



2 March 2012

## Grants and Regulations National Email Alert

### Get your 11/12 claims in as soon as possible!

11/12 work must be completed and we must **receive** submitted claims by 31st March 2012. Please remember:

**if you do not claim grant in the approved claim year, your right to grant payment is lost and payment is at the Forestry Commission's (FC) absolute discretion**

If you think you won't complete 11/12 work but want to do it at a later date, you must submit an amendment. We will try our best to accommodate claim year amendments but it is subject to the rules set out in [Operations Note 7: Grant Management Policy](#).

### Claim for completed work 12/13 now

If before the end of March you're going to complete work that's due for payment in 12/13, please submit your claim form as soon as possible; don't wait until April. Whilst we can't guarantee early payment, there

is a good chance that we can pay your claim before the end of March.

Submitting early claims for completed work helps the FC to maximise the grant budget spend for the year (hence delivery of woodland management /creation). It also allows us to make the most of the budget for next year (e.g. we can reschedule approved work that won't be completed as planned or accept more applications).

### If work doesn't take place...?

**Please tell us** - we can then release the committed grant and make it available for new applications. Again, this ensures we maximise grant spend and hence woodland creation/management activity.

### EWGS support for existing woodlands

A [new leaflet](#) has been published that provides the latest summary of grants available to help you manage your woodlands. It includes the

recently launched Woodfuel WIG, as well as the suite of other EWGS grants. It is available on the [FC website](#) and paper copies are available from your [local FC office](#).

### Woodland Creation Grant (WCG) 2012 and new leaflet

We will be publishing details of this year's WCG round within the next month. We will also publish a promotional leaflet ("EWGS support for woodland creation") to compliment the new summary of available grant for existing woodlands. More details will follow in the next email alert.

### Penalties

In the email alert issued 3 February 2012, we highlighted the issue of penalties. Given that this is a peak time of year for claims, we'd like to give further information about them and how they can be avoided. The FC's priority is to support woodland creation and management with grant funding, maximising the money we have available to deliver as much as we can in

2 March 2012

## Grants and Regulations National Email Alert

England's woodlands. To that end, it is important to note that in the past year, **more than 99% of claims have been paid with no penalty issues raised. However, we have a duty to protect public funds and act when claims are made incorrectly.**

### Penalty rules

The level of penalty applied to a case will depend on the reason and seriousness of the breach. To date, all known breaches have related to over claims of grant and, with the exception of one, have been submitted by agents on behalf of their clients. The levels of breach that may be applied are contained in the Terms and Conditions of your EWGS contract. If the relevant conditions are not included in your approved contract, you are not subject to the penalty regime.

Unfortunately, we have had to impose penalties on a number of cases to date. We remind owners or their agents to be especially vigilant and ensure that they are only claiming for that work that has been completed. The EWGS claim form allows for either all or just part of the work to be claimed.

### Example penalty cases

- A new planting claim was submitted and paid without inspection. A later inspection identified that no work had been done. The owner mistakenly assumed that he

had to claim regardless of whether or not the work had been completed. The trees had been ordered and planters contracted for the following autumn. The total value of the claim was £48,000, which resulted in a complete reclaim of this sum.



- A WIG scheme for road work was completed, the claim submitted and then inspected. The quality of the roads did not meet the requirements of the contract. In addition the contract length of 320 metres had been claimed but the length of road was 40 metres less. Total value of the over claim was £2,000 which represented a breach of between 3% and 20%. The claim was reduced by £2,000 and a further penalty of £2,000 was

added, reducing the claim amount paid by £4,000.

- A mixed WIG application comprising road work, public access and uneconomic thinning / reversion to PAWS: claim was submitted and paid, with an inspection carried out the following year. Elements of PAWS restoration, and public access work had not been undertaken but were claimed for. The total value of over claim was £10,500 (of a £30,000 claim). Being more than 20%, the total value of the claim was recovered, even though some 60% of the work had been complete.
- A new planting claim for 5 compartments was submitted and paid. The case was identified for inspection the following year when it was found that two areas had been planted only partially. Value of the over claim was £2,000 (3% - 20% of the value). In this case, the planting was completed as soon as the issue was discovered. It was therefore agreed that the planting element of the grant would not be recovered, but a penalty of £2,000 was applied for the initial over claim.

**All of these examples could have been avoided with more care.**

### Key messages

- Check what has been done before submitting a claim.

2 March 2012

## Grants and Regulations National Email Alert

- If only some of the work has been completed for that year make sure you complete the EWGS claim form correctly, identifying the work that has been done by compartment.
- If you tick the 'claim all work' box on the claim form, be certain all of the work has been done. If in doubt, list the work completed on the claim form.



### Agent Authority form

Following recent audit exercises, we have reviewed our application process and the content and processes relating to the [Agent Authority form](#).

It is necessary to show a clear audit trail between the person signing the [EWGS1 application form](#) and the scheme contract.

As a result we have changed the wording on the application form

and the applicant must now sign the EWGS1. In the event that an agent will be involved in the scheme, we will require an agent authority form signed by the applicant, giving the agent the authority to sign relevant documentation in future. The applicant has the option to select what authority he/she wishes to transfer to the agent.

Similarly, it is essential that there is a clear audit trail where an agent is involved. In order to meet the requirements we have amended the Agent Authority form. The applicant must still sign, giving the named agent the authority to act on their behalf, but we now require the named agent to sign this form also, which will provide the necessary audit trail.

To avoid duplication of information requirements, we have removed the authority related questions from the EWGS 1 form. They are now present on the Agent Authority Form only.

Amended versions that further encompass changes to the EWGS1 and Agent Authority form will be available shortly. Full guidance will also be provided to assist with the completion of the agent

authority form, along with a simple Q&A paper.

