

Programme Compliment from which the following has been taken. The economy remains over-dependant on declining sectors such as textiles, agriculture and manufacturing and at the same time there is a lack of innovation and higher skill levels. The region is unable to retain the most talented as they have left in order to seek wider educational opportunities and they rarely return although the establishment of the Criton Compus in Dumfries should help to address this issue. Pockets of depravation exist in market towns, such as Galashiels and Dumfries, where a high level of traditional urban problems exist – with increasing drug use and dependence.

2.6 In South Scotland 71% of the population lives outside settlements of 100,000 people or more, and that can be compared to 28% for Scotland as a whole. This means that socially excluded individuals and groups tend to be less concentrated than in a city or conurbation areas.

THE ENVIRONMENT

2.7 South Scotland has a unique and rich biodiversity and there are many important habitats, such as native woodlands, and species found in the Scottish Borders and Dumfries and Galloway Regions. This biodiversity is important to the Region's culture, farming, landscape, tourism and industry.

2.8 The importance of the environment has become increasingly recognised and in 1994 the Government published the UK's Biodiversity Action Plan which sets out the steps needed for biodiversity conservation in the UK. Subsequently a UK Steering Group was set up whose members represented a wide range of organisations. Following from the work of the Steering Group, a biodiversity action plan was developed for Scotland. This in turn has lead to the preparation of Local Biodiversity Action Plans which take account of local and national priorities. Small woods have an important place in those plans. Such plans have been produced for Dumfries & Galloway and Scottish Borders Regions and a start has been made in implementing the plans but there is still much to do.

THE DEVELOPMENT CHALLENGES

2.9 There are many economic, social and environmental challenges to be addressed which are often interlinked as the previous paragraphs have indicated. The issues will therefore need to be addressed on a cross-sectoral integrated basis and this is likely to be most effective when approached on a partnership basis. This also offers the best opportunity for developing sufficient funds to achieve more effective action, and to obtain matched funding from EU development and support programmes which can further double the money available. While any such programmes can bring about some effective action in the short term, the major challenge is to ensure that the results are sustainable in the long term.

SOUTH OF SCOTLAND OBJECTIVE 2 PROGRAMME

2.10 An EU Objective 2 programme has recently been approved which covers most of South Scotland. Extensive consultation has taken place between the Scottish Executive Development Department, Regional Councils, Government Departments and local communities about the form in which development in South Scotland should take in the course of preparing the application for the EU Objective 2 programme. The general vision that was identified was

“The South of Scotland: a confident, creative community realising its potential in the global economy”.

2.11 More specifically the programme's mission was stated as being to: **“strengthen the economic capacity of the South of Scotland, making it a place where people and communities have equal access to opportunities and a quality of life which arises from the sustainable development of its economy and its environment and the enhancement of its distinctiveness.”**

2.12 The programme has three priorities plus technical assistance solely funded by ERDF. Linked ESF support will be provided through the Lowland Scotland Objective 2 programme. The structure and grant allocations are as follows:

□ Competitive Enterprises

- Enhancing advisory structures for SMEs
- Encouraging investment in SMEs
- Developing innovation, technology and the information society.

❑ Competitive Locations

- Sites, premises & locations
- Marketing and promotions
- SME access to capital

❑ People and Communities

- Developing community support structures
- Area regeneration actions

❑ Technical Assistance

- Support for programme management and implementation
- Support for research and development

LEADER PLUS PROGRAMME

2.13 The details of this programme have not yet been decided but it is understood that it will aim to contribute to the sustainable economic development of the region by improving and supporting the built and natural environment.

DEVELOPMENT OPPORTUNITIES FOR SMALL WOODS

2.14 To take forward any potential opportunities for development small woodlands in South Scotland, it will be essential that they fit within the wider economic, social and environment framework and the development strategies associated with each of the elements of the framework. The sections which follow describe the small woodland resource; its ownership; the funding and advice which owners have received, or are receiving; the current markets for small woodland products, and the experience of other small woodland support initiatives. In the second part of the report, the findings are related back to the economic, social and environmental framework for South Scotland that has been described in this section.

