

Kilfinan Community Forest Company Argyll, Scotland



Large (127ha) mostly productive conifer plantation purchased by remote Scottish community in 2010

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This case study is one of a set written as part of a Forest Research project. Some case studies are written by the community group, others by researchers who visited and interviewed group members, but they have all been validated and endorsed by the community groups.

Forest Research developed a standard method for describing the case studies, outlined in Lawrence and Ambrose-Oji, 2013 "A framework for sharing experiences of community woodland groups" Forestry Commission Research Note 15 (available from www.forestry.gov.uk/publications).

The case study comprises three parts:

1. The **Group Profile** provides essential information about the form and function of the community woodland group. Profiles were prepared following the methodology
2. The **Change Narrative** which documents key moments in the evolution of the community woodland group with a particular focus on the evolution of engagement and empowerment
3. The **Engagement and Impacts Timeline** documents milestones in the development of the community woodland group, its woodland and any assumed or evidenced impacts.

The case studies collectively provide a resource which documents the diversity and evolution of community woodland groups across Scotland, Wales and England. The method ensures that the case studies are consistent and can be compared with each other. We welcome further case studies to add to this growing resource.

For further information, and for the detailed case study method, please contact:

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1. Group profile

Woodland: Acharossan Forest
Map ref: NR 972729
Webpage: <http://www.kilfinancommunityforest.co.uk>
Date of profile: October 2014
Resources: Interviews with Director and former Development Officer of KCFC, site visit, Acharossan Forest Acquisition Feasibility Study, Kilfinan Community Forest Long Term Forest Plan, Kilfinan Community Forest Sustainability Plan 2014-2018, KCFC website

1. Institutional context (in October 2014)	
1.1 Ownership of the woodland(s)	<p>Kilfinan Community Forest Company (KCFC) owns 127 ha of Acharossan Forest.</p> <p>Classification of tenure: Ownership</p>
1.2 Access and use rights to the woodland(s)	<p>Responsible public access (by foot, bicycle, horse or canoe) is guaranteed by the Land Reform Act. Acharossan forest has one access/timber road on which vehicular access is permitted to the lower part of the forest (c. 20 ha) closest to the public road (A8003). A further road has been built (c. 500m) as an extension of the existing lower road, to enable extraction of timber and access to the proposed housing/ croft sites.</p> <p>KCFC maintains the rights to all woodland products.</p>
1.3 Regulations/ responsibilities affecting the woodland(s)	<p>The minimum legal requirements for H&S, historic monuments and pest and diseases management as outlined in the UK Forestry Standard. The forest has achieved Forest Stewardship Council (FSC) accreditation on timber harvested and sold.</p>

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2. Internal organisation of the group/enterprise	
2.1 Group members, representation and decision making	<p>The community is defined as the Kilfinan parish (between Tighnabruaich and Otter Ferry) postcode PA21 2BD. Any adult living in the parish with voting rights can join KCFC as a full member; people living outwith the parish can become associate members. Only full members have voting rights. KCFC currently has a membership of around 200 people out of a total of 700 residents (c. 29%). Everyone, regardless of where they live, is welcome to partake in KCFC activities.</p> <p>Directors may serve up to a maximum of three years before a new vote re-elects them or chooses new directors, at the AGM.</p> <p>The board of Directors meets fortnightly and uses email correspondence for more urgent matters.</p>
2.2 Communication and learning processes	<p>KCFC communicates their activities via quarterly newsletters, distributed to their membership, their website and the AGM. In order to reach more people, KCFC has planned public meetings to discuss progress in the forest as well as specific developments; a recent example was a public meeting held in October to discuss KCFC's potential acquisition of an additional 432ha area of woodland.</p> <p>Communication with the community has benefited from leasing out an area of the forest to "Kyles Allotment Group", towards maintaining an allotment with raised beds and poly tunnels. Thirty volunteers are involved in this project.</p>
2.3 Structure and legal status	<p>KCFC is a Company Limited by Guarantee (SC333208) with charitable status (SCO38908). This model was chosen to protect the individual Directors, while at the same time allowing for community acquisition of the forest and enabling applications to grant funding.</p> <p>Classification of legal form: Charitable Company Limited by Guarantee</p>
2.4 Regulations/	Company Law, Charity Law

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<p>responsibilities affecting the group/ enterprise</p>	
<p>2.5 Forest management objectives and planning procedures</p>	<p>A management plan was prepared as part of the original NFLS purchase. Since then a comprehensive development plan has been written, which defines the objectives of KCFC as the creation of sustainable opportunities for the local economy, recreation, tourism, environment and education. More specifically, it aims to deliver:</p> <ul style="list-style-type: none"> • Access and recreational opportunities • Generation of direct and indirect employment • Affordable housing • Creation of an educational resource and training • Improvement of the habitat and wildlife value of the forest • Development of renewable energy systems • Sustainable land management <p>As is reflected in the formal documents (in particular the development plan), the core objective of KCFC is to attract people to the forest and to provide them with a source of education, relaxation, enjoyment and inspiration.</p> <p>A long term forest plan was written and approved to set out the strategic forest management objectives of the 127ha currently owned (to consider aspects such as timber harvesting, replanting, and deer management). If successful in acquiring the additional 432ha woodland, KCFC will be required to write a new management plan for this woodland. A business plan and a feasibility study have been drafted to address the opportunities, constraints and business potential of acquiring this additional woodland.</p> <p>Overall aim of plan: Quality of life</p>
<p>2.6</p>	<p>KCFC has a team of four staff members to undertake activities in and around the forest. This comprises a full-</p>

