

Submitted to Future Grant Support for Forestry
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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 – We feel this is vitally important to provide the focus on the important targets laid out in the Scottish Forestry Strategy in 2019.

Forestry grants are an essential tool to reduce the financial risks for those considering land use change and it is clear from historic packages that they directly drive development.

Forestry is unique in that it is such a long-term project, whether growing for commercial timber at 35-year rotations or longer-term productive broadleaves or native woodland at over 100 years. The cashflow requirements and outlays in the early years significantly detract from the attractiveness of making these changes, but grants do successfully stimulate these changes.

Keeping these as a discrete offering makes them relevant to the goals, accessible and ensures they are easily understood. It allows the funding for these packages to be ringfenced, which is important to give those applying the confidence that funding is available.

It is clear looking back at previous variations within the grant schemes from WGS, SFGS and on to FGS that any changes create uncertainty and drive changes in uptake and behaviour. Keeping the current position will help to keep these impacts in check.

Keeping as a separate offering should allow the stimulus packages to be more adaptable to the requirements of the industry.

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.:

The costs for landowners to take the steps towards considering land use change to forestry remain a significant barrier in moving forward many on-farm projects. Up-front “at risk” development costs of survey, stakeholder engagement and professional advice can be considerable. Development of a non-refundable development grant would be a very useful tool in making this more attractive.

This grant could be structured in the same way as that under the England Woodland Grant Scheme where an initial payment is made for an initial feasibility study. A second payment is made for plan development if the site is suitable.

A simplified Basic Payment Scheme type payment would assist in the long term cashflow for forestry projects. This could be an area linked payment to provide funding for the biodiversity elements of projects, like those proposed under the Scottish Agriculture Bill. Focussing on biodiversity as an output would avoid conflicts with subsidising production but would also ensure that those elements that have traditionally fared worst in the establishment of previous forestry schemes are expanded and enhanced. Ideally these grants would be long-term (15 year) and would not be taxable.

There is a need for clear land use policy in Scotland to lay out the requirements of both sectors, and to treat both sectors as one “land use” sector. Lack of clear land use policy helps to perpetuate a “them and us” scenario where forestry is often criticised for using agricultural land. We require between 5% and 10% of all grazing land in Scotland to achieve the targets set in the 2019 Forestry Strategy. Much of this could be converted to forestry with little, no, or even positive impact on agricultural production. We need to take the blinkers off!

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.:

Support packages for forestry already play a key role in helping tackle the climate emergency. Good forest practice aimed at creating and maintaining healthy forests is transitioning our forests into more resilient habitats able to adapt to climate change, and it happens every day. Support packages which aid current good forest practice is fundamentally important.

Additional support for ‘extras’ which focus on tangential forest projects such as urban forests or silvopastoral agriculture are beneficial but not as important as ensuring the industry has the support it needs to carry out the vast majority of forestry work taking place year on year keeping the industry

alive and our forests changing in line with the climate.

'Restructuring' our woodlands, i.e., felling and restocking in line with UKFS, does not receive enough support currently to enable change at the rate needed. Shifting more funding toward the most common forest practices and ensuring they meet UKFS is the most logical evolution for forestry support rather than funnelling money away into niche options.

New woodland creation support packages are currently robust, though financially they are now not in line with inflation and cost of living increases. Although not enough new planting has been carried out to reach national targets in our journey toward net zero, the new planting which has occurred is achieved through determined efforts of applicants to overcome obstacles during eligibility assessment, guidance interpretation, and consultation. Afforestation is based on the fundamental principle of putting the right tree in the right place for the right reason. Currently there is a disconnect between agriculture, communities, forestry, and the Woodland Carbon Code. A shift in eligibility requirements to clearly define what is an acceptable land use change (i.e., removed from less productive agriculture to be planted with higher performing productive forest or reducing grassland wader habitat to expand ancient woodland sites) would aid in reducing that disconnect and improve transitioning sites into forestry. Relying upon the fundamental principle of right-tree-right-place-right-reason in all requirements and guidance for support packages will reduce conflict about decision making.

