

**MINUTES OF THE CUSTOMER REPRESENTATIVES GROUP
MEETING
SILVAN HOUSE, EDINBURGH – 17 AUGUST 2017**

Attendees: Brendan Callaghan FCS (Chair), Chris Stark FCS, Keith Wishart FCS, James Nott FCS, Keir Smith FCS, Jamie Farquhar Confor, Mark Hamilton Social Forestry, Jim Colchester Confor, Gordon Gray Stephens Community Woodland Association, Rodney Shearer Confor (Nursery Group), Sian Williams LINK (via phone), Malcolm Young SRUC (stand in for Peter Jones), Jim Knight Scottish Borders Council, James Hepburne-Scott RSFS, Tom Davies FCS, Anne Gray Scottish Land and Estates, Andrew Vaughn ICF

Apologies: Jim Dewar FCS, Peter Jones SRUC, Jonathan Hall NFUS, Ian Davidson SGRPID, Alan Farquhar SEPA

1. Introduction & Minutes from 16 March 2017

Brendan welcomed everyone to the meeting. Minutes were accepted as being an accurate account of the meeting.

2. Matters Arising

Action Date	Action/Matter arising	Update agreed at August 2017 Meeting
Nov 2016/3	Delays to annual payments – FCS to formally escalate delays to 2016 payments	This has been escalated, and Cab Sec personally engaged, but the interface and IT are still not complete. Inspections are complete but payments are likely to be delayed again. Action Aug 2017/1: FCS to get specific date for when payments will be made.
Aug 2017/2	John Dougan's new role in strategic development	Action Aug 2017/2: FCS to make announcement regarding staff changes and John's new role
Nov 2016/5	Notification issues within RP&S, in particular regarding contract issue	RPID will not review the customer registration system at this time, but there will be a new question in FGS applications where applicants can chose another party to receive information (letters/contracts).
March 2017/1	FC to look at Conifer Woodland Creation option to increase scope for species flexibility	Changes were made to the option to make productive broadleaves available in the place of other 'other conifers' where appropriate.
Aug 2017/3	Forestry Legislation process, there were concerns raised regarding felling approvals being moved into secondary legislation	Action Aug 2017/3: Invite Bill Team to next CRG for a general update.
Aug 2017/4	Considering Forestry Legislation will also impact on FE it was asked if they should attend CRG. They have also recently expressed an interest in coming.	Action Aug 2017/4: Invite FE to next CRG meeting.

3. Jim Mackinnon Review update

James Nott gave an update on the Mackinnon review delivery.

Workstreams 1 and 2 are meeting to agree a best practice process for woodland creation applications and EIAs respectively. The EIA legislation has gone through parliament and so thresholds have changed and the definition of sensitive sites has been expanded. The recommendation of an issues log will be adopted. The results of both workstreams will be published, it is expected that draft guidance will be available near the end of the year.

The recommendation for accredited agents has not been widely accepted, as per the report, but there is a subgroup looking at this in order to come up with an approach to deliver better applications that are processed faster. There was discussion around how accredited agents would deal with consultation responses and what other processes they could approve. The ultimate decision on cases would still lie with FCS.

The recommendation regarding ongoing approval for Conservancies has been reviewed but does not comply with EU Regulations. An alternative proposal has been decided and is with RPID to review as they need to consider the risk.

John Dougan has been meeting with Local Authorities regarding the potential for a large regional woodland creation project (workstream 6). Discussions were had around the hazards and sensitivities of this with regard to the Local Authorities role. Land Use Strategies were raised as an excellent tool for aiding this project, but it is recognised that these have not been progressed further as of late.

There was discussion on the Public Register and the process with relation to workstream 2. Brendan outlined how FCS is looking to systemise this process in order to help applicants, stakeholders and to improve the management information that FCS hold. It is envisaged that a new system will also encompass a number of other processes such as the EIA register, LTFPs, and new felling licence requirements. FCS are scaling up to deliver this and aim to have this completed within two years.

4. FGS Update

4.1 Woodland Creation forecasts

Brendan reviewed the woodland creation statistics and highlighted that the rate at which schemes are coming in is getting close to what is needed to be to deliver the target. The current forecast is for 9000ha of woodland creation planted by April 2018. This figure includes FE and so grant funded planting is ~8000ha.

Rodney gave an update on the position of nurseries, including the increasing production and issues around plant health and frost damage. Clarification was given on the use of veg prop in applications and that, if an applicant decides not to use it after receiving a contract, this change can be approved through a variation.

