to date; the Dashboard performance indicators and, an in-depth discussion of health and safety issues; including the work already being undertaken to address particular issues and reduce absenteeism.

4. EU REFERENDUM IMPLICATIONS

Shirley Trundle updated the group on the implications of the EU Referendum result, from the initial perspective within Defra. It was highlighted to the Committee that Defra are more impacted than most departments as a considerable proportion of Defra activity comes from delivery of European Union programs. Additionally a major part of environmental and other legislation impacting rural affairs flowed from the EU. Defra representatives have a seat at most of the ongoing discussions within Government on the impacts of the UK leaving the EU. A programmatic approach would be taken to managing the multiple work streams within Defra, these will include; environmental strategy and regulation, future implications for farming and land use, and animal and plant health.

The 25-year Environment Strategy will be reviewed by new ministers when they have been appointed; at present a full plan is still expected to be in place some time next year, and consultation workshops are continuing.

The Committee discussed the potential impact of Brexit on scientific research. Members noted emerging impacts on projects where UK scientists or institutions work with EU partners. The Committee was reassured that Government would consider carefully potential impacts on research councils and universities, but considered it important too that potential impacts on public sector research institutes should be assessed.

The other key issue the Committee highlighted was the number of EU nationals in public service in the Commission, many of them with key skills and experience of great importance to the FC's business. Shirley Trundle and Ian Gambles confirmed that the issue had been flagged at the highest levels in Defra and across Government and is being carefully considered. The Committee confirmed their ongoing interest in this issue and their firm commitment to supporting all of the FC's employees, irrespective of their background, particularly whilst there is an extended period of uncertainty.

Richard Greenhous highlighted the impact on delivery of the period of uncertainty in policy, which has inevitably followed the referendum result. Confidence in the future for

the forestry sector needs to be maintained particularly in order to encourage woodland creation, especially following a poor planting season last year.

5. FINANCE REPORT

Paper 17/16

Steve Meeks (by phone) highlighted the key points in the paper and confirmed that the in-year position for 2016/17 remains good for the first quarter.

The Annual Report and Accounts for 2016/17 have now been certified for FC and additional text relating to Brexit had been included.

Richard Greenhous pointed out to the committee that £150k technical assistance money, described in point 3, had already been allocated and was being used to meet the additional costs incurred because of the technical problems with the CAP Delivery system, so this did not technically represent a real underspend.

Mary Barkham highlighted that the VAT risk on the risk register had gone up despite the FC having a better understanding of the issue now. This was explained as being due to the fact that while discussions with HMRC won't now take place until September the FC now has a better insight on the position and a greater certainty that there will be significant liabilities following work by Scott Moncrieff and PWC.

It was confirmed that FE are on plan, and slightly above, with timber sales and recreation revenue with the weaker pound potentially working in FE's favour.

6. RESPONDING TO CHANGE IN SCOTLAND- FUTURE OF CROSS-BORDER ACTIVITY

The impact of changes in Scotland on future cross-border activity was discussed by the Committee. The Committee expressed the hope that discussions and agreements on the future of Forest Research would not be unduly delayed as a result of wider issues arising following the vote in the EU referendum. The Committee noted that there was ongoing uncertainty, particularly for Forest Research staff, and it would be important that the FC was able to be clear to its staff by the end of the year about the direction of future change.

7. HEALTH & SAFETY REPORT

Mike Seddon presented the Committee with the overall health and safety (H&S) figures from 2013-14 to the end of 2015-16. It was highlighted that the accident level had increased since 2013-14, but that this was expected due to improved reporting which in turn was valuable in helping the FC to acknowledge and learn from the causes. The target accident level would always remain at zero and there are further improvements to be made across the sector as a whole. Slips and trips remain the most prominent cause of incidents for the FC.

It was highlighted that average working days lost per person per year was rising and there was also some indication of absence related to stress and mental health issues. It was recognised that a few individuals with long-term absence can have a disproportionate impact on the average figures. Despite the fact that 50% of staff had zero absence in the 2015-16 period there was still an upward trend which needs to be monitored. Initiatives are already underway, including wellbeing programmes, to help tackle any mental health issues amongst staff with the aim of being able to pick up on things before they become a bigger problem. The Committee also agreed some work might be required on reviewing

and implementing sick leave policies across the organisation in order to ensure more robust and consistent application.

The Committee discussed the fact that there may be some issues following the EU referendum as around 10% of the FC workforce is EU Nationals. It was noted that all managers had been made aware of the possibility of issues related to the referendum and EU national staff, but only one minor incident related to EU Nationals had been reported to date. It had been made clear to managers that they must act quickly on any incidents of this nature and the FC and Government continue to support and value staff of all nationalities.

A minor increase in recorded accidents amongst members of the public was also noted. Although this was believed to be purely a result of more activity, sports and play equipment being developed across the Estate it was also noted that the reasons behind the incidents would be closely analysed.

The Committee also discussed the need to monitor contractor H&S performance on FC sites. Although the Red, Amber, Green contract management system was introduced for monitoring, FE have agreed to make a reassessment of the contract process in order to help ensure for H&S is properly accounted for by contractors.

8. PERFORMANCE INDICATORS

Paper 18/16

The Committee discussed the performance indicators highlighted in the Paper and the accompanying Report.

The Committee considered the indicator for “Percentage of people in Priority Places close to Public Forest Estate accessible woodland” and agreed the percentage would be unlikely to improve unless there is a change in policy for woodland creation. It was confirmed that although most acquisition in the last 10 years has been at locations near towns or cities this was more of a contextual indicator rather than performance one. It was agreed this indicator should be considered within future acquisition programmes and that it could become an even more important consideration if using natural capital accounting for FC, as it was positively correlated with the value of natural capital.

The Committee agreed that some more work need to be done on performance indicators to make them more relevant. The FS indicators were considered better than those for FE, but it was acknowledged that FE now had its performance dashboard indicators to measure the business overall and that the FS Board receives its own, separate indicators more frequently. Development was required to evolve the indicators over the longer-term and Defra’s future indicators should also be considered within any change. It was agreed that, at present, many of the indicators reflected what could be measured rather than what would ideally be measured. It was recognised that the indicators were constrained by the need to be accurate, repeatable and consistent in order to report change over time.

It was agreed that the Committee will return to considering the 11 million trees planting target at a future date, alongside reviewing of some of the other targets.

9. FOREST HOLIDAYS AND CAMPING IN THE FOREST UPDATE

Paper 19/16

Overall business for both Forest Holidays (FH) and Camping in the Forest (CITF) remains good but June proved to be a slower month for sales. Focus for FH now is looking at more new sites for development, with detailed preparatory work currently going into the proposals.

Relationships between the FC and both businesses continue to be good with positive relationships maintained despite some changes of staff in the FC.

10. AOB

No other business was raised.

Future Meetings:

14 September – Bristol (no other meetings for non-exec members currently planned on this day)

9 November – Bristol (after FE Strategy Board)