

Environment & Sustainable Communities OSC

Scrutiny review of the Management of the woodland estate owned by Durham County Council

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Chairman's Foreword



In County Durham it is important that our woodlands are looked after for future generations to enjoy. Durham County Council owns a substantial amount of woodland within the County with further woodland creation being carried out as part of the Land of Oak and Iron Heritage Lottery Fund project.

During this review we have learned of the diversity of our woodlands. They provide a habitat to fauna and flora, a place of recreation, they regulate the movement of water, reduce soil erosion and the leaching of pollutants into surface and ground waters. Our woodlands create jobs, provide opportunities for

economic diversification in rural areas, store carbon and create opportunities for education and community involvement. Woodland is also resource for the county council and provides an opportunity to generate income from timber extraction.

The review received information on the management of woodland both by the council and key partners, volunteering opportunities and engagement with local communities, sources of funding and woodland biodiversity. Site visits showed to us two of the many diverse benefits of woodlands – we visited work taking place to extract timber at woods at Croxdale and at Hawthorn Dene we viewed the beautiful site of the bluebell woods.

I would like to thank all of those who have been involved in gathering information especially officers from Regeneration and Economic Development, Neighbourhood Services, The Forestry Commission, Durham Wildlife Trust and Northwoods. I would also like to thank my fellow Councillors who have served on the review group.

Councillor Barbara Graham
Chair Environment and Sustainable Communities
Overview and Scrutiny Committee

Executive Summary

- During the discussion of the committee's work programme for 2014/15 the Environment and Sustainable Communities Overview and Scrutiny Committee agreed at the meeting on 3 July 2014 to undertake a visit to various community woodland sites within the county. This provided an opportunity for members to see 'first hand' the work undertaken by Durham County Council (DCC) and partners on community woodland owned and managed by DCC.
- Members also asked for further detail on: the role of DCC in managing the woodland estate; the key partners within County Durham involved in the woodland estate; timber extraction currently taking place within the county and any future plans for the woodland estate. Following the conclusion of these discussions members identified management of the woodland estate owned by DCC as the future topic for focused scrutiny review.

Focus of the Review

- The aim of the review is to investigate how DCC strategically manages the woodland estate for which it is responsible and identify any future improvements.
- 4 The review pursued the following lines of enquiry:
 - Are DCCs current policies, strategies and plans effective in managing the woodland estate?
 - Is partnership working within the County in relation to management of the woodland estate robust?
 - How will DCC fund woodland management in the future including opportunities for income generation?
 - Should DCC be seeking to create new woodland that meets multiple objectives on DCC estate where appropriate?
 - How DCC and partners encourage, engage with and support communities within County Durham to participate in woodland projects and initiatives?
 - DCC's current and future arrangements for the diversification of the woodland estate?
 - How DCC and partners promote biodiversity within the woodland estate?

Methodology

A review group of 10 members was established from the committee's membership.

The review group gathered evidence over six meetings and carried out two site visits to see timber extraction undertaken and biodiversity schemes within DCC's woodland estate. The meetings and visits were held between January and June 2015 with the evidence provided via presentations and reports from the following DCC officers and partners:

Sue Mullinger - Landscape Delivery Officer – RED John Bragg – Senior Forester – RED; Ged Lawson – Principal Landscape Officer – RED; Darryl Cox – Head Ranger – Neighbourhood Services; Maggie Bosanquet– Sustainability and Climate Change Team Leader – RED; Andrew Jackson – Technical and Service Development Manager - Neighbourhood Services;

Rodger Lowe – Senior Tree Officer – RED; Zoe Thirlaway – Senior Policy Officer – RED; Terry Coult - Principal Ecologist – RED; Richard Pow – Partnership and Expertise Manager, Forestry Commission; Jim Cokill – Director Durham Wildlife Trust; and Andrew Kitching - Projects Manager, Northwoods.

Key Findings & Conclusions

- 6 DCC owns and manages approximately 2000 hectares of woodland within County Durham with a further 214 hectares managed on long-term lease arrangements with partners making a total of 118 sites all providing public access. Management of DCC's woodland estate is spread across two Service Groupings; Neighbourhood Services and Regeneration and Economic Development. Each Service Grouping has adopted its own model of management resulting in the lack of a co-ordinated response to woodland management within the authority in terms of management, expenditure and revenue generation. Consideration should be given to how woodlands are managed over both service groupings to ensure that common areas of woodland management are efficiently and effectively administered and a strategic approach to management is considered. This would allow a pooling of resources such as contractors, enable us to look at different management models for the various types of woodland within the county and explore funding options.
- DCC is in the early stages of undertaking a comprehensive audit of the woodland estate providing an opportunity for DCC to review the current management approach and consider various management models including those used by partners such as Durham Wildlife Trust (DWT) which manage woodland sites owned by Gateshead Borough Council who are unable to manage several sites themselves due to capacity issues. DWT are able to access funding routes that are not open to local authorities and take an approach which will secure the future long term ecology sites under their management (see page 13 of report for case study). It was suggested by the review group that members of the Environment and Sustainable Communities Overview and Scrutiny Committee be kept updated on the progress and key findings of the woodland audit.
- Currently, DCC does not have a corporate strategy/policy for the management and protection of woodland although elements of management and protection are contained in several existing DCC plans and strategies including the County Durham Landscape Strategy, the Green Infrastructure Strategy, and the emerging County Durham Plan. The woodland audit will provide an opportunity to develop and implement a streamlined DCC corporate policy/strategy for the management and protection of woodland owned by DCC.
- Opportunities exist for income generation and increased employment from timber extraction undertaken on DCC woodland estate with two contracts let in 2014 and a further four contracts to be revisited in 2015. DCC has received £10,000 income for the sale of timber from the two let contracts with a further £70,000 to £80,000 anticipated from future sales. The four contracts to be revisited are expected to generate a further income of £20,000-£50,000 in total. DCC needs to maximise income generation and employment

