

1 October 2013

BUSINESS SUSTAINABILITY PROGRAMME

Purpose

1. Seek agreement for:
 - Adopting the Business Sustainability Strategy for Forestry Commission England as set out in Annex A.
 - Embedding Business Sustainability into Forest Enterprise as the England lead following the ending of support from central services.

Background

2. A programme called Greenerways was set up in 2006 to promote better environmental practice across the Forestry Commission in our “back office” functions. This developed into a structured Environmental Management System (EMS) which is currently operated under a shared agreement with Scotland and is certified under ISO14001.
3. One of the incentives for implementing our EMS was a recognition that our compliance with all environmental regulations was not up to the required standard. Since implementation of the EMS we are confident that the likelihood of non-compliance has been substantially reduced and the risks are now effectively managed within resources available.
4. Implementing EMS has also resulted cost saving, since 2011/12, in areas including travel, energy, water and waste amounting to £426,000.
5. The shared agreement with Scotland and support from central services (Silvan House) is coming to an end and this 'devolution' of responsibility gives us an opportunity to reassess and refresh our approach in England.

Discussion

6. Maintaining an EMS for the Forestry Commission's activities in England is seen as fundamental to ensuring that there is legal compliance with environmental regulations, for example on waste management and discharges into the environment. In addition to this it drives forward our actions to reduce our environmental impact and continue to save cost on items including energy and water consumption and travel.
7. Maintaining ISO14001, the recognised standard for environmental management systems, is not a business critical requirement. However, failure to maintain the standard would appear incompatible with our role as an environmentally focused

organisation. If it is decided not to maintain ISO14001 then this decision will need to take into account the reputational damage that this loss could inflict.

8. We will continue to be required to report our environmental performance to government and will continue to appear in league tables where we have significantly improved our position.
9. The decision to end the central support is an opportunity to take stock of where we should be going with business sustainability, both in terms of how it should be developed and where it should sit within England, especially as we move towards a more distinct management body for the Public Forest Estate.
10. It has been recognised that the majority of activities that benefit from the EMS are linked to the management of the Public Forest Estate and that it would be most effective if responsibility for EMS, which currently lies with Executive Office because it cuts across all aspects of our work, was led from within Forest Enterprise, whilst providing a service for the entire organisation in England, including support for Forest Research.
11. Even though EMS and ISO14001 are now in place they have not yet become fully embedded in the organisation as normal business practice and it is therefore proposed that the existing team, augmented by an addition post as a result of the transfer back of resources from shared services, takes forward business sustainability from 1 April 2015.
12. A key role for the central team will be to work towards fully embedding EMS by the end of a two year transition period. It will also monitor activities, including internal and external audits, to reduce the risks of non-compliance with ISO14001 and to ensure legal compliance across the Estate.
13. More details of the proposed activities, which are proportionate to the need of the business, are at Annex B. This includes the development of a Carbon Management Plan, which we expect to provide overall cost savings.

Resource implications

14. The existing resources will continue to be deployed on business sustainability and the reallocation of the contribution to shared services will enable the England team to be augmented. Placing the lead for EMS in to Forest Enterprise, led by the estates function, will be built into the current business planning round for implementation from 1 April 2015

Risk Assessment

15. EMS is in place to mitigate the risk of non compliance with environmental legislation. There is a reputational risk if we do not maintain certification under ISO14001. The implementation of our strategic plan minimises this risk of non-compliance and the loss of ISO 14001.

Equality Impact Assessment

16. This is the rearrangement of existing activities and an assessment is not considered necessary at this time. Nevertheless, an Equality Impact Assessment will be undertaken if required at an appropriate stage as the project progresses.

Communications

17. There are no plans for external communications, but internal communication s remain a key element of the process to embed business sustainability into normal business practice.

Recommendations

18. The Committee are invited to agree the refreshed approach to business sustainability and in particular:

- The Business Sustainability Strategy for Forestry Commission England as set out in Appendix 1.
- Developing a Carbon Management Plan (CMP) for England.
- Embedding Business Sustainability into Forest Enterprise as the England lead following the ending of support from central services.

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