The Woodland Carbon Code assesses the financial viability of new woodland sites for carbon credits using UK wide standardised costs against actual grant income received, regardless of which devolved nation the project resides in. The standardised methodology creates artificially distorted results, which is misaligned to the FGS package, and consequently applicants are losing confidence in planting for carbon sequestration and climate change mitigation. The WCC must align with the current/future FGS package to ensure disparity does not act as a barrier to woodland creation. The inclusion of grant flexibility into the FGS scheme would allow applicants to take less grant aid, to enable conifer schemes to qualify for the WCC's additionality test. High yielding conifer projects planted on less favoured area ground, where 100% grant aid is taken will not qualify for the current WCC rules. This contradicts the Forest Research report released in June 2022 that highlighted the fast-growing productive conifer species had the largest impact of annualised CO2 uptake and GHG emissions avoided. The misalignment of FGS and WCC is encouraging a movement towards large scale mixed broadleaf planting which will not deliver the carbon yield required to contribute to Scotland's 2045 net zero target.

The current FGS scheme and other support packages contain novel eligibility requirements to do with habitat or species thresholds which are tied to the funding (maximum 10% native broadleaves and shrubs in conifer woodland creation options for example) and are not tied to practices which are UKFS compliant (allowing higher than 10% native broadleaves for example). All support package eligibility requirements need to be realigned with UKFS.

Carbon is sequestering in our existing forests as we speak but support to monitor and quantify this is not available, restocking trees following felling is not eligible for carbon credits in the current mainstream markets, nor is additional carbon from a change in existing forest management eligible for carbon credits, and as such, recording and tracking sequestration on existing forests is not financially feasible without support. Funding to better support tracking of good forest practice should be integrated into the evolution of the support packages available to tackle the climate emergency. The support must be aligned with the Woodland Carbon Code as at the current time the code discourages silvicultural management by assuming carbon yield is lost when woodlands are thinned. Furthermore, permanence of the project is fundamental in ensuring carbon credits will be verified in the long term and contribute to net zero, thus the FGS offering should be scrutinised against the woodlands long term management plan to ensure sustainability.

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.:

Not only does private finance make a valuable contribution, but it is also essential to Scotland meeting its net zero ambitions.

We agree that more flexible financing model is necessary, but there is no need for this to be overly complex and carry a high administrative burden and cost. We do not consider there is a need for blended process, this is likely to result in "leakage" with more money being lost to process than being focussed on action.

We feel that currently the view is from the wrong end of the telescope. Many consider that we need to encourage more capital, but if we do not have a process, and the human resources to deliver the process, that allows capital to be deployed in a sensible timescale, then it will be repositioned elsewhere. Investors do not like uncertainty or moving goalposts.

There is significant private capital looking to come into the market, and what is required to really drive this forward is a greater level of certainty in outcomes and a streamlining of systems and processes. Once there is greater certainty then private capital will flow. We do not need complex, highly opaque "partnerships", to aid delivery, we just need clarity.

One of the major drivers for afforestation at the current time is generation of carbon units. With recent changes to the Woodland Carbon Code there is a significant lack of confidence in investors that a) there will not be further changes that may dilute the productivity of sites, b) what type of land will be supported going forward.

With the changes to WCC V 2.2.1 effectively forestry, where carbon is a main objective, is pushing schemes down the hill onto better land where the income forgone figures are higher and support the land use change. This is at odds with the general principles of using land for its best purpose and creates unnecessary conflict with the agricultural sector.

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.:

We believe there are several areas where the current funding packages, and their administration can be improved to stimulate woodland expansion and better management, the main aspects are noted below:

-For woodland creation the removal of fixed grant models for delivery would provide a lot more flexibility for applicants, remove complexity and hurdles, and allow better woodland designs to be delivered. The current models are restrictive, can make delivery of diverse schemes complicated and can see applicants lose out on potential funding. Removal of these fixed models and moving towards a rate per hectare for each woodland type (conifer, diverse conifer, native broadleaf, etc.) would provide simplicity and flexibility.

-Thinning – A mechanism provide grant support for thinning; particularly uneconomic thinning would be a useful tool in the promotion of sound forest management. At present first thinning is left too late in the rotation to provide the silvicultural benefits being targeted. This is due to owners waiting until the operation will provide a nil return or small income, especially where infrastructure improvements are required, and not undertaking when the time is right based on crop improvements. Increased stability, resilience.

