

SFGS Reference number

Scheme name

Scottish Forestry Grants Scheme

Part 1 - Introduction

a. Parts of this Contract

There are five parts to this Contract. These are:

Part 1. This introduction

Part 2. The Conditions applicable to this Contract

Part 3. This describes the work to be carried out and is called the "Plan of Operations" in all parts of this Contract.

Part 4. This is a map or maps showing where the work will be carried out.

Part 5. This shows:

- the parties to the Contract; and
- the grant recipients.

b. Parties to this Contract

This Contract is made between the Forestry Commissioners (in all parts of this Contract called "the Forestry Commissioners") and the person or persons listed in Part 5 of the Contract (in all parts of the Contract called "the applicant").

c. Signing this Contract

By signing this contract, the applicant agrees to be bound by the Conditions contained in Part 2 of this Contract and in this introduction. The Forestry Commissioners also agree to be bound by these Conditions

d. Permission for felling trees

Where the applicant is proposing to undertake felling, the Forestry Commissioners may approve this work by issuing the applicant with a Felling Licence. The Forestry Commissioners will consider the contract signed by the applicant, once received by the Forestry Commissioners, as the application for the felling licence. The applicant agrees to carry out any restocking which the Forestry Commissioners may specify as a condition of the felling licence.

e. Information

Any general information that the applicant needs to give to the Forestry Commissioners under this Contract can be given either:

- in writing (and be delivered, or sent by post); or
- by ¹electronic communication;

to the Forestry Commissioners at their local Conservancy office.

If the Forestry Commissioners need to give the applicant general information, they will send it either:

- in writing; or
- by ¹electronic communication to the applicant. Unless the Forestry Commissioners have agreed otherwise, they will send it to the applicant at his/her/their address(es) set out in this Contract, or to the first of the applicants named in this Contract at the address given for that person.

¹"electronic communication" means a communication transmitted (whether from one person to another, or from one device to another or from a person to a device or vice versa) -

a. by means of a telecommunications system (within the meaning of the Telecommunications Act 1984; or
b. by other means but while in an electronic form."

f. Notices

Any formal notice that the applicant needs to give to the Forestry Commissioners under this Contract must be given in writing (and be delivered, or sent by post) to the Forestry Commissioners at their local Conservancy office. If the Forestry Commissioners need to give the applicant formal notice, they will send it in writing to the applicant. Unless the Forestry Commissioners have agreed otherwise, they will send it to the applicant at his/her/their address(es) set out in this Contract, or to the first of the applicants named in this Contract at the address given for that person.

Part 2 - Scottish Forestry Grants Scheme Conditions

1. Archaeological sites

The work the applicant does must not disturb or damage areas identified as being of archaeological importance. Before the applicant carries out the work affecting a Scheduled Ancient Monument, the applicant must confirm to the Forestry Commissioners that the necessary permission has been obtained for such work.

2. Sites of Special Scientific Interest and Natura Sites

Before carrying out any work on a Site of Special Scientific Interest or on a Natura 2000 site, the applicant must confirm to the Forestry Commissioners that the applicant has obtained consent from Scottish Natural Heritage for such work. If the project is to take place on or near a Natura 2000 site, the giving of such consent may be qualified by the outcome of an appropriate assessment made by the Forestry Commissioners of the implications for the conservation interests for which the area has been designated.

3. Public access

The applicant must not obstruct any public rights of way over the land. Unless the applicant has agreed otherwise in this contract, the applicant need not provide any other public access but must comply with the responsibilities of being a land manager in relation to the right of responsible access secured by the Land Reform (Scotland) Act 2003 and the Scottish Outdoor Access Code once they come into force. If the Forestry Commissioners, or any Local Authority in whose area the land or any part of it lies, ask the applicant to discuss the possibility of providing additional public access facilities over the land, the applicant must say whether or not he or she would agree to consider such access.

4. Standards of work

The work the applicant is authorised to carry out in the Plan of Operations (in all parts of this Contract called "the work") must be carried out on the land shown on the map at Part 4 of this Contract (in all parts of this Contract called "the land"). The applicant must carry out the work in the manner described in the Plan of Operations and by the date (if any) specified therein. After completion of the work, the applicant must carry out until the end of the Contract Period (as defined in Condition 6) such maintenance work (in all parts of this contract called "the maintenance") on the land as is reasonably necessary to ensure that the work successfully meets the objectives stated in the contract.

The applicant must carry out the work and maintenance with due care, skill and diligence and in conformity with the standards of environmental protection and practice set out in guidance published by the Forestry Commission and the UK Forestry Standard that is current at the date that the work or maintenance is carried out. The applicant must also meet or exceed the minimum specifications as set out in the "Standard Costs and Specifications Booklet" current at the date that the work or maintenance is carried out. Variations to the specifications may be allowed where the Forestry Commissioners consider that such a variation meets the minimum specification requirement. Failures must be replaced to ensure that the plantations are ²established and with the minimum stocking densities specified in the Plan of Operations by the Expiry Date (as defined in Condition 5).

