

Submitted to Future Grant Support for Forestry
Submitted on 2023-05-15 15:14:27

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?

Not sure

Please explain your answer in the text box.:

The administrative burdens around the FGS have been an insurmountable barrier for many crofters. There could be an opportunity to lessen bureaucracy and streamline processes if the FGS is integrated within new agricultural support. But this may also be achieved by making sure that FGS and agricultural funding achieves better complementarity (see below) whilst keeping a discrete FGS with a separate budget. Better coherence/less admin burden should be the end goal.

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

Yes

Please explain your answer in the text box.:

Options to ensure better coherence between agricultural and forestry policy options:

- Reintroduce Annual Management Grant as a continuous support payment, like the Basic Payment Scheme (BPS) under agricultural policy. Conditions could be attached to ensure appropriate management.
- Introduce cross-compliance duties into FGS similar to agricultural BPS. This would need to at least include requirements to keep existing woodlands in good condition before obtaining public funding for new woodland creation. Integration with crofting law should also make eligibility of FGS dependent on compliance with crofting duties (to be ordinarily resident on, or within 32 kilometres of their croft; cultivate and maintain the croft; not to misuse or neglect the croft).
- Put in place adequate and accessible support for agroforestry, alley rows and shelter belts. At the moment, many restrictions to funding of worthwhile agroforestry projects and practices apply. In addition to support for 'sheep & trees' initiatives there should be specific support for 'cattle & trees'. Make sure that grants cover the real set-up costs of agroforestry initiatives.
- Support the creation and maintenance of orchards and projects that integrate fruit trees.
- See FGS and CAGS as complementary rather than mutually exclusive. Progress on the reform of CAGS has been halted by Brexit but it should be possible to include forestry activities within CAGS applications to tackle admin burdens for small-scale producers under FGS.
- Fund research, capacity building and awareness raising efforts to bridge gaps between crofting/farming and forestry on the ground, in particular, in relation to agroforestry.

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.:

- Better support for local, community and small-scale forestry initiatives will significantly reduce 'timber miles'. Especially if support for woodland creation and management is complemented with grant support for onsite or local processing, thus minimising transport of heavy 'green' timber.
- Improved support for woodland regeneration will contribute to climate change goals as woodland creation via planting can have a significant carbon footprint e.g. due to distances from nurseries and loss of soil organic matter due to cultivation. Current funding is hugely skewed to woodland creation rather than woodland management/maintenance and this should be addressed.
- Make available capital grants for compact tractors and electric machinery. Provide grant support for horse logging, including capital equipment grants, and support for horse extraction. The use of horses could tie in with other policy objectives and agricultural activities, including ploughing and extracting deer from the hills.

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.:

There are still huge unanswered questions whether private investment can make a valuable contribution to climate change, and the Scottish Land Commission has urged land managers to be cautious around this topic. There are principled concerns whether offsetting is actually making tangible

positive impacts to address climate change in Scotland or elsewhere in the world. There are also practical questions around how private investments works for and benefits crofters and tenanted producers more widely, and to what degree credits will be needed by crofters themselves for 'in-setting' to achieve obligations to mitigate emissions, e.g., from livestock. Wider issues concern natural capital finance inflating land values which restricts access to land for new entrants. Until we have adequate and accessible answers, and it is clear why private finance is more suitable than public finance, FGS should not be blended with private investment to finance woodland creation.

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.:

- Cross compliance should be introduced into FGS, to ensure that existing woodlands are managed well before public funding is provided for new woodland creation. Cross compliance should also ensure that grant recipients are compliant with their crofting duties.
- Woodland management should be prioritised over woodland creation and rewarded accordingly. Annual Management Grant should be reintroduced, as per previous grant schemes, with a 5 year payment available in a lump sum for a variety of agreed management activities.
- More flexible time scales should be allowed for regeneration to establish (longer than 5 years).
- Support should be made available for ground preparation using livestock (eg cattle).
- Admin burdens/bureaucracy should be addressed – simplification is key.

