

Corporate and Business Plan 2010-2011

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Summary

This Corporate and Business Plan sets out FR's aims and strategic objectives. It describes the Key Performance Indicators (KPIs) for 2010/11 which have been determined following an assessment of FR's underlying business needs and developmental aspirations.

FR's role is to provide research, development and monitoring services in support of UK and European forestry, the Forestry Commission and of the policies of the UK Government and devolved administrations.

The KPIs and longer term objectives which are set out in this Corporate and Business Plan offer challenging but achievable targets. The KPIs are as follows:

KPIs for 2010/11

1. In order to enhance its scientific governance and strategic capacity FR will establish a new Advisory Committee for Forestry Research comprising internationally recognised independent scientific experts. *(Objective 1)*
2. FR will promote and implement its Science Strategy and, as part of this, will implement the Government's new Universal Ethical Code for Scientists. *(Objectives 1 & 2)*
3. During 2010/11 FR will further develop its molecular biology facilities and epidemiological capabilities in order to address current and emerging tree health issues. *(Objective 2)*
4. In Wales, FR will complete the scoping of a Research Forest/Natural Laboratory concept and, in collaboration with partners will identify location(s) and funding. *(Objectives 1, 2 & 3)*
5. As part of FR's science and communications activities, FR will organise a major conference on trees and forests in British Society; co-organise a conference on tree diseases; launch a new e-monograph publication that gives in-depth analysis of specific topics and/or issues and; organise a minimum of three strategic events in Wales. FR will consider the Library Review and ensure that the library is fit for purpose. *(Objective 3)*
6. With support from the Forestry Commission, FR will meet its annual business plan, deliver its agreed outputs to customers and continue to expand its partnerships, external income and capacity for innovation. FR will seek to secure a total of £5.3 million of other external (i.e. non-FC GB) income. *(Objective 4)*

7. FR will participate in the FC corporate programmes including Business Sustainability, Information Security and Equality & Diversity. FR will implement Electronic Expense Management System and Alice Holt and NRS will be submitted for ISO 14001 approval. *(Objective 4)*
8. FR will, through its own investment and through projects such as the BIS funded PSRE4 Innovation and New Markets Project, identify, investigate and, where possible, develop innovative products or services and capacity through supporting and investing in staff. *(Objective 4)*

Introduction

Forest Research (FR) is the Forestry Commission's (FC) research agency. The Forestry Commission's overall objective is to lead the development and promotion of sustainable forest management. FR provides research, technical development, monitoring, surveying and advice to support this objective.

The aim of Forest Research is:

To be a robust, market-relevant and flexible organisation with a reputation for innovative applied science.

This Corporate Plan sets out the scientific, administrative and business plans for FR, and the organisation's Key Performance Indicators for 2010/11.

Strategic objectives

1. To provide robust science to inform the development and delivery of UK government and devolved administration policies.
2. To provide innovative applied research, development and monitoring services to UK and European forestry stakeholders.
3. To transfer research knowledge directly, or in partnership with others, to UK and International audiences.
4. To deliver research under the seven themes of the Forestry Commission's Science and Innovation Strategy for British Forestry 2010-2013.

Meeting these KPIs will increase FR's fitness to deliver its aims and objectives over the full period of this plan.

Organisational structure

Forest Research employs around 245 staff. They are located at Alice Holt Lodge (Hampshire), the Northern Research Station (Edinburgh), in the FC Wales National office (Aberystwyth) and at field stations across England, Scotland and Wales.

Reflecting the main priorities of our business, FR is organised into three Centres and an Operations Unit. The three Centres comprise: Centre for Forestry and Climate Change; Centre for Human and Ecological Sciences and; Centre for Forest Resources and Management. All of FR's scientific and technical staff are in one of the three Centres although their work can involve joint working with all Centres. These are supported by staff who specialise in Human Resources, Finance, Communications and Business Development collectively form the Operations Unit.

FR's Executive Board comprises: Chief Executive; Head of Corporate and Forestry Support (Forestry Commission, FC); FC Chief Scientist; Head of the Centre for Forestry and Climate Change; Head of the Centre for Forest Resources and Management; Head of the Centre for Human and Ecological Sciences and Head of Operations Unit.

The Chief Executive of FR and the Head of Corporate and Forestry Support are on the FC Executive Board.

