

## **FGS 2021 Capital Claims, changes to Claims and Payments Guidance and update on FGS Budget Availability**

This note provides information on arrangements for submitting capital claims for Forestry Grant Scheme (FGS) works completed within the 2021 claim year, an update to the capital claims and payments guidance, and an update on FGS budget availability.

### **1. 2021 Capital Claims**

The FGS capital claim form for 2021 claim year activities, **and** supporting information, must be submitted to Scottish Forestry by the deadline of **31 March 2022**.

Last year, in recognition of the challenges faced as a result of weather conditions, COVID and the EU exit, we allowed an additional period of two months after the capital claim submission deadline for you to prepare and submit your supporting information and evidence associated with your claim. This proved not to be particularly helpful in the end and has been withdrawn. Therefore, you are required to submit your supporting information and evidence with your claim.

**Please remember** to supply all the required supporting information as detailed in the option guidance. Your claim will not be authorised until all supporting information and evidence is supplied. As per the [FGS Customer Charter](#), please remember to respond to requests for information to support your claim within four weeks.

A list of claim supporting information you must provide with your claim is detailed in the [FGS option guidance](#) relevant to your contract, examples include:-

- maps
- components tables
- receipted invoices
- seed certificates

### **2. Update to FGS Claims and Payments Guidance**

We are changing the FGS [Claims and Payments](#) guidance to state:

#### **Number of FGS claims you can submit and our Charter Times for capital claims processing**

- 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.
- The Small Woodlands Loan Scheme can help with cash flow management for FGS woodland creation applications.

Please also refer to the FGS [Claims and Payments](#) guidance to see details of how activities that are dependent on the completion of associated works must be claimed (e.g. gorse removal associated with initial planting).

### 3. Budget Availability and Threshold Scores Table

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. Changes include:

- **Woodland Creation Budget** – has been updated to reflect the indicative funding level for the 15,000 hectare target for 2022.
- **2023 First Claim Year** – applications are now welcomed for works with 2023 as the first claim year.

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

#### Operational Delivery

##### National Office

##### Scottish Forestry

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**Table 1 Forestry Grant Scheme: Clearing and Budget Categories with Threshold Scores – February 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 C SGNC	Monthly	£ 12.0	2022 & 2023	N +2			10 (31)
	WC High Cost* (>£6k/ha)		£ 4.0	2022 & 2023				10 (31)
	WC with Nat Regen		£ 0.25	2022 & 2023				2 (6)
	WC Other		£ 47.95	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		£ 0.80	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>£ 71.5</b>					

Notes: \*Projects with average cost is £6,000/ha or higher. \*\*Projects must be completed and paid in the approved claim year, the next deadline for applications is 31 January 2023, contracts will not be issued until April 2023. \*\*\* 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 application

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)