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<p>Implementing the woodland management plan</p>	<p>time Development Manager, a full time Site Supervisor, a part-time Operations Worker, and a part-time Administrator. The Development Manager is responsible for the long term sustainability of the organisation, maximising income streams and identifying development opportunities. The Site Supervisor and Operations Worker manage the sawmill, composting facility and wood fuel enterprise, as well as developing the timber enterprise and forest products sold to the public. They also coordinate active volunteers on site. The Administrator is responsible for administration, marketing and developing a programme of activities. Staff salaries are covered by income from the enterprise with the exception of the Development Manager, whose post is part funded for two years by Highlands and Islands Enterprise.</p> <p>In addition to the paid members of staff, KCFC benefits from a high level of volunteer involvement within the forest, mainly through supporting the operations team in day-to-day tasks such as clearing paths or constructing visitor facilities (e.g., signs, picnic areas, benches). Volunteers also help to improve and establish natural habitats within the forest, for example a squirrel walk was created over the summer, with feeders to attract red squirrels and a hide to enable quiet observance. This winter KCFC will also be engaging volunteers to create three new ponds within the forest, to attract amphibian life.</p> <p>The board of seven volunteer Directors engages in forest management by leading on key issues and developments, supporting employees, liaising with the Scottish Government, NGOs and agencies and driving forward community initiatives.</p>
<p>2.7 Business/ operating model and sustainability</p>	<p>There are seven Directors on the Board who deliver the strategic vision, each with designated responsibilities that complement the skills they bring. In this manner the key tasks are project managed to specific deadlines and within financial boundaries. The Board meets fortnightly to discuss progress and strategy. There are currently four paid staff members managing the day to day operations, each with skills in different areas of the organisation, from practical forestry and project management, to administration and marketing. All staff are appropriately trained (e.g. on machinery and equipment), to ensure they can competently complete tasks. Each member of staff has a line manager, an informal mentor, and all are supported by an internal HR person. The company Treasurer has overall responsibility of the charity's finances. The charity is run as a business, in that it operates within a management structure with clear aims and vision to benefit the sustainability of the charity;</p>

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however this is a community group therefore the local community is consulted at stages of its development, and volunteers are engaged to contribute in particular projects or in helping to support the operations team in the day to day running of the forest.

The development of the forest enterprise is crucial towards delivering on the intended objectives of the forest management plan in the long run. Therefore, income from trading goods and services will become the dominant sources of income within the near future. Several activities have been undertaken to develop social enterprise at Kilfinan. An access road for timber harvesting has been constructed and this will likely get extended in the near future for the next phase in felling. In addition, a composting facility, a shop with forest products as well as a sawmill with associated workshop have been developed on-site. The feasibility of the following social enterprise projects has been investigated, with formal reports produced on each to assess viability: wind energy, hydro power scheme, housing and forest crofts.

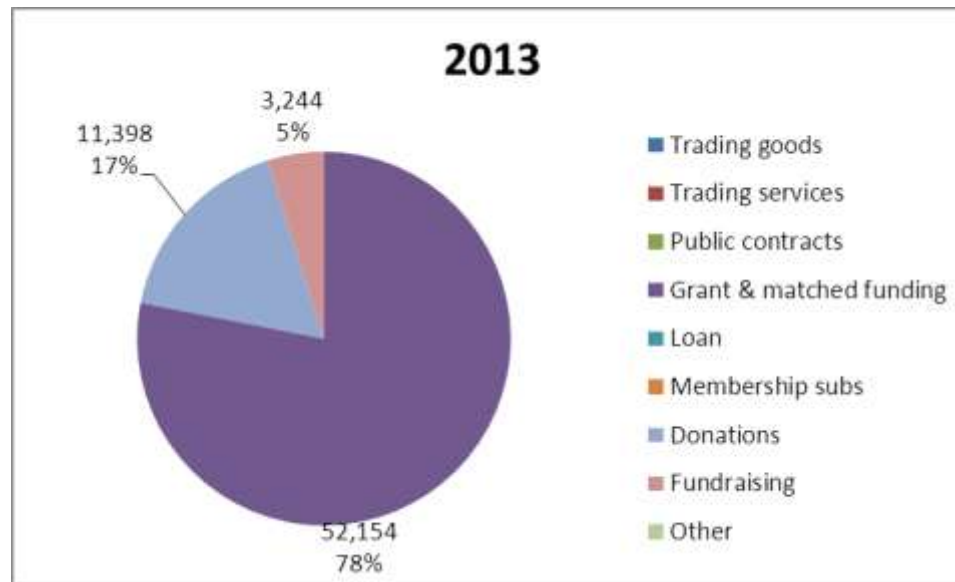
At present, income is generated from the sale standing timber, firewood and sawn timber products. Firewood and sawn timber are mainly sold locally, and promoted widely via advertisements around the local community, newsletters to members and the community, notices on the KCFC website, and social media.

KCFC has received grant funding in the past to start up the forest enterprise, and the current Development Manager is funded for two years by Highlands and Islands Enterprise. KCFC is also in the process of applying for grant funding to acquire an additional woodland. However despite this ongoing support and whilst not ruling out the possibility of tapping into grant funding in the future, KCFC's focus is very much towards a sustainable enterprise, with future activities expected to be funded predominantly via the continued sale of standing timber, sale of housing plots, lease of forest crofts, and income from a micro hydro scheme; there will also be potential income derived from other planned projects such as woodland burials, a training centre and bunkhouse accommodation. Income will continue to be generated via the sawmill, composting scheme, wood fuel and forest products.

Income generated from these activities is used to cover salaries and costs associated with on-going projects. KCFC intends to spend the income from the sale of housing plots on the preparation of the housing area. The

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income from the micro hydro scheme, for which KCFC currently seeks funding, will most likely be spend on developing the forest and the volunteer resource. If successful in acquiring the new forest, KCFC will have access to extensive timber in the long term, to be sold commercially and to provide growth to the community sawmill and wood fuel services. Long term timber supply will secure the future of the enterprise, with a particular focus on retaining staff and creating new employment opportunities.



