

# Ardochy Forest

## Feasibility Study & Options Appraisal



**Woodland Crofts Partnership &  
The Highlands Small Communities Housing Trust  
On behalf of Glengarry Community Woodlands  
August 2020**

## **Covid19**

During the period of this study, the Covid19 pandemic reached Scotland with full lockdown imposed in late March, causing severe disruption to business and everyday life. Schools closed and non-essential work was suspended where it could not be continued from home. Work on this project continued through home-based working and virtual meetings, but there was inevitably some impact on progress not least as a result of third-party stakeholders being furloughed or redeployed onto the Covid19 response. At the time of writing (August 2020) lockdown is easing but it remains to be seen whether this can be maintained or whether the reimposition of control measures may prove necessary in coming months.

What is certain however, is that the virus outbreak will result in permanent change. Communities have been at the forefront of the response to the pandemic in providing local solutions to supporting more vulnerable community members. The benefits of home-based working, local provision of food, fuel and transport, and increased self-sufficiency at both individual and community level have been highlighted in the most dramatic way. This is likely to colour priorities in the future, such that the case for the proposals included in this report is now even stronger than it was at the commencement of this project: no longer just desirable, but in many respects essential in contributing to the future resilience of this community.



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## 1. Executive Summary

Glengarry Community Woodlands (GCW) is a community organisation which manages an existing community woodland in Invergarry for the benefit of the community. The community, like many in the Highlands, faces various challenges which include a reduction in local employment, an increasing dependency on tourism, and lack of affordable housing. These challenges have resulted in an ageing population as many younger people move away and others are unable to move to the community. Local services are accordingly vulnerable and declining.

GCW is now considering acquiring further woodland in Ardochy Forest, declared surplus by Forestry & Land Scotland (FLS), with a view to helping address these challenges. Under the provisions of FLS's Community Asset Transfer Scheme (CATS), GCW have the right to apply to purchase this land if they can demonstrate that their plans will deliver increased public benefits.

This report was commissioned by GCW and assesses Ardochy Forest in terms of management opportunities which can be developed by GCW and which help address the recognised challenges of the community. It concludes that the establishment of woodland crofts, the provision of affordable housing and the development of renewable energy generation all have the potential to do this, although the latter is not considered in detail in this report.

A woodland croft is a croft with sufficient tree cover overall to be considered a woodland, and combines the management of woodland under crofting tenure with the opportunity to develop a business and a home (subject to planning approval) on the croft. Like most crofts, their management provides a contribution to livelihoods more often than an entire living, however croft-based businesses can sometimes do so.

Affordable housing can be provided through a range of models including housing for rent, low-cost home ownership and the provision of discounted plots of land to enable self-builders to build their own home. Housing opportunities identified at Ardochy Forest lend themselves well to the formation of serviced, self-build plots.

The report recommends that a strip of woodland adjacent to the Tomdoun road be acquired from FLS and that up to 6 woodland crofts and up to 4 affordable self-build plots should be established within it. The crofts would be spread along the length of the woodland with the self-build plots focused on the existing access point at the western end of the woodland.

This proposal is examined in relation to both forest management issues and planning considerations, and concludes that it is both practical and likely to receive the necessary approvals and consents. It recommends that a close partnership be established with a

delivery partner who can provide specialist support, de-risk the innovative aspects of the proposal, and minimise the burden on GCW staff and directors.

The benefits of both woodland crofts and affordable housing to both individuals and the wider community are highlighted, and along with the wider report will be used to support the application to CATS and necessary funding applications. Financial aspects are summarised in this report and detailed more fully in the associated Business Plan for the project.

## **2. Introduction & Background to Study**

This report assesses the feasibility of the Glengarry community acquiring some or all of Ardoch Forest from Forestry & Land Scotland (FLS), and considers various options for development following a possible purchase. It has arisen following third party interest in the acquisition of part of Ardoch Forest.

Under FLS policies, appropriately constituted community groups have the right to submit a request to purchase surplus land before it is disposed of on the open market, and accordingly FLS notified the community of the possibility of a future sale in December 2018.

Under the provisions of the Community Asset Transfer Scheme (CATS) run by FLS, Glengarry Community Woodlands subsequently registered their interest in Ardoch Forest in December 2018.

The Highlands Small Communities Housing Trust and the Woodlands Crofts Partnership tendered jointly for the work of carrying out a feasibility study & options appraisal, including a business plan, and were appointed in October 2019.

## **3. The Glengarry Community**

### **3.1. Description**

Invergarry (*Gaelic: Inbhir Garadh, meaning the mouth of the Garadh river*) is a rural Highland village which is situated in the Great Glen, near where the River Garry flows into Loch Oich. The junction between the A82 trunk road (from Inverness to Fort William) and the A87 trunk road (to Skye) lies near its centre. The ruined Invergarry Castle is situated near the village on Creagan an Fhithich (the Raven's Rock), overlooking Loch Oich.

Glengarry – the village of Invergarry, and surrounding communities - has a population of around 330. The village includes a primary school, community hall, filling station with shop, post office and 3 hotels along with several B&Bs and Guest Houses. The school is a

2 teacher primary with around 30 pupils and associated nursery. From here, secondary pupils transfer to Lochaber High School, 25 miles away in Fort William, or Kilchuimen Academy, 8 miles away in Fort Augustus.

According to the 2011 census, there are 214 household spaces in Glengarry of which 165 are occupied and 49 are second homes or vacant properties. The predominant tenure is owned housing resulting in lower than average levels of housing for rent. The community is sparsely populated with 0.7 people per square kilometre compared with 2.3 in nearby Fort Augustus and Glenmoriston and 41.2 in Fort William. The Glengarry community are therefore keen to moderately increase their population, secure employment and offer a solution to achieve sustainable woodland management through the delivery of a project based on Ardoch Forest.

HSCHT have worked in Invergarry previously, and also have a long-standing connection with the area in that their founder was a member of the Glengarry community around 20 years ago. More recently, a local family have benefitted from a purpose built home to meet their mobility needs, and a property for rent was created in nearby North Laggan.

### **3.2. Challenges**

Like many Highland communities, Glengarry's popularity as a retirement and holiday destination has led to a higher than average proportion of older residents and put pressure on the affordability of local housing. As a result of fewer residents being of working age, local service provision has declined.

Furthermore, formerly significant local employers such as the Hydro Board (Scottish Hydro Electric), the Forestry Commission (now FLS) and fish farming company Marine Harvest (now Mowi) have all scaled back their local workforce which has exacerbated the situation – like similar areas, most local employment is now in tourism, which is often seasonal.

Helping retain people in the community and supporting economic development are thus priorities, and Ardoch Forest represents a potential new opportunity to provide a site for a range of sustainable developments to help address these priorities, which this feasibility study will explore.

### **3.3. Glengarry Community Woodlands**

Glengarry Community Woodlands (GCW) was incorporated in 2015 as a Company Limited by Guarantee in order to acquire Invergarry Wood, a woodland of approximately 30ha which lies just west of the village, and is registered as a Scottish charity.

This wood was identified as surplus land by Forestry Commission Scotland (the predecessor of Forestry and Land Scotland) in 2014, and the community were notified of their intention to dispose of it; subsequently the Glengarry Community Woodland Group

Steering Group was set up and applied to acquire the woodland under the provisions of the National Forest Land Scheme (NFLS), the predecessor of the present CATS scheme referred to in (2) above. This group was subsequently incorporated to allow transfer of ownership of the woodland to take place. The process overall, with FCS under NFLS, is essentially analogous to the current process with FLS, under CATS.

Invergarry Wood – now known locally as Glengarry Community Woodland - comprises the site (and buildings) of a former FCS depot, together with 2 adjacent blocks of woodland lying either side of the A87 trunk road: the larger of these includes the depot buildings and yard. The woodland itself, though initially even aged on acquisition, includes a diverse and attractive species mix including locally useful species such as Douglas Fir and larch, and species important for biodiversity eg Scots pine providing habitat for red squirrels.