PART 1

FINDINGS

3. THE SOUTH SCOTLAND SMALL WOODLAND RESOURCE

3.1 This section provides information on the woods in South Scotland which are less than 10 ha in size. The data on the number, size and species composition has been provided by the Caledonian Partnership using their Geographical Information System (GIS). They have also identified from other data sets they hold what the number and size of small woodlands the Forestry Commission own, and those which may be classified as being Ancient & Semi-Natural Woodlands (ASNW). Other information provided about the ownership of the woodlands, the assessment of their quality and their objectives of management has been collected and analysed in the course of the study by John Clegg & Co.

3.2 An understanding of the ownership pattern of small woodlands in South Scotland is important since the level of economic, financial and social benefits that these woods are presently providing directly reflects the attitudes and interests of owners; the land ownership patterns and land use, and the money owners have available to manage small woods.

3.3 The patterns of land ownership and use is of particular importance in South Scotland since there is a varied mix of owner occupied farms and estates, ranging from the small to the very large. If estates have let land or set up farming partnerships then the responsibility for the small woods will remain with the estates and not with the tenants or farming partners.

3.4 A further factor which is also of particular significance is that many of the owners of small to medium sized estates tend to employ locally based chartered surveying firms to factor the estate on their behalf. The land is therefore managed on a professional basis by people who are normally Chartered Surveyors and who therefore have some knowledge of woodland management. On the largest estates the owners usually employ their own resident agents and professional foresters who have a clear understanding of the management of small woodlands. The situation is entirely different where small woods occur on owner occupied farms since the owner may not have any interest, knowledge or time to give to them. The situation will again be different if small woods are owned by the Forestry Commission, Local Authorities, Trusts or local communities. The situation is therefore extremely complex and therefore a good understanding of the ownership of small woodlands is therefore essential in understanding their present levels of management, or lack of it, and what measures might need to be taken to improve the benefits they can provide.

3.5 This section begins by providing a very brief overview of the type of landholding structure that exists in South Scotland since this has, by necessity important influences and implications for small woodlands.

LAND HOLDING PATTERNS IN SOUTH SCOTLAND

3.6 The rural land in South Scotland is used for a variety of uses of which the most predominant are farming, forestry and sport. The tenure of the land can be classified broadly as being owned by estates, which may or may not have tenant farmers, freehold farming units, or state and privately owned forests. Most of the small woods in South Scotland are to be found on estates or on freehold farms. No detailed quantitative analysis of land holdings has been carried for this study, but some indication of the size and importance of estates across South Scotland can be seen from Table 3.1.

Table 3.1 Approximate Number of Estates and Total Areas by District in South Scotland

District	No of Estates over 200 ha	Total Area ha	Total Area acres	% of District Area
Wigtown	10	126,258	311,984	23.0
Kirkcudbrightshire	55	57,633	142,411	24.8
Dumfries	71	149,636	369,751	53.7
Roxburgh	37	76,974	190,203	44.7
Selkirk	42	52,416	129,519	75.6
Berwick	51	48,437	119,689	40.9

Source: Wightman (1996)

3.7 While this data may not be particularly accurate, and some may relate to areas of privately owned woodland, it does provide a possible indication of the proportion of small woods in South Scotland that might be found on estates. Where estates occupy predominantly good quality commercial farmland then the figures in the table are likely to exaggerate the situation and vice versa on the higher poorer quality farmland.

3.8 Informal discussions with SAC representatives have indicated that there are about 1450 businesses with IACS registrations in the Dumfries and Stewartry areas and a further 450 businesses in the Stranraer area, giving a total of about 2000 farmers in total in the Dumfries & Galloway Region. Approximately 65% of this total could be tenant farmers. In the Borders Region there are estimated to be about 1200 farm of which 60% are thought to be tenanted.