² "established" means that trees must be present:

- to the stocking levels specified in Part 3 of the Contract;
- healthy; and
- in a condition capable of continued growth given no further weeding and subject to normal ongoing maintenance operations such as protection from inappropriate grazing by wild or domestic animals".

5. Duration of approval to carry out work

The approval to carry out the work starts when the Forestry Commissioners sign the Contract (the “Approval Date”) and expires five years after that date (the “Expiry Date). If the applicant has not begun the work by the Expiry Date, this Contract will, unless the Forestry Commissioners otherwise agree, automatically terminate on the Expiry Date and the Forestry Commissioners will not be obliged to pay any grants.

Where the approved work has been transferred from a Woodland Grant Scheme (WGS) contract, the Expiry Date will be five years from the date that the Forestry Commissioners approved the Woodland Grant Scheme Contract.

6. Contract Period

The applicant will be bound by this Contract for a set length of time, the “Contract Period”. The “Contract Period” starts on the Approval Date and ends after the period set out for each specific category listed below, unless both parties formally agree otherwise in advance.

- new planting – 5 years after payment of final instalment of planting grant;
- restocking - 10 years after payment of the grant for replanting;
- natural regeneration - 5 years after the trees are agreed as being established;

stewardship – 1 year after the final payment of grant (with the exception of deer control which is 1 year after the Expiry Date).

7. Standard costs

Subject to Condition 10, and to compliance with these Conditions, the Forestry Commissioners will pay the applicant grants of the types specified in the Plan of Operations, so long as the work is done to their reasonable satisfaction. The Forestry Commissioners will use the standard costs current at the time the grant is due to be paid. Where the grant is due in instalments, the standard cost used to calculate the first instalment will be used for calculating subsequent instalments. If the Forestry Commissioners have negotiated the grant level with the applicant, they will only be liable to pay grant based on the negotiated grant level. Any grants due will be paid to the applicant or agent as set out in the applicant's SFGS Contract.

8. Work Quantities

Subject to Condition 9, the Forestry Commissioners will pay grants based upon the quantities claimed by the applicant. Where applicable (e.g. area measurement, fence length), the Forestry Commissioners will determine the quantities by measurement from the map submitted with the grant claim. The quantities measured from the map may differ from those approved in the contract.

9. Work quantities and Tolerance Table

The applicant may exceed the quantities approved in this Contract but only in accordance with the Tolerance Table that applies at the time of making the claim. Prior approval from the Forestry Commissioners will be required for any changes that exceed the limits for the operations set out in the Tolerance Table. It will be the applicant's responsibility to check the limits set out in the current version of the Tolerance table before carrying out any work. Changes to the tolerance table can be made provided both parties agree.

10. Date by which you must claim grants

The applicant must carry out the work and submit the claim form to the Forestry Commissioners by 28th February of the financial year specified in the Plan of Operations, unless the Forestry Commissioners agree otherwise in writing.

For establishment grants *in Scottish Forestry Grants Scheme only Contracts*, the applicant must carry out the planting within 18 months of the date that the claim for ground preparation and protection is submitted.

For establishment grants *in Scottish Forestry Grants Scheme/Farmland Premium Contracts*, the applicant must carry out the planting within 12 months of the date that the claim for ground preparation and protection was submitted.

The applicant must inform the Forestry Commissioners as soon as possible if the work cannot be carried out within the year specified in the contract. In that event, the Forestry Commissioners cannot guarantee to pay the applicant the grant in the following year but will do so as soon as funds allow.

11. Changes to the work

Except as allowed in Condition 9, the applicant must not change the work approved in this Contract unless the Forestry Commissioners agree the change with the applicant in writing beforehand.

12. Inspection

The applicant must let the Forestry Commissioners, our officers and authorised persons, enter the land at all reasonable times during the Contract Period to inspect the work.

13. Withholding grant payment

If the applicant does not carry out the work or maintenance to the standards and timescale set out in Condition 4 the Forestry Commissioners may withhold payment of grant. Before the Forestry Commissioners withhold grant, they will give the applicant notice of the reasons for withholding grant. If the Forestry Commissioners consider that the situation can be put right, the applicant will be given the opportunity to put the situation right, within a time that the Forestry Commissioners will specify.

14 Repayment of grant

Where the applicant does not carry out the work or maintenance to the standards and timescale set out in Condition 4 and cannot put the situation right the Forestry Commissioners may require the applicant to repay grant for work and on areas that have not been successful. Where this applies to planting or restocking, grants paid for ground preparation and or protection operations will also be reclaimed.

15. Termination of contract

The Forestry Commissioners may terminate the contract in any of the following circumstances where an applicant:

- has not repaid any grant within 28 days of a written demand;
- does not carry out the work or maintenance to the standard set out in Condition 4 over the whole of the land (unless the Forestry Commissioners otherwise agree in writing) ;
- knowingly gives the Forestry Commissioners any material information that is false, misleading or incomplete when this Contract is made or when a claim for grant is made;
- is declared bankrupt or makes a composition or arrangements with, or grants a trust deed for their creditors, or goes into liquidation (other than a member's voluntary liquidation) or receivership.

Before the Forestry Commissioners terminate the Contract or ask the applicant to repay grant, they will give the applicant notice of the reasons for termination of the Contract.