Key Performance Indicators

Forest Research and the Advisory Committee on Forestry Research

Key Performance Indicator 1

In order to enhance its scientific governance and strategic capacity FR will establish a new Advisory Committee for Forestry Research comprising internationally recognised independent scientific experts. *(Objective 1)*

FR will establish a new Advisory Committee through the appointment of 5 internationally recognized scientists from relevant fields whose main function will be to provide external advice to FR on the quality and direction of its science. The Committee will evaluate and where appropriate, suggest improvements to, the quality of FR's science through reviewing the Agency's Science Strategy, appointing Visiting Groups of scientists to peer review existing programmes and strengthening FR's capacity for Horizon Scanning. It will also provide a network from which to draw independent members to appointment boards, promotion boards and management reviews. Most importantly Committee members will be expected to support and

encourage the development of FR staff through active involvement in workshops, seminars and events and some impartial advice to FR's Executive Board.

Forest Research's Science Strategy

Key Performance Indicator 2

FR will promote and implement its Science Strategy and, as part of this, will implement the Government's new Universal Ethical Code for Scientists. (*Objectives 1 & 2*)

The publication of FR's Science Strategy during 2009/10 and the relative performance of different areas of FR's work will show where potential exists to expand FR's work. Similarly the work done on business development and through FR's Innovation and New Markets project has identified areas of research with potential for commercial exploitation. The strategy sets out those areas of science where FR will concentrate its efforts and seek to grow market share.

The Assessment of Forestry and Climate Change, which was commissioned by the FC in 2009 (TSO, 2009), identified some key, and in many instances, quite specific recommendations where the UK forestry sectors response to climate change will require new research and scientific support.

The Government Office for Science recently launched a Universal Ethical Code for Scientists. This is a public statement of the values and responsibilities of scientists. Its aims are to foster ethical research, to encourage active reflection amongst scientists on the implications and impacts of their work and to support communications between scientists and the public on complex and challenging issues. The Code covers rigour, respect and responsibility in science. While FR's current practice and codes of conducts are consistent with the Code, FR will adopt and promote the Code as overarching principles.

Climate Change and Molecular Biology

Key Performance Indicator 3

During 2010/11 FR will further develop its molecular biology facilities and epidemiological capacity in order to address current and emerging tree health issues. (*Objective 2*)

Climate change is likely to result in an increase in tree health problems, both in terms of native organisms and expansion in range of exotic pest and pathogens, some of which result from global trade and travel. This is demonstrated by the recent outbreaks of a number of serious and damaging pests such as *Phytophthora* species (including *P. ramorum*), red band needle blight, acute oak decline, horse chestnut bleeding canker and leaf miner, oak processionary moth and pine lappet moth.

Molecular tools play an essential role in allowing rapid diagnosis, quantification of organisms, and population studies to determine pathogen origin and spread, its variation and its relationship to pest virulence. They are critical in establishing disease epidemiology and thus the development of management strategies. Developing this capacity will allow FR to respond more rapidly to these challenges.

Forest Research in Wales

Key Performance Indicator 4

In Wales, FR will complete the scoping of a Research Forest/Natural Laboratory concept and, in collaboration with partners will identify location(s) and funding. *(Objectives 1, 2 & 3).*

The emerging Welsh research agenda, particularly the Woodlands for Wales strategy, indicates that the setting up of a Research Forest, with links to a Natural Laboratory initiative being developed by other research groups in Wales, is a high priority and an attractive research initiative. This would be at catchment scale and be relevant to address climate change, water and soil management. Importantly the creation of a Research Forest in Wales will underpin the delivery of Welsh Assembly Government research priorities such as the development of ecosystem service framework methodologies.

Knowledge Transfer

Key Performance Indicator 5

As part of FR's science and communications activities, FR will organise a major conference on trees and forests in British Society; co-organise a conference on tree diseases; launch a new e-monograph publication that gives in-depth analysis of specific topics and/or issues and; organise a minimum of three strategic events in Wales. FR will consider the Library Review and ensure that the library is fit for purpose. *(Objectives 3 & 4)*

Communication is a key part of science and Forest Research is committed to ensuring that our science is available and understandable by all those who need and use it. As part of our communications strategy, Forest Research will continue to produce a wide range of written material targeting the trade press, practitioners, scientific community and policy advisors. The three Research Liaison Officers (RLOs) in England, Scotland and Wales will continue to play an important role in helping to communicate and disseminate our work.

We believe that partnerships provide an efficient mechanism for targeting private sector audiences. For example, FR through its ongoing free seminar series is providing opportunities for people to attend as a major component of the Institute of Chartered Foresters CPD programme in 2010/11. We will also be examining web-

based technology to develop more cost effective forms of dissemination and are developing a series of seminars for the internet.

