

# APPLICANTS' FOCUS GROUP MEETING

## National Motorcycle Museum, Birmingham

### 17th November 2011

#### 1 Welcome, Introduction & Apologies

Present: Andrew Smith (FC) Mike Render (FC), Craig Harrison (FC), Julian Ohlsen (UPM & South West AFG), Tim Shardlow (ICF), John Morris (Small woods Association), John Lockhart (RICS), John Blessington (LGA), Caroline Harrison (Confor), Chris McGloin (Community Forests), Simon Mageean (Wildlife and Countryside Link) Steve Hunt (FC), Poppy Saunders (FC) Mike Seville (CLA), Neville Elstone (ICF), Claire Robinson (NFU), David Whelon (Natural England), Edd Husband (RPA Scheme Management Unit), Gesa Reiss (EWTP)

Apologies: Caroline Harrison (Confor), Mike Wood (RSPB & W&CL), Judith Webb (RFS), Andrea Graham (NFU), Tony House (RPA)

#### 2 New Actions from this meeting

AP	Action
1	<b>Steve Hunt</b> to ensure that sawmills and agents are given as much warning as possible of any agreed larch felling moratorium for 2012.
2	<b>Steve Hunt</b> to confirm when a new streamlined approach to SSSI consent is agreed with Natural England, and to make owners of SSSI woodlands, as well as agents and field staff (both NE and FC) aware of the agreed processes.
3	<b>Poppy Saunders</b> to discuss EPS training with NE colleagues, with a view to offering basic field training for agents and owners.
4	<b>Steve Hunt</b> to review with Jonathan Spencer the current bird guidance in England, with a view to amending the advice, especially for sites affected by disease such as Phytophthora .
5	<b>Alec Rhodes</b> to see if restocking data that we hold for cleared Phytophthora sites can be broken down into more detail, preferably identifying individual species.
6	<b>Mike Seville</b> to identify examples of well designed compartment work sheets and send to Craig Harrison, so that they can be considered as a replacement for those currently in use in the FC's Management Plan process.
7	<b>Craig Harrison</b> to consider providing case studies of well designed WIG Wood Fuel applications on the web site as a means of further support for applicants.
8	<b>Poppy Saunders</b> to check that Terms of Reference for the Industry led Task Force can be shared with AFG members and if so, to arrange distribution.
9	<b>Andrew Smith</b> to consider whether agents could be used to take responsibility

	for elements of the site management of Phytophthora affected woods, where the available FC staff resource may be limited.
10	<b>Andrew Smith</b> to consider whether the current age for providing financial support (26 years and below) to remove 'young' larch, should be re-appraised, as the disease spreads to larch in slower growth areas. Forest Research to assist with evaluation.
11	<b>Craig Harrison</b> to review the need for dedication release as a requirement of EWGS entry

## Minutes and matters arising from previous meeting

Error identified on the agenda approval of minutes should be for meeting dated 19<sup>th</sup> May 2011, not 17<sup>th</sup> November 2010. The group agreed the last meeting minutes without changes and reviewed the action points:

AP4 Remittance notes – Agreed that currant format was now greatly improved.

AP 11 Changes to Felling Licence Application Form – work in progress. Since the meeting the issue has been sorted with FC staff in the South East. No changes are required to the current application form

## Briefing Note [\(paper 03/11\)](#)

Finance Update – No comments

UKFS – Noted launch and looked forward to announcement of training events in the new year.

Moratorium on felling of larch – Criticism of the late notification to the industry and fact that sawmills were not made aware. Regional staff had been notified prior to the announcement and asked to spread the word. Felt that the late notification had limited effect on the sawmills as plenty of uninfected timber available on the market

### Action 1 Steve Hunt

Joint working with NE – Agreed that the proposals would 'smarten up' the current process but could we not streamline further? Similar streamlined approach was already in place, and worked well, for trees covered by TPO's. Accepted that legislative issues barred a bolder, more streamlined approach (i.e. FC's inability to add extra conditions to a licence to cover NE consent requirements). The NERC Act<sup>1</sup> allowed organisations to delegate functions to others, but lack of broad skills (covering forestry and conservation) in both FC and NE, restricted the use of this approach.

