

Submitted to Future Grant Support for Forestry
Submitted on 2023-05-10 16:27:22

Ministerial Foreword - Forestry in Scotland is a sector that we can be justly proud of.

1 - Introduction and Rationale for Providing Grant Support for Forestry

1. Do you agree that grant support for forestry should continue to be improved and developed as a discrete scheme within the overall package of land support?

Yes

Please explain your answer in the text box.:

Yes. Woodland and forestry management, planning, regulation, and application processes, are significantly different from agriculture and very much benefit from the separate application procedures (and assessment by an expert forestry agency/staff [Scottish Forestry]) that currently happens under FGS – this separation should continue/be increased.

When forestry grant administration was incorporated into the Scottish Rural Development Programme (SRDP) in 2006/07 the result was poor and arguably a significant setback for the forest industry at the time. This was due to lack of planning and consideration (of forestry integration within the larger overall, mainly agriculture orientated, Rural Development Contracts – Rural Priorities [RDC-RP] grant scheme) which led to much un-necessary, overcomplicated, and bureaucratic administration for forestry applications – the process was off-putting for many foresters/landowners and, arguably, became a constraint rather than an incentive to forestry development. Therefore, given my previous negative experience of SRDP RDC-RP and its merging of forestry and agricultural support, I would like to see the current level of separation (under the current Forestry Grant Scheme [FGS]) maintained and, if possible, increased – my understanding is that current FGS was implemented in 2014 largely to fix the problems of RDC-RP, (mainly achieved by separating it as much as possible from the administration of agricultural support) in which, I think it was successful.

2. Are there any changes that would allow for better complementarity between the forestry and agriculture funding options?

Not sure

Please explain your answer in the text box.:

As per my answer to Q1 above, I believe it is better for forestry support to remain separate from agricultural support. Better complementarity is beneficial and just needs to ensure that the administration of forestry and agricultural support do not inadvertently cause constraints to one another, the avoidance of which will largely be down to internal (within government) administrative set up of each support scheme to minimise this.

Complementary benefits could be improved at a management/planning level over and above individual applications for funding options. For example, most large forests/estate woodlands are currently managed under approved Long Term Forest Plans (LTFP [with FGS funding for their compilation/renewal]) – I can see a lot of potential benefits that could arise from compiling a landholding management plan (LMP) that covered all aspects of forestry, agricultural and conservation management on a single landholding that coordinated their overall management and identified where the different land uses can complement each other to produce better overall outcomes. The development of such a LMP should be funded. Specific funding options to assist with the implementation of work identified under the LMP would still be separate forestry/agricultural options e.g. under current funding, separate AECS and FGS applications but perhaps with the incentive of improved funding levels/streamlined approval process if covered by an LMP.

2 - Forests Delivering for Scotland's Climate Change Plan

3. How can the support package for forestry evolve to help tackle the climate emergency, to achieve net zero, and to ensure that our woodlands and forests are resilient to the future climate?

Please explain your answer in the text box.:

I think this question looks at the situation the wrong way around. Science/research should (and does) identify what/where/how work can be done to tackle the climate emergency. When such work has been identified/confirmed as suitable (after industry/stakeholder consultation), the role of the support package for forestry should be to encourage its implementation. The support package for forestry should evolve (be kept under constant review) in accordance with what science/research identifies (and as detailed in UKFS) as the best activities to implement in order to tackle future climate change/achieve net zero, perhaps coordinated by Forest Research in conjunction with the forest industry and science/research institutions.

The new support package should promote/assist in implementing known strategies (e.g. as outlined by Forest Research <https://www.forestresearch.gov.uk/research/climate-change-adaptation/adapting-scotlands-forests-for-resilience-to-climate-change/>) to increase forest resilience to climate change such as tree species diversification, improved forest design, etc, and to implement new strategies when they arise. The support package itself should not be the vehicle for developing/identifying the forestry strategy to deal with the climate emergency.

