CORPORATE PLAN PERFORMANCE INDICATORS: UPDATE AT 31 MARCH 2016

Purpose

1. This paper is to provide the National Committee with Forestry Commission England's performance **Indicator Report 2016**, and an update on indicators. This paper is presented for information only.

Background

2. In 2011 the National Committee and Minister approved for inclusion in the Corporate Plan 2011-15, six headline indicators for reporting quarterly to the Secretary of State and Defra Board. The approval included 34 further key performance indicators for Forestry Commission England, and indicators for monitoring the wider forestry sector in England. The indicators are a key step towards achieving Forest Services' vision of becoming a fully evidence based organisation. They provide vital tools for assessing the sector's progress towards the objectives of Government forestry policy in England; to Protect, Improve and Expand English woodland. In previous years the National Committee has received the annual indicators report at this time of year.

Performance Indicator Report 2016

3. **The fifth annual performance Indicator Report has just been completed and published and this is attached at Annex A (separate document)**. As in previous years, all of the outturns have been verified with 'substantial assurance' from FC's Internal Audit and related narrative reports have been approved by Board level Senior Responsible Officers.

4. We are performing well in implementing the Government's policy of protecting, improving and expanding England's woods and forests. **Overall 33 of the 35 indicators whose trends have been measured are improving or steady.**

