

**MINUTES OF THE 901ST MEETING OF
THE FORESTRY COMMISSIONERS
WALES NATIONAL OFFICE, ABERYSTWYTH
14 MARCH 2014**

Present:

Harry Studholme (Chair)
Amanda Bryan
Ian Gambles
Simon Hodgson
Jon Owen Jones
Jean Lindsey
Hamish MacLeod
Bob McIntosh
Trefor Owen
Judith Webb
Wilma Harper (Secretary)

Also Attending:

Phillip Curtis (Minutes)

1. Opening Remarks

The Chair welcomed Ian Gambles, Director FC England, and Jean Lindsey, Director Central services to their first meeting of the Board of Commissioners.

2. Minutes of Previous Meeting

The minutes of the 899th Commissioners meeting on 6 Dec 2012 and the 900th on 22 January 2013 were accepted as a true record. There were two matters arising from the December meeting which would be covered during the meeting by Mrs Harper and Ms Lindsey.

3. Appointments

The Chair updated the meeting on the ongoing status of Commissioners appointments as follows:

Mr Gambles appointment as a Commissioner had been approved by The Queen and his warrant dispatched.

Mrs Webb would continue to serve as a Commissioner until the end of her term.

An appointable candidate had been recommended by the Secretary of State to fill the vacant England Commissioner post and had been approved by the Prime Minister. The candidates name had now been submitted to the Queen for appointment.

A draft job specification for the Chair position had been agreed and the recruitment process was now being taken forward by Defra.

4. Plant Health Update

The Chair opened the Plant Health (PH) update by reminding the Commissioners that this now represented the major issue for them.

Mrs Harper presented a paper updating the Board on the current Plant Health (PH) issues as follows:

- The Bio-security Task Force had been gaining credibility within Defra and would be producing its report in May after stakeholder consultation. The critical aspects of the report would be an action plan to deliver the recommendations and produce a risk register and recommendations on what the role of a Chief Plant Health officer (a role akin to the Chief Veterinary Officer) would be. The secretary of State had made PH one of his four priorities and a bid for additional resources was being prepared for Defra to address the shortfall in PH funding.
- The Chalara Control plan was intended to be completed by the end of March after undergoing a short period of peer review to corroborate the findings on wind transfer. Separately, the Commission was preparing a contingency to deal with the anticipated increase in stakeholder and media attention later in the year.

The current situation regarding Phytophthora, Dophistroma, and Oak Processionary Moth outbreaks was discussed. **It was noted that there were discussions currently taking place to treat the latter two by aerial spraying, which had been used successfully in New Zealand, although public perception towards spraying in the UK was more cautious.**

The Chair stated that he felt that, whilst the private sector was willing to take leadership in relation to plant health activity, it needed full guidance from Defra on what action was needed. It was felt that this clear guidance was lacking which he was causing frustration across the private sector and in Scotland. The Chair would be seeking a meeting with Lord de Mauley to discuss GB PH issues.

5. Natural Resources Wales Update

Mrs Harper gave an update on the progress made towards the establishment of Natural Resources Wales (NRW) as follows:

Legal. There were no significant concerns with the key orders either completed or in final technical drafting. The Transfer of functions order had been laid before the Welsh assembly for debate at the plenary session on 19 Mar.

Provision of services. All service requirements had been agreed with the Living Wales Programme Board. NRW would continue to use the FC IS network for at least 1 year although changes had been made to allow NRW to function as a legal body (changes relating to banking details, VAT registration and certification with FSC/PEFC etc.).

Communications. Staff, stakeholders and customers were being engaged through a variety of channels to ensure that organisational changes were explained.

Next steps. Resources have been put in place to manage the relationship and programmes required to allow FCW to transition to NRW. The current Service Level Agreements had been reviewed by Central Services to ensure they remained extant.

Internal Audit. A review of the NRW programme had been carried out by the FC Internal Audit team and its findings were attached to the paper. There were a number of minor issues outstanding which were in the process of being cleared and the report does not raise any significant concerns.

The Chair and the Board wished their collective thanks to be noted and passed to all of the staff involved in steering the NRW programme board.

5. Governance and Reporting for the FC

Mrs Harper presented a paper on proposals to revise the Terms of Reference (TOR) of the Board of Commissioners and other related governance structures. The paper intended to take into account the fact that the Commissioners' responsibilities now covered only England and Scotland and strategic policy for forestry was devolved to National Committees and their corresponding Ministers. It noted that the Board of Commissioners had a legal obligation to continue to meet and could not wholly delegate their functions.

