

conditions for a step change in the rate of woodland creation and woodland management, primarily through increased private sector investment

3. **Project mandate:**

The project has been agreed by the Programme Senior Responsible Officer with delegated authority from the Programme Sponsor

4. **Project Outcomes:**

The outcomes of the project are:

- the conditions are in place for an increase in woodfuel and local timber production through a major acceleration in sustainable forest management in English woodlands
- rapid increase in uptake of good quality woodfuel boilers that contribute to renewable energy targets, through improved confidence in fuel supply

5. **Critical success factors**

If the project is to be deemed a success it must have achieved the outcomes set out above and also have established:

- engagement with woodland owners and widespread awareness of woodland management benefits
- business models that assist in management options for generating woodfuel and local timber
- improved customer confidence in availability and security of timber supply from the private sector
- strong buy-in from local authorities, key players in terms of advocating the appropriate use of woodfuel

6. **Project Scope**

Elements of harvesting and supply chain businesses associated with the Woodfuel Implementation Plan that are currently not resourced and have a key catalytic role.

Demand for woodfuel is expected to increase significantly when the Renewable Heat Incentive is introduced in summer 2011. Therefore, there exists a need to increase productivity from private woodlands and take steps to strengthen contractual arrangements which increase security of supply and market confidence. Additional resource is also required to reduce competition of raw material in already established markets.

A key part of this is increasing awareness of woodland management and market opportunities. Fundamental to this is ensuring a fair price is passed

onto woodland owners through appropriate contractual arrangements in exchange for long-term harvest plans.

Out of scope:

- Sustainability criteria
- Fuel quality
- Apprenticeships
- Boiler technology and standards
- Central Point of Expertise in Timber standards
- Certification

7. Project Deliverables

7.1 Developing Bankable Heat Contracts:

Improving customer confidence in security of fuel supply through the use of long-term, bankable, heat supply contracts – develop and communicate contracts.

- a) Develop and communicate model heat contracts across supply chain from forest to boiler to improve security of supply.**
 - i. develop nation-wide model fuel supply contracts that are acceptable to Government and private business, as well as the woodfuel industry.
 - ii. develop models where woodland owners guarantee supply in exchange for ensuring a fair price for their wood through a price bundle for heat.
 - iii. work with Green Investment Bank to improve cash flow and ensure bankability.
 - iv. communicate to all parties as essential that woodfuel producers, financiers, woodland owners and customers are happy with arrangements including terms, payments, reliability and quality

- b) Demonstrate how co-ordinated planning of harvesting from private woodlands at local authority level can provide security of woodfuel supply over a long-term horizon.**
 - i. trial methods for contacting and engaging with significant woodland owners in target areas. Incorporate and roll out lessons learnt from pilot study in the SW Ward Forestry project and other woodland initiatives.
 - ii. establish a management plan for woods in specific areas to identify appropriate long-term harvesting regime and volume predictions.

- iii. develop long-term supply from estates, local authorities and other private woodland owners. Enshrine commitment in contract form using a bundle of price indexes.
- iv. incorporate potential from landscape-scale work from Forest Enterprise in Kent, if appropriate.

7.2 Encourage Economic Harvesting of Undermanaged Woodlands

Highlighting forestry practices, market opportunities, sources of advice, perceived regulatory burdens and the cost of management compared to the value of timber produced. Increasing awareness of real costs and benefits of woodland management and providing an option that involves reduced effort and increased economic value for the landowner through landscape-scale collaborative working.

a) A simple web guide to woodland management: Develop and promote business models and supplementary information for woodland owners that quantify :

- i. undermanaged woodland resource – quick inventory method
- ii. most appropriate thinning and harvesting methods, e.g. brief native woodland practice guide
- iii. current ‘indicative’ costs and grants available
- iv. a guide to access to markets (including local markets) and potential revenues
- v. likely profits or losses arising from variety of management practices.

b) Explore potential for landscape-scale working.

- i. determine risks, barriers and costs to landscape scale woodland management by focusing on a pathfinder area - North Kent Downs AONB in Kent.
- ii. mainstream pilots that utilise FE skills and operational activity to bring unmanaged woodlands into management, generating a biomass harvest and engaging woodland owners.
- iii. investigate the role of FE and private sector firms in managing harvesting operations across multiple landownership boundaries.
- iv. incorporate potential from landscape-scale work from Ward Forester project in the South West, if appropriate.

8. Assumptions / Constraints

8.1 Financial

2010/11: £140,000

2011/12: £144,000

2012/13: minimum £28,000

8.2 Time

Earliest start date 25 July 2010, end date 31 March 2012

8.3 Resources

Staff: Regional Woodfuel Co-ordinators SE and SW, Policy and Programme Business & Markets Officer, Policy and Programme Woodfuel Officer, Forest Enterprise staff, Forest Research staff.

Call on Programme Office: analyst, communications and marketing team for awareness raising, administration.

Appropriate design, web-design and engagement skills, including approaching landowners and managers, and workshops to develop and disseminate results.

9. Interfaces

As for Programme Initiation Document and:

Woodfuel Programme Board chaired by Richard Britton

Woodfuel Implementation Plan

Woodfuel Woodland Improvement Grant

Link to North Kent Downs Woodfuel Pathfinder project information :

T:\Policy and Programmes Group\9 Climate Change\Woodland Carbon Taskforce\WCTF Programme\Project 4 - Making Woodfuel Happen\North Kent Downs Woodfuel Pathfinder

<http://www.kentdowns.org.uk/viewarticle.asp?ID=69>

Link to South West Ward Forester project information :

T:\Policy and Programmes Group\9 Climate Change\Woodland Carbon Taskforce\WCTF Programme\Project 4 - Making Woodfuel Happen\SW Ward Forester Project

www.wardforester.co.uk

10. Project governance

Programme SRO – Dominic Driver

Project SRO – Steve Fowkes

12. **Risks**

A summary of risks are detailed in the Programme Risk Register

13. **Communications.**

Communications activity is summarised in the communications strategy