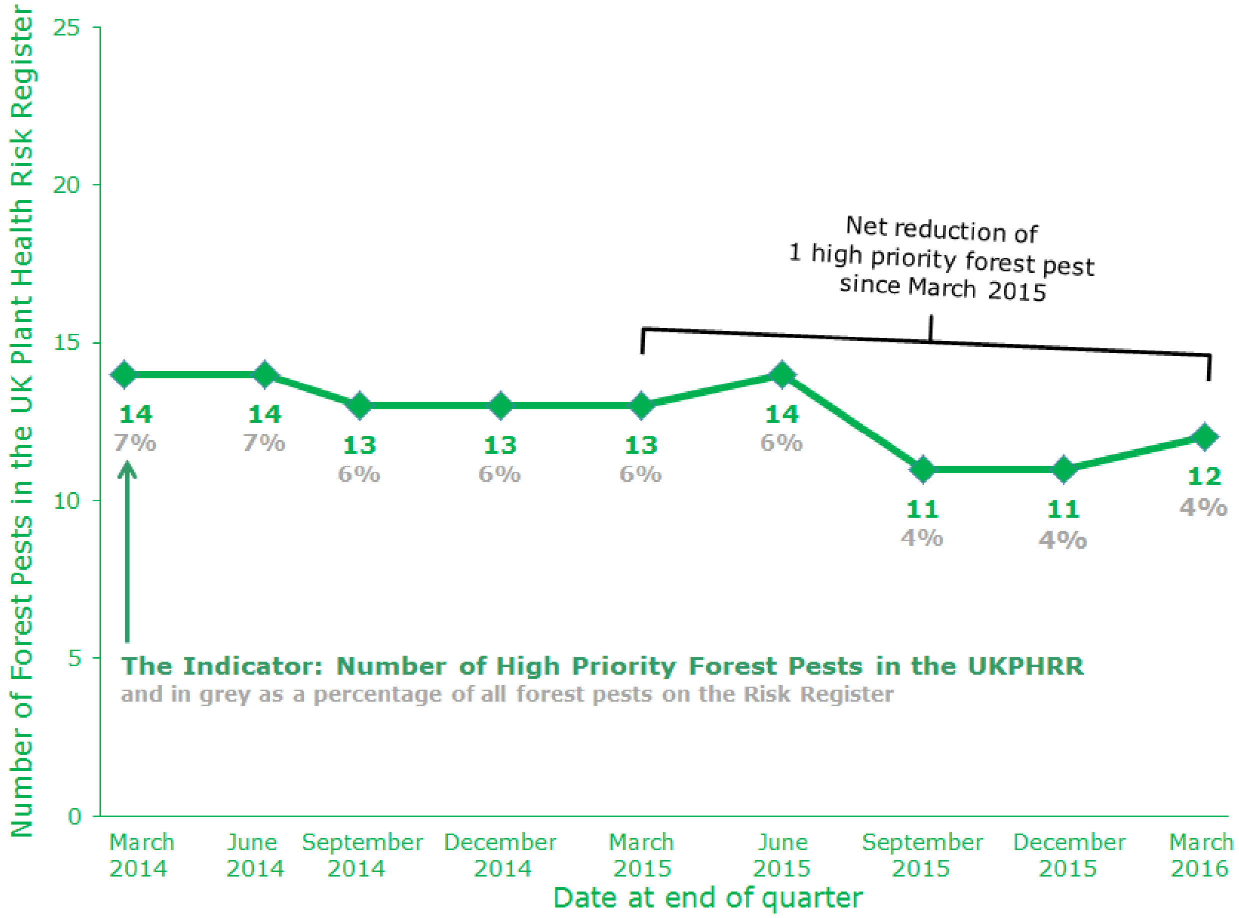
A. FOREST SERVICES

Key Findings: Protecting English woodland

5. Protecting our woodland resource is the top policy priority. The key elements from the Forest Services Business Plan 2016-20 are:
   - **Programme 1: Tree health: Helping the sector reduce the threat from diseases of forest trees:** Negative impacts of pest and disease attacks to forest trees and their threat to trees and woodlands' natural capital are reduced to tolerable levels.
   - **Programme 2: Regulating to protect the woodland resource:** Regulation provides a level playing field that enables sustainable businesses to thrive and protects and improves woodland so that its area and ecosystem services continue to increase.
   - **Programme 3: Woodland resilience incorporating deer, grey squirrels and invasive species:** Increasing England's woodlands' resilience. Damaging invasive species, deer and grey squirrel populations and/or their impacts are reduced.

6. The key indicators are:

Number of high priority forest pests in the UK Plant Health Risk Register (UKPHRR) (page 12).

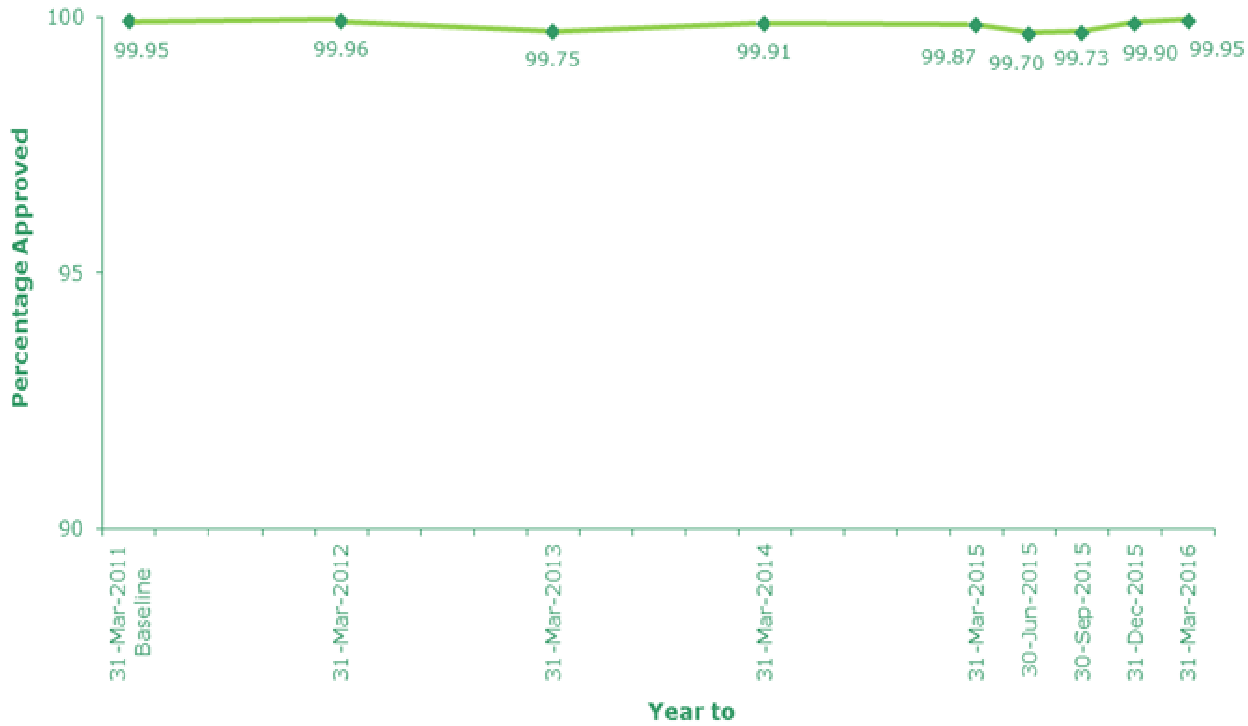


7. There are 12 high priority forest pests in the UK Plant Health Risk Register (UKPHRR). This is our new headline performance indicator on tree health.

