

Ref: FCDAG 11/2024

DAG Minutes: 14/11/2024**Location:** Webinar/teleconference**Chair:** Joe Watts**Secretary:** Sarah Lawson**Attendees****DAG Members:**Graham Garratt (ICF) **GG**Poppy Sherborne (NFU) **PS**Clive Thomas (Soil Association) **CT**Jackie Dunne (Confor) **JD**Paul Orsi (Sylva) **PO**Laura Bower (W&C LINK) **LB**Simon James (Small Woods) **SJ**Julian Ohlsen (SW AFG) **JO**David Lewis (RICS) **DL**Claire Douglas (RPA) **CD**Adrian Jowitt (Natural England) **AJ**John Bruce (Confor) **JB**Luke Hemmings (NPFG) **LH**Ian Froggatt (Woodland Trust) **IF**John Blessington (Local Gov) **JB**Cheryl Lundberg (RFS) **CL**Neville Elstone (ICF) **NE**Iwan Downey (Community Forests) **ID****FC/Defra:**Joe Watts (FC) **JW**Sarah Lawson (FC) **SL**Stephanie Rhodes (FC) **SR**Penny Oliver (FC) **POI**Richard Britton (FC) **RB**Chris Tomlin (FC) **CT**John Place (Defra) **JP**Rory Lunny (Defra) **RL**Louise Alexander (FC) **LA**Vicki Howlett (FC) **VH**Alex Lawrence (FC) **AL**James Murdoch (FC) **JM**Mark Stevenson (FC) **MS**Sara Spillett (Defra) **SS**

John Powell (FC)(observer)

Apologies:

Brian Fraser (HTA)

James Russell (Community Forests)

Nick Phillips (Woodland Trust)

DAG Minutes

Welcome

JW opened the session and welcomed all including Laura Bower (Wildlife & Countryside Link) to her first FC DAG meeting.

State of the Nation

JW commented on the outcomes of the Budget and Spending review.

SS commented that it was a positive outcome of up to £400m for tree planting and peatland restoration across Defra 24/25 and 25/26 and thanks to the efforts of colleagues across Forestry Commission and the Environment Agency on the work put into this. We are now entering a period of business planning to work out how we can meet targets. We have a reduced resource budget so we are discussing with ministers how they want us to deliver their priorities. We will communicate when we know more.

LH wanted to confirm if the funding is additional to what is already in the Nature for Climate fund.

SR confirmed that when referring to £400m it refers to capital funding and this is mainly dispensed through grants and resource refers to workplace people and some projects. It is lovely to have the grant funding to dispense but we need people to deliver it. Although we don't have this additional funding, we welcome stability for 24/25 and look forward to clarity in 25/26.

SS responded to **LH**'s comment that it is both, so the settlement concerns this financial year and the financial year going forward. Once we are through business planning we will then look at budgets for 2026-29 and the intention is for the government to announce that in the spring.

JW asked if there were any questions regarding the minutes from the previous meeting or the action log (none raised).

EWCO & WCPG Updates

LA and **VH** (Incentives Development National Team Managers, FC) presented slides.

JO commented regarding EWCO that one thing we are seeing now in some areas is that where we are getting all the supplements and with the increased scrutiny of additionality from the woodland carbon code there are some interesting decisions that are having to

be made by landowners and will need to see how that works out. Also raised concern regarding providing financial statements as obtaining them causes issues and don't understand what the benefit is. It is another step that is causing delay.

VH (response in chat): On the accountant certificate requirement for EWCO:

- under £500K we have removed the requirement for businesses – for sole traders you will be required to submit evidence that you have resources to undertake the capital work, but we have removed the requirement for this to be a chartered accountant certificate and will accept bank statements, or evidence of loan
- Because we pay in arrears, we need to undertake due diligence to ensure applicants can afford to undertake the work before being reimbursed - this is part of the government's grant functional standard that we are required to meet.

Response following meeting:

We have been working with Forestry Scotland to clarify options for applicants to reduce their EWCO grant funds to ensure they remain eligible for the WCC. We introduced a flexible cap to allow applicants to reduce their standard costs per hectare, but we have not seen much uptake of this. Additional Contributions remain optional until the point we have paid for them. Annual maintenance can also be opted out of before the payments begin.

