

SRDP Rural Development Contracts: Land Managers Options

A Brief Guide for Community Woodland Groups

Introduction

Rural Development Contracts: Land Managers Options (LMO) is one of the eight funding streams (“delivery mechanisms”) that make up the Scotland Rural Development Programme (SRDP): a £1.6 billion programme of economic, environmental and social measures designed to develop rural Scotland over the next six years.

LMO covers similar ground to Rural Development Contracts: Rural Priorities (RP), however, LMO is **non-competitive**, and has a **single** application form - there is no 2-stage process, Statement of Intent (SOI) or assessment by a Regional Project Assessment Committee (RPAC).

Community Woodlands, like all land managers, have a **maximum yearly allowance** based on the area of land under your control: £75 a hectare for your first 10 hectares; £30 a hectare for your next 90 hectares; £1 a hectare for your next 900 hectares; 10p a hectare for any hectares over 1000. Thus for 5 ha the maximum allowance is £375/year, 10 ha: £750/year, 20ha: £1050/year, 50ha: £1950/year, 100ha: £3450/year, 250ha: £3600/year, 1000ha: £4350/year, 10000ha: £5250/year.

You can choose to “spend” this allowance on one or more of the 22 “options” covered by the scheme; these range from small scale woodland creation to summer hill grazing for cattle, and each has its own eligibility criteria, payment rates, terms and conditions etc. This briefing note covers 9 options in detail - we have picked out the key features, eligibility criteria and payment rates of those options most likely to be of interest to community woodland groups.

For most options, payment rates are calculated as a %age of total actual costs; there is no requirement to identify where the rest of the money will come from. You can use your own resources or funding from e.g. the Lottery, Local authorities, etc, but you must not use any other EU or Scottish Government funding as “match”.

Applicants for Land Managers Options can apply to other parts of the SRDP **as long as these applications are all for different operations**: e.g. LMO could pay for creating access routes for harvesting, Rural Priorities can contribute towards forest management operations such as restocking or conversion to continuous cover, you could apply to the Forestry for People Challenge Fund for help to establish a volunteer group, and a LEADER grant might contribute towards car parking and interpretation costs.

CWA staff will help you identify appropriate sources of funding for all of your projects.

How and when do we apply?

LMO is administered by the Scottish Government Rural Payments and Inspections Directorate (SGRPID). You must be registered with the Integrated Administration and Control System (IACS) & have a business reference number (BRN). For the land based options you must own or hold the land under a secure tenancy agreement or contractual licence for at least 5 continuous years.

The scheme year for LMO runs from 15 May – 14 May of the following year. To apply you must:

- fill in a LMO application form LMO (2). This form should have been sent to all land managers by SGRPID as part of your IACS pack. It can also be downloaded (with guidance notes) from <http://www.scotland.gov.uk/Topics/Rural/SRDP/Land-Managers-Options/Applicationslandmanagerso/LMOwhenhowdoiapply>

- fill in an IACS Single Application Form (SAF) (SGRPID should send this to all registered land managers, or it can be completed through Rural Payments Online)
- submit both these forms to your SGRPID Area Office by 15 May

Your application form is a contract to undertake the options that you selected. You will receive an acknowledgement letter but there is no approvals process so no approval letter will be issued.

How and when do we claim?

If you only apply for funding under the land based options, you will not need to complete a claim form at the end of the Scheme year and payments will be made automatically either as claimed or as determined after processing and inspection. For other options, you must submit a claim form. SGRPID will send you a claim form toward the end of the Scheme year. You must fill this in and submit it together with any supporting documents, make sure it reaches your SGRPID Area Office as soon as you have completed the options applied for but by 31 August at the latest. SGRPID **cannot** pay claims received after that date.

Supporting information for claims

The following options require supporting information

1 Skills development (Training), 2 Business audit, 3 Nutrient Management Plan, 4 Modernisation through electronic data management – Agriculture, 5 Management of tree stocks for seed production, 6 Modernisation through electronic data management – Forestry, 7 Access creation for sustainable forest management, 20 Improving access, 21 Management of sites of archaeological or historic interest, 22 Management of vernacular rural buildings.

For options where payment is based on actual costs, you must submit the **original** invoices and evidence to prove that you have incurred the expenditure (SGRPID will return the originals to you). Invoices must be correctly receipted, showing:

- Your supplier or contractor's name and address; and your business name and address as the customer;
- Details of goods and services purchased and supplied. Show separate costings for each approved option, and VAT details where appropriate. The date when the supplier or contractor delivered the goods and/or services to you;
- The total amount of the invoice;
- The amount paid by you in figures or words. If this differs from the total invoice amount, it must **provide** information to explain the difference (such as the amount of any discount, or credit or hire purchase charges);
- The signature and stamp of the supplier or contractor receiving payment (or their employee).

