

Agenda Item 6**Commissioners' Meeting****Memo No 14/15****1ST October 2015****FORESTRY COMMISSION SCOTLAND REPORT****Minister's meeting with Forestry Unions**

The Minister met with representatives from the Forestry Unions on 9th September. She was very clear about her support for the work of the Forestry Commission in Scotland, and she recognises its significance in delivering the Government's agenda. She was particularly complimentary about the work at Cuningar Loop, Camlachie, Kirroughtree and Dalbeattie. She recognises the uncertainties that staff are facing, and was clear that her statement in June regarding the full devolution of forestry functions was intended to move things forward and provide more clarity – however, she re-iterated that no decisions about our future have been made so far.

She was honest about the challenge facing Scotland in the context of the spending review, but she re-stated her view that she thinks the value of our work is under-recognised, and she sees it as part of her role to improve the profile of forestry more generally. On the issue of research, she recognised the value of ongoing cross-border collaboration and the significance both domestically and internationally of the work of FR.

It was a very positive and constructive meeting, and the Minister was clear about her personal commitment to our work, whilst being realistic about the financial and organisational issues that we face.

Other Ministerial meetings

On 23rd September, the Minister had a number of Forestry related meetings, including a session specifically on Climate Change, and a meeting with ICF which has organisational change, forest education, tree health and woodland creation on the agenda. An oral update on this will be provided at the meeting.

RAFE Delivery board

The next meeting of the RAFE Delivery Board is also on 23rd September, and focussed on Greenspace and Health, a shared digital strategy, and the establishment of common RAFE outcomes, priorities and co-ordinated corporate planning.

The Community Empowerment Bill

The CEB gained Royal Assent in August and is now referred to as the Community Empowerment (Scotland) Act 2015. The parts of the Act relating to "Asset Transfers" will not come into force until late summer 2016 which will affect the NFLS.

National Forest Land Scheme (NFLS)

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Early discussions have considered transitional arrangements for winding down the current NFLS and commencing a new Scheme based on the Asset Transfer provisions set out in the Community Empowerment (Scotland) Act. The current NFLS is being reviewed - including feedback from applicants and advisors on the existing scheme and suggestions for improvement. Since its inception in 2005, 55 applications have been approved through the NFLS, generating c£6m from sales which have been recycled into the estate.

A summer 2015 audit gave full assurance that the NFLS is effective and operating efficiently; that business objectives are being achieved; and material risks are being adequately and effectively managed

Forestry Grant Scheme (FGS)

Conservancy teams are now actively assessing and processing FGS applications. To date over 180 applications have been submitted and the level of interest in the range of FGS options is continuing to increase. Over 600 hectares of woodland creation applications have been submitted and over 7000 hectares are in the pre-submission preparatory phase.

After resisting moves to delay the next release of IT functionality from the IT Futures programme, it will be delivered as planned on 21 September 2015. This will allow staff to complete the assessment of cases ready for a first Clearing round in early October.

Following detailed discussions with the Rural Payments and Inspections Division of SG (RPID), we are now in a position to finalise arrangements for the management and administration of the new FGS scheme. This may involve FCS taking on additional responsibilities and will be subject to a business case process.

Tree Health

A Scottish Chief Plant Health Officer (CPHO) is expected to be appointed in the near future, a key purpose of that post being to work closely with the UK CPHO and colleagues from across the four administrations to provide a strategic overview of plant health issues at the domestic and EU/international level.

The Scottish Government intends to establish a virtual Centre of Expertise in Plant Health to bring together scientific knowledge and resources to address evidence needs in plant and tree health policy.

FCS is supporting Scottish Government colleagues in the development of a draft Scottish Plant Health Strategy for presentation at the second Plant Health Workshop on 14 December, with publication expected in March 2016.

Specific tree health issues

As Chalara is now known to be established in the wider environment in the sheltered and buffer areas, slowing down the spread in these areas is no longer considered feasible. Therefore, as is already the case elsewhere in Scotland, we have support from the STHAG

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to proceed on the basis that no new Statutory Plant Health Notices (SPHNs), requiring the removal of infected, recently planted ash trees, will be issued in either area.

The initial helicopter flights in 2015 suggested a similar level of slow *Phytophthora ramorum* expansion/low infection in the vicinity of known infected areas, to that observed in 2014. However, recent late-season flights have flagged four positive sites in Perth and Argyll outside previously known infected areas. Coupled with the wet and windy conditions experienced to the end of August 2015, this might herald a further surge in disease expression next spring, which underlines the importance of the contingency planning (particularly in relation to accessibility) being undertaken through FES's Outbreak Management Teams.

In line with the agreed Pine tree lappet moth containment strategy, increased 'glue banding' and pheromone/light trapping will be deployed next spring in the Glen Strathfarrar Caledonian Pinewood where a small breeding population has recently been confirmed outside the established 'core breeding area' centred on Kiltarlity. Forest Research is also investigating the potential to use 'mating disruption' (using larger amounts of pheromone to disrupt female-to-male signals) as part of the suite of management options for containment. In general, however, pheromone/light trapping in 2015 has shown a decrease in captures compared to 2014 – which is consistent with the cool summer conditions.

Severe defoliation of Sitka spruce by the green spruce aphid (*Elatobium abietinum*) has been reported in many parts of Scotland but appear to be most marked in the south east (matching similar reports in the north east of England). Localised outbreaks are nothing new but a significant increase in their frequency and distribution would be cause for concern, and will continue to be monitored through our aerial surveillance programme.

Change Programme

The business case for establishing Equality and Diversity services within Scotland was presented to FCSMB in August and work on this is progressing with a target of establishing services by April 2016.

The business case for procurement is progressing and will take into account the changes required to ensure FCS/FES are compliant with the new Scottish procurement legislation which will come into play in April 2016. Again the aim is to have the service in place by this date.

Work is also underway to look at options for SH&E and L&D.

FES

FES is facing significant financial pressures resulting from a rapid fall in timber prices and the removal of UK fiscal incentives for renewables. In the short / medium-term there is limited opportunity to increase levels of income, therefore the principal response will be to reduce expenditure.

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Whilst reductions in cash spend are the short-term response, FES will need to make balanced reductions across all resource types if we are to remain fit for purpose. Achieving the required reductions in expenditure will have implications for staff. The FESMB is currently scoping options for sustainable cost-savings / re-structuring and is due to have an initial meeting with the TUS on the 02 October 2015 to clarify the current situation and seek their involvement in the process.

Woods for Health

Shona Robison (Cabinet Secretary for Health, Wellbeing and Sport) will open a new network of paths and greenspace improvements at University Hospital Ayr and Ailsa on 5th October under a Green Exercise Partnership (FCS, NHS, SNH) Greenspace demonstration project. FCS is working more closely with the Health sector following recent meetings with the Chief Medical Officer Dr Catherine Calderwood. FCS has been invited to present to the NHS Scotland Chairs group with the aim of raising the profile of the FCS Woods for Health programme with Health Boards across Scotland.

Ministerial Activity

Dr McLeod will be visiting a large commercial planting scheme (winner of a Scotland's Finest Woods Award) on 5th October, and also the Castlemilk community project (FCS is a key partner) on 3rd November. Further engagements are being sought in relation to Climate Change in the run up to international meeting in Paris in December.