GCW currently manages Glengarry Community Woodland for the benefit of the community of Glengarry. This includes running a forest school club for local children, guided wildlife walks, volunteering sessions, green woodworking courses and wider events for the whole community. Restructuring of the woodland provides timber income, and a supply of firewood which is sold locally. GCW also have plans to establish a tourism-based social enterprise to bring in revenue which will underpin future management and development of the woodland, and create new jobs

GCW employs a Development Officer who oversees these activities, and supports the board of GCW, which currently comprises 6 volunteer directors. Future priorities include developing the eco-tourism enterprise, and developing access improvements in the woodland. GCW has an approved (2017), 20 year Forest Plan in place for the woodland, and has also published a comprehensive Development Plan (2019). Both documents are available from the GCW website<sup>1</sup>.

#### **4. Scope of Study**

Because GCW already have management responsibilities for Glengarry Community Woodland, which provides a site for them for to carry out most community woodland activities, and further offers a firewood resource, they currently do not have a need to acquire additional woodland for more general forest management purposes.

In addition, management of this site, together with the proposed purchase of a field opposite, and adjacent to the village graveyard, currently keep the GCW's Development Officer and volunteer board fully stretched and there is limited capacity to take on additional responsibilities.

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<sup>1</sup> [www.glengarry.org.uk](http://www.glengarry.org.uk)



As a result, GCW decided to focus their attention in relation to Ardoch on those areas/developments where acquisition would add value to their existing activities and also meet identified local needs not being addressed elsewhere.

Accordingly, the focus of their interest was agreed to be in the development of affordable housing, woodland crofts, and renewable energy.

## **5. Ardoch Forest**

*Ardoch Forest is the subject of a current, approved Land Management Plan by Forestry and Land Scotland. This plan provides comprehensive information on the history of the forest, the physical nature of the site, biodiversity interests, and the nature of the forest and its current management. Accordingly, readers are encouraged to refer to this report<sup>2</sup> for further detail; what follows below provides a summary of the key features of the forest.*

### **5.1. Description & History**

Ardoch Forest lies approximately 8km west of the village of Invergarry and extends to 260ha. It rises from the northern shore of Loch Garry adjacent to the C1144 minor road to Tomdoun, up to the A87 trunk road, with a further area lying on the north side of the A87. The focus of this report however is that section of the forest lying below the A87, as this was the area originally notified by FLS for possible disposal. What follows for the most part therefore describes this area only.

The land was acquired by the Forestry Commission (FC) in 1947 and planted mainly with commercial conifers. However, it also included naturalised stands of Scots pine planted in the 1890s, elements of policy woodland, and broadleaves. An area of the eastern part of the wood is recorded as an ancient woodland site, and thus now represents a Planted Ancient Woodland Site (PAWS), currently a priority for restoration by FLS. The bulk of the western part of the woodland is recorded as previously being Long Established Woodland of plantation origin, before being planted by FC.

This long history of woodland cover, elements of native woodland and the relative diversity of the modern commercial crop help support a range of biodiversity interests. Red squirrel are present and the woodland includes a Butterfly Action Plan Area. This has been maintained and enhanced in recent years by the grazing of cattle by FLS.

Although the forest is deer fenced, the boundary fences are not secure and as a result deer are present – red and roe, but also Sika. These require ongoing management to prevent damage to younger crops but densities are still sufficiently high that areas of commercial broadleaves planted or planned by FLS require to be separately fenced. Feral pigs are also present in the area and require control.

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<sup>2</sup> <https://forestryandland.gov.scot/what-we-do/planning/active/ardochy>



A particular feature of planned FLS management relevant to community aspirations is the extensive area proposed for Low Impact Silvicultural Systems (LISS) in the lower part of the forest. Such approaches are generally sympathetic to other community interests such as recreation, landscape and biodiversity, and are also ideal for alternative approaches to management (see 6.2.4). Also of note within this wider LISS area is the current proposal to establish an area of commercial broadleaves – sessile oak, sycamore and silver birch – in the recently harvested area west of Ardochy House.

## 5.2. Recent Management

Considerable areas of the lower part of the forest have been harvested in recent years, much of which has yet to be restocked. Some of this has been associated with planned upgrades to the Overhead Powerlines (OHPL) on the site (see 5.4). With the exception of one coupe due to be felled by 2021 under current proposals, the majority of mature woodland in the lower part of the forest is confined to the lower margin, in the area proposed for LISS. This has a bearing on the extent of the area which the community might wish to consider for acquisition.



## 5.3. Access

As mentioned above, this lower part of the forest is bounded on upper and lower edges by public roads, and there are established access points into the forest from both (one on the C1144, and two on the A87). However, the C1144 is currently classed as an Excluded Route for timber transport so heavy vehicle access in the future is not likely to be supported, though clearly it has been allowed previously. That said, the existing access point onto this road will not be required for bulk extraction of timber as clearfelling in this area has been completed, though new harvesting access will be required elsewhere along this road.

## 5.4. Constraints

Generally speaking there are few constraints affecting Ardochy Forest – there are no designated sites within the forest, although the adjacent Loch Garry is a Special Protection Area/Site of Special Scientific Interest. Other conservation interests within the forest have been noted above. There are no significant archaeological sites recorded within the lower section of the forest. There is a mapped private water supply serving Ardochy House, and further unmapped water supplies within the eastern end of the forest between the public roads, serving properties below.

However, a major constraint and a key feature of the site are the powerlines which run through the entire length of the forest. These provide constraints to forest operations, and create extensive wayleave corridors which must be kept free from trees.

Currently there are two powerlines within the forest – a 33kV local distribution line, and a 132kV transmission line on lattice towers above this and roughly parallel to it. The transmission line is currently subject to a reinforcement project<sup>3</sup> between Quoich and Aberchalder.

This involves the construction of a new 132kV trident line on wooden poles running more or less adjacent to (and above) the existing tower line. On completion, this will allow the latter (originally built in 1955) to be refurbished. However, following this refurbishment the trident line will be retained to provide a more secure and resilient connection between Quoich and Aberchalder. Consequently the two current powerlines in the forest will, longer term, be supplemented by a third, which will broaden the wayleave corridor and extend it up the hill.

## **6. Development Options for Ardochy Forest**

### **6.1. Affordable Housing**

#### Suitability

In assessing the suitability of a site for housing (including croft housing), access to the public road, access to services and planning considerations are key factors. These are considered separately for woodland croft housing below, in section 6.2 and its subsections, but essentially the issues are similar.

In the case of an affordable housing development, there is one obvious location within Ardochy Forest which stands out, namely the existing forest access point from the C1144 at the far west end of the block. This is a full specification forest access with good visibility, fairly recently constructed, and so provides a suitable access point from the public road to any houses which might be built within the forest.

From this access, a short length of forest road splits into spurs heading east and west, providing ideal access to potential plots, with a minimum of extra work required.

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<sup>3</sup> <https://www.ssen-transmission.co.uk/projects/quoich-to-aberchalder-132kv-reinforcement-project/>



In terms of services, this location is well placed with respect to electricity supply: a 33kV power line runs less than 100m away. There is no mains water or sewerage in the area, so like other houses nearby this will need to be addressed via private systems.

In respect of planning considerations, any new housing will need to accord with existing national and Highland Council Strategy and Plans, chief amongst these the Highland Wide Local Development Plan (HWLDPP). As Ardochy Forest does not lie within a Settlement Development Area, the relevant policy within the HWLDPP is Policy 36: Development in the Wider Countryside. In addition, the site is zoned as of Local/Regional Importance and will therefore be subject to Policy 57: Natural, Built and Cultural Heritage, and as a woodland site will also be subject to Policy 52: Principle of Development in Woodland.

