

Forestry Grant Scheme Budget Update

This note provides an update on the Forestry Grant Scheme (FGS) Budget for 2025/26.

1. Budget Availability for New FGS Applications

Table 1. has been updated to show the current indicative budget availability and minimum score thresholds for all options with a claim year of 2025 and 2026.

Changes include:

2025/26 Budget – The indicative budget of £53m is an increase of £7.6m over last year and reflects the funding available to support woodland creation and the management of existing woodlands in 2025/26.

- **Woodland Creation Budget** – has an additional £5.6m to deliver 10,000 hectares of woodland creation in 2025/26 and £200,000 more to support woodland expansion through natural regeneration.
- **WIG Habitats & Species** – to provide additional support for restoration projects in the Rainforest zone and across Scotland, funding has been increased by £1.5m.
- **SMF Native Woodlands/LISS/Livestock Grazing & Exclusion** – the budget has been increased by £100,000 to expand support for the management of native woodlands.
- **WIG Planning** – has an extra £200,000 to bring more woodland into sustainable forest management.

2026/27 Budget – The 2026/27 FGS Budget will be confirmed in early 2026. As FGS contracts involve multi-year commitments we will approve contracts with expenditure in 2026/27 and future years.

Please [contact your local Conservancy](#) if you have any queries about the content of this note.

Operational Delivery

National Office

Scottish Forestry

Tel: 0131 370 5250

Email: scottish.forestry@forestry.gov.scot

Table 1. Forestry Grant Scheme: Clearing and Budget Categories with Threshold Scores – August 2025

Grant Category	Clearing categories	Frequency of Clearing	Indicative 2025 Budget £m	Claim Years available for first year of contract	Number of Claim Years available	Indicative Headroom 2025	Indicative Headroom 2026	Threshold Score (Max)
Woodland Creation (WC)	Small Woodland Creation ¹ : up to 19.99ha	Monthly	£3.4	2025 & 2026	N+2			10 (31)
	Woodland Creation ² : between 20ha and 49.99ha		£3.6	2025 & 2026				10 (31)
	Woodland Creation ² : 50ha and above		£16.0	2025 & 2026				10 (31)
	Woodland Creation ² : 50ha and above (Reduced Grant Requirement)		£3.0	2025 & 2026				10 (31)
	Native Woodland Creation ³ : 20ha and above		£19.0	2025 & 2026				10 (31)
	Native Woodland Creation: Natural Regeneration		£0.5	2025 & 2026				2 (6)
Woodland Improvement Grants	Restructuring Regeneration	Monthly	£1.50	2025 & 2026	N+2			3 (6)
	Planning options		£0.60	2025 & 2026	N+2			2 (6)
	Habitats & species/Liss		£2.5	2025 & 2026	N+2			4 (6)
	WIAT ^{**}		£0.35	2025 & 2026	N+2			9 (16)
Sustainable Management of Forests	Native Woodlands/ LISS/ livestock/Grazing	Monthly	£0.60	2026	N+1	N/A		2 (6)
	Squirrels/Predators/Deer [#]		£0.55		N+1	N/A		2 (6)
	WIAT		£0.05		N+1	N/A		6 (16)
	Rural Access		£0.10		N+1	N/A		2 (6)
Tree Health		Monthly	£0.40	2025 & 2026	N+1			2 (6)
Forest Infrastructure [*]		Monthly	£0.25	2025 & 2026	N+1			3 (6)
Agroforestry		Monthly	£0.05	2025 & 2026	N+2			2 (6)
Harvesting and Processing [*]		Annual	£0.50	2025	N	N/A		2 (6)
Co-operation		Monthly	£0.05	2025 & 2026	N+1			3 (16)
Total			£53m					

¹ Applications up to and including 19.99ha, covering all WC options, including all 'Small or Farm woodland' option and 'Native Broadleaves in the Northern & Western Isles' option applications.

² Applications where 'Conifer', 'Diverse Conifer' and 'Broadleaves' option(s) predominantly (i.e. ≥50%) make up the overall project area. A minor element (i.e. <50%) of the overall project area may also include 'Native Scots Pine' and 'Native Broadleaved' option(s) in order to deliver a more diverse woodland.

³ Includes all 'Native Scots Pine' and 'Native Broadleaved' option(s) which predominantly (i.e. ≥50%) make up the overall project area. A minor element (i.e. <50%) of the overall project area can also include 'Conifer', 'Diverse Conifer' or 'Broadleaved' option(s).

^{*} Projects must complete and be paid in the approved claim year. ^{**} Projects limited up to £100k/BRN. N=current calendar year. [#] Includes £250k for landscape scale deer management and woodland restoration.

Indicative Headroom Colour Key:

There is currently good availability of funds within this FGS clearing category and we will be able to support most good quality applications.

It is likely the demand for funds within this FGS Clearing Category will exceed the available budget and there will be strong competition for funds.

There are no longer any funds available within this FGS clearing category.

Claim Years Available - Our approach to claim years is set out in Table 1 and depends on the grant type. This has been structured to ensure applications go through the competitive clearing process whilst at the same time manage the grant budget without a long forward booking of projects.

Please note that for an application proposal with multiple claim years, the application score must meet the higher of the threshold scores for each claim year to obtain full approval.

Woodland Creation - capital items such as fencing and initial planting - up to 3 claim years (i.e. within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years e.g. one option is to apply in 2025, start work in year 2025 and complete in 2026. Another option is to apply in 2025, start work in 2026 and complete work in claim year 2027.

Woodland Improvement Grant - up to 3 claim years (within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years except for WIG Restructuring Regeneration where a delay until year 3 is acceptable to meet species diversity rules.

Sustainable Management of Forests – next claim year is available as the first annual management claim year.

Agroforestry – as for woodland creation up to 3 claim years (within N+2, where N = the current calendar year at time of application submission) with work having to start in the first 2 years.

Tree health – current and next year claim year (within N+1 where N = the current calendar year at time of application submission)

Forest Infrastructure – current and next claim year available (within N+1, where N = the calendar year of the application round)

Harvesting & Processing – one claim year available (within N, where N = the calendar year of the application round)

Co-operation – current and next claim year available (within N +1, where N = the calendar year of the application round)