- opportunities including consideration of new management models for the marketing and extraction of timber (SIMWOOD project see page 13 of report for case study) from appropriate DCC forest sites.
- In 2014 six contracts were issued for timber extraction however only two were let. DCC needs to ensure that contracts for timber extraction are advertised appropriately to maximise interest and target the private sector and that the procurement process and the required documentation is simplified to make the contracts more attractive to the private sector.
- The Countryside Stewardship Scheme for England provides funding to support woodlands via capital grants for woodland management and creation to farmers, land managers, land owners and tenants. The European Structural Investment Funds (ESIF) Programme 2014-2020 European Regional Development Fund (ERDF) (low carbon economy strand) may provide funding for forestry projects, however this is proving difficult to access with discussions currently taking place as to the type of project which would gain funding. DCC needs to maximise all funding opportunities available via the Countryside Stewardship Scheme and the ERDF (the low carbon economy strand) of the ESIF Programme 2014-2020 when funding becomes available.
- The Countryside Service has 300 Volunteers active within the Durham Voluntary Countryside Rangers Service (DVCRS) together with a further 100 volunteers from specific groups including corporate groups, work experience groups and restorative justice groups. The Countryside Service needs to promote the volunteering opportunities available via the Durham Community Action's Do-it website, Area Action Partnerships, Durham County News, County Council staff both current and former, Resident Organisations, Community Centres and County Council members. This approach tor greater community involvement aligns and supports the Council's Ask initiative. In addition, to further promote volunteering the contact details of the Countryside Service should be clearly visible at woodland sites ensuring that the service can be easily contacted by the general public to ask advice or enquire about volunteering opportunities.
- Ancient woodland is denoted by sites of continuous woodland cover since 1600. County Durham has a number of small fragmented ancient woodlands that have survived. Although biodiversity of ancient woodlands is protected, the size, fragmentation and isolation of the sites has led to the loss and migration of some species, with development on the periphery having a further impact. In addition, the popularity of wood burners has seen an increase in fallen timber taken from these sites although it is illegal. Members of the public may have limited understanding of biodiversity in ancient woodlands and DCC needs to publicise the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.

Recommendation 1

That Durham County Council as part of the audit of the woodland estate considers:

- The future strategic management of the woodland estate.
- The partnership management approaches adopted by key partners within County Durham such as Durham Wildlife Trust.
- The development and implementation of a streamlined corporate strategy/policy framework for the management and protection of woodland owned by Durham County Council.

That Durham County Council maximise the income generation and employment opportunities from timber extraction on existing and potential new sites including consideration of new management models such as those produced by the SIMWOOD project for the marketing and extraction of timber.

Recommendation 3

That Durham County Council's procurement process for the letting of timber extraction contracts ensure that:

- Contracts are advertised to target and maximise interest from the private sector.
- That in conjunction with the Corporate Procurement Manager the required documentation and process is simplified to make contracts more attractive to private sector companies.

Recommendation 4

That Durham County Council maximises the funding opportunities available via the Common Agricultural Policy (Countryside Stewardship Scheme for England) and the European Structural and Investment Fund (Low Carbon Economy Strand) if and when such funding becomes available for the benefit of the Durham County Council woodland estate.

Recommendation 5

That Durham County Council continues to actively encourage and promote the volunteering opportunities available within the woodland estate via the Durham Community Action's Do-it website, AAPs, Durham County News, Durham County Council Staff (current and former), Resident Organisations, Community Centres and County Council Members.

Recommendation 6

That Durham County Council ensures that the contact details of the Countryside Service are clearly displayed on community woodland sites for use by the general public and that Durham County Council publicise via factsheets information in relation to the benefits of biodiversity; woodland management and the illegal status of fallen timber taken from the woodland estate.

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process an update on the progress of the audit of the woodland estate.

Detailed Report

Woodland in County Durham

- 14 Woodland is a habitat where trees are the dominant plant form. Tree canopies generally overlap and interlink, often forming a more or less continuous canopy which shades the ground to varying degrees. Woodland provides many ecosystem benefits: regulation of water, absorption of pollutants, taking carbon out of the air, and habitats for wildlife, provision of fruit, wood fuel and timber. Woodland also contributes to the beauty, diversity and distinctiveness of rural landscapes.
- The National Forestry Inventory (NFI) March 2012, showed that the total woodland area of County Durham is 19,133 hectares (1 hectare is equal to 10,000 metres squared) representing 7% of the total land area within County Durham. The county has seen an increase in its recorded woodland area of 3,592 hectares since the previous woodland survey undertaken in 2002. However woodland cover in the county is lower than the UK average of 9% and the England average of 8% with existing woodlands within the county often being in relatively remote and sparsely populated areas.
- The majority of woodlands in the county are plantations established for timber, shelter, amenity or game. Older woodlands were planted with native species or with broad leafed trees such as sycamore or beech. Conifers such as scots pine or larch were planted for the pit wood market which became widespread during the 19th and 20th centuries with the development of large Forestry Commission (FC) forests such as Hamsterley. The NFI 2012 shows that conifers occupy 52% of the stocked area and broadleaves 48% based on field samples, aerial surveys and includes felled open spaces.
- Ancient woodland is defined as that which has existed continuously since 1600 when good maps started to become available. Most ancient woodlands in the county lie on land that is unsuitable for agricultural development, on steep valleys and ravines along rivers and streams and consist of oak and birch due to the acidity of the soil. Ash woodlands can be found on the limestone upland gills, ravines and coastal denes.
- Within County Durham 2,096 hectares (10.9%) of the woodland is owned (or leased) by the FC, with the main woodland area comprising of Hamsterley Forest near Bishop Auckland. The remaining 17,036 hectares (89.1%) is owned by private landowners, other government bodies, local authorities, non-government organisations and charities (National Trust, Woodland Trust etc.) and businesses.
- 19 FC data (Managed Woodland Headline Performance Indicator) shows that of the 19,133 hectares of woodland in County Durham only 8,790 hectares are

- managed, leaving 10,343 (54%) unmanaged. DCC currently owns and manages around 2000 hectares of woodland within the county.
- The NFI data also provides data on the size of the woodland areas within County Durham, with the average size of privately owned woodland being around 3.68 hectares, compared to the average size of woodland owned by Durham County Council which is 11.2 hectares.

