#### **EXECUTIVE NOTE TO**

# THE FORESTRY CHALLENGE FUNDS (SCOTLAND) REGULATIONS 2008 SSI 2008/135

The above instrument is made in exercise of powers conferred by section 2(2) of and paragraph 1A of Schedule 2 to, the European Communities Act 1972. The instrument is subject to negative resolution procedure.

## **Policy Objectives**

The purpose of the instrument is to make provision for Forestry Challenge Funds within the Scottish Rural Development Programme financed by the European Agricultural Fund for Rural Development established by Council Regulation (EC) 1290/2005.

## **Background**

The Scottish Rural Development Programme 2007-13 provides the platform to support a range of measures to achieve economic, social and environmental goals. Forestry Challenge Funds have been developed by Forestry Commission Scotland to support the delivery of the Scottish Forestry Strategy 2006. To date, two Forestry Challenge Funds, Woods In and Around Towns Challenge Fund and Forestry for People Challenge Fund have been developed. The Woods In and Around Towns Challenge Fund supports management of woodland in and around significant settlements. The Forestry for People Challenge Fund supports community involvement in woodland for projects related to health, education and local involvement. Forestry Commission Scotland may also develop additional forestry challenge funds to support other elements of the Scottish Forestry Strategy 2006. The 2008 Regulations provide the framework to operate these grant schemes

The 2008 Regulations will make provision for

- The nature of projects that can be supported by the Forestry Challenge Funds.
- Forestry Commissioners powers to devise Forestry Challenge Funds, associated guidance and to authorise payment of grant.
- Payment of grant assistance (by the Scottish Ministers (RPID) as paying agency), the information and records required to be held by applicants.
- Powers of authorised persons, revocation or variation of approval and withholding or recovery of grant and offences applicable.

# **Regulations - enforcement**

The 2008 Regulations instrument will:

- Require the applicant to retain all invoices, accounts and other relevant documents in relation to an application.
- Provide such additional information in relation to the project or the grant monies paid in pursuance of that project as the Forestry Commissioners or Scottish Ministers may require.
- Permit an authorised person to verify the accuracy of any information contained in an application or a claim for payment under the Regulations or any other information provided by the applicant relating to the project.
- Permit an authorised person to ascertain whether any grant is payable or recoverable under the Regulations, or the amount that is payable or recoverable.
- Permit an authorised person to ascertain whether an offence under these Regulations has been or is being committed.
- Permit the revocation or variation of approval and withholding or recovery of grant.
- Set out what constitutes an offence and the level of penalty.

### Consultation

The Scottish Rural Development Programme consultation was launched on 4th April 2007. The consultation ran for 12 weeks until 30th June and nine public meetings were held around Scotland during this period with over 1400 copies of the consultation document distributed. Additionally the Consultation document was available on-line.

A total of 259 written responses were submitted from a range of organisations and individuals. The responses comprise answers to closed questions ("yes/no/don't know"), as well as extensive textual answers to each of the 21 questions set out in the consultation document.

## **Financial Effects**

The effect of the Regulations is permissive only, permitting financial assistance to businesses, groups, and individuals involved with forestry in Scotland and we therefore foresee no increase in costs to the Scottish Government, local government or on business. We have therefore not carried out a Regulatory Impact Assessment.

Forestry Commission Scotland March 2008