

RECORD OF THE FOURTH MEETING OF THE NEW SCOTTISH FORESTRY FORUM HELD IN THE CENTRAL BOARDROOM, SILVAN HOUSE, EDINBURGH ON MONDAY 4 SEPTEMBER 2006

Present

Calum MacDonald (Chair, FC Commissioner)
Bob McIntosh (Director FC Scotland)
Hugh Insley (FE Scotland)
Ian Ross (Chair, Highland Regional Forum)
Paul Ignatieff (Chair, South Scotland Regional Forum)
Simon Rennie (Chair, Central Scotland Regional Forum)
George McRobbie (Chair, Perth & Argyll Regional Forum)
Priscilla Gordon-Duff (Chair, Grampian Regional Forum)
Bob Stubbs (Highland Regional Forum)
Bill Ritchie (Highland Regional Forum)
John Kissock (Grampian Regional Forum)
Lucy Sumsion (Perth & Argyll Regional Forum)
Guy Wedderburn (Central Scotland Regional Forum)
Christopher Badenoch (South Scotland Regional Forum)
Martin Craig (South Scotland Regional Forum)
Sally Thomas (SEERAD)
Alan Hampson (Scottish Natural Heritage)
Cedric Wilkins (Scottish Forest Industries Cluster)
Jon Hollingdale (Community Woodland Trust)
Ian McCall (Ramblers' Association Scotland)
Gordon Gray Stephens (Scottish Environment Link)
Andrew Fairburn (Scottish Environment Link)
Mike Wood (RSPB)
Jamie Farquhar (Forestry Timber Association)
Bob McNeill (SEERAD)
Craig Campbell (NFU Scotland on behalf of George Lawrie)
Stuart Goodall (Confor on behalf of David Crichton)
Sandra Hogg (Scottish Council for Voluntary Organisations on behalf of David Stewart)

Also in Attendance

Hugh Clayden (FC Scotland)
Dominic Driver (FC Scotland)
Lindsay Bissett (FC Scotland)
Bruce Inglis (FC Scotland)
Kathy Brown (Secretary, FC Scotland)

Apologies

Ian Francis (Grampian Regional Forum)
Tim Hall (Central Scotland Regional Forum)
Sheila Clark (Perth & Argyll Regional Forum)
James Hepburn-Scott (Forestry Timber Association)
Alistair Speedie (The Convention of Scottish Local Authorities)
George Lawrie (NFU Scotland)
David Crichton (Confor)
David Stewart (Scottish Council for Voluntary Organisations)

1. INTRODUCTION

Calum MacDonald welcomed everyone to the meeting and introduced himself as the new Chairman of the Forum. He went on to say that he was very pleased to take on the role and that he was looking forward to visiting each Regional Forum.

2. RECORD OF THE MEETING HELD ON 20 FEBRUARY 2006

The Forum accepted the minutes of the last meeting as a true and accurate record. It was pointed out the Guy Wedderburn was from Central Scotland Regional Forum and not Central Scotland Regional Trust.

3. MATTERS ARISING

a) Bruce Inglis updated the Forum on the progress of the **trial E-forum**, and thanked the Forum trial members for testing it. He explained that the methodology was perhaps different to other discussion forums the trialists were used to, but he pointed out that it was being used successfully by a number of FC staff. However, the 'trialists' were not fully content with the system and suggested that the structure and design could be amended. It was also pointed out that the system may be more useful at a Regional level.

b) SFGS S9: Controlled Livestock Grazing in Woodlands Pilot

Lindsay Bisset provided an update on this pilot. All management and grazing plans for the pilot schemes were submitted to Conservancies by 31 August 2006. These will now be assessed by FCS with help from Lucy Sumsion, FWAG & SAC. Although this pilot has a 10 year life for the pilot schemes, it is the intention of FCS to make a grant available under the LMC. Detail derived from the pilots will help shape the grant specification and unit cost but it is still too early to say whether this proposed grant will be within a suite of woodland measures or within a generic grazing measure administered by SEERAD.

4. Update on Main Issues

Grants

In response to questions from various Forum members, Bob McIntosh updated the Committee on modulation, land management contracts, forest plans and the Stewardship Scheme. Forum members were also informed that the analysis of the consultation responses had now been published on the FCS internet site.

