

Longrigg Woodland Community Purchase

Business Plan Addendum 2022

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Introduction

In 2017 Forestry and Land Scotland informed the community of Strontian that they intended to dispose of the 87 hectares of woodland at Longrigg. Led by the Sunart Community Company a process was followed to explore the support for, and feasibility of community ownership of the woodland. In depth consultations confirmed widespread support for a community purchase and indicated varying levels of support for different proposed uses of the site. A business plan written by external consultants in 2020 detailed a viable plan for community use of the woods.

The COVID pandemic significantly interrupted the community's coordinated efforts to advance the purchase process, but in November 2021 a well attended community meeting was presented with the business plan and confirmed support for a renewed process to advance the application to purchase. In January 2022 a new committee, under the Sunart Community Company, was formed to finalise the plans, apply to purchase the wood, and oversee community management of the site.

Since the process started, a significant amount has changed in the external context - from land and timber prices, to the economic outlook, to post-pandemic norms, and community and societal attitudes. There has also been some evolution in the vision and plans for the wood from the community. Much of the 2020 business plan is however still relevant and valid. This addendum outlines what has changed both internally and externally, ensuring the plans for community ownership of Longrigg are based upon the strongest possible foundations.

Community actions since 2020

Much of life was put on hold as a result of the pandemic, so the community was only able to come together in person in November 2021 to discuss in detail the business plan drafted in 2020. That meeting was attended by around 30 members of the community and there was unanimous support for proceeding with a plan to purchase the site.

Vital to advancing any plan was capacity to lead and support the work. The group of community company members who had led the work to this point were keen to step back and allow others to take up this role. Indications of willingness to engage were secured from attendees, and at a further meeting in January 2022, a new committee was formed and it was agreed that the effort to secure the woodland for community use would proceed as a project led by the newly formed committee under the auspices of the Sunart Community Company.

Since then the committee has met on a quarterly basis to advance the plans and liaised regularly through an email group. Activities have included:

- Two site visits to walk through the woods and familiarise those involved with the conditions and potential uses
- Meetings with external partners, Forestry & Land Scotland, and Highlands and Islands Enterprise, including a further on-site meeting
- Worked with FLS to commission a new land valuation
- Engaged a private contractor to undertake revised mensuration and timber valuations
- Included questions on the planned Longrigg community purchase in the 2022 Sunart Community Consultation
- Review of the 2020 business plan

Online responses to the December 2022 community consultation (paper submissions are not yet fully collated) show continued strong support for the project:

- 71% of the community support acquisition of the wood, with just 8% not in favour
- Respondents expressed most support for the planting native trees, and biodiversity restoration, as well as community uses like walking and cycling, educational resource, community firewood enterprise, and affordable eco-housing and woodland crofts
- The least supported option was commercial restocking for future timber harvesting

Despite the high levels of community support we plan another round of consultation and outreach if and when a CAT application is approved, to address concerns and build buy-in for the project as it moves closer to reality and plans are refined.

Changed external context

The external context has changed considerably since the business plan was drafted in 2020.

COVID

- The pandemic has driven significant change in our community and wider societal trends including:
 - Increased rates of isolation and loneliness as community gatherings were stopped and have only slowly begun to return - this is leading to increased demand for safe outdoor social spaces
 - Increased number of new young families in the community, partially the result of a shift to increased home working - this is a positive development in and of itself, but has worsened an already severe housing crisis in the village with little to no affordable housing available, particularly properties suitable for families
 - Increased domestic tourism resulting in larger numbers of UK tourists visiting the Ardnamurchan peninsula

Economy

- COVID led to dramatic economic changes in the UK and globally. This included a significant increase in timber prices through until early 2022
- The war in Ukraine, recent government economic policy, and other factors have driven the economy into likely recession, and timber prices have dropped
- Land prices have steadily risen since 2020, in part fueled by increased demand for land that can be used as carbon offsetting

Environment

- There has been continued increase in the frequency of extreme weather events across the UK
- Sunart is likely to continue to see milder winters and wetter summers, with storms likely to increase in frequency and intensity

There is significant external uncertainty and the risk mitigation preparation required by the community in taking on the Longrigg site will need to be considerable.

Changes in the community business plans

As a result of these changed external circumstances and an evolution in the ideas of the steering committee, informed by the on-going community consultation, a few updates and additions to the 2020 business plan are required to ensure our current plans are accurately reflected. These shifts are set out below.

Outline business objectives

These have been revised with changes highlighted in bold below. In summary additional priorities around education and housing have been added, as changing community priorities and new committee members have flagged these are areas with significant additional potential. The new outcome focused on the environmental benefits of wood fuel was added to fill a gap identified by the group when reviewing the original business plan.

- Economic Development Objectives:

- To support local businesses in the area and create new ones that are directly related to the woodland.
- To support tourism and promote the area to visitors.
- To support crofting and agricultural development.
- To develop the skills of the community.
- **Social Development Objectives:**
 - Reconnecting the community with a woodland culture.
 - Supporting and developing community facilities.
 - **Creation of educational spaces and opportunities in partnership with Ardnamurchan High School**
 - Improving social and recreational activities for the community.
 - **Increased options for affordable housing through woodland crofts and eco-homes.**
 - Health and wellbeing. There is an extensive range of evidence that supports working and walking in woodlands as an important resource for the health and wellbeing of a community.
- **Environmental Development Objectives:**
 - Restructuring a plantation to provide a more biodiverse and accessible woodland.
 - Restructuring a plantation to create more resilient woodland for the future.
 - Providing opportunities to create habitat networks.
 - Developing the environmental skills and knowledge of the community.
 - **Enabling use of a carbon neutral source of fuel for the community**

Housing

The lack of affordable housing in the village is an extreme concern, with key workers having to commute to work here, and many families forced to live in unsuitable accommodation, or simply forced to leave the village altogether. This crisis has worsened since 2020, and there is increased enthusiasm in the group for the exploration, in the 2-5 year time period, of eco-affordable housing, or potentially co-housing developments.

