

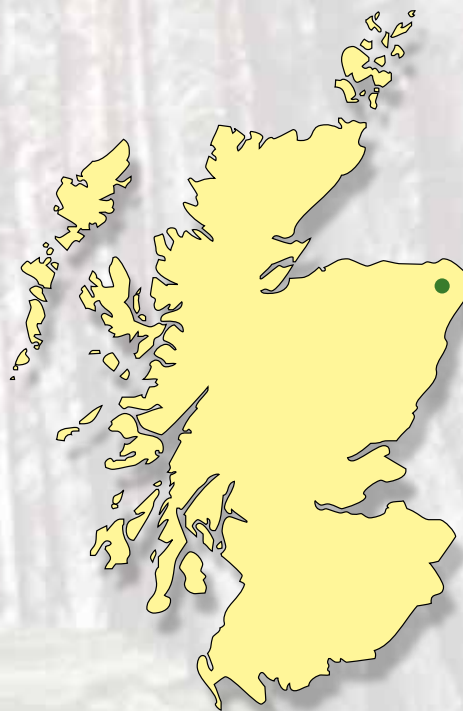
# Farm woodland case studies

## Balring Farm Aberdeenshire



### Hamish Watson

Balring farm near Peterhead was acquired by the Watson family in the 1950s. Formerly encompassing a 65 hectares component of a country estate, Hamish and his father have seized every opportunity to enlarge the farm and it now incorporates 445 hectares. The most recent addition is a 16.2 hectare ornamental lake, originally at the heart of the estate, which Hamish has restored to its former glory following years of neglect.



The farm lends itself to primarily arable production and produces some 323 hectares of cereal annually. In addition, Hamish has a herd of 100 suckler cows and followers, which utilise the 60 hectares of grass grown on areas that cannot be ploughed. He is currently receiving environmental payments from the SRDP scheme and has utilised a range of other grant schemes in the past.



The ten discrete areas of woodland in the form of plantations or shelter belts, all of which were planted by the previous owners, are mostly over 15 years old. The majority of the trees are conifers that have suffered through years of neglect and will be clear felled and restocked, taking advantage of grants where possible. A stand of Sitka Spruce at the head of the lake which has already been cleared to facilitate draining and landscaping will be planted in broadleaves, further enhancing the landscape. Hamish actively encourages visitors to the lake side and it has become a popular local amenity.



## Making the woodland work for the farm

Realising the potential of his woodland and a future in renewable energy, Hamish was quick to invest in a biomass boiler for the farm. Initially, it ran his grain dryer but he soon realised there was an increasing market for dry woodchip. He has recently installed a second boiler to optimise the woodchip business and now sells both saw logs and firewood.

Trees play a major role on Balring Farm and are appreciated for their part in the farm business, their importance to the environment and as an amenity benefitting Hamish, his family and the general public.

The Renewable Heat Incentive has turned what may have been a marginal enterprise into a very profitable investment, strengthening the farm's financial viability and providing a renewable fuel source for a cost-effective grain drying system.

## How it all adds up: the costs and benefits of farm woodland

The woodlands provide shelter and enhance the landscape, they provide income from the sale of timber and woodchips and are a very important source of fuel for the farm. The installation of the biomass systems provides a base use for timber produced and secures the cost of heating in the medium term. The biomass systems qualify for index-linked Renewable Heat Incentive payments. The fuel cost per kilowatt hour of heat from the biomass system is estimated to be 2.85p/kWh compared to 8.12p/kWh from an oil fired system. This estimate is based on dried wood chips at £80/t and oil at £0.65/l. Income from RHI and heat sales will be about £15,000 per annum. The biomass systems also provides an in-house market for the poorer quality timber inevitably produced on farms and significantly reduces the net carbon dioxide produced from the overall unit by utilising home grown trees and not buying in carbon as oil.

## Looking forward: where do we go from here?

Hamish is constantly looking to the future and is willing to take risks and go the extra mile. He is very conscious of the increasing worth of the timber on Balring and aims to maximise the value of the asset. Although the present value of arable land precludes the planting large areas of new woodland on the farm, he will continue to fell and restock the existing plantations, making the best use of what would otherwise be rough grazing. He has created both commercial enterprise from wood and will add to amenity values through more broadleaved planting.



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