

Forestry England Board Meeting Agenda

4 June 2020

Virtual MS Teams Meeting

Attendees

Forestry England Board: **Ian Gambles, Julia Grant, Tristram Hilborn, David Hodson, Peter Latham, Jennie Price, Gurch Randhawa, Mike Seddon, William Worsley (Chair)**

Apologies:

In attendance: **PK Khaira-Creswell (Items 5,6,7)**

Secretariat: **Rachel Mackintosh**

NO. / TIME mins	Start time	ITEM (Materials)	OUTCOME REQUIRED	LEAD
Welcome				
1. 10 mins	10:00	Chair's Welcome Declarations of Interest Approval of minutes and matters arising	Approval	Chair
Management Accountability				
2. 30 mins	10:10	CEO report Including: <ul style="list-style-type: none"> • Strategic update • Business area update • Health & Safety • Risk Management • Performance Scorecard 	Discussion & note	Mike Seddon
3. 25 mins	10:40	Finance report	Discussion & note	David Hodson
Items for Approval				
4. 20 mins	11:05	COVID-19 forward look	Discussion & steer	Tris Hilborn
5. 25 mins	11:25	Forestry England 3 year plan	Discussion & steer	Mike / PK Khaira-Creswell
6. 20 mins	11:50	Board self-evaluation - priorities for improvement	Discussion & approval	PK/Rachel
7. 5 mins	12:10	Review of Board Terms of Reference	Discussion & approval	Chair
Concluding items				
5 mins	12:15	AOB		Chair

Future meetings:

8 October 2020
10 Dec 2020

TBC - MS Teams or North District visit to 6-8 October
TBC with Commissioners Meeting

Papers:

- Item 1 Paper 1.1 Minutes 21.04.20 updated 4.05.20
 Paper 1.2 Action log updated 27.05.20
- Item 2 Paper 2.1 CEO Report June 2020
 Paper 2.1.1 Appendix 1 Corporate Risk Register May 2020
 Paper 2.1.2 Appendix 2 Performance Scorecard May 2020
- Item 3 Paper 3.1 Forestry England Board Finance Report May 2020
- Item 5 Paper 5.1 Forestry England 3 - year plan May 2020
- Item 6 Paper 6.1 Forestry England Board Self-evaluation Results and Response May 2020
 Item 6.1.1 Appendix 1 Forestry England Board Self-evaluation Summary of Responses
- Item 7 Item 7.1 Forestry England Board Paper TOR review June 2020
 Item 7.1.1 Appendix 1 Forestry England Board TOR March 2020



Forestry England board meeting minutes

4 June 2020 10:00 - 12:30

Teams Meeting

Attendees
<p>Forestry England Board: Ian Gambles, Julia Grant, Tristram Hilborn, David Hodson, Peter Latham, Jennie Price, Gurch Randhawa, Mike Seddon, Sir William Worsley (Chair)</p> <p>Guests: PK Khaira-Creswell (Items 5, 6, 7)</p> <p>Secretariat: Rachel Mackintosh</p>

Agenda items

1. Welcome | Item Lead: Sir William Worsley

The Chair welcomed members to the seventh meeting of the Forestry England board, held via Teams video call. There were no apologies.

The Chair reported that, through these days of engagement by video conference, he is developing relationships with the Environment Agency and Natural England. He is also sitting on the Tree Planting Board with Ian Gambles. He noted though, that he has not been able to engage with ministers in Westminster through the covid-19 lockdown.

Declarations of Interest

There were no additional declarations made.

Approval of 21.04.2020 Board minutes

Minutes approved.

Matters arising not appearing elsewhere on the agenda.

- GR requested that the Board has strategic discussions that pull together what it means to be Forestry England and the people’s forest, can we link this to 3 year plan and the audience segmentation discussion that is pending. MS noted this will be followed up with the work on the 3 year plan.
- The Chair asked for an update on s.6 process, discussed at the last meeting: MS reported that the process to be followed has been agreed with Defra officials in advance of the item being discussed by Commissioners 02.07.20, all further substantive conversations would take place once the decision of the Commissioners is known.

The updated action log was reviewed and agreed. It was noted that:

- Action 40: PL, having agreed to be the nominated non-executive for the H&S policy work, is in touch with James Simpson and a meeting is being arranged with the HSTT team to take forward this work.
- Action 42: Sharing of learning of enabling cultural change with CRT has taken place. Forestry England has also shared its reopening protocols with CRT.

Action Items	Person responsible	Deadline
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Explore further with Gurch his thoughts on pulling together various threads in 3 year plan.

Mike Seddon, PK
Khaira-Creswell, Gurch
Randhawa

30.06.20

2. CEO report

| Item Lead: Mike Seddon

Mike highlighted the following points in the CEO's report:

- Pg2 land acquisition update: the ministerial sub has been made for the purchase of land at West Chevington, the minister is currently wanting further feedback on the nature of what is proposed to be planted. The proposal is for mixed planting but the questions place some doubt over the success of the application.
- Pg3 James Lee, senior land agent in the North District has been appointed Head of Woodland Creation.
- Reopening of the forests. MS gave his thanks and expressed pride in the team for the reopening of the forests, noting Forestry England was on the mark and ahead of other organisations in its approach to reopening to the public. Sites and visitor centres were busy, but going to plan. It should also be noted that throughout the pandemic the organisation remained open and working in many areas, including timber, fleet, and business interests and support.
- Pg4 Plant and Seed Supply made a workable solution to social distancing whilst lining out by building cubicles on the machine that satisfied the Trade Unions.
- Pg9 the new timeline for approval of the annual report is for it to go to ARAC and the Boards in September, and will be laid after that.
- Pg10 Forest Holidays are keen to re-open awaiting further government guidance, and have agreed amended financial arrangements to see them through this period. Camping in the Forest have made the case for not opening this year, MS as chair of the LLP, has written to them expressing concerns at this approach and asking for disclosure of the information behind this decision.

The following issues were raised by members and discussed:

- Non-executive members asked that their thanks are conveyed to teams across for the organisation for their amazing response to Covid-19.
- Further clarification of what rent deferrals meant. MS confirmed rents remained payable but over an extended period of time.
- The various approaches and arrangements of Forest Holidays and Camping in the Forest, and Forestry England's response to these, were investigated in greater depth.
- Question asked on how prevalent is Anti-social behaviour, what steps are being taken to address this and that it would be useful to monitor levels at an empirical level and to inform how to respond with expectations. TH responded that this has been widely reported; damage, litter, fly tipping. We need to be careful not to over-emphasise the problem; it's happening but not at greatly increased levels, as we also have more and new visitors. The emphasis is on educating visitors, using social media to set out expectations. Districts are working with local fire brigades for contingency planning in case of forest fires, especially in the high-risk areas of South and East. TH will monitor and report on this to the Board.
- DH drew Board's attention to the major fire at Wareham forest with projected cost of £100K; the cost estimates are for the direct costs of dealing with the fire, they do not include the value of timber which will need to be assessed for the purpose of reporting a loss.. Direct funding is being sought to assist with costs.
- The emerging position on land acquisition and ongoing work of Defra policy team to answer ministerial queries about range and balance of mechanisms to be used to deliver England Tree Planting Programme noted and discussed. JG asked if there was a

fully worked up cost/benefit analysis, and offered support in preparing one if it would be helpful.

Health & Safety report

Tris drew attention to critical technical training had moved on line and taken place.

Risk Management

Mike drew the Boards attention to the fact they had the full risk register as there was no ARAC. All risks had been updated to include any Covid impact. Board confirmed they were happy with register.

Performance Scorecard

Tris noted that the measures recorded were to the end of the financial year, so the more recent Covid impacts would be in the next Q1 report.

- Progress on the KPI paper, presented to the Board in March was requested, and information on when the new KPIs would replace the old ones. MS reported this was work in progress and will get an update report to the Board.
- Update on the national membership scheme requested and when can the Board expect to see the proposals. Tris did note that we had seen an uptake in membership during Covid to avoid queues and car park machines. Mike will provide update to the Board.

Action Items	Person responsible	Deadline
Monitor and report on levels of ASB	Tris Hilborn	8.10.20
Provide written update on new KPIs and when they will replace the old ones.	Mike Seddon with John Stride	30.06.20
Provide update / future agenda item on proposals for national membership scheme	Mike Seddon with Jose Lavelle	08.10.20

3. Finance Report

| Item leads: David Hodson

Commercial Sensitive

4. Covid -19 forward look

Item Lead: Tristram Hilborn

Tris provided the latest update on the programme managing the organisation's response to Covid covering incident management, recovery, finance, CJRS, internal and external communications and The Future Will Be Different (TFWBD) project. The Board were asked for their observations on the overall approach, and specifically any steer and thinking around TFWBD project. The discussion points were:

- The aspirations for future were welcomed -the organisation was encouraged to be bold in taking opportunities, to look at the most extreme position and then consider why they shouldn't be taken, before normal behaviours creep back into business practices. Julia offered to input into the project if that would be considered helpful.
- Looking at the commercial and recreation position work being done is showing customer preferences and appetites are changing rapidly so the organisation must keep up to speed with the latest insight on what people are wanting. Jennie has information on this if it would be helpful to link up.
- The Chair noted that it was important to be forward looking and thinking afresh, taking the opportunities to look at how Forestry England operates.

Action Items	Person responsible	Deadline
Link Julia into TFEED project.	Tristram Hilborn with Andy Venn	30.06.20
Link Jennie in with Hayley Skipper on changing customer appetites and behaviours.	Hayley Skipper	30.06.20

5. Three Year Plan

Item Lead: Mike Seddon / PK Khaira-Creswell

Mike and PK introduced the thinking on the Three Year Plan is that it needs to develop the detail below the purpose, values and strategic objectives that are now secure within the organisation. It should be focussed and give both internal and external audiences some tangible big picture items to get behind. The development of the plan is at concept stage and the Board's input and steer was sought. The Board view was also sought if it should be a three or five year plan: no objections were expressed to a three year plan. The discussion points were:

- The Board agreed it was important that the plan focused on doing, rather than being a think piece and that it was a welcome discussion for the Board to be having.
- It was agreed that the three year plan is positioned as the organisation's response to the government's Tree Strategy, due later this year.
- Non-executives expressed views on a variety of key themes, that included:
 - This is about the public forest estate and this should be the framing for the document - how do we evidence that the public forest estate is for the public.
 - What can and should we do as an organisation which comes down to tree planting: which trees, where are they planted and how is this funded.
 - The place for commercial forestry and the carbon sink provided by forests.
 - Group themes by the strategic objectives, stress testing the objectives to identify which ones are working best for the organisation.

Action Items	Person responsible	Deadline
Link with Jennie to take explore a supply / demand model for 3 Year Plan	Mike Seddon / PK Khaira-Creswell	30.06.20
All Board members to send in further thoughts to PK.	All Board members	30.06 20

6. Board Self-Evaluation

Item Lead: PK Khaira-Creswell / Rachel Mackintosh

PK introduced the self-evaluation as a very positive exercise, summarising the key findings and recommendations. It was agreed by all it was an interesting and informative exercise. The non-executives were pleased that all comments were received positively and constructively to inform learning and improvement. The discussion points were:

- There needs to be an increased presence of ARAC on the Board agenda, with reports after each meeting, giving Board ownership of its sub-committee, ARAC.
- The feedback shows honest engagement and positive mood. Questions probably don't pick up energy level and drive from the board, but it's noticeable that this is an engaged Board that wants to push the agenda on, which says a lot about the Board's contribution to the organisation.
- Year 1 has just completed and the board is always learning.
- The executive members of the Board were asked how they felt about the Board and if there was repetition between the various Boards in the FC. Mike expressed that from his perspective the Board works well with the executives, it is valued and adds value to the thinking and helps shape the direction of the organisation. Ian agreed there was

currently no overlap in governance structures, and the Commissioners would be minded of this when reviewing their role.

- It was proposed that for next year the same basic framework is used for comparison but with a greater focus on strategic value of the Board in first section.
- All agreed with recommended actions and priorities to be taken forward in Year 2.

7. Terms of Reference review

Item Lead: Sir William Worsley

The current Terms of Reference were reviewed, with the amendment proposed in the March meeting to go to Commissioners' in July. No further amendments were proposed. It was agreed to review the TORS annually in conjunction with the self-evaluation.

AOB

ARAC- the chair of ARAC was asked to review the presence of ARAC at the Board. It was agreed that there would be a regular report back from ARAC chair after each meeting of ARAC and the minutes would be circulated when they became available. It was noted and appreciated that the minutes of the November 19 meeting of the ARAC had been circulated prior to this meeting.

Future Meetings - The following was noted:

- 8 October - hopefully in Kielder forest as part of visit 6-8 October, if travel is allowed. Otherwise on Teams
- 10 December meeting would be held in conjunction with the Commissioners' meeting, details to follow.

The meeting closed at 12:23.