There was discussion on the variances in costs per hectare for new planting associated with the different Locational Premiums (LP) available under SFGS. Jamie Farquhar raised a concern that potential high costs of the LPs could spend budget allocations without fully delivering the amount of hectares for planting that the forestry sector were looking for. He added that the variances could make it difficult to forecast for future budgeting allocations under LMC to meet the desired targets and stressed the need for FCS to provide accurate average costs per hectare. Lindsay Bisset, FCS and Jamie Farquhar agreed to meet after the meeting to look at the reports recently produced by FCS to derive the average costs. As a result of this meeting, and for the information of all Forum members, the average costs per hectare for new planting are shown in the table below:

SFGS New Planting <i>[Figures taken for areas planted and payments made from 1/04/06 to 31/08/06]</i>		
	Average cost/ha of expansion (ground prep, protection & planting costs)	Average cost/ha of expansion including the Locational Premium payment
P1: Establishing a well-designed productive forest	£836	£1273
P2: Expanding the area of native woodland	£2059	£2670
P3: Improving riparian habitat	£2503	£3862
P4: Improving the quality and setting of urban or post-industrial areas	£2534	£7061
P5: Improving the diversity of the farmed and/or crafting landscape	£1528	£2197
P1-P5 Expansion average	£1764	£2581

FCS Land Acquisitions/Sales

Hugh Insley provided an update on land acquisitions. He pointed out that over the next 3 years FCS aimed to acquire 3000 ha. Since the beginning of the year 800 ha had been obtained, much of it farmland. The acquisitions would help with environmental objectives as well as carbon sequestration and WIAT. However, George McRobbie, with support from some other members, was concerned about maintaining a level playing field for FCS and private sector acquisitions. It was essential that FCS was totally transparent about such acquisitions - he felt that they currently did not appreciate the sensitivity involved. Craig Campbell said that care would have to be taken on acquisitions as regards the impact on the farming community, and Andrew Fairbairn asked if management agreements and leases could be considered as well as outright purchases. Hugh Insley confirmed that the interests of the private sector were fully considered before any FCS purchase was taken forward, and he said that FCS would be willing to consider agreements and leases. Bob McIntosh reminded the Forum that the Commission had been in the acquisition market for 80 years, and that this purchase programme was relatively modest. He also pointed out that purchases would be balanced to a certain extent by sales to the private sector, as part of the FCS repositioning exercise. Calum MacDonald thanked the Forum for alerting FCS to the perception of the acquisition programme, and he went on to outline the principles behind the repositioning exercise.

Ian Ross was interested to know more about the disposals criteria, and if shareholders could assist in determining them. Bob McIntosh explained that a pilot exercise was being carried out in 3 Forest Districts to evaluate the portfolio of properties, ranking them against policy objectives. Shareholder participation could perhaps be facilitated at an appropriate stage through the Regional Forestry Forums. Simon Rennie stressed the importance of measuring the value of public benefits, while Andrew Fairbairn was concerned about the protection of public benefits in disposal cases. Bob McIntosh said that there were no plans to sell any areas of land which were providing high levels of public benefit. He also pointed out that the introduction of the access legislation provided much more protection on disposals. He said that further details on the evaluation would be made available when the pilot exercise was complete.

Calum MacDonald concluded the discussion by confirming that it was important for FCS to be fully aware of any sensitivities on acquisitions and disposals, and he emphasised the role of the Regional Forestry Forums in this respect.

National Forest Land Scheme

Priscilla Gordon-Duff outlined the work of the NFLS panel and its role in assessing public benefit. She said that the panel was enthusiastic, well-informed and delivered a consistent approach. She pointed out that there was a growing demand for land for

affordable housing. The Forum were particularly interested in that particular element of the panel's involvement, and highlighted the difficulties some communities may have in getting support to acquire land. Concerns were also expressed about the issues involved in keeping such housing reasonably affordable, although it was recognised that safeguards were being implemented in some areas. Sustainable construction was another difficult issue, and Bob McIntosh said that efforts were certainly being made to achieve this aim but that it was difficult to be too prescriptive. In general, the Forum were very pleased with the NFLS initiative, and the contribution it was making in fragile areas.

5. SCOTTISH FORESTRY STRATEGY

Update on Latest Draft

A copy of the latest draft was sent to members on 31 August 2006.

Hugh Clayden updated the Forum on the outcome of the consultation and the action taken on the main points arising. He highlighted the key changes to the draft, the revised structure and plans for implementation. He indicated that the draft would be submitted to the Minister week commencing 11 September with a launch date of 9 October at Hopetoun House.

The Forum congratulated Hugh Clayden on his effort and commitment in developing the strategy document. They commended the latest version, particularly pointing out that it was now a very 'readable' draft.