Participation at scientific events is vital for a science based organisation. Forest Research will be providing speakers at the Commonwealth Forestry Conference and will organise conferences in its own right. Engagement with the general public is a growing demand for FR but our finite resources and the size of the audience mean that targeting is essential. As part of the 2010 "International Year of Biodiversity", Forest Research will be putting on events, in conjunction with Forestry Commission Scotland, at the Royal Botanical Gardens Edinburgh's new gateway building. This will be in addition to our continued presence at the major shows such as the Confederation of Forest Industries International Forestry Exhibition.

We intend to develop a new, peer reviewed (in accordance with FR's QA system) vehicle for FR outputs, an e-monograph series which will be published on our website. This will provide an easily accessible portal for significant FR outputs (e.g. reports & other 'grey literature') that are longer than that desired by most external scientific publications. The e-monograph series will provide a comparatively rapid outlet for important research reports, compared to traditional publication processes. It is expected that 4 to 6 e-monographs could be produced per year.

The FR website is a key communication tool and it has been revised to reflect our research themes and organisation. Forest Research welcomes the review of the Forestry Commission website and we look forward to fully refreshing the FR site once the review is complete. FR is also redesigning its own intranet site so that it better serves its business needs and becomes a focal point for internal information and communication.

Responding to the FC Library Review will be the main focus for the library. Creating an information management system that extends beyond the traditional ideas of a library will be a key task. FR will work alongside the Forestry Commission to ensure that the agreed recommendations of the review are delivered.

External Income

Key Performance Indicator 6

With support from the Forestry Commission, FR will meet its annual business plan, deliver its agreed outputs to customers and continue to expand its partnerships, external income and capacity for innovation. FR will seek to secure a total of £5.3 million of external (i.e. non-FC GB) income. (*Objective 4*)

With constraints on public finances and research funding in general, we anticipate tough operating and revenue generation conditions for 2010. Conversely the need for FR's skills is ever increasing – climate change, pests and diseases, renewable energy, pressures on land use, the recreational and health needs of a diverse population – all have an explicit link to our work.

Therefore, FR will aim to meet its annual business plan (see Table 1) and deliver its agreed outputs to customers. FR is changing and this involves new ways of working, and thinking. Staff at all levels of the Agency, are adapting to working more collaboratively and to developing pan-agency teams to address big issues like climate change and to sharing responsibilities, and adapting to new management processes and systems.

Forest Research has developed an enviable reputation for securing, and delivering, externally funded research. FR works in partnership with institutions across Europe through its participation in 13 major EU projects. Aside from providing income and access to knowledge and expertise this involvement means FR is a recognised provider/partner in well over 30 million Euros worth of Pan European research activity. FR will continue to build its profile and participation in European projects.

FR already works with stakeholders from a broad range of land-use sectors and for other Government departments such as BIS, Defra, DECC, the Scottish Government and Welsh Assembly Government. FR will aim to build upon these links and continue to service and deliver work on cross-cutting government agendas.

People and Systems

Key Performance Indicator 7

FR will participate in the FC corporate programmes including Business Sustainability, Information Security and Equality & Diversity. FR will implement the Electronic Expense Management System and Alice Holt and NRS will be submitted for ISO 14001 approval. *(Objectives 1 & 4)*

Forest Research is accredited under the Investors in People (IiP) initiative. A further re-assessment will take place in the summer of 2010 and an Action Plan is being put in place to tackle areas identified for further improvement.

FR provides training, where appropriate, to support the professional and personal development of its staff. This year a Management Development Programme (MDP) has been developed by the Forestry Commission and FR is actively participating in it. The MDP is designed to increase managers' ability to undertake their current roles effectively, prepare them to undertake new roles at the same or higher grades, support them to deal with major organisational changes and maintain their motivation

and commitment. Eighteen FR staff are currently enrolled in this programme with fourteen places available for 2010/11.

Forest Research is committed to being an organisation in which fairness and equality of opportunity are central to its business. FR is a member of the FC's Diversity Technical Group and as such contributes to the development of policies and actions to ensure that it meets its obligations. FR will ensure that it treats all staff fairly, with dignity and respect, regardless of race, disability, gender, age, sexual orientation and religion and belief. There are four levels of diversity training currently progressing within the FC and FR. All new employees will also undertake this training.

Our two main field stations at Alice Holt and NRS will be submitted for ISO 14001. The latter will help FR achieve and demonstrate best practice in environmental performance by controlling the impact of business activities, products and services.