8. We also measure how many tree pests and diseases have become 'established' in England in a rolling ten year period. Some four tree pests and disease became 'established' in the most recent ten year period, 2006-2015. The four are Oak processionary moth, Acute oak decline, Alder rust and *Chalara* dieback of ash. Three of the four also count as 'high priority'. There have been no new threats 'established' since 2012.

9. Our tree health teams are working hard with Defra, the Animal and Plant Health Agency (APHA) and others to address these high risk and other pests and diseases affecting English woodland.

Percentage of known tree felling that is carried out with Forestry Commission approval (i.e. the % of felling that is licensable by the Forestry Commission that is not illegal felling. This excludes felling with development approval) (page 16)



10. The very high level of compliance with our regulation programme has been demonstrated yet again in 2015/16. There is good public understanding of the legislation reflecting the high quality of Forestry Commission advice. As a result progress made by the sector on priorities like bringing woods into management and in woodland creation are very likely to remain secure from illegal felling.

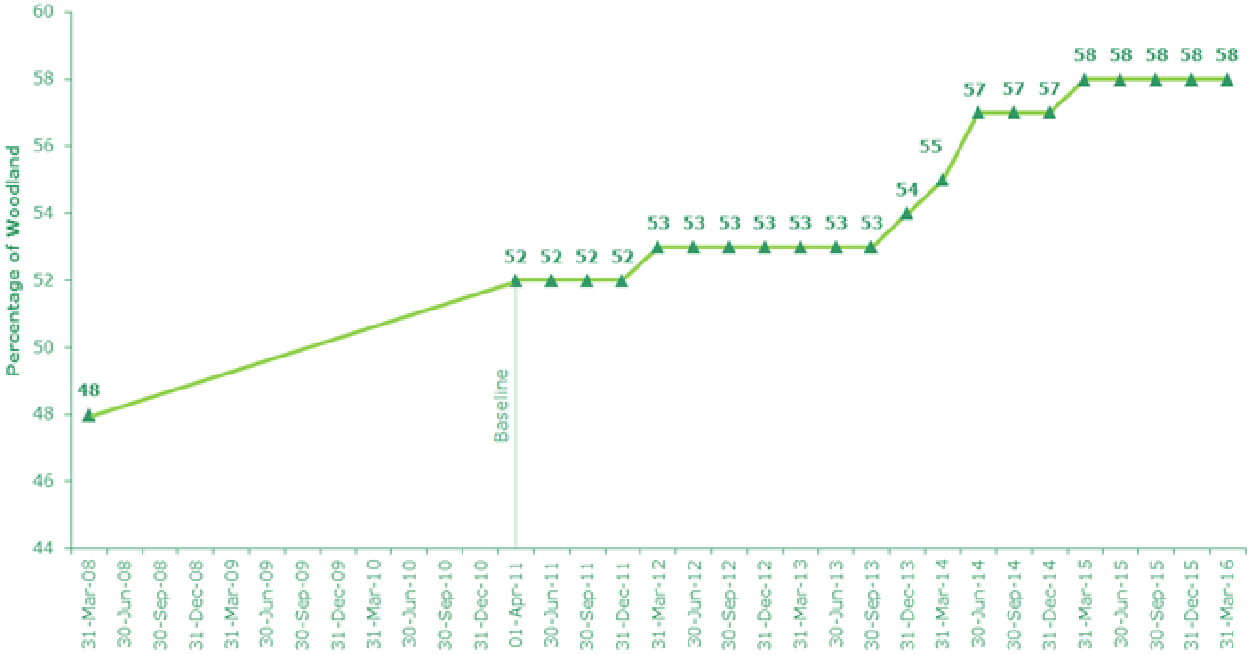
Key Findings: Improving English woodland

11. The key elements in our Business Plan are:

- **Programme 4: Growing the forest economy to bring woodlands into management:** with its wider benefits for people, nature and the economy.