AREA & SIZE OF SMALL WOODLANDS

3.9 The total number, area and type of woodlands under 10 ha in size in South Scotland are summarised in Table 3.2 and more detailed information is given in Annex 3.

Table 3.2 Number and Area of Woodlands Under 10 ha in South Scotland by Type

District	Broadleaved		Mixed		Coniferous		Scrub		Total	
	No.	Area (ha)	No.	Area (ha)	No.	Area (ha)	No.	Area (ha)	No	Area
Wigtown	3,146	4,634	243	569	581	1,308	72	198	4,042	6,709
Stewarty	5,038	6,894	419	846	1,080	2,125	22	40	6,559	9,905
Nithsdale	3,561	4,671	497	1,075	993	2,148	45	77	5,096	7,971
Annandale & Eskdale	3,752	3,663	388	811	1,150	2,582	42	87	5,332	7,143
Total Dumfries & Galloway	15,497	19,862	1,547	3,301	3,804	8,163	181	402	21,029	31,728
Percentage of Total	73.7	62.6	7.4	10.4	18.1	25.7	8.8	1.3		
Roxburghshire	1,420	1,858	455	1,063	1,265	2,555	22	47	3,162	5,524
Tweeddale	577	726	313	780	647	1,106	1	1	1,538	2,613
Etterick & Lauderdale	1,399	1,751	587	1,214	1,116	2,052	6	18	3,108	5,035
Berwickshire	1,091	1,439	419	1,041	843	1,606	1	3	2,354	4,089
Total Scottish Borders	4,487	5,774	1,774	4,098	3,871	7,319	30	69	10,162	17,261
% of Total	44.2	33.5	17.5	23.7	38.1	42.4	0.2	0.4		
Total South Scotland	19,984	25,636	3,321	7,399	7,675	15,482	211	471	31,191	48,989
% of Total	64.1	52.3	10.6	15.1	24.6	31.6	0.7	1.0		

Footnote: Broadleaved woods defined as more than 80% broadleaves. Coniferous woods more than 80% conifers.

Source: Caledonian Partnership 2001

3.10 The figures in the table show a number of interesting features:

- There are nearly twice the number and total area of woodlands under 10 ha in size in Dumfries & Galloway Region compared with the Scottish Borders Region.
- Nearly three quarters of the small woods in Dumfries & Galloway Region are broadleaved.
- In the Scottish Borders Region the number of small woods which are coniferous is only slightly less than the number which are broadleaved, but the total area of woods which are coniferous is larger.
- The average size of small woods in Dumfries & Galloway Region is 1.5 ha compared with an average of 1.7 ha in the Scottish Borders Region.

3.11 Map 1 shows the geographical distribution of small woodlands of less than 10 ha in South Scotland. This shows that the majority of small woodlands are to be found on the lower ground and along the edges of rivers and burns. On the higher ground the small woods are predominantly coniferous shelter belts.



OWNERSHIP OF SMALL WOODLANDS

3.12 Unfortunately there is no database or source of information on who owns all the small woodlands in South Scotland. However the Caledonian Partnership has a data set showing the woodlands owned by the Forestry Commission and it has therefore been possible to obtain accurate information on the small woodlands they own and manage. The results are shown in Table 3.3 below.

