



New Woodlands for Quality Timber Challenge Fund

Introduction

Timber is an important renewable natural resource and is the most environmentally friendly building material. Careful woodland management can ensure that timber can be produced in a way that does not damage the value of woodlands as habitats for wildlife or as places for people to enjoy. In fact, growing timber can support these things by generating an income that can cover the costs of woodland management and provide an income to the owner. However, it can only do so if the quality of the timber is high as low grade timber is worth very little.

The Welsh Assembly Government recognises the important role that woodlands and timber production can play in Wales. Quality is a guiding principle within Woodlands for Wales, the Assembly's Strategy for *Woodlands and Trees*.

In order to grow high quality timber it is important to plant tree species capable of producing quality timber on sites where the trees can grow well. Woodlands need to be carefully planned and managed effectively in order to succeed in growing quality timber and therefore the Forestry Commission, (FC) has set up this special grant in order to support the creation of well designed new woodlands which are capable of growing quality timber in a sustainable way.

This Challenge fund follows on from the Bracken Challenge fund that grant aided the creation of productive woodlands on bracken land but which is now closed. The system is based on the experience gained of running that fund but it differs from this in several important ways.

- **It is not restricted to sites with bracken or any other vegetation.**
- **It is aimed at sites capable of growing certain tree species quickly.**
- **The application process is much simpler than the earlier Challenge fund.**

What is the Grant for?

The grant is for creating new productive woodlands, capable of yielding quality timber. The grant also aims to ensure that the woodlands have the potential to be transformed towards a continuous cover form of management in future. The woodlands must be well designed and **the majority** of the trees must be of species

that have the potential to grow a vigorous crop of quality timber on the soil and site. A list of eligible conifer and broadleaved tree species and growth rates are given in table 1. The woodlands will usually be established by planting and an average stocking of 2500 stems per hectare will be required. In order to encourage the creation of woodlands that are large enough to be viable for future management, new woodlands will generally be expected to be at least 5 hectares (ha) in size.

How much money is available?

A total of £1.5 million pounds will be made available over three years.

Up to £0.5m will be allocated to applications that can be claimed by March 2003.

Up to £0.5m will be allocated to applications that can be claimed between April 2003 and March 2004.

The balance will be available between April 2004 and March 2005.

The Challenge payment will be £1500 / ha in addition to existing Woodland Grant Scheme, (WGS) establishment grants and Farm Woodland Premium Scheme, (FWPS) payments.

How will this Challenge Fund Operate?

The Challenge fund is cash limited and grants will be allocated on a first come, first served basis to applications that meet the criteria below.

Criteria for applications

- The area of new woodland to be created must be in Wales or in the case of farmland, on an agricultural holding registered in Wales.
- The majority of the species must be selected from the list in table 1 and be able to grow vigorously as defined in the minimum yield classes.
- Applications must not be on wet or exposed sites that would be liable to early windthrow.
- Sites where oak or sweet chestnut are major species, must not be prone to cracking known as shake.
- The land must NOT have an existing high

conservation value. On unimproved land advice should be sought from the Countryside Council for Wales, (CCW).

- The application must not adversely affect sites which have a high landscape or archaeological value.

Size requirements

- **A minimum area of 5 ha** will usually apply to each application. This threshold will normally apply to each woodland being planted. However, applications totalling at least 5 ha but made of up of a number of smaller areas, may be eligible for the Challenge grant providing that the applicant can demonstrate that all the areas have adequate access and can be managed effectively. Applications for less than 5 ha will only be eligible if they are for enlarging an existing productive woodland to 5 ha or more in order to create a more viable woodland for management.
- **The maximum area** of new woodland eligible for Challenge funding will be 50 ha and no more than 50% of an existing agricultural holding would be eligible. However, additional areas would remain eligible for the standard WGS and FWPS grants

Consultation

All applications will be subject to the FC's normal consultation process however, applicants will be expected to carry out consultation in the following cases:

- Applications in National Parks must have a letter of support from the Park Authority.
- Applications outside a National Park and over 10 ha must have a letter of support from the Local Authority.
- Applications on Sites of Special Scientific Interest, (SSSI's) need the written support of CCW.
- Applications on Scheduled Ancient Monuments, SAMs need the written support of CADW.
- Applicants in an existing agri-environment scheme such as Tir Gofal will need to ensure that they have the agreement of their project officers in order to apply.

