

Carron Valley Community Woodland Feasibility Study

incorporating Options Appraisal and Business Plan

March 2017



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Contents

| | |
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| Contents | 2 |
| Executive Summary | 3 |
| Introduction..... | 6 |
| The Project Plan..... | 6 |
| The Carron Valley Community Woodland Project (Stage 1) | 8 |
| Carron Valley Community Woodland Activities Plan Summary | 9 |
| Woodland Management Plan Summary | 10 |
| Strategic Context | 12 |
| Community Support and Survey results..... | 12 |
| Evidence of Need..... | 14 |
| Audience and Market | 14 |
| Potential Partnerships | 15 |
| Comparators..... | 15 |
| Options Appraisal | 15 |
| SWOT Analysis | 17 |
| Expected Outcomes and Measurement..... | 18 |
| Availability of finance (capital and revenue)..... | 19 |
| Summary..... | 19 |
| VRG Financial position..... | 20 |
| Grant Funding Options | 21 |
| Capital Costs - Stage 1 | 22 |
| Summary of capital costs for stage 2 | 23 |
| Revenue (income and expenditure) - Stage 1 and Stage 2 | 25 |
| Project Management..... | 26 |
| Governance | 26 |
| Management | 26 |
| Staffing / Volunteers | 26 |
| Ongoing Community Engagement | 27 |
| Timetable Overview | 27 |
| Risk Analysis..... | 28 |
| Conclusions..... | 28 |

Executive Summary

Valley Renewables Group (VRG) proposes to purchase 21 hectares of Forestry Commission land at Carron Valley, North Lanarkshire to deliver activities that will benefit the community of Carron Valley and District. VRG will manage this site to increase community access, provide affordable wood fuel and improve habitat diversity, so delivering social and environmental benefits to the community.

A Feasibility Study was commissioned by VRG in 2016 to assess options for the project and a phased development was decided upon, focussing on the woodland management in the first instance (stage 1) with the creation of serviced hard standing (stage 2) and a potential Community building (stage 3) forming a long term proposal. This document mainly focusses upon the development and delivery of stage 1 - Community Woodland ownership and management, which is achievable with very low financial risk as shown below. Stages 2 and 3 will only be progressed by VRG in the future if community support and the financial position are strong. Collectively the 3 stages are known as "The Community Base".

Vision: The Community Woodland will be a welcoming and accessible space for local people and visitors to meet, get involved with community activities and find information. It will be a catalyst for new groups and events, giving the community more cohesion and resilience into the future.

A part time Woodland Manager will be employed by VRG to facilitate delivery of the Woodland Management Plan, together with organisation of events and activities and volunteer recruitment and management.

Analysis of the 2016 community survey and responses in relation to the Community Base illustrates strong support for community activities that bring local people together and give them an opportunity to take part. 75% of the respondents were supportive of the purchase of the site to develop as a Community Base and 11 people expressed an interest in helping on a voluntary basis. A minority of returned surveys did not support the proposal, with 11 responses opposed to using community windfarm money for the purpose of creating a community building specifically.

The table below summarises the financial position for VRG if it were to deliver the first two stages of the project only, as follows:

- Stage 1 - Woodland Management - (from year 1) can be funded by VRG (windfarm cash) plus a Scottish Land Fund 2 revenue grant of £56k. Financially, this is **very low** risk assuming the LF2 grant is awarded. The total expenditure would be around £113k over the first 3 years (excluding land acquisition).
- Stage 2 (from year 4) including the development of the Community Open Day site (hard standing etc) and ongoing woodland development would cost a further £118k (years 4 - 7) and can be funded by VRG. This stage is very low risk financially.

| Project costs summary table | | | | |
|--|----------------------------|--------------------------------|-------------------------------------|---|
| | Stage 1 total | Stage 2 total | Grand total stages 1 & 2 | Notes |
| Years | Yrs 1-3 | Yrs 4-7 | Yrs 1-7 | |
| Main activity: | Woodland management | Community Open Day Site | | Assumes LF2 pay for acquisition of land |
| One off capex paid for by VRG | 39,000 | 29,262 | 68,262 | Secured? |
| Other capex (grant / loan) | 0 | 0 | 0 | |
| Total capex (A) | 39,000 | 29,262 | 68,262 | |
| Revenue expend by VRG - woodland management and amenity up to year 7 | 18,479 | 88,875 | 107,354 | Secured |
| LF2 revenue grant | 56,000 | | 56,000 | Not secured |
| Total revenue spend (B) | 74,479 | 88,875 | 163,354 | |
| Total spend (A) + (B) | 113,479 | 118,137 | 231,616 | |

| | |
|---|-----------|
| Total VRG spend yrs 1-7, for stages 1 & 2 | £175,616 |
| Of which capital: | £ 68,262 |
| Of which revenue: | £ 107,354 |

Delivery of Stage 1, the main focus of this report, would require a total spend of £113,479, (£57,479 from VRG and a grant of £56,000 from the Scottish Land Fund).

| Total VRG investment | Total £ Yrs 1 -7, Stages 1 & 2 |
|---|---|
| Capital - stage 1 - Community Woodland | 39,000 |
| Revenue expenditure - S1 onwards - woodland manager etc | 107,354 |
| Capital - stage 2 - Community Open Day Site | 29,262 |
| Total VRG investment from wind farm cash | 175,616 |

| VRG windfarm cash balance and use | Total £ Yrs 1 -7, Stages 1 & 2 |
|---|---|
| Windfarm opening balance estimate Jun 17 | 310,385 |
| Windfarm addition - existing - including Kingsburn from May 17. Index linked (2%) | 602,177 |
| Windfarm spend - VRG general running costs (assumed 2% uplift) - NEW | 148,686 |
| Windfarm spend - this project | 175,616 |
| Closing windfarm balance | 588,260 |

| External funding assumed secured in addition to above VRG investment and LF2 capital: | Total £ Yrs 1 -7, Stages 1 & 2 |
|--|---|
| Land Fund 2 revenue | 56,000 |
| Total external investment needed in addition to VRG funds and LF2 capital | 56,000 |

| | |
|--------------------------|---------|
| Total project investment | 231,616 |
|--------------------------|---------|

Due to the current VRG windfarm cash balance and expected future receipts, stages 1 and 2 of the project are very low risk. Stage 3, the Community building (from year 8) is a higher risk aspect of the project as it relies upon significant grant and loan funding being secured. It will not proceed without funding being in place. Stages 1 and 2 can be delivered successfully without progression to stage 3 and still secure significant outcomes including:

- Improvement of woodland habitat
- Woodland activities for local people, promoting health and well-being and achieving educational outcomes
- Community cohesion through events / activities without significant travel
- Woodland amenities (paths, trails, bird hide, wet weather shelter, storage, hard standing for parking / marquee etc.)
- Addressing fuel poverty (through free wood fuel for community members).

VRG has opted not to charge for woodland activities, training opportunities or wood fuel provided by the woodland project in the initial years. In the future, there is the option to charge a minimal fee for these services, and this is estimated to generate an earned income of approximately £3,200 per annum.