Table 3.3 An Analysis of the Ownership of Small Woods in South Scotland

District Name	Forestry Commission		Private		%
	No.	Area (ha)	No.	Area (ha)	Number Privately Owned
Wigtown	608	1,659	3,434	5,050	85.0
Stewarty	537	1,534	6,022	8,371	91.8
Nithsdale	230	595	4,866	7,376	95.5
Annandale & Eskdale	63	175	5,269	6,968	98.8
Total Dumfries & Galloway	1,438	3,963	19,591	27,765	93.2
Roxburghshire	54	142	3,108	5,382	98.3
Tweeddale	72	253	1,466	2,360	95.3
Etterick & Lauderdale	32	111	3,076	4,924	99.0
Berwickshire	4	6	2,350	4,083	99.8
Total Scottish Borders	162	512	10,000	16,749	98.4
Total South Scotland	1,600	4,475	29,591	44,514	94.9

Source: Caledonian Partnership 2001

3.13 The results in the table above show that some 95% of the small woods in South Scotland are in the private sector. To obtain some idea of what percentages of small woods in South Scotland might be owned by estates and by owner occupied farms, in the absence of any other data, consultees were asked to make a rough estimate. Not all consultees were prepared to hazard a guess and the sample was far from representative. During discussions about the percentages it became clear that consultees' estimates were influenced by the geographical location of their work activities and their experience. It also became apparent that the estimated ownership percentages varied across South Scotland. In the coastal areas in the east (Berwickshire) and west (Wigtownshire) of South Scotland the land was principally farmed by owner occupiers and it was estimated that some 75% of the small woods in those two areas could be owned by farmers. The remaining 25% could therefore be owned by estates. In the central part of South Scotland where the land is generally at a higher elevation the percentages were estimated to be the reverse: 75% of the small woods owned by estates and 25% by owner occupier farmers. The majority of the estimates for small woodland ownership for the whole of South Scotland were generally in the range 50:50, 60:40, or 40:60 for estates and owner occupied farms respectively. These results seem to be supported by the BFRS Research Note which stated that in the Borders Region approximately 44% of farmers are owner occupiers and 56% are tenants. All consultees recognised that there would be a number of small woods that were owned by people who did not fit into either category. Most estimates put a figure of 2% to 5% of all small woods into this "other" category. **These results, although crude, appear to be of the correct order of magnitude, and have important implications for the design and delivery of any project which seeks to maximise the economic, social benefits that small woodlands in South Scotland can deliver.**

OBJECTIVES OF MANAGEMENT

3.14 Questions to the consultees about what the objectives of management of small woodlands were produced a variety of responses. Some of the consultees owned their own woods, others were professionals who advised on the management of small woods. Most owners have one or more objectives in the way they use or manage a wood, and these objectives may vary from wood to wood. The objectives of individual owners reflect their interests, the time they have available; how it fits in with the management of their land holding; and their financial position amongst other factors. In some cases owners may have no clear objectives of management; others may have an informal set in their mind, and others may have none at all! No general conclusions about the present objectives of management is possible because of the enormous variation in types of owners and their personal and business circumstances and in the location,

physical size and state of the small woodland. From discussions with the consultees, where owners do have formal or informal objectives of management they will normally include one or more of the following:

- | | | | |
|--------------------------|-----------------|--------------------------|-----------------------|
| <input type="checkbox"/> | Shooting Covers | <input type="checkbox"/> | Landscape Enhancement |
| <input type="checkbox"/> | Conservation | <input type="checkbox"/> | Timber Production |
| <input type="checkbox"/> | Fox Covets | | |

It is seldom that the principal objective of management is timber production, but owners often state that they expect (or hope) that they may receive some income from timber sold at some stage in the future; although most are very doubtful of the prospects.

EXISTENCE OF MANAGEMENT PLANS

3.15 A few of the large estates have, or are in the process of preparing a 10 year Forest Plan of a type that is acceptable to the Forestry Commission and this will include small woodlands. One large estate at least has gone further and has obtained Forest Stewardship Council (FSC) and UK Woodland Assurance Scheme (UKWAS) Certification for its woodlands. It is quite likely that some other large estates may seek FSC or UKWAS certification in the next year or sooner if they are not already seeking it. The process is costly and is likely to be taken up only by the owners of larger woodlands unless a Group Scheme, which is under discussion, is devised for the owners of smaller woodlands.