How do I apply?

If you want to apply you need to read *Further information for applicants of new Woodlands for Quality Timber Challenge Fund* which explains more about the grant. If you are not familiar with the WGS or with woodland planting we strongly recommend that you seek help from somebody with this knowledge and experience. The Challenge Fund grant is intended to enable applicants to seek professional advice and support.

Applications need to be submitted on forms WGS/FWPS 1 and 2 and should be accompanied by a clearly annotated map as specified in the *WGS Guidance Notes*. Paper or electronic application forms and Guidance Notes are

available on request from FC Area offices in North and South Wales.

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Fax: 01824 750483
Email: con.nw@forestry.gsi.gov.uk

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Further information for applicants of new Woodlands for Quality Timber Challenge Fund

Environmental Impact (Forestry) Regulations

Each application will be assessed by the Forestry Commission in order to determine if it is likely to have a significant impact. On large applications or those on sensitive sites, the applicant may be required to prepare an Environmental Impact Assessment before the project is considered for grant aid. For more information about this ask for a booklet *Environmental Impact Assessment for Forestry Projects*.

Site Characteristics

The characteristics of the soil and site are very important criteria in the eligibility for the Challenge grant. The FC reserve the right to ask for further information relating to the site, such as photographs or for Forest Research to carry out an independent assessment of the soil and site conditions in order to determine its suitability for the species proposed. Details of any assessments carried out will be copied to applicants.

Woodland Design

In addition to meeting the site requirements, all applications will need to meet FC design and environmental standards. Although a key objective in these woodlands will be the growth of high quality timber, the design should also take opportunities to enhance the environment and make the woodland attractive to people.

Sites adjacent to existing native woodland should incorporate planting of site native species alongside the woodland and where possible allow for some regeneration from the woodland to be incorporated into the new areas. This is especially important for any parts of a site adjacent to Ancient Semi-Natural Woodlands where the specification for new woodland will be as per the *Wales Native Woodland Expansion Challenge Fund*. Planting of native species may also be required in other areas such as stream-sides, internal features or external boundaries for landscape and conservation.

Open space is a valuable component of woodlands and up to 20% of the grant aidable area may be grant aided as designed open space, (OG.) However, this should be identified on a map and located around important features such as crags, habitats, archaeological features, top boundaries or glades which might have a value in terms of recreation, or deer control.

Choice of species for timber production

At least 50% of the trees must be selected from one or more of the species listed in table 1 and in order to be eligible for the Challenge grant on the sites proposed, the species selected should be capable of growing at least at the growth rates indicated.

Species	Min Yield Class	Species	Min Yield Class
Douglas fir	16	Sessile or pedunculate oak	6
Japanese/ hybrid larch	12	Ash	8
Sweet chestnut	8	Cherry	8

Table 1: Eligible timber tree species and minimum growth rates.

The list allows woodlands to be either coniferous or broadleaved species or a mixture of the two. It also enables **up to half the trees planted to be of other species** to be grown as a “nurse” crop or to provide species diversity. This 50% rule will usually apply at a stand level and there will be an overall limit of 30% on the proportion of **other** conifer species that can be planted in any stand. The FC can provide examples of mixtures.

The Challenge fund is aimed at creating silviculturally sound, mixed species stands rather than single species mono-cultures in order to provide greater scope to manage the stands towards a continuous cover system in the future. However, it is important that the species planted in mixture are compatible and that any faster growing nurse species are planted in such a way as to facilitate management (but without creating landscape problems such as stripes on visible sites.) Conifer stands must include a minimum of 15% site native species in order to provide species diversity and to improve the silvicultural characteristics of the stand.