4. Private investment through natural capital and carbon schemes can make a valuable contribution to climate change. Do you agree that the grant support mechanism should have more flexibility to maximise the opportunities to blend private and public finance to support woodland creation,

Not sure

Please explain your answer in the text box.:

Yes, there should be flexibility in the support scheme but, in terms of natural capital/carbon, the increased flexibility would be to assist obtaining additional carbon funding (over and above the grant support mechanism). I'm not sure if the "blending" of public/private finance mentioned in the question is appropriate/possible in terms of my understanding of how carbon finance works in relation to grant support schemes.

Primarily the public support mechanism should prioritise encouragement of woodland creation for the wide range of benefits it provides to the environment, biodiversity, and the economy before carbon/natural capital schemes are taken into consideration – carbon funding should be thought of (and is a requirement of Woodland Carbon Code [WCC] project validation) as the additional financial support required to encourage woodland creation that wouldn't happen without it. "Blending" the funding is therefore inappropriate/not possible. Also, many woodland creation schemes may not be eligible (particularly due to "additionality") for carbon/natural capital schemes and the public support mechanism should not be made more complicated for them.

Maximising compatibility (and that would require some flexibility as private finance requirements change) between the grant support mechanism and any carbon/natural capital schemes would be beneficial in assisting woodland creation projects (where eligible) to obtain additional private carbon/natural capital funding. However, when it comes to compatibility/flexibility between grant schemes and private carbon finance, the onus on achieving this should be on the private sector schemes rather than the public grant support scheme. Any compatibility should probably just be restricted to the data in forestry grant support applications/contracts being easily transferable to an additional application for carbon/natural capital funding, in every other respect the two funding sources should be kept separate (and probably have to be in terms of WCC).

Advice/links to carbon schemes and natural capital support should be given with the guidance for any new woodland creation support scheme so that potential applicants can assess whether (and how if eligible) additional carbon funding might be available to help support their project.

5. How could the current funding package be improved to stimulate woodland expansion and better management across a wide range of woodland types, including native and productive woodlands?

Please explain your answer in the text box.:

Restructuring:

For restocking existing woodland after felling, the current required minimum average stocking density of 1600 ha for native trees is too high for some objectives and (similar to current FGS woodland creation options) options for lower density restocking should be available to maximise environmental benefits. In particular, the 1600/ha minimum native restocking density in many cases precludes the use of natural regeneration for restocking.

Woodland Creation:

Funding for woodland creation feasibility assessment, particularly potential larger scale projects. Such funding would cover/contribute towards cost of items such as archaeology, peat depth and other environmental survey required. It could also cover initial public/stakeholder consultation. The funding would be payable irrespective of whether or not a woodland creation application was made subsequently. Such funding for feasibility assessment would encourage many landowners to investigate the possibility of woodland creation who would otherwise be put off by the cost/effort of initial survey before any certainty that an application would be suitable/approved. The feasibility assessment could also cover whether additional carbon/natural capital financial support would be required for the woodland creation under consideration.

Native Woodland Creation - Natural Regeneration:

The new grant support mechanism must level the financial discrepancy between funding for woodland creation planting and funding for natural regeneration to ensure that the better outcomes from natural regeneration are realised where it is an option.

Best practice/guidance is clear that the highest environmental outcomes for native woodland creation/expansion can be achieved by natural regeneration rather than planting, particularly at a landscape scale. However, the current rate of FGS funding for new native woodland natural regeneration (NNR) severely disadvantages NNR compared to woodland creation by planting - £300/ha for NNR (for 400/ha minimum average stocking density and no additional funding for higher densities achieved) compared to native woodland creation planting options ranging from £2480 to £3200 per hectare (initial payment plus maintenance) for 1600/ha stocking and £1040/ha for low density native planting option. Even allowing for the higher establishment costs involved in new planting compared to NNR, the funding discrepancy is still very significant – to the extent that, even when site survey identifies NNR as suitable for woodland creation, many landowners will still opt for planting simply because of the significantly better financial situation/outcome for them provided by the higher grant rates for planting. The FGS grant rates are supposed to consider the establishment costs involved, however, it is very difficult to see how this has been adequately allowed for in the natural regeneration option, particularly if you consider the increased need for regular follow up monitoring. There is also an argument that payment should be based more on value of outcome rather than costs involved. The new grant support mechanism must level the financial discrepancy between funding for woodland creation planting and natural regeneration to ensure that the better outcomes from natural regeneration are realised where it is an option. A landowner should not be financially worse off for pursuing the best ecological option. There is no issue with the capital funding for items such as fencing other than the funding rate for fencing/other capital works are equally inadequate for both options.