3.16 A number of organisations, which offer management services, are approved by FSC or UKWAS as "Registered Resource Managers" which means that their management services and internal control systems are recognised by these organisations to be of a standard that will deliver sustainable forest management to meet the UK Forest Standard. Unless these organisations are employed on an annual contractual basis which is directed specifically at one or more small woods, or the small woods are included as part of the management of larger woodlands, then these small woods will not be registered as being sustainably managed and may not be covered by a management plan.

3.17 Where owners of small woodlands are seeking, or have obtained, a grant from the Forestry Commission most owners consider that they have a form of management plan. When the 5 year period ends and the grant payments cease most consultants felt that the owners would not prepare any further formal or written management plans. A number of farmers have obtained some financial support for small areas of native woodlands and scrub through SERAD's Environmentally Sensitive Area Scheme which covers a significant part of the land in the South Scotland study area. Very small woods and scrub can therefore be regarded as being under a formal management plan, although the management inputs may often be very limited. Further details are given in section 4.

3.18 Based on discussions with the study consultees it is concluded that the vast majority of the small woods in South Scotland are not managed in accordance with any type of formal plans.

CONSERVATION VALUE, STRUCTURE & QUALITY OF SMALL WOODS

3.19 The small woods in South Scotland have been surveyed for a variety of predominantly conservation purposes over the last 20 years. Apart from an initial comprehensive survey some 20 years ago, the rest of the surveys have largely been on an ad hoc basis designed to achieve specific purposes. This section presents some quantified information on the area and number of small woods which are considered to be of conservation significance, and then it briefly describes some of the more recent surveys which have been carried out.

RECOGNISED WOODS OF CONSERVATION VALUE

3.20 The Caledonian Partnership has identified the number, and the type of all the Ancient Semi-Natural Woods in South Scotland based on NCC Inventory data collected 20 years ago and they have also broken the totals down to an individual district basis. The results are shown in Table 3.4

Table 3.4 The Number and Area of Ancient Semi-Natural Woods under 10 ha in Size in South Scotland on NCC Inventory Data

District Name	No.	Area (ha)
Wigtown	207	292
Stewarty	668	602
Nithsdale	1078	1012
Annandale & Eskdale	645	713
Total Dumfries & Galloway	2,598	2,619
Roxburgh	132	178
Tweeddale	17	24
Etterick & Lauderdale	110	131
Berwickshire	124	183
Total Scottish Borders	383	516
Total South Scotland	2,981	3,135
Total All Small Woods	31,191	48,989
ASNW % of All Small Woods	9.6	6.4

3.21 The results in the table, based on NCC Inventory data, show ancient and semi-natural woodlands present in total some 9.6% of the total number of small woods in South Scotland and some 6.4% of the total area. Although the percentage figures are relatively small, they do not accurately reflect the importance of the contributions of these woods for conservation and their biodiversity. Of particular significance is the very low percentage cover of native woodlands in the Scottish Borders, which at approximately 0.5% of the total woodland cover is one of the lowest of all the regions in Scotland.

PAST SURVEYS & ASSESSMENTS

3.22 It is understood that most of the woodlands now classified as Ancient Semi-Natural Woodlands will have been surveyed about 20 years ago when these woodlands were being registered by the Nature Conservancy Council. More recent related work has included the following:

- A Caledonian Partnership Survey of the State of Woodlands in the Scottish Borders.** This was funded by the Millennium Forest for Scotland Trust. It was carried out in 1997 and was designed to assess the state of all types of woodland upwards from a single tree.
- 100 Woods Survey.** This survey carried out by Borders Forest Trust followed on from the earlier one in 1997 and involved a survey with the consent of owners of the 100 most important woods for conservation purposes in the Scottish Borders Region. Management plans were prepared for the 20 most important woods.
- Survey of Surveys.** This was carried out in 1998 and was designed to find out the state of knowledge on all woods in the Scottish Borders and to draw it together.
- Etterick & Yarrow Woodland Survey.** This was a selective survey of woods in the Etterick and Yarrow Valleys which was designed to inform the development and design of a project to support the conservation and management of riparian woodlands in these two valleys.
- Veteran Tree Survey.** More recently Borders Forest Trust have undertaken a survey of all veteran trees with the Scottish Borders.