Payments

Payment under the Land Managers Options will be made in arrears, after you have completed the relevant undertakings. One payment will be made per application after the end of the LMO year, providing any claim forms have been returned to SGRPID with all supporting documentation as required to allow final processing.

Claims will be paid using the Bankers Automated Clearing System (BACS). If you have not previously supplied this information, or wish to change any of the details you should obtain and complete a BACS (1) form and return it to your SGRPID Area Office as quickly as possible.

The Options

There are 22 Options under the scheme; this guide highlights 9 which seem most likely to be relevant to community woodland groups – they are listed in the table below, and key criteria etc given in the following text. The remaining 13 options are listed at the end of this briefing note.

It is important to note that there are different payment arrangement and limits for each option – some are limited only by the size of your allowance, some have a maximum payable per year, and some can be claimed only once in a 5 year period.

Please note the payment rates quoted below are the maximum amount payable under LMO, for example, under the “modernisation through electronic data management” option, the maximum LMO payment is £1000, which would be 40% of your expenditure of £2500 on the eligible kit.

“Paid against actual costs” means that you will be required to produce receipted invoices.

Op	Code	Name	Payment Rate & Terms
1	LMOTRA	Skills development (Training)	75% up to £500 per year (paid against actual costs)
2	LMOBSA	Business audit	50% up to £150 (paid against actual costs if fee, £7.82 / hr standard rate for self audit)
5	LMOSSR LMOSSM	Management of genetically appropriate tree stocks for seed production	Registration: 50% Management: 50% up to £300/ha (each ha can only be claimed once in 3 years)
6	LMOEFP	Modernisation through electronic data management for Forestry	40% up to £1000 Paid against actual costs. 1 payment for 5 years.
7	LMOSFM	Access creation for sustainable forest management	50% of Actual Costs
18	LMOSCWA LMOSCWN	Small scale woodland creation	Agricultural land: £2500/ha Non-agricultural land: £2500/ha
19	LMOSWN LMOSWS	Management of small woodlands	Normal: £28/ha Stock Exclusion: £41/ha
20	LMOIAM LMOIAW LMOIAB LMOIAC	Improving access	Enhancement: 75% of Actual Costs Boardwalks: 75% up to £150 Bridges: 75% up to £150 Culverts: 75% up to £150
21	LMOMAH	Management of archaeological or historic sites	100% combination of actual costs and own costs at hourly skilled labour rate

Option 1 – Skills development (Training)

The option seeks to improve the skills within agriculture and forestry, promote a greater range of activities and encourage the development of financially viable, competitive and environmentally sustainable land based businesses. The training course you undertake must relate to one of the following aspects: business skills; marketing; managing people; opportunities to expand into other activities; technical skills.

The following training activities are not supported: courses that form part of normal programmes or systems of agricultural or forestry education at secondary or higher levels; training course required for or leading to a certificate, licence, diploma or other qualification that are required by law to carry out your basic work activities (such as crop spraying courses, tractor driving courses, chainsaw courses for forestry workers) courses where you can get financial support from another public source, including EU funding.

The training can be delivered in various ways: short training courses delivered away from the workplace at a local agricultural or other college, or at a hired venue; training delivered in the workplace; on-line training courses. A training provider recognised by Lantra – the Sector Skills Council for environmental and land based industries – must deliver the training.

Payment rate: 75% for the actual cost of one or more training course up to a maximum of £500 per scheme year.

Option 2 – Business audit

This option encourages you to proactively plan and develop your business by taking the time to undertake an environmental and/or financial audit or health check of your current business arrangements. To be eligible, an audit must be a comprehensive examination of the environmental and/or financial management of your business.

The rate of support is 50% of cost up to a total of £150. This covers the cost of a fee for an audit, cost of an advisor to complete an audit, and/or your time to complete each audit based on a labour rate of £7.82 hour.

Option 5 – Management of tree stands for seed production

This option will support seed stand registration and seed stand improvement, which will help to stimulate supply of both genetically selected and locally native seed origins. The use of genetically appropriate planting stock will: improve the yield of good quality timber; encourage the use of locally sourced seed and conserve local genetic resources; improve ability to adapt to climate change in Scotland's woodlands; provide economic opportunities around the production of local tree stocks.

You must prepare a plan for the improvement of registered seed stands to show how the proposed work will promote seed production and facilitate seed collection. Stands proposed for registration must be of quality timber and/or native woodland, comprising locally native species. Stands must be 1 hectare or greater. Each hectare can only be claimed once every 3 years.