Introduction

The Valley Renewables Group (VRG) is a charity and company with aims to benefit Carron Valley and District, an area with a population of 322 people. The organisation is entirely volunteer run and currently has no capital assets. Although based in a relatively affluent area with low unemployment, there is an average of 5 people per square kilometre, illustrating the sparse population compared with Stirling Council area, although only two of the 130 houses are second homes, giving a strong local community presence.

VRG recognises that people need a central focus to give the dispersed community of Carron Valley resilience into the future. It attracted 200 people to its recent (August 16) Annual Open Day, held in a marquee close to the proposed site for purchase, illustrating the desire within the community to gather together, share information and work collectively towards their aims.

VRG therefore proposes to purchase 21 hectares of Forestry Commission land at Carron Valley, North Lanarkshire, comprising of a development site and surrounding mature and restocked woodland, to be used to deliver activities that would benefit the community of Carron Valley and District. VRG will manage this site to increase community access, provide affordable wood fuel and improve habitat diversity, so delivering social and environmental benefits to the community.

The Project Plan

An original feasibility study carried out in December 2016 considered the creation of a Community Base at the site, taking into account the needs and requirements of the community, together with current and future markets and audiences. It tested viability and sustainability of the overall project and provided information to enable VRG to make decisions regarding the delivery of the project, capacity and function of the potential facilities and the management of the land. Key sections of the previous work including building options, costs, recommendations and conclusions can be found in the appendix.

As a result of consultation and consideration of options, together with the general community reaction to the costs of the proposed Community building, VRG has since decided to phase the development of the project, focussing upon the woodland management in the first instance (Stage 1) with the creation of a Community Open Day Site and a Community building, forming stages 2 and 3 respectively of a long term proposal.

This document mainly focuses upon the development and delivery of Stage 1 - Community Woodland ownership and management, which is achievable with very low financial risk as shown below. Stages 2 and 3 will only be progressed by VRG in the future if community support and the financial position are strong.

The Three Stages:

Stage 1 - Community Woodland, summarised as the purchase, management and development of the Community Woodland to provide positive benefits for the local community of Carron Valley and District. This will include:

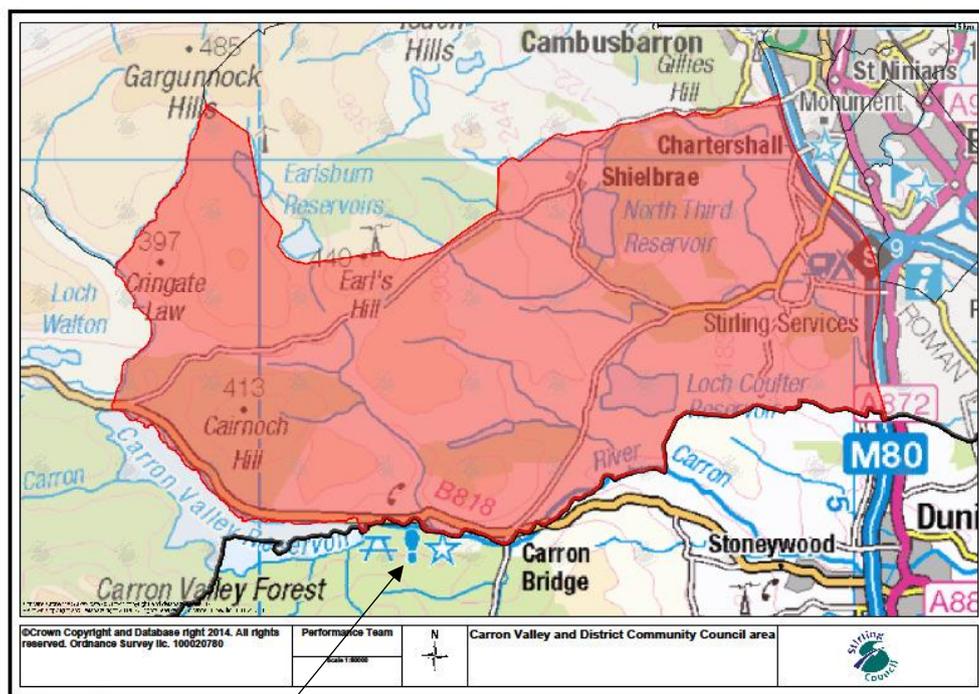
- Employment of a part time Woodland / Volunteer Manager
- Development of volunteer groups to deliver woodland projects
- Purchase and installation of secure storage for tools and first aid
- Liaison with Forestry re use of their toilets
- Installation of notice board for local and tourist notices and information

- Delivery of the Woodland Management Plan
- Set up of sustainable wood fuel project, including coppicing regime
- Delivery of woodland skills focussed workshops
- Improvement and increase of path networks
- Encouraging environmental education activities with local schools and nurseries
- Regular events for local people
- Wet weather shelter (in the storage container)
- Bird hide (volunteer project)
- Children's adventure trail (volunteer project).

Once this suite of projects is underway and has strong local engagement, there is potential to move to stage 2 (likely to be approximately 4 years after Stage 1 is initiated).

Stage 2 - Community Open Day Site. Comprising site servicing, hard standing and landscaping to provide a permanent location for the annual Community Open Day and other community events including BBQ's, picnics, sports etc. This will not require grant funding for capital costs (VRG will fund) and will be treated as a separate mid term project. It has the potential to increase social benefits by providing basic facilities on site which may enable events and a Farmers' Market to be set up.

Stage 3 - Community Building. This is a longer term plan to generate sufficient community engagement and fundraising to deliver the Community Hub building as articulated in the appendix, ideally incorporating a drop-in cafe, community meeting room and office. This will require significant investment and a community mandate to progress, and is a long term plan for the site (potential 5 years after Stage 1).



Position of Carron Valley and District Community Woodland

Map of Carron Valley and District Area

The Carron Valley Community Woodland Project (Stage 1)

The Site

The potential site provides development land, mature forest, deciduous woodland, river access and wetland. This land sits alongside the reservoir, which is 4 miles long and ¾ mile at its widest point. The land is accessed from the B818 (Denny to Fintry) Road and is adjacent to a Forestry Commission carpark and basic toilets, with access to walks and mountain bike trails into the forest. Current access includes two severe grade mountain bike tracks and a number of walking trails, one of which runs along the banks of the reservoir. The facilities on site are owned and managed by FCS, currently open from 7.30am to 9.00pm in the summer and 7.30am to 6.00pm in the winter. Car parking charges are £1 per hour, £3 per day.

The Opportunity

The land to be purchased (21.3ha) is adjacent to the Carron Valley road entrance and is divided into four Lots. Lot 1 (1.74ha) is a potential development site which could be used for a community building and associated car parking in the future. Lots 2 (4.51ha) and 3 (6.64ha) are restocked commercial forest that the community would progressively convert into broadleaf woodland to facilitate increased community access and habitat improvement. Lot 4 (8.41ha) comprises of mature mixed woodland and river access so would provide increased amenity value and benefits for the community from the outset.

The landscape provides access to a number of natural habitats including the river, wetland and deciduous woodland, giving VRG the opportunity to develop further community and environmental projects in the future. A Woodland Management Plan has been prepared (see appendix 6) which illustrates the short and long term actions that will be carried out by VRG to both manage the woodland, and maximise the benefits that can be realised for the community and for visitors to the area.