As an affordable housing development delivering public benefits, it is considered likely that the requirements of these policies can be met at this location, but the study team submitted a pre-application enquiry to the Planning Authorities for further guidance. Their response can be found at Appendix 5 and is discussed in Section 8 below.

### Delivery

There are a wide range of models for providing affordable housing including housing for rent, low-cost home ownership and the provision of discounted plots of land to enable self-builders to build their own home. The location and topography of the key site identified at Ardochy lends itself well to the formation of serviced, self-build plots. As it is several miles from the main village of Invergarry, residents would be required to have access to a vehicle.

Because the forest and future plots are a community asset, there would be a lock in place for any discount provided on the price of the self-build plots. This is envisaged to be controlled by placing a Rural Housing Burden on the Title of each plot that is sold (see Appendix 1 – Rural Housing Burden, and further discussion in Section 13.4).

In the unlikely event that discounted serviced self-build plots are not taken up, then the community have the option of building on the sites themselves. This would involve greater involvement from the community, but the starting point of owning serviced plots does allow other approaches to be carried out such as the provision of housing for rent or low-cost home ownership.

## **6.2. Woodland Crofts**

A woodland croft is a croft with sufficient tree cover overall to be considered a woodland under UK forestry policy; note however this is a descriptive rather than a legal term – in law woodland crofts are simply crofts like any other. Nevertheless, it is useful to be able to identify woodland crofts as distinct from more traditional crofts, and in particular as a unique forest management model, and the term is in common use.

Woodland crofts combine the management of woodland under crofting tenure with the opportunity to develop businesses and homes (subject to planning approval) on the croft. Like most crofts, their management provides a contribution to livelihoods more often than an entire living, however croft-based businesses (which may or may not be related to the woodland itself) can sometimes do so.

Because of their unique combination of access to woodland, access to housing opportunity (often affordable), and the potential for economic development, woodland crofts are in demand across the country from individuals, and currently demand far outstrips supply. The Woodland Crofts Partnership maintains a Register of Interest of those seeking to obtain a woodland croft, which currently includes nearly 250 names, itself likely to represent only a subset of potential demand overall.

They are also of great interest to current and aspiring community woodland owners, who recognise their potential to retain and attract families, particularly younger ones, to help address demographic change and population decline in rural communities. Community-owned woodland crofts have been established in Mull, and Cowal, and are currently under consideration and development elsewhere.

A further feature of woodland crofts is their potential to be a viable management solution on sites which are constrained in terms of more traditional forest management. For example, a site without lorry access for timber extraction may be extremely challenging to address through a typical industrial forestry model – but a woodland crofter extracting to local customers via tractor and trailer may be unaffected by those same constraints.

Woodland crofts are supported by Scottish Government policy (regularly mentioned within the annual Programme for Government), Crofting Commission policy, and by FLS (through CATS opportunities), and most Local Authorities in the crofting areas include support for them within their development policy (see 6.2.3 below).

### **6.2.1. Woodland Crofts and the Glengarry Community**

Prior to the current study, the WCP was aware of some individual interest in the Glengarry community in woodland crofts. However, on commissioning the study community consultation was carried out (see section 9) and it became clear that there was strong interest in the wider community, both in terms of further individuals but also from community representative organisations (including GCW who commissioned the study).

There is an expressed desire to see woodland crofts established in local woodlands, to both help support and retain local families, and also to attract new families to the area. As important as demand is, it requires suitable sites in order to translate it in to the reality of woodland crofts.

In this respect, the community is well placed as the village of Invergarry is surrounded by large areas of woodland under the ownership of Scottish Ministers and managed by FLS; over the longer term there are likely to be potential opportunities to use areas of this land for the establishment of woodland crofts for community benefit, under the provisions of the CATS scheme referenced in (2).

However, an immediate opportunity presents itself with the possible disposal of Ardochy Forest. Accordingly, this study focuses on the potential to develop woodland crofts at Ardochy, in terms of possible locations, number, and overall feasibility.

### **6.2.2. Woodland crofts potential at Ardochy Forest**

In scoping any forest for suitable woodland croft sites, consideration must be given to the objectives that lie behind their creation. In this instance, the affordable housing opportunity is clearly a strong element of both individual and community interest, such that crofts will require to have (or have nearby) developable ground on which houses can be built. In addition, the woodland available must lend itself to management by crofters on a smaller-scale basis, for multiple benefits. This combination, if present, should ensure that any woodland crofts developed stand the maximum chances of success over the longer term. These two aspects are considered further below.

#### Development Issues

These broadly comprise access to the public road; site servicing (unless off-grid solutions are sought); and planning considerations. These are considered in further detail in subsequent sections.

### Woodland Management Issues

These tend to be desirable factors, rather than critical, as the diversity of tree species available which grow under Highland conditions means that going forward there will invariably be species which will succeed on a given site. Clearly crop types will have a bearing on the economic opportunities offered, but again, often it is the woodland setting itself which provides the economic opportunity (e.g. in the context of tourism-related businesses).

A more critical factor is often the nature of the woodland a crofter 'inherits' on entry – can it be managed in small-scale, low impact manner appropriate to the crofting approach, or is a conversion phase necessary first? The questions are considered further in section 6.2.4 in relation to the existing woodland present at Ardochy.

### **6.2.3. Woodland crofts - development issues**

#### Access

Ardochy Forest (or at least the area proposed for disposal by FLS) is bounded on its upper and lower margins by roads, the A87 trunk road to Skye, and the C1144 single track road to Tomdoun. In principle therefore, both roads could provide access points for croft housing subject to meeting visibility requirements.

In practice however, these requirements are considerably more demanding for a trunk road than for a single track minor road, as are the design criteria governing the geometry of the access point itself. Suitable locations along the trunk road are therefore likely to be more limited in number, and much more costly to develop, than any alternatives along the minor road along the southern boundary.

Accordingly, it is proposed that any croft housing should be sited along the southern margin of the wood and accessed from the minor road. A walkover survey has identified at least 4 potential access points with good visibility and suitable roadside topography (see Appendix 2); it is hoped that the pre-application enquiry referred to in 6.1 will confirm this.

#### Servicing

Like the other houses along this road, sites would require to be serviced by private water and sewerage systems in the absence of mains provision. Where croft houses are clustered it will make sense to share such systems.

A feature of Ardochy Forest is the presence of power lines running across its full extent (see 5.4). One of these is a 33kV line which typically lies around 100m or less from the southern edge of the wood, and is therefore ideally located for any croft housing sited in this area. This reinforces the recommendation above (in relation to the public road) that croft housing should be located in the southern margin of the forest.

### Planning considerations

The discussion in 6.1 regarding planning for affordable housing will apply to croft housing too. However, the HWLDP has further policies in relation to crofting (and woodland crofts) which relate: in particular Policy 48 New/Extended Crofting Townships.

This policy is generally supportive, reflecting the Council's position that "The Council wishes to support the creation of new crofting townships.....where circumstances allow".

Certain requirements are highlighted, and those specific to crofting include:

- Evidence that proposals will secure good land management;
- A business plan\* (though there is no expectation of a full-time living from the croft);
- A woodland management plan which meet the UK Forest Standard (for woodland crofts);
- A masterplan for the entire development area.

*\* Dialogue will be required with the Planning Authorities in the interpretation of these criteria, in particular in respect of their timing; for example it will not be possible to evidence a Business Plan for an untenanted croft, however many tenants will be unwilling to sign up to a croft without the certainty of Planning Approval for a croft house (see section 8 for more on this point).*

In addition to the above, proposals will require to be consistent with Highland Council Supplementary Guidance: Trees, Woodlands & Development<sup>4</sup>. This is however supportive of woodland crofts e.g. "The Council will generally support development within existing woodland which is associated with the creation of woodland crofts where it helps to sustain and enhance rural communities".

#### **6.2.4. Woodland crofts – management issues**

As alluded to earlier, woodland crofts management can encompass a wide range of species, objectives and economic development opportunities, so there is considerable flexibility in which sites may be appropriate for them.