2.8 Benefit distribution rules

The tangible benefits of activities by KCFC to date are the provision of local timber and wood fuel. There are further benefits in relation to the provision of employment to, and education for, the local community, as well as skills development opportunities via formal and informal training. Any income generated by KCFC is reinvested in funding paid members of staff, forest operations and new projects.

3. External linkages

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3.1 Partnerships and agreements	<p>KCFC works in partnership with Tighnabruaich primary school and other educational bodies, to provide opportunities for outdoor learning in the woodland environment. For example, the primary school delivers forest school within KCF as part of its curriculum, and where possible KCFC facilitates and delivers educational workshops to complement this formal learning. This partnership is essential in inspiring interest and understanding amongst the community's next generation, of the forest as an important local asset.</p> <p>KCFC works in partnership with a number of local organisations offering training opportunities to unemployed people, individuals required to fulfil community service or those with an interest in gaining new skills. KCFC has worked with various partner organisations, including the Community Payback Scheme, Job Centre Plus and the Maxie Richards Foundation, to get volunteers working in the forest. KCFC has also worked with various training providers, including Dougie Lace NPTC, Contour Training, Ringlink Services and First At Safety, to enable volunteers to gain key qualifications.</p> <p>KCFC has worked with groups such as New Caledonian Woodlands and SSE, who have provided volunteers to complete tasks such as creating new paths, clearing wind blow and tree planting.</p> <p>KCFC has strong partnerships with its funders, most notably Argyll and the Islands LEADER and Highlands and Islands Enterprise (HIE), who have acted as financial and legal consultants on a variety of projects. KCFC has also established partnerships with the Kilfinan Trust, Voluntary Action Fund, Heritage Lottery Fund, Forestry Commission Scotland, Awards For All Scotland and BIG Lottery, to deliver particular projects and initiatives.</p> <p>KCFC has formed contractual partnerships with local contractors, e.g. Forestry Commission Scotland, Ross Petro, EGGER, A & L Macrae, and UPM Tilhill, to deliver strategic forest operations, e.g. road construction, timber harvesting, and rhododendron clearance.</p>
3.2 Associations	<p>KCFC is a member of the Community Woodlands Association (CWA). The group greatly values membership of this network towards engaging in cross-fertilisation of ideas with other groups. To this end, KCFC Directors and staff attend CWA events and occasionally give presentations. CWA has hosted its 'wood of our own' event twice at KCFC, once in 2012 and again in 2014; on both occasions KCFC had the opportunity to showcase the forest to</p>

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	<p>key industry players and other community groups.</p> <p>KCFC has links with North West Mull Community Woodland Company (NWMCWC), Tighnabruaich Development Trust, Colintrave and Glendaruel Development Trust (CGDT), Kyles Marketing Group, and Bute Community Land Company (BCLC). These contacts are valuable to engage in mutual knowledge exchange.</p>
<p>4. Resources</p>	
<p>4.1 Forest/ woodland</p>	<ul style="list-style-type: none"> • KCFC owns 127 ha of Acharossan Forest (the rest of which, 447 ha, is owned by Forestry Commission Scotland (FCS)). • The south of the forest borders Tighnabruaich and the A8003 running past the village. The village is situated on the Cowal peninsula in an area with a very low population density. • The southern part of the forest can be accessed via a timber road from the A8003. There are limited walkways within the forest. There is a short route set through the broadleaved part of the forest as well as a path, "The Kilfinan Way", passing through the conifer plantation. The latter, however, it is currently overgrown and not actively being used. • The soils on the site are mainly peaty gleys with pockets of brown earths, peaty podzols, peats and rankers. • The majority of the woodland comprises conifer species planted as productive crop. Around 11 percent of the forest is broadleaved, parts of which are recorded as "ancient" woodland. The productive forest includes: Corsican pine, Japanese larch, lodgepole pine, noble fir, Norway spruce, Western hemlock and Sitka spruce. The broadleaved woodland towards the southern end of the woodland predominantly comprises oak and wych elm, while also including: Hazel, downy birch, hawthorn, holly, ash and willow. • The largest, south western part of the area owned by KCFC was planted by the Forestry Commission. The smaller north western area was planted by FCS in 1976.

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	<ul style="list-style-type: none"> • The forest includes a reservoir which is owned by Scottish Water. There are several artefacts of archaeological interest, including a Victorian curling link, Victorian dams and waterworks. Within the broadleaved forest, disused enclosure dykes, and platforms for charcoal making can be encountered. • Classification of woodland type: Mixed mainly conifer • The existing conifer forest has never been thinned. The broadleaved area of the forest has been managed in the past for the production of charcoal and tanbark. • There has been windthrow in the poorly drained south-western part of the forest. • Wildlife of interest includes a variety of bird species, red deer, badgers and red squirrels.
<p>4.2 Woodland and group funding sources</p>	<p>In 2010, KCFC raised the £130,000 required to purchase their forest through a combination of grant funding, fund raising and loans. Highlands and Islands Enterprise (HIE) contributed £65,000 and a further £30,000 was received through community fund raising. KCFC received £35,000 in loans from two private individuals to cover the balance. HIE additionally covered the legal costs associated with forest acquisition (£2,427).</p> <p>At around the same time, KCFC was supported by a major grant (£328,000) from Scottish government’s Climate Challenge Fund (CCF) to develop their “Growing Green” initiative. Funds for this project were used towards the construction of an initial access road providing access to the lower site, the creation of a community composting facility and allotments. In addition, they provided home energy audits and a car-sharing scheme. As a result of the creation of the allotments, the Kyles Allotment Group was formed, which enabled regular producer markets to be held. CCF also covered the salaries of two members of staff associated with the project: a Carbon Savings Officer and an Administrative Officer. Furthermore, CCF covered the costs of several portable cabins which function as forest office and kitchen.</p> <p>KCFC’s Community Composting Facility now receives around £1,000 per quarter from Argyll & Bute Council,</p>

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worked out on a per tonnage rate, for composting diverted from landfill.

