

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?

No

Please explain your answer in the text box.:

No, not as a discrete theme. We believe there is a need for integration of woodland grant support with other Scottish Government grant aid objectives, including sustainable agriculture, nature conservation and net zero.

This would be best achieved by increased coordination between Scottish Government grant schemes to ensure adequate provisions for biodiversity, landscape, access, and net zero as part of a multi objective approach, so that grant schemes are not overly focussed on one objective, productive forestry in the case of FGS, and are not operating at cross purposes, such as afforestation of habitats of significant biodiversity value in the case of FGS.

The Scottish Land Use Strategy , through its national and regional planning, can provide a framework for the optimum use of land to be identified and appropriate incentivisation and regulation applied. This needs to be combined with site specific data on land type, in particular habitat data to inform decisions at a site level.

If it is to be effective, Integration of Scottish Government grant support for land management needs to happen at both central policy (Head Office) and local/regional delivery levels (Conservancy Office).

Central policy staff from FS should work more closely with other government agencies to ensure government grant aid structures and policies deliver all relevant government objectives in a balanced way.

Local allocation, support and delivery of grant aid would benefit from flexibility/devolution of delivery options to consider the local situation and opportunities for delivering timber, biodiversity, landscape, access, and net zero. For example in an area there may be a Nature Scot staff member who is better placed than a FS staff member to oversee grant support for a native woodland scheme application.

Increased coordination, consultation and delivery between local Forestry Scotland and Nature Scot staff is required at an application level, for at least the most damaging or promising applications for biodiversity, if we are to minimise the loss of biodiversity in afforestation and to design the best nature positive outcomes within multi objective forestry.

We are aware of unhelpful barriers currently, particularly Nature Scot will only comment on a FGS application if it affects a designated site and then only comment in relation to the designated site.

Integration of administration and delivery burdens would also mean working more efficiently, providing savings to the public purse.

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 fundamental principle for both forestry and agriculture funding is public benefits for public money. How these benefits are realised in woodland applications need to be outlined in the FGS options and supporting guidance, including for the public benefits of biodiversity, landscape, cultural heritage, resource security etc and this will make it easier to identify where alignment needs to take place.

The key issue here is that site specific expert advice is available to the land-owner, which can consider both, forestry, nature, and agricultural grant options in a balanced way so that multi-objective land use, delivering maximum public benefit and minimising the loss of public benefit is achieved. That the most appropriate option(s), either agricultural, nature conservation or forestry, or a mixture of grants options, is applied for a given area of land. This advice could potentially come from a variety of sources, including guidance, private agents, ecological contractors, or local government agency (either Forestry Scotland or Nature Scot) staff. Unfortunately in relation to FGS there is currently a severe deficit in site specific advice which is competent in respect of biodiversity, and this means that biodiversity is not meaningfully considered, and forestry schemes often result in biodiversity loss. In cumulative terms this is probably one of the largest drivers of biodiversity loss in Scotland.

Members of environmental organisations in Scotland, for example the Botanical Society of Scotland and Butterfly Conservation are continuing to report the conversion of the few remaining areas of lowland semi-natural habitats to woodland, which is very concerning given their rarity and high biodiversity value. This is counter to overarching Scottish Government policy to stop the decline of biodiversity by 2030 and reverse it by 2045.

Biodiversity loss has so far not been adequately guarded against in SG funded woodland expansion, as evidenced by the continuing losses of nature rich habitats such as lowland heathland and lowland grassland habitats to forestry in recent years, many examples can be provided, and the associated continuing decline of biodiversity, directly linked to the loss of these sites, such as the local extinction of species.

The solution to the concern raised above and also to allow better complementarity between the forestry and agricultural funding options is to ensure site specific expert advice is available to the landowner. This could be built into FGS delivery and supporting structures through: improved guidance for identifying habitats of importance on farms, training and applying minimum standards for biodiversity in those who advise on Scottish Government land

management grants on farms and the applications they submit. One easy and effective action could be to require that any semi-natural vegetation on lowland farms is very carefully considered before afforestation, that a competent opinion is available on its biodiversity value from an officer or agent, so that it can be correctly assigned to an agricultural (if moderate or high biodiversity value) or forestry grant option (if low biodiversity value). A small payment in the FGS should be made available for a basic survey/expert opinion on any semi-natural vegetation present in lowland applications, where habitat rarity is becoming particularly acute in relation to afforestation.

