

MINUTES OF THE 915TH MEETING OF
THE FORESTRY COMMISSIONERS
BOARDROOM, DRUMOSSIE HOTEL, INVERNESS
29TH SEPTEMBER 2016

Present

Sir Harry Studholme (Chair), Mary Barkham, Amanda Bryan, Ian Gambles, George McRobbie, Jo O'Hara

Also Attending

Pat Snowdon (Agenda Item 8)
Fiona Alexander (Minutes)

1. Introduction and Apologies

The Chair opened the meeting and welcomed everyone. Apologies were received from Jean Lindsay.

2. Minutes of 16 June 2016

The minutes were agreed as a true record.

3. Matters Arising

i) Appointment of Forestry Commissioner

Julia Grant has been appointed as the new Non-executive Forestry Commissioner and will commence her three-year appointment on 1 November 2016.

ii) FC Centenary

The meeting heard that FC Scotland has discussed the proposed centenary celebrations with Scottish Government and agreed that events to mark the Act of 1919 would be appropriate. In England, there are various ideas for celebrating the centenary and the meeting agreed that the centenary offers an opportunity to spread a positive message about forestry in England, Scotland, and Wales.

4. HMRC Tax/VAT Compliance

The meeting noted that the Forestry Commission is now in a much better position as regards the HMRC audits with all VAT work now completed except that relating to the forest estate. The FC has submitted VAT analysis reports for FE Scotland and FE England to HMRC and await their response. The meeting agreed that the FC needs to be alert to changes in tax regimes and how these impact and noted that the professional expertise and guidance currently in place will continue.

The meeting expressed their thanks to Jean Lindsay and Meirion Nelson for all their hard work in moving this project forward.

5. Forestry Governance Project Board

The meeting heard that the consultation on forestry has been the main focus for Scottish Government with cross-border issues having a lower priority however, the consultation is seeking views on cross-border issues including research. Initial discussions have taken place around finances, with the three countries discussing the potential division and distribution of money equitably. There has been little progress on the Business Case for Forest Research and this is unlikely to progress until the completion of the consultation on forestry. Work and discussions on other cross-border issues are continuing.

6. EU Referendum Result – Key Issues

The meeting heard that following the vote to leave the EU on 23 June, Defra has identified three key areas that may impact on forestry:

- i) Labour – parts of the sector are dependent on migrant labour at both expert and basic levels. Resolution of these issues is inevitably dependent on wider political decisions;
- ii) Regulations – many environmental regulations derive directly or indirectly from the EU; the Government is currently considering in detail how each will be affected by EU exit;
- iii) Grants – the recent Treasury announcement was helpful to the forestry sector and it was hoped that further clarity would be provided in or before the Autumn Statement.

7. Observatree Project

The meeting discussed funding for the Observatree project noting that the current LIFE funding will cease in 2017. The meeting agreed that plant health and the protection of trees is very important and that Observatree contributes strongly to the plant health agenda, enabling the gathering of information in a cost-effective way. Observatree also helps to raise public awareness of plant health, encourages public participation and involvement, and provides beneficial input from citizen science. The meeting agreed that continued funding of the project was appropriate but highlighted that agreement on who provided funding was required. Additionally, the meeting agreed that the project should examine the following issues:

- review of volunteer management;
- identify the geographical distribution/spread of volunteers;
- identify development options and potential development of the service;
- review the effectiveness of the service to date.

8. Economics and Climate Change Research

The meeting heard about the key work of the Economics & Climate Change team which plays an important role in the interpretation of economics as well as developing market-based tools to stimulate investment in forests. Over the last year, the team commissioned three major pieces of research and FC Research Reports and Notes highlighting key findings from the research projects will be published as appropriate. The meeting noted the work on the Woodland Carbon Code (WCC) and the need to advertise its success which could be used as a tool to encourage new planting, particularly of native woodlands. The meeting also heard about the work on natural flood alleviation and defences, noting that this topic requires more quantitative evidence of efficacy in order to attract funding.

9. Central Services Report

The meeting discussed the report and noted the following:

- i) The introduction of a statutory notification scheme for imported firewood is important for plant health issues;
- ii) The UK Forestry Standard has had a 'light touch' review and is drawing to a successful conclusion;
- iii) Decommissioning of Shared Services is on-going with the countries building their own capacity in a number of areas.

10. England Country Report

The meeting discussed the report and noted the following:

- i) The Forestry Innovation Fund is open again for applications for Woodland Creation Planning Grant and it is hoped that it will be as successful as the first scheme;
- ii) The various partnerships with sports and arts organisations demonstrate the evolution of change on the Public Forest Estate and provide a range of benefits such as outreach, representation, funding and capacity building.

11. Scotland Country Report

The meeting discussed the report and noted the following:

- i) With the launch of the Consultation on Forestry, FC Scotland now has a clearer picture of the Government's proposals for future set-up in Scotland;
- ii) Recent figures show approx. 8,500 hectares of proposed woodland creation submitted for approval with a further 10,000 hectares also estimated to be in the pipeline pre submission;
- iii) The Cabinet Secretary is holding series of rural economy summits including two on forestry. The first meeting was held at Annandale Estate at the end of September and was deemed a success by the Cabinet Secretary and participants.

12. Any Other Business

- i) Canopy Cover Report

The meeting noted the recently published report and agreed it was a positive starting point.

13. Date of Next Meeting

14 – 15 December in London. There will be no Tour on this occasion.