HIE supported the employment of a full time Development Officer from 2011-2013, who was responsible for establishing income generation streams. As a result, further funding from HIE and LEADER (£79,100 each) was secured to deliver a one year income generation project (Jan 2013-Jan 2014), which provided the employment of three new staff, a long term forest plan to be written and approved (to secure a felling license for timber harvesting), a new road to be built for harvesting and sale of standing timber, a sawmill business established for sale of local milled timber and development of forest products, and a firewood processor purchased and drying shed built to increase the sale of local wood fuel. As a result, KCFC was able to extend these posts way beyond the funding period, via income generated by the charity (notably, through sale of standing timber). HIE has provided further funding for two years for a new Development Manager (July 2014-July 2016) to build on this success, maximise income and bring long term sustainability to the charity.

Further notable funding includes:

To fund a wind energy feasibility assessment, a grant was received from Community Energy Scotland (£4,500). Furthermore, Scottish government's Community and Renewable Energy Scheme (CARES) provided KCFC with a £53,000 loan to install a meteorological mast to collect wind data as part of this investigation. Although substantial, these funds were written off by the Scottish government as wind power was shown to be unfeasible.

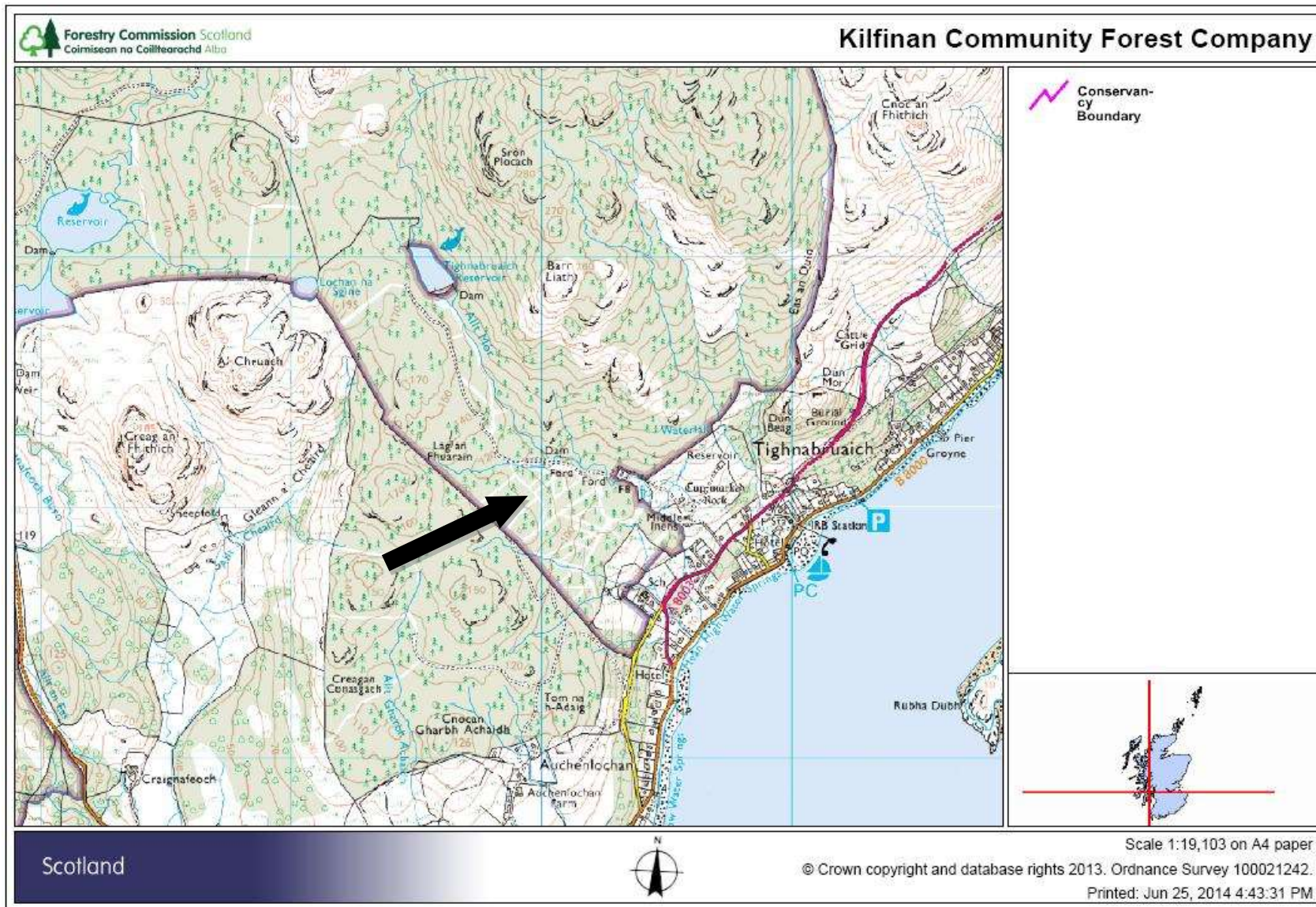
Funding from Awards for All (£10,000) and Paths for All was secured to improve the visitor experience (picnic areas, interpretation panels, nesting boxes, path development & primary school workshops). These new facilities were showcased at an open day event organised by KCFC and funded as part of the Awards For All contribution. Funding was received from the Heritage Lottery Fund for a full archaeological survey of the forest to be conducted by professional archaeologists from Argyll Archaeology and 25 volunteers from the local community. Four young people from the local community were also involved as part of a month long pilot youth work experience programme (posts funded by the forest), which took place over the summer. The project was delivered over the summer of 2014.

