



PUBLIC FOREST ESTATE FUNDING: FCN BRIEFING NOTE

Date: 10th Jan 2013

This briefing note is attached to the Forest Campaigns Network open Letter to DEFRA ministers Owen Paterson and David Heath and to Chancellor George Osborne

Introduction

The **Forest Campaigns Network (FCN)** was established early in the campaign to save our public forests from sale or other disposals, and continues to bring together forest campaign and user groups from around the country to campaign to ensure that our public forests, and all our woods and forests, are protected and provide the full range of multiple benefits to us all.

Our aim has always been to keep our forests public and properly resourced. We have consistently expressed concerns about the funding of the Forestry Commission, including funding to run the public forest estate (PFE), and our concerns were echoed by the independent forestry panel in its report July 2012.

As we await the government's response to the independent forestry panel's report we feel it is essential and timely to put across our very deep and real concerns about the funding needed from the government to ensure that the public benefits provided are at least as good as those provided by the PFE that half a million people campaigned to keep in public ownership, and ideally to see improvement.

Summary and contents

This briefing note looks at the spending review cuts and the very real impact that they are already having on our public forests and the consequences if cuts continue to be imposed. It looks at the very small amount of money needed as a taxpayer contribution to funding the running of the PFE and puts this into the context of total government public sector spending and provides for comparison some examples of spending from other government departments and bodies. It examines these issues under the following headings:

1. Cuts: Spending reviews so far and to come

2. Cuts: Scale and impact

3. Impact of the cuts on our public forest estate on services/public benefits

- Loss of facilities
- Loss of maintenance
- Loss of events and activities
- Activities outsourced
- Impact of loss of FC staff in the forests from cuts in their numbers and from the recent restructuring which means that the remaining staff cover much larger areas – crime, other problems, neglect, disease, impact on wildlife, loss of interaction with public
- Knock-on effect on other organisations
- Impact in general terms

4. Scale of taxpayer funding contribution needed to run PFE

- Independent forestry panel report recommendations
- What this level of funding means for taxpayers; value for money

5. Comparison with other government spending: totals, examples



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1. Cuts: Spending reviews so far and to come

Under the government's SR10 programme (the spending review covering the period 2010 to 2015) the money available to run the PFE is to reduce as follows:

- from £20 million last year (2011-12), to
- £18 million this year (2012-13), to
- £14 m next year (2013 to 14), to
- under £13 million by 2015.

In addition in his Autumn statement December 2012 the Chancellor announced:

- a further 1% cut on all government departments 2013-14
- a further 2% in 2014-15, and
- further cuts to be implemented under the next spending review to continue the downward trajectory in SR10 (paragraphs 2.5, 2.15, http://cdn.hm-treasury.gov.uk/autumn_statement_2012_complete.pdf)

2. Cuts: Scale and impact

A cut from £20 million to around £12 million in three years is unsustainable, and the impact will be to severely weaken the organisation running the PFE and endanger the public benefits it provides to us all. There are already very severe and wide-ranging impacts from the cuts made so far, and very real fears of a further impact of any additional spending cuts – to the extent that these could result in serious impacts on the state of our forests and the experience for those using them and benefiting from them.

3. Impact of the cuts on our public forest estate on services/public benefits

The independent forestry panel report highlighted cuts in learning and education, community engagement, habitat management, and time for staff to engage with the public (page 54).

Campaigns and user groups from a wide variety of forests around the country have gathered examples of the impacts of the cuts and restructuring, including:

Loss of facilities

- closure of visitor centres
- closure of toilet blocks – for example in one district 3 out of the 10 have been closed, and if a problem occurs with any of the remainder FC will not be able to afford to repair or replace them so they will close
- way marks and play equipment removed because the organisation cannot afford to maintain them
- education centre closing
- impact on education, as school visits are no longer ranger-led, and have to be self-guided
- loss of free car parking

Loss of maintenance

- In one district path way marking and maintenance are being cut by a third
- In another district only the main way-marked trails get occasional attention
- In two large forests in another district visitor trail maintenance has been abandoned
- drainage ditches are becoming overgrown and blocked
- boundaries are not getting the attention they need for woodland management reasons (e.g. Sheep or deer encroachment)



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Loss of events and activities

- no FC events now at one particular forest, although their volunteers do organise a few small scale walk events
- in one large forest district there is a reduced programme of public events in the summer, and no big events

Activities outsourced

- popular bike events no longer run in-house
- outsourcing of provision of education
- Instead of an FC Ranger to lead school visits, this is done by the charity "Groundwork", but their costs are much higher and school visits are dwindling. Groundwork spend more time trying to find grant funding to keep costs down - but everyone is scrambling for the same few grants

Impact of loss of FC staff (in the forests from cuts in their numbers and from the recent restructuring which means that the remaining staff cover much larger areas – crime, problems, neglect, disease, impact on wildlife, loss of interaction with public)

