

Section 6

**Locational
Premiums and
Challenge Funds**

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What is a Locational Premium?

A locational premium is an extra grant payable in addition to the standard grants available from the SFGS. It is called 'locational' premium because it is only available in certain parts of Scotland where the Scottish Executive considers that woodland planting, regeneration, improvement or management are priorities for social, environmental and/or economic reasons. The current Locational Premiums are:

- **Ayrshire & Arran**
- **Central Scotland**
- **Glasgow & Clyde Valley**
- **Grampian**
- **Highland**
- **Northern Isles**
- **Scottish Borders**
- **Western Isles**

What is a Challenge Fund?

A Challenge Fund offers grant in addition to the Standard SFGS Stewardship Grants for work that contributes towards the aims of the Challenge Fund and reflects the additional costs associated with the management of woodlands. Challenge Funds are so-called because they are competitive: applicants are required to bid for the additional money they need to carry out the work.

Every application is judged by a judging panel. Grants are awarded to those schemes that best meet the aim of the Challenge and which offer best value for money whilst maximising public benefits. The Woodlands In and Around Towns (WIAT) is the only Challenge Fund currently available.

How much additional grant is available?

The following table shows the allocated funding available for each Locational Premium and Challenge Fund.

Scheme Type	Locational Premium Amount/ha (In addition to normal SFGS Grants)	Funding Available £Million		
		2005/06	2006/07	2007/08
Locational Premium				
Ayrshire & Arran	£1600 - £3000/ha	0.50	0.50	0.50
Central Scotland Forest	£2000 - £5000/ha	1.0	1.0	1.0
Glasgow & Clyde Valley	£2500 - £7000/ha	–	1.0	1.0
Grampian	£1000 - £2000/ha	1.0	1.0	–
Highland	£500 - £2000/ha	–	0.5	0.5
Northern Isles	£2000 - £3000/ha	0.05	0.05	0.05
Scottish Borders	£2000/ha	–	0.5	0.5
Western Isles	£600 - £2800/ha	0.15	0.15	0.15
Challenge Fund				
Woodland In and Around Towns	–	1.0	1.5	1.5

Further details

Separate leaflets for each Location Premium and Challenge Fund are available from your local FC Scotland Conservancy Office and the FC Scotland web site.