

The Woodland Grant Scheme (WGS) is administered by the Forestry Commission and the current scheme, WGS3 was introduced in 1994. WGS3 has the following aims:

1. Encourage the creation of new woodlands and forests in order to:
 - a. Increase the production of wood;
 - b. Improve the landscape;
 - c. Provide new habitats for wildlife;
 - d. Offer opportunities for recreation and sport.

2. Encourage good management of forests and woodlands, including their well timed regeneration, particularly looking after the needs of ancient and semi-natural woodlands;

3. Provide jobs and improve the economy of rural areas and other areas with few other sources of economic activity;

4. Provide a use for land instead of agriculture.

In 1993, a desk study was carried following discussions with the Forestry Authority to discover if the woodland regeneration scheme at Creag Meagaidh would be eligible for a grant under the then extant WGS2 scheme. This was carried out as a paper exercise as it was felt best to demonstrate what money could be claimed rather than shuffle money from one government body to another. 600 ha at Creag Meagaidh were considered to be suitable for a grant application under WGS2 and at the rates then payable, (£975 per ha) this would have provided considerable income for a private estate.



Birch at Creag Meagaidh

By 1994 WGS3 had replaced WGS2 with lower but better targeted payments than previously.

Under WGS3 a large scheme such as that being carried out at Creag Meagaidh requires an Environmental Assessment according to SI 1988 No. 1207 "Environmental Assessment (Afforestation) Regulations" developed from the Directive of the Council of the EC No. 85/337.

Accordingly in 1994, as a continuation of the desk study, Tilhill Economic Forestry were commissioned to carry out an assessment of the woodland regeneration for the hypothetical WGS3 application.



The conclusions of the assessment were as follows:

1. As a plan for the enhancement and extension of the woodland, the WGS proposal for Creag Meagaidh is in accord with the conservation objectives of the estate;
2. Indications are that natural regeneration will take place without technical inputs, including fencing, provided that the current regime of deer management continues;
3. No adverse effects are anticipated, provided the proposed measures to preserve identified geological and cultural features are pursued;
4. Employment, and the contributions to the local economy, will not be reduced;
5. Visitor numbers will not be adversely effected;
6. The proposal is also in accord with national objectives to maintain and increase biodiversity in woodlands. Alternative land uses, such as extensive stock husbandry or deer stalking, would fulfil those objectives to a lesser extent.

For the hypothetical application, a 25 year cash flow forecast was worked out showing costs and income for the first 10 years and then the following 15 years in 5 year slices.

Costs were divided into two main areas, Red Deer costs and estate costs. The former included labour (7 months estate worker time on Red Deer work including monitoring), cull costs (including ammunition, larder and other costs) and "other" (running an ATV for carcass

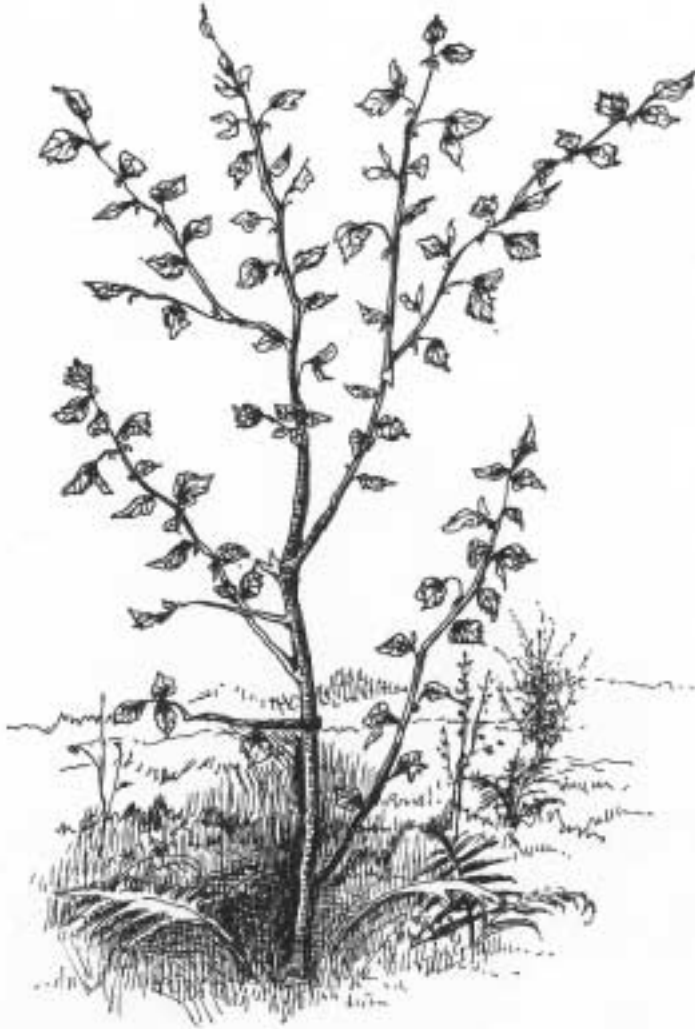
removal etc). Under estate costs were included staff, estate maintenance, visitor management, depreciation of facilities for visitors and research.

