

Rural Development Contracts - Rural Priorities

Restructuring of Forests

1.0 Introduction:

This guidance explains how new proposals, and legacy scheme payments, for restructuring felling and restructuring regeneration will be handled once the 2007-2013 SRDP commences implementation in the spring of 2008.

This guidance must be read in conjunction with the guidance provided on <http://www.scotland.gov.uk/Topics/Rural/SRDP/RuralPriorities> 'Rural Development Contracts - Rural Priorities'.

2.0 Approved Forest Plan restructuring payments:

These notifications of payments will be submitted to FCS by the beneficiary using the current process for SFGS Forest Plan commitments. The essential features are:

- For notifications received on or before 31 March 2008, the payment rate will be generated by using the SFGS Grant Calculator. All claims for payments derived from the SFGS Grant Calculator must be received by FCS by 28 February 2009.
- For notifications received after 31 March 2008, the payment rate will be adjusted to harmonise with payment rates available for new proposals coming forward through RDC-RP (ie supported by standard cost calculations contained in 2007-13 SRDP). The combined rates for restructuring felling and restructuring regeneration through RDV-RP are as follows:

Restructuring Species	Rate per hectare
Sitka	£520
Other conifers	£654
Mixed broadleaves	£820
Native Broadleaves	£905
Caledonian Scots Pine	£833
Natural Regeneration	£520

- Paid as a single capital payment following replanting or when natural regeneration physically occurs.
- Paid via Scottish Government through the process developed for forestry legacy payments in 2007. BACS details are required for beneficiaries.

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- As of October 2008 claims must be supported by the IACS registration of the land on which the claim is being made.

3.0 New proposals coming forward through RDC-RP:

All of these will be assessed in line with generic guidance for casework processing and funding offered within the forestry budget allocation. A Statement of Intent (Sol) and a Proposal must be completed in all cases. The two relevant RDC-RP options are:

- Sustainable Management of Forests – Restructuring felling
- Woodland Improvement Grant – Restructuring regeneration

Proposals must be accompanied by a plan/ felling licence map indicating proposed design of felling and replanting. In 2008, 2009, and 2010 it will not be necessary to have an approved Forest Plan as a prerequisite for the approval of restructuring felling and restructuring regeneration funding. In these years the minimum planning requirement for Proposals will be good quality maps indicating both the timing of adjacent felling coupes and the design of the restructuring regeneration.

From 2011, for all woodlands greater than 30 ha*, Proposals for restructuring felling and restructuring regeneration funding must be linked to an approved Forest Plan.

New proposals can be further subdivided as follows:

- Where a felling licence has not yet been issued.
- Where a felling licence has already been issued.

In both cases and in the interests of maintaining a steady flow of timber for processing businesses, you may commence felling operations as soon as you have received;

- An approved felling licence, **and**
- Sol Feedback from your case officer which relates specifically to Restructuring Felling and Regeneration Options the area to be felled.

Providing you have met these conditions the commencement of felling operations will not prejudice your application for Restructuring payments from RDC-RP.

In addition, where a felling licence has already been issued and the felling carried out during the period when the Sol was not available for submission, the felling operation will not prejudice your application for restructuring felling payments. Such proposals will be given priority for capital funding in financial years 2008 and 2009 because beneficiaries have been denied the opportunity to apply for restructuring funding pending the delayed approval of the SRDP. To ensure that these applications are given priority as described above, the applicant should submit a Sol and a Proposal to include only the restructuring felling and (where applicable) the

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restructuring regeneration options. In subsequent years these Proposals will not be given priority over Proposals where a felling licence has not yet been issued.

In no circumstances, can your Case Officer guarantee approval of any Proposal because of the competitive process of approving cases in each RPAC area

* Woodlands linked to a single Business Reference Number.

4.0 Allocation of funding:

FCS will, along with delivery partners RPID and SNH, undertake regular detailed monitoring of budget allocations and 'pipeline' expenditure commitments. The available allocation of funding to restructuring felling and restructuring regeneration may prove to be less than the apparent demand from beneficiaries.

If we anticipate a shortage of available funding for restructuring felling and restructuring regeneration we may adjust eligibility rules and payment rates so as to maximise the number of beneficiaries who receive a contribution to the costs of restructuring. Any intention to adjust eligibility rules or payment rates will be advertised on <http://www.scotland.gov.uk/Topics/Rural/SRDP/RuralPriorities>

FCS Grants and Licences
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