-A mechanism built into the wider administrative functionality to allow for the increase of grant funding, in line with delivery cost increases, throughout the duration of the funding package, is important to ensure support levels are not undermined by rising costs. This is especially important when considering the delivery of small, mixed and farm woodlands where economies of scale do not apply, and capital costs, such as fencing are a much larger proportion of overall costs. This has been underlined recently with elevated levels of inflation, but fixed grant rates at levels set 5 years ago. Scottish Woodlands have seen a substantial number of schemes of projects delayed or scrapped due to the gap between costs and financial support being too great.

-Grant rate flexibility – Potential for applicants to choose to take a certain percentage of the funding available for any projects to allow other revenue sources to be exploited. This could see a reduction in the public funding required to meet government targets by using private finance, which will, with the right package and support, see public funds deliver greater benefits.

-RPID/LPID interaction – Simplification, or complete removal, of the interactions the forestry sector has with RPID would reduce complications and may encourage a greater uptake with small and farm woodlands.

>Streamlining process for merging LPID's from farm field structure to new woodland structure, with better understand from RPID of what's being achieved.

>Removal of maintenance payments from SAF claim process, like what was previously done with Restructuring Regeneration claims. This process is not intuitive to forestry managers and causes issues with incorrect/missed claims, penalties, and delays to farm income. SF should be the sole payment agency!

-Not directly tied to the funding package, but a significant factor, the Public Register systems require a complete overhaul to make them fit for purpose and provide confidence to all stakeholders that Scottish Forestry and the private forestry sector are professional and competent. The current system is extremely poor, difficult to find/use and does not provide any transparency. This drives suspicion and bad feeling with external parties who are trying to engage with the consultation process.

-Wider administration of the overall process could also be improved to ensure that it is as efficient, and user focused as possible. Many of the points above would help to reduce bureaucracy, speed up turnaround times and deliver significant efficiencies both for the applicant, Scottish Forestry and other stakeholders involved in the process. In addition to these some other improvements could be considered:

>Review of 2 stage consultation process for woodland creation (pre-app and then public register). This is confusing for many and causes delays as we repeat the same process twice, and there is no formal time limit for the pre-app process.

>Better early engagement from SF staff when projects are being put forward to provide the applicant with confidence, and a better understanding of what SF expect from a certain type of project in a certain location. SF staff have a much wider scope of experience/influence than an applicant will, and sharing of that can help to streamline applications and drive efficiencies.

-Ensuring robust transitional arrangements are in place for the change from current funding packages to the new package is essential to avoid any period of reduced applications and activity which would see momentum lost and be very damage to the private sector infrastructure and resources. This has been seen with previous transitional periods and can have a significant negative impact on nurseries, suppliers and contractor and management resource.

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?

Not sure

How can the grant scheme support this?:

Generally, yes but technically no, this opinion is based on the premise that good forest practice results in significant and widespread benefits not only limited to improved resilience to climate change and pests and disease.

It should be a requirement of grant support that woodlands are managed as part of routine good forest practice, rather than focusing on narrowed outcomes which may compromise other benefits.

Through requiring good forest practice and UKFS compliance, a far greater number of benefits can be achieved beyond just resilience to the impacts of climate change and pests and disease. Good practice in line with UKFS and associated guidance increases species diversity, ensures the most productive options are favoured in the best places, and landscape scale considerations are taken into account rather than focusing on an isolated 'project' or 'claim' boundary.

It is also noted that currently many woodlands are already being managed to this end and it is unlikely that 'more' resilience is needed, there should be flexibility in any requirements of grant support to ensure woodland currently in good condition are recognised and not prevented from securing support to maintain this condition.

We caution against making it a requirement of grant support that woodlands are managed for 'more' resilience.

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, Knowing where to get reliable advice, Flexibility within options, Intervention level, Support with cashflow

Are there others not listed above?:

Clarity on taxation treatment.

More info on design and management.

Clearer legal guidance on the options for woodland creation projects that wish to register under the Woodland Carbon Code. Clarity is needed for the crofting community and landowners as to how each party can proceed with a woodland carbon project and then who is responsible for the ongoing Woodland Carbon Code liabilities,

Flexibility is important, In Q8 below we comment on the current requirement to make small farm woodland UKFS compliant, at whatever scale. This discourages planting as those converting land especially on a small scale do not want to be tied to such restrictions.