In 2013-14 KCFC secured funding from the Voluntary Action Fund to support a 'Volunteer For Skills' programme,

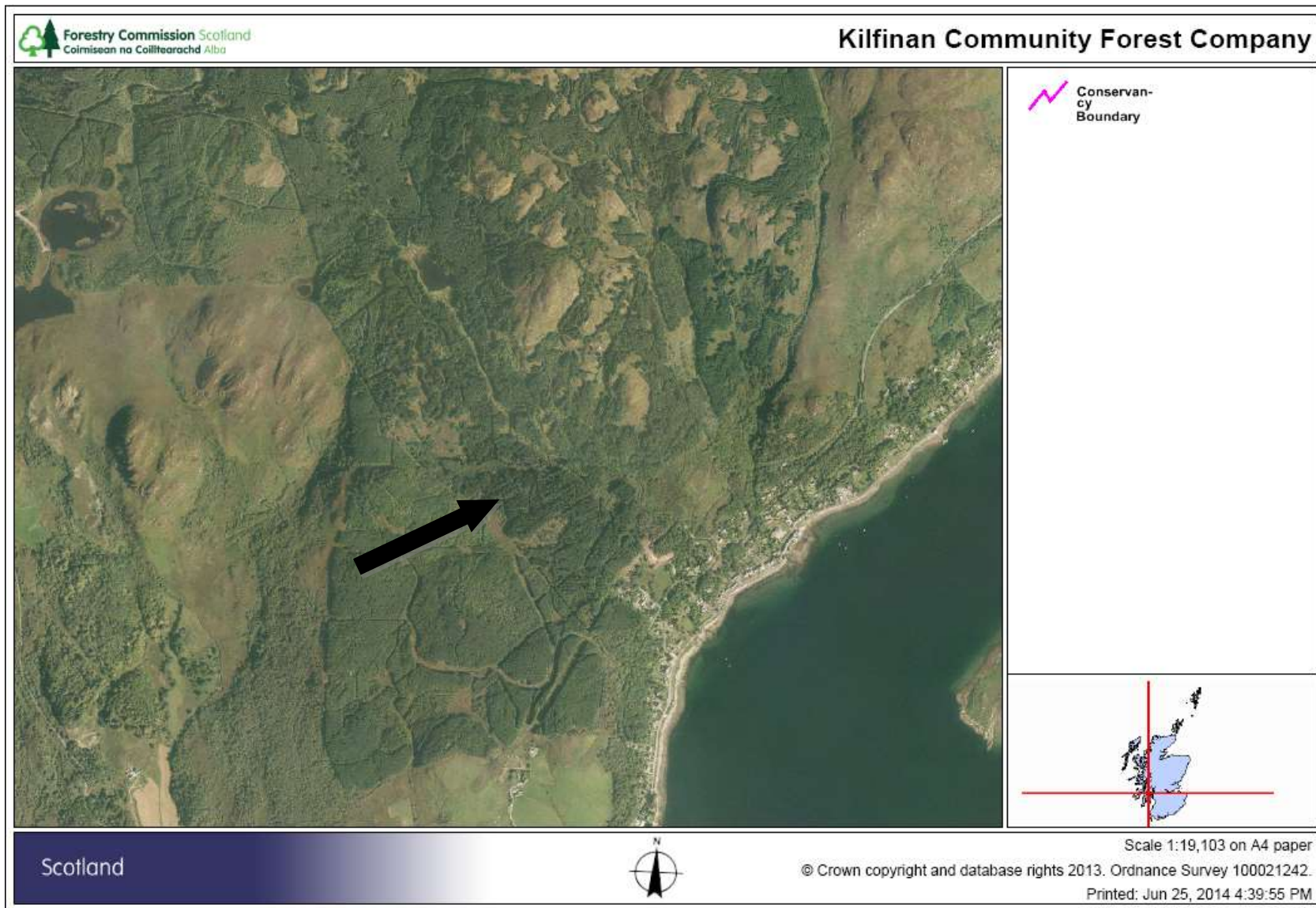
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	<p>which combined volunteering in the forest with unique training opportunities (both formal and informal). KCFC also successfully applied to Social Investment Scotland for a bridging loan (£50,000) under favourable conditions to fund a Rhododendron ponticum clearing programme. This was required to improve access, biodiversity and check the site for archaeological artefacts that might be of interest to visitors. It was reimbursed by a grant from the Scottish Rural Development Programme (SRDP).</p> <p>To undertake the planning and gain permission for the affordable housing scheme, one housing plot has been sold (without planning permission) for £15,000.</p> <p>The preparation of surveys and plans has been supported by SRDP and the FCS Smallholder Fund.</p> <p>In 2014, KCFC received £1000 from Scotland’s Finest Woods Awards as winner of ‘promoting viable livelihoods’, as well as being awarded £1000 from the Voluntary Action Fund as ‘the organisation that has most improved its ability to involve and support volunteers’.</p>
<p>4.3 Knowledge, skills, human and social capital</p>	<p>There is a wide variety of skills and expertise on the board of KCFC. Directors have experience in setting up and running their own businesses, construction work, renewable energy (hydro), outdoor learning and education, social work and farming. The paid members of staff have experience in forestry, woodworking, volunteer coordination, marketing, fundraising, administration and events management.</p> <p>KCFC is still seeking active members to provide support and advice in relation to accountancy and legal matters.</p> <p>KCFC Directors and staff have attended training events by CWA and commercial organisations on topics such as composting and building a wormery.</p>

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2. Change Narrative

1. Group History. Moments of change, motivations and engagement

Following the launch of the National Forest Land Scheme (NFLS) in 2005, a number of woodland organisations (Reforestation Scotland, Scottish Native Woods, Dunbeag) decided to consult with the local community around the potential of purchasing Acharossan forest. As a result, a group of 12 local residents organised themselves as Kilfinan Community Forest Project (KCFP) in October 2005 to investigate the feasibility of community acquisition (**informal enjoyment to group formation**).