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.:

The obvious key measure here would be to incentivise diversification of tree species in future forestry operations through effective measures in the forestry grant scheme, both at the restocking and initial planting phases of the grant system.

Within species genetic diversity should also be incentivised, rather than the current FGS, which is resulting in a focus on one species, Sitka Spruce and with a very narrow genetic base.

The more diverse our woodlands are in tree species and intraspecific genetic variation within tree species, the more resilient they will be to future climate change and pests, as tree pests tend to be specific to one species or a small range of species and different tree species are suited to different climate condition.

There is a strong case for incentivising approaches which encourage such tree and intraspecific genetic variation through the FGS, as they are often more expensive to deliver, delivers significant risk management to carbon and timber stocks and are more aligned to multi objective forestry, delivering more biodiversity, landscape and amenity value.

Proposal – that proportionally FGS grant aid is increased for natural regeneration, native tree species or diverse tree species woodland and lowered for planted, non-native and monocultures.

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.:

Yes, this is supported as long as it:

- a) Increases the overall funding available for the planting, regeneration and management of native woodlands and also doesn't decrease the amount of public funding available in the overall financial package for native woodlands and nature conservation measures in the FGS and,
- b) Follows appropriate international guidelines for nature-based solutions, i.e., avoids the loss of important habitats and species and works with nature, i.e., uses native tree species and natural regeneration where possible.
- c) Doesn't detract from other financing measures (both public and private) important for biodiversity.
- d) Respects state aid limits and provides genuine additionality – i.e. regeneration/planting would not have occurred otherwise, or the quality of the application is improved (e.g. more and better use of native tree species).

As the question states, it is important how this is achieved, so as not to result in negative consequences for biodiversity, given the Scottish Government recognises the twin biodiversity and nature crisis.

It is likely that the engagement of natural capital in financial support for the planting, regeneration and management of native woodlands will be positive in that it will result in more demand for native woodland and a higher proportion of native woodland by total forest area in Scotland, benefiting woodland biodiversity.

Guidelines have been created for nature-based solutions, i.e., the Nature Based Solutions Initiative at COP 26 and the IUCN World Conservation Congress Hawaii 2016. Common to these criteria are that nature-based solutions "provide net biodiversity benefit" and "Work with nature (natural processes)", this would include avoiding the loss of important habitats and species in afforestation, encourage natural regeneration and native tree species and rule out non-native tree species – at least as far as nature-based solutions are concerned.

It would also be a measured and more suitable approach for biodiversity to ensure that adequate public (FGS) and private (natural capital) funding goes into a wider range of management measures for woodland biodiversity including those outlined elsewhere in this response, other than largely focussing on funding native woodland expansion through planting.

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.:

This is an important question as the diversity of options and outcomes for native and amenity woodland could be much improved to deliver important elements that are currently missing for biodiversity and amenity woodland.

We would welcome improved measures for Scotland's Rainforest, and also Native Pinewoods that encouraged, through an adequate level of support, i.e. increased funding levels for deer control, INNS particularly Rhododendron removal and natural regeneration.

We would welcome new and/or adapted measures which included the rarer and more biodiverse woodland types which have previously not been considered in the FGS, including Wood Pasture and Parkland, Montane Willow Scrub, Treeline Woodland, Designed Landscapes and Arboreta.

The National Trust for Scotland is likely to be the largest single land manager of all the above in Scotland, perhaps with the exception of Arboreta. So has extensive experience of managing these habitats including whether the FGS currently supports them as well as it could.

For example our montane woodlands – treeline woodland and montane willow scrub are far rarer than the native woodland types currently covered by the FGS, i.e. Native Pinewood, Upland Birchwood, Upland Oakwood, Lowland Mixed Deciduous Woodland, and Wet Woodland. It is anomalous therefore, from the nature conservation viewpoint that they are not covered by the FGS.

They have presumably been omitted in the past as they were not considered to be woodland as they were not capable of producing timber. However, the type of management required to maintain and expand treeline woodland and montane willow scrub is more similar to forestry establishment operations, i.e. deer control, fencing and natural regeneration, than it is to the operations required in the agricultural grants system AECS. And therefore the FGS is the appropriate place to support this important woodland work.