12. The key indicators are:

Percentage of woodland in active management (including the Public Forest Estate) (page 17)

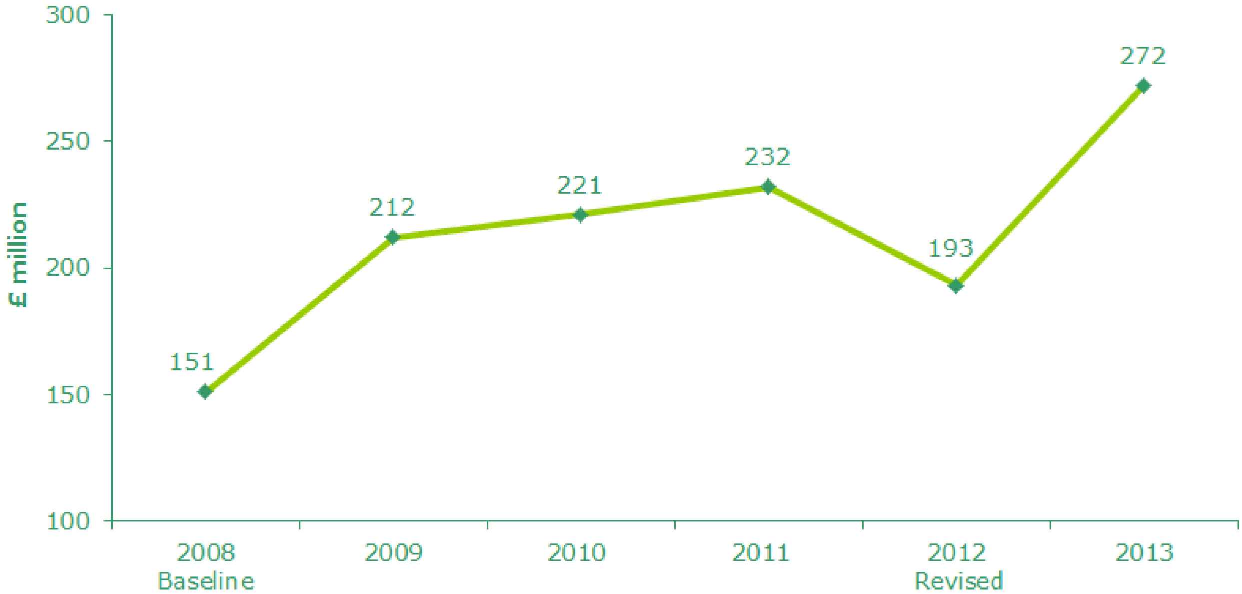


13. Some 58% of woodland was managed at 31 March 2016, further progress towards aspirations of two thirds in management by 2018.

14. Felling licences were issued for 37,332 hectares of woodland in 2015/16, up 70% compared to 2014/15.

15. There were 447 million visits to English woodland in the year to February 2016, up 7% compared to 2015.

Gross Value Added from domestic forestry (page 36)



16. Gross Value Added from domestic forestry was £272 million in 2013. This represents an overall increase of 80% from £151 million in 2008.

17. Economic progress seems at face value to have been achieved without prejudicing the health of species that live in the environment. Trends in the populations of woodland birds overall in England show little overall change from 2000 to 2014.