Income was assumed to come mainly from the WGS, again under two principal headings - discretionary payments and grants for natural regeneration.

Payments under these two headings have continued under WGS3. Discretionary payments are made for work needed to encourage regeneration and are payable up to 50% of agreed costs of work required. At Creag Meagaidh this involved deer control but essential fencing could have been included.

The estimated cost of qualifying deer control work was £5,650 per year and the establishment phase of the woodland regeneration was estimated to take 25 years. Discretionary payments are usually paid at the beginning of each 5 year WGS period giving an estimated income of £14,125 every five years during the establishment phase.

The second WGS income would have come from a natural regeneration grant. At the present time (2000) the rate of grant is £525 per hectare for broadleaves once a minimum stocking rate of 1,100 trees per hectare, at a height of 30-45cm, has been reached. (*continues pg64*)



Birch seedling

Most of the woodland regeneration at Creag Meagaidh would comprise of birch which tends to clump together making it impossible to achieve an even stocking density. This is recognised by the Forestry Commission and there is no need to ensure an even distribution of trees in natural regeneration projects but the overall stocking density should still be in the region of 1,100 trees per hectare. In ecological terms a clumped distribution is actually preferred as this increases the woodland edge habitat with consequent advantages for the overall biodiversity of the wood.

For the purposes of the study the woodland areas within the reserve were divided into existing woodland, (restocking) totalling 100.35 ha and areas around the existing woodland (new planting) of 816.48 ha. Subject to satisfactory stocking density this would have given an income of around £481,000 over the lifetime of the WGS3 scheme.

It must be stressed that these estimates are hypothetical. The long time scale of the project and the vagaries of the market make it extremely difficult to produce long term estimates of income and expenditure over the life time of the woodland. However, the general conclusion of the exercise was that there was a strong possibility of at least breaking even over the lifetime of the wood but neither a small cash flow deficit nor a small surplus could be ruled out. The likelihood of a surplus occurring would be increased by a regular revenue from the venison return which would not occur in a fenced situation.

WGS3 also covers grant aid for new planting. The current rates are £1,350 per ha for new broadleaf planting in woods less than 10 ha dropping to £1,050 per ha for woods greater than 10 ha. There is a flat rate of £700 per ha for conifers. North of the Forth/Clyde line planting with native Scots Pine is treated as broadleaf planting. Grant is paid when planting is finished and 30% after 5 years subject to FC approval of planting maintenance for at least 10 years after planting.



Within the WGS there are several supplementary payments available such as the better land supplement and the community woodland supplement.

As well as WGS3 there is also the farm woodland premium scheme which covers planting on agricultural land. Projects under this scheme are still assessed by the Forestry Commission but the grants are payable by the Agriculture Departments.

The above is included for information only. Further details of the WGS3 scheme and application forms can be obtained from Forest Authority offices or from the FC web site. www.forestry.gov.uk