Ardoch Forest has a number of attributes which combine to lend itself to woodland crofts management:

- Significant areas of native woodland (Scots pine and broadleaves) – these are species whose timber can be particularly suitable for local adding value, and can usually be managed via a continuous cover approach;

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[http://www.highland.gov.uk/download/downloads/id/354/trees\\_woodlands\\_and\\_development\\_supplementary\\_guidance.pdf](http://www.highland.gov.uk/download/downloads/id/354/trees_woodlands_and_development_supplementary_guidance.pdf)



- Minimal areas of even-aged, commercial conifers remaining, with the more extensive crop areas already harvested (the latter often requiring mechanised clearfelling & extraction, beyond the scope of woodland crofters);
- Harvested areas awaiting restocking (although the absence of standing trees is not ideal, it does represent a ‘blank canvas’ for woodland crofts to develop according to their own priorities);
- A location in a dramatic landscape with loch adjacent, providing opportunities for tourism and recreation development;
- A recent history of cattle grazing by FLS offering the real opportunity to integrate woodland & livestock management.

Having proposed earlier that croft housing be located within the southern margin of the forest, it makes sense that associated crofts are contiguous with this area. This brings a further advantage in that the crofts then lie at the foot of the hillside, making future extraction of timber, especially small-scale, a great deal easier than elsewhere as gravity is then working to assist extraction downhill rather than hinder it up hill.



It is noteworthy in respect of this that this area has been identified and proposed for management via Low Impact Silvicultural Systems (LISS) in the current FLS Land Management Plan. Small scale, intimate working systems which are characteristic of LISS are ideally suited to woodland crofts management and croft-scale equipment, and the small but regular volumes of timber produced provide a manageable quantity for local processing, and sale of niche products. Hence the establishment of woodland crofts in this area is consistent with existing management proposals.

Two further issues relate to the lower margin being the proposed location of woodland crofts; both are constraints in terms of more commercial forestry models, but in a woodland crofts context are either neutral, or present an opportunity.

The first of these is that, as mentioned in 5.3, the C1144 minor road adjacent to the forest is currently classed as an ‘Excluded Route’ for timber transport, and normally should not be used for timber transport in its present condition. As woodland crofters

are generally unlikely to be looking to transport bulk timber, this is a constraint which in reality will have negligible consequences for woodland crofters.

The second of these is the presence of powerlines described in 5.4. This can have two direct consequences for forestry: the restrictions imposed by health and safety considerations on felling & extraction adjacent to powerlines, and the need to maintain wayleaves open to avoid trees interfering with the powerlines.

As much of the site adjacent to the powerlines has already been harvested, or is native woodland suitable for longer term retention, the first of these does not impose a significant short to medium term constraint to crofters, whilst the second provides a particular opportunity.

One obvious way to maintain powerline wayleaves as open and suppress any regeneration is to graze them with livestock. Woodland crofts at Ardochy, *incorporating the powerline wayleaves*, therefore represent a unique opportunity to integrate the raising of livestock with woodland management. Fenced enclosures could be established to take advantage of these wayleaves – in some cases perhaps linking the different lines together, where close enough – to provide permanent grazing areas. Indeed the beginnings of such enclosures already exist as a result of previous FLS cattle grazing.

It is suggested such open areas could therefore represent the upper margins of crofts. If additional woodland was to be included in the crofts above the powerlines, it would introduce the complications of taking machinery under live lines, for relatively insignificant timber benefit and is probably not worth considering. Therefore a natural upper boundary to the croft area could be the current tower line, or the proposed additional trident line, depending on timescales (it would clearly be simplest not to create crofts on land where the new line was still under construction).

These factors therefore combine to lead to the initial proposal (subsequently refined) illustrated in Appendix 2, whereby a 'woodland crofts zone' provides the necessary area to create a number (7 to 11) of woodland crofts, bounded on its upper limit by the powerlines, and its lower limit by the public road. These need not all be delivered in one phase, nor necessarily by GCW directly, but rather represent a likely maximum that should be considered, whilst still allowing each sufficient area.

A proposal for woodland crofts, and next steps, is discussed further in sections 13.3.2 and 13.3.3.

### 6.3. Renewable Energy

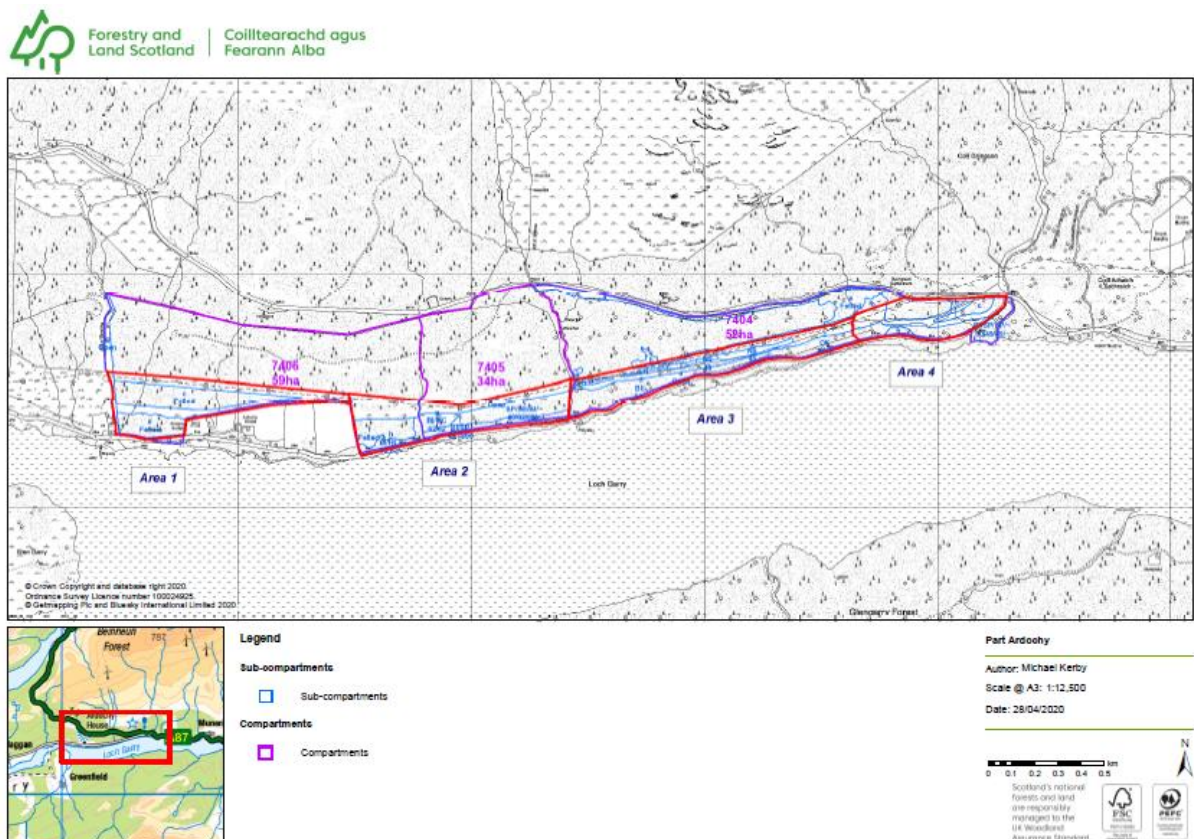
Like many communities, the Glengarry community has an ongoing requirement for income to support community development. Renewable energy generation has been widely used by communities across the Highlands to generate such income, though the significant reduction in support from the UK Government has made such projects much more challenging in recent times. However, they can still be viable on the right site.

Within Ardochy Forest, the main burn Allt a' Bhiora has potential for a run-of-river hydroelectric scheme. It has the benefit that both likely intake and powerhouse locations lie within the forest and are close to and accessible from the public road, and in addition there is an existing 33kV power line which lies approximately 100m from the likely powerhouse location, which could be used for the export of power.

