

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.:

Overall, we want to see a forestry grant scheme that is about woodland habitat creation, delivers the National Park Partnership Plan targets and thus tackles the twin climate and biodiversity crises.

Grant support for forestry should be about more than just growing timber, align better with the Scottish Biodiversity Strategy and be designed and administered in the context of integrated land management.

We agree with the continuation of a discrete scheme within the overall package of land support - as long as it has strong alignment with other schemes, close integration with the rural payments regime, and works in conjunction with deer management mechanisms.

Within the Cairngorms National Park, agriculture, deer management, woodlands/forestry and peatland restoration are all uses of land supported by the public purse but all are currently promoted via different discrete schemes.

Given the multiple practical overlaps between these uses of land, and Scottish Governments aspirations for integrated landscape scale rural land management, public funding for these land uses, even if via discrete schemes, must also be well integrated and simple to utilise so that the overall package of rural land support is coherent and functional.

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.:

Within Cairngorms National Park most of the agricultural land is farmed under tenancies from large estates.

Under current Agricultural Tenancy law, tenants need the consent of their landlord to plant areas of trees and the landlords can take a share of any carbon credits generated by afforestation (ref 1).

In addition, the rules around continuing to qualify for Basic Payment Scheme (BPS) payments where farmed land becomes afforested only relatively recently changed (ref 2) meaning many farmers still incorrectly fear they will lose BPS if they plant trees.

The combined effect of all this is that agricultural tenants can be reluctant to plant trees.

The FGS could help overcome this if it was improved beyond the current Small or Farm Wood and Agroforestry options to become more flexible in the allowable grantable options and/or was better integrated with the proposed Tier 3 or 4 indirect agricultural payments (ref 3) as proposed beyond 2025.

As an additional idea could an option, similar to the current Forestry Co-operation Grant, be developed specifically for landlords and tenants of agricultural land? Whereby a landlord and several contiguous tenancies were incentivised to develop landscape afforestation proposals across several agricultural tenancies to the benefit of both tenants and landlord?

Such a grant option would need to provide for the forestry agent fees to develop the scheme, and perhaps be directly linked to additional Tier 3 or 4 payments as mentioned above, to make it attractive to landlords and tenants working together.

References:

1: An Interim Guide to Securing Tradeable Carbon Credits in an Agricultural Holdings Situation (landcommission.gov.scot)

https://www.landcommission.gov.scot/downloads/6225dd8ba66c1_TFC%20Interim%20Guide%20to%20Securing%20Tradeable%20Carbon%20Credits%20in%20an

2:Woodland Creation (ruralpayments.org); <https://www.ruralpayments.org/topics/all-schemes/forestry-grant-scheme/woodland-creation/>

‘Grant Support’ page; “From 2015, farmed land that is eligible for the Basic Payment Scheme and is afforested under the Forestry Grant Scheme, will continue to be eligible for the Basic Payment Scheme subject to meeting the Basic Payment Scheme eligibility requirements specific to land used for woodland creation.”

3: <https://www.gov.scot/publications/delivering-vision-scottish-agriculture-proposals-new-agriculture-bill/pages/4/>

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.:

For resilience and carbon capture more woodland establishment via natural regeneration, as opposed to planting, is needed as well as greater species diversity and structural complexity within the woodlands established.

Overall, we favour natural regeneration establishment via herbivore management but recognise that this won't be possible everywhere and in the short to medium term fencing will still be needed.

A further practical caveat here is the need for an existing seed source for the natural regeneration to occur. Where there isn't a suitable seed source then of course planting is needed. Where natural regeneration is unlikely to be diverse in terms of species composition some specific enhancement planting would be appropriate.

We agree that the best way to ensure appropriate spend of public funds in grants for natural regeneration is to pay for results as the current FGS model does, but we feel a greater financial incentive within FGS, i.e. an enhanced rate, for natural regeneration in comparison to tree planting is needed to promote natural regeneration over planting.

In addition, any results-based grant for natural regeneration would need to be more flexible in future to accommodate the longer establishment timescales and sometimes patchy stems per hectare densities of naturally regenerated trees.

This means payments beyond the usual 5year funding window would be needed, and perhaps a sliding scale of payments depending on the density of regenerated trees.