The potential for streamlining the activities of the Audit and Risk Committees (ARC) was proposed, with an ARC for England, covering Westminster funding, shared services and cross border activities and the current Scotland and FR ARCs. The ARC England would incorporate significant issues from FR and Central services, and would cover pan-FC and shared services risks currently covered by the ARC Chairs. Director Central services would attend the England ARC and, as required, the Scotland ARC. This would negate the requirement for a separate ARC Chairs meeting, although chairs would be expected to liaise on significant issues.

The Commissioners made recommendations for the redrafting of the Terms of reference for the Board of Commissioners, and agreed the changes recommended for the ARC structure. Director Central Services noted that, in time, there would be a requirement to better define her role and responsibility to the Board. Mrs Harper agreed to review and represent her paper at the next meeting.

Action: Mrs Harper

6. Cross Border Corporate Plan

Mrs Harper presented the Cross Border Corporate Plan 2013/14 to the Board. As the first year in which the Commission would be an England and Scotland only body, the plan recognised the importance of cross border co-operation in a number of areas where it represented the most efficient and effective means of delivery. There would also remain a number of areas where cross border functions would be required with NRW.

The plan had three priorities; Resilience to protect our woodland resource; Evidence to underpin decisions and policies; and Standards for sustainable forest management. Each priority listed indicators and key actions for the coming year.

The Chair commended the document for its forward looking approach and noted it set out the direction for the Commission Clearly. The Commissioners made a number of suggestions for amendment and agreed recommended it for submission to the Secretary of State.

7. FR Corporate Plan

Mrs Lindsey presented the FR Corporate plan 2013/14. FR's priority was to provide the science and evidence to: Protect our trees and forests; Enhance forest ecosystem resilience; Ensure sustainable management and adaptation to climate change; Effect knowledge exchange; and Grow its business. The plan highlighted key indicators and actions to meet those priorities.

The Commissioners made suggestions for amendments and recommended the plan for submission to the Secretary of State.

7. Reports

a) Director central Services Report

Mrs Lindsey noted that she was working through the governance relationship with FR in conjunction with CE FR and would report to the Commissioners later in the year. She highlighted the following issues from her report:

Science and Innovation Strategy. A review of the SIS had been carried out, looking at the impact of FC research and, in particular, knowledge transfer and the methods used for disseminating research results. The review had raised some issues which needed to be addressed.

Health and Safety. The FC Health and Safety (H&S) Strategy had been agreed by the Executive Board and would be launched in April 2013. This would focus very much on the culture of H&S across the industry rather than practical steps.

Audit. Meetings had been held between Dir CS and the Head of Internal Audit to discuss branch audit reports where there had been limited assurance and the reviews were ongoing.

b) Chief Executive England Report

Mr Hodgson wished the Commissioners to note that 20 apprentices had been taken on as part of the latest apprenticeship scheme.

c) Director Scotland Report

Dr McIntosh spoke about the concerns regarding the demand upon resources that could be made through the use of bio-mass energy. This had a potential to outstrip supply across the UK, although new legislation was expected which would require bio-mass plants to import 90% of their fuel requirements. Last year the Scottish government had placed a capacity limit on bio-mass generation, now capped at 15MW and the EU would continue to make Renewables Obligation Certificates (ROC) payments to bio-mass operators and enhanced payments to Combined Heat and Power operators.

d) Director Wales Report

Mr Owen made two observations from his report.

Wind Energy Programme. The Welsh Energy Minister had approved plans for an 84MW scheme to go ahead at Brechfa west. This scheme would push the boundaries of permissible wind turbine mast heights. He noted that the Community trust payments in the Brechfa area were considerable, with the trust benefiting from £550K per annum for the life of the scheme.

Environmental Fine. FC Wales had been fined in the courts as a result of an action brought by the Environment Agency. The fine was £24K in relation to the discharge of silt following forestry operations at Nant y Bryn Brook

11. Any Other Business

The board wished to pass their thanks to the FC Wales staff for the manner in which they had conducted the smooth process of amalgamation into NRW. Mr Owen thanked the Board for their support during his tenure as a Commissioner and thanked them for his farewell gift.

Mrs Harper informed the meeting that 4 graduate apprenticeships had been awarded, 2 in England and 2 in Scotland.

12. Date of Next Meeting

12/13 Jun 2013. The meeting would be held in York.

Farewells

The Chair thanked Mr Owen-Jones for all of his efforts during his two terms as a Commissioner and Mr Curtis for his support to the Commissioners.