

The Forestry Grant Scheme

A guide to grant options for woodland creation





Funding for Forestry

Thoughtfully integrated into rural businesses, forestry can bring many economic and environmental benefits whether planted on a large commercial or small farm scale.

During the Scottish Rural Development Programme 2014–2020, £252 million will be available through the Forestry Grant Scheme (FGS).

The Scheme supports;

- Woodland creation
- Woodland improvement and sustainable management of existing woodlands.

This leaflet provides an overview of the funding categories and options available for woodland creation. More details and technical information is available online at forestry.gov.scot/support-regulations

Scottish Forestry is the Scottish Government agency responsible for forestry policy, support and regulation

S e Coilltearachd na h-Alba a' bhuidheann-ghnìomha aig Riaghaltas na h-Alba a tha an urra ri poileasaidh, taic agus riaghladh do choilltearachd

Woodland Creation

This part of the grant scheme aims to support the creation of new woodland that will provide economic, environmental and social benefits.

Getting started – clear vision

When creating woodland it is essential to plant the right trees in the right place and that you have a clear, strategic vision from the outset for the future of your woodland – this will ensure maximum return for your investment.

Is timber production important to you or are you more interested in improving habitats on your land? Would you like to use your woodland for sporting use or as a source of woodfuel? Knowing what you want to get from your woodland, soil type and climatic conditions, will influence the choice of trees you plant.

It is important at the planning stage to think about how you will access and extract the timber when it is ready to harvest. Planting on an inaccessible slope, for example, will increase harvesting costs and reduce profit. You should also discuss your woodland creation plans with your neighbours who might be directly affected – you will need to do this as part of your application.

Woodland creation payments

Successful woodland creation applicants will receive:

Initial planting payment

- + annual maintenance payments for up to five years (to ensure the best start for woodland)
- + capital grant (e.g for fencing and tree protection)

What to plant?

There are nine grant support options for woodland creation, each with specific requirements for composition and stocking densities. These are:

- Conifer (predominantly Sitka spruce)
- Diverse conifer (species other than Sitka)
- Broadleaves (productive species at high stocking)
- Native Scots pine
- Native upland birch
- Native broadleaves
- Native low density
- Small or Farm woodland (mixed woodlands less than 10ha)
- Northern & Western Isles

Rates vary depending on species planted. A higher rate of grant is payable in four target areas and these are listed in table opposite.

Target areas rates are associated with:

- Conifer, Diverse Conifer or Broadleaves in areas defined as being 'preferred or potential' in the relevant local authority woodland strategy or equivalent.
- Areas identified by the Cairngorms National Park Authority as a priority for woodland expansion.
- Woodlands for Water, in priority areas identified by SEPA.
- Native woodlands in the Highland and Islands Native Woodland target areas.

Grant support

| Woodland | Payment rates in standard areas | | | Payment rates in target areas | | |
|--------------------------------------|--|---|------------------------------------|--|--|------------------------------------|
| | Initial planting payment rate (£/ha) | Annual main- tenance payment rate (£/ha) for 5 years | Total payment rate (£/ha) | Initial planting payment rate (£/ha) | Annual main- tenance payment rate (£/ha /year) for 5 years | Total payment rate (£/ha) |
| Conifer | 1920 | 208 | 2960 | 2160 | 234 | 3 3 3 3 0 |
| Diverse Conifer | 2160 | 336 | 3840 | 2 430 | 378 | 4320 |
| Broadleaves | 2880 | 528 | 5 520 | 3 240 | 594 | 6 210 |
| Native Scots Pine | 1840 | 272 | 3 200 | 2 070 | 306 | 3 600 |
| Native Upland Birch | 1840 | 128 | 2 480 | 2 070 | 144 | 2790 |
| Native Broadleaves | 1840 | 272 | 3 200 | 2 070 | 306 | 3600 |
| Native Low Density Broadleaves | 560 | 96 | 1040 | 630 | 108 | 1170 |
| Small or Farm Woodland | 2400 | 400 | 4400 | 2700 | 450 | 4950 |
| Northern and Western Isles | 3 600 | 624 | 6720 | n/a | n/a | n/a |

Additional payments for Fencing (new/improving) and tree protection:

In addition to the initial planting payment, funding is available for a number of operations which may be required to ensure the successful establishment of new woodland. It is likely that fencing will be the preferred protection method, however tree shelters may be supported where they are a lower-cost option.

Agroforestry

Agroforestry is an integrated approach to land management where trees and agriculture co-exist to provide multiple benefits.

This option is new to the Forestry Grant Scheme and provides grant support to help create small scale woodlands on sheep grazing pasture. The trees can;

- provide shelter for livestock
- increase biodiversity

provide timber

enhance the landscape

The rate of capital grants available for agroforestry depends on the number of trees you plant per hectare. This also has a bearing on the annual maintenance rate (payable for up to five years.)

| Planting density (trees per hectare) | Initial payment (per hectare) | Annual maintenance (per hectare per year) |
|---|----------------------------------|---|
| 400 | £3 600 | £84 |
| 200 | £1860 | £48 |

Sheep and Trees

'Sheep and Trees' is an initiative aimed at identifying and raising awareness of the many opportunities woodland can bring to farmers and land managers.