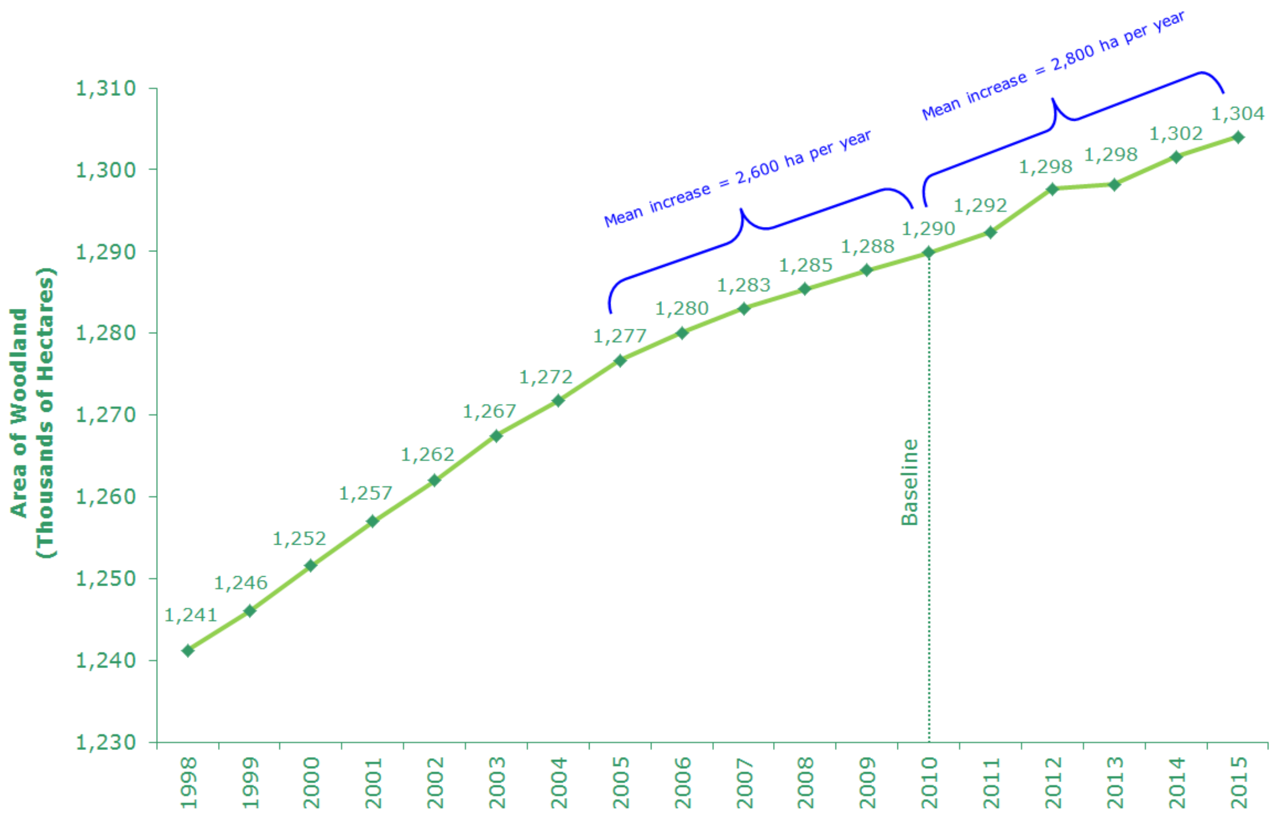
Key Findings: Expanding English woodland

18. The key elements in our current Business Plan are:

- **Programme 5: Woodland creation:** Establish and operate woodland creation initiatives as determined by the Defra Implementation Unit review of tree planting and the development of the 25-year Environment Plan. Build on Countryside Stewardship-funded woodland creation towards planting 5,000 ha/year, enhancing the natural capital of England's woodlands.

19. The key indicators are:

Area of woodland (page 20)



20. Figures subsequently released in Woodland Area, Planting and Restocking 2016 show that the area of woodland is 1,306,000 hectares (ha) in England at 31 March 2016, up 2,000 ha from last year. There has been an average increase of 2,800 ha per year in the last 5 years.

21. Some of the increase last year reflects improvements and updates to the National Forest Inventory and some reflects about 700 ha of new planting the Forest Research Statistics Team know about. The main component was 546 ha of woodland created with the support of the Rural Development Programme representing 642,000 trees towards the Defra commitment of 11 million trees this parliament. Delivery pace is expected to pick up if, as before, the sector gets used to and takes up the opportunities offered by the new grants scheme.

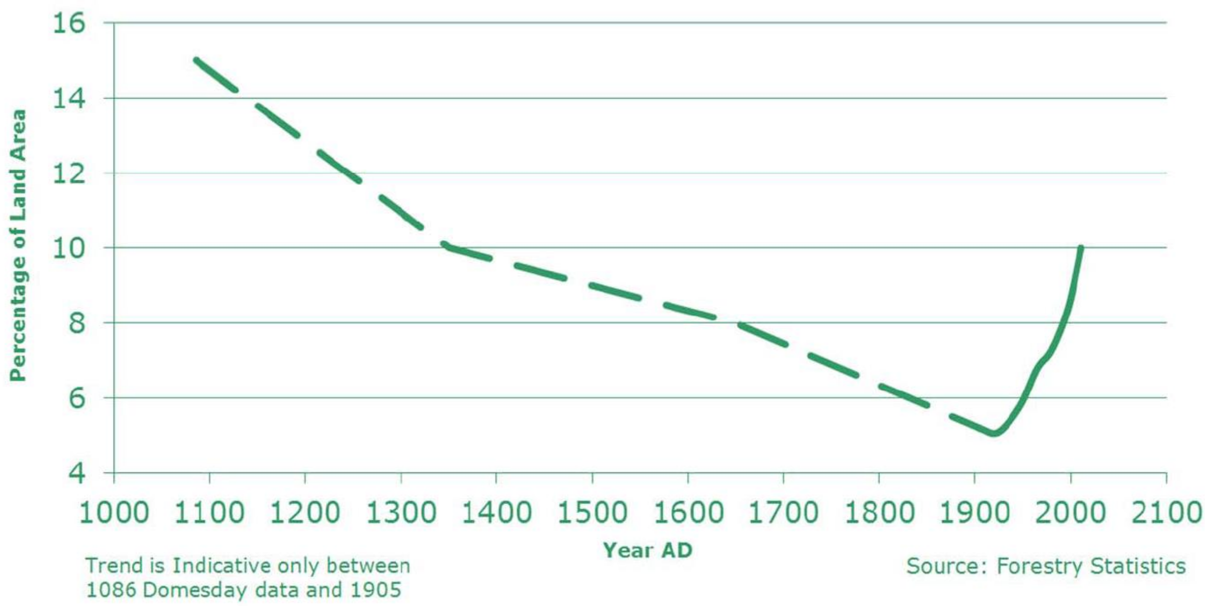
22. The Forestry Commission’s record of helping our nation achieve increases in the English woodland area is unparalleled and second to none. In recent years most woodland creation has required grant support to be achieved. The challenge of the Government’s Forestry & Woodland Policy Statement target of an increase to 12% in the woodland area by 2060 requires delivery of an average of over 5,000 hectares per annum. If Countryside Stewardship and successor scheme incentives can deliver about 2,000 hectares per annum, private sector support is needed for the remaining 3,000+ hectares per annum.