Requests were made for changes to the statistics including moving the nursery Table 1 and adding page numbers.

Action Aug 2017/5: Table 1 in the nursery report will be moved to the FGS summary statistics.

4.2 Budget Position 2017

FCS would welcome more woodland creation applications with a claim year of 2017 (claim before March 2018). Looking at the currently approved and submitted cases for woodland creation (claim year 2018), and the forecast, the 2018 budget is looking tight. The budget also must take account of earlier annual grant commitments and legacy schemes.

There were discussions on the budget required to meet the 10,000ha target and the modification required for this. Staff resource issues were raised with regard to sustaining the increased workload. Brendan said there is clear support from the Cabinet Secretary and new posts have been approved for Conservancies. There will also be additional posts in National Office to support staff.

4.3 Revisions to CSGN

Keith and Brendan highlighted the CSGN figures (tables 3, 4 & 5 of summary) and that these are increasing. As budget pressures are increasing for claim year 2018 the CSGN area is being reviewed. This will be aimed at making better use of the money available.

4.4 Revisions to Harvesting & Processing Grant

Following discussion at the last CRG meeting, this grant has been reviewed and a modification was sought. We are expecting a positive response from Europe and so we are drafting changes to the guidance, these include:

- Addition of nursery equipment and specialist ground prep machinery (mounding and planting machines). The level of grant is currently 40% of applications between £2.5k and £35k. Details are being worked up.
- Addition of secondary processing equipment to undertake, for example sawing, planning and moulding. Details are being confirmed.

These changes will be implemented shortly and an application round will be opened for 2017 applications/claims.

4.4 WC guidance changes

Changes to the FGS Woodland creation guidance have been made in line with Mackinnon recommendations. These include highlighting the use of an issues log and Confor's consultation document.

The Sheep and Trees grant package has been launched. This links productive woodland creation with forest infrastructure. Information on this can be found on the [FCS pages](#) and on the [forest infrastructure page](#).

Following discussions with the Cabinet Secretary FCS are considering some changes to assist Crofters with small woodland creation cases. This includes extending the woodland creation Northern and Western Isles option to other exposed crofting counties, with site eligibility assessed on a case by case basis. This would have minimum limits of 0.25ha and maximum of 3ha.

Some discussion was had regarding woodland creation cases not going ahead due to Timber Transport agreed route issues. This is being reviewed and actions to improve this are forthcoming.

5. Final Draft of UKFS Breaches Guidance

Brendan circulated the draft which brings together all of the comments received to date. Accompanying forms, templates and a register for non-compliance are yet to be developed. This is starting to be used as a reference but FCS is seeking formal agreement on this before proceeding.

There was discussion on various topics such as the register, relevant parties, landowners with multiple properties, and grant claims. Further consideration will be given to these topics when the register is developed. It was agreed that notification of the certification body would not be done until after the appeal period.

The group endorsed the paper and gave permission to adopt on a trial basis. Training on this will be developed for FCS staff and external stakeholders.

Action Aug 2017/6: Amend paper regarding notification of the certification body; this will occur after the appeal period.

6. AOB

- Jamie Farquhar raised the issue of the layout of monthly reports and requested Table 1 of the nursery report is moved (as per 4.1 above) and that the sheets have page numbers.
- There are two new capital items planned:
 - Gorse Removal, this aims to encourage applicants with some gorse sites to apply for woodland creation. Available in September. Specification is being drafted.
 - Tree Health - Uneconomic tree removal for Islands (standard cost of £2400/ha, first 5ha). This would be eligible only on the islands where activity in Mull is showing that the current cost of £1200/ha is not adequate especially as many of the woodland areas are small & remote. This will be available in the Manual grant first (to be used in exceptional cases) and then available in the RP&S system in January. FCS will also be opening the Forestry Cooperation option to communities dealing with Ramorum outbreaks, in order to improve economies of scale.
- Ground prep guidance is currently being edited and reviewed by Forest Research. This will be tabled at the next meeting. It was also recommend that ground prep contactors should register so that they can apply for new grants in Harvesting & Processing.
- FE future membership of group – this was recently raised by FE and they will be invited to the next CRG.
- Success of Farm Survey pilots – there was discussion on how this was organised and run. Keith said discussions are being had with RPID, Ricardo and SRUC within the context of the Farm Advisory Service and what the options are for expanding delivery of the Farm Survey.