We understand that in terms of soil disturbance and carbon emissions, ground preparation for planting via the inverted mounding technique is preferable to other ground preparation methods. We suggest that inverted mounding is also encouraged or incentivised via FGS to help with the overall aim to achieve net zero.

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,

Yes

Please explain your answer in the text box.:

We agree that the grant support mechanism should have more flexibility to allow for blending private and public funding. This flexibility would also help to deliver the NPPP priorities by allowing private finance to contribute where possible.

Perhaps during the lifetime of any grant funded scheme, landowners should have to declare any additional financial inputs they receive which are associated with the establishment of a new woodland that is under grant funding. Scottish Forestry should then have the power to alter levels of public funding if levels of private funding are subsequently included.

A sliding scale of FGS payments that could have adjustable parameters to accommodate private finance contributions would be helpful here. The current Peatland Action funding within Cairngorms National Park already works like this and could be used as a model.

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.:

Currently the balance of incentives embedded in FGS, and the way the carbon markets work via the Woodland Carbon Code, means planting new woodlands is much more attractive to land managers than expansion and/or management of existing woodlands.

FGS should incentivise the expansion and better management of existing woodlands as well as promoting new woodland creation. We believe the expansion of existing woodlands is best done through natural regeneration so our comments about FGS support for natural regeneration under Question 3 also apply here.

In addition, perhaps a discrete item like a 'woodland ecosystem' payment could be developed within FGS. This could pay land holders for providing and maintaining the ecosystem services and natural capital that are inherent within ecologically healthy and long-term resilient woodlands. However, this would need to be carefully specified as an ecologically healthy and long-term resilient woodland is composed of much more than just trees (see explanation in our response to Question 6 below).

Improving the condition of existing woodland allows for a direct link to the Scottish Biodiversity Strategy (ref 4) and any enhanced FGS 'woodland ecosystem' type payment should reference this.

Further, there is a link to herbivore management since the species diversity and structural complexity of woodland ecosystems is disproportionately impacted by herbivore impacts via preferential browsing of palatable species.

References:

4: <https://www.gov.scot/publications/scottish-biodiversity-strategy-2045-tackling-nature-emergency-scotland/>

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, and this aligns with the aims and objectives of the National Park Partnership Plan.

Long-term resilience of a woodland ecosystem is embodied by its current and future structural complexity, species diversity and overall ecological health which is about much more than just the trees.

Although the FGS has features within it that allow for some more ecological elements within schemes, its provenance is from the efficient growing of mature trees for timber and less about woodland ecosystems.

The FGS should encourage even greater resilience and therefore incentivise the inclusion of a variety of features within schemes which enhance woodland ecosystems and hence their resilience.

This should include, but is not limited to;

- giving schemes more space in the landscape so naturally regenerating trees have the freedom to self-select the best place to grow;
- increasing the physical connections between areas of woodland including for different forms of woodland such as montane;
- having a greater variety of species of trees, bushes and ground flora;
- providing for a much longer term and continuous cycle of sprouting, growth, maturity and death among the trees, bushes and ground flora.

In our view the FGS needs greater flexibility within its options and more focus on woodland ecosystems to enable it to support more resilient woodlands. We think this is likely to mean the FGS will also have to improve its links to herbivore management.

Currently Native Scots Pine can be mixed with other species at a ratio of 85:15 (under the Scots Pine or Native Broadleaves options). To promote species diversity a more balanced mix would be better, perhaps a 60:40 or even 50:50 mix between Scots pine and native broadleaves (or vice versa). Perhaps options would be improved if the defined ratios were scrapped and replaced with a sliding scale of grant support for a wide range of mixtures.

In addition, a better financial incentive within FGS for creation of rare montane woodlands (high altitude woodland mostly composed of shorter, shrubbier, specially adapted tree species such as Alpine Willows and Dwarf Birch) would be helpful.

This is especially valuable here in the Cairngorms National Park where we currently have some of the very last remaining remnants of montane woodland in Scotland. Montane woodland creation is a target of the Cairngorms National Park Partnership Plan which outlines an intent to recreate this habitat at a large scale.