In terms of expectations considering the scale of the opportunity – i.e. rarity of habitat, it is likely that only a few grant applications would be submitted in any given year. But the work is very important considering the rarity of the habitat and the larger number of rare species they hold.

It should also be noted, and supported in the FGS, that the costs of establishing montane woodland in the remote and steep terrain it occurs in are considerably higher than the costs of establishing native woodland in sub montane upland and lowland areas.

The following proposal in relation to treeline woodland and montane willow scrub in the FGS is made:

- Deer management payments, exclosure fencing plus fencing maintenance and new natural regeneration establishment payments should be available for treeline woodland establishment that reaches 400 stems per ha for treeline woodland (or less if the ground dictates it, e.g. interspersed by steep crags).

- Deer management payments, exclosure fencing plus maintenance and a payment for a proportion of the cost of designing and delivering an agreed planting plan for montane willow scrub should be available (the latter including survey and nursery costs). Given the complexity and variability of what is ecologically appropriate on a given site, a stems per ha approach would not be suitable. [costs of delivering “an agreed plan” can be met for different habitats in AECS and also for delivering a woodland grazing plan currently in FGS so the principle is established in Scottish Government grant aid].

- On any given site only one of deer management or exclosure payments would apply. There should be no bias towards deer control rather than fencing in this situation as some sites can be impractical to control deer on. The deer management payment needs to take account of the difficulty of controlling deer in the often inaccessible locations where montane woodland can form and the larger area over which deer management is required.

- Montane woodland payments should not be conditional on being contiguous with existing native woodland.

It is currently possible to receive government grant support (through the FGS) for delivering a woodland grazing plan and this can be helpful in supporting and encouraging important wood pasture management. This could be expanded to include more support for managing and establishing trees within a grazed woodland situation, i.e. providing grant aid to provide tree shelters which are robust enough to withstand cattle grazing. And also other measures which incentivise and support the management of individual trees in open situations, which will go on to become the veteran and ancient trees of the future, particularly given such trees host a large proportion of our woodland biodiversity in terms of saproxylic invertebrates and fungi.

As far as we are aware it is not possible to receive government grant support for specifically managing woodlands in designed landscapes or arboreta. In these situations the only FGS support available is for standard forestry operations, which are largely designed for commercial forestry plantations. These can often be inappropriate for the cultural heritage and biodiversity associated with these woodlands. Again the most obvious and appropriate solution would be a new FGS grant payment to deliver an agreed woodland management plan for a designed landscape or arboreta.

Given that the way forward, in terms of FGS support for a variety of the rarer, more diverse and culturally important woodland types is a payment for delivering an agreed woodland management plan, which would allow flexibility to manage the High Nature and/or Cultural Value Woodland for its specific biodiversity and cultural needs a single option could be introduced to cover all of these situations which explained which woodland types it was available for. But also bearing in mind the specific changes needed as outlined above for montane woodlands.

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. Our existing woodlands and current FGS support have overly focussed on maximising timber production and this has resulted in over reliance on monocultures of a small number of non-native conifer species, each species with a narrow genetic diversity. Ecology theory confirmed through many real world examples show that if one species becomes dominant in a landscape and has no native pests and diseases this can have severe negative ecological consequences as it can oust other less competitive native species and homogenise ecosystems reducing biodiversity. This is clearly the case with monoculture plantation forestry of Sitka Spruce and other non-native conifers in Scotland today. However, these woodlands currently play a valuable role in timber production, but this role could also be achieved by other forestry models which are more biodiverse and more resilient to climate change and pests and diseases.

These monocultures are also potentially very vulnerable in ecological terms and if they persist as such this vulnerability will likely eventually be realised and have extremely damaging economic consequences for the forestry industry and also result in threats to timber security and terrestrial carbon stores. Under relatively near term climate change it seems likely that large areas of Scotland will become unsuitable for Sitka Spruce growth, too warm and dry. There are also several candidate pests and diseases which are almost inevitably going to colonise and or become more common in Scotland, for example Ips typographus, which would likely be devastating for Sitka Spruce timber production. The future may also produce damaging tree pests which we didn't see coming, if the past is any guide, for example Ash Dieback. These are likely to affect currently economic conifer species for example many are currently vulnerable to Phytophthora pests and several new Phytophthora threats have emerged in the UK in recent decades.