Concerns were raised that differing drivers between FC and NE caused friction especially on habitat restoration cases.

Essential that owners and field staff made aware of the proposals once finally agreed.

### Action 2 Steve Hunt

Phytophthora and EPS licencing – Currently working around EPS at present, but no licence applications are concern for both FC and NE. Outlined discussions that have taken place with NE in relation to the opportunity for FC to hold an 'Organisational

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<sup>1</sup> NERC – Natural Environment and Rural Communities

Licence'. This would transfer element of risk and responsibility to FC, involving more work for field staff. Currently felt that FC could not commit to this due to SR10 changes going forward, but not ruled out completely.

EPS training for owners and agents was a high priority, and still awaited

### **Action 3 Poppy Saunders**

Noted that NE recognised the importance of timely intervention to prevent disease spread and would fast stream any EPS licence applications under current process. NE agreed to work closely with FC – good example was agreement to reduce the exclusion zone for grade I listed birds, allowing to fell more closely initially, followed by removal of trees out of nesting season. Mike Wood from RSPB has worked with FC (Scotland) colleagues to amend current GB generic guidance on birds and same needs to happen in England for all types of work interacting with schedule I breeding birds in particular.

### **Action 4 Steve Hunt**

Restocking on sites affected by Phytophthora – Data was provided on restocking grant demand for phytophthora affected sites. Assurance was given that the SW team were adhering to the supplementary guidance for the restocking of PAWS sites. Request that data be broken down further into separate species.

### **Action 5 Alec Rhodes**

## **3 EWGS / HLS Integration**

Background:

- Clear steer from new administration when they took office that they did not wish to see the 3 Environmental bodies (FC, NE and EA) combined;
- FC and NE tasked with reviewing current grants package, but in relation to woodland only. A wider review of HLS was not to be included, although an acceptance that work may have some impact on the scheme as a whole;
- Work wouldn't pre-empt the new RDP – both schemes would have to adapt to any changes to the RDP;
- Work wouldn't pre-empt that of the Panel, as their report unlikely to be specific about mechanics of the grant scheme and also likely to require ongoing grant-aiding of range of woodland management and creation;
- Advantage that Ministers requested delivery bodies to make recommendations, rather than imposing a solution;
- Any agreed grant 'toolbox' must be adaptable to changes in key drivers.

Work of the group was outlined and current status identified through a presentation with paper handed out at end of session.

Ran through a case study in Cumbria where land coming out of ESA agreements, has potential for substantial areas of woodland creation. HLS is currently more favourable than EWGS; However, legally cannot deploy HLS above 3 hectares; we don't have the ability to 'cross condition' (enter HLS on condition you enter planting into EWGS); only option at present is to 'leave room' for EWGS agreement. In order to achieve results on

the ground the regional teams have been 'creative' in their approach but danger that audit review will highlight issues.

Key concerns / comments made were:

- Single scheme could be bureaucratic nightmare – should seek a simple way to work together on existing schemes;
- What may be good for one organisation, may not be good for the other;
- Single scheme may deliver policy but not costed to see if this is the most cost effective;
- One scheme sounds attractive – provided driven by the Forestry sector!
- WCG probably best element to move into HLS, but would this then be driven by environmental / social drivers as opposed to economic?
- Concerns that the WCG funding will be subsumed into the general HLS budget;
- Sustainable management support was essential if work in woodlands was to continue;
- Non farming land not targeted by current HLS and essential that any integrated scheme took account of these areas;
- Major concerns that policy drivers between FC and NE were fundamentally different, with FC having a much wider remit. AFG view was noted but, EWGS drivers had always been environmental and social – not financial.
- Further discussion on what new scheme might look like, but obvious that neither organisation could run a new integrated scheme on their own, as neither had the knowledge to cover both farming and forestry issues. Simple blending of schemes may not address all the issues, whilst complex re-design could prove to be too expensive and deliver poorer value for money.

Clear that EU and RPA would prefer to see a single scheme for ease of delivery and also reduction of audit burden. Following a recent meeting involving senior Defra staff, there was clear indication for a single scheme as the preferred option and implementation for new RDP (2014) timing. Warning given that such a timescale may be impossible to achieve with current resources and ongoing changes to both organisations.