Vision: The Community Woodland will be a welcoming and accessible space for local people and visitors to meet, find information and get involved with community activities. It will be a catalyst for new groups and events giving the community more cohesion and resilience into the future.

Community Woodland Aims

- Build community cohesion and increase engagement for the Carron Valley and District community
- Improve access to the natural environment
- Provide a catalyst for future developments within the community, including environmental education projects, new groups setting up and opportunities to learn
- Provide a source of managed sustainable wood fuel for local people.

Community Woodland Objectives

1. Purchase Forestry Commission Land at Carron Valley
2. Manage the woodland to increase access and improve wildlife habitats
3. Develop future projects with the community including education, leisure, heritage, natural habitat, wood fuel and access projects
4. Deliver positive social and environmental outcomes.

Woodland Manager and Volunteer co-ordinator post

In order to deliver the Woodland Management Plan and Activities Plan, build community engagement and deliver tangible outcomes, a part time Woodland Manager will be employed by VRG for a minimum of two years. This post holder will be responsible for:

- Woodland management, delivering against the outcomes of the Woodland Management Plan
- Volunteer recruitment, engagement, training, management and support
- Planning and facilitation of woodland activities and events
- Marketing the resource to relevant groups and organisations
- Raising the profile of the project in preparation for further Stages of development.

A full job description is provided in Appendix 1.

VRG has opted not to charge for woodland activities, training opportunities or wood fuel provided by the woodland project in the initial years. In the future, there is the option to charge a minimal fee for these services and this is estimated to generate an earned income of approximately £3,200 per annum.

Carron Valley Community Woodland Activities Plan Summary

Key activities that are likely to be facilitated in the Community Woodland are listed in the table below. These have been collated from conversations with local people, market research and the survey responses. An estimated monthly timetable is provided in Appendix 5.

| Woodland Management Plan (WMP) delivery | |
|--|---|
| Activity | Measurement |
| Volunteer woodland management and skills training workshops | Number of volunteers engaged; volunteer hours |
| Volunteer woodland management activities | Progress towards WMP actions. Improved habitat diversity |
| Sustainable firewood harvesting | Number of community members engaged |
| Path creation, nature trail and waymarking in mature woodland | Number of people accessing facilities |
| | |
| Regular events and activities | |
| Activity | Measurement |
| Forest Schools activities | Numbers attending and feedback from participants |
| Trim trail guided exercise | Numbers attending and feedback from participants |
| Green woodworking days – bird and bat box making. Bird tables, other wood products. Willow weaving, hazel for walking sticks, hurdles etc. Craft based activities. | Numbers attending and feedback from participants |
| Guided walks – flora / fauna / mushroom identification | Numbers attending and feedback from participants |
| Heritage walks | Numbers attending and feedback from participants |
| BBQ and adventure trail games / teddy bear's picnic | Numbers attending and feedback from participants |

| | |
|--|--|
| Woodland activity days for children (kite making, creative nature, pond dipping, treasure hunts, orienteering) | Numbers attending and feedback from participants |
| Stirling Cycle Club competitions, Clanranald Centre events, Cani Sports Scotland, Landrover rallies, Horseriding competitions, Carron Valley Trail runners | Numbers attending and feedback from participants |
| Duke of Edinburgh training | Numbers attending and feedback from participants |
| VRG Annual Open Day | Numbers attending and feedback from participants |
| Easter Event | Numbers attending and feedback from participants |
| Autumn Event | Numbers attending and feedback from participants |
| | |
| Small capital project delivery | |
| Activity | Measurement |
| Bird hide installation | Number of people accessing hide |
| Interpretation board | Number of people accessing information |
| Metal storage box, tools and first aid | Effective working practices |
| Wet weather shelter | Number of groups and volunteers accessing |
| Adventure trail for children | Number of children accessing facilities |
| Increased access to river, boardwalk | Number of people accessing |

Woodland Management Plan Summary

The Woodland Management Plan has been prepared by Native Woodland Advice, a member of Woodlands Trust Scotland. It is designed to set out the priority management considerations, to scope out opportunities and potential problems, and to provide advice on how community aspirations for the area might best be delivered.

The Plan identifies that most of the woodland area is relatively easy to access, with good quality forest roads running through the property, and easy access to the main road eastwards to Stirling and the A9. There is also a good network of paths providing access through the woodland, and the area is potentially an excellent venue for educational visits.

Below is a summary of the required actions for effective Woodland Management. Those which are likely to be carried out by volunteers are also included in the activity plan in Appendix 5.

Key Actions:

Regeneration of broadleaf trees will entail removal of conifers from the broadleaf regeneration areas (Cpt 1b and c) in the first and third years of VRG ownership. The lower part of the restocked area has a significant % of birch and willow regeneration within the planted conifers. There is therefore the opportunity to remove conifers and encourage broadleaf regeneration through volunteer programmes in approximately 30-40 days of time each year.

Access paths and trails - There is already a good network of trails within the wider area and further paths are not essential for good access. However, additional short walks and adventure trail can be

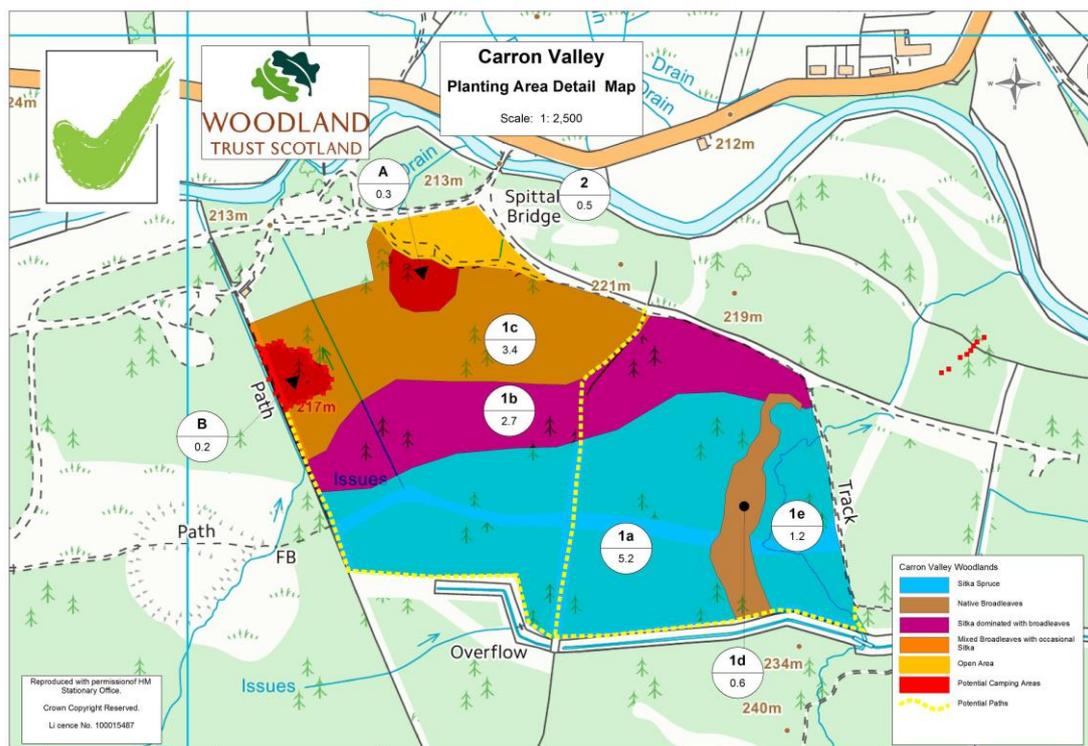
created close to the community hub, within the area of mature timber, notably cpts 5, 9 & 10 using way markers alone, reasonably cheaply.