GCW is strongly considering the possibility of developing such a scheme and this may have a bearing on any future area(s) proposed for purchase. However, this project is the subject of further investigations and is not considered further in this report.

## 7. Valuation

As mentioned above, an indicative proposal (appendix 2) was developed as a basis for more detailed project planning. As part of this, an opinion of market value from Bidwells for the 4 areas outlined in this proposal was commissioned jointly by GCW and FLS.



[REDACTED]

[REDACTED]

The valuation of the overall area under consideration was £190,000. This was broken down by area as follows:

- Area 1: £27,000
- Area 2: £83,000
- Area 3: £49,000
- Area 4: £31,000

This valuation has subsequently informed the development of the more detailed project proposals described later in this report.

## 8. Pre-application Planning Advice

The same indicative proposal in appendix 2 was also used as the basis for a pre-application enquiry to the HC Planning Department. Their response can be found at appendix 5. The focus of the initial enquiry was croft housing in area 1, and the response concluded:

*“Based on the information submitted there is policy support for the creation of woodland crofts and any proposals for housing associated with the crofts would be assessed in terms of Policy 48 of the Highland-wide Local Development Plan (and other related subject policies). The site proposed for four croft houses could be supported if the underpinning justification is demonstrated and the points raised within the response are adequately addressed.”*

Follow-up discussion between the study team and planning officers has since explored the potential for an element of affordable (non-croft) housing to be included in area 1, and further croft housing to be sited in areas 2 to 4.

In relation to the first point, it was confirmed that any affordable housing would be assessed under the Housing in the Countryside Policy rather than crofting policies. To meet the requirements of this, the indicative layout initially proposed would require to be altered. However, as detailed proposals for numbers of units and the split between croft and affordable houses will be dictated by the community response to the overall study recommendations, further discussions with planning officers have been deferred until then.

In relation to the second point, it was confirmed that the same policy background would apply to other sites in the area as to area 1. As each site is different however, with differing characteristics, features and patterns of development, an assessment of the specific site/proposals will be needed in due course to provide an indication of support for particular proposals. Again, further discussion with planning officers has been deferred pending the outcome of final community consultation on proposals.

Overall, then, the response to proposals is considered broadly positive and where issues have been highlighted these are felt to be capable of resolution. One particular issue which has arisen relates to the requirements of the Highland-wide Local Development Plan (HWLDP) quoted in section 6.2.3 above. Not unexpectedly, the pre-application response repeats these requirements, and accordingly the 'dialogue' anticipated in 6.2.3 has begun, with the WCP presenting a paper to the Development Planning Team highlighting the practical issues involved, and suggesting a number of options to resolve them.

This has been positively received and at the time of writing a meeting between the WCP and the Development Planning Team has been held, to begin to progress a way forward not just at Ardochy but Highland-wide.

## **9. Community & stakeholder consultation**

Community and stakeholder consultation began formally in November 2019, in partnership with GCW, though discussions relating to the possible acquisition of Ardochy Forest within the community itself had begun nearly a year earlier, following the notification of the site.

To date this exercise has included:

- An Open Afternoon/Evening, held on Tuesday 26 November 2019 in Glengarry Community Hall;
- Awareness raising via social media and community newsletters;
- Direct contact with stakeholders, including Glengarry Community Council, the board of GCW, and the planning authorities.

A final consultation exercise to present the final version of this study and the associated business plan to the community is scheduled for early August. This will be carried out online and on paper owing to the ongoing Covid19 situation. Due to its timing, the outcome of this consultation exercise is not presented here, but will be used to inform any subsequent CATS application and approaches to funders.



### 9.1. Open Afternoon/Evening

This was held as a Drop In event between 3pm and 8pm, to be accessible to parents collecting children from the Primary School and those coming after work, as well as those who were available during the day.

3 representatives from HSCHT and 1 from the Woodland Crofts Partnership were present, alongside the GCW Development Officer and GCW Board members, to provide information and answer questions about affordable housing (housing for rent, self-build options, and low-cost home ownership), and woodland crofts.

THE HIGHLANDS SMALL COMMUNITIES HOUSING TRUST

**Ardochy Forest: Affordable Housing and Woodland Crofts Information Event**

Drop in  
Tuesday 26th  
November 2019  
3pm - 8pm

Glengarry  
Community Hall

Come along and find out about affordable housing options for the community

- Housing for rent
- Self Build options
- Low-cost home ownership

Offer your feedback on the opportunities for Ardochy woodland. We will also have a Woodland Croft advisor at the event who can offer advice on Woodland Crofts and Family Forestry.

For more information -  
Email: [info@hscht.co.uk](mailto:info@hscht.co.uk) Tel: 01463233549  
Company Limited by Guarantee (SC182862) Scottish Charity (SC027544)

GLENGARRY community hall  
WOODLAND CROFTS  
THE HIGHLANDS SMALL COMMUNITIES HOUSING TRUST



Display boards provided further information and literature was available to take away. The event was well attended, with a total of 32 members of the community attending at some point during the afternoon/evening, which represents roughly 10% of the local population.

### 9.2. Woodland crofts

A Powerpoint presentation on woodland crofts was available on request and was repeated several times through the session. Indeed, strong interest in woodland crofts was expressed from the start of the session at 3pm and continued almost without pause through to the finish.

Following an introduction to woodland crofts, all participants were asked to add their answers to the following questions by placing sticky dots on a question/answer sheet:

Q1: Should the community acquire further woodland and make it available to individuals to manage?

Answer: YES (20); NO (0)

Q2: Specifically, should the community acquire further woodland to create woodland crofts?

Answer: YES (20); NO (0)

Q3: If YES, should the new woodland crofts be allocated to:

Local families (0)

'New' families from outside the area (0)

Both (of the above) (20)

*(Note: 2 respondents identified themselves as being from outwith the Invergarry community, but had travelled to the event on account of their interest)*

### Discussion

The question was deliberately framed as a general one rather than specific to Ardoch Forest so as to be of widest use to the community (i.e. should a purchase of Ardoch for any reason not proceed, the results are still relevant to other potential sites in the area).

From an adult population of around 300 adults the response, from a single drop-in event on a late-autumn evening in poor weather, can be considered to be a good one. Further, and perhaps surprisingly, the response was unanimous:

- All respondents were in favour of acquiring more woodland to make available to individuals;
- All respondents were in favour of this being done through the creation of woodland crofts;
- All respondents felt these woodland crofts should be made available to both local residents (or those with a local connection), and 'new' families from outside the community.

In addition to the individual responses above, the same 3 questions were put formally to the main relevant representative community organisations, namely Glengarry Community Council and Glengarry Community Woodlands. Responses from them were both supportive and can be found as Appendices 6 and 7.

The preference expressed that some crofts should be made available to 'new' families from outside the area raises the question of wider demand for woodland crofts: will it be straightforward to attract such new crofters? Anecdotally, interest in woodland crofts is very strong but this can also be quantified, through the Register of Interest of those looking to obtain a woodland croft maintained by the Woodland Crofts Partnership.



Though this represents only a subset of overall demand (as not all those with an interest have registered) there are sufficient numbers on the Register to give confidence that such tenants can be found. Currently, it includes 249 names of whom 122 (49%) have indicated an interest in Lochaber.

### **9.3. Demand for self-build plots**

Prior to the event evidence from the Highland Council housing waiting list within the Invergarry community demonstrated a strong demand for housing. No social or affordable housing has been provided within the village for a significant number of years, in contrast with neighbouring communities in Spean Bridge, Drumnadrochit, and Fort Augustus where new housing developments have taken place in recent years.

The demand – echoed nationwide – is particularly for affordable housing; the presence of existing self-build plots which remain unsold in Invergarry reflects their affordability rather than lack of demand for plots. Based on this evidence and support from the Highland Council, the Scottish Government’s Rural Housing Fund has agreed to support the cost of site investigations to establish the most suitable locations to build housing upon.