In July we removed the requirement for an accountant certificate:

If you are a business applying to EWCO for less than £500k you no longer need to provide an accountant's certificate to show you have the resources to undertake the capital works. We will check this using our automated systems. As a result, if you have been recently asked for an accountant's certificate you can now submit alternative evidence instead.

If you are a sole trader and are submitting a EWCO application, you have a choice on how you provide evidence that you have the resources to undertake the capital works. You can provide the latest 3 months savings, bank or trading statements, or provide evidence of an approved loan instead of an accountant's certificate.

We will only request an accountant's certificate from a sole trader if your application is over £500k. If you have been recently asked for an accountant's certificate you can now submit alternative evidence instead.

JD commented that there are other woodland creation areas either through community forests or other projects and it would be good to show a combined one and the efforts by everybody because the FC is involved in a lot of that too. Also asked how GMS and payments link with the RPA.

VH responded regarding the GMS system and advised that they have worked with the RPA to do some testing of the system and it has been signed off. The GMS system will

be connected to the RPA but what it is doing is actually just automating a manual process that we were currently doing.

Response following meeting

The GMS will be linked with the RPA system via an integration to automatically send our approved payments to the RPA system. This automates a process that we are currently doing manually but builds on an existing interface with the RPA. We have successfully tested the update to the interface with the RPA system ahead of launching the claims functionality – so have confidence this won't lead to problems next year. We will also remain able to process payments manually if needed.

DL asked about the low sensitivity map and looked at several schemes where three quarters is in low sensitivity and the rest is either moderate or high sensitivity and yet the field seems exactly the same and when the checks come back it suggests it should have all been low sensitivity. Also queried what constitutes a significant change as had a recent scheme where area was increased by 5% but advised that it had to go back on the public register which caused frustrations and so it would be good to have clarification on this.

VH responded regarding the significant change and advised that any increase in area definitely would require further consultation if we hadn't previously consulted on that area. There are some tolerances on a case by case basis if we are looking at reducing or changing design and things like that.

Response following meeting

The list of what constraints are removed from the different layers is available here: [A guide to Forestry Commission's sensitivity maps for woodland creation - GOV.UK](#) Please feel free to send over examples if you think there is a mapping error and we can look at this, but we accept that the mapping isn't perfect.

LH commented regarding people not optimising the additional contributions and questioned how easy it is to access them, the flexibility and how well they actually fit together. In most cases we would like to access as many as possible but there may be issues around fitting the owner's objectives and if you want to do anything different from the specific requirements this needs to be referred and creates a drawn out process meaning sometimes it is easier not to go down that route. Maybe there is room for more autonomy with the woodland officers deciding if a design fits the spirit of the additional contribution. Also commented that the process and application form is better than other options out there which is a positive.

LA responded that it would be useful to have examples sent to us so that we can build a better understanding of what is happening here.

Response following meeting

We have worked to make all ACs stackable, so it is possible to apply for all of them to be stacked together where this works with the land managers' objectives. If you have examples where this is not the case, please share them.

In terms of discretion, we need to be sure that the benefit the payment is buying will be met to ensure good value for money. We also need to ensure consistency across schemes and across the country to ensure we are fair to all applicants.

IF requested more information about the average size of the schemes that are coming through EWCO and regarding connectivity looking at how many of those are close to existing woodlands, expanding existing schemes or how dispersed the schemes are. Would be good to know whether some of these supplements that we are talking about, the stackability uptake being relatively low whether that is hitting what it needs to in terms of expanding and buffering woodland or whether it's fairly dispersed schemes. Also welcome the changes regarding EIA but currently feel a sticking point is internal conversations within the FC between regional and central teams and wondered if you feel this change is going to help with that.

PS (from chat): it would be useful to also have the average processing times of EWCO applications (not just Fast Track ones).

VH commented that average size of EWCO applications is increasing year on year. This year we're currently on 9.5 hectares, last year was about 8 and the year before about 7 hectares. In terms of connectivity, we will need to come back regarding that one.