If they are to be effective resilience measures need to be significant enough to make a real ecological impact, given that forestry (including economic forestry) works within climate and ecological systems. It is too small for example to move towards, 65% of an FGS funded new woodland can be made up of one species, and that species can be Sitka Spruce, which is currently very abundant in our landscape – we are over reliant on it for our home grown timber supplies and this is a highly risky strategy in relation to the nature and climate crises. This strategy is likely to end in disaster, both ecologically and economically, this much is predictable. It is not recommended therefore that a significant proportion of future FGS grant aid should be spent on increasing these risks, instead FGS should focus on regeneration of native woodland through incentivising deer control in wider landscapes, not just in forest blocks. And more FGS money should be spent on incentivising Scots Pine forestry, so that we reach as soon as possible a more balanced Scotland wide proportion of Sitka/Scots Pine in our productive forests, splitting our near term climate and pest risks.

It's also important if new tree species are incentivised/funded in FGS that ecologically meaningful risk assessments are taken, for example considering -

will they develop as invasive non-native species threats, or will their plantations drive further biodiversity losses exacerbating the biodiversity crisis.

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.

Knowing where to get reliable advice, Clearer guidance on grant options

Are there others not listed above?:

The assumption in the question is that barriers should be removed for crofters and farmers, and we would support this if adequate controls were in place to minimise the loss of biodiversity. Current practice i.e. the afforestation of some of our last remaining areas of biodiverse semi-natural vegetation in the Lowlands of Scotland would indicate this is not the case currently, but measures could be easily introduced if there was a willingness by Forestry Scotland to do so. To not do so would clearly not be compatible with the Scottish Governments commitment to halt biodiversity loss by 2030.

The key measure from our point of view would be "Knowing where to get reliable advice" particularly competent ecological advice, which is then considered appropriately in FGS applications by Forestry Scotland and "Clearer guidance on grant options" so that biodiversity is not damaged by afforestation.

This is particularly the case for High Nature Value Farms, for example crofted machair, which is an internationally rare habitat. Machair is an annex 1 habitat in the EU habitats directive, transcribed into Scots and GB law and as such should not be reduced in extent or degraded in condition by afforestation. It is estimated that about two thirds of the global machair resource occurs in Scotland and one of the characteristics of Machair is it is treeless landscape and this open nature allows nationally significant populations of breeding waders and significant extents of species rich dune grassland and fen to occur. To "reduce barriers" to afforesting machair would clearly be extremely damaging ecologically and counter to Scottish Government targets to halt the loss of biodiversity by 2030 and reverse it by 2045. So in terms of "Clearer guidance on grant options", the FGS guidance should be clear that applications to afforest machair will not be granted and in terms of "Knowing where to get reliable advice" it is important that competent ecological advice is available for applicants to guide them away from preparing applications to afforest machair. The best source of advice in this respect would be the Sand Dune Survey of Scotland, SNH, 1998 to 2001, which maps Machair throughout Scotland.

Crofted land is also present on mainland Scotland and islands on the west coast of Scotland, which are not on machair, so may be suitable for woodland creation. The Trust owns and manages significant areas of crofted land in these situations, for example Balmacara Estate, which has several crofting townships and Canna and Sanday in the Small Isles. In these situations woodland expansion in the wrong place i.e. on species rich lowland meadow at Balmacara or calcareous grassland on Canna and Sanday would result in the loss of rare habitats of priority for conservation. But conversely well planned native woodland creation in the right place could result in significant biodiversity gain. For example on Canna the establishment of Hazel woodland, such as is already present on Eigg and at Balmacara the expansion of Scotlands Rainforest in the right locations here would result in significant biodiversity gain. Therefore "knowing where to get reliable advice" on which areas to apply for forestry grants to expand woodland without damaging biodiversity and which areas to apply for agri environment grants to protect biodiversity is crucial. And also "Clearer guidance on grant options" for what areas/habitats are appropriate to apply for FGS woodland creation options and which areas/habitats are appropriate to apply for agri environment options is very important to result in net biodiversity gain overall.

Similar point would be made as for farming as for crofting, see question 2 response above.

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.:

Assuming the loss of semi-natural biodiverse lowland habitats to afforestation can be avoided by habitat survey and/or competent ecological advice, the Trust is supportive of specific support for establishing small woodlands.

A key cost for FGS support would be the cost of habitat survey or ecological advice, as small neglected areas in the lowlands, which are often attractive to afforest as they are seen as wasteland, can often have the highest biodiversity value. These areas should instead be directed towards agri environment support to be managed as high nature value farmland.