Whilst this is lying outside the anticipated focus for new housing in the masterplan, the challenges of securing land for building is acute, and the benefits of community controlled development within the Longrigg woodland area are significant. There is also strong support for the creation of woodland crofts, with movement on them expected slightly sooner in the development plan. While there is no guarantee that affordable housing or woodland crofts would gain the relevant consents on the site, there are a number of precedents in Highland that support inclusion of these community aspirations in SCC's proposals for the woodland. Housing and woodland crofts are included, on the basis that further engagement with Highland Council, SEPA, the community council, Longrigg residents, housing trusts and other key stakeholders such as Rural Housing Scotland, Cohousing Scotland, and others will be conducted post-acquisition, together with specific business planning .

Educational resource

More detailed thinking on the educational benefits of community ownership of Longrigg has been undertaken since the 2020 plan, with increased and enthusiastic participation in the project from senior members of the Ardnamurchan High School staff. Detailed additional information on the huge potential benefits for education and lifelong learning is contained in the accompanying document titled: *Educational section for Business Plan 22*.

Forest management

A number of options were set out in the feasibility study, broadly summarised as:

1. Clear fell the entire wood and commercial restock over three five-year felling cycles
2. Medium term regeneration - felling large amounts of the wood over a longer period to be restocked with more diverse range of species
3. Focus on felling the most valuable spruce to be restocked with diverse range of species

Whilst the business plan set out more detailed projections for options two and three, the views of those involved, and the wider community, have led to a consensus building around a version of option three: a move to commercially extract only the valuable spruce together with the accessible Japanese Larch and Western Hemlock in as limited a time as possible, allowing the much more gradual development or natural regeneration of the rest of the wood over time.

Access

The business plan set out three potential routes into the forest. However, further consultation with relevant parties means that the most likely effective route into the wood is along the proposed track set out in the FLS area plan.

Estimates were also secured to estimate the cost of adapting the bellmouth at the bottom of the Longrigg road to enable trucks to turn left onto, or right off the A861e. We have sought revisions on these costs, but we are also in discussion with FLS to explore an alternative plan that would avoid needing to make changes to the bridge or road junction with the A861. It is hoped that FLS sites further along the road to Salen could be used as potential turning points for hauliers accessing the woodland. This would increase the distance travelled by lorries but would likely result in a lower overall cost, greater profits to reinvest in woodland management, and lower disruption to neighbours, as the bellmouth widening will significantly change the character of Longrigg road (though this could be reinstated at a future date).

Revised calculations and costs

The following criteria were applied to update the cash flow projection from the 2020 business plan:

1. Revised income estimates for sawlogs, firewood and other short roundwood are based on a privately commissioned valuation from John MacDonald (Scotwood) together with steering committee forester estimates of percentage log break out and expected harvest area of Sitka Spruce, Japanese Larch and Western Hemlock in Years 1 & 2.
2. Most of the cost items have been increased by 25% to reflect the significant changes in material, fuel and machinery costs in the last three years.
3. Fencing, access roading and public road repair costs were revised upwards by >25% from initial estimates to ensure, respectively: successful restock; provision for potential additional in-forest roading (including for public access, education and local sawmilling /firewood processing); contingency for unknown costs of public road repairs from the estimated 750 artic loads of timber in Years 1 & 2.

	Year 1	Year 2	Year 3	Year 4	Year 5
RECEIPTS					
Harvested timber - sawlogs	£115,000.00	£200,000.00			
Harvested timber – local firewood	£3,000.00	£4,500.00			
Harvested timber - chipwood	£40,000.00	£72,500.00			
FGS funds - forest plan and restructuring regeneration	£2,175.00		£9,000.00		
TOTAL RECEIPTS	£160,175.00	£277,000.00	£9,000.00	£0.00	£0.00
PAYMENTS					
Direct Costs					
Improve junction with A861	£37,500.00				
Form new access and bell mouth at forest access to Longrigg Road	£12,500.00				
Access track - from Longrigg Road to new turning/stacking area in wood and woodlots.	£20,000.00				

Turning and timber stacking area in woodland	£18,750.00				
Fence repairs	£10,000.00				
Road and track repairs		£50,000.00			
Maintenance		£1,955.00	£3,895.00	£3,895.00	£3,895.00
Replanting		£19,404.00			
Site prep - scarifying		£6,937.50			
Educational teaching and shelter space		£25,000.00			
Woodfuel processing equipment		£16,250.00			
Polytunnel		£8,750.00			
Compost Toilets		£6,250.00			
Indirect costs					
Professional fees	£4,125.00	£2,625.00	£718.75	£937.50	£500.00
Insurance	£1,200.00	£1,200.00	£1,200.00	£1,200.00	£1,200.00
TOTAL PAYMENTS	£104,075.00	£107,121.50	£5,813.75	£6,032.50	£5,595.00
NET CASH FLOW	£56,100.00	£169,878.50	£3,186.25	-£6,032.50	-£5,595.00
CLOSING BALANCE	£56,100.00	£225,978.50	£229,164.75	£223,132.25	£217,537.25