Response following meeting

21-22 – 6.80 ha

22-23 – 6.95 ha

23-24 – 7.85 ha

24-25 – 9.31 ha

Largest scheme is 169.75 ha (1)

Smallest scheme is 1.00 ha (44)

Around 40% of EWCO applications are in applications under 3 hectares which is a challenge.

There are 627 applications (3,636 hectares) under the Nature Recovery High AC which is where proposals will be expanding existing native woodland. This equates to around half of the total live applications received. The figure may be higher where applicants have chosen to opt out of the AC but would otherwise be eligible and therefore connecting to existing woodland (data from August 2024).

AJ asked regarding the Woodland Creation Fast Track process and there were discussions about doing an evaluation of that after year one and is that still happening. Also within the presentation there was reference to high demand for some EWCO developments and queried what these are.

VH responded that we are currently doing a review of the woodland creation fast track but we haven't quite hit that one year mark but it is still on the cards and will be coming soon. The EWCO development list, there is a long list and think once we have our work plan for the next year we will come back to this group to present what is on the list.

JW commented that this would be a working list for the DAG members to input into.

Response following meeting

We have committed to review the WCFT after 1 year which will be in February 2025. We are also currently reviewing some aspects of the process to clarify some things for staff and applicants.

We will return to the DAG to present our intended work plan for 25/26 and can give some ideas as to what's on the long list of development requests at the same time.

ID asked around the additional contributions and queried if seeing any impact in terms of the woodland carbon code and additionality in terms of people's choices.

Response following meeting

Recently we have started to hear that some applicants are struggling with additionality for the WCC, and we are working with Forestry Scotland to outline the options for applications at different points in the process to ensure they remain eligible where possible. It is difficult to monitor this as applicants do not explicitly tell us the reason they are opting out of ACs or applying a cap on standard costs.

SS commented that this work has shown a phenomenal amount of effort and it is really impressive to see how hard colleagues have worked to make the systems work and recognise the need to make changes and improvements as part of the customer journey. The Forestry Commission's input and determination to make the scheme as good as it can be is really impressive.

Update on Ips (Regs Business Process)

AL (Regulations Development Manager, FC) presented slides.

JB commented that although this is about Ips and the demarcated area, feels this is a very pragmatic approach and asked if it could be applied beyond Ips.

AL responded that the process could be applied beyond Ips and planning for it to be applicable more widely. The current situation has prompted us to review our internal guidance and decide to create external guidance on how to make use of this alternative conditions process. It has created a good opportunity to create a process that can be applied more robustly.

JD asked for clarification on the absolute legal baseline and queried whether the felling licence or the prohibition is the bottom line. Also advised that she is nervous about the standard request form and creating more paperwork and asked if this will be on Felling Licence online.

JM responded regarding the legal baseline and advised that they are separate regimes. They sit side by side and that is how they fit together. Neither 'trumps' the other, in a similar way to which one might require both a FL and SSSI Consent to carry out works (the requirement / obtaining of one permission has no bearing on the need for the other). We are doing what we can through this process to allow flexibility on the felling licence side, given the more rigid DMA prohibition.

AL responded regarding the standard form that there are no plans for it to be integrated into FLOv1 but can look to integrate into FLOv2 in due course. The standard request form is essentially a way for us to be able to triage a request and understand whether it is exceptional circumstances, whether it is pre or post felling.

JO asked about surveillance and if there are flights being undertaken to see whether there is any increase in dieback in particular areas and whether windblow areas are still being sampled.

(Response from Nick Hazlitt, Plant Health Forestry) Flights continue across GB and aim to (i) identify unmapped spruce, and (ii) identify areas of stressed, damaged, windblown and declining spruce. 50% of spruce in England was flown over during aerial surveys in 2023 and, based on current performance, we anticipate 70% of spruce will be flown by the end of this financial year.

Flights form part of an integrated surveillance and response program, which includes aerial surveillance, trapping, ground surveys and investigations, and our authorisation process. It is an iterative process; each element interacts and relates. The flights are also informed by AI supported remote sensing.

LH advised that we are still including Norway spruce in our planting mixtures to add diversity as we are far away from the area of concern at the moment but should we be avoiding this as a precaution and to avoid future issues.