During the event, Registration of Interest forms were completed or handed out for return. There were two forms received on the day and two later by email. The event confirmed that there was suitable demand for self-build plots and it is typical that as word of mouth and advertising takes place that this number will rise. If there is a situation where there are a greater number of applicants than the supply of plots, then the plots will be allocated in line with the allocations policy agreed with the community.

## **10. Funding and Grants**

As every development is unique there are a range of finance models and funding combinations possible. An outline of the main options for relating to development at Ardoch are outlined below.

### **10.1 Scottish Land Fund**

<https://www.tnlcommunityfund.org.uk/funding/programmes/scottish-land-fund>

### **10.2 Rural & Island Housing Fund**

<https://www.gov.scot/policies/more-homes/rural-housing-fund/>

### **10.3 Self Build Loan Fund**

<https://www.hscht.co.uk/scotland-self-build-loan-fund.html>

#### **10.4 Croft House Grant Scheme**

<https://www.ruralpayments.org/topics/your-business/forms/pf20---croft-house-grant-scheme/>

#### **10.5 Forestry Grants**

<https://www.ruralpayments.org/publicsite/futures/topics/all-schemes/forestry-grant-scheme>

#### **10.6 Private Finance**

<https://www.triodos.co.uk/sectors-we-finance/social-projects>

<https://www.ecology.co.uk/mortgages/community-and-commercial-mortgages/>

<https://www.socialinvestmentscotland.com/>

#### **10.7 Community Shares**

<https://communitysharesscotland.org.uk/>

#### **10.8 Renewable energy**

<https://www.localenergy.scot/funding/>

### **11. Business Plan**

A full Business Plan for the project proposed in the following sections has been prepared, and forms Appendix 8 to this report. It provides further detail on strategy, partnership arrangements, process, risks, budget and costings.

### **12. Recommendations**

Based on research to date and the information available at the time of writing (August 2020) and outlined above, the study team recommends the following:

- That the community should acquire the area of woodland lying between the powerlines and the Tomdoun road, and comprising Areas 1 to 3 as delineated in Appendix 2 and the valuation report;
- That the initial focus for development should be Area 1, for woodland crofts and self-build plots;

- That a partnership be established with the Highlands Small Communities Housing Trust to deliver the crofts and affordable self-build plots in Area 1, as Phase 1 of the project;
- That following the successful completion of Phase 1 and using lessons learnt, GCW subsequently delivers woodland crofts in Areas 2 and 3, as Phase 2;
- That subject to further investigation, additional land be acquired to allow construction of a hydro-electric scheme at Allt a' Bhiora.

These recommendations are explored in more detail in following sections.

## **13. Future Management of Ardochy Post-Acquisition**

### **13.1. Forest Planning**

The forest plan is a long-term plan that describes the proposed management of a woodland over time. Key to the plan is the identification of the objectives for management, based on a clear vision for the woodland. It is an essential planning tool, emphasised by the UK Forestry Standard (UKFS). The plan will include an assessment of the current state of the woodland, and also its management history.

FLS currently has an approved land management plan in place for the whole of Ardochy Forest, including the area being proposed for acquisition. As discussed earlier, the FLS management prescription for this area - LISS - already fits well with a woodland crofts approach. However, it is important the community revise this plan as an early priority following acquisition.

There are a number of reasons why a woodland plan is a critical part of a woodland crofts project. Creating woodland crofts at Ardochy will involve a process of transition, and this process may be constrained by site factors including management history. The goal will be to take a pragmatic approach to managing the change, without losing sight of the underlying aims and objectives of the project. The woodland plan will give clarity during this process of transition.

Furthermore, there will be a number of stakeholders in the plan, whose needs must be balanced. These include the community, who will not simply be interested neighbours but will be the owners of the woodland. The crofters must also coordinate their activities with each other, and balance community aspirations with their own, all whilst contributing towards the management outlined in the wider plan. The plan may also be used to support planning and funding applications necessary for the project.

In such a potentially complex situation therefore, the woodland plan is key.

### **13.2. Woodland cover and open space**

There is a strong presumption against deforestation in Scotland, as in much of the rest of the world. This means that when trees are felled they must generally be replanted – this will be a condition of any future felling approval which is granted by the Scottish Forestry.

However the UKFS recognises the importance of open space in woodlands for various reasons, and also recognises that in the past some woodlands were established with insufficient open space within them. Therefore the process of redesigning woodlands will often involve the introduction of open space. The removal of trees associated with such internal re-design of woodlands to meet the UKFS is not considered woodland removal under the Scottish Government's Control of Woodland Removal Policy.

Following the creation of woodland crofts at Ardoch, continued management of the crofts as part of that wider woodland will be required. Although restructuring the woodland to create up to 10-15% open space will be necessary to meet the UKFS, additional woodland removal (e.g. for other purposes) beyond that indicative figure is unlikely to be acceptable unless compensatory planting is undertaken.

In assessing the proportion of the forest which is open space, the area in question is the forest management unit (FMU). The FMU is the area subject to the forest plan and is selected by the owner and/or manager. It is proposed that GCW adopt as their FMU the acquisition area *excluding* the powerline wayleaves (not least as to include them would result in an unacceptably high proportion of open space within the FMU, of around 40%). This will however mean the powerline wayleaves are not eligible area for such area based grant support as deer management.

Looking at this FMU, there is currently very little open space within the woodland and a sufficient amount should be designed in to meet the requirements of the UKFS. Open space is a key element of diversity within woodland and can be used to develop permanent internal edges, structural diversity and flexibility for operational management. It is also important for biodiversity, landscape and amenity reasons, the provision of management access, and recreation.

Future development associated with the woodland crofts once created should preferably be located within open space, in order to avoid the woodland removal issues referred to above.

### **13.3. Woodland Crofts Creation**

The legal creation of woodland crofts is relatively straightforward and involves application to the Crofting Commission and a linked process of registration with Registers of Scotland. Typically this process takes 2-3 months. Only the landowner can

apply to create a croft however, so this can only happen following acquisition of the land.

Following croft creation, tenants will need to be identified. Based on the response in 9.2 above, the desire is that these should be both from the local community, and from wider afield, and it is suggested that the simplest way to ensure both will be to 'ring-fence' an allocation for each.

The allocations process is likely to be one of the most sensitive – and important – stages of the project. Getting the right tenants will go a long way to avoiding problems in the future and ensuring the best benefits are delivered. The Woodland Crofts Partnership has a guidance note on its website<sup>5</sup> on allocations, but the essential principles are fairness, openness and transparency. An allocations policy should be drawn up, and it is perfectly acceptable to use this in a fair way to prioritise certain outcomes e.g. supporting younger families, typically using a points-based scoring system.

Once tenants have been selected, approval must be sought from the Crofting Commission to let the crofts to them. This is a joint application by landlord and tenant, and includes information on the croft, the tenant, and their proposals for the croft.

The starting point for any croft tenancy are the statutory conditions enshrined in the Crofting Acts. However, it is possible for additional conditions of let to be applied and typically these are used to protect the public and community interest. For example, a crofter's right to buy can be withheld from a new tenancy, and to date all community landowners creating woodland crofts have exercised this option. Similarly, the right to assign can be restricted, for example to immediate family only.

Depending on the nature of any new conditions, they can be automatically acceptable as they are provided for in the Crofting Acts (withholding the right to buy being such an example), or they may require prior approval from the Scottish Land Court. The process of gaining such approval is relatively straightforward and it is worth considering this step in any event.

The foregoing has assumed croft tenancies are established, to maximise community control, and affordability to the crofter, but there can be scope to sell crofts for owner occupation and still provide a measure of both through use of a title condition (see more below).