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?:

Definitely. There needs to be more support for diverse planting. This could be achieved through a resilient woodland premium – an enhanced support rate for diverse and resilient woodlands, because they are more expensive to establish and manage than industrial forestry projects but have much more potential to contribute to climate change policy objectives.

A key part of resilient woodlands is moving towards continuous cover systems with selective felling rather than clear felling. Support for low impact silvicultural systems should be prioritised.

Diverse and resilient woodlands are much better suited for the crofting context as workload is 'little and often' and can therefore be combined with other crofting responsibilities, e.g., in relation to livestock husbandry.

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.

Better integration of support for woodland creation with farm support mechanisms, Flexibility within options, Intervention level, Support with cashflow, Information on how current land use could continue with trees integrated throughout

Are there others not listed above?:

Simplification of schemes to reduce admin burdens and need for external advice and support.

Address lack of adequate support for smaller-scale projects given their additional costs (see also question 8 below).

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.:

FGS value for money criteria mean crofters often have to plant much more than desired or at greater density than is practical for them, to compete - the scoring system can work against small occupiers as they are likely to score less well on value for money (due to the higher intrinsic cost of smaller-scale operations) and also on scale of delivery. Even if successful in an application, as most management operations do not have a minimum payment associated, the grant income received over small areas is often a negligible contribution to costs, whilst the flat rate for woodland creation does not take account of the extra cost of establishing small areas of woodland.

Small woodland management can be made more viable through:

- Ringfencing a proportion of the available budget for smaller occupiers and making it available on a non-competitive basis subject to minimum criteria. Schemes should consider biodiversity, climate, community benefits as part of the 'value for money' equation to adequately support small-scale projects.
- Higher minimum standard payment for small-scale woodlands to recover fixed costs.
- Higher intervention rates for a smaller scheme, where applicable.
- Restructuring area-based payments, by banding rates to give higher rates for the first hectares.
- Enhanced support for productive management of small-scale woodlands, for example, through an annual management grant. This will often reward the labour the crofter provides him/herself but which should be adequately supported – pruning, thinning and respacing etcetera.
- Adequate support for natural regeneration at small scales.

- Reduce cashflow issues generally by allowing payment of grant in advance for small schemes, and supporting a loan scheme, similar to the current Croft Woodland Bridging Fund.
- Tailored advisory services. FGS is complex and bureaucratic and it is currently very difficult for the non-professional to prepare and submit a grant proposal, and therefore not cost effective for small scale schemes. Currently Scottish Forestry woodland officers have a limited advisory/support role, the FAS service does not have the capacity to deliver the level of support needed for small scale forestry, and so such free support and advice as is available is restricted to initiatives like the Croft Woodlands Project which are not currently core funded (and hence of fixed duration) and have a limited geographical remit.
- Address issues of access to land for small-scale woodland ownership: address inflation of land prices due to tax benefits and carbon credit markets, introduce a capital grant for the purchase of land for the creation of woodland crofts.

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.:

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.:

There should be a requirement built into the FGS to assess delivery of CWB and include either a minimum threshold and/or differentiated rates based on the level of positive CWB impact. Whereas local schemes deliver CWB by default, bigger projects will not, and they need to be led towards CWB using the grant scheme as a carrot and a stick. Community Impact Assessment for public procurement can be used as an example of how a similar test on public spending is done.

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.:

Consultation and awareness raising including publicity needs to be done much better (and at the earliest stage possible) and needs to take into account the needs of different demographics. A sign at the roadside may be more appropriate than an online advertisement. As part of CWB impact assessment, appropriate consultation and a plan on how community input will be taken forward – with solid and clear justifications in case changes were not made – should be part of decision-making around grant awards.

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.:

Introduce a permanent register for the post-application stage. The reason why the grant was approved (including in relation to CWB impact) needs to be published, and what the amount was.