(Response from Nick Hazlitt, Plant Health Forestry) The policy aims to remove spruce from the currently defined DMA. The DMA extent is based on evidence and analysis and considers known outbreaks, trap data and some wind modelling. Broadly speaking, the DMA is the area most likely to have outbreaks based on proximity to populations dispersing from the continent, under current conditions. But there is no guarantee that Ips might not find opportunities further west, and the closer to the DMA boundary the greater the possibility. That said, the boundary is set generally 50km west of the nearest outbreak.

Well-maintained, healthy spruce is less likely to harbour an outbreak, under current conditions. I'd strongly recommend not planting spruce in sub-optimal sites. On good sites it becomes less of a risk but is still a choice. Consider other suitable species. The question is worthy of further discussion and should bring in Forest Research colleagues.

Restoring Ancient Woodland

MS (Head of Nature Recovery, Policy & Advice Team, FC) and **PO** (Head of ELM, FC) presented slides.

GG commented that it is positive to recognise this as a long-term process and as a non-linear process. Commented that the publicly available information on PAWS woodland distribution within greater ancient woodland complexes is not wholly reliable within woodland boundaries so important not to rely too much on this information to benchmark how this is moving. Also commented on loss of productivity and need to have some sort of distinction when looking at loss of conifer on ancient woodland sites. Some conifer will have been planted in error and need to consider to what degree was it actually going to offer productivity when it reached fruition. Don't think you can assume a hectare of conifer on a PAWS site is a productive crop.

MS acknowledged that the data on PAWs distribution was not perfect and there is a tendency to set targets that can lead to perverse outcomes because you base them on the data you have and not on the reality so we need to keep that in mind through delivery.

JD commented that she agrees that the baseline PAWS mapping is incredibly inaccurate. Question the 'restoration' definition and don't think it is appropriate everywhere. You have certain things like priority species and the issue of resilience in the face of SPHNs, ash dieback and the storms that is making us have to look at areas differently. It doesn't seem to focus on features that are present in a PAWS woodland which used to be a key focus. If you push for acceleration, you may lose features. Not everything is mapped as

PAWS which causes issues and it is a complex area that seems to be being dealt with as if its black and white.

LH commented that the biggest thing that would increase the amount being restored is to improve the supplement and WS2 barely touches the sides. Most PAWS sites are on challenging sites with poor access. We need increased access funding to get to some of these places otherwise it's not worth doing. The payments are too low and the requirements are too high and this is going to be too much for some and so we need better incentives to get more people interested.

MS responded the payments being too low to cover the complexities of management and the long-term financial risks is well understood and is another point that we can have further discussion about. Although this is a wider issue about payment rates that would need to be addressed with Defra.

CL echoed **JD**'s comments regarding the term 'restoration' and there's a huge opportunity to identify and protect remnant features. The restoration term seems to focus on the removal of non-natives but it is a more complex issue. Think if we can bring in the condition assessment and identification of remnant feature this is important detailed work that would help protect and enhance a finite resource.

JO commented that we don't have a WD2 that is open for applications. Also wondered about the parallel between the increased amount of PAWS restoration done up to about 2014 which would have been about when the UKWAS wasn't a requirement of management planning grant and this had a PAWS restoration plan as part of its requirements and significant areas may have started to be restored at this time. Agree that it isn't straightforward and resilience will be an issue going forward.

IF commented on the need for distinction between conifer cover and it being productive and the two aren't necessarily aligned. We need to be measuring woodland condition and looking if it is under positive management and going in the right direction, particularly with tree disease and SPHNs. We seem to be at a bit of a crisis point where we have some ancient woodland sites with remnant features that are under massive threat if not well managed and often they are expensive to get to and there is no incentive to manage them. If they get a SPHN, those features are gone so we need to look further at this and we would welcome a subgroup to unpick some of this.

MS commented that there may be a subgroup but this needs clarification.

Following the meeting **MS** has advised that Ian Tubby has set up a small working group to identify options for improving delivery of PAWS restoration.