16. Stopping occupying the land

If an occupier stops occupying the land or any part of it, to which the contract applies, he or she must inform the Forestry Commissioners. The outgoing occupier may, with the agreement of the Forestry Commissioners (which agreement will not be unreasonably withheld) assign the contract to the incoming occupier. In the event of a sale of part of the land, the existing occupier may continue the work agreed in the contract over that part of the land that he or she still occupies, with the agreement of the Forestry Commissioners.

In the event that the contract is not assigned to the incoming occupier, the contract will automatically terminate.

Where the ongoing obligations of the contract are not transferred to the incoming occupier or where the contract is terminated, the outgoing occupier will remain responsible for the ongoing obligations of the contract, as they apply to him or her, until the time that the contract would have expired. The outgoing occupier may transfer responsibility for the ongoing obligations to the incoming occupier with the agreement of the incoming occupier and the Forestry Commissioners.

17. Repayment of grant on termination under Conditions 15 or 16

If this Contract is terminated under Conditions 15 or 16 above, the Forestry Commissioners may not pay any more grants under this Contract.

In the event that the contract is terminated because the applicant stops occupying the land or any part of it, the obligation to repay any grants in the event that the work is not successful during the time remaining of the Contract period will remain the responsibility of the seller, unless this obligation under the Contract is transferred to the purchaser(s).

The applicant will be liable to repay any grant received for the operations concerned together with interest at the rate set from time to time by HM Treasury. The interest will be charged from the date that the payable order was issued until the grant is repaid unless the Forestry Commissioners agree otherwise.

Notwithstanding withholding grant on the termination of the contract under Conditions 15 and 16, the Forestry Commissioners may nevertheless at their discretion waive reclaim of a proportion of grants paid.

18. Reclaiming grant from monies due

If the Forestry Commissioners ask the applicant to repay grant and the applicant fails to do so, they may deduct this amount from any grants due to the applicant now or in the future under this or any other agreement.

19. Disputes

Any dispute or difference arising out of or in connection with this contract shall be referred to and finally resolved by a single Arbiter. The latest version of the Scottish Arbitration Code shall regulate the procedure and the conduct of the Arbitration. In the event that the parties are unable to agree an Arbiter, then either party may apply to the President for the time being of the Institute of Chartered Foresters to appoint the Arbiter, which body shall be the appropriate body in terms of Article 3.5 of the said Code. The substantive law applicable to the dispute or difference shall be the Law of Scotland.

20. Disclosure of Information

The applicant agrees that all information about his or her participation in the SFGS and this Contract, including information in your application and grant claims and any other relevant information may be made public.

21. Disclaimer

In approving the contract, the Forestry Commissioners agree that the operations to be carried out are consistent with good silvicultural practice and the UK Forestry Standard. The Forestry Commissioners will not be liable for the effects of adverse weather, fire, pests or acts of god. It is the applicant's responsibility to utilise suitable skills and resources to complete the operations agreed in the contract.

22. Force Majeure

Where the Forestry Commissioners agree with the applicant that failure to deliver any part of the Contract is because of circumstances outwith the applicant's control, the Forestry Commissioners will not normally seek repayment of grant. The Forestry Commissioners will discuss and agree a re-instatement plan, where this is possible, with the applicant. Any necessary operations may at the discretion of the Forestry Commissioners, qualify for further grant aid.

23. Governing law

This Contract will be governed by the law of Scotland and subject to the jurisdiction of the courts of Scotland.

Part 3 - Plan of Operations

General details of work

Please delete the rows of objectives (listed below) that aren't applicable to this scheme. At the end of this list you will be prompted to insert the contract text. Don't forget to delete this red text as well!

Establishment

- P1 Establishing a well-designed productive forest
 - P2 Expanding an area of native woodland
 - P3 Improving riparian habitat
 - P4 Improving the quality and setting of urban or post-industrial areas
 - P5 Improving the diversity of farmed or crofted landscape
- Locational Premium

Stewardship

- S1 Improving timber quality
- S2 Reducing deer numbers
- S3 Native Woodlands
- S4 Improving woodland biodiversity
- S5 Landscape improvement
- S6 Developing alternative systems to clear felling
- S7 Woodland recreation
- S8 Developing community involvement

Restocking

- R1 Producing well-designed productive woodland
- R2 Restoring areas of native woodland
- R3 Improving quality and setting of riparian habitat
- R4 Improving urban or post-industrial areas
- R5 Improving the diversity of farmed or crofted landscape
- F1 Felling (not being carried out under an SFGS grant) – clearfelling
- F2 Selective felling
- F3 Continuous cover forestry
- F4 Thinning

Type or insert the contract text here. And delete this note!

Details of mixed species

Cpt/sub cpt	Area (ha)	Species group	Species type	Percentage

Delete the following paragraph if Farmland Premium is NOT involved. Don't forget to delete all this red text!

SFGS - Farmland Premium

The Farmland Premium Declarations and Undertakings for this scheme are attached to this contract. If there is any part of the Farmland Premium Scheme that you don't understand, please consult your local Scottish Executive Environment and Rural Affairs Department (SEERAD) office.