



## Forestry Grant Scheme

### Guidance on End of 2025 Claim Year and the 2026/27 Budget Management

#### 1. Background

The draft SG Budget Bill, of 13 January 2026, proposes a 2026/27 budget for Forestry Grants of £57m. This compares to the working 2025/26 budget of £51m.

This note is confirming our approach to the end of claim year processing policy and is specific to 2025/26 (Claim Year 2025) capital claim submissions. By doing this we hope to reduce the need for variation requests into 2026/27 so that next year's budget can mainly be used to support new projects.

#### 2. How we will optimise our 2025/26 (2025 Claim Year) spend

Alongside our desire to optimise our 2025 claim year spend, we recognise that much of upland Scotland was covered by snow in the first weeks of 2026 and as a result there were significant restrictions on planting and ground preparation during this time.

We have, therefore, extended the end of claim year deadline until the 15<sup>th</sup> May 2026, thus allowing an extra 6 weeks to complete FGS projects, carry out the required administration and submit your 2025 claim for FGS capital funding.

**Note** that from this point, **please submit only one claim for the remainder of your 2025 claim year activities**. We will no longer be able to accept partial claims for 2025 claim year activities. The main reason is that, as part of our financial control principles, we are unable to process a claim until all previous claims for that contract have been progressed through to completion. It is also vitally important that all 2025 claim year activities claimed are captured immediately on receipt, by Scottish Forestry. We, therefore, do not want to be in a position where we cannot immediately capture a submitted claim because that contract has an outstanding and unpaid claim awaiting further processing.

We are asking that our Conservancy teams prioritise the immediate capturing of all FGS claims submitted by close of play on 15<sup>th</sup> May 2026. This is necessary for the preparation of Scottish Forestry's annual accounts and the provision of Scotland's annual planting figures to Forest Research.

This extension, of over six weeks from previous years, provides significant additional time for all FGS contract holders to make best endeavours to complete their contracted 2025 activities and, if that is not possible, maximise the area of planting that is claimed by close of play on 15<sup>th</sup> May 2026.

The aim is to reduce the level of slippage, and in turn reduce the requests for variations, allowing Scottish Forestry to utilise the 2026/27 budget headroom to maximise woodland creation delivery.



### **3. Optimising use of the 2026/27 (2026 Claim Year) funding**

If you are the holder of a FGS contract with 2026 claim year activity, and you have carried out significant work on woodland creation projects, we would encourage you to submit a capital claim by 15<sup>th</sup> May 2026.

Where such claims are submitted early (by 15<sup>th</sup> May 2026), we will be able to fund this from the 2025/26 budget and it will help release funding in the 2026/27 budget, for more new projects. Please send in your capital claims to us by 15<sup>th</sup> May 2026. There is not a need for you to request a variation in these instances as your local SF Conservancy team will administer these accordingly.

### **4. Variations**

We wish to reduce the number of variation requests for work to move into the 2026 claim year. By announcing this now we are giving FGS contract holders the maximum possible time to achieve contracted 2025 claim year activities.

If you believe that you will not be able to complete all of your 2025 claim year activities by the 15<sup>th</sup> May 2026, you should ensure you submit a claim for all the works that you will have completed. This will allow us to maximise the 2025/26 spend and reduce demand for variations into the 2026/27 budget.

Although the 2026/27 FGS budget is expected to increase, there is a healthy pipeline of woodland projects and we need to prioritise support for new FGS applications. Whilst we expect that there will be scope to support the majority of variation requests we will not be in a position to confirm funding for variation requests, that move works from 2025 into 2026, until June 2026. We will give priority to variation requests from projects where a substantial amount of work has been carried out in the 2025 claim year.

### **5. Summary**

- Capital claims for FGS capital items with a 2025 claim year must be submitted to your local SF Conservancy office by 15<sup>th</sup> May 2026.
- From now and until the 15<sup>th</sup> May 2026 you can only submit one capital claim for your 2025 claim year activities.
- If you have not completed your contracted works by 15<sup>th</sup> May 2026 please claim for what you have completed.
- There will be no decisions taken on variation requests to move capital works into the 2026 claim year, for 2025 works not claimed, until June 2026.

### **6. SAF - Submission of Evidence Supporting 2025 SAF Claim**

Most of the FGS Sustainable Management of Forests (SMF) options claimed on the Single Application Form (SAF) have an eligibility requirement to submit evidence of works undertaken to enable payments.

The options requiring a monitoring form/record/assessment to be submitted are:

- SMF - Low Impact Silvicultural Systems (LISS)



- SMF - Native Woodland
- SMF - Woodland Grazing
- SMF - Species Conservation – Grey Squirrel Control
- SMF - Species Conservation – Predator Control: Capercaillie & Black Grouse
- SMF - Species Conservation – Reducing Deer Impact

We have introduced the requirement to **submit your annual monitoring form/record/assessment** to your local Conservancy office for the above SMF options **by 14<sup>th</sup> March 2026** in order to be paid. Failure to provide this evidence will result in the non-payment of grant for that year.

The evidence supplied must comply with the option guidance and demonstrate that the works have been satisfactorily undertaken throughout 2025.

If you have any queries, then please contact your local SF Conservancy

Operational Delivery  
National Office  
**February 2026**