Mature timber and sustainable firewood management - The area of mature timber is stable and does not require intervention within the next five years, so no urgent management decisions need to be made. The Area Cpt 5 can be managed as continuous cover during this time, thinning by removing some trees under a thinning licence for low scale wood fuel extraction for the local community. In the first 5 year period a proportion of the smaller and sub- dominant trees could be thinned out of Cpts 9 & 10 under thinning licence. Further information and a felling programme is provided in the appendix.

Replanted tree management - Short term management input will be required for the area of replanted trees from the outset, entailing weeding of areas cpt 1a and e at the cost of approximately £2-2.5K.

Deer control needs to be maintained in the re-planted area, with the option of working closely with Forestry Commission to deliver this, at an estimated cost of £200 - £250 per hectare for approximately 10 hectares annually for the next five years. There is also the potential to work with local community members who might wish to cull deer.

The full Woodland Management Plan can be found in Appendix 6.



Carron Valley Woodland Planting Area detail Map

Strategic Context

A full analysis of the strategic fit for this project is provided in Appendix 4. A brief summary is given below.

National – Scottish Government

The project proposal fits well with the strategic context of Scottish and local Government development plans.

Scotland's Economic Strategy (March 2015) illustrates Scottish Government's support for projects such as VRG's purchase of land at Carron Valley and the benefits it recognises can be achieved through activity such as this.

Community Land Scotland clearly articulates the rationale for communities purchasing land on its website, as do several pre-purchase communities that are striving for similar outcomes to VRG. It shows that community ownership enables a sense of belonging and develops the cohesive nature of a community. The purchase of land is the first step in a journey which will lead VRG towards achieving community cohesion, local activity and potential further stages of development in the future.

The Carron Valley Woodland will adhere to all the outcomes expected by the **Community Woodland Association**, with a focus upon effective woodland and habitat management, volunteer and community engagement, increased access and local wood fuel production in the first instance.

Local - Council Priorities

This project directly addresses one of the seven outcomes in **Stirling Council's Single Outcome Agreement** which strives to ensure that vulnerable people are less isolated; communities are supported to make best use of their assets and skills, are resilient to climate change and are involved in the planning and delivery of services. The **Single Outcome Agreement for North Lanarkshire** (the potential site at Carron Valley sits within the North Lanarkshire Planning area) highlights the need for an enhanced network of greenspace and woodland for local communities and wildlife as one aspect of its Regeneration outcomes.

Health and well being

The **Wildlife Trust** state that 'Building nature into your everyday life can improve your mental and physical health'. A report by Essex University, commissioned by The Wildlife Trusts, adds to the ever-growing body of research which shows that Nature is good for you, improving fitness, reducing stress, improving mood, and reducing social isolation. These benefits will all be facilitated and encouraged by VRG through Carron Valley Woodland development, providing the conditions for improved mental and physical health for the local community.

Community Support and Survey results

The Carron Valley and District community was surveyed as part of the Carron Valley Base Feasibility Study in October 2016, to establish the need and market for a Community Base at Carron Valley. The potential woodland purchase and management formed part of this proposal.

Relevant findings have been summarised below, with the main survey results being provided for reference in Appendix 8.

The community survey was distributed to all households in Carron Valley and District (covering 322 residents) and was made available online as part of the original feasibility work. Surveys were returned by 62 households, equating to 159 local people including children, which represents almost 50 % of the population of the area and is a significant response.

Analysis of the survey and responses in relation to the Community Base illustrates strong support for community activities that bring local people together and give them an opportunity to take part.

75% of the respondents were supportive of the purchase of the Forestry Commission site to use as a Community Base and 11 people expressed an interest in helping on a voluntary basis. A minority of returned surveys did not support the proposal, with 11 responses opposed to using community windfarm money for the purpose of building a community base specifically.

The question 'The Land purchase bid is for 21 ha of mature and re stocked woodland. How would you like to see this land used?' produced the responses shown in the graph below against a number of tick boxes, with only 20% (approximately 12 respondents) stating that they would like to see it left as it is. These responses give a clear indication that development of the woodland to provide further access and environmental education is very popular.

Attendance of 200 people at the 2016 VRG Summer Open Day at a marquee close to the Carron Valley site illustrates good community support for VRG and increased use of the woodland site. The Community Council is also very supportive.

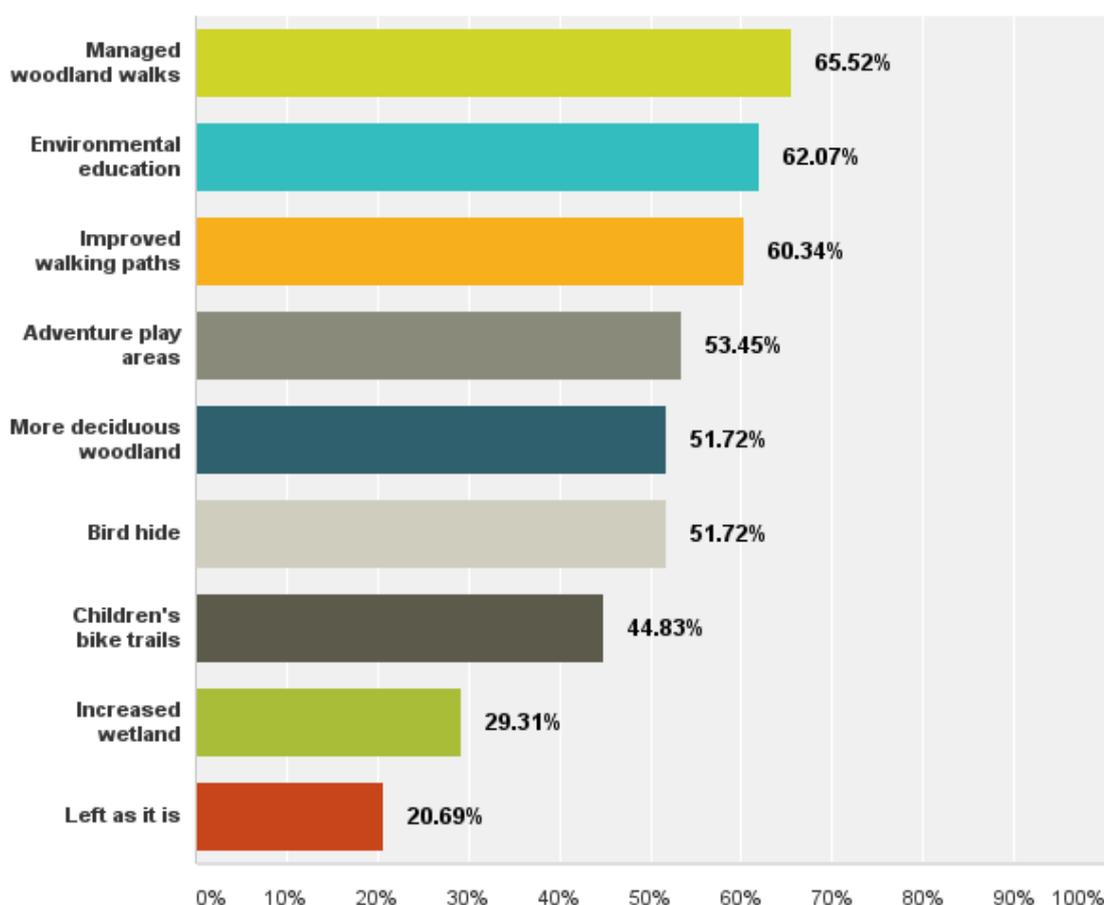


Figure 1: Q5. The Land purchase bid is for 21 ha of mature and re stocked woodland. How would you like to see this land used?