There is greater uncertainty with NNR and the grant payment for it should remain payable on results (achievement of minimum stocking density and seedling height); a range of payment bands should, however, be introduced with increasing payment rates for achieving higher seedling density. Also because of greater NNR uncertainty/unpredictability, there should be planning/funding agreement within the grant contract to cover planting of any areas that fail to naturally regenerate sufficiently within an agreed timescale – no further grant application required to switch to planting and grant rates for planting the same as woodland creation planting rates.

WIG Habitats & Species - Funding levels for operations to benefit habitats & species:

There needs to be a detailed review of the funding levels for the fixed cost funding options for managing existing woodlands, particularly for environmental work to make sure they are realistic – the current fixed cost funding rates under the current FGS (mainly under Habitats & Species options) are in many cases extremely inadequate and fall far short of the actual costs involved to the extent that it is simply not worth applying for them. In

addition/alternatively, actual cost applications based on applicant figures (as happens under current FGS options for designated sites and other schemes such as Peatland Action) could be implemented; administration/approval would be more involved but I think the additional effort would produce better, targeted results in things like native woodland management and habitat restoration.

6. Do you agree that it should be a requirement of grant support that woodlands are managed to ensure that they become more resilient to the impacts of climate change and pests and disease?

Yes

How can the grant scheme support this?:

Yes, by making it a requirement that the grant scheme must be compliant with the UK Forestry Standard.

My understanding is that this is already the case with the current FGS grants – all FGS applications being assessed against the good forestry practice requirements of UK Forestry Standard (UKFS), applicants often referring to UKFS requirements, and Long Term Forest Plans (LTFP) usually (required to) include reference to compliance with UKFS. UKFS currently includes details on climate/pests/diseases and the requirements (legal/good practice/guidelines).

Any new grant support should continue to require compliance with all aspects of UKFS, including pest/disease/climate forest management requirements. The requirement to comply with UKFS (and other policy/legal requirements) can be confirmed in the application/contracts for the new grant support. The detail of what is required to increase forest resilience (and all other aspects of UKFS/other requirements) should continue to be detailed/updated in UKFS and only need to be referred to as a requirement in any new grant scheme (guidance and contracts).

3 - Integrating Woodlands on Farms and Crofts

7. Which of the following measures would help reduce the barriers for crofters and farmers wanting to include woodland as part of their farming business? Please select all that apply.

Knowing where to get reliable advice, Clearer guidance on grant options, Information on how current land use could continue with trees integrated throughout

Are there others not listed above?:

On better land/other situations, an option to plant for a single commercial rotation then, if wanted, convert to other land use without penalty – i.e. for very specific situations remove the restocking obligation after felling. Many farmers are reluctant to commit to woodland as, once established, the land must be maintained as woodland in the future. This single rotation option would likely apply to mainly improved land and involve fast growing commercial woodland with the primary objective of timber production.

Assistance with preparation of a land management plan that covers all aspects of land management including woodland/forestry. Part of that process would include obtaining the necessary advice and assessment of the economics/benefits.

Grant assistance (non binding) to carry out survey and assessment of woodland potential on their landholding - perhaps linked to above measure suggested for a land management plan.

A separate grant option for creation/management of agro-forestry.

8. Establishing small woodlands can have higher costs. What specific mechanisms would better support small scale woodlands and woodland ownership?

Please explain your answer in the text box.:

In some situations (below agreed area thresholds), the applicant could detail in the application their actual budgeted costs (as currently happens with Peatland Action grant funding for example) and apply for them – application and assessment would, however, be more involved.

Other options might be higher rate grant/operational cost bands, the rates increasing (in line with defined area thresholds/bands) as scale reduces.

Also, funding for individual operations (rates per tree for planting, weeding etc, as per historic SFGS) may work better than area based payments at small scale and should include not just initial establishment but agreed maintenance operations (completion evidenced by receipts if required to support for claims) for the first 5 years.