23. Some 550 ha of open habitats were restored from woodland across England in 2015/16 in accordance with policies to help nature and the environment.

24. The overall amount of carbon captured by English woodlands was 6.245 million tonnes of CO_2 equivalent in 2014, a reduction of 0.5% since the previous year.

25. Overall woodland cover in England is at its highest level since the 14th century and the land area that is woodland has been doubled in the last 100 years.

Supplementary Indicator: Woodland as a percentage of land area in England since 1086AD (page 22)



Key Findings: Customer Service

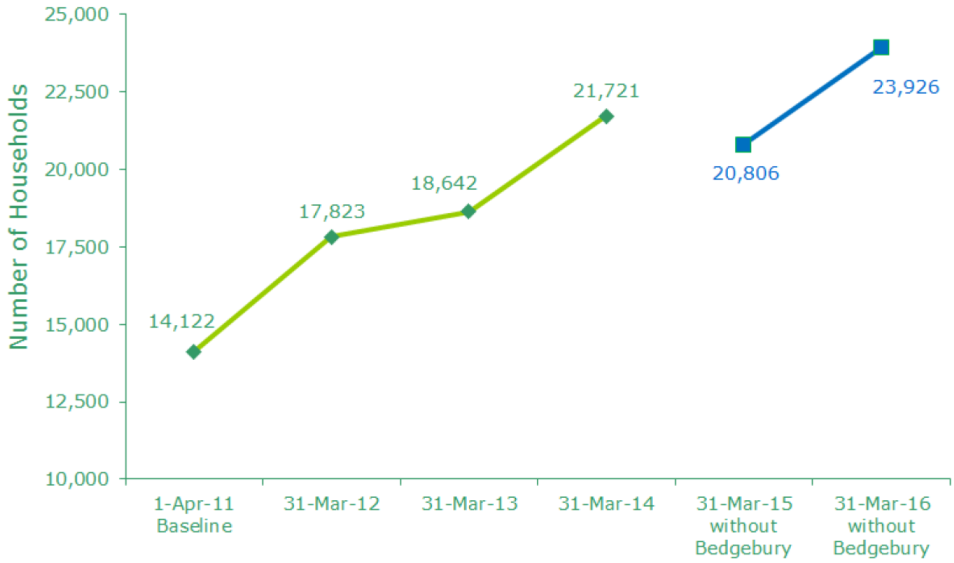
- **Programme 6: Design, deliver and implement Defra-wide and FC change programmes.**

26. Some 61% of Forest Services grants and felling licence customers were ‘very satisfied’ or ‘satisfied’ with the Forest Services between July and December 2015.