Currently, montane woodland is best represented within FGS as the Low-Density Native Broadleaves option, which is limited to a maximum of 10 ha as a stand-alone scheme (or a max of 25 ha as a proportion of a larger scheme using other options). The alternative is to use the Native Upland Birch option, but have greater flexibility in the altitudes permitted (i.e. higher up than FGS would typically allow) and probably increasing the allowance of woody shrubs from the current 20% to 40 or 50%.

Neither of these current FGS options allows us to sufficiently support the creation of montane woodland at large scale here in the Cairngorms.

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, Clearer guidance on grant options, Flexibility within options, Support with cashflow, Information on how current land use could continue with trees integrated throughout

Are there others not listed above?:

Yes, see our response to Question 2.

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.:

The FGS is complicated to navigate and usually requires the services of a professional forestry agent to effectively access all the relevant parts and put together a woodland scheme with accompanying grant package.

A specific package within FGS that pays for forestry agent fees to work up schemes smaller, say less than 100-150 hectares, would help here.

A similar model to The Woodland Trust 'Croft Woodlands' project (ref 5), which is already proven and working, would be a good option.

Alternatively, a much simpler, less administratively complex for both Scottish Forestry and the land owner/manager, scheme could be developed specifically for small woodlands.

Also, as stated in earlier responses, we are keen to see woodland establishment, whether via natural regeneration or planting, achieved without the need for fences where feasible. For small woodlands, perhaps on smaller ownerships in a mixed land use landscape and outside the reach of Deer Management Groups, herbivore management will still be needed.

A better way, via the FGS, of paying for deer control services is needed. Perhaps this could be co-ordinated across several smaller ownerships thus ensuring enough work to pay for full-time deer control.

References:

5: <https://www.woodlandtrust.org.uk/about-us/where-we-work/scotland/croft-woodlands/>

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.:

No response

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.:

Continuation, enhancement, and better promotion of the current Community Grant Scheme to promote community led activity in woodlands is important. Could this also include small scale wood-fuel businesses.

Additionally specific measures could be put in place to promote procurement with local contractors and/or social enterprises.

We would welcome any trails or experimental schemes that Scottish Forestry wished to undertake in this regard within the Cairngorms National Park.

Also, many communities are keen to provide trails of some sort, walking, mountain biking etc. and in some cases could do so with the agreement of the landowner rather than having to purchase the woodland.

In this case could a future FGS provide grant aid to communities to get a community benefit in a local woodland that remains in private ownership?

See also our answer to Question 8 above.

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.:

Upskilling of communities may be required before they can take any greater opportunities to be involved in development of forestry proposals. Better understanding is required about how FGS can benefit communities and how communities can work through FGS schemes.

Some initial guidance on how forestry proposals are developed, what factors are involved, the way that access to FGS is enabled, the roles of the land owners, agents, Scottish Forestry and Scottish Government targets for woodland and forestry would all be needed first, as a toolbox that communities can access before they can then use this learning to then get effectively involved in the development of proposals.

Further to this, more involvement in the decision-making process for FGS is needed, as asked for in Question 12 below.

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.:

The current 'front ending' of the FGS process, to ensure all issues are dealt with before final submission to Scottish Forestry and therefore that an application proceeds through the formal stages quickly and easily, has the disadvantage of limiting the ability of anyone to get involved with the decision-making process and/or influence the outcome. It can seem to stakeholders like a 'fait accompli'.

Currently very little detail of a woodland or forestry scheme application for FGS are available to the public (unless they were specifically included in pre-application stage consultations) until it's fully submitted and then it's only on the web-based public register for 1 month.

Further detailed information is then only available by contacting Scottish Forestry directly. By the time someone has seen an application on the public register, contacted Scottish Forestry, subsequently received further details and then considered if they have comments etc, there is little time left for them to return a consultation response within that 1 month window.

More lead-in time on public register might help, but to avoid excessive delays for the applicant, perhaps the public register should have a pre-application section that allows a proposal (that may or may not eventually be submitted) to be outlined, perhaps using the current 'concept map' used in forestry proposals, well ahead of actual submission to give the public time to see, absorb and engage with any forthcoming forestry proposals in their area.

In addition, we suggest that Scottish Forestry make use of the forums of Community Councils or for instance the Association of Cairngorms Communities to talk people through how and when they can make comments.

