

**FORESTRY COMMISSION ENGLAND
SEVENTY EIGHTH MEETING OF THE NATIONAL COMMITTEE
FORESTRY COMMISSION, BRISTOL
3 FEBRUARY 2016 AT 13.00 hrs**

Minutes

Present:

Sir Harry Studholme (Chairman)
Mary Barkham
Dom Driver
Ian Gambles
Simon Hodgson
David Hodson
Keith Oates
Mark Pountain
Shirley Trundle
Clive Tucker

Also present:

PK Khaira-Creswell (Secretary and England SIRO)
Richard Barker (Minute Secretary)

1. WELCOME AND APOLOGIES

The Chairman welcomed everyone to the meeting. Richard Greenhous sent his apologies and Dom Driver was attending in his place. Steve Meeks also sent his apologies and David Hodson was attending.

2. MINUTES OF THE MEETING ON 25 NOVEMBER 2015

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

3. MATTERS ARISING/UPDATES

The Chairman updated the Committee on his recent conversation with the Minister, Rory Stewart MP, which had covered legislation, urban forestry and squirrels, which would be covered at the end of the meeting.

In regard to legislation there was a shared understanding that this was important to enable the Government to fulfil its manifesto commitment to a strong future for the PFE. Urban forestry was also a particular area of interest to Defra Ministers, with reference to the work of the urban FWAC and the Forestry Forum, whilst recognising that DCLG also had important related responsibilities.

Woodland Creation

Dom Driver provided the Committee with copies of the Countryside Stewardship funding for woodland leaflet and advised the Committee that the window for woodland creation applications (2016-17) would be opening on 16 February. The process was expected to be an improvement over 2015-16 as changes to the process had been implemented.

The current planting season had been challenging with agreements so far issued for only around 700 hectares out of around 1,300 hectares of accepted applications. Nevertheless, there was confidence that the 11 million tree target for the current Parliament would still be met. Rolling forward existing applications was a straight forward process. Steps were being taken to mitigate the impact of the publication of the current year's performance indicator, which would be less than the sector was expecting.

The reduced level of woodland creation in England was aggravating the problem created by the much more substantial deficit in predicted planting in Scotland to put pressure on the nursery trade with the prospect of unsold stock having to be destroyed with the associated financial impacts. The scale of the problem was not yet known, but it did raise the risk of a shortfall in supplies and choice in future years and an increased level of imports to cover shortfalls in UK production through lack of confidence to invest, with the associated plant health concerns.

There had been good take up of the woodland creation planning grant and it was expected that significant new woodland creation proposals would emerge from the process. Ministers were also interested in exploring new ways of financing woodland creation, less reliant on Countryside Stewardship. However, it was confirmed that there was adequate funding available for woodland creation schemes at this time.

Plant Health

P. ramorum in sweet chestnut had been confirmed in the South West and the cause and dynamics of the infection were being further investigated.

Oak processionary moth had been discovered in Guildford and Wisley areas to the south west of London. This was a significant new area, detached from the core zone and in a much more wooded environment. The means of transmission was unclear and there remained a risk from the import of mature trees for landscape schemes which may cause new outbreaks not linked to previous cases.

A value for money review of the previous year's OPM control programme was currently underway, due for completion in early March, and this together with the latest information on spread would be taken into account when considering the options for the coming year's management plans.

The recent positive news reports on Ash dieback, where some indicators of tolerance had been identified was welcomed and that the impact of the disease was appearing to be slower than had initially been anticipated.

4. FINANCE REPORT

Paper 25/15

Ian Gambles introduced Paper 01/16 noting the contribution made to the departmental budget challenges. There was not yet any concern about areas of additional expenditure by the FC. The latest situation with the HMRC compliance audits was noted; in particular

the slow pace that HMRC were working which meant that it may take 12-18 months before it reached a conclusion.

It was agreed that the ARAC would need to look in more detail at how the situation would be reported in the accounts and whether or not the resources being put into the process by the FC were adequate.

Dom Driver advised the Committee that the RDPE gross budget had been amended since papers were written and it now stood at £28.55 million. The overspend on the Woodfuel WIG was as a result of more delivery than budgeted..

5. CORPORATE PLAN

Paper 02/16

PK Khaira-Creswell introduced the Paper and emphasised the work in progress nature of the draft. An important new element was the effort to define and quantify the payments for ecosystems services to Forest Enterprise. Also included in the plan would be the cross border issues as a cross border plan was no longer being produced.