Paper Title: CEO Report

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**



Forestry England Strategic Performance Scorecard

21st May 2020



Our Performance Evaluation Framework identifies 3 levels of performance evaluation as detailed in the table below:

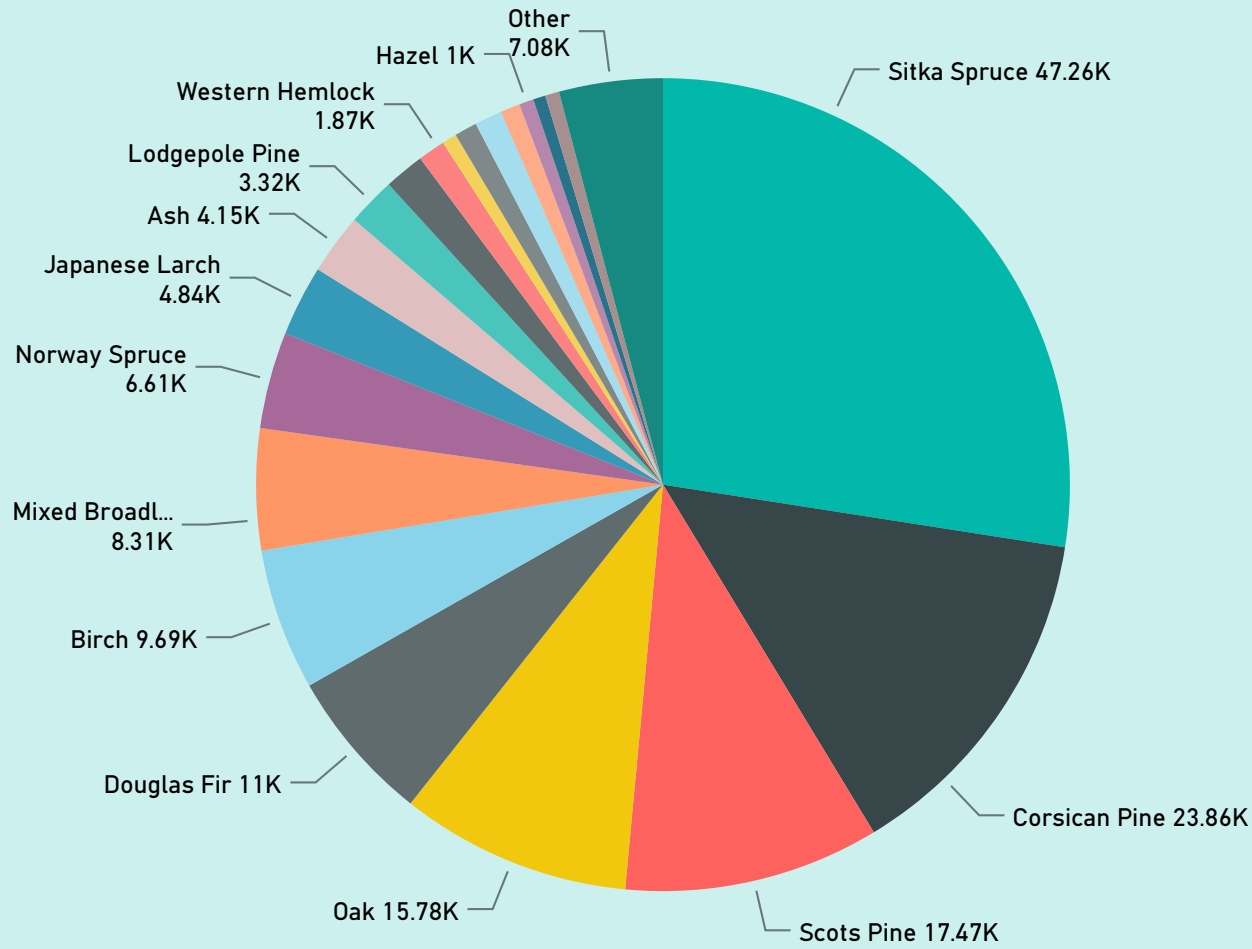
Evaluation of:	What type of measures support this:	Frequency of measuring and reporting:
Purpose ¹ and key Policy requirements ² .	Official Key Performance Indicators	Published annually
Strategy ³	Strategic measures	Reported annually for the Board
In-year delivery	Delivery measures	Reported quarterly for the Board (the evolving Scorecard)

This scorecard presents updates on measures currently identified as our Strategic and Delivery Measures. We are continuing to develop how we will report on the annual KPIs, aiming to do so for the first time for the 2020/21 financial year end.

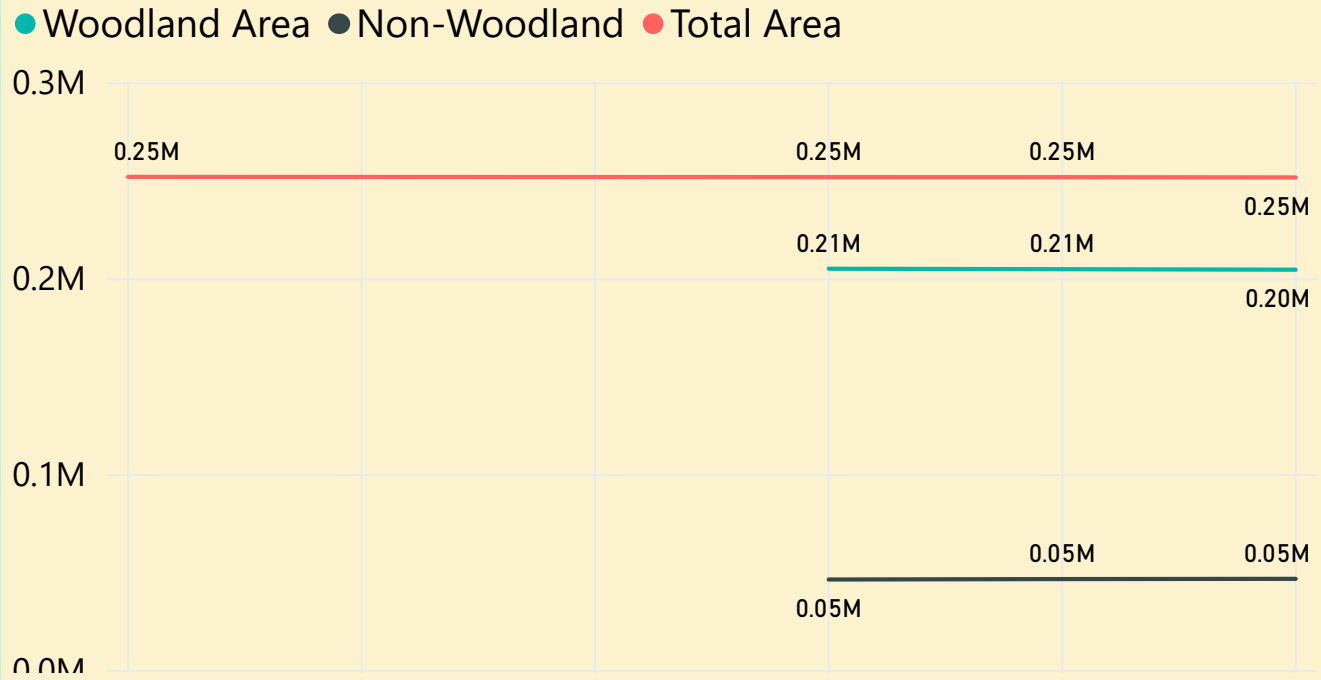
We will continue to develop the content of this Strategic/Delivery Measures Scorecard as we develop the strategic direction of Forestry England over coming months and years.

Superb Forests 1 of 2 (Quarterly Measures)

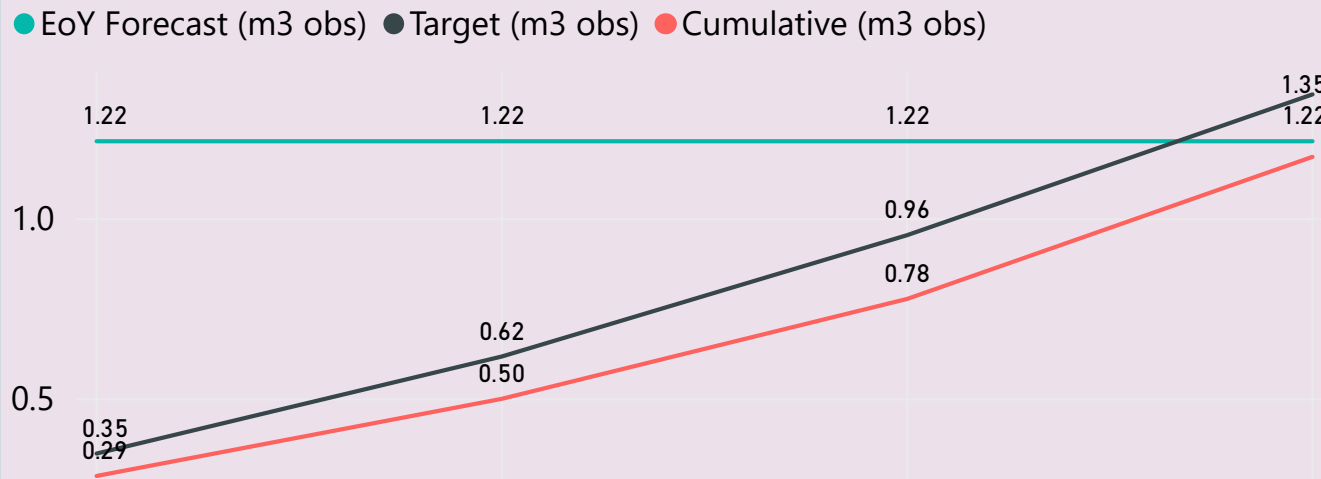
Species Diversity



Woodland Area, Non-Woodland and Total Area by Year



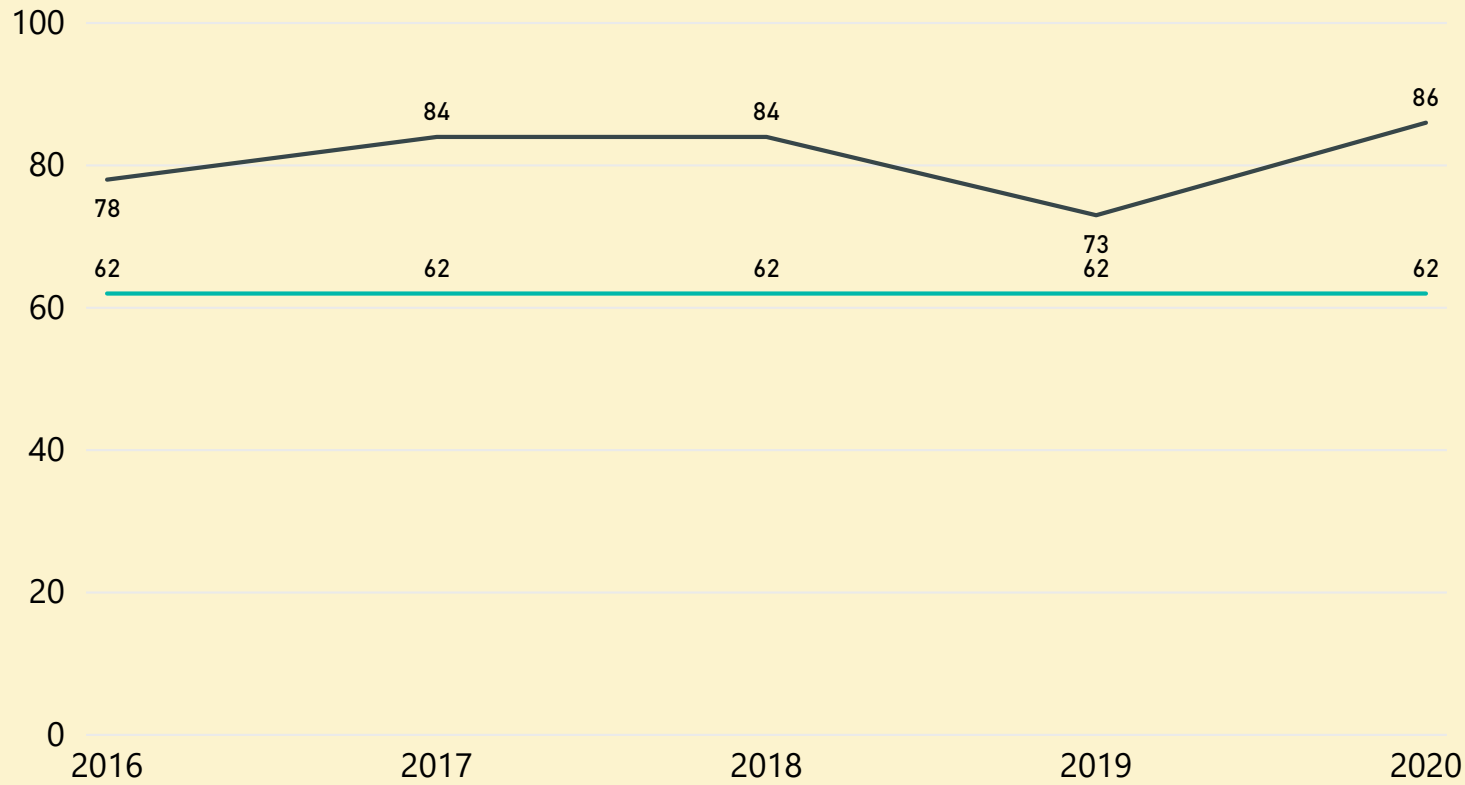
Timber Production (millions m3 obs)



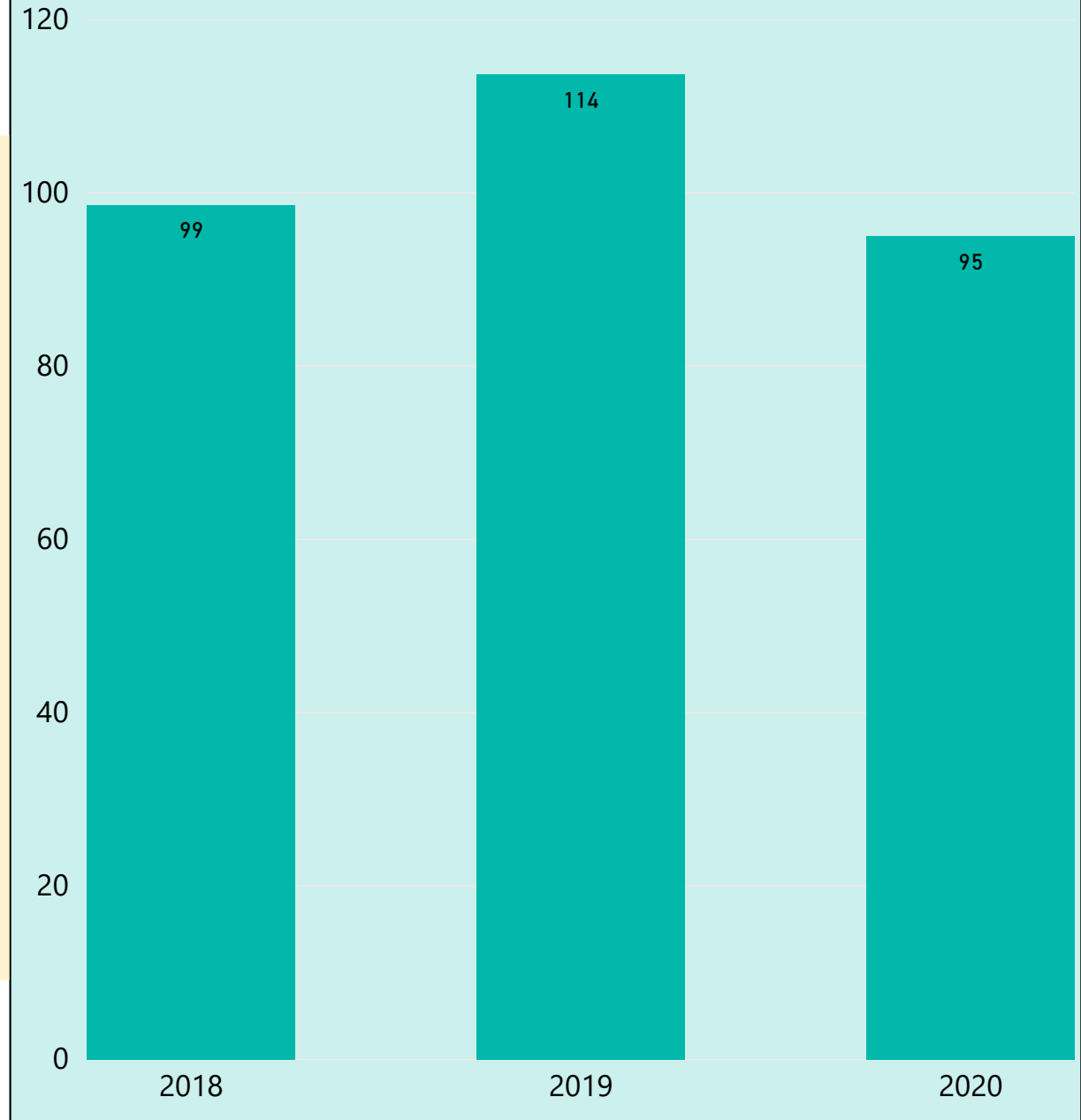
Superb Forests 1 of 2 (Quarterly Measures)