Again, elsewhere we refer to the cashflow issues relating to survey and scheme development. This needs to be overcome to reduce barriers.

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.:

Increased grant rates, or a targeted premium, to encourage small woodlands that deliver benefits to wider landholdings or communities. This could be based on delivery against local woodland plan objectives, provision/protection/improvement of important habitats, diversification of rural businesses and many other parameters.

Like the EWGS, consideration should be given to provision of planning and survey funding to support and encourage smaller, and farm diversification projects to be brought forward with no significant financial risk to the applicant. These would need to be non-refundable to ensure they deliver the objectives.

100% funding for capital items, such as fencing, on small projects (<20ha?), where these costs are a higher proportion of overall capital costs would help encourage delivery of small woodlands.

Removal of the rigid enforcement of UKFS compliance component breakdowns on small woodland projects would help to deliver better designed projects, especially where the wider land holding has more woodland areas that as a whole deliver UKFS compliance of better. Small woodlands can provide large benefits but trying to deliver 10% open ground in a small area can be problematic. Shoe horn diversity into small areas can also have a significant negative impact on potential timber quality, dramatically reducing the asset value of the woodland. Where a good case can be made non UKFS species diversity compliant woodlands should be approved and funded, if they are delivering wider benefits, or tie into, and compliment, a wider matrix of woodlands in a locality.

A reduction in the regulation around the application process for small woodland should be considered to simplify the process and reduce costs. Like the principal adopted for management plans for woodlands under 100ha, where low risk, negligible impact woodland creation projects are treated with a lighter touch, more efficient application and approval process. This would allow the delivery of a larger number of small woodlands, which have a high societal value and will help to underpin SG woodland creation targets.

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.:

The current support options for woodlands in and around towns are complicated and difficult to navigate. It is likely that these support packages have been under-utilised, as groups without technical forestry expertise are put off by the over-complicated application process and eligibility requirements. Provided application areas fit within target areas already identified, the process of making requests for support and those requests being assessed and approved should be streamlined. Flexibility in the specifications for individual capital items (signs or footpaths for example) should also be considered so that groups have more freedom to develop infrastructure and maintain community woodlands in ways that fit their local settings. No two communities are alike, and this is part of the distinct character that develops pride and appreciation of one's own community. Having overly rigid specification constricts this unique character amongst communities. Rates available should cover bespoke projects rather than industry standard costs as most communities will be taking extra effort to find local craftsmen within the community to fulfil requirements and will be tailoring designs to meet local needs. Increasing available rates will also incentivise forestry agents/managers and experts to aid in facilitating community woodland management as sufficient support packages will be in place to cover these additional costs. Streamlining the set of requirements and simplifying the level of specification is essential to improving utilisation of forestry grant in urban and peri-urban areas.

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.:

To fully answer this question a clear definition of community wealth building is required. If this is how a community can capitalise on forestry assets to generate social and financial wealth for local communities, then this can be supported with the following suggestions.

However, if this is an expectation that communities are given windfarm style 'compensation' handouts then that is much more problematic. The current forestry financial/investment models are not conducive to provision of financial contributions to local communities at an early stage. At present woodland creation, and existing woodland maintenance and management t, is very capital hungry in the early years, with no significant return on investment until at least 35 years after planting.

Woodland creation projects would appear to be the aspect of the forestry grants package that would be the least difficult to try and support community wealth building. This is the most emotive topic with local communities as well, as the land use change and perceived impact on rural economy is more apparent than the ongoing management of existing woodlands.

Empowering communities to generate their own wealth will be more sustainable, beneficial, and rewarding than the provision of monetary contributions via the forestry grant package. By giving a payment as part of the grant package this is just eroding the grant monies paid to support the project and will reduce the likely hood of said project going forward to delivery. If the grant rates are increased to prevent this, then the area of woodland creation that can be delivered under the budget cap will be reduced, which will work against the Scottish Government new woodland creation delivery targets.