Contextual information, so stakeholders can understand the overall situation and have the vocabulary to input, should also be available about a woodland or forestry proposal. This should include brief details of the landowner's justification for the scheme, and how this fits with local and national government targets.

In addition, issues logs should be made freely available, perhaps on the public register, so that people can see what issues have been considered and how these have been resolved or decided on.

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?:

Support tree nurseries in producing a wider range and diversity of native trees and woody shrubs. This availability of seedlings would then allow for greater diversity of planting in FGS funded schemes and consequently contribute to more ecologically healthy woodland ecosystems that are resilient longer-term.

We also think there could be a better link between the FGS and to community led local development schemes like the EU LEADER programme (ref 6). FGS could operate with some options for community benefit and perhaps link across to the proposed Tier 3 and 4 Agricultural payments.

References:

6: <https://www.ruralnetwork.scot/funding/leader>

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

Using the example above of support for tree nurseries perhaps business support could be linked to the nursery providing the opportunity for staff to achieve horticultural qualifications such as SCQF or HNC (ref 7) ?

References:

7: For example the following horticulture courses are available at University of Highlands & Islands;
<https://www.moray.uhi.ac.uk/courses/?auto=&keyword=horticulture>

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.:

We are unsure how the specific FGS processes and rules can help but additional finance to provide fully funded apprenticeship places within the forestry sector, at no or little cost to the host forestry companies and organisations would possibly help.

Also see answers for Question 10 about community grant scheme since grants to schools or local social enterprises or training organisations to assist with training positions in the forestry sector could be very valuable.

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:

In terms of biodiversity, we should be considering the ecological health and long-term resilience of the woodland ecosystem, not just the trees. We should also encourage biodiversity through the use of natural regeneration as opposed to tree planting. See our responses to Questions 3, 5 and 6.

The FGS should be better aligned to directly deliver the Scottish Biodiversity Strategy (ref 8) aims and objectives.

Another crucial aspect of biodiversity loss how we better manage our existing woodlands. Any future FGS needs to better incentivise the effective ecological management of our existing woodlands and not be skewed towards creating new woodlands.

Regeneration and expansion of native woodlands:

Regeneration and expansion of our native, especially ancient, woodlands is often only possible by natural regeneration.

For instance, for native Pinewoods on Scottish Forestry's 'Caledonian Pinewood Inventory' list (84 pinewoods covering approximately 18,000 hectares across Scotland) planting in a defined surrounding zone (which extends 600m beyond the mapped 'edge' of the pinewood) is specifically prohibited to protect the genetic purity of the trees.

Thus, the only route for expansion of these woodlands is via natural regeneration. If we are serious about their ecological health and long-term resilience then natural regeneration needs to be funded at a higher rate. New rates should be sufficiently flexible so as to deliver payments for a range of tree densities and allow funding for at least 15-20 years.

References:

8: <https://www.gov.scot/publications/scottish-biodiversity-strategy-2045-tackling-nature-emergency-scotland/>

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?:

Effective management of deer populations at landscape scale needs more incentive. A higher grant rate per hectare for long term landscape scale deer control such that economically it does become better 'value' to the applicant to undertake deer control versus installing fences.

Small scale mixed land use?:

We are unsure of the best approach to this and acknowledge that the situation is complicated not just by mixed land use but often by mixed ownerships.

Some kind of collaborative structure for deer management, with joint liabilities, that must be in place before you can access FGS might be appropriate i.e. ensuring deer management services are available across the mixed land use/ownership.

Could FGS also contribute to, or otherwise help facilitate, the appropriate deer management cover for an area?

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

Please add your comments here.:

Complexity: A much simpler, less administratively complex for both Scottish Forestry and the land owner or manager, forestry funding scheme would be welcome. Our experience of the current system is such that application bureaucracy can be over complicated, especially for smaller, or primarily community benefit, schemes. We would welcome any steps Scottish Forestry can make to simplifying the application process.

Flexibility: The current FGS has target areas, of which Cairngorms National Park is one, that attracts a higher per hectare payment for some tree planting options, and an increased fencing rate to reflect the difficulties of fencing in upland areas.

This is beneficial but, if the FGS had sliding scales, with certain upper and lower limits that could be adjusted in certain geographical zones, then it would be a lot more flexible. Various outcomes could be facilitated by FGS and could be more successfully targeted in various areas of Scotland.