Net Promoter Score - 23 Main Hubs

● Department/Specialty Stores (Highest ave scoring Industry) ● 23 Main FE Hubs

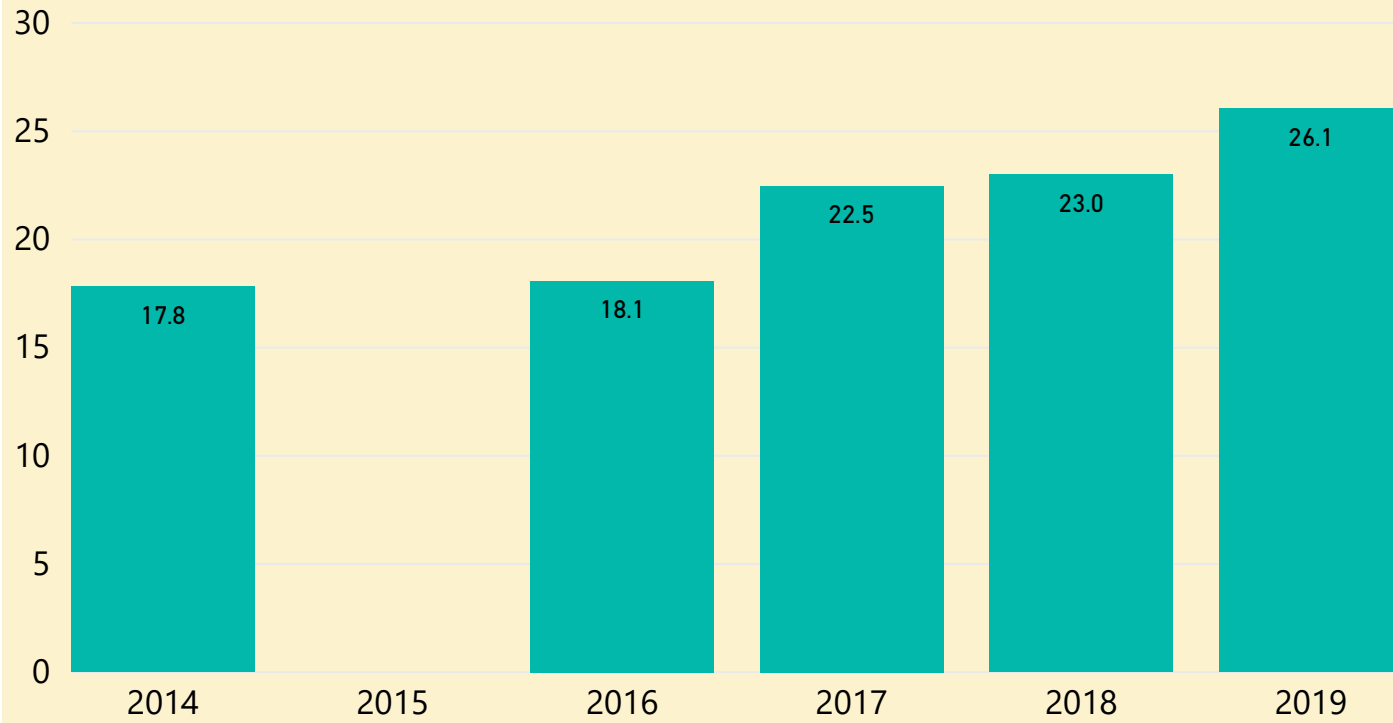


Number of volunteer work years by Year

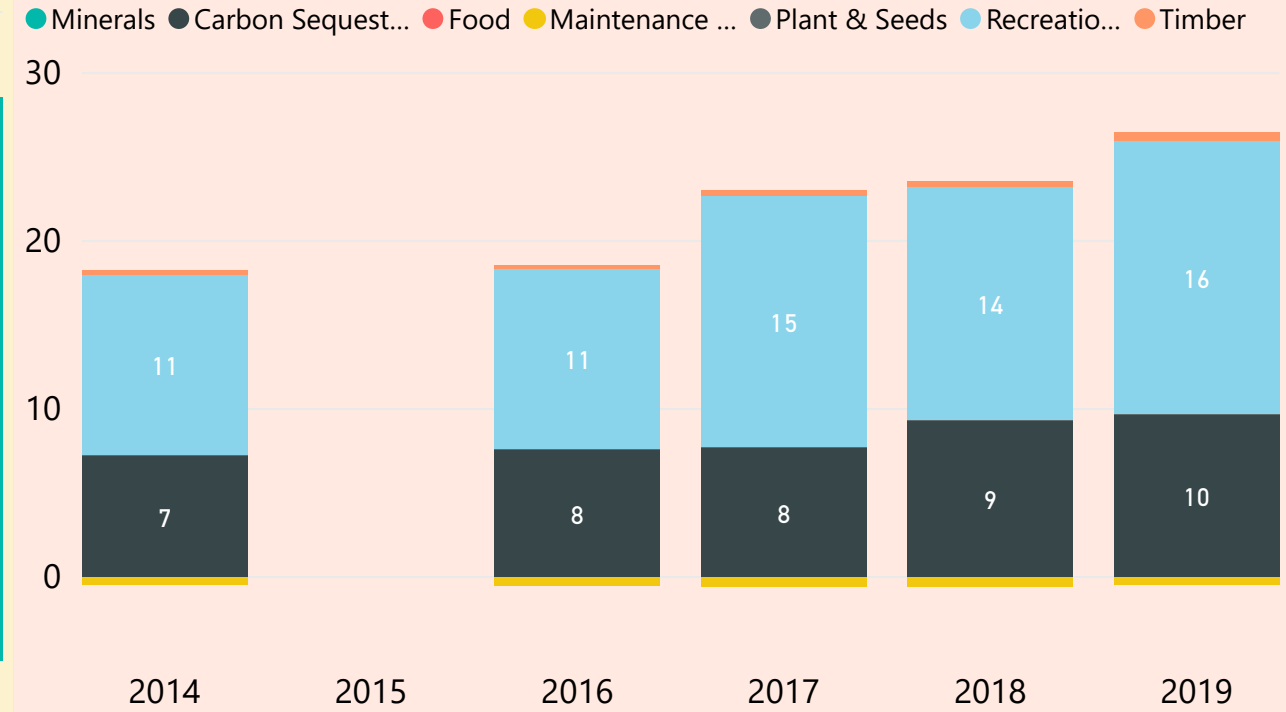


Increasing Natural Capital 1 of 2 (Annual Measures)

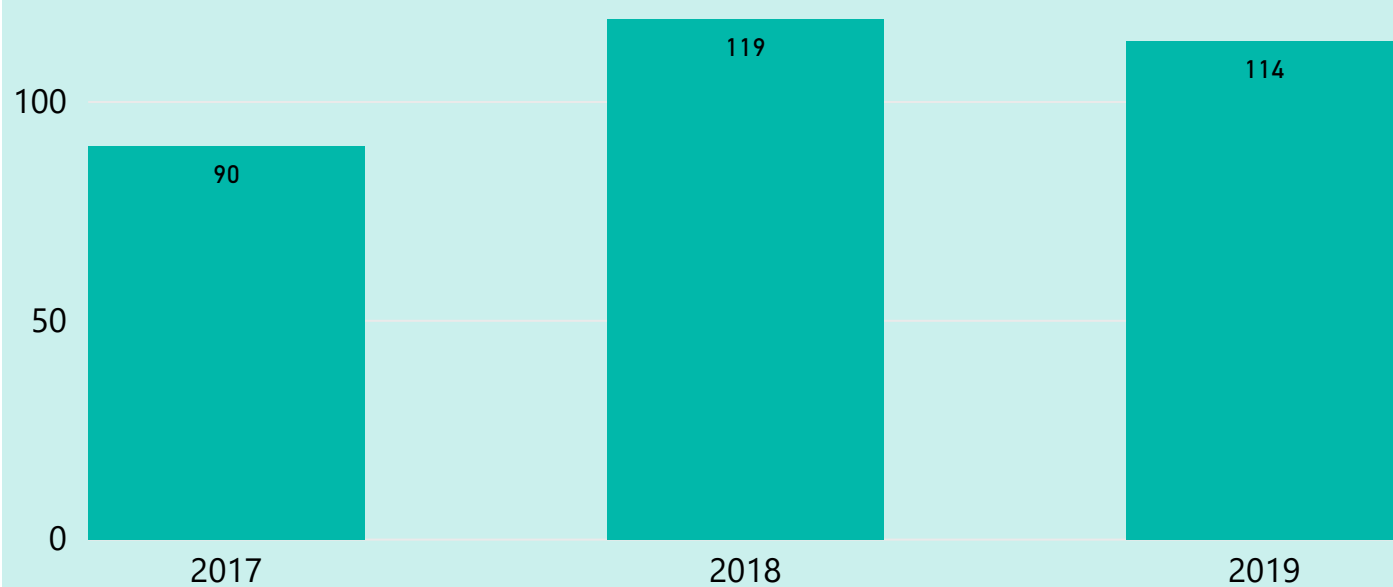
Total Net Natural Capital Assets by Year (£b)



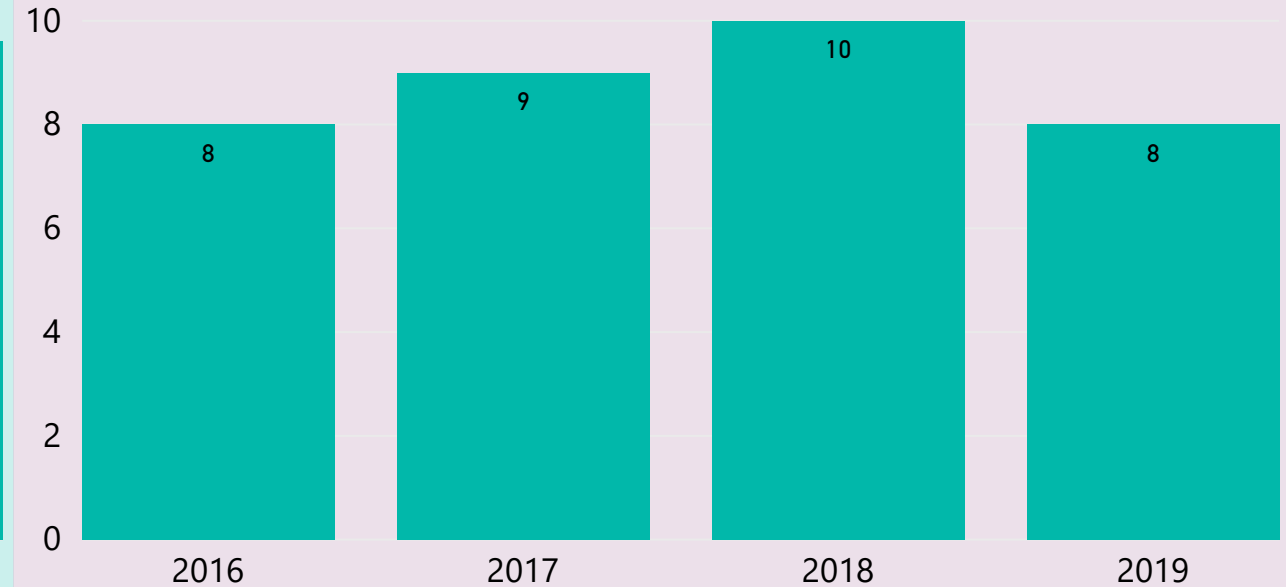
NCA Value Breakdown by Year (£b)



Number of Items in NCA Asset Register by Year



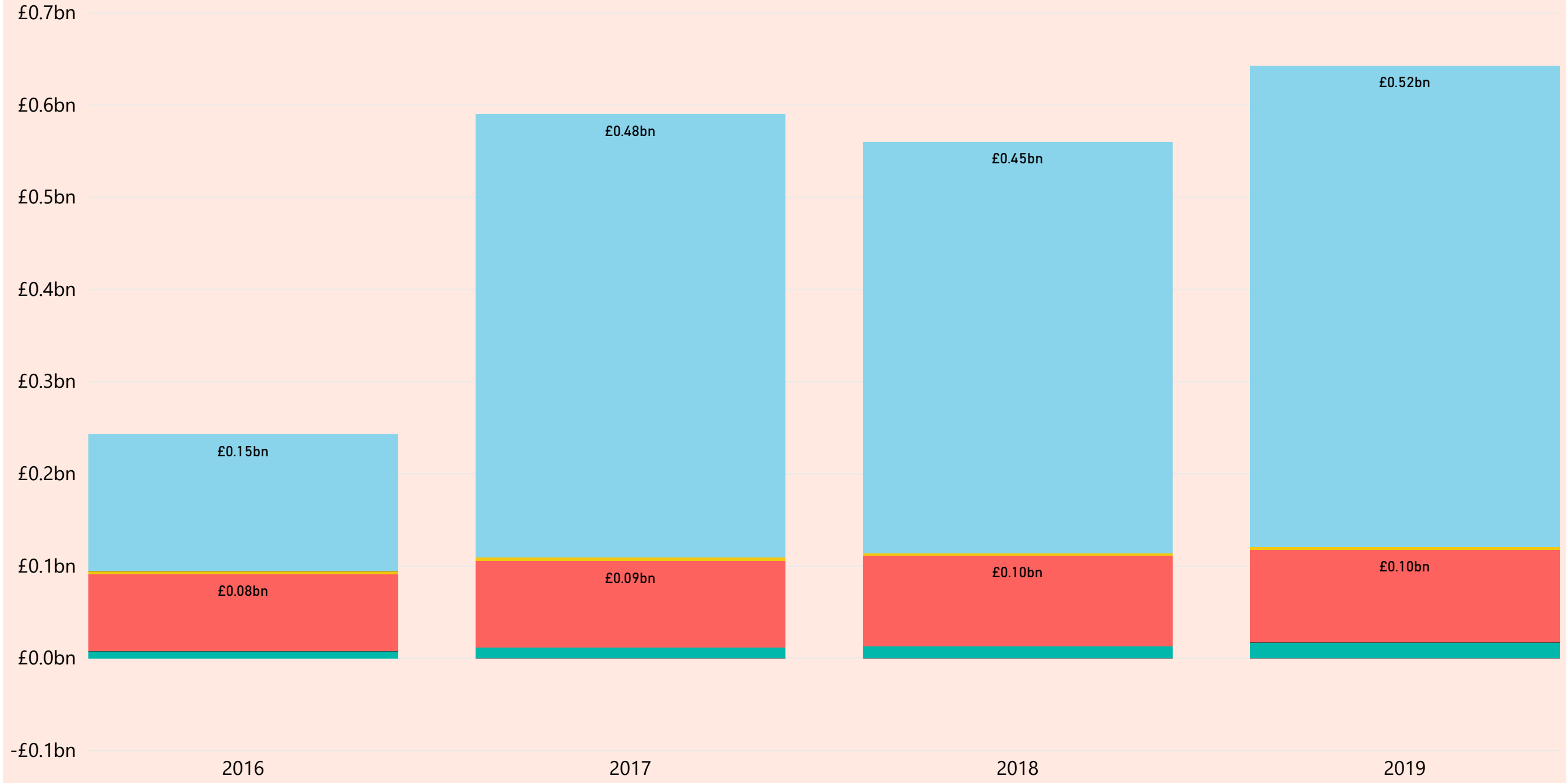
Number of Items in NCA Monetary Flow Account by Year