The Trust would support more small scale and community woodland ownership as this would diversify the woodland estate in Scotland. A barrier to entry for individuals and communities could often be lack of forestry knowledge and experience until this is gained as the community or individual develops these skills through direct experience. So specific mechanisms which could be helpful include training courses for such individuals/communities in skills needed to develop small woodlands and also consultant costs to provide forestry and ecological expertise, particularly focussed at the entry level.

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.:

Assuming the loss of semi-natural biodiverse lowland habitats to afforestation can be avoided by habitat survey the Trust is supportive of specific support to increase easily accessible, sustainably managed woodlands in urban and peri-urban areas.

In our cities existing brownfield sites can have very significant biodiversity value as a last refuge in the area for lowland biodiversity in an otherwise urbanised or intensively farmed (greenbelt) landscape. So specific advice should be sought from a suitable organisation, for example Bug life, before afforestation is considered on weed rich brownfield sites. Other sites which are already providing access to nature rich habitat in urban and peri-urban areas, should also not be permitted for FGS funding for woodland creation.

There are many suitable sites in and around cities which could be afforested and create valuable opportunities for access to nature and greenspace, and these contacts with nature are maximised when native trees are used. It is also appropriate in these situations, it is also appropriate to create amenity plantings, for example flowering cherries, exotic species monocultures should not be grant funded in these settings, where nature and amenity value is

most important.

These areas include around the edges of amenity grassland areas such as football pitches or in greenbelt adjacent to towns and cities. The most accessible places within cities will often allow only small areas for woodland creation and the FGS should incentivise native woodland creation more where more people will be able to access it.

Grant support for all abilities path creation in new and existing urban and peri urban woodland would be beneficial in encouraging access.

Given the lack of land in some urban areas, individual and avenue tree planting and maintenance should be grant aided to bring the benefit of greenery into densely 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.:

"Wealth" in this sense should not just be purely monetary, but also include non-monetary benefits for local communities.

The principle that more grant support for forestry should be targeted at rural communities is welcomed. Currently a large proportion of FGS grant support goes towards a relatively small number of narrow objective interests, largely economic only, and this is not healthy for delivering multi-objective diverse and resilient forests in Scotland. Facilitating FGS grant support to a wider range of individuals, communities and organisations would improve the range of objectives and therefore benefits, including economic, forestry would deliver in Scotland.

We would clarify this consideration to include "communities of interest" as well as "communities of place". Communities of interest, often recognised by a membership organisation, would include environmental non-governmental organisations concerned with the delivery of nature conservation and organisations concerned with the provision of recreation and access facilities such as paths and mountain bike routes. Their objectives would be compatible with woodland expansion and management, but also additional to these, i.e. multi-objective

To better enable these diverse communities with a diverse range of objectives the FGS needs to become more diverse itself. Currently there is an emphasis/focus on timber production and woodland expansion, which are important aims, but there should be more balance in respect of multi-objective forestry, including in particular nature conservation, access and rural development, which would allow greater engagement of both communities of place and communities of interest to engage with the FGS, given these are important objectives of these communities.

We would suggest specifically that the FGS includes, activity based payments for the production of an agreed woodland management plan to deliver high nature value woodland management, for example, wood pasture grazing, restructuring of established native woodland, removal of INNS, deer control over a wider area than the regenerating woodland, development and maintenance of veteran and ancient trees. That the strict requirement of a minimum stems per ha requirement is dropped for high nature value woodlands and replaced with an agreed density defined in a plan, with a minimum requirement of 25% cover – so that more woodland habitat mosaics can be created.

FGS grant support for non-community interests, for example forestry companies, should be dependent on meaningful minimum standards of community engagement. Currently there is a requirement to consult the community in the UKFS for example, but no requirement to demonstrate meaningful consideration and action in relation to the consultation feedback. A clear, transparent and effective way to do so would be to make a reasonable proportion, say a minimum of 30% of the grant aid for each FGS application (or on applications across an entire estate) to be spent on community benefit in the widest sense, i.e. not timber production, i.e. nature conservation, access and/or rural development.

