

## Claims and Payments Guidance and FGS Budget Update

This note provides a reminder of key dates associated with 2022 SAF, a reminder of the capital claims and payments guidance as we approach the claim year end and an update on FGS budget availability for applications in 2022 and 2023.

### 1. Key Date: 31 January 2023 - Submission of Evidence Supporting 2022 SAF Claim

Most of the FGS Sustainable Management of Forests (SMF) options claimed on the Single Application Form (SAF) have an eligibility requirement to submit evidence of works undertaken to enable payments.

The options requiring a monitoring form/record/assessment to be submitted are:

- SMF - Low Impact Silvicultural Systems (LISS)
- SMF - Native Woodland
- SMF - Woodland Grazing
- SMF - Species Conservation – Grey Squirrel Control
- SMF - Species Conservation – Predator Control: Capercaillie & Black Grouse
- SMF - Species Conservation – Reducing Deer Impact

You must **submit your annual monitoring form/record/assessment** to your local Conservancy office **between 1 December 2022 and 31 January 2023** for the above SMF options claimed on your 2022 SAF.

The evidence supplied must comply with the option guidance and demonstrate that the works have been satisfactorily undertaken throughout 2022.

If we do not receive your evidence we will not be able to pay your claim that was submitted on the 2022 SAF.

### 2. FGS Claims and Payments Guidance

As we approach the end of financial year period, we'd like to remind you of the FGS [Claims and Payments](#) guidance:

- You can only claim for the items set out in your contract once your work has been completed.
- Claims processing can take up to 10 weeks (as detailed in our [Customer Charter](#)).

- The claim year-end period (from January to March) is when the majority of capital claims are submitted. Please ensure, during this period, that you only submit one capital claim per FGS contract, and only once all your claim year activities have been undertaken and completed on site. This approach is in-line with good financial and audit key control principles; we cannot accept a new claim whilst a previous claim, or associated variation, is being processed as the processing may impact upon future payments or modifications to your FGS contract schedule of works.

Please be aware that if you submit a claim that does not contain all your outstanding 2022 items and you have not requested a variation, our Conservancy teams will now return these interim 2022 claims and will ask that you submit a new claim once all your 2022 activity has been completed.

- The last date for FGS capital claims with a 2022 claim year to be submitted to our Conservancy teams is 31 March 2023.
- For future applications, please remember that The Small Woodlands Loan Scheme can help with cash flow management for FGS woodland creation applications.

### 3. Budget Availability for New FGS Applications

Table 1 has been updated to show the current indicative budget availability and minimum score thresholds for all options with a claim year of 2022 and 2023.

Changes include:

- **Woodland Creation Budget** – which has been set to deliver the 15,000 hectare woodland creation target for 2022.
- **WIG Habitats & Species** – additional funding has been maintained for 2022 to support demand.

Please [contact your local Conservancy](#) if you have any queries about the content of this note.

#### Operational Delivery

##### National Office

##### Scottish Forestry

**Tel: 0131 370 5250**

**Email: [scottish.forestry@forestry.gov.scot](mailto:scottish.forestry@forestry.gov.scot)**

**Table 1 Forestry Grant Scheme: Clearing and Budget Categories with Threshold Scores – December 2022**

Grant Category	Clearing categories	Frequency of Clearing	Indicative 2022 Budget £m	Claim Years available for first year of contract	Number of Claim Years available	Indicative Headroom 2022	Indicative Headroom 2023	Threshold Score(Max)
Woodland Creation	WC with CSGNC	Monthly	£10.0	2022 & 2023	N+2			10 (31)
	WC High Cost* (>£6k/ha)		£3.0	2022 & 2023				10 (31)
	WC with Nat Regen		£0.25	2022 & 2023				2 (6)
	WC Other		£46.95	2022 & 2023				10 (31)
Woodland Improvement Grants	Restructuring Regeneration	Monthly	£2.0	2022 & 2023	N+2			3 (6)
	Planning options		£0.35	2022 & 2023	N+2			2 (6)
	Habitats & species/Liss		£1.80	2022 & 2023	N+2			4 (6)
	WIAT***		£0.90	2022 & 2023	N+2			9 (16)
Sustainable Management of Forests	Native Woodlands/ LISS/ livestock/Grazing	Monthly	£0.60	2023	N+1	N/A		2 (6)
	Squirrels/Predators/Deer†		£0.75		N+1	N/A		2 (6)
	WIAT		£0.05		N+1	N/A		6 (16)
	Rural Access		£0.15		N+1	N/A		2 (6)
Tree Health		Monthly	£0.45	2022 & 2023	N+1			2 (6)
Forest Infrastructure**		Monthly	£0.55	2022 & 2023	N+1			3 (6)
Agroforestry		Monthly	£0.1	2022 & 2023	N+2			2 (6)
Harvesting and Processing**		Annual	£0.5	2023	N	N/A		2 (6)
Co-operation		Monthly	£0.1	2022 & 2023	N+1			3 (16)
<b>Total</b>			<b>£ 68.5</b>					

Notes: \*Projects with average cost is £6,000/ha or higher. \*\*Projects must be completed and paid in the approved claim year. \*\*\* Projects limited up to £100k/BRN. N = current calendar year.

†Includes £250k for landscape scale deer management and woodland restoration.

Indicative Headroom Colour Key:

There is currently good availability of funds within this FGS clearing category and we will be able to support most good quality applications

It is likely the demand for funds within this FGS Clearing Category will exceed the available budget and there will be strong competition for funds

There are no longer any funds available within this FGS clearing category

**Claim Years Available** - Our approach to claim years is set out in Table 1 and depends on the grant type. This has been structured to ensure applications go through the competitive clearing process whilst at the same time manage the grant budget without a long forward booking of projects.

**Please note that for an application proposal with multiple claim years, the application score must meet the higher of the threshold scores for each claim year to obtain full approval.**

**Woodland Creation** - capital items such as fencing and initial planting - up to 3 claim years (i.e. within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years e.g. one option is to apply in 2022, start work in year 2022 and complete in 2023. Another option is to apply in 2022, start work in 2023 and complete work in claim year 2024. In exceptional circumstances multiple claim years up to N+4 may be allowable, but only where significant areas of woodland creation are proposed **and** initial planting capital items are claimed in each preceding year, by prior agreement with Scottish Forestry National Office.

**Woodland Improvement Grant** - up to 3 year claim years (within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years except for WIG Restructuring Regeneration where a delay until year 3 is acceptable to meet species diversity rules.

**Sustainable Management of Forests** – next claim year is available as the first annual management claim year.

**Agroforestry** – as for woodland creation up to 3 claim years (within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years.

**Tree health** – current and next year claim year (within N+1 where N = the current calendar year at time of application submission)

**Forest Infrastructure** – current and next claim year available (within N+1, where N = the calendar year of the application round)

**Harvesting & Processing** – one claim year available (within N, where N = the calendar year of the application round)

**Co-operation** – current and next claim year available (within N +1, where N = the calendar year of the application round)