Increasing Natural Capital 2 of 2 (Annual Measures)

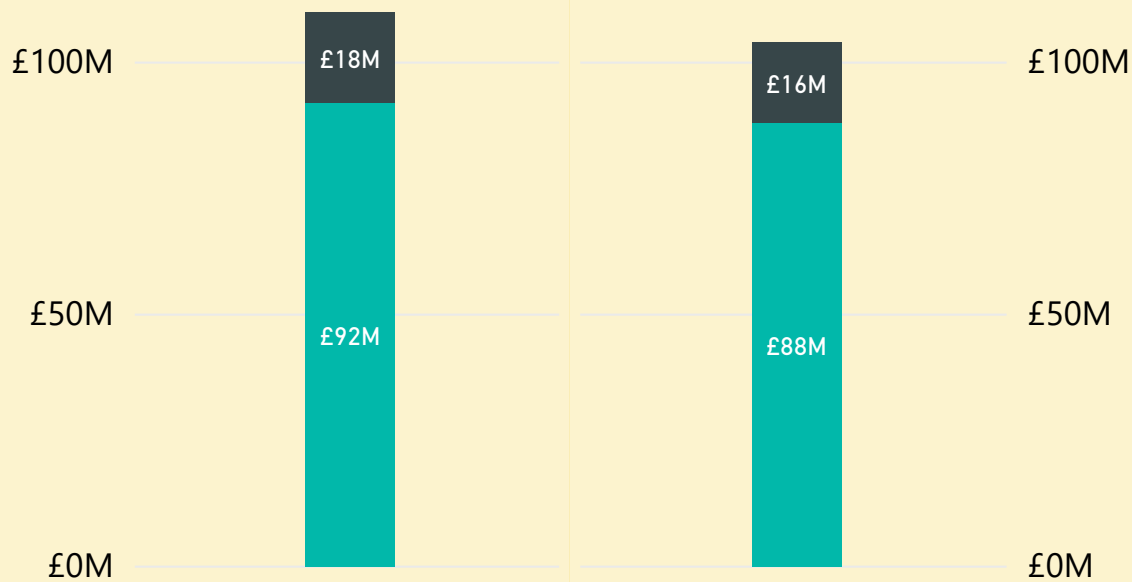
Ecosystem Service Flow Value by Year

- Timber
- Minerals
- Climate Regulation
- Plant and Seed
- Food
- Recreation



High Quality Investments & Sustainable Finance (Quarterly Measures)

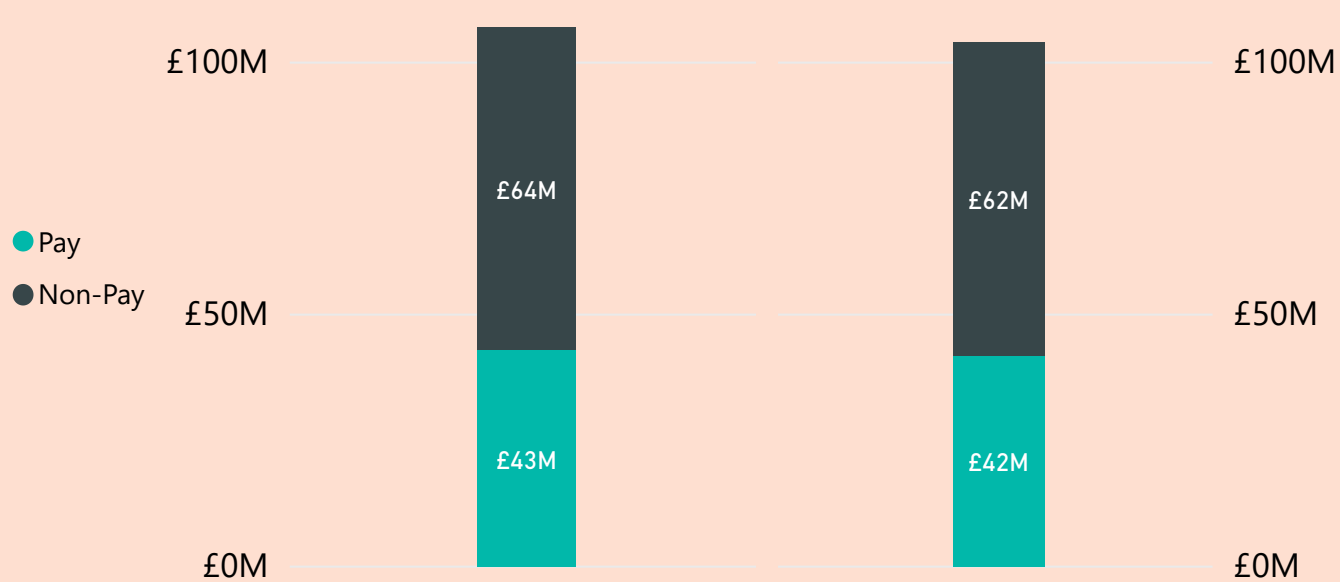
Income: Budget



Income: Actual



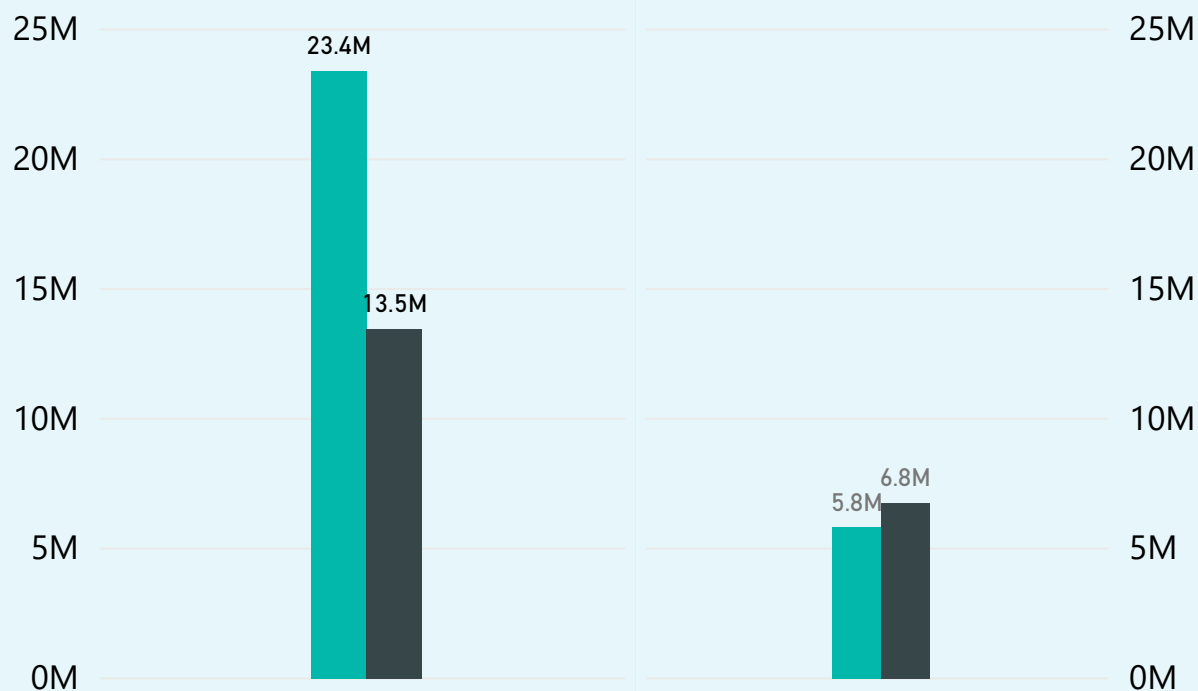
Expenditure: Budget



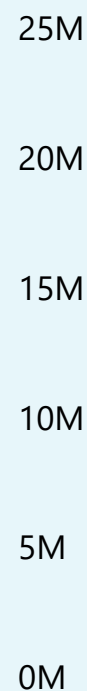
Expenditure: Actual



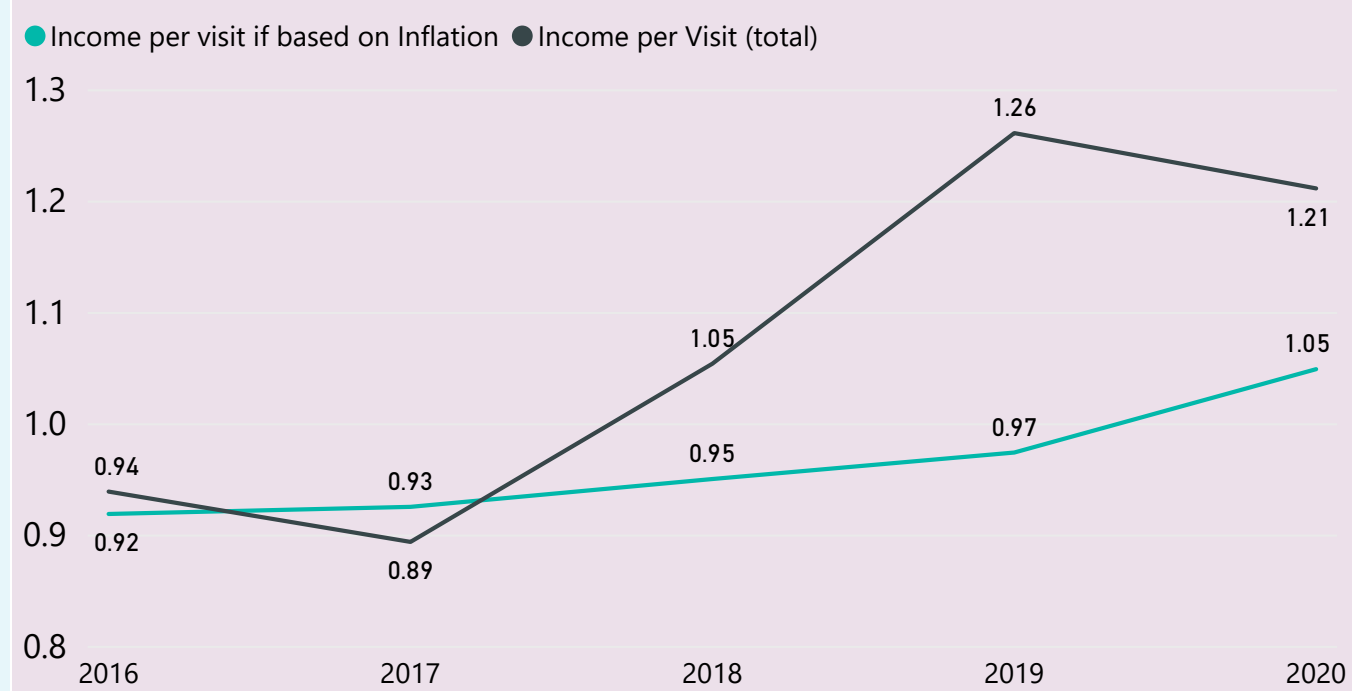
Capital Expenditure (£)



Capital Receipts (£)

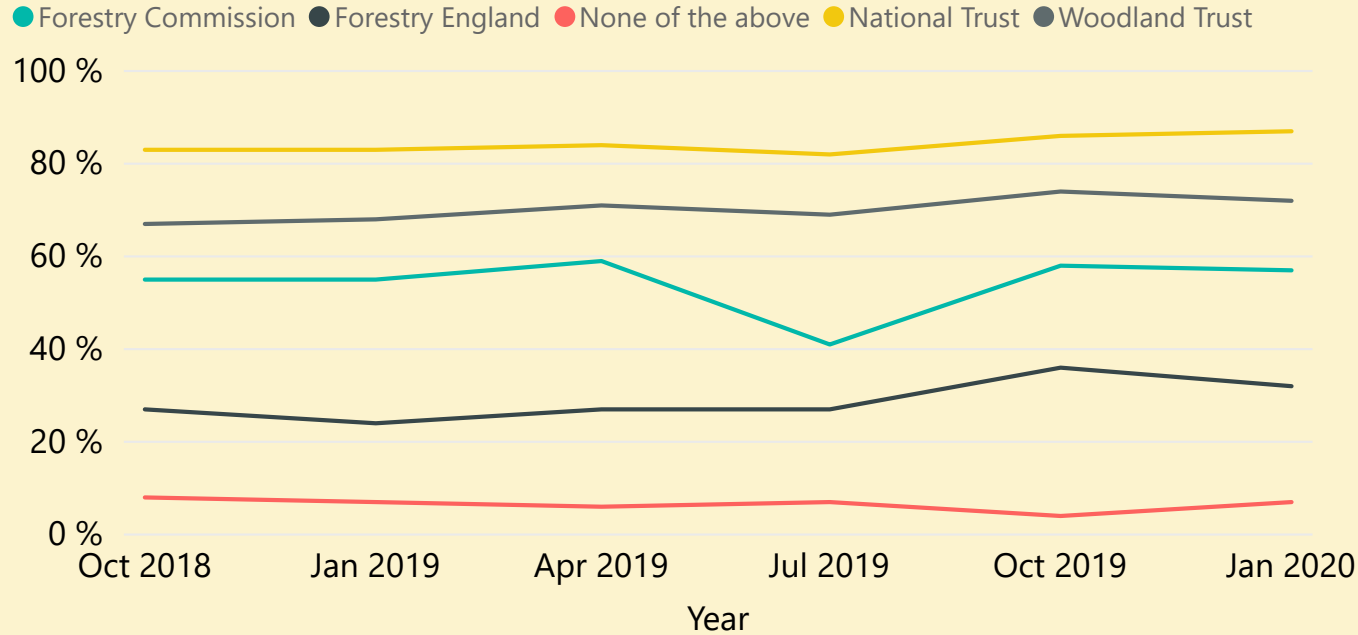


Entrance Income per Visit (£)