DCC's Approach to Woodland Management

- Management of the DCC woodland estate following Local Government Reorganisation in 2009 is spilt between two Service Groupings, Neighbourhood Services and Regeneration and Economic Development and falls under three specific teams – Clean and Green; Countryside Service and Landscape and Forest Service.
- This is further divided across service areas; Culture & Sport, Planning & Assets and Direct Services. As a result, there is an inconsistent response to woodland management in terms of management, expenditure and revenue generation.
- DCC continues to undertake further woodland creation within the County increasing the amount of woodland it owns and manages.
- The value of timber products has increased making timber extraction viable and a source of income for DCC.
- A woodland audit of the entire woodland estate owned and managed by DCC is currently being scoped and will evaluate individual woodlands in terms of their biodiversity, economic value, recreational value, landscape value and community value.
- The audit provides an opportunity for the Authority to consolidate and prioritise management operations and resources and look at alternative management approaches for use by DCC.
- 21 The management of DCC's woodland estate is spilt across two Service Groupings within DCC, Neighbourhood Services and Regeneration and Economic Development (RED) and falls under three specific teams –the Clean and Green Team within Neighbourhood Services attend to the maintenance of trees on highway verges, parks and residential estates, the Countryside Service manages community woodland and the Landscape and Forestry Service are responsible for the management of 61 large afforested sites across the county.
- The Countryside Service sits within Neighbourhood Services and manages 'community woodland' or woodland with community benefits. It ensures that: access for all to woodland is enhanced wherever possible; biodiversity gain is achieved and links to communities are strengthened through information, events and volunteering.
- The entire estate under the management of the Countryside Service comprises of 57 sites and includes a mixture of: Special Scientific Interest sites (SSSI), Local Nature Reserve sites (LNR), Local Wildlife sites (LW) and picnic sites with significant biodiversity value; 75 miles (120 km) of railway path; 7 viaducts; 55 bridges and 38 car parks.

- The Countryside Service woodland estate is spread across the county with the majority in the central area with annual visitor numbers to the 57 sites totalling over four million (2012).
- The Countryside Service prioritises a number of activities in managing woodland sites. An annual review of management of these woodland sites is undertaken by the Countryside Service.
- The Landscape and Forestry Services sits within RED Service Grouping and are responsible for the management of 61 sites within County Durham. The sites are located across the county on brownfield sites such as pit heaps and brickworks and were landscaped and afforested throughout the 1970s to 1990s. Since their establishment there has been little active intervention with only basic maintenance taking place.
- 27 Each area of the forest estate has a management plan that covers all aspects of its management including safety, reclamation, landscape and future actions. The management plan identifies priorities for individual sites which include wildlife diversity, public access and leisure, landscape quality and timber production as priorities. All of these priorities have equal bearing.
- The MTFP budget savings limits proactive work such as maintenance and community engagement. The service currently prioritises the work on sites benefitting from external funding e.g. Land of Oak and Iron project.
- The public has access to all DCC woodland including 118 managed sites across the county.
- The current management of the DCC woodland estate is spread across two Service Groupings each with different management, expenditure and revenue generation priorities. This has resulted in a lack of a co-ordinated response to woodland management by the two Service Groupings with each service identifying its own priorities and approach.
- 31 Consideration is needed in relation to how woodlands are managed over both Service Groupings to ensure that common areas of woodland management are efficiently and effectively administered and a strategic approach is used. This would allow for the pooling of resources in relation to contractors, the joint exploration of funding streams due to capacity issues within both Service Groupings and consideration of different management models for different types of woodland.

Audit of Durham County Council's woodland estate 2015

Durham County Council owns and manages a substantial area of woodland in the county in the region of 2000 hectares. Other areas of DCC owned woodland are on long term lease arrangements. This includes 134 hectares of new woodland with the Woodland Trust (WT) and over 80 hectares with Beamish Museum. Further substantial areas of woodland have been created through the Mineral Valleys Heritage Lottery Fund (HLF) Programme of 200 hectares and more woodland creation is planned with the Land of Oak and Iron project consisting of 15.41 hectares of native woodland creation which falls under the forestry team.

- DCC continues to undertake further woodland creation within the County increasing the amount of woodland under its ownership and management. The value of timber products has also increased within the last two years making timber extraction from the woodland estate viable and a source of income for the Authority. The Service Groupings therefore consider it is timely for DCC to undertake an audit of the entire woodland estate.
- DCC officers are in the early stages of undertaking a comprehensive audit of the woodland estate. A project team consisting of staff from both Service Groupings has been established with the team currently scoping out the aim, objectives and areas of focus for the project initiation document.
- The comprehensive audit of the woodland estate will look at the entire DCC woodland resource and evaluate individual woodlands in terms of their biodiversity, economic value, recreational value, landscape value and community value.
- It will also provide an opportunity to develop new woodland creation partnerships within the county and look to the forest estate as a stimulus for wider projects to develop timber supply chains, deliver low carbon growth and contribute towards sustainable economic development across rural and urban communities.
- It is anticipated that the comprehensive audit will take approximately eight months and it was suggested by the review group that members of the Environment and Sustainable Communities Overview and Scrutiny Committee be kept updated on the progress and key findings of the audit.
- The audit will enable the service to consolidate and prioritise management operations and resources leading to more efficient management within Durham County Council, identify alternative management approaches and models for working with partners such as Durham Wildlife Trust (DWT See page 13 paragraph 56 of report for case study).

That Durham County Council as part of the audit of the woodland estate considers:

- The future strategic management of the woodland estate
- The partnership management approaches adopted by key partners within County Durham such as Durham Wildlife Trust.
- The development and implementation of a streamlined corporate strategy/policy framework for the management and protection of woodland owned by Durham County Council.

Recommendation 7

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet including as part of this process an update on the progress of the audit of the woodland estate.

Policies and strategies for the management and protection of trees and woodlands

Key conclusions:

- DCC does not have a corporate strategy/policy for the management and protection of woodland.
- There are elements of woodland management and protection contained in several DCC plans and strategies including: the County Durham Landscape Strategy and the Green Infrastructure Strategy and the emerging County Durham Plan.
- The Corporate Tree Management Policy 2014 manages and protects trees under DCC's ownership.
- The audit of DCC's woodland estate will provide an opportunity to develop and implement a streamlined corporate policy/strategy for the management and protection of woodland owned by DCC.