### **13.3.1. Woodland Crofts Housing**

The importance of the affordable housing opportunity to both community and individual crofters was highlighted in 6.2.2, and planning considerations discussed in 6.2.3. As a

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<sup>5</sup> [www.woodlandcrofts.org](http://www.woodlandcrofts.org)

result, feedback from the planning authorities will be key in determining the number of croft houses which can be built (and hence crofts created), and their exact locations.



Another key factor will be ensuring that croft houses are tied to the crofts in perpetuity. The greatest benefits will arise from having crofters resident on their crofts, and a major issue in crofting in past years has been separation of croft houses from crofts such that the residents are no longer those cultivating the crofts. In many cases this has led to crofts being neglected. Further, the planning authorities, given their generally supportive policies towards croft housing, will require comfort that the householders will also remain the crofters.

The simplest way to ensure this tie is to build houses on croft land. Then, under crofting law they are considered part of the croft – improvements to it – and cannot be separated from it. However this status precludes the use of the house as security for commercial finance, so only a minority of crofters are able to finance their housing this way, even if in receipt of the Croft House Grant (CHG). Use of building materials from the croft combined with ‘sweat equity’ can sometimes be enough, but not always. There are also moves towards enabling croft tenancies to be used as standard securities, but again these are far from concluded.

In the absence of building houses on the croft as improvements, the main alternative mechanism to provide a legal tie between house and croft is through use of a title condition, in particular the Rural Housing Burden (described more fully in 13.4 and Appendix 1). This can apply to the house plot or the whole croft (if owner occupied rather than tenanted), and can also be used to reduce the value of the plot through use of an agreed discount from the open market price.



Indeed, the affordable housing sector has developed a number of models many of which have not previously been applied in a crofting context, but could be. Work is ongoing within the Woodland Crofts Partnership to assess this further and it is hoped the findings from this will help inform future croft creation projects.

Ideally GCW would, if developing woodland crofts, look to develop at least a couple of options for the delivery of croft housing in order for incoming crofters to choose whichever best meets their needs.

### **13.3.2. Woodland Crofts Proposal**

An indicative woodland crofts proposal (Appendix 2) was prepared initially and formed the basis of the pre-application planning enquiry. This envisaged potentially up to 3 or 4 clusters of 2-3 woodland crofts each, and was intended to offer the opportunity to develop a locally significant number of woodland crofts and also allow a phased approach to their development.

Following further assessment of the site, receipt of the valuation report and the pre-application enquiry response, the earlier indicative proposal has now been modified to produce a more definite proposal. GCW have decided not to pursue the purchase of Area 4, and each of the other areas has been assessed as suitable for the establishment of 2 woodland crofts with associated houses. Accordingly, a total of 6 new woodland crofts is proposed over Areas 1 to 3.

Whilst working cohesively overall as a new township, for example through a common opportunity for grazing the powerline corridors, each of the three areas has a quite distinct character with minimal overlap between them, so should appeal to different types of people depending on their aspirations for a woodland croft.

Area 1 is a straightforward clearfell site, with minimal standing timber to work with as yet, but forms a 'blank canvas' for people to shape as they see fit. Regeneration is establishing in parts but is not yet sufficient. However by the time there are crofters on crofts it may be that enrichment planting rather than wholesale restocking is required. Such young woodland could be readily respaced and subsequently thinned to deliver a variety of end states.



*Area 1*



Area 2 provides a real opportunity for the ‘woodsman’ or traditional forestry enthusiast: the mix of young birch ripe for management for future timber, along with mature mixed conifers, provides plenty of opportunity to intervene. Some conifer areas are beginning to blow so some early harvesting may be needed, which will provide its own opportunities. An element of larch is present too, which will be particularly locally useful.



*Area 2*

Area 3 is primarily birchwood throughout with a little oak at the eastern end. This area might appeal to people looking more for the woodland as a matrix within which other management happens: non-timber forest products; recreation; grazing; horticulture and so on (as well as any birch timber/firewood).



*Area 3*

The concept of using the powerline corridors as a grazing resource could work well and is essentially what FLS have been doing already, offering a rare opportunity to integrate livestock rearing with woodland management.

The above proposal would see individual croft areas of the order of 6 – 7 ha; a decent resource to work with and typical (and perhaps a bit larger) than woodland crofts established by other communities to date.

### **13.3.3. Woodland Crofts proposed delivery mechanism & phasing**

Community landowners looking to establish new crofts will normally wish to both control the occupancy of a croft, and also maintain the tie between croft and croft house, in order to protect the community and wider public interest.

Traditionally, a tenancy with a croft house built as an improvement to the croft will provide this, and is perhaps the simplest approach; this model is outlined in 13.3 above. However, community landowners may not be in a financial position to provide a croft house, and as tenancies cannot currently be borrowed against, financing construction of the croft house by the tenant can be difficult. Given a combination of the Croft House Grant (CHG), use of materials e.g. timber from the croft, 'sweat equity' and an element of personal savings it can sometimes be viable and owing to its simplicity it is recommended that this is one model GCW uses to offer their newly created crofts.

Another approach adopts the method being proposed for the delivery of affordable housing - namely use of the Rural Housing Burden (RHB) - and extends it to the whole croft. In this scenario the croft is owner-occupied but subject to the controls offered by the RHB and associated agreements. This has not previously been done, but the study team believes it to be legally possible and one which would bring a number of advantages for both crofter and community landowner. These include the required tie between house and croft, and the ability to control future occupation of the croft through use of the right of pre-emption.

The WCP is currently developing this model, and it is therefore proposed that Phase 1 led by HSCHT of this project, trials it. The delivery model for Phase 1 therefore envisages a Minute of Agreement being signed between HSCHT and GCW, after which Area 1 is purchased by HSCHT from GCW. HSCHT will then establish 2 woodland crofts in Area 1, one of which will be a traditional tenancy with HSCHT as the landlord, while the other will be an owner-occupied croft subject to a RHB which will be sold on to an incoming crofter.

GCW will dictate the allocations policy for both crofts in order to reflect local needs. On successful conclusion of the croft creation and allocation process the approach will be reviewed by HSCHT and shared with GCW. Thereafter, GCW will use this information to deliver crofts in Areas 2 and 3 as per the recommendations in Section 12 above.

### **13.4. Affordable housing delivery mechanism**

The broad process of providing the discounted self-build plots recommended in Section 12 is as follows:

- Planning consent sought for development
- Tender for site works issued
- A contractor selected & site servicing works undertaken to provide vehicle access, water, electricity, telecoms and drainage to the plots, once planning consent is granted
- Plots marketed for sale based on agreed community allocations policy and at an agreed discounted price
- Discounted plots purchased by individuals who then procure their own home through a contractor or by completing some of the construction works themselves

The plots would be subject to the Rural Housing Burden, introduced in Section 6.1 above and explained in more detail in Appendix 1.

#### **Application of Rural Housing Burden to self-build plots**

Only a Rural Housing Body can create the title conditions of the Rural Housing Burden, to attach to a self-build plot. Glengarry Community Woodlands could make an application to the Scottish Government to become a Rural Housing Body, and administer this facility on the plots they wish to sell themselves.

Alternatively, a Minute of Agreement can be established with an existing Rural Housing Body such as HSCHT to facilitate this on their behalf. The latter is a route which many other community groups have chosen to pursue, given the specialist nature of this area, and discussions with GCW have indicated that this route is their preference.

The development of the affordable plots as outlined above involves a considerable amount of work, some of which is specialist in nature. At the end of it, if the plots owned by individuals rather than GCW, and likely controlled by a RHB in favour of a Rural Housing Body, there seems little benefit to GCW in undertaking this work directly themselves. Therefore it is proposed, as with woodland crofts in Area 1, that HSCHT acquires the land from GCW and delivers the plots on their behalf.

The Minute of Agreement would then establish the process of applying the Rural Housing Burden to the title of land. It would explain the procedure for buying back properties, selling on properties and the arrangement to cover finance costs and fees. It would clearly be sensible in this project to have a single overarching Minute of Agreement covering delivery of both the woodland crofts and self-build plots, in Area 1.