3.23 Although woodlands of conservation value are very small in percentage terms both in number and area compared with the total area and number of all small woods in South Scotland, their biodiversity value is extremely important, and action to ensure they are conserved is of particular importance in relation to Local Biodiversity Action Plans.

OTHER WOODS

3.24 There will also be some information on small woodlands on the larger estates in South Scotland and on those woods which are managed by forestry consultants, land agents and woodland management

companies, although the degree of detail is not known but is likely to be limited. This information is not published and is held privately and will vary depending on whether there are any objectives of management for the woods and what they are. There is unlikely to be any meaningful information on, for example, the many small coniferous shelter belts on farms.

3.25 It is also unlikely that many of these small woods have been managed for commercial timber production in the past since this has seldom been the principal objective of management. Most of the consultees felt that the quality of the trees for producing commercial timber was generally relatively poor although there were few trees which occurred from time to time which were of high quality.

4. PROVISION OF ADVICE TO SMALL WOODLAND OWNERS

4.1 This section of the report identifies the main types of organisations which provide advice to small woodland owners; gives an indication of their relative importance and describes the types of advice that the organisations are most frequently asked to provide.

ORGANISATIONS PROVIDING ADVICE

4.2 The following organisations have been identified by study consultees as being the main organisations or types of organisations giving advice to small woodland owners in South Scotland.

- Forestry Commission (FC)
- Private Forest Consultants
- Land Agency Firms
- Scottish Agricultural Colleges (SAC)
- Farming & Wildlife Advisory Group (FWAG)
- Game Conservancy
- Scottish Natural Heritage
- Local Initiatives/ NGO e.g. Borders Forest Trust, Cree Valley Initiative

4.3 The Scottish Executive Rural Affairs Department is an important source of funding for the conservation and management of woodlands, but its staff are rarely, if ever, asked directly to provide advice to small woodland owners.

RELATIVE IMPORTANCE OF ORGANISATIONS

4.4 It was not possible to establish any clear and consistent ranking on the relative importance of the different organisations in providing advice to owners of small woodlands as different categories of owners generally seem to turn to different organisations depending on their contacts and needs. The position can be briefly summarised as follows:

- Forestry Commission:** Almost all consultees referred to the Forestry Commission as being of importance because it is the source of most of the grants for small woodlands. Private Woodland Officers are generally perceived as administrators and not advisers. If an FC Private Woodland Officer makes a visit there is normally no charge. In some cases owners thought the FC was a negative influence in that it had prevented small new planting or felling schemes proceeding because the Scheme didn't meet the FC's criteria.
- Private Woodland Consultants/ Managers:** There is an extensive network of private forestry/ woodland consultants and/or managers operating throughout South Scotland. These companies are used by small woodland owners on a local basis, particularly in the management of existing woodlands and where there is a small timber sale. Most of the consultants found that carrying out small woodland advisory and management work was seldom financially profitable. Mostly professional charges were on a daily or the equivalent hourly basis of between £200 - £400/ day. Sometimes there is a surcharge of up to 15% on contract work. The consultants'/ managers' principal source of information about schemes is the FC's Private Woodland Officer.