It should be noted that several comments were made within the survey responses that indicated a belief that Forestry Commission should be covering costs for these types of improvements. Discussions with the Forestry Commission have indicated that there is no intention or approved budget available for any further works to be funded by Forestry Commission at Carron Valley. VRG is

therefore keen to purchase the land to facilitate further access and development in the future. Further information regarding FCS policy is provided in Appendix 13.

Evidence of Need

In addition to the community survey results, which illustrate that the community strongly identify the need for a central meeting point, there is statistical evidence of a need to address isolation and fuel poverty in Carron Valley and District.

Scottish Indices of Deprivation (SIMD) for the Carron Valley and District area (SO1013025) highlights the area's lack of geographic access, placing it in the most deprived decile (most deprived 10% in Scotland). Carron Valley and District is therefore recognised as an isolated and dispersed community which faces a number of challenges. There is no central focus for the community as there are no local facilities, making any community gathering very difficult and leading to isolation and a lack of connectivity.

Carron Valley Woodland project will provide a local point from where social and voluntary activities can be co-ordinated.

Fuel poverty

A person is living in fuel poverty if, in order to maintain a satisfactory heating regime, they would need to spend more than 10 per cent of their household income. The Scottish House Condition Survey, Fuel Poverty Evidence Review Aug 2012 <http://www.gov.scot/Resource/0039/00398798.pdf> shows North Lanarkshire as having 35-39% of households in fuel poverty in 2011. This is backed up by anecdotal evidence locally, stating that the community of Carron valley is predominantly housed in older properties which are difficult and expensive to heat.

A sustainable wood fuel project will address this directly, providing a local sustainable source of wood fuel to local families.

Audience and Market

The key activities that people travel to Carron Valley to participate in are mountain biking, walking, fly fishing and cultural and natural history. The Carron Valley carpark has an estimated 43,000 visitors per year (FCS 2016). The area is rich in wildlife and is promoted by the FCS website as such. The forest also contains standing stones, old cattle drove roads, fisher paths and the remains of a 13th century fort. Existing mountain biking and walking trails are popular and environmental education is delivered for local schools and nursery groups currently by the local ranger.

The site is already well used by groups, individuals and families and there is an opportunity to increase interest and recruit volunteers through regular events and activities. There are a number of primary schools within the vicinity - Carron Valley is well placed for use by local schools and children's nurseries from Denny, Fintry and Kilsyth in particular: 1 Secondary School and 5 primary schools in Denny, 1 primary school in Banton, Kilsyth and 1 in Fintry. Improved access and a wet weather shelter would encourage more to use the site for day trips.

The Forestry Ranger responsible for the Carron Valley Forest knows the Carron Valley area well having lived there for many years. He runs outdoor education activities with primary and nursery schools on a weekly basis (St Moden Stirling, Denny High School, Cumbernauld College Nursery Oatridge College West Lothian and some schools From North Lanark shire). He is a Forest School tutor and recognises that Carron Valley could provide a suitable venue for a private Forest School delivery company. The

area has benefited from an adventure trail for children by the Glasgow Art School, which could be expanded to increase local use. He has also noted that local area use of the site is increasing as new families have moved into the area and young parents are using the open space regularly.

Groups regularly using the site include DoE awards, MTB training, John Muir Awards, Action for Children and Green action. Survey responses also highlighted that the Carron Valley Trail Runners, local outward bound and local authority education groups would be likely to benefit from increased management of and access to the woodlands. (Further information in Appendix 13).

Potential Partnerships

The Clanranald Centre is situated a short distance from the Carron Valley car park and although not promoted currently, has the potential to attract visitors to activities and events in the future. The Centre is supportive of the VRG plans. Forestry Commission Scotland - The Forestry Commission Ranger Service is supportive of the development and is keen to work closely with VRG although FCS engagement with future physical development at the site is limited. Stirling Cycle Club - The local cycle clubs are clearly interested in the potential to develop further cycle trails and access within the Carron valley area, which could be facilitated by VRG ownership.

Annual Events and Competitions

There are several groups that regularly use Carron Valley for events and will provide opportunities to partner in the future, including Cani Sports Scotland, Landrover rallies, fishing events, cycling competitions and horse riding competitions.

Comparators

The **Community Woodland Association** provides a number of case studies illustrating activities and income streams delivered through community owned woodlands, two of which are summarised in appendix 12. <http://www.communitywoods.org/index.php>

The **Scottish Woodland Skills** centre is part of Community treeCycle Community Interest Company, a social enterprise that works with young unemployed and special needs individuals to offer a professional tree and woodland management service and the supply of woodfuel and charcoal to the general public. It also offers volunteering opportunities for locals, community groups and businesses. www.communitytreecycle.co.uk

Options Appraisal

This Options Appraisal considers a series of options that would enable VRG to deliver the aims and objectives it has identified, taking into account the information gathered from research and survey work.

| Option and Detail | Rationale and effect | Decision |
|-------------------|---|--------------------------|
| Do Nothing | Lack of community cohesion continues in disparate population, perpetuating isolation for some residents. Continued lack of opportunities for community development. Lack of resilience for Carron Valley and District and no long term investment of windfarm income. | Test alternative options |

| | | |
|---|---|---|
| | | |
| Purchase only Lot 1 from Forestry Commission as a development site | Lower management responsibility for VRG and lower initial cost for land purchase. Management requirements for woodland unknown. Less land moving into community ownership. Not maximising the opportunity to provide a surrounding environment that is attractive and draws people to the space. Future opportunities to increase access for the community and visitors would not be realised. | Consider purchase of 4 Lots. Woodland management plan to be prepared. |
| Purchase Lots 1, 2 and 3 from Forestry Commission | As above. This option does not include the most valuable woodland and wetland habitat (Lot 4) in terms of species diversity and amenity access as it is adjacent to the river and contains mature deciduous woodland. Omitting Lot 4 from the proposed purchase would reduce the social, environmental and potential financial benefits of the project significantly. | Consider purchase of 4 Lots. Woodland management plan to be prepared. |
| Purchase Lots 1,2,3, and 4 from Forestry Commission (total 21 hectares) | Higher purchase price for land. Increased management responsibilities for VRG. Longer term investment with an opportunity to develop further projects in the future. Purchasing all four Lots would provide VRG with sufficient land to build an effective Community Base and bring 21 hectares of woodland and wetland habitats into community ownership. This will give the maximum social, environmental and financial benefits to the community and provide an opportunity for VRG to deliver future projects. | Woodland management plan to be prepared. |
| Develop Community Hub building at outset | Plan tested and rejected by VRG in Jan 2017 (see feasibility in appendix) | Consider other options |
| Develop Community Woodland access and management as Stage 1 | Provides focus for community activity and woodland ownership with low risk and investment initially. Creates volunteer and training opportunities. | Accept option |
| Develop future stages of project as community engagement builds | Staged approach enables community engagement to be built by Woodland Manager and VRG, leading to further project Stages as appropriate | Accept option |
| Use a temporary marquee at Carron Valley when required | Create services and hard standing to enable this site to be used as a temporary Community Event Space (Stage 2). | Stage 2 option to be included in plan |