National policy context

- In 2011 an independent panel on forestry was set up to advise the Government on the future direction of forestry and woodland policy in England and on the future role of the FC. The panel published its final report in July 2012 putting forward 31 recommendations which covered issues in relation to the future of the public forest estate, woodland creation and management, economic development of the forestry sector, payment for ecosystems, community involvement in local woodlands and tree health.
- In relation to the management of woodland, the 2012 report recommends that there is an increase in the area of woodland managed to the UK Forestry Standard (the standard for sustainable forest management in the UK) from around 50% to 80% of total woodland over the next ten years.
- Following the publication of the report, the response by the Government was positive and they agreed that a new woodland culture should be developed with the woodland and forestry sector becoming more resilient.
- A refreshed government forestry policy 'Woodland and Forestry Policy Statement 2013' produced by the Forestry Commission and the Department for the Environment, Food and Rural Affairs (DEFRA), was published which sets out a clear hierarchy of priorities which include protecting, improving and expanding public and private woodland assets.
- The policy addresses the need to sustain, manage and improve our forests and woodlands to enable their contribution to economic growth by reducing red tape and working with private landowners and others to actively manage woodlands. It also identifies the need to work with the forestry sector to explore the scope for exploiting opportunities such as fuel markets or rural tourism and suggests the promotion of greater involvement of communities.
- Town and country planning legislation also provides protection to selected trees and woodlands via Tree Preservation Orders (TPOs). The legislation states that TPOs are legal documents which are administered by the local planning authority (LPA) and should be used to protect selected trees and woodlands if their removal would have a significant impact on the local environment and its enjoyment by the public.

Regional policy context

- In response to the national policy statement a North East strategy and action plan 'Roots to Prosperity' for the growth and development of the forestry sector in Northern England for the next ten years was commissioned. Work was led by an industry led group which included the Forestry Commission, representatives from the forestry industry and local authorities.
- The North East strategy identifies a number of barriers that can affect the management of small woodlands including:
 - Access and infrastructure within woodlands many forests and woodland in the private sector have poor access and infrastructure reducing the potential for harvesting timber and adversely affecting the financial viability of management work.
 - Owners being unengaged and ill-informed about the benefits of management
 —several decades of low timber prices has led to owners having little
 knowledge about woodlands and woodland management which has resulted
 in lower levels of management and a loss in value of these woodlands.
 - Under capitalised contractor base for small scale woodland management –
 larger scale commercial timber harvesting and extraction has been the subject
 of significant investment, innovation and mechanisation. However smaller
 scale, lower intensity harvesting and extraction has not benefited from the
 same level of capital investment. This lack of investment has limited the
 uptake of management in smaller privately owned woodlands.
 - Lack of collaborative working amongst woodland owners many small woodland owners undertake very little if any collaborative working. Links among small woodland owners within discreet geographical areas would ensure activities are undertaken in an efficient and rational manner with reduced costs which would maximise income for the owner.
- The Secretary of State and the North East Local Enterprise Partnership (NELEP) supported the launch of the Roots to Prosperity action plan and strategy in August 2014. The North East strategy and action plan focus on: the forest resource of the North East; opportunities for timber production; investment within the supply chain and processing sector; potential for bioenergy; further woodland creation and the development of tourism and recreation opportunities. The action plan is currently in the implementation stage.
- From a local policy context DCC does not have a corporate strategy/policy for the management and protection of woodland owned by DCC although there are elements within several existing DCC plans and strategies. The review group considered the following relevant plans and strategies:
 - County Durham Landscape Strategy 2008
 - County Durham Green Infrastructure Strategy 2012
 - Corporate Tree Management Policy 2014
 - County Durham Plan (emerging)

- The County Durham Landscape Strategy was adopted by DCC in 2008 and is a non-statutory plan which addresses issues that affect the varied landscapes of County Durham and contains a strategy for woodlands and forestry. The strategy also promotes: the supply and utilisation of woodland products for wood fuels and wood crafts; an increase in woodland cover within the county identifying priority areas for the creation of new woodlands; the use of sensitive forest design; the protection of ancient woodlands; conservation of existing woodlands and provides opportunities for access to the countryside around towns and villages. The strategy forms part of the evidence base for the emerging County Durham Plan.
- The Green Infrastructure Strategy (GIS) 2012 has been developed by DCC in partnership. The GIS offers the potential of dealing with landscape, biodiversity, access and regeneration issues in the countryside around towns in a systematic way. The strategy resists development that has a significant detrimental effect upon trees and woodland, requires new woodlands to be planted where appropriate, for example restoration schemes, and institutes policies for new tree planting. The GIS also forms part of the evidence base for the emerging County Durham Plan.
- In 2014 the Council developed and agreed a county wide tree management policy for the management and protection of all trees under Durham County Council ownership and for those trees which pose a safety risk to the public highway. It sets out a risk based programme of inspection with highways trees and where public safety is at risk considered as the highest priority. The policy also details the requirements in relation to Tree Preservation Orders and trees in conservation areas. In County Durham it takes approximately four days to process a TPO and there are currently 750 TPOs in operation with more being added each year. There are potentially unlimited fines for breaches of TPOs but the upper limit is usually in the region of £20,000. During 2014 138 applications were received for additional TPOs and 95% of those were granted consent.
- The emerging County Durham Plan (identifies where development within the county will take place over the next 20 years) policy 40 lays down specific requirements for development proposals which may impact on trees, woodlands, forestry and hedges including ancient semi-natural woodlands (ASNW) and planted ancient woodland sites (PAWS). In relation to PAWS the policy is more comprehensive than the National Planning Policy Framework. The policy requires new development to retain existing woodland and integrate them fully into the design of sites. Development would not be permitted that would result in the loss of woodland unless the benefits of the proposal clearly outweigh the loss and suitable replacement planting can be undertaken.
- The current policy framework is good, but distributed over several policy documents, however there is a need for a streamlined corporate management policy/strategy for the management and protection of DCC owned woodland. This policy/strategy would bring together all of the existing plans, strategies and policies including policy 40 of the emerging County Durham Plan (which focuses on limiting the effects that development would have on woodland) and would provide detail of woodland management in relation to biodiversity, access etc.