It was noted that the one Defra business approach, with a single high level Defra plan, had changed the context for the FC Corporate Plan, but this had to be reconciled with the need to develop the separate identity for the Public Forest Estate and the PES contract valuing the delivery of ecosystem services.

The inclusion of forest resilience was welcomed and a number of suggestions were made on how this should be presented.

In response to questions on the future prospects for woodfuel/biomass, particularly in the context of the current low oil prices, it was noted that maintaining the renewable heat incentive was a key element and that DECC understood the importance of this to the forestry sector. In addition the capital investment already made was unlikely to be abandoned in the short term, which meant that the existing markets would remain but there would be competitive pressures on suppliers.

It was also noted that the possible impact of the outcome of the EU membership referendum on the forestry sector, for example in regard to plant health and timber market issues, had not been considered. This would require further discussion at a later date once the Government's position on the referendum was clear.

6. BUSINESS PLANS 2015/16 and MANAGING SPENDING REVIEW OUTCOMES

Paper 26/15

Ian Gambles introduced the item explaining that the process for final agreement of allocations was ongoing, as outlined in the Paper, and that final resolution was not expected until March. The business planning process could not conclude until after allocations had been finalised.

Major issues had been highlighted in the Paper and, in particular, the big issues for the Forestry Commission in England were the government's commitment to public forests, the cross-border negotiations and the future provision of corporate services in the context of the overall approach to corporate services by the Defra. Also needing to be taken into account was the resourcing of Forest Services as many of the Government's key priorities fell to them to help deliver.

The Committee recognised that the Forestry Commission was in a relatively good position although there remained considerable challenges as there was continued pressure to increase delivery on issues including urban trees and plant health.

The Committee would be updated on progress and outcomes as necessary with the final business plans expected to be circulated for clearance by correspondence towards the end of March.

Action: *Business Plans clear by correspondence in due course.*

7. 25 YEAR ENVIRONMENT PLAN

Paper 04/16

Dom Driver introduced the issue, explaining that even though the plan was still in its early stages it was important for the Forestry Commission to be clear on its priorities, including how the forest sector should be brought into the development process and how its ambitions could be recognised. This would need to be done through building on the existing partnership between the FC and the sector. It was not expected that forestry would have its own section in the plan, but like other issues it was expected to be an integral part of the entire plan.

Shirley Trundle advised the Committee that a high level framework for the plan was expected to be published in March or April and that themes would be integrated, with the expectation that an area based approach across all issues favoured rather than national plans for each asset class, for example woods and forests.

The Committee gave its broad support to the approach outlined in the next steps in the Paper and endorsed the Forestry Commission's desire for a transformative rather than restorative approach to nature conservation.

The Committee were also keen to ensure that young people were engaged in the process because they were the ones who would need to be motivated to deliver the plan. There were some concerns about the negative perceptions of forestry amongst young people, often from schools featuring deforestation in other countries in lessons. There needed to be positive messages in the plan from the sector in order to counter these misconceptions about forestry.

Action: *Update and engagement as plan development progresses*

8. FOREST HOLIDAYS/CAMPING IN THE FOREST

Paper 05/16

The Committee noted the report and that Peter Nixon was now in place as the Forestry Commission's member of the Forest Holidays Board.

The Committee welcomed the final version of EMGN4a and sought and received clarification on the circumstances that would require action by the National Committee. It was suggested that this was not fully reflected in Figure 1, which may require a minor amendment. It was also suggested that there needed to be absolute clarity when a final decision, rather than a recommendation had been made. Subject to a review of the Committee's comments and the implementing the minor amendments suggested the Committee approved EMGN4a as presented.

Action: *Minor amendment to EMGN4a to enable it to become the approved version.*

9. AOB

Squirrel Control

The Chair advised the Committee of the recent renewed interest in the approach to squirrel control on the Public Forest Estate. This was as a result of the refusal to allow free shooting by third parties on the estate in west Cumbria and the subsequent lobbying by the European Squirrel Initiative. Questions in the House of Lords had brought the issue to the attention of Ministers.

It was confirmed that the Forestry Commission was fully committed to the UK Squirrel Accord and remained committed to supporting activities that would help maintain red squirrel populations and reduce damage to tree crops. However, public safety was an overriding priority on the Public Forest Estate and the use of firearms was strictly controlled. There was no necessity to permit free shooting where more effective alternative methods of control were available.

Future Meetings:

7 April – Bristol (after the FESB)

26 May – Bristol (after the ARAC)