Tighnabruaich and neighbouring settlements have seen a marked population decline over the last few decades combined with a shift in demographics. Currently, about 70% of the local population is retired. Moreover, the price of housing has increased to above the national average despite significant job losses. The proportion of retirees and second home owners is therefore set to keep rising. Community acquisition of the forest was therefore perceived as a means of supporting recreation, housing needs and local employment.

In November 2005, KCFP undertook a scoping study to investigate the potential of the forest as a source of renewable energy. This showed greatest opportunities in relation to the development of a hydro scheme and biomass via timber extraction. In January 2007, the group received funding from Highlands & Islands Enterprise (HIE) and Fyne Homes to undertake a (forest) housing study and a forest acquisition feasibility study with support of two “animateurs”. They organised a community survey, a local skills audit and a community ballot on forest acquisition. In addition, the animateurs engaged in community outreach and assisted KCFC in preparing a business plan. On the ballot in June 2007, 76 percent of the local population voted in favour of the plans (64% turnout). In response to this, the steering group formally organised themselves as Kilfinan Community Forest Company (KCFC) in October 2007 to take the NFLS-application forward. The application to NFLS was made in May 2008 and approved, enabling KCFC to formally purchase the woodland, in 2010.

Fundraising by KCFC commenced in July 2009. Although KCFC initially intended to buy the entire forest area (452 ha), it did not succeed in gaining sufficient funds before the NFLS application window closed. This was because they missed the closing date for

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the Scottish Land Fund, while the Big Lottery Fund was unwilling to fund community buy-outs from a public body. In response to this, KCFC successfully negotiated to purchase the part of the forest (127 ha) closest to human settlement. The purchase deal was signed in April 2010 and KCFC was given another five years to raise sufficient funds to acquire the remainder of the forest (**group formation to full management**).

Since forest acquisition, substantial external funds have been attained by KCFC to develop the social enterprise around the sale of timber products, community composting and the sale of forest products. KCFC has additionally organised educational and recreational activities and is in an advanced stage of developing their plans for affordable housing and a micro-hydro scheme on site (**full management to social enterprise**). Such is the success of the current enterprise, KCFC is now aiming to buy an additional 432ha of neighbouring woodland ('Upper Acharossan' forest), which will expand and secure the future of the charity, and deliver significant economic, social and environmental benefits to the local community. Significant plans for new development include: the employment of new staff, the creation of a bunkhouse for walkers and cyclists, the construction of a purpose built training facility, and a whole new path network opening up the Kilfinan Way and linking the two forests together.

2. Challenges, barriers and opportunities for change: Key issues in evolution

Facilitating factors

- Support by a consultant in preparing the **Forest Design Plan** and **Development Plan**. These plans have proven very useful for coordinating planning and decisions around projects and activities.
- During the process of community consultation and forest acquisition, KCFC received **external support in addressing the feasibility of forest acquisition and business planning** from HIE.
- **Highly motivated Directors and staff with a broad range of skills and expertise.**
- **A high receptiveness to objections made by members of the public** and regular **community consultation exercises** around large-scale projects
- **Organising diverse activities and projects appealing to broad groups of people.**
- **Developing the charity's ability to involve and support volunteers**

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- **Maintaining good relationships with funding bodies**, most notably Argyll and Islands LEADER and HIE. These organisations have proven essential in terms of providing funding. In addition, they also fulfilled a crucial role in providing advice on financial and legal matters. Furthermore, maintaining good relationships has led to an accommodating attitude on behalf of the funding body in response to deviations from the original funding proposal(s).

Barriers

- **Bureaucracy and regulatory restrictions** associated with (particularly) government agencies, when trying to deliver projects that benefit the community.
- **Heavy time demands** being placed upon Directors due to the variety of projects that KCFC seeks to undertake. For some Directors this amounts to several days each week. Loss of key (or burned out) players would be hard to replace.
- Another challenge to engagement is brought about by **a lack of understanding, apathy and lack of support by a minority within the community**. An example is walking routes – path networks are hugely costly but don't often generate income directly. Many people refer to a community forest as somewhere they can walk their dog, however don't understand the cost implications of creating safe and established access routes, or the level of volunteer contribution required to do the work.
- Initially, **a lack of available funding for acquisition of an asset already in public ownership** acted as a barrier to engagement. As a result, KCFC had to reconsider their NFLS-proposal, whereby the decision was made to settle for a smaller forest area.
- There was a **lack of communication** around the initial feasibility study on community ownership of the woodland. The body commissioning the initial feasibility study failed to properly consult the community, which resulted in the latter disputing the outcomes presented in the study. This led to the feasibility study being rejected and a requirement to repeat the exercise from start to finish.
- **Lack of involvement by the large segment of local, elderly people** in the community. KCFC was recently successful in engaging this group by involving them in the archaeological survey, which appealed to them as a means to 'discover our local heritage'.
- **Limited resources to provide adequate supervision to volunteers** assisting in forest operations. Because volunteers tend to work with sharp equipment, they need close supervision which requires considerable time investment. To