It was suggested by the review group that as part of the audit of the woodland estate the opportunity is taken to develop and implement a streamlined DCC corporate policy/strategy for the management and protection of the woodland estate.

Partnership Working

Key conclusions:

- DCC's woodland audit will include investigating and considering options for the future management of DCC's woodland estate including management models adopted by partners such as Durham Wildlife Trust (DWT).
- DCC share with Northwoods (SIMWOOD project) barriers experienced in relation to the marketing and extraction of timber.
- DCC consider the management model used by the SIMWOOD project for the future management, marketing and extraction of timber on DCC smaller forest sites.
- DCC works with a number of key partners within the county on the management of various woodland projects including the Woodland Trust on Jubilee Woods at Coxhoe, Quarrington Hill and Cassop; Land of Oak and Iron at the Derwent Valley, and Durham Wildlife Trust and the Woodland Trust on the Minerals Valleys project in Weardale. During the review process it was recognised by partners that DCC works well with them in managing woodland projects within the county.
- As part of the review process members were given detail via case studies of the woodland management approach used by DWT and a focused study for County Durham undertaken by Northwoods involving private woodland owners and looking at barriers to woodland management, marketing and timber extraction.

Case Study: Approach to the management of woodland estates by Durham Wildlife Trust (DWT)

Durham Wildlife Trust (DWT) is one of 47 Wildlife Trusts within Great Britain. Its purpose is to protect wildlife and promote nature conservation in County Durham, the City of Sunderland and the boroughs of Gateshead, South Tyneside and Darlington. The Trust delivers conservation projects to protect the regions wildlife and provides education and volunteering opportunities for thousands of children and adults every year.

DWT manages several woodland sites within Gateshead which are owned by Gateshead Borough Council and were previously under the management of the council. Gateshead BC was unable to manage several sites due to capacity issues and the sites attracted external funding from Countryside Stewardship making it viable for DWT to manage the sites. As a charity DWT have access to funding streams that are not open to local authorities. The Trust receives agri- environment scheme (schemes which deliver effective environmental management) income for the sites that it manages, combines this with funding it receives from the sale of timber at its own woodland site in Gateshead, to fund an officer post within DWT which promotes volunteering opportunities and assists in managing the woodland sites under DWT's control.

DWT is looking at opportunities as part of the Land of Oak and Iron project to provide management support to private woodland owners developing partnerships or co-operatives to market and sell timber products.

57 The scope for DCC's woodland audit will include the investigation and consideration of options for the future management of the entire woodland estate including management models adopted by key partners.

Case Study: Woodland management model (Northwoods – SIMWOOD project)

Northwoods is a North East region woodland initiative with the remit of supporting tree and timber businesses. The initiative supports the whole of the forestry sector and its associated supply chain.

The majority of Northwood's projects are publically funded with the initiative managed by the Rural Development Initiatives Limited (RDI), a not-for-profit company with staff delivering projects in support of forestry, farming and land-based industries. The Northwood team comprises of one full-time project manager who is supported by other RDI staff.

Northwoods is currently 18 months into a four year project, the SIMWOOD (Sustainable Innovative Mobilisation of Wood) project 2013- 2017 which is funded via the EU Framework Programme. The overall aim of the project is to investigate and test new novel ideas which could be replicated elsewhere in the UK and across Europe, to mobilise more timber to meet the growing demand.

The project is the result of the sector's forecasts for the coming decades which predict a substantial increase in the demand for wood with the highest growth rate expected to come from the bioenergy sector with wood energy playing a critical role in Europe's future renewable energy supply and the achievement of climate change protection objectives.

The focus study for County Durham will take a specific geographical area within County Durham and undertake a survey of private woodland owners to get a better understanding of their motivation and identify the barriers to the management or the non-management of their woodlands. A pilot project will look into the current practices for managing these small woodland holdings and investigate alternative methods of management, marketing and harvesting across a range of woodland types.

Although it was recognised that the SIMWOOD initiative related to small private woodlands, it was suggested by the review group that DCC share with Northwoods barriers which the authority has experienced in relation to the marketing and extraction of timber. It was also commented that DCC consider the management models produced by the SIMWOOD project for the future management, marketing and extraction of timber on DCC smaller forest sites.

Future Funding of Woodland Management

Timber Extraction

- The restructure programme of the forest estate initiated in 2011 focused on establishing whether DCC forest estate sites were economically viable for timber extraction, and lead to the development of plans for timber extraction at specific sites.
- Only two contracts were let in 2014 from the six contracts issued for timber extraction from DCC's forest estate.
- The procurement process and documentation is complex for contractors particularly small contractors. The current procurement process and documentation needs to be simplified to make it more attractive to the private sector.
- There is £10,000 income in the system from the sale of timber from the two let contracts with a further £70,000 to £80,000 anticipated from future sales. A further £20,000-£50,000 of income is expected from the letting of the remaining four contracts.
- DCC woodland estate contains many mature woodland sites which have only had basic maintenance taking place. The trees are of even age and densely planted and at risk from windblow, tree disease and of poor growth as a result of competition for light, rooting space and nutrients.
- In 2011, DCC decided to undertake a restructure of the forest estate under the management of the RED Service Grouping (Landscape and Forestry Service Teams). The restructure was focused on establishing whether forest estate woodland sites within DCC's ownership were economically viable for timber extraction. It was determined that those DCC forest estate woodland sites over one hectare in size across 61 separate sites within the County would be considered within the restructure.
- DCC needed FC approved plans in order to receive the required felling licenses for the restructure of the forest estate. Due to the complex nature of the documents a consultant was appointed specifically to work on the documents. A key aspect of the consultant's work was to estimate the quantity of timber that could be extracted from the various DCC forest estate sites and the income which could be generated from the sale of the timber.
- The forestry consultant was engaged through procurement in early 2012 and spent 18 months carrying out surveys and submitting plans to the FC. The cost of the consultant was £8,500 of which £6,000 was grant aided by the FC. The consultant worked with the council's procurement team to draw up the contracts for the sale of the timber from the identified sites.
- The contracts for the sale of timber were released in early 2014. The structure of the contracts was designed to ensure the less productive DCC woodland sites were managed alongside the more profitable sites and that smaller local forestry businesses had the opportunity to express an interest in the contracts as well as large scale contractors.