B. FOREST ENTERPRISE

People

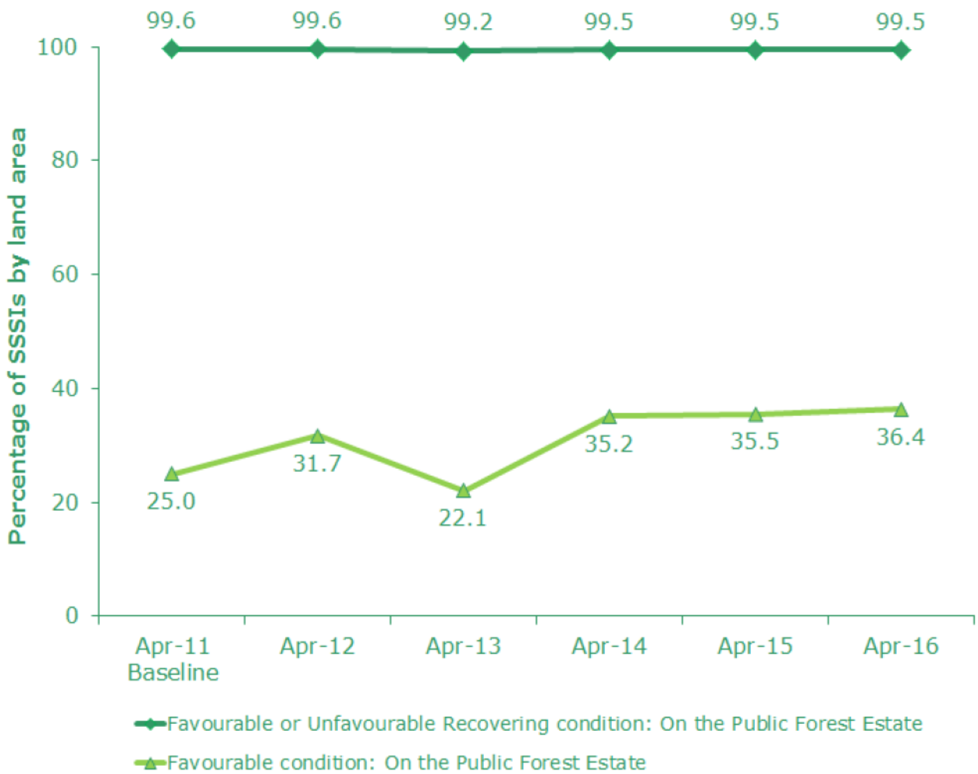
Number of households in the Discovery Pass Scheme for the Public Forest Estate (page 63)



27. Some 23,926 household held a Discovery Pass for the Public Forest Estate (PFE) at 31 March 2016, up 15% in a year.

Nature

Percentage of woodland Sites of Special Scientific Interest (by land area) in desired condition on the Public Forest Estate (page 58)



28. Forest Enterprise colleagues continued to maintain the high percentage of Sites of Special Scientific Interest in target condition as a result of good conservation management. The area in favourable condition continues to steadily improve and they remain on track.