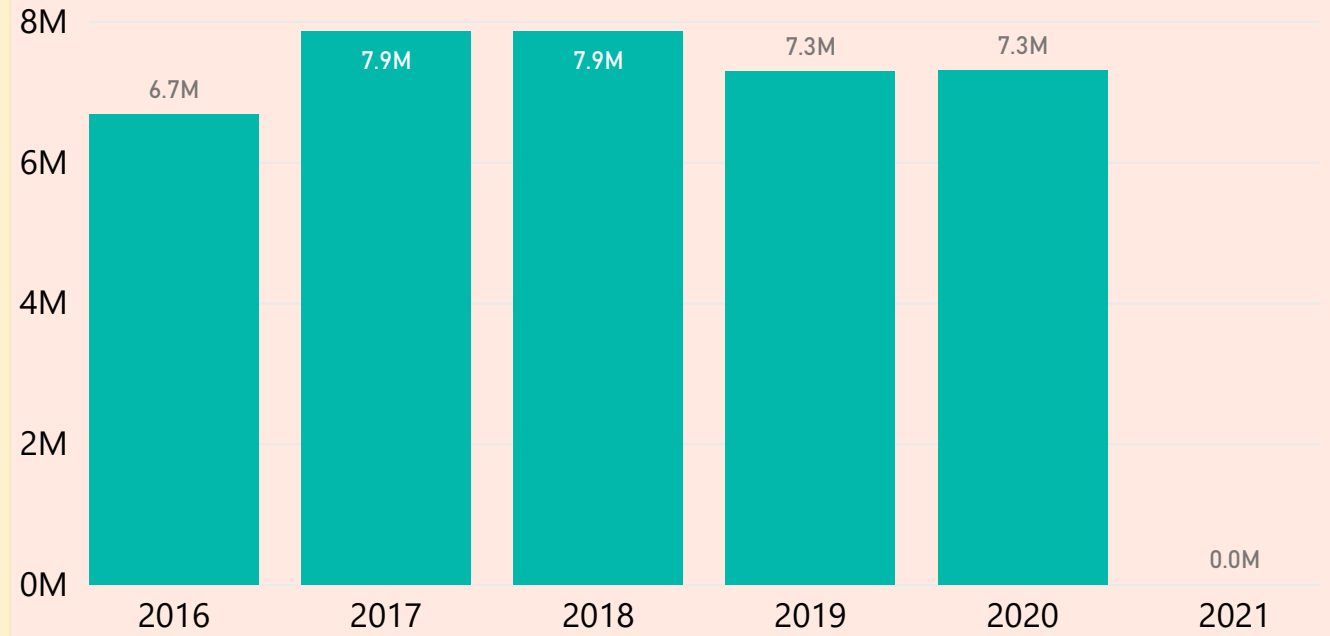


Telling Our Story 1 of 2 (Quarterly Measures)

Awareness of Leading Land Managers in UK



Esitimated Visits to Hubs by Year

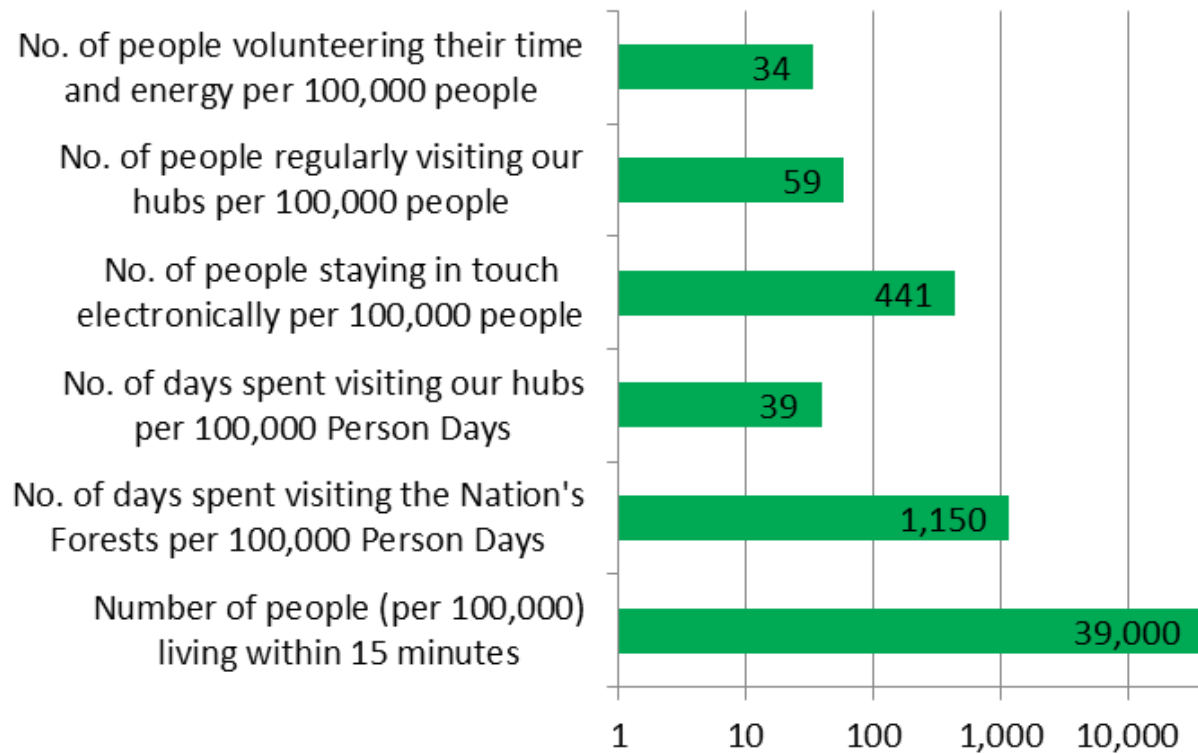


Total Discovery Pass Members

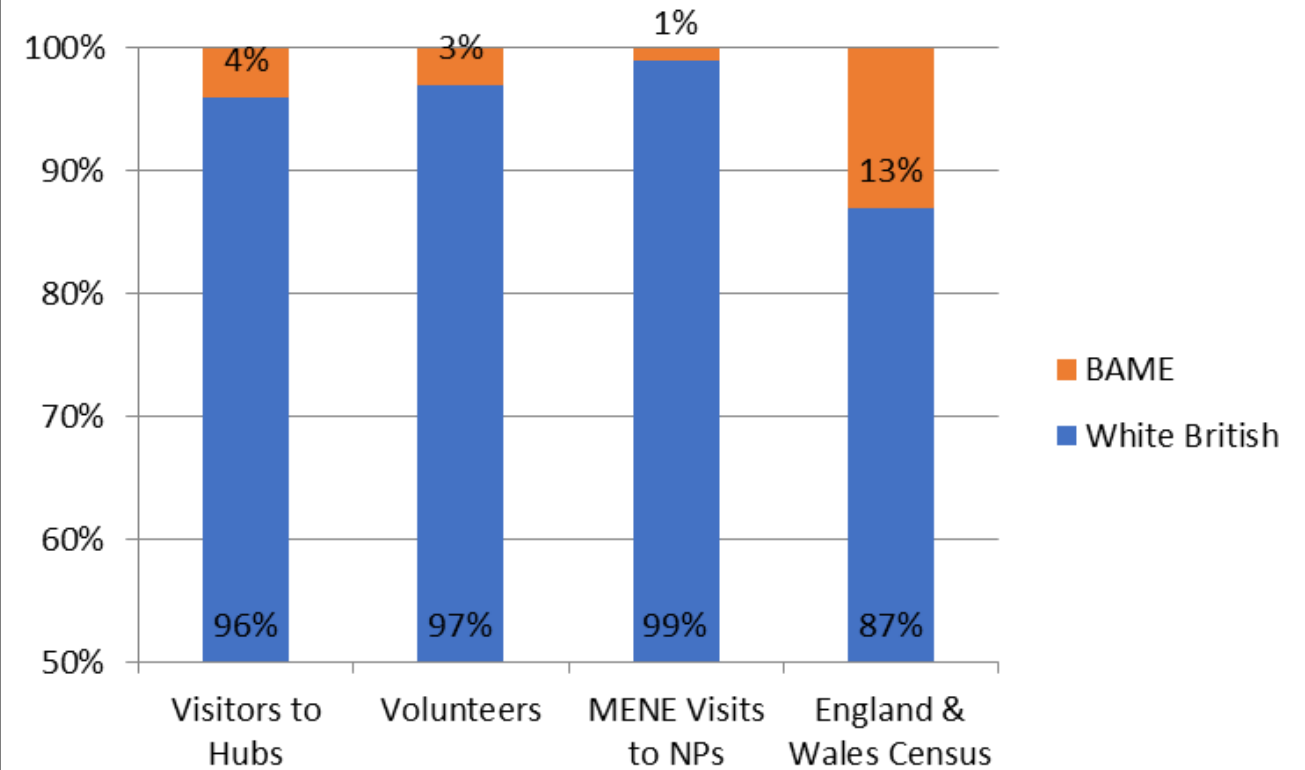


Telling Our Story 2 of 2 (Annual Measures) (not updated)