Some potential ways community wealth building can be supported through the forestry grant package are noted below:

- Enhanced funding for areas of non-commercial woodland within woodland creation projects, or existing forests, to support landowners to enter into leases/agreements with local communities to use these areas for financially and social beneficial projects.
- Provision of grant funding for training and upskilling of local residents to allow them to provide the services required by the forestry sector would help bring benefits to the local communities. This applies to both skilled forestry workers and forestry management staff. Allowing, and encouraging, people to take advantage of the wide range of opportunities offered by the sector, will create employment opportunities, which will in turn facilitate them living locally and supporting fragile rural communities, businesses and schools.
- Easier access to funding or enhanced woodland creation grant rates for the creation of formal/informal access facilities. Especially where these can be tied into existing infrastructure that can enhance its value to local communities.
- Enhanced restructuring grant payment for existing forests where opportunities to provide better public access provision are taken and benefits delivered.
- Remove maximum funding cap on WIAT grants to allow projects with potential to deliver large scale public access infrastructure not to be curtailed by monies available.

The Woodland Carbon Code has potential to help support community wealth building, but any mechanism used to deliver this would need careful consideration as there are many potential pitfalls and liabilities associated with this. Just giving the community a share of carbon units generated by a project would not be practical. In theory they may wish to sell these as PIU's to generate early income, but then that raises the question of who retains the responsibility for delivery of these units, and due to the WCC landowner commitments the community would not have control of the establishment and management of the woodlands. Furthermore, secondary trading is not allowed within the UK voluntary carbon market therefore if the units were assigned to the community, they would become the end user and unable to sell on the carbon units. The same liability would apply to selling verified WCU's, plus they would need to wait until the units were verified, which could be anything form 15-100 years depending on how the transfer was structured.

Potential for a capital contribution to community funds could be considered by the project owner at the implementation of the capital works if this was built into the additionality test and taken account of in the WCC cashflow.

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.:

In general, the current regulatory and grant processes do not necessarily need to be significantly changed but the engagement mechanisms may need to be given more thought. Generally, when we engage with communities we get a lot of feedback from the vocal minority, much of this is negative and often not representative of the wider community view. Work should be undertaken to understand how we can encourage a more inclusive consultation process to include the whole community in a fair and representative manner. This is especially important where they have positive feedback or good suggestions about how the community benefits and involvement with woodlands can be improved.

As per question 5, the Public Register systems are not fit for purpose and require a complete overhaul. The current system undermines public confidence in what we are doing as a sector as the information provided is limited and difficult to understand. A lot of work goes into developing forestry proposals, and most often many of the concerns raised by stakeholders have been considered and where possible mitigated. Giving easier access to the detail considered would help to allay a lot of concerns that are raised, both during the planning process and implementation phases of projects.

Ensuring communities are consulted as early as possible in development of projects is important, so they feel truly involved in the process and are not under the impression that the design/proposals have been finalised and they are just being asked for input as a box ticking exercise.

Greater support from Scottish Forestry during the initial consultation phase would be beneficial to help communities understand what a policy issues/query is as opposed to something specific to the project they are being consulted on. The 2 aspects are easily conflated through a lack of knowledge and understanding, which can cause difficulties for the sector when engaging with communities.

Tied to the above, provision of support to local communities to allow them to fully understand the proposals being developed would make the conversation between them and the developer clearer and more straightforward. There is a large amount of technical information included with many forestry proposals, and for members of a community this can be overwhelming and confusing. If support could be provided for them to interpret this information and frame their responses into constructive feedback this could significantly improve engagement, outcomes and reduce frustration and delays. It would also potentially allow communities to derive more benefits if they can communicate their concerns and desires more effectively. Whether this is done through Scottish Forestry providing a resource or funding for communities to engage an expert advisor needs further consideration.

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.:

As a forestry agent operating nationwide covering a significant percentage of woodland creation proposals, long term forest plans and other forestry proposals, it is paramount that we communicate decision making clearly and in a transparent manner.

Due to the increasing complexity of proposals, sensitivities, focused public interest and multi-disciplinary nature of forestry projects, this is becoming prohibitively time consuming and costly with the current forestry funding levels available not providing the resources needed to sufficiently meet these needs.