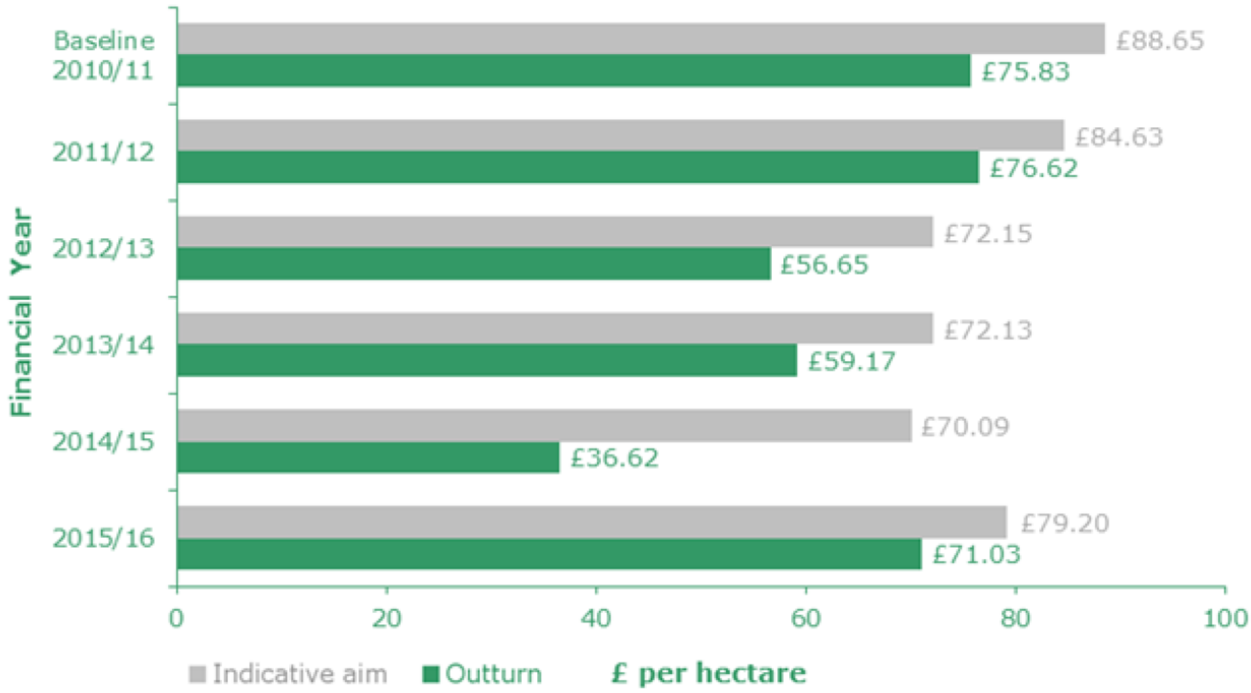
Economy

29. There are 593 private businesses and individuals operating on the Public Forest Estate at 31 March 2016, down from 2015, but the main franchise businesses continue to expand their offer across multiple sites, with new Go Ape activities opening in 2015.

30. Forest Enterprise delivered 1.1 million tonnes of wood to market in 2015, in line with sales plans.

Organisational

Cost of managing the Public Forest Estate (page 25)



31. The cost of managing the Public Forest Estate was £71.03 per hectare in 2015/16, comfortably within the target of £79.20 per hectare.

32. The average customer satisfaction was again ‘very good’ for visits to the PFE in 2015.

C. PROGRESS ON INDICATOR DEVELOPMENT

33. In the last year we have:

- Completed a review of the indicators suite that resulted in some rationalisation of the indicators suite, some re-brigading and some new indicators being introduced to highlight the successes of Forest Enterprise, and these improvements were included in the Corporate Plan 2015-16.

- Completed the development and introduction of the new headline indicator on tree health, with the help of a working group involving the Head of the Tree Health Team, Defra Plant Health evidence and Forest Research colleagues.

- Completed the development and introduction of a new indicator on Forest Services customer service for grants and licences customers, with leadership from the Business Change leads, Communications, and the Rural Payments Agency Customer Insight team, who kindly agreed to run the surveys for us at no cost to the FC.

- Played a full part in helping deliver Defra's Open Data agenda. About now the Forestry Commission will publish 129 additional spatial datasets. Around a quarter of these are datasets that underlie our Headline Indicators, and as one expression of our commitment to this agenda, our Indicators Report 2016 provides direct signposts to these new publicly available resources, typically delivered without copyright restrictions.

Risk Assessment

34. We have collated from Indicator Programme Managers fuller reports of their understandings of the reasons underlying performance and any related risks. Senior Managers are already aware that the rate of increases in the area of woodland has yet to accelerate to the levels required, and that the rate of increase in managed woodland needs to be maintained. The relevant Forest Services risks are *FS/2 'FS lacks the resources need to meet delivery expectations'*, and *FS/7 'Failure to provide and adequate policy framework…'*, and actions are being taken to control these risks.

Resource Implications

35. We developed, and have now re-developed, the indicator suite with very little programme spend because nearly all the indicators were, by design, based on administrative data or statistical data available freely from our own sources or other Government departments. This year support of our indicators suite is due to amount to about £6,000. Work to deliver the quarterly and annual indicator reports are included in the budgets for Forest Services. Several of our key Indicators rely heavily on the continuation of the National Forest Inventory.

Communications

36. The Indicators Report 2016 and related quarterly headline performance updates have been published on the indicators page of our website. We have continued to draw on the capabilities of the Communications team to relate the indicator reports to Defra, the sector and other stakeholders.

37. Headline findings on the headline tree planting commitment and new tree health indicator have been submitted in the new agreed scorecard form to the Defra Board and ExCo.

38. Additionally fuller summary findings from the Indicators Report 2016 have been communicated to all of the following audiences:

    - The Secretary of State in the regular update of statistics publications
    - Forest Services Senior Managers

- the team of around 60 Forestry Commission SROs, Programme Managers and Data Managers who make reporting possible.
- Forest Services colleagues via the Friday update and FC England colleagues via *Bark*

Recommendation

39. That the National Committee note the contents of this paper and retain a copy of the **Indicators Report 2016**.

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Forest Services
July 2016