Connection Choices

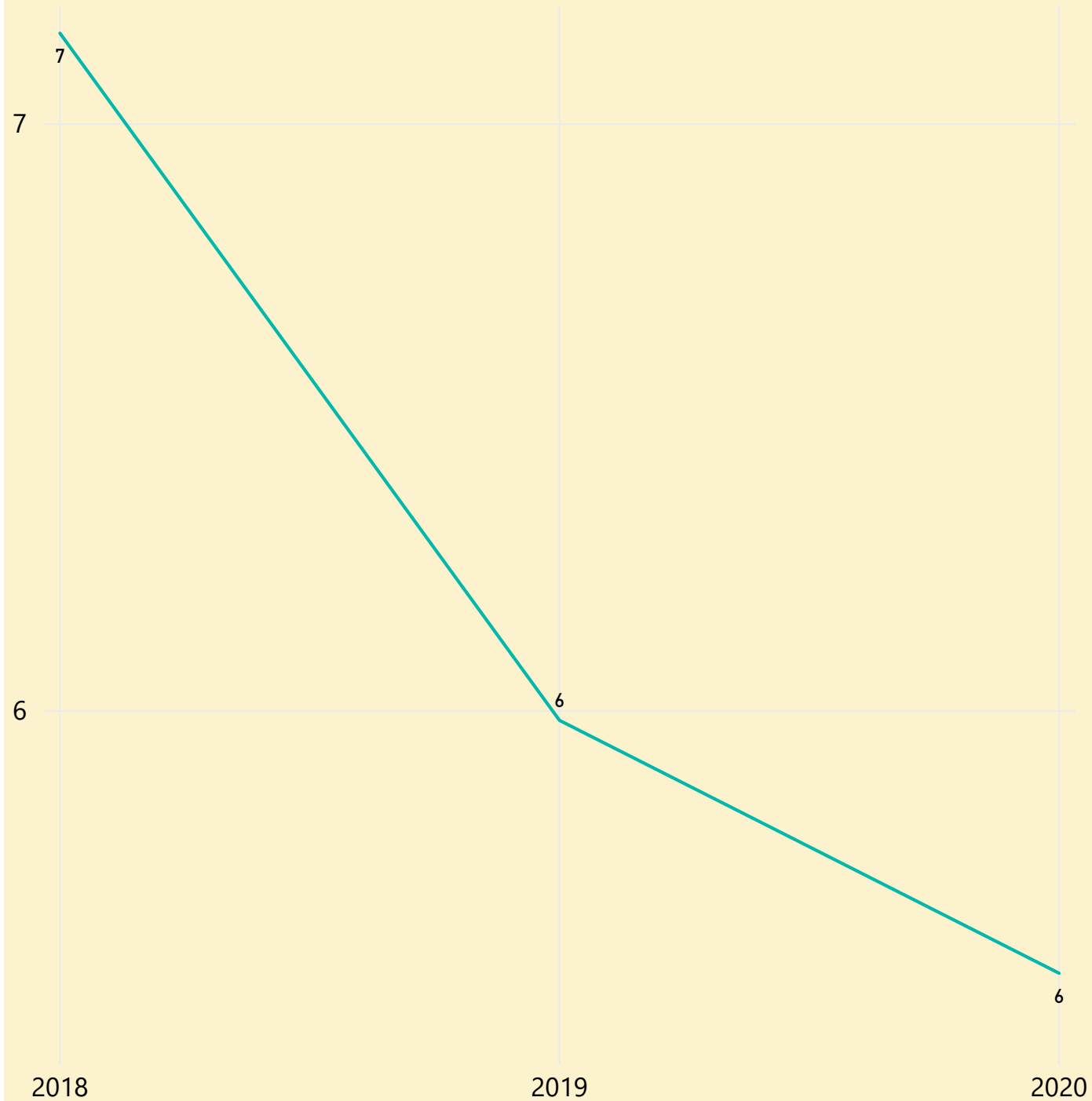


Ethnic Diversity of Connected People

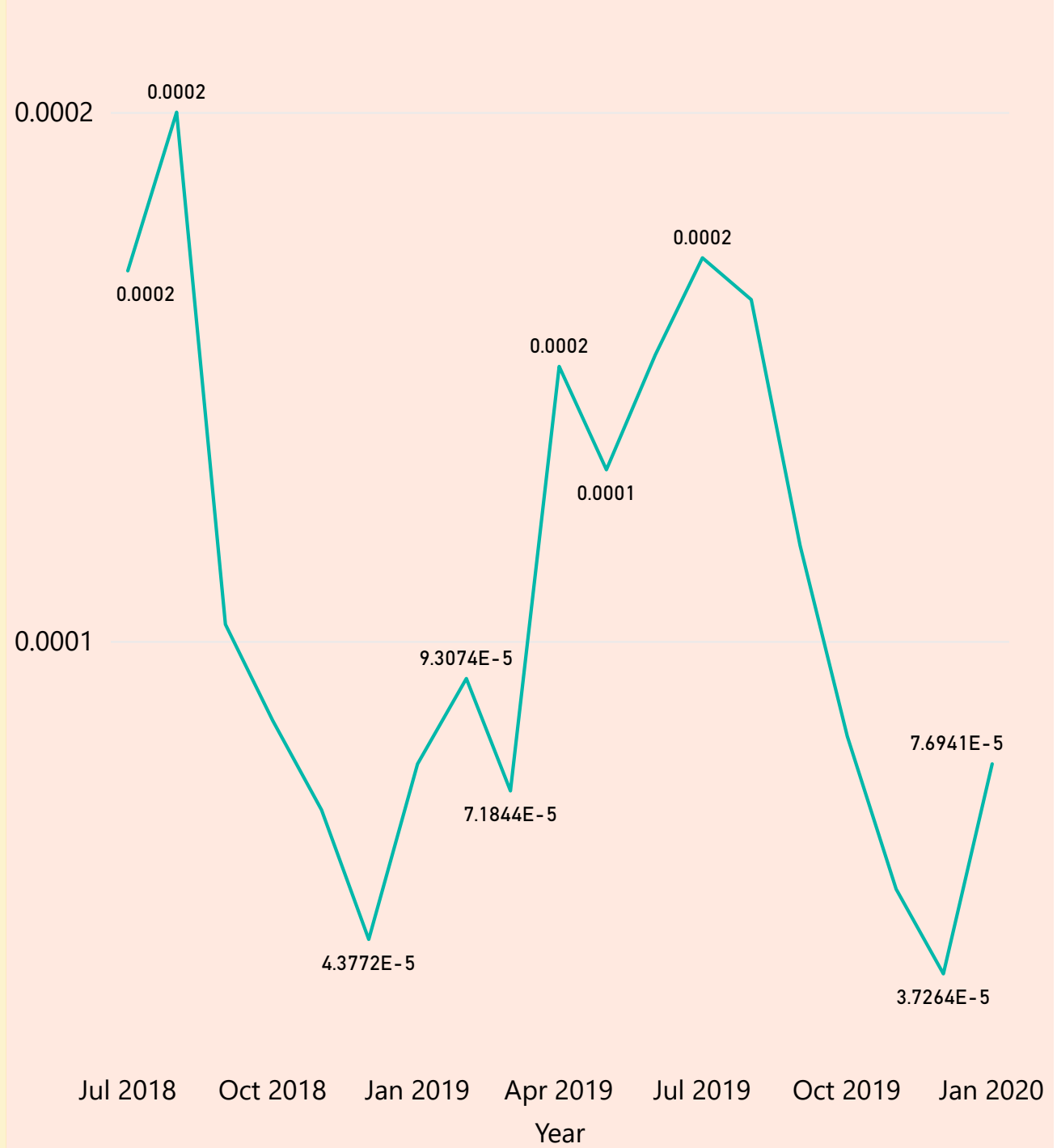


Being an Outstanding Organisation 1 of 2 (Quarterly Measures)

Average of Staff Accident Rate (per 100,000 hours)



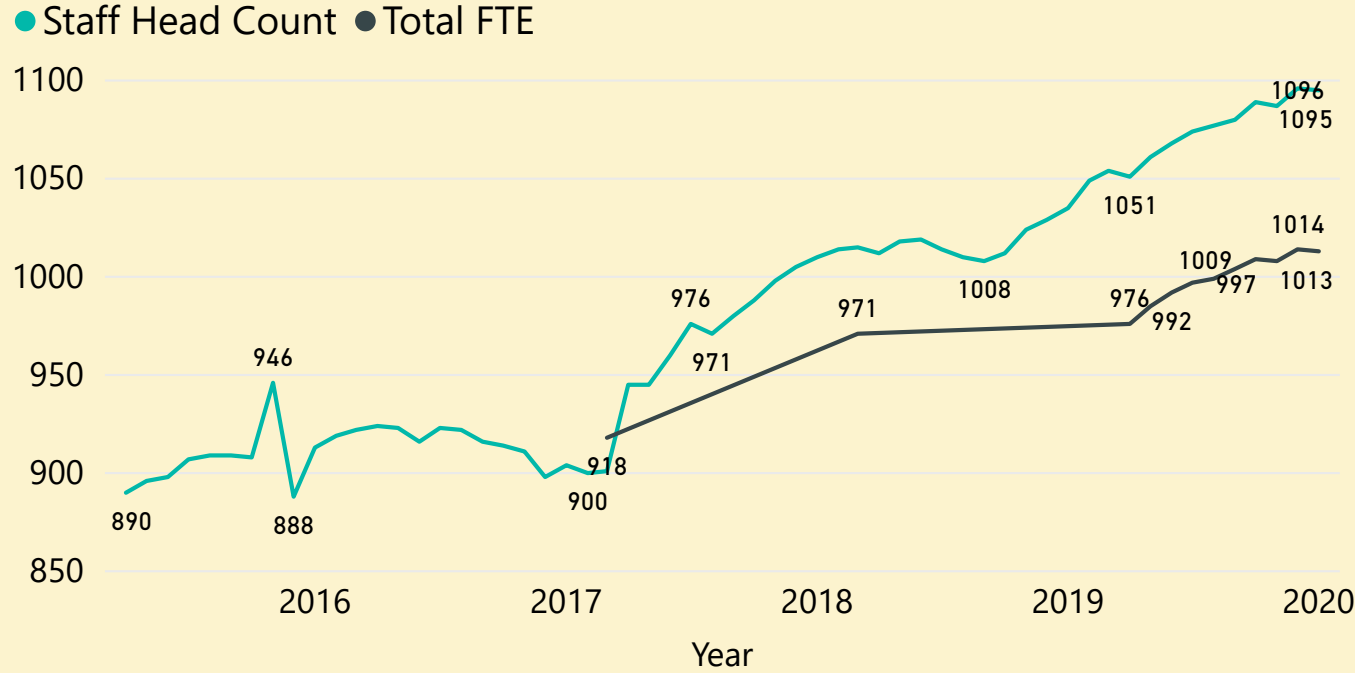
Public Accident Rate (%)



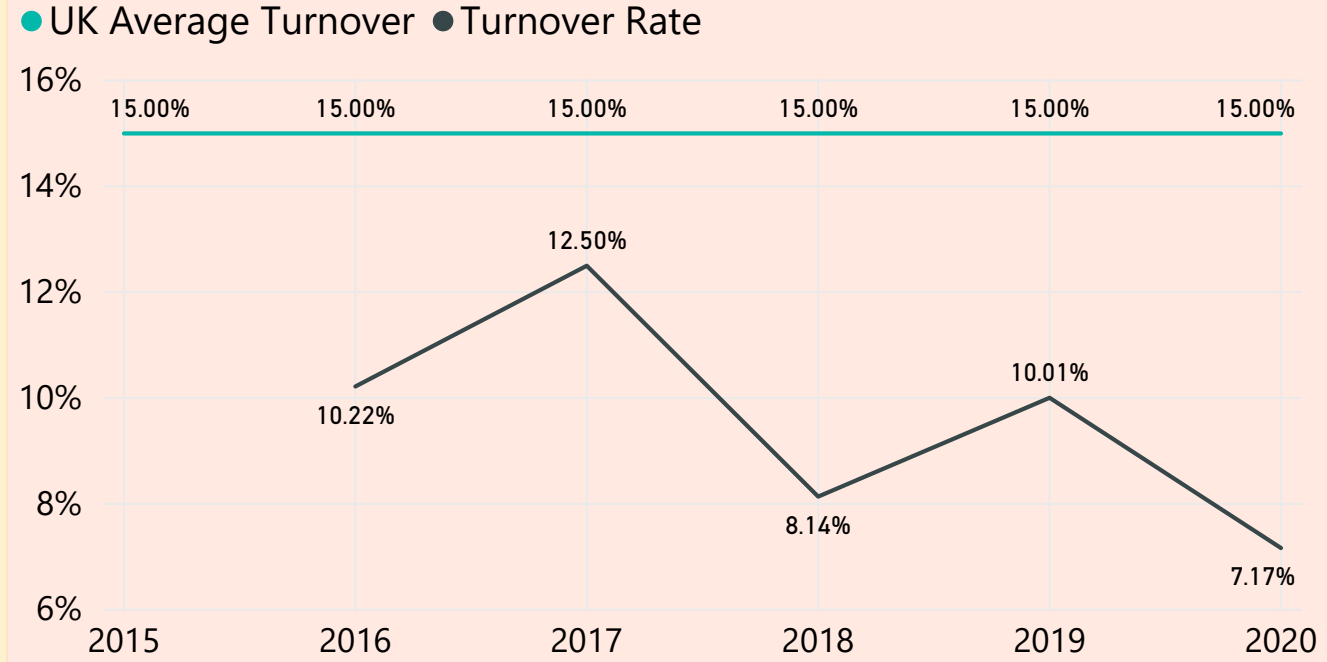
Being an Outstanding Organisation 2 of 2 (Quarterly Measures)

H&S

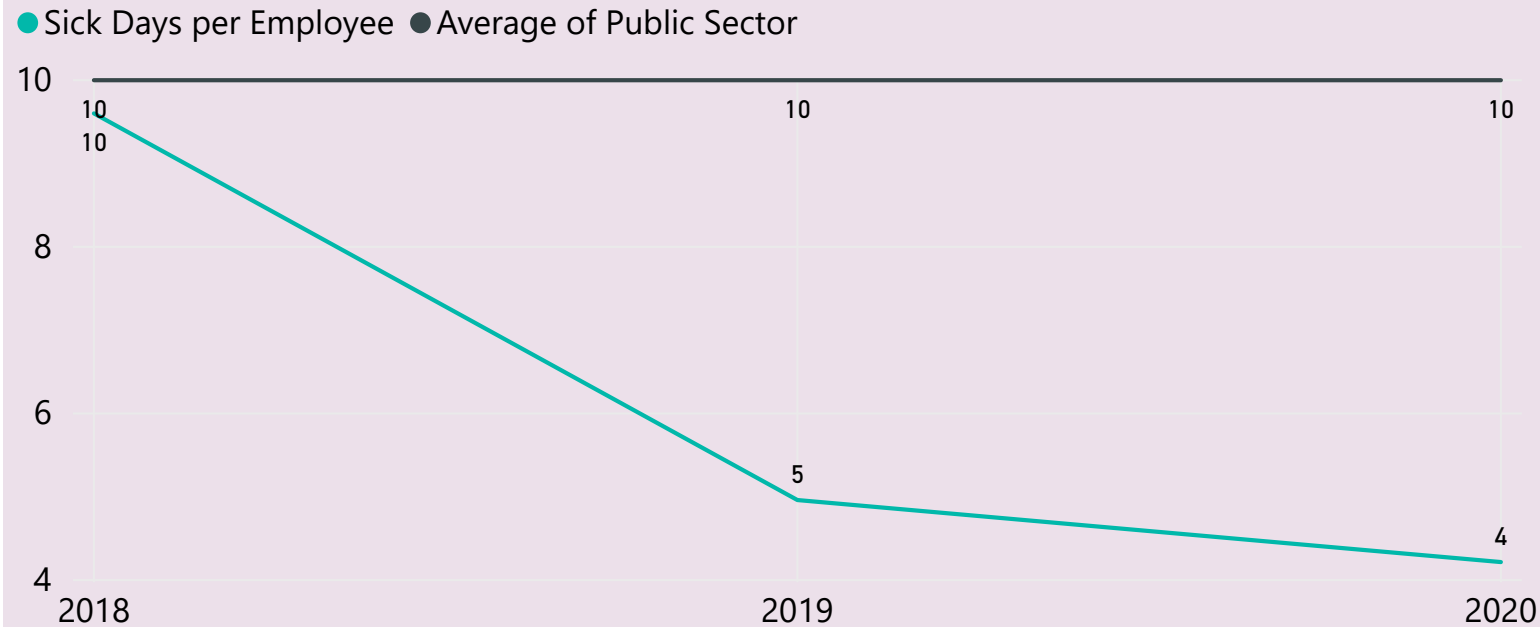
Staff Head Count and Total FTE



Staff Turnover



Staff Absence



Notes for Strategic Performance Scorecard - May 2020

The slightly changed appearance of the scorecard is a result of us moving the data analysis from MS Excel into MS Power BI. This gives us much greater functionality for interrogating the data and, in time, sharing it in ways that allow others to interrogate as well.

Not all measures have been fully updated, partly because of timing impacted by the Covid 19 pandemic, partly because some are not updated until the production of the annual Natural Capital Account (NCA) which usually happens around July.

Measure	Updated?	Reason
Number of volunteer work years	Yes	
Net Promoter Score	Yes	Updated following survey in winter 2019-20.
Timber production	Yes	
Species Diversity	No	Will be updated in line with NCA production.
Area of the Estate	No	Will be updated in line with NCA production ¹ .
Increasing Natural Capital (all 4 regular measures)	No	Will be updated in line with NCA production.
Ecosystem Service Flow Value by Year	No	This measure is included for the first time. It shows the value of ecosystem services delivered within the financial year as opposed to the asset value in perpetuity. This will be updated in line with NCA production. ²
High Quality Investments & Sustainable Finance (all 4 regular measures)	Yes	.
Awareness of Leading Land Managers	Yes	
Estimated Visits to Hubs	Partially	Partial updating before Covid 19 impact inhibited data collation.
Total Discovery Pass Members	Yes	
Connection Choices	No	Requires data not yet collated, partly due to Covid 19 impact.
Ethnic Diversity of Connected People	No	This measure is under review with the Diversity and Inclusion Manager.
Staff Accident Rate	Yes	
Public Accident Rate	Yes	
Staff Turnover	Yes	
Staff Head Count & Total FTE	Yes	
Staff Absence	Yes	

¹ It is planned that this will become a quarterly measure in line with the Performance Evaluation Framework.

² Included here as this is planned to become a part of the new Natural Capital Key Performance Indicator



Paper Title: Forestry England Finance Report

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**

Paper Title: Developing a 3-year plan for Forestry England
Author/Presenter: Mike Seddon

Paper Requirement

Decision Required	For Approval	Steer required	Information Only	Commercially Sensitive
		X		

Purpose and Recommendations

This paper seeks a steer from the Board for a proposed approach and timeline for the development of a 3-year plan for Forestry England.