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?:

- Greater flexibility in eligibility of capital items – include a broader range of items which support rural development including forestry equipment like sheds, hardstanding, and deer larders.
- Threshold for usage/facility (at least 500 hours per year for primary machinery and 200 hours per year for secondary machinery) needs to be reviewed so as not to exclude micro business. Currently, funding is very much targeted at full-time forestry contractors thus disregarding the significant potential of small-scale foresters to deliver on a wide range of policy objectives. Inclusiveness of part time foresters – undertaking forestry as part of a wide range of work opportunities including crofting – should be a priority for reform.
- Make cooperative or shared ownership (including in relation to common grazings) of capital items a possibility.
- Minimum payments for small-scale business to compensate for higher costs.
- Reduce match-funding requirements for small-scale projects which can provide evidence of how the project delivers on climate, biodiversity, local food and/or CWB outcomes.
- Focus on local processing – adding value to croft produce, and reducing timber miles for climate change.

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

- Provide grant support for basic training and make this available to individuals (tackling a potential bureaucratic hurdle of needing a business number).
- Support cooperative work (including in relation to common grazings) to stimulate peer-to-peer learning.
- Provide continuous and long-term funding for coordinated peer-to-peer learning projects (e.g., KTIF Agroecology project) which include agroforestry.

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.:

Provide funding for community forester placements.

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.:

Current funding is hugely skewed to woodland creation via planting rather than either woodland management or regeneration, and this should be addressed as both the latter can make significant contributions to biodiversity and climate change goals (see also above Q3). Grant payment should be based more on delivering appropriate management than on achieving numerical outcomes within a (biologically short) timescale.

Reintroduce an Annual Management Grant, as per previous grant schemes, with a 5 year payment available in a lump sum up front for a variety of agreed management activities. Cross-compliance conditions should include activities to ensure biodiversity benefits and adequate woodland management.

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?:

Lack of deer management is the biggest limiting factor to woodland creation and management in the crofting counties. Significant amounts of public and private funding are currently spent on fencing, which is also carbon-intensive, but the critical issue is managing deer numbers on a landscape scale (which if done well – would necessitate fencing of only small, local areas).

SCF supports significant reduction in the population of deer in Scotland over and above normal cull targets. However, it must be recognised that if this is to be achieved capacity in terms of sufficient numbers of skilled and qualified deer controllers should be increased in line with this aim. As increased culling will produce more carcasses, facilities such as deer larders will need improvement to cope with throughput, and marketing and assurance of wild venison as a sustainable food source to the general public should be enhanced. Scotland does not have the same culture of hunting as say in North America and so deer management and control falls to professionals. Advantage has to be taken in this regard of increasing rural employment opportunities and bringing deer management into the 21st century rather than the old-fashioned pastime many estates like to portray.

Landowners should not expect just to reap benefits from high deer numbers, but should carry significant responsibilities in ensuring that numbers are kept at appropriate levels – and otherwise should bear the resulting costs for other land users. Those with the right skills to control numbers should be encouraged and supported to do so on a landscape scale.

Small scale mixed land use?:

Deer can cause damage to crofting and farming interests including woodland, agricultural production or by competing with livestock for supplementary feeding. Due to their size and mobility deer are an important host for the breeding life-cycle of ticks, many of which carry a range of diseases that can infect humans and livestock.

A crofter, farmer or tenant has the statutory right to take or kill, and to sell or otherwise dispose of, any deer found on their arable land, improved permanent pasture other than moorland, land which has been regenerated so as to make a significant contribution to the productivity of the holding or enclosed woodland. The power to take or kill deer, within their boundaries, must be exercised by fit and competent persons operating within the law.

Funding for small-scale deer fencing should be supported particularly where it protects schemes forming mosaic style or shelter belt woodland regeneration schemes alongside crofting or farming enterprises. However, effective management of deer whether by exclusion or reduction in size of local populations should be prioritised particularly in view of Scottish Government's aim of substantially reducing Scotland's overall deer numbers.

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

Please add your comments here.:

The growth in woodland expansion programmes and other activity has not been matched with sufficient additional resources being provided to Scottish Forestry for regulation. Static or reduced staff numbers and restricted financial resources greatly restrict the possibility for woodland officers to assist small-scale projects. New specific posts should be created to support small applications (say under £10,000 grant value or less than 10ha), in recognition of the many climate, biodiversity and community benefits they bring. Ultimately, we do not only need the right FGS but also the regulatory resources to make it a success.

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 Crofting Federation

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