

Agenda Item 9**COMMISSIONERS' MEETING****Memo No 22/16****29 September 2016****ENGLAND COUNTRY REPORT, DIRECTOR ENGLAND****EU funding**

Following a period of uncertainty after the EU referendum, the sector has welcomed assurances set out by the Treasury on 13 August, including:

- all structural and investment fund projects, including agri-environment schemes, signed before the Autumn Statement will be fully funded, even when these projects continue beyond the UK's departure from the EU
- the Treasury will also put in place arrangements for assessing whether to guarantee funding for specific structural and investment fund projects that might be signed after the Autumn Statement, but while we remain a member of the EU. Further details will be provided ahead of the Autumn Statement
- where UK organisations bid directly to the European Commission on a competitive basis for EU funding projects while we are still a member of the EU, for example universities participating in Horizon 2020, the Treasury will underwrite the payments of such awards, even when specific projects continue beyond the UK's departure from the EU

The Government is encouraging British businesses and universities to continue to bid for competitive EU funds while the UK remains a member of the EU, and has also guaranteed that the current level of agricultural funding under CAP Pillar 1 will be upheld until 2020, as part of the transition to new domestic arrangements.

Woodland CreationCountryside Stewardship

A total of 422 hectares of woodland creation was supported by RDPE (Countryside Stewardship and EWGS) in the first quarter of 2016-17.

Woodland creation in the first quarter of 2016/17 was greater than that recorded for the first quarter of the previous year. This was related to the late issuing of Countryside Stewardship agreements for woodland creation towards the end of the 2015/16 planting season.

Our intention is to be able to offer guidance and application forms for 2017 as early as autumn this year in order to allow applicants plenty of time to prepare ahead of the woodland creation application window opening again in early 2017.

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A higher stocking density of 1,580 trees per hectare is being recorded through the grant scheme and this is a significant improvement on the density of planting achieved through the English Woodland Grant Scheme. This higher density is helpful in delivering progress against the Government's manifesto commitment to plant 11 million trees. At the request of the Permanent Secretary Defra, FC Director England is establishing a programme to monitor progress towards delivery of this manifesto commitment and take any necessary action to ensure it is achieved.

Forestry Innovation Fund

Forestry Innovation Fund (FIF) – following confirmation that the balance of the £1m FIF will be funded this year, the Forestry Innovation Fund will re-open in September for Woodland Creation Planning Grant applications. The APPG and key stakeholders have been advised. This grant helps fund the preliminary costs associated with potential applications for larger scale productive afforestation schemes. In parallel we will ask the sector for other possible ideas for how to use the funds to support innovation in the sector.

Aerial Surveying Results

The first part of the survey season has been completed with a total of nineteen flights undertaken, covering the SW, S Coast & SE, E Anglia and E Mids, NW, Y&NE, Wales and NI.

Observations from these flights have generally been consistent over the survey season, comprising mostly limited, low-level *P. ramorum* symptoms resulting in relatively small areas of larch to be felled under statutory plant health notices. Most sites have been in the general vicinity of previously confirmed larch, rhododendron or sweet chestnut infection. Some heavier and more extensive larch infection has been identified in parts of SW England (Wilts). In these isolated cases symptoms in larch seem to have advanced more rapidly, and ground inspections in these areas have identified collateral infection in other species, including Douglas fir and Western hemlock regeneration (and in one case oak which is of concern).

Three flights were specifically targeted towards surveying for *P. ramorum* in sweet chestnut, and we have identified further crown deterioration, die-back and death of sweet chestnut in SW England (mainly in Devon & Cornwall). Survey outputs have enabled Forest Research to undertake scientific investigations to help better understand the disease and its impact on sweet chestnut. With this understanding we will be able to continue the development of appropriate control measures and provide the best possible advice for growers and owners.

The flights have also provided an opportunity to quantify areas of sweet chestnut in private ownership in order to focus surveys with greater efficiency in the future, and provide a basis for scientific modelling as required.

During the flights we have also consistently observed deterioration of pine crown condition, attributable to *Dothistroma* Needle Blight, particularly in the SW, SE and E & E Mids. Also observed has been apparent progression of *Dendroctonus micans* in spruce, most noticeably in the SW (Devon & Somerset). The surveys have also enabled the monitoring of known sites infected with *Chalara* ash dieback, with crown deterioration in some ash stands in E and SE England now more apparent than in previous years. In NW and NE England observations have included apparent significant progression of *P. austrocedri* on juniper sites which are known to be affected. Other outputs include findings of localised heavy squirrel damage, and monitoring of known areas affected by Oriental Chestnut Gall Wasp, Acute Oak Decline, and *P. cinnamomi/Cambior* infections.

Flights are due to start again in early September.

Enforcement Notice (unlicensed felling) Court Case

In February 2015 four defendants in an unlicensed felling prosecution, where 1.3 hectares of mature Scots pine had been felled without a licence in a recently purchased wood near Basingstoke in Hampshire, received a conditional discharge. They failed to restock the site in accordance with a Restocking Notice which had been served soon after the felling in June 2014. The defendants were promptly served with an Enforcement Notice with a compliance date shortly before the expiry of their conditional discharges. No restocking took place and they were taken to court on 1 September for breach of the Enforcement Notice.