- Land Agency Firms:** Most of these firms are employed to manage estates on a contractual basis by the owners. The professional staff and partners of these firms are mostly professionally qualified as Chartered Surveyors and therefore have some knowledge of woodland management. The cost of any professional work associated with small woodlands tends to be included in the annual management fee for the whole estate. They principally look to the FC's Private Woodland Officer for information about schemes.
- Scottish Agricultural Colleges:** The Colleges estimate that they have at least annual contact with 40% to 50% of all farmers in South Scotland. During the course of a year they may meet up to 70% of all farmers. SAC Advisers are therefore a potentially key contact point for advice although small woodlands are generally of little relevance to the main farm business. The recent move to whole farm business assessments, and the introduction of the ESA scheme, have meant that small woodlands receive a little more attention than in the past. Where larger planting or woodland management schemes are proposed the SAC have their own woodland adviser for South Scotland based at Lanark. Advice and professional work is charged out on a time basis of between £300 - £400/day. It appears that many farmers tend to look to SAC for advice on planting new areas. The SAC also employ a Conservation Officer who may be called in when there are small areas of native woodlands or whole farm conservation schemes are being prepared.
- Farming & Wildlife Advisory Group:** The majority of work carried out for farmers by FWAG staff relates to conservation schemes such as the creation of ponds and very small tree planting schemes. The staff tend to employ or contract out work to a local woodland consultant where there is a larger scheme or contractual operational work. Professional time is normally charged out at £200 - £300/day.
- Game Conservancy:** The Game Conservancy Advisers were identified as being a very important source of advice on small woodlands because many farms and estates run shoots commercially or for the owner's interest and benefit. There is normally a charge for any visit made by the Game Conservancy.
- Scottish Natural Heritage:** Usually advice is provided indirectly rather than directly e.g. through the funding of a staff position in a local initiative (Cree Valley Community Woodlands Initiative) or through grants for local small scale tree planting schemes through the Regional Councils.
- Local Initiatives:** Usually these initiatives (e.g. Borders Forest Trust, Cree Valley Initiative) are set up with external short term project or programme funding but the precise arrangements vary. These initiatives tend to be pro-active and to offer free advice.

4.5 In general it would appear that farmers tend to look to SAC, FWAG or private sector consultants as their initial point of contact for advice, while most professionals involved with small woodlands look to the Forestry Commission.

TYPE OF ADVICE PROVIDED

4.6 Discussions with consultees suggests that small woodland owners are often looking for a range of advice as their interests and circumstances can vary quite widely. The initial type of advice that farmers with small woodlands tend to look for at a free initial meeting with an adviser or consultant are the following:

- Why should I manage these woodlands?**
- What will it cost me?**
- What do the economics look like?**
- What grants are available?**
- How can I sell this timber and what will I get for it?**

4.7 Farmers seldom come to an immediate decision. They frequently want the initial information put in writing. More detailed management plans are often needed but many farmers are reluctant to spend money in having them prepared.

5. SOURCES OF FUNDING & FUNDING AWARENESS

5.1 This section of the report identifies the different sources of funds currently available to owners of small

woodlands. It then identifies, as far as is possible, the level of funding that is being provided by each of the organisations, and it ends with an assessment by the study's consultees of how aware small woodland owners are of this funding.

SOURCES OF FUNDS

5.2 The organisations which are currently providing funds that can be accessed by small woodland owners to achieve specific objectives are the following:

FORESTRY COMMISSION

5.3 The Forestry Commission provides financial support to woodland owners through either the Woodland Grant Scheme (WGS) or the Farm Woodland Premium Scheme (FWPS). The overall aims and objectives of the WGS are:

- i. To encourage people to create new woodlands and forests to:
 - increase the production of wood;
 - improve the landscape;
 - improve woodland biodiversity;
 - offer opportunities for recreation and sport.
- ii. To encourage the sustainable management of forests and woodlands, including their well timed regeneration, particularly looking after the needs of ancient and semi-natural woodlands.
- iii. To provide jobs and improve the economy of rural areas and other areas with few sources of economic activity.
- iv. To provide a use for land instead of agriculture production.