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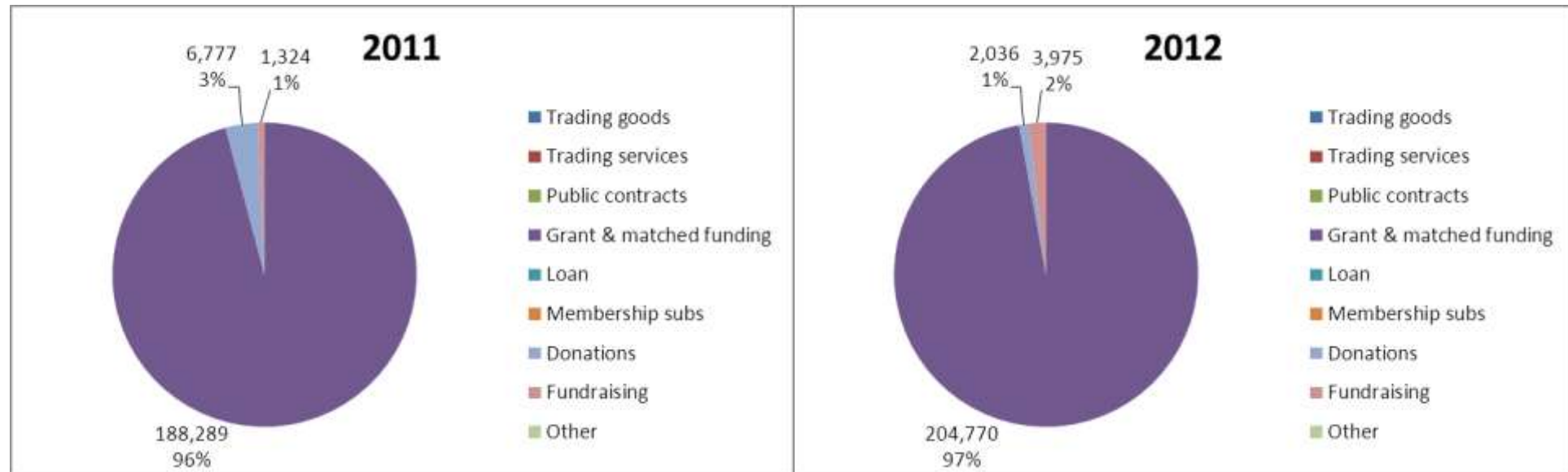
accommodate this, KCFC received external funding from the Volunteer Action Fund to fund a temporary Volunteer Coordinator, who was able to provide such supervision. The current barrier is that since this person is no longer in post (due to the end of the funding period), KCFC must identify projects and activities which involve volunteers but that either require limited supervision, or fall in line with the priorities of the operations team (for volunteers to be supervised by them).

- KCFC undertakes a wide variety of activities in and around the forest, involving a large number of people and in many ways operates as a business in order to deliver on their wider objectives. The variety of business-related activities that are undertaken inadvertently leads to **local people and members misunderstanding the overall purpose of the community forest**, which is to improve the quality of life of local people. KCFC has aimed to deal with this through formulating and communicating a clear group vision.
- **A lack of a working capital** is whilst KCFC is in the process of becoming self-supportive. Many funding bodies pay retroactively, which has led to issues with cash flow. As an example, KCFC was forced to take out a loan to undertake the Rhododendron ponticum clearance project and is currently also considering a six-figure loan to pay for the micro-hydro scheme. Related to this, **an unfavourable funding climate** at present is also perceived to act as a barrier towards funding forest management and staff salaries.
- The relatively **poor state of the forest** in terms of accessibility and propensity to windthrow due to limited forest management by the previous owner. As a result, KCFC has had to spent considerable resources on constructing a haulage road and clearing invasive rhododendron, while the poor quality of the woodland limits the profits that can be made on the sale of timber.
- **The need to stay on top of work outsourced to contractors.** Without such direction, contractors have failed to deliver on the job they were contracted to do.
- The group has struggled to deliver on targets set in the business plan due to **unfavourable weather conditions**. A lesson is therefore to engage in contingency planning for weather.

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3. Evolution of income streams

Up until the last period for which accounts have been submitted (2012-2013), KCFC has had three major income streams: Grants, donations and fund raising. When looking at the accounts for the past three years, the majority of income has consistently come from grant funding (78-97%). Of the remaining income sources, income from donations is fluctuating both relatively and absolutely (1-17%). Income from fundraising tends to be the smallest source of income and has remained more or less stable in the last two years (1-5%).



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4. Woodland history and change: Benefits and impacts before group involvement

Before 1963, the land was owned by local families, who used it for hill farming and grazing of sheep and cattle. It was acquired by the Forestry Commission in 1963 for the purpose of developing it into productive woodland. Trees were planted on the unimproved grassland and undrained heathland in two phases (Phase 1: 1963; Phase 2: 1976). In May 2008, KCFC applied to the NFLS for land acquisition, before acquiring (part of) the forest in April 2010.

Time Period	Owner/Manager	Objectives / Benefits (and evidence)	Major operations	Access and use rights
-1963	Local families	Farming		
1963-2010	FC(S)	Productive woodland	Tree planting	

5. Woodland history and change: Benefits and impacts since group involvement

Since forest acquisition, the group has put in a haulage road, connecting the forest with the public road, as well as a further 500m road to enable logging of the north eastern part of the forest that is closest to the main road. The woodland is infested with *Rhododendron ponticum*, and the group undertook a comprehensive eradication programme in 2013-14.

To build the fundament of the haulage road, rocks were quarried from the acquired land. The group aims to create a self-sustainable business and therefore has installed a sawmill with associated workshop and timber drying/stacking facility on site. Besides providing milled timber products for the community, the sawmill also serves to produce cladding and building materials for housing and forest crofts to be created within the woodland. Local farmers have already requested milled timber products, and interest is expected to increase if activities are advertised in the future. To support the wood logging and sawmill activities, KCFC has purchased a telehandler for transporting logs, and a wood fuel processor for the production of firewood. Training in forest operations is provided to local people in the timber yard to support them into employment.