All four defendants pleaded guilty and received a total fine of £9,666 for the original offence (the unlicensed felling). This was because they had broken the terms of their conditional discharges and an additional £4,000 for failure to comply with the Enforcement Notice. Costs and victims surcharge were added to this.

This is a good result for the Forestry Commission in a case that has had a high public profile locally and has been followed closely by the local MP. We are pleased to see unlicensed tree felling and the failure to comply with the requirements of an Enforcement Notice being taken seriously by the courts.

Sport England

Forest Enterprise are working in partnership with Sport England to help deliver their new strategy 'Towards an Active Nation' and to engage people with nature through sport. The programme started in 2014 with core funding from Sport England and commercial sponsorship from BUPA with the aim of getting more people active in England's national woods and forests and, from an FEE perspective, increasing income from events and off peak visits at our forest centres. New products have been developed to complement our

core offer and we have used market research from Sport England and England Athletics to fit products to different customer profiles. A core part of the programme is to try new ideas. Last year at five pilot sites we attracted 230,000 participants across a range of activities including cycling, table tennis, volleyball and 'Gruffalo' orienteering and we recently launched our new running products 'wild running' and 'run forest run' (see www.forestry.gov.uk/running). Overall we have seen a 57% increase in participation over 2015 and are set to exceed the 500,000 participant target that we set. The programme will run until December 2016 but based on the success so far we are already planning with Sport England to extend the work to a further 15 sites across England.

Forest Art Works

At the Forest of Dean Sculpture Trail on 11 July Arts Council England Chief Executive Darren Henley OBE and Simon Hodgson signed a new four-year partnership to expand and extend the reach of high quality, innovative artworks in England's Forests. This agreement is based on a shared belief that arts and culture have an inspirational and transformational effect on visitors to the forest.

The new partnership, from 2016-2020, builds on the success of an initial Memorandum of Understanding between the two organisations in 2012. This led to the creation of the successful Forest Art Works programme. The agreement will continue to develop cutting-edge projects and programmes to support achieving great art and culture for everyone in England's public forests. A new 90 second film showing highlights of our first Memorandum of Understanding can be viewed here: <http://www.forestry.gov.uk/forestry/beeH-abre9e>

Based on lessons from the previous partnership, a key focus of this agreement is to target places with little cultural infrastructure and with few people engaged in arts and culture, and to use insight from audience feedback to get more people involved.

Successes of the Forest Art Works programme so far include:

- **Jerwood Open Forest:** a national open call for bold, ambitious proposals that explore the potential of forests as sites for art in and about the environment;
- **The Company of Wolves:** a forest tour of a promenade theatre based on the stories by Angela Carter, created by innovative Devon based outdoor theatre company *Burn the Curtain*;
- **Living Symphonies:** A touring programme that brings new music and sound art to outdoor spaces, portraying the second by-second activity of the forest's wildlife, plants and atmospheric conditions;

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- ***Abandon Normal Devices Festival*** in Grizedale Forest: a festival of drones, fungi, virtual reality, outdoor cinemas, kite flying and singing trees where audiences can experience the forest anew;
- ***In the Eyes of the Animal***: a virtual reality experience told from the viewpoint of the animal inhabitants of the forest.

Artists gain insight and inspiration from their interactions with woods and forests and audiences gain new experiences through engagement with art in forest environments. Whilst working in partnership with Arts Council England we will continue to seek high-quality, ambitious work that breaks new ground for both artists and audiences.

Arts Council England has also invested Grants for the Arts and Strategic funds into projects working in forests across England, including two major new works by artists Henry Castle and Pomona Zipser soon due to open at the Forest of Dean Sculpture Trail.

Timber sales report

The latest FE England timber sale produced prices above the sale reserve which had been increased due to the success of earlier sales this year. The reasons are likely to be varied: there is a suggestion that private sector supply is not quite as buoyant as previously and exchange rates are favourable for the moment (in that they make imports less competitive). Although exchange rate movements in the short term have been a consequence of the EU referendum vote, it is too early to say whether there are any wider implications. However, the processing sector is busy and volumes despatched are at a very high level for this time of year. Many mills are keeping their yards open for deliveries through the summer shutdown as they have orders to fill thereafter.

Estover biomass plant

Scandinavian investors have acquired the 27.8MW Estover biomass-fired combined heat and power project in Sandwich, Kent. The £160m project will use locally sourced wood from summer 2018, an estimated 100,000 tonnes from unmanaged chestnut coppice and broadleaved woodland in the South East. This could help bring another 25,000 ha or around 2% of England's woodland into management, bringing us closer to the 66% goal.

Ministerial visits

FC England were pleased to welcome new forestry Minister Dr Therese Coffey on a visit to Cumbria, including to the public forest estate at Whinlatter, and a subsequent visit to FC National Office in Bristol. The Minister showed strong positive interest in our work.