Timber from DCC's forest sites is divided into two markets: softwood and hard wood. Softwoods from the sites are sent to processors locally and further afield in Cumbria and Southern Scotland and are used for wood fuel and firewood. Good quality hardwood has a number of uses including roof trusses, timber frames (construction timber) and furniture. This wood attracts premium values however this high grade timber can take up to 30 years to grow and mature.

A number of issues have to be considered in determining whether a woodland site is suitable for timber extraction. A key issue is access to the site with many of the sites under the management of DCC hard to reach. There is limited access especially with the specialist and heavy machinery required for timber extraction such as tractors, log loaders and skidders. Other technical issues also need to be considered



including weight limits on bridges and the regulations and requirements from the Health and Safety Executive. The above picture shows timber extraction undertaken at the Croxdale site by the contractor.

- Six contracts were issued for the sale of timber from DCC forest estate in 2014 however only two of the contracts were let. Feedback from contractors on the procurement process indicated that the procurement paperwork was too complex and that there was a need to simplify the procurement process and documentation to make the contracts attractive to the private sector. Discussions are taking place with a timber auction company concerning the re-advertising of the remaining four unlet contracts to ensure they are advertised appropriately maximising private sector interest. It is anticipated that the contracts will be re-visited in spring 2015.
- The two contracts let are for timber extraction in the Annfield Plain area (Burnopfield and Westwoods) and the Brandon area (Deerness and Croxdale) of County Durham. In relation to the contract for the Annfield Plain area (Burnopfield and Westwoods) DCC is receiving £11 per tonne which based on estimates will generate DCC £40,000 income from the site. For the Brandon area contract (Deerness and Croxdale), DCC is receiving £17.83 per tonne for high grade timber at Croxdale down to £4.02 per tonne for the young conifers at Deerness. The total income from this contract for DCC is also estimated to be £40,000.
- There is £10,000 income in DCC's 2014/2015 budget from the two let contracts with the remaining sales income expected in 2015/16 to total a further £70,000 £80,000.
- A further £20,000 £50,000 of income in total will be generated as a result of the letting of the remaining four contracts. It was also commented that the letting of the four contractors would create further employment opportunities

within the forestry sector. It was suggested by the review group that DCC maximise the income and employment opportunities available from timber extraction on appropriate DCC forest sites.

Recommendation 2

That Durham County Council maximise the income generation and employment opportunities from timber extraction on existing and potential new sites including consideration of new management models such as those produced by the SIMWOOD project for the marketing and extraction of timber.

Recommendation 3

That Durham County Council's procurement process for the letting of timber extraction contracts ensure that:

- Contracts are advertised to target and maximise interest from the private sector.
- That in conjunction with the Corporate Procurement Manager the required documentation and process is simplified to make contracts more attractive to private sector companies.

EU Funding

- The Common Agricultural Policy (CAP) consists of two pillars with funding for woodlands under pillar two (new rural development programme for England), with the Countryside Stewardship Scheme providing funding to support woodlands.
- The Countryside Stewardship Scheme applies to eligible farmers, land managers, land owners and tenants and provides capital grants for woodland management and creation.
- That DCC as a woodland owner and manager maximise the funding opportunities available via the Countryside Stewardship Scheme to support DCC's woodland estate.
- The low carbon economy element of the ESIF programme 2014-2020 potentially presents significant opportunities both regionally and locally with £70m available to the NELEP and £18m available to County Durham.
- It is anticipated that the English Operational Programme will be agreed and adopted in June 2015.
- DCC and partners have already begun to identify and develop eligible project opportunities including the possibility of developing the biomass supply chain for County Durham (see paragraphs 93-97 for details of project).
- DCC needs to maximise the funding opportunities available for the woodland estate if and when funding becomes available via the low carbon economy element of the ESIF programme.
- Overview and Scrutiny members are updated on any relevant County Durham woodland related projects that may receive funding via the ESIF programme.
- 70 There are two potential sources of EU finding available to support woodlands; The Common Agricultural Policy (CAP) falling under the Countryside Stewardship Scheme which is open for applications; and European Structural

- and Investments Funds (ESIF) Programme 2014-2020 under the new European Regional Development Programme (low carbon economy strand) if and when it becomes available.
- At the time of the review funding arrangements for woodland management was in a state of flux. Changes to the new Common Agricultural Policy (CAP) became effective from December 2014 and therefore a range of new funding arrangements became available. However due to the time lag on some of these new arrangements; there was a cross over period where previous arrangements were still in place.
- The CAP will retain its two pillars with pillar one for direct payments to farmers and market control measures and pillar two to promote rural development. In total the CAP for England will make £14 billion of funds available with 70% of the £14 billion falling to pillar 1 and 30% of the £14 billion falling to pillar 2. The Government informed the European Commission in 2013 that for England, they would for each year of the CAP period (2014-2020) transfer 12% of the budget from direct payments (pillar 1) to rural development (pillar 2).
- The Countryside Stewardship Scheme which is part of the new Rural Development Programme for England is a new environmental land management scheme that will contribute approximately £900m to rural business to help them improve the countryside environment. The scheme is open to eligible farmers, land managers, land owners and tenants. The Countryside Stewardship Scheme is the source of government funding for woodland management within the new Rural Development Programme for England.
- The main priorities of the Countryside Stewardship Scheme are biodiversity and water quality however it will also help to improve flood management, the historic environment, landscape character, genetic conservation, education access and climate change adaptation and mitigation. The Countryside Stewardship Scheme replaces funding opportunities provided by the Environmental Stewardship Scheme, English Woodland Grant Scheme and Capital Grants from the Catchment Sensitive Farming (CSF) Programme.
- The Countryside Stewardship Scheme will provide a range of capital grants to support farming and forestry that benefit the environment. The range of capital grants available to support woodlands includes grants for: hedges and boundaries; tree health; woodland management; woodland creation; feasibility studies and implementation plans. In addition, further funding is provided via the Countryside Stewardship Scheme for the most environmentally important sites and woodland which need complex management such as habitat restoration, woodland creation or tailored measures for priority species.
- Capital grants for woodland creation are available for planting, protecting and maintaining woodlands for 10 years to ensure the establishment of the trees planted. The applications for the capital grants should be for areas of woodland at least 3 hectares. There are exceptions to this such as where the woodland creation is part of work to address water quality or flood risk issues, in these cases applications of 1 hectare would be considered.