1. Background

The Plan for the Public Forest Estate in England (2013), the current document which sets out the work we do in caring for the nation’s forests expires, in 2020. Its age means it has become less central to our work over the last couple of years.

We have been Forestry England for a year now. Our sense of self, place and autonomy is developing. We are building on the successes of the past to create the achievements of tomorrow. Our management of the nation’s forests is creating superb places for people and wildlife to thrive, underpinned by our sustainable management of forests, timber production and increasingly supported by diverse income streams including our recreation businesses, estates activity, corporate partnerships and legacy donations.

The time is now right to restate the long, medium and short-term aspirations for the nation’s forests and how Forestry England will deliver them. We started this process in 2019 when we created the Forestry England compass, including restating our purpose and defining five objectives. The compass has been well received across Forestry England and the five objectives are increasingly being referred to and used in shaping both national and local plans.



2. Discussion

Forestry England is achieving great things.

- We are built on strong foundations of expertise, creativity and unsurpassed natural capital assets.
- Scientific evidence underpins the operational and commercial decisions we take, for both short term and long term.
- We think beyond a lifetime: We are well practiced at resilient thinking, planning decades into the future and bringing this to life in the reality of our multi-year approach for the forests and our business.

It is time for us to define our next move: what we aim to achieve and the direction we set by the activities we prioritise or start new, how we will do it and how we will measure our achievement of it over the next 3 years.

Put simply, this will be our **3-year plan**.

We are not starting from scratch

We have a motivated, talented and skilled team.
 We have our values which guide how we operate as a team and as individuals.
 We have our 5 Strategic Objectives that when combined, lead us to success.
 We already have programmes of work which are established and successful.

External context and key drivers

For this 3-year plan, we find ourselves at an unprecedented time of uncertainty, volatility, major challenges in the environment, global markets and wider economic, political, social, health and well-being challenges.

It also comes at a time when trees have scarcely had so much positive attention from scientists, policy makers, financiers as well as high expectations and appreciation in society.

The climate emergency and nature crisis will shape and define what society needs and expects from natural assets like the nation's forests over the next century. We must respond.

The England Tree Strategy will guide how the trees and forests of England will support and fulfil society's wider needs.

The countryside and urban greenspace has an increasing role to play in supporting people's health and well-being, highlighted further by the coronavirus pandemic and recognition of the desire for people to connect with nature, be that physical or by way of virtual means and support through volunteering and memberships.

Central government requirements and guidance in response to the pandemic will add a further dimension to the opportunities and constraints available to Forestry England as we ensure the safety of workers, partners and visitors whilst evolving the business to this new normal.

The Government's 25 year plan for the environment will shape the landscape in which we operate and contribute to, including sustainable land use, recovering nature and landscapes, connecting people to nature as well as decarbonising our business and reducing waste.

The Government has ambitious tree planting targets. Forestry England has the expertise, pace and delivery focus to help realise the impact the government is aiming. The Nature for Climate fund, including expansion of the nation's forests & nursery capabilities is key to the success of this target.

As the UK moves from the EU Exit Transition Phase to new relationships with the EU and the rest of the world, we will continue to respond and evolve as needed to make the most of this opportunity for change.

A 3-year plan



Our Objectives: superb forests, increasing natural capital value, high quality investments & sustainable finance, telling our story and being an outstanding organisation are already highly accepted by the wider organisation.

This 3-year plan will focus on fleshing out the big-ticket things we will do to deliver our Objectives; supported by clear measures to help us evaluate progress along the way.

Potential topics of the 3-Year Plan

All of the benefits provided by the nation's forests are underpinned by our sustainable forest management and that needs to be recognised as core to our work.

However, Forestry England also takes decisions and action to extract greater benefits which are highly relevant to society's needs today and tomorrow. In doing so we consider our current operating environment and associated external drivers, including how we demonstrate our worth to Ministers.

Potential topics to be addressed within our plan might therefore include:

- Expansion of the estate to secure more benefits for the nation
- Woods close to people, services, business opportunities, greatest value of public benefits provided i.e. a much clearer connection and relationship between income generating demographics and the wider social purpose we seek to deliver on.
- Natural processes
 - A landscape approach to forest management that increases resilience and natural capital value of the nation's forests.
- Meaningful Connection for *everyone* to the nation's forests.
- Forestry England being a household name
- Equity of access
- Health & wellbeing benefits
- Actually understood to truly be 'the nation's forests' for all
- Recreation model
- Organisational autonomy
- Financial sustainability
- Greater net income

- The link between income work and social purpose
- Blended financial model
- Decarbonisation
 - Both of our business and responding to changes in society and market needs (woods close to people, minimising our emissions, trees for sequestration, etc)
- Employer of choice
 - Outcomes/action identified through the Staff Survey Action Plan

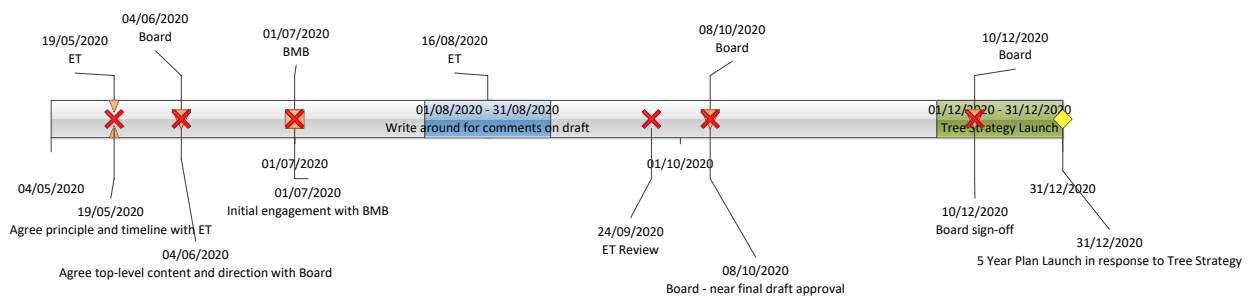
The Output

The Plan will be accessible to all connected with Forestry England, both internally and externally. It will be an internally motivating document, defining direction for Forestry England; clearly expressing priorities, what is regarded as success and how we will measure this through the strategic measures and Key Performance Indicators within the Performance Evaluation Framework. The Plan will be a touchstone for operational delivery, brought into reality through our existing processes such as business and forest planning.

Externally and internally it will be a holistic, accessible, expression of what we will do and why. It will provide cohesion and direction to our existing programmes including woodland creation, health and well-being and the evolution of our recreation and timber business models. It will be clear that by getting the balance right we can secure and grow the societal benefits provided by the nation’s forests.

Timeline

At key points we will invite further shaping from the Executive Team, senior leaders Forestry England and Board, and will update at regular intervals as we engage with the wider business. We would aim to have the finished Plan published following publication of the England Tree Strategy in late 2020 ready for activation at the start of 2021.



3. Recommendations

We seek the Board’s input at this stage to provide steer on the development of such a plan and feedback to the questions below. We are proposing to develop the plan through summer and autumn such that it can be published as our response to the England Tree Strategy.

The Board’s views are invited on the proposal to create the plan and specifically on questions below:

1. Have we correctly identified the context and key drivers for a plan?

2. What are the key topics of the plan?
3. Is the planned timeline and pace of delivery correct?

4. Resource implications

The Plan development will draw upon existing resources, primarily within the Corporate Affairs Team. No additional personnel are envisaged as being required.

5. Risk Assessment

Identified broad risk	Proposed mitigation
The absence of a corporate-level plan as outlined above risks a lack of clear direction for the organisation, limiting the effectiveness of resource allocation and decision making.	Develop and publish a 3-year Plan as detailed above.
A plan that is produced which is not well-aligned to existing expectations, programmes and practices risks not being adopted across the organisation, reducing effectiveness of direction setting and confidence in leadership and decision making.	Develop the Plan, building on the Compass, with clear input from the Board, Executive Team and senior leaders within Forestry England taking into account the key context outlined above and which clearly identifies outcomes which are recognisable to the organisation.
A process that is not followed through with systems and processes to embed the Plan risks it being a 'lame duck', unable to effect real change.	Connect the Plan to processes such as annual business planning and regular performance review at organisation and business unit level; increasing and maintaining the visibility and understanding of the outcomes, routes to delivering them and the measuring of impact.

6. Equality Impact Assessment

As the Plan develops, an equality impact assessment will be carried out at the appropriate time.

7. Communications

A communications plan will be developed for the Plan which would pick up key milestones in the draft timeline. No specific communications are planned as a consequence of this paper.

BOARD PAPER

Paper Title: Forestry England Board self-evaluation results and response

Author/Presenter: Rachel Mackintosh

Paper Requirement:

Decision Required	For Approval	For Steer	Official/Commercial Sensitive
x	x		

Executive Summary and Recommendation

Forestry England Board members have contributed to a self-evaluation of the Board and its work following its first year of operation. Overall Board members are very positive about the Board's first year and in particular the trusting and respectful working relationship that has been established.

Based on the self-evaluation results, this paper proposes three strategic areas for action around direction and measurement of performance; understanding and strengthening of stakeholder relationships; and strengthening the Board's relationship with the Audit and Risk Committee.

In addition six operational actions are proposed to improve overall working of the Board.

The Board is asked to discuss and agree the findings of the self-evaluation and the proposed actions.

Core messages for the non-executives to promote

In year 1 we have established a strong and increasingly effective Forestry England Board, with high levels of trust and respect for the experience and expertise provided by all Board members. The Board has identified the areas of its work that it wants to develop and improve in Year 2 to support our aspiration to be an Outstanding Organisation and a highly successful board.

Content
1. Purpose and context

All nine board members completed the self-evaluation questionnaire in early May 2020, a year after the Forestry England Board came into existence. The purpose of the self-evaluation exercise is to be forward-looking to enable and support our aspiration to be an Outstanding Organisation and a highly successful board over the coming years.

For this first self-evaluation a National Audit Office template was used to form the basis of the questionnaire, with minor tailoring for Forestry England. This approach was chosen so we can benchmark where we are against the expectations for an established board and identify the areas for improvement. The intention is to use the same questionnaire in future years so we can measure our progress, and we can add in additional questions that the Board would like to ask.

Having considered the responses received, this paper sets out a summary of the main findings and the proposed actions in response. The collated, anonymised responses to the questionnaire are attached as Appendix 1.

The Board is invited to discuss the results of the exercise and agree the proposed priorities for year 2.

2. Discussion

2.1 Summary of findings

Headline finding

The overriding and positive feel gained from the responses is that in our first year we have established the foundations of a strong working relationship built on mutual trust and respect between the Board and the executive. This is a great headline to have and is essential to being a highly successful board. We will continue to work hard together on building on this going forward.

The responses and comments provided to the questionnaire have been analysed and the following findings have been identified:

Most robust areas	1. Terms of Reference, strategic direction and remit 5. Risk Management 7. The boardroom
Area needing most work	3. Relationships with key stakeholders.
Work in progress	2. Performance management 4. Propriety, fraud and other leakage
Requires immediate attention	Section 6. The audit committee, internal audit and corporate reporting This requires immediate attention due to the different levels of awareness between members of the Board. In addition, those most connected with the ARAC have identified the need for a stronger connection between ARAC and the Forestry England Board, in order for the Board to fulfil its role and responsibility.

Relationship with the wider Forestry Commission family

How Forestry England and its Board sit within the wider Forestry Commission family was also frequently commented upon. The GIAA audit of Year 1 FC governance structures is ongoing and likely to touch on this aspect of governance, so it is not proposed to initiate unique Forestry England actions in this area.

2.2 Proposed response

- 3 x strategic action areas. These are the three priority areas that we have identified as needing developing, and propose that action plans need to be agreed, implemented and monitored by the board as our main improvement focus for year 2. The first is already work in progress and is included as it is key to the role of the Board.
 - A. Setting the direction and measuring the performance: this will primarily address the results and comments raised in sections 1 and 2, and specific related comments in sections 7 and 8.
 - B. Taking the wider world view and how Forestry England sits within it: to include our relationships with key stakeholders and benchmarking ourselves with other similar organisations, addressing the main results and comments from sections 3 and 2.
 - C. Strengthening the relationship between the Forestry England Board, and its sub-committee, the Audit and Risk Assurance Committee (ARAC). This addresses the results and comments in section 6 but also there are comments relating to this in section 4 and 5 that will also inform this work.
- 6 x actions. These are recommendations from Board members raised from across the questionnaire that we will address and incorporate into our work plan for Year 2.

The Board is asked to discuss and agree this plan and actions, following any amendments proposed during the meeting.

3. Proposed actions

While seeking to sustain the ways of working that have led to a strong, open and trusting culture within the Board environment, this paper is proposing three strategic areas for action and six improvements of operating detail.

3.1 Strategic Action Areas for Year 2

A) Setting the direction and measuring the performance

Issue:

Core to the role of the Board is that it sets the strategic direction of the organisation and then measures its performance against this. The self-evaluation identified that, in its first year good progress was being made which now needed embedding and strengthening. The Compass is seen as providing admirable clarity and is very useful in framing strategic discussion, it is quite aspirational and therefore not a business model that can govern the agenda. The review of the KPIs and performance measure in year 1 has made a good start in measuring performance aligned to the strategic objectives but this now needs to be followed through and delivered to get to the right place in reporting and accountability to the Board. This is proposed as a priority because this area is so core to the work and

effectiveness of the Board and, having identified that a good start has been made, it is essential that this is followed through to be being delivered and embedded in Year 2 .

Action proposed:

To develop a 3-year Plan for the organisation, working up the strategic details of the organisations forward work priorities under the umbrella of the existing 5 objectives within the Forestry England Compass. This work will continue through to its approval and implementation in early 2021.

The development of new KPIS and the performance management framework has been a focus for the Board's work in year 1. This work continues in conjunction with the 3-year Plan to give the Board the tools to measure the organisation's progress.

Next steps:

- i. Initial discussion about development and scope of a 3-year plan for Forestry England at 4 June meeting.

B) Taking the wider world view and how Forestry England sits within it.

Issue:

As the weakest section in the self-evaluation, the issues identified are that there needs to be an increase both in understanding of how Forestry England and its Board performs in relation to other organisations and how they are perceived by key stakeholders. This can then enable us to strengthen our reputation and increase our effectiveness.

Three main points were drawn from the evaluation informing this being a priority area:

1. Many Board members felt unable to answer all the questions due to a lack of information, with suggestions there could be a useful discussion on what information the Board should receive, and have a six monthly discussion on stakeholder relations.
2. Repeated themes were that we needed to build a productive relationship with Defra and improve communications with Defra and other key organisations, as well as strengthen relations within the wider Forestry Commission.
3. Understanding how Forestry England performs compared to similar organisations was poorly scored and it was proposed that benchmarking ourselves against other similar organisations to help test our effectiveness.