Stocking density

Contracts will specify a minimum average stocking of 2500 evenly spaced stems per ha in the areas being planted for quality timber. However, areas of pure oak or beech will need to be at 3100 stems / ha. Areas of new native woodland being created as **part** of the project will need to be 1600 stems /ha as defined in the leaflet *Wales Native Woodland Expansion Challenge Fund*.

If insufficient trees are established at year 5, further planting will be required in order to avoid repayment of part or all of the grants paid previously. In cases where there are sound silvicultural reasons for doing so, phased planting may be carried out, for example to enable nurse crops to be established before more sensitive species are planted. In these cases the Challenge grant can be claimed once a minimum of 1100 stems per ha are planted but the 1st instalment of planting grant can only be claimed when 2500 stems are planted.

Genetics of planting stock

In addition to selecting species the genetic characteristics of the planting stock planting stock is an important factor when growing quality timber. Guidance will be given to applicants about selecting appropriate provenance and /or origins of the most import species and this should be followed.

Methods of establishment

Applications must specify the operations that will be carried out in order to prepare the site and establish the woodland. Applicants will be expected to follow best practice in establishment including site preparation to resolve problems such as soil compaction and ensuring that prolific weed growth is avoided and kept under control where it occurs. Establishment of the productive stands will normally be by planting although establishment by **direct seedling** will be acceptable providing a sound method is used. Where this is the case, the Challenge grant can be claimed once the seeding has been carried out and the first instalment of planting grant can be claimed once an adequate stocking of seedlings reaches 45 cm in height. Direct seeding will not be eligible for Discretionary Payment.

Areas of native woodland being created through natural regeneration will be grant aided as described in the leaflet *Wales Native Woodland Expansion Challenge Fund*.

In all woodlands, regeneration of undesirable, invasive trees and shrubs must be removed.

Grants available

Successful applications will be awarded a combination of grants. The Challenge payment of £1500 / ha will be

payable in addition to Better Land Contribution, Planting Grant and if appropriate Farm Woodland Premium Scheme, (FWPS.) WGS Planting Grant will be payable at conifer or broadleaf rates depending upon whether the majority of species in each stand or Management Unit are conifer or broadleaved species. This will also affect the duration of FWPS payments, see examples on table 2.

When Will Challenge Funds be allocated?

The Challenge Fund is cash limited and will be allocated on a first come first served basis. This will not be based upon the date an application is first received but on the date that the application meets the Challenge Fund criteria and FC requirements. We will try to assess applications promptly and notify you of any additional information required within 6 weeks or receipt.

Double Funding

It will not be possible for applicants to receive the Challenge Fund payment for planting areas grant aided through the FC Shelterwoods project or where fencing costs are being grant aided on Tir Gofal schemes.

Eg 1 Compartment planted with 75% broadleaved and 25% coniferous species at 2500 stems / ha. in an intimate mixture.	
Grant calculation	
Planting 2500 stems/ha, Improved Land Total area of woodland under 10 ha	
Year 1 claim	£1,500/ha Challenge payment 70% X £1,350/ha BL Planting Grant
Plus	£600/ha Better Land Contribution
Year 1 total	£3,045 / ha
Year 5 claim	30% X £1,350/ha = £405/ha
Total WGS Grants = £3,450/ha	
In addition FWPS payments will be made annually for 10 years.	

Eg 2 Compartment planted with 60% conifer and 40% broadleaves all at 2500 stems / ha. in an intimate mixture.	
Grant calculation	
Planting 2500 stems/ha, Improved Land Total area of woodland under 10 ha	
Year 1 claim	£1,500/ha Challenge payment 70% X £700/ha Conifer Plant Grant
Plus	£600/ha Better Land Contribution
Year 1 total	£2590/ha
Year 5 claim	30% X £700/ha Conifer Plant Grant
Total = £210/ha	
Total WGS Grants = £2,800/ha	
In addition FWPS payments will be made annually for 15 years for eligible applications.	

Table 2: Calculation of grant rates for Conifer and Broadleaved mixtures