- 77 The European Structural and Investment Funds (ESIF) programme 2014-2020 represents a single growth programme combining European Regional Development Fund (ERDF), European Social Fund (ESF), and part of the European Agricultural Fund for Rural Development (EAFRD). For the NELEP area the 2014-2020 ESIF programme amounts to £462m including £135m for County Durham as a Transition Region. In relation to the environmental strand of the ESIF programme, £70m is available to the NELEP for the low carbon economy element with 15% (£18m) of Durham's total allocation ringfenced for this element.
- The government is continuing to negotiate the England Operational Programme (OP) with the EU pending final agreement and formal adoption is anticipated in June 2015 with an early round of calls for projects launched in March. On 20 March 2015 a revised draft English OP was circulated setting out the areas of activity the can be supported under the ESIF programme and the rules and parameters of spending that the EU Commission will agree to in the UK.
- Work is already taking place within DCC in anticipation of the approval of the OPs. DCC officers for the past 16 months have engaged with key partners within County Durham to identify and develop eligible project opportunities suitable for funding from the low carbon economy element of the ESIF programme. DCC officers have identified the development of a biomass supply chain for County Durham as a potential project however discussions are taking place with DEFRA and DCLG to identify if any funding via the ESIF would be available for this project (See page 22 for details of project).
- The review group highlighted the need for DCC in its role as a land owner and manager to maximise the funding opportunities available via the Countryside Stewardship Scheme together with any funding opportunities available via ERDF programme (low carbon economy strand). In addition, members requested that they are kept updated on any relevant County Durham woodland related projects receiving funding via the ESIF programme in the future.

That Durham County Council maximises the funding opportunities available via the Common Agricultural Policy (Countryside Stewardship Scheme for England) and the European Structural and Investment Fund (Low Carbon Economy Strand) if and when such funding becomes available for the benefit of the Durham County Council woodland estate.

How DCC and partners promote volunteering

- The Countryside Service has 300 volunteers within the Durham Voluntary Countryside Rangers Service (DVCRS) together with a further 100 volunteers from specific groups.
- DCC's volunteering figures have been fairly static however they are expected to have declined in 2014/15 which is reflected in figures from Natural England showing a gentle decline in conservation volunteering.

- There are several active local voluntary groups working in community woodland within County Durham. These groups manage woodland sites with the support of DCC staff and receive income from Forestry Commission grants or from selling timber and other products.
- The contact details of the Countryside Service need to be visible via signposting on woodland sites.
- Volunteering opportunities need to be promoted by the Countryside Service via AAPs, Durham County News, and County Council staff both current and former, Resident Organisations, Community Centres and County Councillors.
- The Countryside Service which sits within the Neighbourhood Services Grouping of DCC depends upon 300 volunteers known as Durham Voluntary Countryside Ranger Service (DVCRS) who engage in various activities on DCC woodland sites including:
 - Practical work the service is fully skilled and able to carry out the full range of maintenance work.
 - Lead and steward the guided walks programme.
 - Assist with events and educational sessions.
 - Undertake site patrolling functions.
 - Provide administration assistance.
- On a weekly basis the service has a practical task group session which involves up to 20 volunteers and can be anything from step and stile construction, clearing scrub on grassland sites or removing invasive species from woodlands. The service also has regular small activity group sessions when resources are available with DCC ex-staff helping to run and supervise the sessions with volunteers undertaking habitat work, infrastructure improvements and seasonal maintenance.
- The service engages with and facilitates participation/volunteering from specific groups which include: corporate groups such as Northumbrian Water which send staff twice a year to undertake plant clearing; supported learners groups; work experience groups and restorative justice groups. This brings the total volunteers helping the Countryside Service on community woodland sites within the county to approximately 400. The value of the work undertaken and the support provided by volunteers to the Authority has been estimated at £350,000 per year.
- In addition to the DVCRS there are several active local voluntary groups working in community woodland throughout the county. These local voluntary groups manage the various woodland sites and undertake work to meet the aims/objectives which are specified within the management plans for the individual woodland sites. The following community woodland sites have active local voluntary groups who undertake a range of activities:
 - Bearpark Woods managed in part by a local group /community association known as 'The Friends of Bearpark Woods'. The group with the support of DCC has developed a new management plan for a FC grant for the creation of an orchard and garden with seats which will be located within the woodland.
 - Pelaw Woods managed by 'The Friends of Pelaw Woods'. The group has a management plan in place and is in the process of applying for grants from the FC to undertake conservation work.

- Flassvale managed by 'The Friends of Flass Vale'. The group has been
 established for several years with the woodland located within Durham City.
 The group has conservation and access as aims with its management plan.
 The group has recently received grants for sycamore thinning and to open up
 wetland areas.
- Hedleyhill Woods Local Nature Reserve managed by East Hedleyhope Community Association. The group within tits management plan has a focus of conservation and has recently received FC grants for the development of footpaths and the thinning of woodland.
- Deerness Woods managed by informal friend & volunteers locally. The group has a focus of ecology and access. DCC is currently providing support to this group to thin out conifers and to further diversify habitats.
- The local voluntary groups are led by a few locally influential individuals with the group's focusing on conservation, ecology and access. These groups receive income from grants normally via the FC or from selling timber and other products such as fruit.
- DCC provides support to the local voluntary groups via a member of staff from the Forestry Service who assists with grant applications and provides support and advice in relation to the development of practical skills.
- It was commented by the review group that there is a need for the Countryside Service contact details to be visible on woodland sites for use by groups and individuals to get advice or to ask about volunteering opportunities. It was also suggested that the Countryside Service could actively encourage and promote volunteering opportunities via the Durham Community Action's Do-it website, 14 Area Action Partnerships, Durham County News, County Council staff both current and former, Resident Organisations, Community Centres and County Council members. This approach for greater community involvement aligns and supports the Council's Ask initiative.
- Due to the current national and local economic climate people can not afford the time or to commit to volunteer work in conservation. It was suggested that people are more inclined to volunteer in other sectors.
- Information was also provided to the review group by Durham Wildlife Trust on their approach to volunteering (see case study on page 13 paragraph 56).