## **14. Community Asset Transfer Scheme (CATS) application**

Following their initial registration of interest in acquiring a part of Ardoch Forest in January 2019, GCW have been liaising with FLS over progress towards a full application. This study, alongside the Business Plan and community & stakeholder consultation, will be used to support a full Asset Transfer Request to CATS in summer 2020, subject to the community confirming their support for the bid.

Following acknowledgement that the Request is complete, it will be evaluated by an independent valuation panel against criteria which include benefits, viability, community and wider public support, impact on the National Forest Estate, and the degree to which the proposal fully utilises the asset being acquired.

The panel will make a recommendation as to whether the Request should be approved, following which the Chief Executive of FLS will make a decision. If this is to approve the request GCW will then be invited to submit a legal offer, normally within 6 months, to acquire the land.

Full details of the CATS process along with supporting guidance can be found on the FLS website<sup>6</sup>.

### **14.1. Community & Public Benefits**

Delivery of benefit is a key element of any CATS proposal, and is important in 2 respects: firstly, it is used to justify the transfer of the asset itself, and secondly it is used to justify any reduction in purchase price from Market Value.

#### **14.1.1. Benefits of Woodland Crofts**

The creation of 6 woodland crofts at Ardoch will bring a range of benefits to the community and the wider public, as well as to the individual crofters and their families. It is for this reason woodland crofts enjoy policy support at local and national government level and from the Crofting Commission, as well as being supported by NGOs such as the constituent partners of the WCP.

Benefits cover economic, social and environmental aspects and at Ardoch are expected to include:

- Improved biodiversity, especially of key species
- A more resilient woodland with a better age structure and species mix
- Increased local utilisation of timber, and local adding value
- Improved timber quality through increased silvicultural intervention
- Providing an economically viable management solution given access to the woodland is restricted (the public road being an Excluded Route for timber transport)
- Stimulating local economic activity through the provision of sites for homes and businesses

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<sup>6</sup> <https://forestryandland.gov.scot/what-we-do/communities/community-asset-transfer-scheme>



- Increasing the sustainability and resilience of the community
- Retaining/attracting young families, helping to support the village school and maintain essential services

This represents just a few of the potential benefits. For a more exhaustive list of the benefits which may accrue from the development of woodland crofts, see the Woodland Crofts Benefits Checklist<sup>7</sup>.

The personal testimony of existing woodland crofters is also strong evidence of the benefits of woodland crofts:

### *“Woodland Crofting Changed My Life”*

Ros Nash, Woodland Crofter, Caithness (blogpost)<sup>8</sup>.

*“Having a woodland croft has been a lot of hard work but very rewarding for myself and my family. In our area, getting access to land is generally difficult and very expensive.*

*Having the croft gives us the option to create micro businesses on the land and the potential for ourselves or our children to build a home here. Given the price of land in rural Scotland, that’s an incredible bonus, and I can only hope other communities get the chance that we’ve had.”*

Rhuri Munro, Woodland Crofter, Langamull, Isle of Mull

#### **14.1.2. Benefits of Affordable Housing**

Section 3.2 of this report outlined the challenges facing the Glengarry community, chief amongst which is the affordability of local housing. Addressing this issue through the provision of affordable housing will not only meet the housing needs of local people, but will help maintain the viability of services and amenities such as the primary school, filling station and post office. It can also help maintain social networks within the community so that families can live near each other to provide support or child care.

Many of the social benefits of woodland crofts, some of which are highlighted above, can also be considered to apply to affordable housing.

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<sup>7</sup> <http://woodlandcrofts.org/wp-content/uploads/2015/03/Woodland-Crofts-Benefits-Checklist-February-2015.pdf>

<sup>8</sup> <http://woodlandcrofts.org/?p=665>

### **14.1.3. Public Benefits and Justification of Discount from Market Value**

The valuation of Areas 1 to 3 which it is proposed GCW should acquire totals £159,000 (section 7). Community acquisition, management and development of this area of Ardoch will deliver wide-ranging public benefits and therefore GCW intend to request a discount of £40,000 on the market value. The following attempts to quantify these benefits, for the purposes of justifying the discount requested from Forestry & Land Scotland.

By their nature, public benefits are often hard to quantify. Some are subjective and in part depend on value judgements, whilst others are indirect and difficult to tease out. Accordingly, a very conservative approach has been taken here. Only sufficient benefits to quantify the £40,000 are detailed, whilst other recognised benefits arising from the project, some of which are recognised qualitatively above, are not factored in to the calculation. On account of this very conservative approach and for simplicity, future values have not been discounted and it is considered that the difference from not doing so is more than made up by the benefits not included in the calculation.

Only benefits arising from the creation of woodland crofts have been quantified. Further, only 5 years of benefit has been assessed, falling within the first 10 years of community ownership. In addition, to mitigate against potential delays and uncertainties relating to development of the crofts, the benefits from only 4 (of the 6 proposed) are assessed.

The creation of new crofts will result in the generation of croft incomes. The most recent Scottish Government Report to Parliament on the Economic Condition of Crofting (2015 – 2018)<sup>9</sup> was published in December 2018 and includes an assessment of croft incomes. Median figures rather than mean are referenced as the report notes that the latter was skewed by a small number of very high (but unrepresentative) responses. The report also states separately, figures for median income including those who have no annual income from their crofts, and excluding them. The latter figure is obviously higher, but is used here as it is expected (and indeed desired) that new woodland crofters at Ardoch will be actively managing their crofts to contribute to their livelihoods.

The income of tenant and owner-occupier crofters was assessed separately and is given in Table 4.1 of that report as £3,967 for tenants and £4,988 for owner-occupiers. A figure of £4,000 is therefore taken here as a likely but conservative figure for annual croft income for the new woodland crofters.

Each planned croft will therefore generate  $5 \times £4,000 = £20,000$  income during the 5-year period stated above. For 4 crofts established therefore, a total of  $4 \times £20,000 = £80,000$  income will be generated. Not all of this can however be considered net *additional* benefit, as it has to be remembered that the woodland will currently be

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<sup>9</sup> <https://www.gov.scot/publications/economic-condition-of-crofting/>

delivering benefit under current FLS management, in such areas as timber, employment and recreation.

Considering these in turn, much of the harvestable timber in the area in question has already been felled and extracted. What does remain will most likely be sold as round timber, as FLS does not add value to its timber before selling. So the economic benefit under existing management of a relatively small area of timber is likely to be small.

On the employment side, FLS staff numbers are currently now lower than they have ever been during the last 50 years, and only 2 employees are based in Glengarry itself. Ardoch Forest represents just a small proportion of forests in Lochaber under management by regional office staff. Thus the contribution of a part of this forest to staff employment will be low.

Finally, there are no formal recreation facilities in this area of forest and much of it is inhospitable to informal recreation. Benefit arising from current recreational use of the forest is therefore considered to be negligible.

Taken together, it is fair to say that current management will be generating only a small proportion of the income that could be delivered by the crofters, given their potential to add value to timber, intensively manage the woodland in a variety of ways, and provide formal and informal recreation & tourism facilities. Nevertheless, in keeping with the conservative approach to quantifying benefit being taken, it is assumed here that half of the income likely to be generated by crofters will already be being generated under current management.

Accordingly, following establishment of new woodland crofts, net *additional* income for the period in question is  $50\% \times £80,000 = £40,000$ .

This figure of **£40,000** is therefore the amount of discount on market value requested.



## **Appendices**

Appendix 1	Rural Housing Burden
Appendix 2	Woodland crofts – proposal for planning pre-application enquiry
Appendix 3	Valuation Report
Appendix 4	Site Investigations
Appendix 5	Planning pre-application enquiry response
Appendix 6	Letter of support from Glengarry Community Council
Appendix 7	Letter of support from Glengarry Community Woodlands
Appendix 8	Business Plan

## **Picture Credits**

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