AJ commented regarding protection of remnant features and if things are being done right these should be protected through UKFS but maybe we should be doing a bit more about that. Also, we need to ensure that woodlands are being well managed and if they are native woodlands it doesn't mean they are in good condition as far as biodiversity is concerned and need to ensure these are well managed and some of that can be through production. Agree with **GG**'s comments regarding some woodlands are planted in error and need removing and it's not always a negative thing. If planted in error on the wrong sites, it's not always the best place for them.

MS stated an interesting point that need to have a discussion about is restoring to more than 80% native being the be all and end all and whether there are alternative endpoints that we want to identify and it would be worth further discussion on how we do that and how we track it.

Defra Higher Tier Update

JP (Farming & Countryside Programme, Defra) provided update (no slides).

NE commented that there are four clear messages that come from looking at the Higher Tier document. 1. It's great to see this progressing and it being shared. There has been frustration and a lack of opportunity take up because of delays here. 2. We see this as a kind of beta test of Higher Tier and we want to see better engagement than there has been. It would be great to have a timetable for revisions once stuff is launched so we can all see how we can engage in the process and when that will come out. 3. Supportive of EWCO in terms of additional contributions (ACs) and the elements of the grant. Worried following earlier call that ACs were seen as unaffordable and it would be unwelcome if this was altered and less likely to meet targets. 4. Also concerns around rollout of Higher Tier because it was a phased rollout and woodland seems to be lower down the pecking order as there are no rollover opportunities. Need to ensure that woodland is near the top so that we have something to apply for.

JP acknowledged positive to have noted the progression. In agreement in terms of better engagement and we have been frustrated in terms of what we can do so good if we can do more and talk about a timetable of revisions. Happy to keep working with everyone to make sure we are getting the right message across and look at working through issues. Wouldn't be too worried about EWCO but we need to make sure we are clear on whether we utilise the approach we have for EWCO and think about how that would play out more broadly rather than removing additional contributions from EWCO. In terms of the rollout and phasing, appreciating that there are no rollovers but there is the opportunity to do new woodland management plans and aware that there are concerns around this. However, woodland is clearly still a priority and will remain so. In terms of the rolling out of interventions, the plan is to publish all of those in one go so

they will all be available in one go. We are also looking to publish the details of the capital items as well. We are going to try and publish as much as possible so that people have what they need to think about applying for Higher Tier.

PO asked if there is any clarity on the application process. Back in April we saw a demo of the online portal for the application and have not heard anything since then.

JP commented that need to get the IT process right and that is what the RPA will be building so that people can apply smoothly. There will be a private beta approach to test that the process works for everyone. Will take an action to provide a further update on the development of the online portal.

POI confirmed that we will want to bring that back as they start developing that system further.

SS confirmed that in terms of additional contributions on EWCO, there is no intention of losing them. We are currently working on how the EWCO to ELM transition will work and that is certainly not one of the design principles.

JD commented on additional contributions and feel it would be great to have more proactive work by the FC woodland officers at the WCPG stage. If you don't think about your additional contributions at this stage then it is more difficult to incorporate them at a later stage and so think they need to be actively pushed.

GG commented that there seems to be a list of people that are high priority to approach to engage with the Higher Tier agreement. Presumably those that are in their current fifth year and if so do they know? It would be good to have some outreach now to let them know and give them some guidance so they can be prepared.

JD confirmed that emails have been received from the RPA but these are for those whose agreements ran out last December.

JW advised that part of the preparation for the work in December is about how we manage the demand and how we invite people in but more details will follow.

PS acknowledges that information has been shared about the options but asked if it would be possible, as well as seeing the actual system, it would be useful to see the full Higher Tier offer - whether there are wider conditions, the terms and conditions, what those kind of principles would be ahead of being publicised.

JP responded that the plan is to publish what is called a draft version of the terms and conditions. These won't be the final versions but there will be an opportunity to see the draft and have an opportunity to feedback on that.

AOB

JW advised group about the upcoming EIA focus group being led by Forest Research. **SL** to send out further details and link to sign up for the event on 2nd December 2024.

JW also raised that this would be the last DAG meeting for Steph Rhodes before she leaves the FC and Julian Ohlsen who is retiring after many years of valued service on the Applicants' Focus Group and now the DAG, and thanked them for their contributions and wished them both well for the future.

JW also confirmed that the next meeting would take place in January.

Meeting ended 12:30