As a crude example, in the Cairngorm National Park, where we want to encourage natural regeneration of native species without fences, the fencing rates payable could be reduced and incentives for deer management increased. Similarly, natural regeneration of native species could be incentivised over rates for planting non-native species.

Tree planting and peat or carbon rich soils: FGS is clear about not supporting tree planting on peat greater than 50cm depth. In addition, several additional guidance documents are provided on the FGS Rural Payments & Services web pages that refer to dealing with peat rich and wet soils (e.g. GWDTE, Assessing marginal sites).

However, the UK Forestry Standard (UKFS) wording is to "avoid establishing new forests on soils with peat exceeding 50 cm in depth and on sites that would compromise the hydrology of adjacent bog or wetland habitats."

In our view FGS does not deal well with the latter part of this guidance and currently sometimes does support planting on sites that could compromise the hydrology of adjacent bog or wetland habitats.

The 2015 Forestry Commission Scotland guidance note on 'Deciding future management options for afforested deep peatland'⁹ has a more comprehensive approach to dealing with hydrologically linked areas of shallower peat but is currently not referenced on the FGS guidance pages.

Various different 'rules' for defining deep or true peat are used across the peat restoration and forestry sectors to identify where it is or isn't appropriate to plant trees.

The situation is further complicated by reporting in the scientific press about net carbon fluxes from tree planting on carbon rich soils. We fully understand and acknowledge that there are nuances here and the type of carbon emissions that may occur when planting hectares of commercial Sitka Spruce on carbon rich soils using drains (refs 9 & 10) are not the usual situation in Cairngorms National Park where we are largely planting native species on undrained soils. However, we must guard against any possibility that tree planting within the National Park could be detrimental to our efforts to achieve net zero.

Overall, the situation can be unclear for applicants and available guidance is not well aligned or nuanced and confusing.

We would like FGS implementation to be better aligned with the available guidance on critical peat depths and hydrologically linked habitats. Ideally this would require the applicant to provide a more robust or appropriate assessment of peat depths and crucially an assessment of hydrological connectivity to adjacent bog or wetland habitats.

This will help safeguard our valuable peatlands and secure their carbon sequestering role, while ensuring that woodlands continue to fulfil an optimal and balanced role in achieving net zero targets.

Community benefits – public good from public money: Future grant support for forestry in Scotland should work harder to embed delivery of social, environmental and community benefits as a requirement of good forestry practice.

The UKFS provides the overarching framework and guidance within which woodland owners and managers must operate to balance economic, social and environmental benefit.

However, our observation is that achieving the good practice requirements of the UKFS are often not sufficiently compelled within the woodland and forestry schemes that receive FGS funding. We would like to see more emphasis put on ensuring public benefit is delivered by those receiving public funding for forestry and woodland.

For instance, with regards access, we often see that see FGS recipients complying with the minimum legal requirements of the Scottish Outdoor Access Code (SOAC) but nothing further. We would like to see any future FGS promote applicants being more proactive, i.e. seeking to understand local community usage and demand for access during 'due diligence' stages of application and hence design schemes that not only comply with SOAC but enhance it.

In addition, could a revised, improved, grant scheme require that a certain percentage of overall expenditure on woodland creation/management must be allocated to non-commercial (including community) benefits?

The WIAT woodlands grant should be improved. This grant currently applies to woodlands within 1km of a population settlement of 2000+ people. Clearly this excludes most of the communities of the Cairngorms National Park so to have greater reach and positive impact we feel this population threshold should be lowered to 1000 or less. This would then better reflect the value of woodlands nearby smaller communities such as Anagach Woods next to Grantown on Spey for instance. This would enable a greater variety of forest owner to access funding for community benefits such as path improvements and woodland restructuring.

References:

9: <https://forestry.gov.scot/publications/1032-cultivation-for-upland-productive-woodland-creation-sites-applicant-s-guidance>

10: <https://www.sciencedirect.com/science/article/pii/S0264837723001436>

About you

What is your name?

Name:

What is your email address?

Email:

[redacted]

Are you responding as an individual or an organisation?

Organisation

What is your organisation?

Organisation:

Cairngorms National Park Authority

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