

MINUTES OF THE 68th MEETING OF THE FORESTRY COMMISSION ENGLAND NATIONAL COMMITTEE, NATIONAL OFFICE, BRISTOL, 3 JUNE 2014

Present: Sir Harry Studholme (Chair)
Ian Gambles
Sarah Hendry
Simon Hodgson
Steve Meeks
Keith Oates
Andrew Smith
Clive Tucker
William Weston

Meirion Nelson (Item 5)

Also present: PK Khaira-Creswell - Secretary
Richard Barker – Minute Secretary

1. INTRODUCTION & APOLOGIES

The Chair opened the meeting and welcomed everyone. Apologies had been received from Richard Greenhous and Andrew Smith was attending for Forest Services.

2. MINUTES OF THE MEETING ON 30 APRIL

The minutes were agreed as a true record.

3. MATTERS ARISING

RDPE

Andrew Smith gave an update on current developments. The Committee was advised that the current in principle decision was that Natural England and the Forestry Commission would retain responsibility for legacy schemes, but this remained subject to final agreement. For the FC this would, if confirmed, be the Woodland Grant schemes and Farm Woodland schemes. The new environmental land management scheme (NELMS) would be administered by the Rural Payments Agency (RPA) probably from a single site. The approach would be digital by default and administration staff numbers were expected to reduce significantly by 2020. The Forestry Commission would retain the principle role in providing technical expertise in relation to woodland options in NELMS and lead on the woodland option application approval process.

The aspiration remained to move all the legacy schemes to the new IT system which would mean that the FC would no longer need to run and maintain the GLOS system.

A Government announcement on the RDPE greening criteria was expected shortly as well as the submission of the plans to Europe for approval. The detailed work on NELMS was progressing and this was looking for maximum synergies between biodiversity and delivering the water framework directive. First release of the new CAP delivery IT arrangements was expected in mid summer when scheme participants with links to Defra and its arms length bodies, for example non-executives, would be invited to participate in its first use.

4. FINANCE REPORT

Paper 10/14

Steve Meeks introduced his first report for 2014/15 which had a revised format to include Central Services. This was because they were part of the Defra/Westminster funded activities and the Accounting Officer's responsibilities.

The RDEL and CDEL pressures were noted and explained in more detail. In regard to Paragraph 6, the restriction on financial commitments, it was explained that this was not a budget cut, but a provision to cover collective pressures across Defra and was a budget management measure. More attention than usual being given on first quarter expenditure and this would help inform future financial decisions.

The Committee was reassured that the prospect of a budget reduced by 1.9% was already being planned into the Commission's activities. The Committee would be updated on the prospects of the reduction being confirmed at the next meeting.

It was reported that the 15/16 budget was still under discussion and that these discussions were likely to extend until the autumn.

Risk Management

It was noted that the Risk Registers had been reviewed at the morning's ARAC meeting and that Forest Enterprise had been asked to reconsider its decision to remove plant health risks. It was also noted that ICT infrastructure and disaster recovery carried limited assurance from Internal Audit and that this would be looked at again in depth by the ARAC.

5. ANNUAL REPORT AND ACCOUNTS

Paper 11/14

Meirion Nelson introduced the item and advised the Committee that the ARAC had recommended the ENC approved the Annual Report and Accounts subject to outstanding issues on pension benefits being resolved. This would be cleared by correspondence and may result in the anticipated laying day being missed. It was noted that this issue may have affected other parts of the Defra network.

It was also noted that Ernst and Young, who had been involved in the current audit, would carry out the full audit in 2014/15 for NAO. This was part of a wider rolling programme to outsource some of the NAO's work.

Subject to the pensions issue being resolved the National Committee accepted the recommendation from the ARAC and approved the Annual Report and Accounts.

6. PERFORMANCE INDICATORS

Paper 12/14

It was noted that the paper was primarily for information and that as usual the publication of the Performance Indicators coincided with the Annual Report process. However, the questions in the paper raised some fundamental issues which could not be fully addressed at the current time.

The Committee's answer to the question at Paragraph 9 was that it considered that a new indicator at this time unnecessary. The Questions at Paragraph 13 and 21 resulted in a debate over the relative merits of providing support for increased woodland management compared to supporting new woodland creation within the limited resources available.

It was acknowledged that the Government Policy priorities were, in order, protect, improve, and expand. This placed the emphasis on management rather than woodland creation. However, there were also aspirational targets for woodland creation which should be supported.

