



## Budget Categories and Threshold Scores

This note updates the budget situation and threshold scores for Forestry Grant Scheme applications as at January 2018.

The proposed grant budget for 2018/19, which is yet to be approved, is £46m - £40m for woodland creation and £6m for woodland management. We are seeing strong demand for forestry grants and it is now clear that the budget for 2018/19 is likely to be fully committed in early 2018. The interest in new planting is particularly high and we expect to approve over 9,500 hectares of woodland creation with a claim year of 2018.

Table 1 has been updated to show the current budget availability and minimum score thresholds. It is worth being aware of the following key points:

- In order to carefully manage the woodland creation applications coming forward, the woodland creation budget of £40m, has been divided into 4 budget pots:
  - woodland creation with Central Scotland Green Network Contribution (CSGNC)
  - woodland creation high cost (cases with average cost of > £6000/ha)
  - woodland creation with natural regeneration
  - other woodland creation cases

Applications will be approved at Clearing Rounds according to the appropriate budget pot.

- Woodland Creation with CSGNC is **now closed for 2018 for new applications** (see [Briefing Note 13](#) for more information).
- Woodland Improvement Grant Habitat & Species and WIAT options are **now closed for 2018**. Applications for claim year 2019 are expected to exceed the available budget.

### Variations of 2017 Contracts into 2018

- With the overall position on forestry grant commitments for 2018 being tight and with some options for 2018 already now closed, it means that it will be difficult to accommodate high volumes of requests to vary contracts from 2017 into 2018. Where variations into 2018 are not possible we would still be able to offer variations into 2019.
- **We therefore encourage FGS contract holders with a 2017 claim year to make their best efforts to complete projects and submit claims by 31 March 2018.** Should projects not be completed due to adverse winter weather, we would treat this as an exceptional circumstance and do our best to accommodate variation requests.

**Table 1 Forestry Grant Scheme: Clearing and Budget Categories with Threshold Scores – January 2018**

Grant Category	Clearing categories	Frequency of Clearing	Indicative 2018 Budget £m	Claim Years available for first year of contract	Number of Claim Years available	Indicative Headroom 2018	Indicative Headroom 2019	Threshold Score(Max)
Woodland Creation	WC with CSGNC	Monthly	£10.0m	2019	N+2			10 (31)
	WC High Cost(>£6k/ha)		£1.75m	2018 & 2019				10 (31)
	WC with Nat Regen		£0.25m	2018-2020				2 (6)
	WC Other		£28.0m	2018 & 2019				10 (31)
Woodland Improvement Grants	Restructuring Regeneration	Monthly	£2.0	2018 & 2019	N+2			3 for 2018 3 for 2019(6)
	Planning options		£0.35	2018 & 2019	N+2			2 for 2018 2 for 2019 (6)
	Habitats & species/Liss		£0.72	2019	N+2			6 for 2018 6 for 2019 (6)
	WIAT		£0.85	2019	N+2			6 (16)
Sustainable Management of Forests	Native Woodlands/ LISS/ livestock/Grazing	Monthly	£0.7	2019 only	N+1	N/A		2 (6)
	Squirrels/Predators/Deer		£0.4		N+1	N/A		2 (6)
	WIAT		£0.03		N+1	N/A		6 (16)
	Rural Access		£0.15		N+1	N/A		2 (6)
Tree Health		Monthly	£0.4	2018 & 2019	N+1			2 (6)
Forest Infrastructure**		Monthly	£0.3	2018 & 2019	N+1			3 for 2018 (6) 4 for 2019 (6)
Agroforestry		Monthly	£0.1	2018 & 2019	N+2			2 (6)
Harvesting and Processing**		Annual	£0.3	2018 only	N		N/A	2 (6)
Co-operation		Monthly	£0.1	2018 & 2019	N+1			2 (6)
<b>Total</b>			<b>£ 46.4</b>					

Notes: \*Projects with average cost is £6,000/ha or higher \*\*Projects must be completed and paid in the approved claim year. N= current calendar year 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 such as fencing and initial planting - up to 3 claim years (ie within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years eg one option is to apply in 2018, start work in year 2018 and complete in 2019. Another option is to apply in 2018, start work in 2018 and complete work in claim year 2019.

**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 & 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)