SWOT Analysis

VRG delivering the Community woodland project as Stage 1

Strengths

- VRG has an engaged and active group of Directors
- VRG has its own savings, so will be able to invest in woodland project work to some extent
- Supportive FCS staff who are keen to see the project work
- Forestry Commission currently manages the wider landscape, maintaining access for walkers and cyclists to the whole forest
- VRG runs a small grants fund which is available to local community organisations to support them to develop and carry out activities in the Community Woodland
- Staged approach enables community engagement to be built and further project Stages to be worked towards

Weaknesses

- Compromise as no permanent building is planned until Stage 3 of the project
- Carron Valley is not recognised as deprived therefore is not a priority area for funders
- VRG requires a more developed management plan and felling licence for the woodland
- Community division and expectation: different views held regarding the benefits of owning the woodland
- Position of woodland requires the majority of people to drive to it and there is no public transport

Opportunities

- Building community strength and cohesion by providing central activity and engagement opportunities
- Support for isolated individuals and development of activities
- Potential growth in numbers of people using the woodland for recreation
- Improved health and well being for local people
- FCS focus is the family market, highlighting children and family activities as growth areas
- VRG have plans for future projects including sustainable fuel wood, adventure trail for children and creating environmental /wildlife areas

Threats

- Carpark charges by FCS
- Closure of carpark morning and evening
- Lack of community engagement and potential low use of the woodland by the community
- Competition from larger mountain biking facilities within half an hours' drive
- Local bike clubs have an expectation that more trails will be developed
- No further commitment from FCS to develop mountain biking routes at the site
- Signage and management of visitors to separate walkers, bikers and horses is important and will need to be addressed.

Expected Outcomes and Measurement

The Scottish Government website states that empowered communities are likely to show increased engagement through increased local democratic participation, confidence and skills development, volunteering and quality of life. Discussions with both the VRG Board and the Carron Valley and District Community Council have highlighted that increased community cohesion is the most important outcome to be achieved from this project. This outcome, together with a significant number of additional benefits to be achieved are illustrated in the table below:

| Expected Outcome | Measurement | Target |
|--|---|-----------------------------------|
| Jobs created | Part time Woodland Manager | Part time post for min of 2 years |
| Increased Community cohesion | Number of community activities and events running at the Woodland per year | 60 |
| Increased participation | Number of attendees at activities annually | 700 |
| Number of young people accessing services | Young people aged 0-25 accessing organised activities or services annually (25% of the young people in the area) | 20 |
| Number of volunteers | Number of people volunteering their time to organise, deliver or support activity | 20 |
| Increased community satisfaction and quality of life | Measured through regular feedback from participants | Qualitative |
| Number of older people accessing services | Older people aged 65 and over accessing organised activities or services annually (50% of the older people in the area) | 20 |
| Increased learning opportunities | Number of training workshops delivered annually | 12 |
| Increased confidence and skills | Number of people attending workshops annually | 100 |
| Affordable wood fuel | Number of families accessing free wood fuel | 20 |
| | | |

Availability of finance (capital and revenue)

Summary

The working assumption is that VRG covers the majority of capital and revenue costs for stages 1 and 2 using windfarm money. The only grant assumed is £56k revenue funding from Scottish Land Fund.

Summary of use of windfarm money for stages 1,2 and 3

The following 3 tables show a summary of costs for delivery of all three stages of the Project (1-3)

Delivery of Stage 1, the main focus of this report, would require a total spend of £113,479, (£57,479 from VRG and a grant of £56,000 from the Scottish Land Fund).

Stages 2 and 3 will only be progressed by VRG in the future if community support and the financial position are strong.

The first table shows the total draw on VRG's windfarm cash IF VRG were to deliver all three stages, including the community building, over a total of 14 years.

| Total VRG investment | Total £ Yrs 1 -14, Stages 1,2,3 |
|---|---------------------------------|
| | |
| Capital - stage 1 - Community Woodland | 39,000 |
| Revenue expenditure - S1 onwards - woodland manager etc | 267,667 |
| Capital - stage 2 - Community Open Day Site | 29,262 |
| Capital - stage 3 - Community Building | 320,000 |
| Revenue expenditure - stage 3 - Community Building | 175,346 |
| Total VRG investment from wind farm cash | 831,275 |

The second table shows the assumed starting position for VRG's windfarm cash, as well as the closing balance at year 14.

| VRG windfarm cash balance and use | Total £ Yrs 1 -14, Stages 1,2,3 |
|---|--|
| Windfarm opening bal est Jun 17 | 310,385 |
| Windfarm addition - existing - including Kingsburn from May 17. Index linked (2%) | 1,293,889 |
| Windfarm spend - VRG general running costs (assumed 2% uplift) - NEW | 319,479 |
| Windfarm spend - this project | 831,275 |
| Closing windfarm balance | 453,520 |

In addition to the VRG windfarm cash and the LF2 acquisition capital, the additional needs for grant / loan finance if VRG progresses with Stage 3 of the project (the community building) are shown in the table below. It should be noted that only LF2 revenue grant is needed to deliver stages 1 and 2, providing a very low risk profile.

| External funding assumed secured in addition to above VRG investment and LF2 capital: | Total £ Yrs 1 -14, Stages 1,2,3 |
|--|--|
| Land Fund 2 revenue | 56,000 |
| Capital grant(s) - stage 3 Community Building | 339,533 |
| Capital loan - stage 3 - Community Building | 133,000 |
| BL Community Assets Medium Grant- stage 3 revenue support | 147,800 |
| Total external investment needed in addition to LF2 capital + VRG funds | 676,333 |

VRG Financial position

From the VRG accounts to 30 June 2016, the group can afford to pay capital and revenue for the community base project, from wind farm funds, as follows:

- from the £222,385 general reserve
- £88,000 Earlsburn funds due to come to VRG
- from wind farm funds to be received in the current financial year, expected to be at least £40k (in line with previous performance)
- from wind farm funds to be received in the following financial years.

VRG has the authority (on behalf of the community) to spend windfarm cash on projects of benefit to the community.

VRG's ongoing finance requirements (apart from the Community Base) are modest, including distributing around £10k grants per year and about another £8k-£10k expenditure on general running costs and the Annual Open Day. These costs are easily covered by the in-year windfarm income.

VRG would need to consider a loan as part of the capital financing of the long term community building (stage 3). Repayments would come out of ongoing windfarm income. The windfarm income payments are expected to continue beyond the life of any capital loan.