Any additional support for small woodlands will also be applicable to montane woodland management/creation projects.

4 - Forests Delivering for People and Communities

9. How can forestry grants better support an increase in easily accessible, sustainably managed woodlands in urban and peri-urban areas?

Please explain your answer in the text box.:

I'm not familiar with managing urban woodlands and have no comments on this.

10. How can grant support for forestry better enable rural communities to realise greater benefits from woodland to support community wealth building?

Please explain your answer in the text box.:

All grant support that generally encourages woodland/forestry management activity will benefit the rural communities in the vicinity - directly through employment opportunities in forestry and related downstream industries; indirectly through support/service industries to the forestry activity; indirectly through associated tourism/recreational industry; community wealth through the ecosystem services that can be provided by forest/woodland management.

I'm not sure there are many specific areas where FGS grant support would be best placed to encourage community business/wealth development – this is important to support but I believe best addressed through more general community development organisations.

11. How can the forest regulatory and grant processes evolve to provide greater opportunities for communities to be involved in the development of forestry proposals?

Please explain your answer in the text box.:

I think the opportunities for communities to be involved in the development of forestry proposals are already good through the consultation required for current FGS proposals. The requirements/process involved in community consultation should, however, be better defined for all participants in any new grant support mechanism. There will be further improvements that can be made but I do not have any specific suggestions on this.

In many cases it is currently difficult to raise community interest in participating in the existing consultation processes. To improve participation, proactive education/encouragement by government to encourage public participation should be encouraged (in schools, community councils etc) by Scottish Forestry.

The lack of community participation can also cause issues where a small number of people (not necessarily representative of the view of the community as a whole) can make major representations/objections – they absolutely should be able to do this, however, there does need to be better clarification as to what constitutes community interest and what constitutes individual/specialist group interest. Scottish Forestry (other government agencies) may need more guidance and authority to assess what is/is not fair representation of a community view.

12. How can the forestry regulatory and grant processes evolve to ensure that there is greater transparency about proposals and the decisions that have been made on them?

Please explain your answer in the text box.:

In addition to the current requirements for public/stakeholder consultation, scoping, public registers etc, I suggest that as much information as possible about the application, assessment and approval/rejection should be publicly available, ideally accessible online through the public registers. Information available to include application documents, assessment of application by SF, required amendments/additional information provided, and approved contract details – privacy, data protection law, commercial confidentiality/sensitivity do need to be carefully considered for all concerned.

Perhaps a system for forestry application/approval, accessible via the online public register, with some of the features used in the planning system to provide transparency/opportunity for public scrutiny.

13. Forestry grants have been used to stimulate rural forestry businesses by providing support with capital costs. Do you agree that this has been an effective measure to stimulate rural business?

Not sure

a. How could this approach be used to support further forestry businesses?:

Not sure. I've not been involved with any of the previous grant support for this to comment on anything specific. My general feeling is, however, that grant support for forestry should focus on implementation of forest/woodland projects and that stimulation/support of forestry businesses should be supported (along with all other rural businesses) via a separate support vehicle.

b. How could this approach be used to support further skills development?:

In my view, skills development (and education/training/encouragement to bring new entrants into all areas of forestry) is extremely important in order to deal with the shortage of trained/skilled people in forestry. As with my answer to a. above, I'm not sure that part of achieving this is best included in any new grant support package and is important enough to warrant its own (along with all other rural businesses) support system/vehicle.

14. How could the FGS processes and rules be developed to encourage more companies and organisations to provide training positions within the forestry sector?

Please explain your answer in the text box.:

As per my answers to Q13 above, I'm not sure that achieving these training aims (and they are important) is best included in any new grant support package – I believe they are important enough to warrant its own (along with all other rural businesses) support system/vehicle. The new grant support mechanism should focus primarily on encouragement and implementation of woodland creation/management projects.

5 - Forests Delivering for Biodiversity and the Environment

15. The primary purpose of FGS is to encourage forestry expansion and sustainable forest management, of which a key benefit is the realisation of environmental benefits. How can future grant support better help to address biodiversity loss in Scotland including the regeneration and expansion of native woodlands?