- One large forest very near to a built-up area/city now has no staff based on site, and visiting staff just don't have sufficient time to do all the basics. The local user group reports that the very few staff are doing their best with some support from volunteers, but it will never be enough and things are gradually deteriorating.
- FC have lost valuable timber in that particular forest due to illegal felling and damage
- Some cyclists have been destroying wildlife habitats and trees by illegal trail-building
- FC staff on site used to act as a deterrent for this kind of activity
- FC staff have less time available and are less likely to be present to keep an eye on the forest, for example checking barriers and other infrastructure, looking out for vandalism, litter, and other problems
- FC rangers have very little time to look out for symptoms of tree diseases
- Further cuts in staff will mean less responsiveness, meaning that FC can respond less quickly or not at all to incidents or problems
- reduced wildlife ranger activity, and reduced time and capacity for essential deer control. In one forest, for example, FC are trying to licence others to do it but it is hard to find those with sufficient skills
- reduction in the time staff have available to talk to the public

Knock-on effect on other organisations

- criminal activity in forests, previously deterred by FC presence, has led to increased calls to the police, with an impact on their time and funds.

Impact in general terms

- FC are fire fighting rather than being proactive on a whole range of matters, including species recovery, enhancing the recreational offer of the forests, or initiatives to involve communities and local people more.
- There is an impact on income generation -- being unable to invest in revenue raising projects affects the ability to raise income.
- Reports from some areas are that FC are just about coping with the cuts so far but any more could have a big impact: they are at breaking point
- If there are further spending cuts there will be major repercussions for meeting minimum statutory requirements.
- User group in one area reports that if more funding is not forthcoming it could be the final straw for some of their volunteers who have been hanging on to the hope of improvements in the situation soon. They originally volunteered to work alongside the FC professionals, but now find they have to substitute for them.



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- Unless money is provided as the panel recommends, instead of the positive future envisaged by the panel for our forests the organisation will be going backwards not forwards.

4. Scale of taxpayer funding contribution needed to run PFE

Independent forestry panel report recommendations

"... the public forest estate needs around £22 million to maintain the estate's capital value and sustain the current level of benefits over time" (page 55).

"Recommendation: Ahead of any long-term funding arrangements, some financial breathing space should be provided for the existing organisation to enable it to make strategic (rather than emergency) operational and investment decisions. We want to see the current level of benefits from the public forest estate continue to be delivered without it being forced to sell land to balance the books." (page 55)

What this level of funding means for taxpayers; value for money

The taxpayer contribution to running the PFE is currently £20 million, which as the panel points out is an extremely small amount for us to pay for a very large return. It works out at about 90p per household or 38p per person, and the quantifiable public benefits the PFE provides are around £400 million -- a staggeringly impressive 20-fold return on investment. And that is without including the benefits which are hard to quantify, such as longer term health and social benefits and the cultural value of people connecting with nature. (p53)

5. Comparison with other government spending

The £20 million or £22 million figures are tiny sums in terms of the expenditure of government as a whole.

Total public sector spending for 2011-12 was £695 billion (http://www.hm-treasury.gov.uk/pespub_pes12.htm; http://www.hm-treasury.gov.uk/pespub_natstats_july2012.htm -- Public Spending Statistics July 2012, p 8)

The independent forestry panel report compared this expenditure to the £160 million allocated by the government to dual a 9 km stretch of A-road (page 53).

Other examples of government spending

(The use of the examples selected is not intended to reflect on the importance or otherwise of the particular spending picked out.)

- Within Defra's annual budget of well over £2 billion, expenditure on Travel, subsistence and hospitality in the department and all its bodies amounted to £18.7 million (Note 7: Other Administration Costs: 2011-12 Departmental Group, p117, Department for Environment, Food and Rural Affairs Annual Report and Accounts 2011-12, <http://www.defra.gov.uk/publications/files/pb13805-defra-annual-report-2011-12.pdf>. This figure is a tiny proportion of the total expenditure of the departmental group: £2,377,181,000 (Total Comprehensive Expenditure for the year ended 31 March 2012) or of the total administration costs, just under £830 million (p90, DEFRA accounts as above)
- Managing the Cabinet Office's estate cost £29 million out of a total budget of just under half a billion pounds. (Cabinet Office Annual Report and Accounts 2011-12 (For the year ended 31 March 2012))



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- Natural England spent £26 million on the 'Genesis' system which manages RDPE agri-environment schemes. It gets grant-in-aid from DEFRA of around £200 million. (Natural England Annual Report and Accounts 1 April 2011 to 31 March 2012)
- The Environment Agency spent £18 million on flood mapping and £80 million on utilities, out of a total expenditure of £400 million (pp 66, 68, 63, Environment Agency Annual Report and Accounts 2011-2012)
- Kew Gardens spent £9 million on visitor activity is, out of a budget of around £50 million (p35, Royal Botanic Gardens, Kew, Annual Report and Accounts for the year ended 31 March 2012)

The Forest Campaigns Network

Friends of the Lake District
Friends of Thetford Forest
Hands Off Our Forest (HOOF – Forest of Dean)
Keep Our Forests Public
One Voice – New Forest
Our Forests
Save Cannock Chase
Friends of Chopwell Wood
Save Delamere Forest
Save Lakelands Forests
Save Our Woods
Save Sandlings Forest
South West Surrey Save our Woods
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