VRG may be able to obtain commercial loans for the community building because:

- they could offer security to lenders through a charge on the new building
- the existing wind farm income appears fairly secure and VRG may benefit from more income streams from other windfarms in the future.

However, if commercial lenders refuse to offer a loan, there are a number of social lenders likely to consider the proposition.

Grant Funding Options

VRG will also make grant applications for project costs (thus reserving windfarm cash for other community uses).

A full appraisal of potential grant funding options is provided in Appendix 15 with some key opportunities below:

Big Lottery Fund (Scotland) - Awards For All: Awards for All Scotland is an easy way for smaller organisations to get small amounts of funding. Projects should aim to help improve local communities and the lives of people most in need. They will fund a range of projects which involve bringing local people together, helping people learn, improving local spaces and getting people more active. Success rate is currently around 66%. Max £10k.

Forestry Commission Scotland - Forestry Grant Scheme - Forest Infrastructure: provides support for new access infrastructure (e.g. roads) that will bring small scale, undermanaged woodlands or inaccessible woodlands back into active management with the following aims: to improve the economic value of forest and woodland through timber production; to increase the area of woodland in Scotland that is in sustainable management; to improve the environmental and social benefits of woodland. Rolling programme. Max £10k.

Stirling Council - Community Pride Fund. Funds projects delivered for the benefit of single geographic communities in the Stirling Council area. Projects can include physical infrastructure and environmental improvements as well as activity promoting community spirit. Max £1,500.

North Lanarkshire Council - Community Grants: This grant scheme exists to provide small amounts of funding, within a short timescale, to promote projects or activities which bring community benefit. Max £1k. Open, rolling.

Voluntary Action Fund - Volunteering Support Grant (VSG) - the purpose of the grant is to create new or enhanced volunteering projects, increasing the diversity of volunteers, especially those from disadvantaged groups and improving opportunities, skills and personal development through volunteering. Max £10k.

Russell Trust - The Trust usually supports specific services or projects and prefers to give start-up grants for new initiatives. Grants are usually one-off and average £1,000. £10k max.

Foundation Scotland – Stirling focussed community grants up to £3000 – employability and training. <https://www.foundationscotland.org.uk/media/549224/Stirling-wide-guidance2016.pdf>

The Aviva Community Fund offers support and funding to causes that make a real difference to local communities. Projects can receive funding of up to £25,000. (Competition – need to get votes – any community project).

LEADER – Lanarkshire. Aims to create a strong and viable community sector capable of delivering a range of priority services, <https://www.ruralnetwork.scot/funding/leader/local-action-groups/lanarkshire-leader>.

Capital Costs - Stage 1

| Works costs (excluding all add ons) for Stage 1 - Community Woodland | £ |
|--|---------------|
| Steel container with shutters, insulated and fitted out. Provides space for meeting, changing, storage and hot drinks. Also wet weather shelter. | 12,000 |
| Wet weather shelter - see above. | 0 |
| Forest footfall counters | 0 |
| Electricity connection | 2,500 |
| Water connection | 1,500 |
| Tools, equipment, protective clothing | 8,000 |
| Signage | 1,500 |
| Boardwalk and path improvements | 7,000 |
| Children's adventure trail | 0 |
| Total works costs | 32,500 |

Notice that apart from VAT, there are no extra costs anticipated (such as professional fees, inflation, planning consents, contingency etc).

| Capital summary - Stage 1 - Community Woodland | |
|---|---------------|
| Capital Cost Item | |
| Amount £ | £ |
| A. Land or building purchase | 0 |
| B. All construction costs including preliminaries | 32,500 |
| C. Furniture and equipment | 0 |
| D. Professional fees | 0 |
| E. Other Costs (see note above) | 0 |
| F. Inflation | 0 |
| G. Contingency | 0 |
| H. Non recoverable VAT | 6,500 |
| I. Total Capital Cost | 39,000 |
| Of which VRG capital total (inc VAT) | 39,000 |
| Other funders capital total (inc VAT) | 0 |
| I. Total Capital Cost | 39,000 |

Summary of capital costs for stage 2

| Works costs (excluding all add ons) for Stage 2 - Community Open Day Site | £ |
|--|---------------|
| Hard standing (car parking, marquee base) including services | 13,000 |
| Benches, pic-nic tables, landscaping | 0 |
| Bird hide | 0 |
| Fencing and Gates (Deer fence) | 8,575 |
| Shelters and stakes (vole guards) | 810 |
| Light weight barriers under VRG control | 2,000 |
| Total works costs | 24,385 |

| Capital summary - Stage 2 - Community Open Day Site | |
|--|--------|
| Capital Cost Item | |
| Amount £ | £ |
| A. Land or building purchase | 0 |
| B. All construction costs including preliminaries | 24,385 |
| C. Furniture and equipment | 0 |
| D. Professional fees | 0 |
| E. Other Costs (see note above) | 0 |
| F. Inflation | 0 |
| G. Contingency | 0 |
| H. Non recoverable VAT | 4,877 |
| <hr/> | |
| I. Total Capital Cost | 29,262 |
| Of which VRG capital total (inc VAT) | 29,262 |
| Other funders capital total (inc VAT) | 0 |
| <hr/> | |
| I. Total Capital Cost | 29,262 |

Notice that apart from VAT, there are no extra costs anticipated (such as professional fees, inflation, planning consents, contingency etc).

Revenue (income and expenditure) - Stage 1 and Stage 2

| Assumptions: | | Stages 1 and 2 (1= Community Woodland; 2 = Community Open Day Site) | | | | | | |
|--|--------------------|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Woodland manager / volunteer manager: | | | | | | | | |
| Assume 3 days per week, on employed basis. | | | | | | | | |
| Assumed full time salary (max) | £ | 32,000 | A | | | | | |
| NI threshold | £ | 8,112 | | | | | | |
| Employer's NI FT | £ | 3,297 | B | | | | | |
| Employer pension contrib (6%) FT | £ | 1,920 | C | | | | | |
| Annualised total cost | £ | 37,217 | A+B+C | | | | | |
| Assumed cost per year to VRG (0.6) | £ | 22,330 | | | | | | |
| Inflation: | | Per annum | | | | | | |
| On freelance costs only | | 2.0% | | | | | | |
| On utilities / insurance | | 3.0% | | | | | | |
| Stages 1 and 2 (1= Community Woodland; 2 = Community Open Day Site) | | | | | | | | |
| | Pre opening | Trading year 1 | Trading year 2 | Trading year 3 | Trading year 4 | Trading year 5 | Trading year 6 | Trading year 7 |
| | | Stage 1 | Stage 1 | Stage 1 | Stage 2 | Stage 2 | Stage 2 | Stage 2 |
| Trading income | | | | | | | | |
| Donations | | - | - | - | - | - | - | - |
| Farmers markets | | - | - | - | - | - | - | - |
| Event income | | - | - | - | - | - | - | - |
| Total income | | - | - | - | - | - | - | - |
| Trading expenditure | | | | | | | | |
| Part time woodland manager / volunteer manager (0.6) | | 22,330 | 22,777 | 15,000 | 15,300 | 15,606 | 15,918 | 16,236 |
| Building repairs and maintenance | | - | - | - | - | - | - | - |
| Exterior amenities - repairs | | - | - | - | - | - | - | - |
| Electricity | | 250 | 258 | 265 | 273 | 281 | 290 | 299 |
| Water | | 250 | 258 | 265 | 273 | 281 | 290 | 299 |
| Toilet cleaning | | 1,000 | 1,030 | 1,061 | 1,093 | 1,126 | 1,159 | 1,194 |
| Insurance | | 1,500 | 1,545 | 1,591 | 1,639 | 1,688 | 1,739 | 1,791 |
| BB / phone / IT | | - | - | - | - | - | - | - |
| Volunteer costs/training | | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Travel costs | | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Marketing | | 200 | 200 | 200 | 200 | 200 | 200 | 200 |
| Accounting | | 250 | 250 | 250 | 250 | 250 | 250 | 250 |
| Materials for base / forest activities | | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| Land management expenditure: | | Trading year 1 | Trading year 2 | Trading year 3 | Trading year 4 | Trading year 5 | Trading year 6 | Trading year 7 |
| Ground prep | Grants avail? | - | - | - | - | 250 | 250 | 250 |
| Braodleaf trees | Grants avail? | - | - | - | - | 250 | 250 | 250 |
| Beating up / access | Grants avail? | - | - | - | - | 2,033 | 883 | 883 |
| Total expenditure | | - | 27,030 | 27,567 | 19,883 | 20,278 | 23,216 | 22,479 |
| LF2 revenue award - contrib to freelancer and general running costs. | | | 28,000 | 28,000 | | | | |
| Deficit to be supported by windfarm cash | 0 | 970 | 433 | -19,883 | -20,278 | -23,216 | -22,479 | -22,902 |