Support will be provided for: preparatory work and documentation gathering towards the registration of seed stands for quality timber production and/or locally native sources for native woodland planting; removal of trees of poor form, where suitable; tree crown release for seed production; brashing and clearance of access routes for seed collection.

The payment rate is 50% of the actual costs, based on receipted invoices and registration documentation. Seed stand improvement costs is limited to a maximum of £300/ha. Each hectare can only be claimed once every 3 years.

Option 6 – Modernisation through electronic data management for Forestry

This option is to help land managers to improve the competitiveness of forestry holdings through the use of new technology, including electronic hardware and software, by supporting the initial set up costs. It should improve business efficiency and the overall economic performance of forestry businesses.

Support is available for the purchase of the following types of electronic forestry planning equipment: GPS site mapping hardware and software; electronic callipers for the purposes of timber volume measurement; compatible software which can utilise the downloaded data from (a) and/or (b) or any other source; GIS software for the purposes of the production and management of long-term forest plans; and “Ruggedised” notebook PCs designed for electronic data capture in “outdoor/all weather” working conditions.

Payment rate: 40% of the actual cost of equipment up to a maximum of £1000. Only 1 claim per applicant permitted in a 5 year period.

Option 7 – Access Creation for Sustainable Forest Management

This option supports the creation of new access routes or the improvement of existing access routes into woodlands which are not currently served by a suitable and adequate access route thereby preventing the harvesting and extraction of timber. The grant also supports the development of an internal access infrastructure, including processing areas and loading bays.

- The roads must be built to a standard capable of enabling the access and movement of forestry equipment and taking timber haulage vehicles.
- You will maintain the roads as part of the forest road network and fully restore the area after harvesting activity.
- Road building activity must conform to the requirements of the UK Forestry Standard.
- The construction of access routes must be appropriate and in proportion to the ground condition, the size of woodland and the volume of harvesting timber. This may mean that in small woodlands where timber volumes are small or where access is particularly difficult a forwarder/trailer route together with a loading bay would be more appropriate.

Payment rate: 50% of actual costs.

Option 18 – Small-scale woodland creation

This option supports the creation of new woods, planted with native species, up to 1 hectare in size. You can plant and establish up to 2 hectares of new woodland in any year.

- You must plant the new woodland using native* species only.
- The planted woodland must be in the size range of 0.1 – 1.0 hectare.

- You must establish conifers at a density of 2,500 trees/ha and broadleaves at a density of 1,100 trees/ha and these should be maintained as such for 10 years.
- You must protect the planted trees from damage from livestock, rabbits and deer.
- The planting and maintenance must follow sound silvicultural practice and you must resolve any site problems that impact on tree establishment.
- Any required consultation with neighbours and interested bodies must be carried out prior to planting.

*Native species = Alder, Ash, Aspen, Downy & Silver Birch, Bird Cherry & Gean, Holly, Pendunculate & Sessile Oak, Rowan, Scots Pine, Goat, Crack & White Willow, Whitebeam, Wych Elm, Field Maple.

Up to 10% of the woodland can comprise shrub species: Hazel, Juniper, Bay, Eared & Grey Willow

You must not plant any woodland or carry out any ground preparation on areas identified for archaeological conservation. Any planting must be at least 20 metres beyond the outermost recognised feature of these sites. You must have prior written consent from Scottish Natural Heritage for any planting in or affecting a Natura site or any Site of Special Scientific Interest (SSSI). You should seek prior advice from the Forestry Commission on any planting proposed on land that is subject to the following designations, in order to receive a determination on Environmental Impact Assessment: Natura site or any Site of Special Scientific Interest, National Park, National Scenic Areas

Payment rate: £2,500/hectare for planting on both agricultural and non-agricultural land.

Option 19 – Management of small woodlands

This option provides support for the sustainable management of small woodlands. Total woodland area must be at least 1 hectare and no more than 30 hectares. Individual areas of woodland must be no less than 0.1 hectare.

You must carry out an assessment on the condition of all of your woodland and, as a result, identify and record, in the form of a plan, work that is required during the 5 years of the agreement. There is no standard template for the assessment or the content of a plan but the following is suggested:

- Identifying and mapping the woodland types, & any management constraints and opportunities;
- Assessing and describing the existing and intended woodland structure, protection & species composition & public access
- Assessing existing threats/damage and intended improvements
- Identifying and mapping the proposed work programme

You can undertake the work requirements, identified as a result of your assessment of the condition of the woodland, over the 5 years of the agreement. You must adequately protect all your woodland from damage by domestic and wild animals. This also applies to natural regeneration of native species within the woodland. You must remove all domestic livestock from native woodlands if you are applying for the payment supplement. You must not allow the presence of non-native vegetation, in the canopy or shrub layers of native woodland, to threaten the condition of your native woodland.

