

MINUTES OF THE CUSTOMER REPRESENTATIVES GROUP MEETING SILVAN HOUSE, EDINBURGH – 16 MARCH 2017

Attendees: Brendan Callaghan FCS (Chair), Douglas Wright 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, Malcolm Young SRUC (stand in for Peter Jones), Jim Knight Scottish Borders Council.

Apologies: Jim Dewar FCS, Tom Davies FCS, Anne Gray Scottish Land and Estates, Peter Jones SRUC, Jonathan Hall NFUS, Ian Davidson SGRPID, Alan Farquhar SEPA, James Hepburne-Scott RSFS

1. Introduction & Minutes from 17 November 2016

Brendan welcomed everyone to the meeting and thanked Jim Knight for joining the Group as a representative from a Local Authority. Minutes were accepted as being an accurate account of the meeting.

2. Matters Arising

Action Date	Action/Matter arising	Update agreed at March 2017 Meeting
Aug 2014 /1	Explore if there has been any research on mapping of potential abandoned sheep land against land designated as 'preferred' in regional F&W strategies.	Action Nov 2016/2: FCS to will continue to liaise with Trudi Sharp to identify areas of sheep activity levels.
Nov 2016/3	FCS to formally escalate delays to 2016 payments.	FCS did escalate this issue. 4-5% claims still to be paid. Confor has also had a Ministerial reply on this issue and considers performance is unacceptable.
Nov 2016/4	FCS met with Confor on 16 March to finalise UKFS Breaches guidance.	Revised guidance will be recirculated.
Nov 2016/5:	Increasing evidence that current limited notification practice is causing customer dissatisfaction and delays to work. FCS will formally contact RPID to request a widening of notification in particular at contract issue stage.	Brendan has raised this formally with Brian Stevenson, Senior Project Owner, who has promised to give this careful consideration.
Nov 2016 Brexit	FCS is working on basis that all grant commitments made up to UK leaving the EC will be honoured.	FCS have raised with the Minister the issue of making clear what the arrangements will be post 2019 and seeking that the current support for forestry continues

2. Jim MacKinnon Review

Jim MacKinnon Review was published in December 2016 and the 21 recommendations have been accepted 'in principle' by the minister. James Nott is leading the delivery of achieving the recommendations and a Delivery Plan was published in early February.

Accredited agent is the most discussed recommendation so far within the industry and there was consensus within the Delivery Group that the current model proposed within the Recommendations is unlikely to work. The aim of this specific recommendation was to improve the standard of applications and time will be taken by the Delivery Group to consider other options.

Recommendations have been arranged into 6 work streams which will involve external members and FCS would like CRG members to participate in these.

There was some discussion on the application process with members stressing importance of following good practice in engaging properly with communities to avoid adverse public perceptions of forestry. A desired outcome is clear guidance on defining the process similar to the Forest Plan Guidance. Confor requested that CWA and Link work with them to prepare material on productive forestry.

Interim protocols with SEPA, SNH and HES will be agreed. Jim Knight suggested the idea of running seminars to brief the LA on the process.

On Recommendation 18 that an Annual Report will be prepared looking at performance and prospects, FCS was keen at involving CRG members to help with preparing the types of information to be included.

Action March 2/1: FC to look at Conifer Woodland Creation option to increase scope for species flexibility.

3. FGS Update

3.1 FGS Statistics - Douglas shared the FGS statistics from the January Clearing with a verbal update of the February Clearing to give to date 12,674 ha of woodland creation submitted of which 9517 ha was approved.

Rodney Shearer appreciated the level of information now coming through and that this will greatly help to forecast nursery plant requirements.

Claims for 2016 should be submitted by 31 March 2016.

3.2 Highland Native Woodland Target Area

A new Target Area for Native Woodland has been launched for the Highland area as the current levels of woodland creation is well down compared to the previous SRDP programme period. FCS did not consider that this will impact negatively on conifer areas coming forward in Highland as a lot of the land potentially available for woodland creation is not suitable for productive woodland, either because of designations, being climatically unsuitable or because of lack of accessibility. The grant rate for conifer(sitka) planting has increased significantly under FGS and FCS is confident that applicants are incentivised to plant conifers where the land is suitable and only really consider native woodlands on the land that can't take conifers. Highland Conservancy is also encouraging a mix of conifer/native option approach to applications.

3.3 Budget & Threshold Scores

There is an additional £4.0m for woodland creation. There is also an extra £0.9m for native woodlands redistributed from the postponed ECAF scheme. Scores have been adjusted to account for a bigger budget in 2017 although pressure is building on some options in 2018, in particular WIG Habitats and Species and WIG WIAT.

3.4 Potential Harvesting and Processing Grant and Planning Grant

FCS has prepared proposals to widen the eligibility of the Harvesting and Processing Grant to include ground preparation equipment and nursery equipment. These should be submitted to EC in a few weeks as part of Modification 3. If approved this has potential to help scale up the capacity within the forest industry to achieve the woodland creation target.

FCS is also keen to progress a Planning Grant. This would be a repayable grant to cover scheme development which would help cash flow early in a woodland creation project and facilitate preparing grant approvals.

Action March 3/: FCS to consult with Nursery Industry before introduction of any grant support for nurseries

3.4 EIA (Forestry) Regulations – no substantial changes to EIA Regulations and FCS is in the process of revising EIA guidance. Minister has still to decide on the threshold limit for requiring an EIA for non-sensitive sites for afforestation which is proposed to increase to 20ha threshold. This resulted in a number of objections from NGO bodies (including RSPB, Scottish Wildlife Trust and National Trust for Scotland) concerned about the impact of increasing afforestation thresholds. FCS is currently setting up meetings with these bodies to discuss their concerns.

4.0 Forestry Legislation Update – the Scottish Government intends to introduce primary legislation covering the regulation of forestry in Scotland by June 2017 that would replace the Forestry Act 1967.

6. AOB

- Grant spend for 2016 – FCS is forecasting a grant spend of £31m.
- Jamie Farquhar raised the issue of using productive broadleaves such as sycamore as part of the broadleaf element within conifer schemes. The 'Option model' with allocated percentages works in some ways against this although some flexibility was possible.
- Ground Cultivation Guidance – FCS is getting an update from Forest Research next week and guidance should be available shortly.
- Timber Transport Routes – some productive schemes are unable to be progressed as some areas do not have agreed route maps. Mark Hamilton to send example to Brendan