The Committee recognised that incentives were only part of the mix needed to achieve all the objectives. Increased woodland management would also be encouraged by market pull. This was being helped by the increasing interest in wood as a fuel and the Grown in Britain initiative. Planting targets would only be achieved through the private sector investing in new woodland creation, without only being grants driven. It was also noted that with the simplification of NELMS there should be more availability of staff and opportunity for Forest Services to encourage and facilitate the sector to do more for itself, including harvesting more of the available hardwood increment (para 17 question). However, there was also some concern that incentives for biomass energy were resulting in good quality timber, which could be put to a long term use locking up carbon, simply being burnt for energy production.

It was agreed that the Committee would like to receive a paper at a future meeting on the link between interventions and outcomes including consideration of where the emphasis should be placed within the options that would be available under the new RDPE support structures.

7. FEE GOVERNANCE – STRATEGY BOARD

Paper 13/14

Simon Hodgson introduced the Paper which followed up the initial discussion of FEE Plus at the previous meeting. The Committee was reminded that the new Strategy Board was one of the most significant steps in creating a more distinctive body to manage the Public Forest Estate.

In response to questions Simon Hodgson explained that the Strategy Board would be able to get into much more detailed discussion on Forest Enterprise activities that

were not currently achieved by the ENC. This would help prepare the ground for operating as a separate organisation and demonstrate that significant change, within the existing legislation, was being made. It was not intended that the role of the Strategy Board would duplicate the work of the National Committee.

The Committee agreed the following in response to the recommendations:

Para 21 – approved the establishment of a FEE Plus Board

Para 22 – agreed four meetings per year from April 2015, or sooner, aligned with other meetings so far as possible, but with sufficient time to properly consider all necessary business.

Para 23 – agreed that two or three non- executives should sit on the Board

Para 24 – a decision on this was deferred in view of the fact that the ENC membership would change before April 2015. This was because one of the current terms of office ended and the existing England Commissioner vacancy was due to be filled.

8. FOREST HOLIDAYS – FORWARD LOOK

Oral

Simon Hodgson reminded the Committee of the current Forest Holidays sites and gave an update on the position with all the new sites which were currently in the public domain. The Committee was also informed about prospective future sites that were expected to be brought forward in the coming year (3 in England) as well as the longer term prospects, although none of these were in England.

The Committee was advised that the main issues raised by objectors during the planning process were noise, both during construction and from guests, disturbance to wildlife and ancient woodland, loss of public access, and volume of traffic, both to and from the site and within the forest cabin area. In addition 'why here' was a significant question, although not strictly a planning issue, that was raised by objectors.

It was considered that the objections were often based on a misconception of the scale and nature of what was being planned. For example full public access remained and preserving the natural environment and peace and tranquillity were key elements of the Forest Holidays offer. Forest Holidays had continued to improve how they presented their development plans. Thorough preparation and engagement with local stakeholders had, so far, been key to success in the planning process.

9. PLANT HEALTH UPDATE

Oral

Andrew Smith advised the Committee that *Chalara* had now been identified in the wider environment in Hampshire, which was further to the west than previously found. Subject to Minister's views it was intended that County by County updates would no longer be published, but the map on the FC website would continue to be updated. There had been some concern over the late flushing of ash this spring, but this was probably as a result of heavy seeding last year, not because trees were diseased.

OPM spraying had been carried out in Pangbourne on just one occasion this year, and on a smaller area than last year. Nevertheless, a coalition of NGOs, including Buglife and RSPB had asked for a formal meeting to discuss issues of concern.

Elsewhere there had been an expansion of OPM in Elmbridge District in south west London (Surrey) where the most effective chemicals were being used for treatment in the hope of preventing any further expansion of the infected area.

The first surveillance flight for *P. ramorum* had revealed new areas of infection in Shropshire and Cumbria, but there were half the number compared to last year. A suspected area of infected larch in North Yorkshire was found, on further investigation, to be affected by water logging and not *P. ramorum*.

The Committee were also advised that non-compliant wood packaging from Turkey had been found at Grangemouth in Scotland. This was associated with electricity pylons and had been distributed to more than 100 sites. However, it had all been traced and destroyed at considerable cost to those responsible. Follow up work had been initiated in order to try and prevent any similar incidents of non-compliance with the packaging regulations.

10. AOB

None