

Farm Woodland Scheme – Summary of Rules

Background

The Farm Woodland Scheme was introduced in 1988 to encourage farmers to plant new woodlands on land formerly in agricultural use. This scheme was grant aided jointly by MAFF and the Forestry Commission. Under the scheme annual payments were made to farmers who converted agricultural land to woodlands to compensate them for loss of agricultural income and they received planting grants from the Forestry Commission to cover the cost of establishing woodlands. The annual payments were payable, in some cases, for up to 40 years, in arrears, starting approximately one year after planting.

Eligibility

To qualify for the scheme the applicant had to be the occupier of the land and carrying on an agricultural business on an agricultural unit which included that land. If the occupier ceased to carry on an agricultural business on the grant aided area he/she would no longer be eligible for the annual payments.

Let Land

In the case of let land it was the tenant rather than the landlord who had to apply to join the scheme but the landlord's written consent had first to be obtained.

Successors

To continue receiving payments successors of the original entrant must take over the woodlands within 12 months of the termination of occupation by the previous occupier and comply with all the rules of the scheme.

Eligible Land

For the most part the Scheme was confined to arable land and improved grassland. Arable land is broadly land planted annually with arable crops. Improved grassland is defined as grassland which has been cultivated and reseeded within ten years prior to the date of application.

In Less Favoured Areas there was also an allocation for planting on unimproved land, including permanent pasture and rough grazing. In this case eligibility was that the land should have been in use for agricultural purposes ie for cropping or for the grazing of livestock. (other than horses).

Exclusions

Certain categories of land and certain types of planting were excluded from the Scheme: these included:

Land converted to arable use, or grassland cultivated and reseeded, or unimproved land in the LFA's converted to agricultural use where the conversion had taken place since 31 December 1987
Planting on land which forms part of a National Nature Reserve
Planting on Common Land
Planting on land in respect of which grants have been paid or were received from another source eg certain agricultural improvement grants such as for drainage or re-seeding
Any planting in existing woodlands including grazed woodlands, although fields which contain scattered trees may have been eligible
Those types of planting which were not eligible for the Forestry Commission's grants such as Christmas trees or short-rotational coppice
Applications were not accepted in relation to land resumed from a tenant by means of contestable or incontestable notices to quit.

Minimum and Maximum Areas

Under the Scheme entrants had to plant at least 3 hectares per unit and could plant up to a maximum of 40 hectares. Planting could have been spread over a period up to 3 years. Each block of woodland had to be at least 1 hectare and a minimum of 1 hectare should have been planted in each year of planting.

The area eligible for annual payments is the same as the area approved for planting grant by the Forestry Commission following inspection. The area of each block is rounded to the nearest 0.1 hectare.

Rates of Grants

There are two sets of grants:

- Annual payments paid by the relevant Agricultural Department: and
- Planting grants paid by the Forestry Commission

Annual Payments

The rates are as follows:

Arable/improved grassland	Rate per hectare per year
Severely Disadvantaged Areas (also known as original Less Favoured Areas)	£100
Disadvantaged Areas (also known as extended Less Favoured Areas)	£150
Elsewhere	£190
Unimproved land	
Less Favoured Areas (whether Severely Disadvantaged or Disadvantaged Areas)	£30

Review

Rates of grants were first reviewed on 30 September 1991 and thereafter at intervals of no more than 5 years. The reviews take into account relevant factors including trends in income from comparable agricultural land and, therefore, grant rates could go either up or down. Any changes in rates have to be approved by Parliament following each review.

Duration

The duration of payments are as follows:

Category 1	
Woodlands consisting of 90% or more by area of Pendunculate or Sessile oak or European beech or a mixture of these, with the remainder consisting of other broadleaved trees.	40 years
Category 2	
Pure broadleaved woodlands not qualifying in the above category (and not coppiced) or mixed woodlands containing more than 50% by area of broadleaved trees	30 years
Category 3	
Woodlands, other than coppice, not qualifying in the above two categories ie woodland containing 50% or less by area of broadleaved trees	20 years
Category 4	
Woodlands consisting of broadleaved trees planted to produce coppice stools	10 years

Payments are made one year in arrears and continue for the full duration. The payment category was assessed for each block of woodland on the basis of the area to be occupied by the different species at the time of the Plan of Operations approval and provided maintenance is satisfactory this will apply throughout the payment period.

Planting Grants

Forestry Commission planting grants were as follows:

Area of block (hectares)	Conifers £/hectare	Broadleaves £/hectare
1.0-2.9	505 (880 from 1/10/91)	1375
3.0-9.9	420 (795 from 1/10/91)	1175
10.0 and over	240 (615 from 1/10/91)	975

These grants were paid in three instalments: 70% on completion of planting and further instalments of 20% after 5 years and 10% after 10 years subject to satisfactory establishment and maintenance of the woodland. The second and third instalments were paid as a percentage of the rates when they fell due.

Change of Owner

In the event of a change in occupancy eg through sale, reletting or death, the occupier or a personal representative must notify the Forestry Commission immediately. The new occupier may be eligible to receive the annual payments and, if so, should apply to enter the scheme using form FWS 7.

Checking and Penalties

Apart from inspections in the early years to ensure the plantings are maintained satisfactorily, there may be periodic inspections throughout the life of the scheme to ensure that the woodland is being looked after. Entrants are obliged to take all reasonable precautions against loss and damage. Failure to comply with the conditions of the Scheme could result in annual payments being withheld or reduced or previous annual payments recovered in full.

Link With Set Aside

If woodlands were established under the set-aside scheme via FWS, the land planted with trees would count towards the minimum 20% area to be set aside. Successful applicants were eligible for annual payments to be made for the full number of years instead of the 5 years of set-aside payments.