The payment rate for managing the woodland, in accordance with a plan, is £28/hectare/year.

The payment supplement for the removal of domestic livestock from native woodland is £41/hectare/year.

Option 20 – Improving access

This option aims to help upgrade and enhance paths/routes that were previously footpaths only to make them accessible to a fuller range of users, including members of the public, cyclists, horse riders and persons with disabilities. This option will provide enhanced paths and signs, to encourage responsible public outdoor access for the full range of users, and to integrate access with good land management.

Support will be available for the priorities of enhancing and marking paths and routes which link to local networks, give access to attractive places, or meet local needs of the full range of users, including access to core paths. The full range of users includes members of the public, cyclists, horse riders and persons with disabilities.

Paths must be continuous across your land, and must be suitable for appropriate use all year round. Routes to inland water are also eligible. The path/route and the associated eligible capital items must meet the technical specifications contained in the published guidance:

<http://www.scotland.gov.uk/Resource/Doc/217663/0058305.pdf>.

This includes being well-drained, fit for the intended purpose, free from obstructions, signposted and waymarked, and regularly inspected.

When you are planning your path application, you must inform your local authority (or national park authority in a national park) access officer, to help ensure that it meets at least one of the priorities and the technical specifications. Every effort must be made to link your path into other local path networks, and local access officers can provide useful advice on existing and proposed local path networks.

This is a five year management agreement and the payment rate is 75% of actual costs supported by invoices. You can also claim for the one-off costs of installing certain capital items. The rate of support is 75% of costs for installing boardwalks, bridges, and culverts (up to a maximum of £150 for each item). Applicants must confirm that no other funding mechanism or organisation is enhancing, managing or maintaining any of the paths or facilities/capital items claimed for under this application.

Option 21 – Active management to improve the condition of sites of archaeological or historic interest

This option enables you to improve the condition of archaeological and historic sites through careful non-invasive management. Eligible operations include:

- bracken control: by hand spraying, hand cutting or crushing from year 1 over a minimum 3 year period, with re-growth controlled as required.
- control of gorse, rhododendron, scrub or other woody plants: by cutting off carefully at ground level, taking care not to disturb the ground surface. Cut stumps should be spot treated with an appropriate herbicide. The cut vegetation should be removed from the site, and re-growth controlled as required.
- grazing control: you can receive payment for increasing or introducing grazing to help control scrub in addition to manual vegetation control, or for reducing grazing levels where stock erosion or ground poaching is a problem. In either case, grazing levels should ensure that existing grass or heather cover is retained but scrub, woody plants and self-seeding trees do not become established.

If the site is a scheduled monument, you may require schedule monument consent. It is important that you contact Historic Scotland for advice before making your LMO application.

Payment rate: 100% of costs incurred, paid annually and retrospectively. Payment claims should be supported by a record of labour hours and additional costs that you have spent on materials and machinery use during the year. If you undertake the work yourself, the hourly skilled labour rate (£7.82 / hour) will apply. If you employ a contractor to undertake the work on your behalf, receipted invoices must be provided in support of your payment claims.

The Other Options

Here are the other 13 options which we have not dealt with in detail.

As with the rest of the scheme, more details available in the official guidance:

- 3 Nutrient Management Plan
- 4 Modernisation through electronic data management for Agriculture
- 8 Membership of food quality assurance schemes
- 9 Wild Bird Seed Mix / Unharvested Crop
- 10 Improvement of Rush Pasture for Wildlife
- 11 Summer Cattle Grazing
- 12 Management of Moorland Grazing
- 13 Management of Linear Features (farm hedgerows, hedgerow trees and dykes)
- 14 Management of Grass Margins and Beetlebanks in Arable Fields
- 15 Biodiversity Cropping on In-Bye
- 16 Management of Conservation Headlands
- 17 Retention of Winter Stubbles
- 22 Active management to improve the condition of vernacular rural buildings

Contacts / More Information

CWA staff contacts: <http://www.communitywoods.org/index.php/staff/>

LMO "homepage": <http://www.scotland.gov.uk/Topics/Rural/SRDP/Land-Managers-Options>

SGRPID Area Offices: <http://www.scotland.gov.uk/Topics/Agriculture/AOcontacts/contacts>

Online LMO guidance is updated periodically. Guidance updates are posted at

<http://www.scotland.gov.uk/Topics/Rural/SRDP/Land-Managers-Options/whatsnew/guidanceupdates>

This Briefing Note was compiled by the Community Woodlands Association in April 2009, updating version 1 produced in November 2008, using information from the Scottish Government SRDP website <http://www.scotland.gov.uk/Topics/Rural/SRDP> and from discussion with officers of SGRPID, FCS and the Crofters Commission.