Action proposed:

To establish a small working group consisting up to 2 non-executives with members of the management team, to define how we can further understand and strengthen stakeholder relations, and benchmark, measure and report our performance against the wider sector.

Next steps:

- i. Identify the non-executives and wider membership of the working group at the June Board meeting.
- ii. Group to meet and agree remit, draft action plan and obtain further input via correspondence. Action plan to come to Board for approval October meeting. RM to arrange.

C) Strengthening the relationship between the Forestry England Board, and its sub-committee, the Audit and Risk Assurance Committee (ARAC).

Issue:

The ARAC is a sub-committee of the Board but the self-evaluation identified that this relationship is still in its early stages and needs to be strengthened to enable the Board to be confident in the work of the ARAC. Two main issues are identified; firstly the lack of sufficient financial skills on ARAC and, secondly the lack of communication and reporting between the ARAC and the Board means the Board does not have understanding of the issues ARAC discusses and how they are resolved. The first of these issues is being addressed through recruitment, and therefore addressing the second issue is the priority for a strong effective relationship that provides audit and risk assurance to the Board in support of its role and responsibilities.

Action proposed:

To increase communications and reporting from the ARAC to the Board to ensure that the Forestry England Board has oversight of the work of this sub-committee and receive the assurance, from the ARAC to enable the Board to meet its terms of reference.

Next steps:

- i. Ensuring the Board receive the approved minutes of each ARAC meeting. The last set of ARAC minutes (Nov 19) have been circulated with the meeting papers for 4 June meeting.
- ii. The ARAC chair will write a short report following each ARAC which will be sent to Board members
- iii. An item will be on the agenda of each board meeting subsequent to the 4 ARAC meetings for discussion of the Chair's report.
- iv. The Board, reporting through the ARAC chair, will be encouraged to review and input into the ARAC work plan.

3.2 Operating Action Areas for Year 2

The self-evaluation also points to more detailed aspects of governance and ways of working that could be improved, as set out in the table below. It is proposed that these are completed, alongside the strategic actions, during Year 2

	Point	Item	Action	Responsibility
1.	1.2	The Terms of Reference are regularly reviewed.	i) A review of the TORS will be on the agenda every 6 months. ii) The TORS, with other key documents, will be on the new Board secure site for easy access - that will be in place soon.	RM RM
2.	5.24	The board is clear on its risk appetite.	We will schedule a discussion on risk appetite as an agenda item during this year.	MS/WW/RM
3.	7.39	Induction and development programmes ensure board members remain up-to-date throughout their time on the board and becoming increasingly familiar with Forestry England's work.	We will put together a programme for ongoing training and understanding of the business, get NEDS into our forests and meet staff: to be developed in conversation with NEDS.	MS/RM/PK
4.	7.41	Further developing a shared understanding of the long term opportunities / challenges to genuinely drive the direction of the organisation and help it to succeed.	There are planned discussions to create a 3-year plan for Forestry England in addition to more routine opportunities via Board discussions	MS/RM
5.	Further Comments	Discussion about ways of working as Board to strengthen our work	To be informed by annual cycle of self-evaluation starting on 4 June 2020.	MS/WW/RM
6.	Further Comments	Risks and inefficiencies associated with how Board materials are mailed and stored.	A secure site for the Board to access Board papers and key documents is currently under development and will be in place for the October meeting at the latest.	RM

4. Recommendations

The Board are asked to

- i. Consider the responses to the self-evaluation questionnaire and agree the main findings
- ii. Discuss, and agree the proposed strategic and operational action areas to take forward in Year 2.
- iii. If agreed, the Board are asked to identify up to 2 non-executive members to join the Taking the wider view working group

5. Resource implications

Implementation of the plan will use existing staff and Board members. Expenditure for Board and non-executive visits are included in the approved budget and business plan for 2020/21.

6. Risk management

The risks are associated more through inaction, if we did not carry out the self-evaluation exercise or take note and respond to the results could lead to an ineffective Board that did not fulfil its TORS and did not provide strong leadership and clear direction.

7. Equalities analysis

The content of this paper and associated recommendations do not require analysis.

8. Communications

The headline findings and agreed action plan will be shared with senior leaders so they understand the improvement priorities of the Board as they will be part of successfully achieving the identified actions.

Attachments

Appendix 1: The collated responses to the Forestry England Board self-evaluation May 2020

Rachel Mackintosh

Corporate compliance, risk and parliamentary lead, CEO's Office
21 May 2020



Paper Title: Forestry England Board Self Evaluation Summary

Under the freedom of information act 2000, exempt information this paper has been withheld from publication as per Section 43(2): Prejudice to commercial interests.

**If you wish to request this paper please contact Rachel Mackintosh at
Rachel.mackintosh@forestryengland.uk**

BOARD PAPER

Paper Title: Review of the Board's Terms of Reference

Author/Presenter: Sir William Worsley /Rachel Mackintosh

Paper Requirement:

Decision Required	For Approval	For Steer	Official/Commercial Sensitive
x	x		

Executive Summary of key points and action required

The Board's terms of reference were given to the Board by the Forestry Commissioners April 2019. There have subsequently been two reviews and amendments. The Board is asked to review the current TORs and propose any additional amendments to ensure the TORs reflect the extent of the Board's duties and responsibilities.

Core messages for the non-executives to promote

The Board is appointed by the Forestry Commissioners to manage the nation's forests. The terms of reference set out the Board duties and responsibilities in fulfilling this role and providing the strategic leadership for Forestry England.

Content
1. Purpose and context

In the Forestry England Board Terms of Reference the Forestry Commissioners appoint the Forestry England Board to discharge the duties and exercise the powers of the Forestry Commissioners for the nation's forests.

The Forestry England Terms of reference are given to the Forestry England Board by the Forestry Commissioners; all proposed amendments go to the Commissioners for approval.

1.1 Previous amendments

The Forestry England Board has been operating under the Terms of Reference since its inception on 1 April 2019. Since then the Board have reviewed them twice and suggested two amendments:

- i. 14 May 2019 - "*ensure a safe and healthy working and recreational environment*" was inserted. Approved by the Commissioners July 2019
- ii. 9 March 2020 - "*establish the direction for Forestry England's interest in joint ventures, including Forest Holidays and Camping in the Forest, encompassing decisions as to whether to progress a site to offer / option stage;*" was proposed in

preparation for the new governance arrangements in respect of joint ventures. To be approved by Commissioners July 2020.

1.2 Self-evaluation response

One of the recommendations from the recent Board self-evaluation was to have frequent review of the Terms of Reference. The TORS will now be reviewed every six months, the next review date being December 2020.

2. Discussion

The Forestry England Board has been working to these terms of reference for twelve months. Board members are a year further on in the continuing process of developing their knowledge and understanding of Forestry England. Using this experience, Board members are asked to review the Terms of Reference and consider if they require additional amendments to the TORS to more accurately reflect the responsibilities and duties of the Forestry England Board.

3. Recommendations

The Board is asked to review the current Terms of Reference and

- a) Individual Board members to propose any amendments, and
- b) The Board to agree the amendments to be recommended for approval to the Commissioners.

4. Resource implications

To be managed within existing capacity of the Board, CEO's office and Commissioners' Office.

5. Risk management

The risks arising from an inaccurate TORs are that the Board may not be addressing all the areas for which they are responsible, and decisions they make maybe open to challenge. Risk mitigation: to review the TORS regularly on a six monthly basis.

6. Equalities analysis

The TORS must enable, encourage and embed diversity both in the Boardroom and in all activities across Forestry England for which the Board is responsible.

7. Communications

The recommendations of the Board will be communicated to the Commissioners for approval at their July meeting. The approved TORs will be communicated to the Board and ET and stored on the Board's document site (currently under development).

8. Attachments

Forestry England Board's Terms of Reference updated March 2020.

Note: the highlighted clause is the clause proposed in the March 2020 review that has not yet been approved by the Forestry Commissioners.

Rachel Mackintosh

Corporate Compliance, Risk and Parliamentary Lead, CEO's Office
20 May 2020

Forestry England Board

Terms of Reference

Version 3

Document History			
Version	Update	Date - Forestry England Board recommendation	Date FC approval
Version 1	Original Document		13.12.18
Version 2	Addition of health & safety responsibilities, and option to appoint non-executives.	14.05.2019	17.07.19
Version 3	Addition of decision-making responsibilities for joint ventures (incl. Forest Holidays and Camping in the Forest).	09.03.2020	Not yet approved - indicated by yellow highlight.



Forestry England Board

Terms of Reference

This Board is appointed by the Forestry Commissioners to enable them, as ‘the appropriate forestry authority’ in England to discharge their duties and exercise their powers set out in the Forestry Act 1967 and other relevant legislation, including the Countryside Act 1968¹.

The Board will set strategy for Forestry England, provide leadership through setting the standards for how Forestry England does its work and the culture it promotes, and supporting the Forestry England executive through constructive challenge and guidance.

Annex A describes the functions that the Board of Commissioners have delegated to the Forestry England Board.

The main duties of the **Forestry England Board** are to:

- discharge functions delegated to them by the Board of Forestry Commissioners;
- set the strategic direction for the activities of Forestry England;
- determine, agree and promote the values of Forestry England; agree the priorities that inform and contribute to Government’s policy on forestry;
- ensure excellence in forest and land management, including ensuring that UKWAS Certification is maintained;
- ensure sound financial management of Forestry England; ensure commercial objectives are met, approve the allocation of finance in line with its functions and priorities;
- establish the direction for Forestry England’s interest in joint ventures, including Forest Holidays and Camping in the Forest, encompassing decisions as to whether to progress a site to offer / option stage;

¹ The key relevant powers and duties of the Forestry Commissioners have been summarised in these Terms of Reference, the full text of the various Acts should be referred to for full details of the Commissioners powers and duties.

-
- monitor and steer the performance of Forestry England, ensuring clear, consistent, comparable performance information is used to drive improvements;
 - determine Forestry England's risk profile, ensure controls and mitigations are implemented, ensure a safe and healthy working and recreational environment, ensure value for money and compliance with statutory or administrative requirements of a Public Corporation and Executive Agency;
 - ensure Forestry England has the expertise to deliver current and future needs through management and succession planning;
 - ensure that effective relationships are maintained with stakeholders, customers, suppliers, employees and other government departments and that reputation is upheld;
 - communicate the work of Forestry England to staff, volunteers, the public, partners and the media; and,
 - approve the Business Plan, Annual Report and Accounts and the Annual Natural Capital Accounts, and other key corporate documents relating to Forestry England.

The Forestry England Board is chaired by a non-executive Forestry Commissioner. The other members are the Chief Executive of Forestry England [Accounting Officer], the Chief Operating Officer for Forestry England, the Director of Finance for Forestry England, the Forestry Commission Chief Executive Officer and up to four other non-executive Commissioners appointed for their specific relevant expertise. Additional non-executives may be appointed by the Forestry Commission, as appropriate, to add strength to the Board.

The Forestry England Board will share information as appropriate with the Forest Services Board, the Forest Research Board and the Forestry Commission Executive Board, ensuring collaboration and cooperative working to matters that require decision, resolution or co-ordinated action across the Forestry Commission.

The Forestry England Board will have the ability to escalate issues as appropriate to the Board of Commissioners.

The Forestry England Board may act by three of their number, notwithstanding a vacancy in their number, consisting of a mix of non-executive and executive members. If the Chair is not one of the members present, then the meeting chair will come from one of the non-executive members present.

The Board will usually meet every two months in Bristol, but may elect to meet more or less frequently (but no less than once every quarter) and in other locations at its discretion.

Sub-Committees

Forestry England Audit and Risk Assurance Committee

Annex A

Scheme of Delegation

FUNCTIONS DELEGATED BY THE BOARD OF COMMISSIONERS

FUNCTION (listed by legal basis for activity ²)	FORESTRY ENGLAND BOARD (FEB)	FOREST SERVICES BOARD (FSB)	FOREST RESEARCH BOARD (FRB)
Forestry Act 1967 (as amended): Note: The Forestry Commissioners are the 'appropriate forestry authority' in England.			
To manage the land placed at the disposal of the Forestry Commissioners by the Minister (Secretary of State, Defra) for the functions of the Forestry Commissioners, including promoting the interests of forestry, the development of afforestation and the production and supply of timber whilst endeavouring to achieve balancing duty set out in part 3A of the Act.	X		
Promoting the interests of forestry, the development of afforestation and the production and supply of timber and other forest products.		X	
Promoting the establishment and maintenance in England of adequate reserves of growing trees	X	X	
To implement the powers to control tree felling as set out in Part II of the Act		X	
Undertake the collection, preparation, publication and distribution of statistics relating to forestry;			X
Promote and develop instruction and training in forestry	X	X	X
Carry out experiments and research either directly or with others for the purpose of promoting forestry and publish the results of			X

² The key relevant powers and duties of the Forestry Commissioners have been summarised in this list of key functions, the full text of the various Acts should be referred to for full details of the Commissioners powers and duties.

research aid the disseminate the information on forestry;			
Exploit any intellectual property or intangible assets arising from the carrying out of any activity.	X	X	X
The establishment and maintenance of regional advisory committees		X	
Countryside Act 1968 (as amended)			
To provide, or arrange for or assist in the provision of, tourist, recreational or sporting facilities on the land placed at the disposal of the Forestry Commissioners	X		
Plant Varieties and Seeds Act 1964:			
The establishment and maintenance of an official seed testing station for silvicultural propagating and planting material and charging powers in respect of seed testing activity.	X		
Plant Health Act 1967:			
The competent authority for the protection of forest trees and timber from attack by pests and diseases, and the power to make orders		X	
Forest Reproductive Material (Great Britain) Regulations 2002:			
The selection, development and marketing of seeds for use as forest reproductive materials, including establishing labelling, marking and record keeping requirements; in particular, they establish a regime for registration of basic reproductive materials and for their regions of provenance. The Regulations implement an EU Directive on the marketing of forest reproductive material and on external quality standards for forest reproductive material marketed within the EU.	X [Application]	X [Regulations]	
Environmental Impact Assessment (Forestry) (England and Wales) Regulations 1999 and The Environmental Impact			

Assessment (Forestry) (England and Wales) (Amendment) Regulations 2017:			
The appropriate forestry body undertake the role set out in regulations, primarily to decide if a project is a “relevant project” and if so grant or refuse consent having followed due process.		X	
Countryside and Rights of Way Act 2000:			
The “relevant authority” for all woodland in England dedicated under the Act for public access		X	