That Durham County Council continues to actively encourage and promote the volunteering opportunities available within the woodland estate via the Durham Community Action's Do-it website, AAPs, Durham County News, Durham County Council Staff (current and former), Resident Organisations, Community Centres and County Council Members.

Current and future arrangements for diversification

- Officers within DCC over the last 16 months have led the development of a number of potential low carbon economy projects for funding under the European Structural and Investment Funds (ESIF) programme for 2014-2020.
- A Biomass supply chain project for County Durham has been identified as a
 possible project however there is uncertainty as to whether ESIF funding
 would be available.
- DCC should investigate existing local authority biomass supply chains and incorporate any suitable elements from existing schemes into any future County Durham scheme.
- The review group recognised that the project presented a number of opportunities for County Durham however funding issues needed to be resolved before it could progress.
- Ourham County Council's Sustainability and Climate Change Team have led on the development of a portfolio of potential low carbon economy projects for possible European Structural and Investment funds (ESIF) programme for the whole of the NELEP area. The team has worked over the past 16 months to engage key partners in County Durham and develop a number of eligible project opportunities in advance of the circulation of the circulation of the draft English ESIF operational programme, which identifies the areas of activity which can be supported under the funding programme.
- On the 20 March the draft operational programme was circulated setting out the areas of activity which can be supported under the programme and the rules and parameters of spending that the EU Commission will agree to in the UK which includes projects having a defined start and end date, must meet the eligible activity and secure 40% match funding.
- The review group was informed that as part of the work undertaken to develop projects, DCC officers have identified the development of a biomass supply chain for County Durham as a potential project.
- The aim of the project would be to manage DCC woodland resource and the heat demand in council owned buildings to create market conditions which would stimulate the creation of a private sector supply chain. Key areas of focus in developing the project are:
 - Resource appropriate management of the DCC woodland, investment in woodland creation and provide skills and knowledge to private woodland owners;
 - Supply chain investment in equipment appropriate for small woodlands, support collaborative working and provide business support and facilitation services:
 - Processing the product investment in processing equipment and storage facilities and business support;
 - End use conversion of existing heating systems at appropriate DCC property, training for staff and maintenance arrangements.
- Ourrently European Regional Development Fund (ERDF) cannot be used to fund forestry projects however rural development funding could be used for such a project but is difficult to access and discussions are currently taking

place with DEFRA and DCLG to identify if any EU funding would be available for this project. It was recognised that match funding would be needed for any EU funding received (40% match funding required) and it was suggested by officers that various options would be pursued including discussions with both public and private sector and exploration of different grant schemes.

- In advance of any funding bid being submitted for this project expertise would need to be bought in to develop a business plan which would identify potential pots of funding for the project to move forward.
- Other local authorities within the country have already developed successful biomass supply chains (Barnsley) and it was suggested by the review group that DCC investigate those biomass supply schemes already in existence to see if any elements from existing schemes could be incorporated into any future County Durham scheme.
- 97 The review group commented that the project presented a number of opportunities for County Durham however there were issues to be resolved in relation to funding the project before it could progress.
- The review group received evidence in relation to the extraction of timber currently taking place on the DCC woodland estate and detail of future proposals for further timber extraction and its proposed uses (See paragraphs 59-69).

Woodland Biodiversity in County Durham

- Ancient Woodland is not just trees but the flora and fauna that live within it and the soil in which they live, it is irreplaceable, once it is gone it is lost forever
- County Durham has relatively small areas of ancient woodland in comparison to other areas of England. The Derwent Valley area of County Durham has the most ancient woodland.
- Durham County Council practice coppice management on some areas of ancient woodland it owns. Fallen timber is left on the ground to provide ecological benefit to the woodland.
- The popularity of wood burners has seen an increase in timber being taken from woodlands. It is illegal to take fallen timber from any woodland.
- DCC needs to continue to publicise with the general public the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.
- Forests and woodland plantations such as those in Weardale are no more than crops. The same species of tree is grown and the ground on which they stand has little ecological value. However, ancient woodlands provide a rich variety of flora and fauna and are diverse in the sense that it provides a home to many species of plants, insects, birds and mammals. Ancient woodland sites are usually found in valleys, gorges, ravines and river corridors where timber extraction would be difficult. They are native woods that have been in continual existence since 1600 and in some cases are much older.

- Most ancient woodlands in County Durham remain as isolated fragments, the largest areas of ancient woodland occur in the Derwent Valley area of County Durham where there was much less expansion of settlements during the 19th and 20th centuries as there was in the east of the county.
- 101 Coppice management is practised by the County Council on ancient woodlands in their ownership to mimic wild woods with periodic felling of trees. In some cases felled trees are left to benefit eco systems within the woodland, dead trees are also left for the same reasons but this can cause problems with health and safety.
- An issue with fallen timber being taken from woodlands has increased with the popularity of wood burning stoves. Many members of the public are not aware that it is illegal to take timber from woods without permission. The public also complain and question why trees have been felled as they do not understand that this is required for the woodland to survive and grow. There is a need for DCC to continue to publicise with the general public the benefits of biodiversity, woodland management and the illegal status of fallen timber taken from the woodland estate.
- 103 Biodiversity of ancient woodland is protected by the national planning policy framework and locally the emerging local plan policy 40 provides guidance for developers and states that new development will not be permitted which would result in the loss, fragmentation isolation or deterioration of ancient woodlands. The minimum buffering for new development from ancient woodland sites is 15 metres which is quite close when considering the damage that could be caused by such as domestic pets.
- Due to the size, fragmentation and isolation of ancient woodlands in County Durham species have been lost or migrated elsewhere. Development on the periphery of ancient woodland sites has impacted the wild life habitat.
- 105 Members of the review group visited woodlands at Hawthorn Dene to view biodiversity projects.

That Durham County Council ensures that the contact details of the Countryside Service are clearly displayed on community woodland sites for use by the general public and that Durham County Council publicise via factsheets information in relation to the benefits of biodiversity; woodland management and the illegal status of fallen timber taken from the woodland estate.

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