As mentioned previously, revision of application templates would help communicate the design process by applicants, but there is a missing piece to how the decision making is communicated at a statutory level. For proposals in which decisions may be polarising or controversial, it is important that the statutory lead agency clearly supports their final approval decisions by citing compliance with requirements (UKFS for example) and it would be helpful if this was recorded within the application documentation. This would clearly communicate how a given issue or mitigation demonstrated compliance with the specific requirement and thus the justification for approval. This also aids in identifying where the decision-making power lies and helps consolidate polarised views and feedback toward the appropriate outlet whether that be the applicant for design decisions, or the statutory body for approval decisions. All assessment processes should also be clearly communicated to applicants. In many cases, background checklists or other assessment sheets used by woodland officers to evaluate applications are kept internally and not shared with applicants. By sharing these assessment tools with applicants, it would also have the added benefit of allowing applicants to 'self-assess' prior to submission against the same criteria that will be used by the forestry authorities.

The statutory consultation period (Public Register) also lacks transparency as there is little information on proposals available publicly. Accessible information and summaries available publicly during the statutory consultation period would provide more opportunity for public awareness, particularly about decision making.

A 'post-approval' database of all Scottish Forestry statutory approvals would improve transparency significantly. Like the 'Planning Search' feature for Planning Framework projects submitted to local authorities (Highland Council for example, <https://wam.highland.gov.uk/wam/>), a similar database which included application details and approval documents would facilitate transparency of information. This would also have the added benefit of providing a resource for agents to validate approved projects (such as felling and restocking design) rather than relying on clients to provide copies of approvals, maps and supporting materials.

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?

No

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

The complexity and lack of flexibility within eligibility requirements and specification for capital items is prohibitive and has not maximised potential to stimulate rural business.

A review of available capital items, rates, and requirements associated with them to reduce the burden of eligibility assessment would improve uptake by forestry businesses.

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

A review of available capital items, rates, and requirements associated with them to reduce the burden of eligibility assessment would improve uptake by forestry businesses.

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.:

The private forestry sector, from suppliers, contractors and management organisations can, and do, provide training positions to grow and develop the skilled forestry workforce. At Scottish Woodlands we have employed over 50 new graduates in the business since 2017.

The main barrier to this type of investment in staff is confidence in the timeous outcomes of the FGS process. Increasing focus on process and not on outcomes along with stretching timescales for approvals have a real impact in these employment decisions.

As with much of the foregoing comment on financial investment and confidence the same is true for employment. Provide clarity and confidence and the benefits will materialise.

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.:

Biodiversity loss is a complicated factor to quantify and understanding causality is incredibly complex for any given situation. Simplifying how we look at biodiversity loss would aid in arguments supporting forestry and this must be based on what the science and empirical evidence is telling us. It must consider holistic ecosystem views and stay away from focusing on single species or prioritising one species over another, waders being a good example of this. There is a great deal of risk in making landscape scale decisions based on a single focused priority such as increasing wader numbers, when the fallout of that decision making could reduce success of other environmental benefits for example compromising reaching native woodland expansion targets in areas of Atlantic Oakwood. Defining broad ecosystem scale benefits should be a focus of grant support and individual applications being held up by isolated sensitivities should be carefully evaluated to determine if the net benefits of ecosystem improvements outweigh the potential biodiversity loss of a single species group. Bearing in mind that an application fits within a wider landscape setting, the perceived biodiversity loss may not be as significant when viewed at a wider scope by the statutory body. It is also incredibly difficult for an applicant to view their proposal within a wider scope when they have no visibility or control over the wider area and information is not publicly or privately available upon which to determine cumulative impacts. Scottish Forestry must take responsibility for assessing cumulative impacts for grant scheme applications and ensure a focus is on net biodiversity and avoid prioritising one species over another to the detriment of wider environmental gains.

On a more practical scale, grant support can better address biodiversity loss through a few key changes and expanded capital items. These are focused on reducing environmental impacts of operations and maximising environmental gain.

Current 'new woodland creation' options and 'restructuring and regeneration' options include specification and eligibility requirements which are overly complicated and restrictive. In the most poignant cases, species composition thresholds, force forest design to diverge from standard design principles to meet grant requirements. This is fundamentally flawed. The biggest issue is that they are isolated to the footprint of the application area and do not consider the surrounding setting, in many cases this can be existing neighbouring woodland within the same ownership but outside of the application boundary. This creates a distorted view of the forest in isolation and does not maximise benefits to the environment at a landscape scale. The species composition thresholds within the new woodland creation options and restructuring and regeneration options MUST be brought in line with UKFS and consider composition outside of the footprint of the application as part of the design. Minimum and maximum % thresholds or area thresholds must be removed. Demonstration of UKFS compliance within the ownership or wider forest complex must be the basis upon which the woodland is designed.