Thoughts on Regional Priorities/Implementation (from each of the RFF Chairs)

Highland Regional Forum - Chair Ian Ross

A paper was tabled at the meeting

Ian Ross gave an overview of the future plans for the Highland Forestry Forum. He said that implementation and partner buy-in was crucial, pointing out that people want to see a "hard edge". He said that there was still a keen interest in traditional core areas. He then covered various issues covering community engagement/planning, social justice and health improvement, biodiversity, renewable energy, and sustainable communities. He also felt the Regional Forum had an important role in enlightening financial institutions of the investment possibilities in forestry.

Central Scotland Regional Forum – Chair Simon Rennie

Simon Rennie highlighted the fact that 60% of Scotland's population was in the Central Scotland Region, and social circumstances varied immensely within the area. He considered that his Forum's main priorities covered environmental degradation,

'woodlands for life', health, employment and training, improving planning links on environmental forestry, climate change, alignment with non-woodland habitat, woodfuel, and working with Clusters.

Grampian Regional Forum – Chair Priscilla Gordon-Duff

A paper was tabled at the meeting.

Priscilla Gordon-Duff said that the production of quality timber was a main priority in Grampian, and that social and environmental benefits flowed from it. Seeking opportunities to expand the WIAT initiative, and developing the Grampian Forest with the help of partners were key issues. Focussing on the integration of land management was another significant priority. She also highlighted the Forum's plans to develop a communications strategy to raise awareness of the opportunities for people to engage and participate in forestry.

Perth & Argyll Regional Forum – Chair George McRobbie

George McRobbie said that the area covered by his Forum was very diverse and offered a number of interesting challenges. Some of the main themes his Forum would be concentrating on were the interaction with tourism, agro-forestry, and productive forestry, including quality hardwoods. A five-year action plan will be developed. He then posed questions about going beyond the Forum membership to draw on further skills and knowledge, and whether the RFFs could have any influence on funding targets. Overall, he thought it was essential that the RFFs were seen to be giving robust advice and opinion.

South Scotland Regional Forum – Chair Paul Ignatieff

A paper was tabled at the meeting

Paul Ignatieff said that his Forum had recently lost two members and were recruiting successors to represent fresh water fisheries and farming interests. The area covered by the Forum was the most afforested and industry-orientated of the 5 RFFs, and it had the largest area of private estate. He said that the Forum had recently been mainly involved in reviewing, discussing and inputting to the Strategy, but that they were now looking at their future role in terms of level of involvement, influence, delivery and public profile. For example, the preparation of a Regional Profile, including lowland farm and estates forestry, was being considered as well as promoting and overviewing the implementation of RFF Challenge Funds. Thought was also being given to co-ordinating with other activities such as business development support.

Discussion

Calum MacDonald and Bob McIntosh thanked the Regional Forum Chairs for their views. The Forum then discussed the move towards a support mechanism for integrated land management, and the impact this might have on the current RFF model. Bob McIntosh said that the initial thinking was that Regional Land Management Groups/Forums would be required, and that discussions were still at an early stage on the methodology for the distribution of land management funds. He did not know at this stage if there was to be a separate forestry pot. He said that the Forum would be updated as the picture became clearer on this issue. Forum members considered that the regional integration of forums/groups would be the practical way forward, but that it was important to ensure that forestry was well represented.

Turning back to the Strategy, the Forum discussed several issues including the measurement of public benefits, access to other sources of funding, and the involvement of LEADER. Suggestions were also made about possible reference to agro-forestry and the 'Naturally Wood' strategy. The Forum did, however, have some reservations about the Strategy not including specific targets which some members thought lost it some 'punch'. Bob McIntosh appreciated this view but stressed that the Strategy had to be enduring. Circumstances will change in the years to come, and any set targets would also have to be changed, thus requiring a Strategy review each time. He suggested that a five-year implementation plan – which he asked the Forum Chairs to give some thought to over the next few months – would be the most practical way forward. The Strategy did, of course, include forestry's contribution to Climate Change and Biodiversity targets.

Calum MacDonald concluded the discussion by thanking the main Forum and the Regional Forums for helping Hugh Clayden develop a well-structured document. He stressed the importance of the work of the Regional Forestry Forums over the next few months particularly in getting stakeholders fully involved.

6. ANY OTHER BUSINESS

- a. Ian Ross said that every effort should be made to alert key financial institutions to the importance of biomass and the related investment possibilities.
- b. It was agreed that future meetings in Edinburgh should start at 10.30am to allow sufficient time for travelling.