Developed as part of this initiative, is the 'Sheep and Trees Forestry Grant Package' which brings together two elements of the Forestry Grant Scheme. Uniquely, it enables you to apply for both a woodland creation grant and the infrastructure grant at the same time.

You can therefore build access routes to help you get started and then manage your new farm woodland as it grows. It creates an excellent opportunity for you to diversify your business and bring part of your farmland into production which you may have not considered previously for planting due to lack of access.

This is available to upland livestock farmers where sheep are, and will continue to be, a major component of the farm business. The new woodland must be between 10 hectares and 50 hectares of productive conifer woodland using the 'Conifer' or 'Diverse Conifer' options.

There is potential funding for up to 30 metres/hectare to a maximum of 1,500 metres of new access road plus lay-bys, turning areas and loading bays.

Central Scotland Green Network contribution

The Central Scotland Green Network (CSGN) is a development within the National Planning Framework. It aims to restore and transform the landscape, whilst making a significant contribution to Scotland's sustainable economic development.

If successfully applying for a woodland creation grant within the CSGN area, you could also receive an additional grant called CSGN contribution.

Additional information

Woodland creation grants are not available for:

- planting in existing woodlands (including grazed woodland)
- Christmas tree growing
- short rotation coppice
- fast-growing trees planted for energy production (such as eucalyptus in short-rotation forestry situations)

Farmland Premium payments are not included under the Scottish Rural Development Programme 2014–2020 Forestry Grant Scheme. However from 2015, farmed land that is eligible for the Basic Payment Scheme and is afforested under the new Forestry Grant Scheme, will continue to be eligible for the Basic Payment Scheme.

Payment Scheme: Afforested land will be eligible for the duration of the woodland creation contract, which will normally be 20 years. In order to receive the Basic Payment you must have an eligible farming business and eligible land.

Felling Permissions: You may need permission to fell trees. For more information please see 'Felling Permission – Getting Permission' or contact your local Scottish Forestry office.

How to apply



Applications for the Forestry Grant Scheme are online only. For more information visit forestry.gov.scot/support-regulations You can apply at any time of year.

Woodland Creation Grants Grant Funding Examples



Planting a 100 ha productive conifer woodland

Mixed Species Conifer Woodland for Sitka Spruce Woodland for **Timber Production Timber Production** (other than Sitka Spruce) Initial Planting: £192,000 **Initial Planting:** £216,000 Fencing & Crop Protection+: Fencing & Crop Protection+: £34,989 £34,989 5 Years Crop Maintenance#: £104.000 5 Years Crop Maintenance#: £168.000 (annual payment: £20,800) (annual payment: £42,000)

Diverse Conifer

Total Grant Payment (over 5 years) £418,989

Planting a 10 ha productive broadleaf or productive mixed conifer and broadleaf woodland

Small or Farm Woodland* **Broadleaves** Broadleaf Woodland for Small-Scale Mixed Broadleaf **Timber Production** and Conifer Woodland **Initial Planting:** £28,800 **Initial Planting:** £24,000 Fencing & Crop Protection+: £14,465 Fencing & Crop Protection+: £16,539 5 Years Crop Maintenance#: £26,400 5 Years Crop Maintenance#: £20,000 (annual payment: £5,280) (annual payment: £4,000) Total Grant Payment (over 5 years) £69,665 Total Grant Payment (over 5 years) £60,539

Conifer

Total Grant Payment (over 5 years) £330,989



Planting a 10 ha native woodland

Native Broadleaves

Creating Native Broadleaf Woodland

Initial Planting: £18,400
Fencing & Crop Protection+: £13,382
5 Years Crop Maintenance#: £13,600

(annual payment: £2,720)

Total Grant Payment (over 5 years) £45,382

Native Scots Pine

Creating Native Pinewood

Initial Planting: £18,400
Fencing & Crop Protection+: £11,102
5 Years Crop Maintenance#: £13,600

(annual payment: £2,720)

Total Grant Payment

(over 5 years) £43,102

Native Upland Birch

Creating Upland Birch Woodland

Initial Planting: £18,400
Fencing & Crop Protection+: £13,382
5 Years Crop Maintenance#: £6,400

(annual payment: £1,280)

Total Grant Payment

(over 5 years) £38,182

- + Fencing & Crop Protection Payment: modelled on minimum requirement for fencing and/or tree tubes and gates, additional items are available; please see specific option quidance for more detail.
- # Crop Maintenance Payment: represents payment rate per hectare paid for 5 years.
- * Total woodland creation under this option limited to 10ha per business.

Basic Payment Scheme (BPS): Farmed land planted with trees remains eligible for BPS.

More details and technical information is available online at **forestry.gov.scot/support-regulations**



Contacts

Further advice on contents of this document and Felling Permission applications can be obtained by contacting our staff at Scottish Forestry conservancy offices.

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- Selkirk Office (area office)
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0300 067 6007

Highland

& Islands

Perth & Argyll

entral Scotland

South Scotland

South Scotland Conservancy

 $For more information about the Forestry \ Grant \ Scheme, \ visit \ \textbf{forestry.gov.scot/support-regulations}$









Grampian