Notes to income and expenditure table:

1. CS toilets – VRG to potentially offer FCS an additional contribution towards cleaning to improve the quality of toilets e.g. £50 per week.
2. Part time woodland manager - there may be an opportunity to share a post with another woodland project, or possibly share time from a woodland manager and an volunteer manager.

Project Management

Governance

Valley Renewables Group is set up as a Company Limited by Guarantee and as a registered Charity (No. SC039443). The Community Woodland is estimated to have a very low annual turnover and therefore it is unlikely to require a separate trading company to be set up.

Management

A Community Woodland sub group has been formed to oversee the development and implementation of the Community Woodland project, providing the opportunity to bring additional skills and experience onto the group as required, and separating it from the core business of VRG. The Sub Committee's remit includes to:

- co-ordinate all operational aspects of the development
- ensure adequate progress on woodland management plan
- agree detail of programme planning
- assess options with pros and cons and make recommendations for all Directors' approval
- assess progress and report reasons for variance to Directors
- monitor budget and approve payments
- monitor outcomes and prepare reports to funders
- recruit and manage staff
- oversee volunteer management
- ensure health and safety and security
- promote opportunities to the community
- liaise with FCS and other partners.

Staffing / Volunteers

Staff

A part time Woodland Manager Post will be employed to oversee the woodland management, project development and delivery and volunteer engagement, training and management. The post will be line managed by a member of the Community Woodland sub-group. A job description and further information about the post activities is provided in Appendix 1.

There is potential for this post to be employed in collaboration with the Cambusbarron woodland site which is also the subject of a community ownership bid currently. Close working between the Boards of both VRG and Cambusbarron will enable the post(s) to share skills, knowledge and experience for the benefit of both projects.

Volunteers

Through the survey responses, eleven people have volunteered their time to VRG, in addition to Board Members. Further communication is now required to establish what kind of volunteering these individuals would like to take part in. Extensive volunteer recruitment will be required to ensure that

sufficient volunteers are engaged with the project in the long term. The volunteers will require regular training support, together with effective co-ordination and management. The recruitment of a Woodland Manager with volunteer recruitment and management experience will ensure this can be put in place effectively.

Ongoing Community Engagement

A planned programme of ongoing Community Engagement and events will be put in place to build upon the interest and enthusiasm generated to date. VRG Open Days have been a great success, with attendance of over 200 people, illustrating the potential to encourage people to engage further. The engagement plan is likely to include:

- Regular community events and gatherings, within Carron Valley wherever possible using existing buildings (Clanranald, Fishing meeting room) or hire of marquees or outdoor events to attract people to the site.
- Development of volunteering opportunities.
- Ongoing engagement with the current supporters, and further efforts to engage with those members of the community who have not yet become involved, particularly the hard to reach groups, or isolated older and younger people, through bespoke activities.
- Ensure that all events and activities are used productively to gather and record feedback, and collect contact details of all those expressing an interest in becoming involved with the project or using the facilities in the future.
- Actively recruiting more people to become Members of VRG and to join the Board.
- Progressing with the potential partnership identified with Clanranald, investigating joint events or activities in the interim whilst developing the Community Base project, to increase engagement.

Timetable Overview

| | |
|---------------|---|
| Apr 2017 | Submit Stage 2 SLF application |
| May 2017 | Forest acquisition application submitted |
| May 2017 | Start developing funding package for project and further engage community |
| Summer 2017 | Funding applications submitted (to save VRG funds where appropriate) |
| Sept 2017 | SLF 2 response |
| Nov 2017 | Response expected from FCS (up to 6 months required) |
| Dec 2017 | Land purchase completed |
| Feb 2018 | Part time Woodland Manager recruited |
| Spring 2018 | Stage 1 capex (storage container etc) |
| Summer 2018 | Opening Event held |
| December 2018 | Year 1 Woodland Management Plan actions implemented |
| 2019-2021 | Increased Community access of woodland and development of volunteering |
| 2022 (approx) | Further capex for hard standing for marquee, parking |
| From 2025 | Fundraising, planning and development of community building. |

Risk Analysis

| Risk | Mitigation |
|--|--|
| Failure to secure forest scheme CATS go-ahead for asset transfer. | Ensure application form is high quality. |
| Lack of grant funding opportunities | Only critical to stage 3 - community building. |
| Limited community engagement and high work load for small group of people. Volunteer fatigue | Recruit new group members. Woodland Manager post to be employed to reduce pressure on VRG Board |
| Low revenue income likely to be achieved | VRG to subsidise Woodland Manager post and some project activity |
| Low capacity organisation | High commitment from VRG members needs to be built. Potential to recruit further members for the delivery and management of the project. |
| Low community interest | Survey has indicated potential volunteers and interest in using the woodland. Small community so low numbers, but high benefits for those using site. |
| Low passing traffic on road | Cars already traveling to the site specifically for outdoor activities. Project is not dependent on external (out of area) visitors until stage 3 - Community Building. |
| Group inexperienced in managing woodland | Support from FCS and woodland management plan prepared. Employment of a Woodland Manager to take day to day responsibility. Sub-group with relevant skills and interest set up to manage Woodland. |
| Potential for increased traffic on local road | Woodland activities are unlikely to increase traffic substantially. |

Conclusions

Due to the current VRG windfarm cash balance and expected future receipts, stages 1 and 2 of the project are very low risk and still secure significant outcomes including:

- Improvement of woodland
- Woodland activities for local people, promoting health and well-being and achieving educational outcomes
- Community cohesion through events / activities without significant travel
- Woodland amenities (paths, trails, bird hide, wet weather shelter, storage, hard standing for parking / marquee etc)
- Addressing fuel poverty (through free wood fuel for local community members).