

English Woodland Grant Scheme: Plans for RDPE Transition

Purpose

1. This note provides a summary of how the delay in approval of the forthcoming Rural Development Programme for England (RDPE) 2007-2013 will affect EWGS. The Forestry Commission's objectives for these plans are to:
 - Minimise disruption to grant schemes and ensure continuity of support for grant customers and the forestry industry.
 - Ensure grant customers are not exposed to unsecured financial liabilities.
 - Keep everyone informed with regular updates on developments.
2. The annex to this sheet provides background information on the RDPE and why EWGS is affected by the RDPE approval delays.

Introduction

3. The arrangements in this note are in addition to normal EWGS grant and budget rules. Applications will still be subject to the grant rules set out in the EWGS literature, budget availability, the UK Forestry Standard and good practice guidelines.

Existing Approved Contracts

4. All existing contracts will continue to be honoured and are not affected by the transition arrangements. Claims will be processed and paid as normal. Minor amendments to existing contracts such as claim year or planting year deferral should be unaffected by the transition arrangements but will still be subject to the FC's budget management policy rules. Significant amendments such as the addition of new work areas will require a new application and will be subject to these transition arrangements.

The position from 1st April 2007

5. On 29 March 2007 the Secretary of State announced the high-level budget settlement for the RDPE. In conjunction with Defra the Forestry Commission is now establishing targets and a funding profile that fit with the forestry element of this settlement for the next 7-year period.
6. We published the 2007 Prospectus at the end of May. The 2007 Prospectus sets out the opening and closing deadlines for 2008/2009 applications and budget availability. We opened for grant applications on 31 May 2007 and the Woodland Creation Grant deadline is 28 September 2007. We anticipate processing applications but it is unlikely we will issue draft contracts until RDPE and Treasury approval is confirmed.
7. Woodland Regeneration Grant is not covered by the RDPE. It requires state aid approval under new rules and we are awaiting a response to our notification. Once state aid approval is received we will be in a position to issue WRG contracts, hopefully in advance of RDPE approval.

8. Our published 2006 Prospectus set out deadline dates of 31 December 2006 for 2007/2008 grant applications. We have now committed the majority of this budget to contracted work that will go ahead in the next 12 months. We extended the deadline for Woodland Improvement Grant for SSSIs, Woodland Planning and Assessment Grants, and Woodland Management Grant and now have more applications at draft contract stage pending RDPE approval. Annex 2 provides a summary of current and proposed application dates.

Further information and sources of help

9. Further information on these arrangements and background to them is available from:
 - Your [local forestry commission office](#) (pdf)
 - The EWGS helpline: 01223 346004

Annex 1

Background to the Rural Development Programme for England (RDPE)

Introduction

10. The Rural Development Programme for England (RDPE) is England's mechanism for delivering funds allocated to England from the European Agricultural Fund for Rural Development (EAFRD) and is due to replace the current England Rural Development Programme (ERDP) for the next seven-year period, 2007-2013.
11. The RDPE will include the delivery of the English Woodland Grant Scheme and Environmental Stewardship. It will also include a new approach to delivering socio-economic funding through the Rural Development Agencies, replacing the current project based schemes e.g. Rural Enterprise Scheme, Processing and Marketing Grants, Vocational Training Scheme.
12. For further details about the RDPE, there is a Q&A on the Defra website:
http://www.defra.gov.uk/erdp/pdfs/rdp07_13/RDPQA.pdf

FC Funding

13. The budget for EWGS is from 2 sources - Treasury state aid and EU co-finance. Co-finance makes up nearly half of the EWGS budget and is approved via the RDPE. The need for the FC to ensure EWGS complies with the RDPE is vital to secure consistent funding levels. Therefore the EU has an influence on what the rules of EWGS are and the grant rates that may be offered.

Delay in approval of RDPE

14. In announcing the overall financing for the new programme for England the Secretary of State confirmed in his statement (<http://www.defra.gov.uk/news/latest/2007/farm-0329.htm>) that the aim is now to finalise all the relevant programme documentation for submission to the EC as quickly as possible. Defra expect to be able to submit the completed programme by late in the Spring, and will be consulting on plans shortly. The aim is to clear the way for speedy approval of the programme which will enable it to begin in the Autumn.

Implications of the RDPE delay on EWGS

15. It is unlikely that the FC will want to offer grant contracts in advance of RDPE approval. If the landowner commits their own funds as part of an agreement, and the RDPE requirements then change, there could potentially be a detrimental effect on the landowner - something we are working hard to minimise. However, as a new scheme, EWGS was developed to meet the criteria set out in the existing ERDP, and initial indications are that it is likely to meet the requirements of the new funding framework for the new RDPE.

Annex 2: Summary of application dates

<u>GRANT TYPE</u>	PROSPECTUS 2006	PROSPECTUS 2007 Application Window (for payment in 2008/09)
Woodland Assessment & Planning Grants	Closed	31 May 2007 – 29 Feb 08
Woodland Regeneration Grant	Closed	31 May 2007 – 29 Feb 08
Woodland Improvement Grant (non-SSSI)	Closed	31 May 2007 – 29 Feb 08
Woodland Improvement Grant (SSSI)	Closed	31 May 2007 – 29 Feb 08
Woodland Management Grant	Closed	31 May 2007 – 29 Feb 08
Woodland Creation Grant	Closed	31 May 2007 – 28 Sep 2007