5.4 In South Scotland the grants that are available to small woodland owners through the WGS are to assist with the initial establishment or replanting of woodlands, with their annual managements costs, or with their improvement. Owners must meet a number of conditions, and the payment may be spread over 5 years but in outline the grant support available for establishing new woods under 10 ha is as follows:

New Planting:	£700/ ha for conifers £1350/ ha for broadleaves
Natural Regeneration:	£325/ ha for conifers £525/ha for broadleaves

5.5 For existing woodlands the grant support available is as follows:

Restocking Planting:	£325/ ha for conifers £525/ ha for broadleaves
Annual Management Grant:	£35/ha/ year. (This is available for any age of woodlands of special environmental potential requiring additional management input).
Woodland Improvement Grant:	Discretionary capital payment based on 50% of agreed net cost to help meet the costs of providing public access in preferred areas; to improve management of poor quality woods or to enhance woodland biodiversity.

5.6 There was also a grant to compensate owners for loss of grazing and shelter if they fenced off small woodlands from cattle or sheep if the woodlands had environmental value. This grant which was known as LEAP (Livestock Exclusion Annual Premium) amounted to an annual payment of £80/ha/ year for 10 years in Less Favoured Areas. This has now ceased.

5.7 The Farm Woodland Premium Scheme which is now administered by the Forestry Commission has the prime objectives of:

- Enhancing the environment through the planting of farm woodlands by improving the landscape,
- Providing new habitats and increasing biodiversity; and to
- Providing farmers with ongoing income through annual payments to compensate for agricultural income foregone.

5.8 Successful applicants are eligible for the grants under the standard WGS but in addition are eligible for an annual taxable payment for income foregone amounting to a maximum of £300/ ha/ year for a period of 10 years for conifers and 15 years for broadleaves. This scheme is predominantly aimed at farmers or land owners wishing to create new woodlands rather to assist them to bring existing small woodlands into some form of woodland management.

SCOTTISH EXECUTIVE RURAL AFFAIRS DEPARTMENT (SERAD)

5.9 Owners of small woodlands in South Scotland may receive financial support for the protection, development or conservation of their woodlands, **provided each is less than one hectare in area**, through one or two schemes depending on their location.

- Environmentally Sensitive Area (ESA) Scheme.
- Countryside Premium Scheme (This has now closed and a new scheme is being introduced called the Rural Stewardship Scheme).

5.10 A map showing the general location of the three ESA Schemes in South Scotland which are known as: Central Borders; Central Southern Uplands and Stewartry is shown on the next page. Farmers outside these three areas would have been eligible to join the Countryside Premium Scheme which is now closed. Payments were available under both schemes, based on the approval of a whole farm plan, for an owner to receive annual payments towards meeting the annual costs of managing small natural or semi natural woodlands or scrub on their property, as well as towards the capital costs of certain expenditure such as the construction of fences to exclude stock. Both these schemes are Challenge Funds and therefore only owners who put in the most competitively priced management proposals will have their schemes selected. There is therefore no automatic or guaranteed access to grants for small woodlands through these two schemes unless the owner is a successful applicant.

5.11 Successful applicants who have native or amenity woodlands, or scrub, of less than one hectare in area are eligible for an annual payment of £80 per hectare. In addition fixed rate contributions are available towards the cost of stock, deer, rabbit and scare fencing, gates, stiles, footbridges, trees and tree planting.

5.12 The way in which financial support is given to livestock farmers by SERAD is going to become of increasing importance to the survival of small woods. **It is understood that the basis of support is moving to an area and headage payment system and as a result farmers will wish to maximise the area of land that their enterprise has available for livestock. This will discourage farmers to plant trees and to look after existing woodlands.**

SCOTTISH NATURAL HERITAGE/ LOCAL AUTHORITIES

5.13 Scottish Natural Heritage has a scheme in place in conjunction with the Scottish Borders and Dumfries & Galloway Councils for providing grants for establishing new small woodlands which have very high potential amenity value. The total amount of money available from each Council is approximately £10,000 per year.