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KCFC constructed a retail building for the sale of local produce and wood-related hardware. A forest office, kitchen and other facilities are already situated in portable cabins on site for those working in and around the woodland.

An important aim of KCFC is to educate the community and to provide a forest resource for outdoor recreation to both the local community and tourists. KCFC has therefore worked on improving recreational opportunities by implementing walkways including visitor facilities (including picnic benches and interpretation panels) in the area of native woodland. It also provided an allotment (including 44 raised beds) with a cabin, polytunnel and composting toilet, which are leased out on a peppercorn rent to the local Kyles Allotment Group. The allotment group thereby set up regular producers markets (on average six per year), inviting other local producers to sell local produce in a local village hall. Funded by Paths for All, a path has been created to allow children safe access into the forest from the school.

KCFC has undertaken feasibility studies into affordable housing, forest crofting, a micro-hydro scheme and wind energy. As part of the latter feasibility study, a meteorological mast was erected within the forest to gauge data on wind conditions. In the process of rhododendron clearance and tree felling, the group has discovered a number of archaeological features such as an old curling rink as well as Victorian water works and dams. There is also an ancient and overgrown path (The Kilfinan Way). A full archaeological survey has been undertaken involving volunteers from the local community, along with professional archaeologists "Argyll Archaeology". The results of this effort have been documented in a full report written by Argyll Archaeology.

KCFC currently employs four people whose salaries are largely financed by KCFC. In the future, KCFC intends to continue fulfilling its role as local employer by self-funding these positions from income generated as part of the social enterprise.

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Time Period	Owner/Manager	Objectives / Benefits (and evidence)	Major operations	Access and use rights
2010-	KCFC	<p>Productive woodland</p> <p>Public access and amenity</p> <p>Employment and education</p> <p>Affordable housing</p>	<p>Tree felling Tree planting Construction of timber yard</p> <p>Construction of an access road Creation of new walkways Clearing Rhododendrons. Undertaking an archaeological survey</p> <p>Active volunteer involvement</p> <p>Undertaking feasibility studies</p>	Land Reform Act

6. Future Plans

The feasibility studies on affordable housing, forest crofts and the hydro scheme provided support on the outlined proposals and, in response to this, KCFC is currently planning the implementation of these projects. The affordable housing and forest crofts initiatives are currently in the planning and permissions stage. A master plan has been devised (to be presented to the planning committee imminently); It is planned that five houses (three self-build and two to be built by KCFC, in each case using local materials, skills and expertise) and six forest crofts will be built, whereby only the latter will be leased out. As part of this development, KCFC is also considering a campsite, visitor facilities and a bunkhouse to accommodate events such as forest

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weddings. KCFC is currently in the process of considering its funding options for the hydro scheme, which has already seen approval by SEPA and the council. The feasibility study of the wind power scheme showed that prevailing wind conditions do not justify further investment. Therefore, this project has been put on hold.

KCFC intends on acquiring the remaining areas of the forest (432ha) by 2015. The land has now been valued at £910,000, and KCFC is negotiating funding options, with a NFLS application in progress and to be submitted in November. KCFC perceives three main benefits of doing so: (1) long-term access to timber to create new jobs and safeguard existing jobs, (2) increased opportunities for developing the forest into an asset for tourism by means of creating long-distance paths and a bunkhouse, and 3) the construction of a purpose built training facility to run formal training courses and thus develop in-house and local skills within the community. KCFC intends to raise the majority of the money through grant funding, with a smaller percentage derived from timber sales.

Forest operations targeted at felling the commercial compartments are set to continue in the following years. Some of the cleared areas will be replanted with native species whereas other areas will be re-planted with tree species intended for commercial logging.

There is potential to reinstate some of the features identified in the archaeological survey undertaken by volunteers and professionals from Argyll Archaeology. Volunteers will once again be called upon to assist with future restoration projects, with reinstated features (e.g. the curling rink) acting as visitor attractions. In addition, KCFC is planning to involve the community in undertaking biodiversity surveys for monitoring and educational purposes. For example, the upcoming 'froglife' project will involve volunteers in creating three ponds in the forest to encourage amphibian life.

There is a poorly accessible reservoir and a waterfall 'Barr Liath' within the forest, which are considered to be 'hidden gems'. Any future extensions of the path network will serve to make these landmarks, as well as any archaeological points of interest, more accessible to the public.

3. Engagement and impacts timeline

Year	Event	ENGAGEMENT	Reasons (Barriers and challenges)	Changes /Impacts and outcomes Social (evidence)	Changes /Impacts and outcomes Woodland (evidence)	Changes /Impacts and outcomes Financial /Economic (evidence)
2005	Community consultation by woodland organisations in relation to community acquisition of forest.	INFORMAL ENJOYMENT to GROUP FORMATION	To address social and economic deprivation of the community	Baseline	Baseline	Baseline
2010	NFLS-application approved and fundraising complete	GROUP FORMATION to FULL MANAGEMENT	To address social and economic deprivation of the community	Community involvement in forest and allotments (records of volunteer time)	Timber extraction Tree planting Construction of haulage road	Funding from charities, fund raising and donations (accounts)

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2011	Funding to develop social enterprise activities (i.e., composting, timber milling, retail)	FULL MANAGEMENT to SOCIAL ENTERPRISE	To become self-supportive	Employment of local people (accounts)	New paths and user facilities Construction of timber yard Creation of allotments	Gradual transition to becoming self-supportive (accounts)
2014	Funding strategy devised to acquire new forest		Long term sustainability and to address social and economic deprivation of the community	(Expected) creation of new jobs and safeguard existing jobs	Environmental improvements and forest recreation	