Future RDP has 3 times the number of forestry measures compared to agri-environment and England is required to identify funding level allocation per measure prior to implementation of the plan.

Many woodland owners do not own other land and so risk being marginalised by a rural land based scheme looking at a whole farm approach. Both new schemes in Scotland and Wales had been amended to accommodate for this.

## 4 RDR 2014 Update [\(paper 04/11\)](#)

Paper presented for information. No indication of simplification, but indications that number of options for forestry and therefore opportunities, are increasing.

New draft omitted economic aspects of forestry (competitiveness), as this had always been a major issue for EU auditors. This will impact on some elements of forestry work,

but not seen as a real showstopper. Forestry was not included in the original EU treaties and so there are unlikely to be ways around this change!

Key points to note from the new RDR are:

- No income forgone payments for afforestation. Compared to late 1980's when FW schemes introduced food security seen as a key driver and so no justification for encouraging farmers to reduce production, also with enlargement EU forest area has doubled. Last date for allocating funding through FWP will be 31<sup>st</sup> December 2013 (unless brought in sooner by GB). Exception to this is possibly where work is meeting requirements of Water Framework Directive
- Increased intervention rates, so up to 100% funding could be made available
- Increased availability for maintenance payments (which may be used 'intelligently' – so possible payment for weeding etc during establishment phase for new planting schemes).
- No mention of short rotation coppice
- Clarification on 'force majeure' recognising climate change effects such as drought (but not clear as yet re position on flooding)
- Ability to include costs up to 100% for climate adaptation.
- Ability to invest in new forestry technology – alternative to economic drivers.

Several countries were airing concerns with regards the loss of income foregone payments as a means to encouraging the establishment of new woods. They are difficult and expensive to manage for FC due to length of obligation period. Currently looking at opportunities to 'engineer' maintenance payments for five or possibly up to 10 years.

A workshop was scheduled for 13<sup>th</sup> December, where the negotiating position at UK level was to be discussed.

Andrew Smith explained that Mike Render was now embedded in Defra two days a week, and that the RDP development officer post had now been consolidated into the FC staffing structure. This had allowed a much higher level of influence and FC and the industry was now seeing the benefit of this work.

## 5 Grants Update / Woodfuel WIG [\(paper 05/11\)](#)

Craig summarised key grant developments since the last AFG meeting:

- New deadline (31<sup>st</sup> December) for WMG applications introduced to ensure processing met the EU 15<sup>th</sup> May deadline for approved contracts / claim process;
- Support for rhododendron control in areas affected by phytophthora (currently only in SW) to be widened to other affected sites across England
- First exercise involving claiming second instalment of WCG was currently underway;
- New guidance on change of ownership and liability is set out in Operations Note 14. This was a change to previous guidance and aims to provide consistency across the various schemes. Successors must apply for scheme and grants within one year of taking on ownership.

- Latest email alert distributed, including the Asulox ban by EU. Concerns were raised that FC had reverted back to requiring full customer and land registration prior to submitting an application. Delays were still being experienced with RLR registration. Change had become necessary due to difficulties being experienced 'downstream' in the administration process. This was beginning to cause major problems especially with the cross checking process.
- Very good guidance on climate change was now available on the web site. Click [here](#) to access web pages. John Weir who authored the pages now has a new role engaging more with the private sector.

## Woodland Creation Grant

Cumulative level of planting remained slightly below RDPE target, but expect to exceed annual target of 2200ha in FY2011/12. Suggestions were put forward for simplifying the process. Key points were:

- Reduction in the number of regional variations;
- One National mechanism;
- Revised rates-
  - Any new planting that meets UKFS = current base rate + £1,000
  - Targeting National priority areas (access, water) = current base rate + £3,000

In future further funding streams would be available such as through Woodland Carbon code. Applicants need to be aware that they must register prior to planting so that the carbon storage could be sold.