Forest Research uses a time recording system (TRS) in order to quantify the time spent by staff on research projects. The TRS has been developed so that it can provide information on income and costs at various levels of detail – from extensive research programmes to specific experiments. Whilst building and implementing this system has taken longer than planned, it is now operational and is the first such system anywhere in the Forestry Commission. 2010/11 will be the first full year of operation for this system and our new budgeting platform and FR should now be able to collate valuable management information.

In order to make best use of resources, FR will also implement the Electronic Expenses Management System (EEMS) during 2010/11 in respect of domestic travel.

Innovation

Key Performance Indicator 8

FR will, through its own investment and through projects such as the BIS funded PSRE 4 Innovation and New Markets Project identify, investigate and, where possible, develop innovative products or services and capacity through supporting and investing in staff. *(Objective 4)*

Commercial exploitation, innovation and partnerships will be used to deliver FR's work to a wider market through identification of new products and services that have commercial viability. This culture change is already underway with a steady and growing income from consultancy work and the launch of C-Cure Solutions Ltd. in 2009, FR's first spin-out company. New skills for identifying high level business cases will be developed through focused training, supported by mentoring for project champions with a comprehensive range of support provided by the Innovations and New Markets project. Working in partnership with colleagues across the FC, channels for exploitation will also be developed. Bespoke training will be given such that staff members can enlarge their entrepreneurial skills.

Establishing successful external research work in a competitive and fast moving environment is challenging and FR will continue to invest in its staff, such as providing training, development and offering practical support in order that it can maximise the opportunities that are available.

This has involved a fresh view on how our business operates and a number of specific work streams have been used to facilitate this change. Investment has been and will continue to be made in buildings and research infrastructure.

In 2009 staff participated in the development of a cultural web, to see where FR is now and where the staff want it to be in the future and work in respect of this analysis will continue in 2010/11. Senior scientific staff held a focused event to discuss ways forward and further events will be held in 2010/11 to discuss progress and the implications of the Science Strategy. Internal and external communication can always be improved upon and will receive special focus this year. Change takes time, but FR, is committed to ways of working that facilitate progress.

Forest Research's Business Plan 2010 – 2011

Table 1: Income and Expenditure 2008-2011

	08/09 Actual	09/10 Forecast	10/11 Planned
	£M	£M	£M
Income			
FC GB CFS	10.2	9.4	9.5
FC GB IFOS	0.6	0.9	0.9
Other Contract (EU, FC, Defra, DECC, Devolved Administrations, private sector)	4.5	5.2	5.3
Total Income	15.3	15.5	15.7
Expenditure			
Staff Costs (inc Salary, ERNIC & pensions)	9.8	9.7	9.8
Depreciation	0.7	0.7	0.7
Other costs	4.9	5.2	5.2
Total Expenditure	15.4	15.6	15.7
Operating Surplus/(-) Deficit	-0.1	-0.1	0.0
Early retirement compensation	1.2	0.0	0.0
Cost of Capital (withdrawn from 1.4.10)	0.5	0.5	0.0
Net Surplus/(-) Deficit	-1.8	-0.6	0.0

Table 2: Balance Sheet at 31 March 2009

	08/09 Actual	09/10 Forecast	10/11 Planned
	£M	£M	£M
Fixed Assets			
Land and Buildings	10.5	10.3	10.3
Other Assets	1.9	1.8	1.8
Total Fixed Assets	12.4	12.1	12.1
Current Assets	1.8	1.8	1.8
Current Liabilities	-1.0	-1.0	-1.0
Net Current Assets	0.8	0.8	0.8
Total Assets less current liabilities	13.2	12.9	12.9
Provision for liabilities and charges	-1.3	-0.6	-0.4
Taxpayers Equity	11.9	12.3	12.5

Table 3: Cash Flow 2008-2011

	08/09 Actual	09/10 Forecast	10/11 Planned
	£M	£M	£M
Operating surplus/(-) deficit	-0.1	-0.1	0.0
Depreciation	0.7	0.7	0.7
Changes in working capital	0.4	0.0	0.0
Loss on disposals of assets	0.1	0.0	0.0
Change in provisions	0.0	-0.7	-0.2
Cash inflow/(-) outflow from operating	1.1	-0.1	0.5
Less: Capital Expenditure	0.3	0.4	0.7
Net Cash inflow/(-) outflow	0.8	-0.5	-0.2

Table 4: Trends in Staff Numbers (full time equivalents)

	08/09 Actual	09/10 Forecast	10/11 Planned
Permanent staff	217	197	192
Other staff	45	48	53
Total	262	245	245

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