Increased rates for natural regeneration are very welcomed to make them comparable to rates received for new planting. Consideration of Natural Regeneration target area rates where deer populations are high will further incentivise landscape changes to address biodiversity loss though regenerating woodlands. This will also incentivise establishment with fewer operational impacts to the site, though it is appreciated the establishment rate will be slower. Natural Regeneration target area rates where deer populations are high will further incentivise landscape changes to address biodiversity loss though regenerating woodlands. This will also incentivise establishment with fewer operational impacts to the site, though it is appreciated the establishment rate will be slower.

Felling grants to support methods of harvesting and equipment with low environmental impact, would aim to maintain conditions of the soil microbiome without any additional costs to landowners. This could focus on skyline or winch systems, and hand felling in more areas which would otherwise be harvested through traditional harvester-forwarder methods.

Felling grants to cover uneconomic thinning, early intervention, or selective felling (including dead or dying trees) would improve conditions in woodlands which are suffering from reduced resilience. This could also cover selective species removal for exotic species or species with high disease risk. There could be an added benefit of this grant being applied within Long Established of Plantation Origin (LEPO) ancient woodlands where policy woodlands require selective removal of specimen trees to maintain health and resilience of the stand. If applied in areas of native woodlands, this type of grant could also encourage improved conditions for lichens and epiphytes as tree density is reduced and light levels are increased. This type of grant can be applied in all woodland types and would bring woodlands in a declining state into a healthier condition and reduce risk of pests and disease.

Many small woodland areas, particularly shelterbelts were established without consideration of future timber extraction and require new public road junctions to be installed. Due to prohibitive costs related to this type of infrastructure, it is economically infeasible to harvest smaller blocks of timber, resulting in windblow, and a decline in health and resilience over time. Although the current grant scheme includes a Forestry Infrastructure option, the eligibility criteria and supporting information requirements are onerous, overly complicated and restrictive resulting in gross underutilisation.

Capital items for diffuse pollution prevent measures are welcomed. This could apply to any forestry setting where current conditions of roads, drains, or in-forest drains poses an environmental risk to the water environment. This could also include measures such as temporary track extensions and Bailey bridges to be put in place on harvesting sites to reduce forwarding distances and thus impacts to the soil and water environment. Existing tracks with roadside ditches leading to watercourses could be disconnected by new culverts, in-forest drains could be cleared as part of routine forest maintenance in maturing stands, reprofiling of road surfaces to reduce surface water channelling, these could all be supported by grant funding in areas where there is risk to the water environment.

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?:

NatureScot must have more regulatory power to manage population levels of deer and they must carry out all the monitoring to determine carrying capacity and reproduction rate thresholds, they can then issue cull allowances annually to keep populations at sustainable levels. Forestry grant support mechanisms can then fund natural regeneration and planting without fencing because of deer control (target area rate based on deer densities) to give the landowners a monetary benefit through woodland creation above which they would have received through deer control grants and woodland creation or natural regeneration grants on its own.

Small scale mixed land use?:

The mechanisms that are already in place are suitable for small scale mixed land use areas although the burden of eligibility and monitoring must be streamlined. The monitoring methods must be simplified to better record key indicators of change rather than overly technical and time-consuming data collection. A higher target area rate for support schemes within areas of high deer density would also help improve uptake. Funding for new fencing of Sitka spruce in areas of high deer density must not be limited.

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

Please add your comments here.:

The overarching requirement of any review of this process and the outcomes of this consultation should be to simplify the system and focus on delivery of the desired outcomes of the Forestry Strategy.

Clarity on the process will give greater confidence to applicants, investors, communities, employers, sawmillers, and wider stakeholders.

Uncertainty is resulting in the brakes being applied at current. If we are to be part of the race to net zero we need a finely tuned vehicle in which to participate. Call it a bus, with all of those on board who have a stake in the outcomes travelling together, in the same direction, at speed.

What we currently have is a Robin Reliant with a slightly flat front wheel. Time for an upgrade!

About you

What is your name?

Name:
David Robertson

What is your email address?

Email:
david.robertson@scottishwoodlands.co.uk

Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:
Scottish Woodlands Ltd

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

Publish response with 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