Please explain your answer in the text box.:

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Native Woodland Creation - Deep Peat.

Preservation and restoration of deep peat habitats is very important and the current requirement that peat depth of 50 cm or more is not planted with any woodland, including native, is a good general protection measure. There are some native woodland habitat types that can naturally occur on deep peat (montane woodland, wet woodland, upland birch etc) and, where it can be demonstrated that high ecological benefits would result (such as woodland habitat network linkage, habitat creation for priority flora/fauna, montane woodland) it should be possible to receive grant support for planting in exceptional circumstances where a sound ecological case to do so can be made; the ecological benefits of the woodland habitat created mitigating against any loss/damage to peat. Most of the appropriate native woodland types would require little or no ground preparation and would typically be established at lower densities with relatively low risk of harm to existing peat.

16. Herbivore browsing and damage can have a significant impact on biodiversity loss and restrict regeneration. How could forestry grant support mechanisms evolve to ensure effective management of deer populations at:

Landscape scale?:

In my experience it is ultimately landowner objectives/desires that mainly influence deer management. I don't think forestry grant support mechanisms will change many landowner's deer management objectives – policy, legislation, and regulation are, I believe, the best ways to achieve the changes in deer management necessary to achieve effective deer management and associated biodiversity benefits.

When a landowner is considering/makes the decision to manage their deer population to provide biodiversity, woodland/habitat management and expansion, then grant support is important to encourage this and funding should be available to help support them.

At a landscape scale there are so many other factors to consider than just woodland habitat/expansion that I'm not sure that support through forestry specific funding is the best approach; the approach should be a more general land management one perhaps based around deer management groups/associations led/directed by government agency – the exact setup based on/driven by policy/regulation/legislation with implementation of additional/changed deer management supported by grant funding.

At a landscape scale it is difficult to use results (of habitat improvement) to define the success/achievement of implementing grant scheme requirements – monitoring of habitat is important but success in terms of habitat improvement is not always possible/achievable in the relatively short term of a grant

contract so requirement of a landscape deer management contract should be about agreeing/confirming inputs in terms of labour/machinery and monitoring implemented to record the results.

Small scale mixed land use?:

If a woodland/landholding is only a small part of a wider deer management range/area then deer management by culling alone (to achieve woodland/environmental objectives) will be very unlikely to work – unless there is agreement on approach with all the other landholders within that deer range. Therefore, at a small scale, grant support should be there to encourage mainly protection measures such as fencing, shelters, deterrent products etc. Funding can also support landowner collaboration, however, for the reasons given for landscape scale deer management above), policy/legislation/regulation are needed to drive this as many (most) landowners will not change their deer management policy on grant assistance alone and, as multiple land uses are involved, forestry specific grant support is probably not the best vehicle for this.

If you wish to make any other relevant comments, please do so in the text box below.

Please add your comments here.:

For any future grant scheme, it's administration, regulation etc, it is vital that the agencies involved are adequately resourced/funded – the best scheme in the world for encouraging forestry/woodland management will not succeed if there are not the people and resources to run and manage it properly.

Also, as part of the development of any new grant support, it is vital that all stakeholders are fully involved in the development process and details of the support packages – it must be practical/workable from a landowner/woodland manager perspective.

Reiterating some of my answers to the above questions, as far as possible forestry grant support should focus primarily on the implementation of woodland creation and management projects. Policy objectives (such as resilience to deal with climate change etc) should be separate from grant support mechanisms which only need to confirm that they are obtainable/payable on condition that they must meet policy objectives.

The very important encouragement of business, skills, and education (in all rural land management areas) is, I believe, important enough to warrant support mechanisms that are separate from forestry grant funding and specialise in the development of all rural business/skills/educational development.

About you

What is your name?

Name:
[redacted]

What is your email address?

Email:
[redacted]

Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

Scottish Forestry would like your permission to publish your response. Please indicate your publishing preference:

Publish response only (without name)

We may share your response internally with other Scottish Forestry policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Forestry to contact you again in relation to this consultation exercise?

Yes

I confirm that I have read the privacy policy and consent to the data I provide being used as set out in the policy.

I consent