## Woodfuel WIG

AFG members commented that the process was complex and there was a distinct risk that as a result funds would not be allocated within the given time period. Confirmed that money had to be allocated within the three year window, but the funds were to be spent over four years. Explained that the requirements of EU funding meant the application process had to be based on competitive quotes and paid on invoiced costs. By their very nature this made the application process more complex than some would like. Key areas of concern were:

- Complex nature of Management plan, especially the need for three separate crop information tables when one would do

### Action 6 Mike Seville

- FC requirement that whole estate should be included was restrictive and putting owners off the process as they only wanted to apply for a single wood. Small plan for an element of an estate would open up many opportunities;
- Acknowledged that a management plan was more appropriate than a full business case or plan. Confirmed that any relevant template could be used provided it fully covered the information included in the FC version;
- The time taken to get plans through the process to agreement was sometimes far too long;

- Confirmed that VAT could be claimed where appropriate;
- Request for case studies to be made available to assist with future applications;

**Action**                      **7**      **Craig Harrison**

- Costs based on standard costs and then three competitive quotes made the process more complex than necessary;
- Difficulty in obtaining three quotes, (but confirmed must have asked for three quotes – don't have to have three on record). However there were 'framework contractors' covering civil engineering in excess of 30 areas with at least three contractors in each, and sometimes six, so resource should be readily available.

## 6 Forestry Regulation Task Force [\(paper 06/11\)](#)

Thanks to AFG members for their key input into the process.

Further information was sought in relation to the 'Woodland Partnership' – the task force report had left this idea deliberately 'under played', with the intention that the Forestry Panel would pick this up and explore further. This had not happened and the Minister, Jim Paice had tasked Chris Starr, chair of the task force, to undertake further work on the idea.

Minister was keen to pursue the 'earned recognition' approach.

Overall, regulation of the industry was not seen as a big issue, with the largest number of returns relating to grants (110) and certification (50). Certification was seen as a major barrier to marketing timber.

**Action**                      **8**      **Poppy Saunders**

## 7 Phytophthora Update [\(paper 07/11\)](#)

There had been a major increase in the level of air surveillance during the year. More than 50% of current infections were within 10 kms. of previously infected sites and 21% were more than 10 kms. It is likely these were probably already infected, but not detected. All of the out-lying infections discovered this year were linked directly to previously infected rhododendron sites.

Bruce Rothnie working with Cambridge University modelling disease hazard, where larch and rhododendron were features. This highlighted SE Lake District and North Yorkshire, as prime risk areas, and so would need close monitoring.

Following discussions with Fera, FC would be taking an active role in controlling rhododendron in woodland situations and would extend the use of WIG funding to areas out-with the SW, where this was already available. Fera would continue to manage non woodland rhododendron sites, although concerns were raised regarding poor management of these sites to date.

Important to up-skill FC staff and the industry as a whole in order to recognise symptoms as soon as possible, especially where infection not previously detected.

Key to current strategy was to reduce the level of sporulation in order to avoid it infecting other species. Accepted that eradication was impossible.

Concerns were raised that FC resources would be stretched to breaking point if the disease progressed further in the coming years.

**Action**                      **9**   **Andrew Smith**

**Action**                      **10**   **Andrew Smith**

## 8 SR10 and Transitional Plans [\(paper 08/11\)](#)

Update on current structure changes. Laura Jones has left the FC and will be replaced by Richard Greenhous in early December. Area Directors have been appointed and are due to take up post by middle of January.

Currently FC G&R business managed by 18 separate offices. Plan was to reduce this to 7, including the National Office in Bristol. 5 of these offices would be grant management centres. Aim was to maintain the named AO / WO for each case, although changes would mean that the AO and WO may not be co-located. Inevitably, some very experienced staff would be lost in those offices closing, as a result of this change, but with the need to maintain the level of front line staff (WO's) difficult decisions had to be taken. Our aim will be to provide the same level of service, but in a more consistent way. Staff were currently very stretched, especially in National Office, where a number of posts have been vacated or never filled due to restrictions on recruitment.

## 9 AOB

### **Dedication:**

Issue raised with regards release from dedication. EWGS T's and C's did not mention that land in dedication had to be released prior to applying for EWGS. Could FC check?

**Action**                      **11**   **Craig Harrison**

Date of Next Meeting: 17<sup>th</sup> May 2012