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.:

As suggested in question 10 a clear, transparent and effective way to do this would be a requirement in FGS for a reasonable proportion, say a minimum of 30% of the grant aid for each FGS application (or on applications across an entire estate) to be spent on community benefit in the widest sense, i.e. not timber production benefiting largely plantation owners and sawmills, i.e. nature conservation, access and/or rural development, benefitting communities of place and communities of interest.

The 2016 Land Reform Act sets out the Land Rights and Responsibilities Statement and makes provision for engaging communities in land management decisions, and these have been reinforced by guidance from the Scottish Land Commission. References to these should be included in FGS guidance and there should be a requirement for applicants to demonstrate they have met these in their application.

As suggested in question 10 the FGS needs to evolve away from its current narrow focus on timber production and woodland expansion to multi-objective forestry which involves meeting objectives which are beneficial for the local community and communities of interest, "public money for public goods" this would mean a larger proportion of FGS will be spent on nature conservation, access and rural development. Making the FGS grant system and the resulting forestry applications more relevant to communities, would make communities more likely to want to engage in developing forestry proposals.

Currently there is a voluntary opportunity for the forestry industry to engage with local communities in the development of forestry proposals, but all too often this is either not taken up by local communities or if it is taken up and responses are submitted by local communities, no significant changes are made to proposals. The UKFS requires local communities to be consulted, but not for the feedback received to be a consideration in the forestry planning. Given that a voluntary approach has failed, a regulatory approach is required to ensure that local communities are involved in the development of forestry proposals and their contribution is both valued and impactful. A clear approach to how to involve local communities in forestry proposals should be outlined in regulation mirrored in FGS guidance, including how to take account of feedback received in a way which will actually result in changes to proposals and also the rejection of proposals if communities are strongly opposed in numbers. Again this regulation should include both communities of place and communities of interest.

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.:

We are aware that there is a process in place, with applications published on a register for comment or similar measures along those lines. However the process does not seem to be effective in respect of protecting against significant biodiversity loss, a requirement if we are to meet Scottish Government policy to stop the decline of biodiversity by 2030 and reverse biodiversity loss by 2045. This is evidenced by the high number of important biodiversity sites being afforested in recent times, resulting in significant biodiversity loss. For example the last few remaining areas of lowland heathland have been afforested in the Scottish Borders up until as recently as 2022 NT641126, resulting in the inevitable local extinction of Petty Whin. A site recognised as a Local Biodiversity Site by Scottish Borders Council long prior to afforestation, Brown Moor Heights was afforested several years ago. And several important lowland calcareous grassland types, one of our rarest and most diverse lowland habitats, containing populations of the nationally rare butterfly Northern Brown Argus have also been afforested with significant net biodiversity loss in recent years.

The forestry regulatory and grant process is clearly not delivering Scottish Government commitments to protect important biodiversity and is in fact working against this through the FGS and surrounding forestry regulation. The current process assumes that public consultation, such as it is, will flag up biodiversity considerations, and there is little expectation or responsibility on the applicant or Forestry Authority to consider biodiversity in proposing forestry schemes and their regulatory decisions. Nature Scot, the competent government authority in respect of nature conservation are excluded from the process as we understand it, in that they have an agreement not to comment on forestry applications, except if they impact on a designated site. There are some elements of good practice which should be recognised, such as some forestry companies such as Tillhill and Buccleuch undertake NVC surveys before submitting forestry applications and also local discussions have occasionally happened between local records centres or communities of nature conservation interest, such as Butterfly Conservation. But all these measures are ad hoc and inconsistently applied and conservancy staff generally don't have the skills to interpret the data to make decisions and the process doesn't require that these important environmental data are meaningfully considered.

To make the forestry regulatory and grant process transparent in respect of proposals and the decisions made of them, in respect of the key Scottish Government consideration, biodiversity a new decision making process is required to adequately consider environmental impacts, particularly biodiversity as the current system clearly isn't working as evidenced by biodiversity loss. This system should be developed by an external body from Forestry Scotland, competent in Biodiversity, but with FS as a key co-creator of the process. As a minimum this needs to include –

A) The collection of NVC data.

B) A competent person in respect of nature conservation contributing to the design of the application.

C) A competent person in respect of nature conservation contributing to the authorisation or not of the proposal and any revisions required.

In order to be transparent the applicant must record in the plan, which habitats are being afforested and how any such losses are considered in the design of the scheme so as to result in net biodiversity gain.

The decision on whether to grant the application and with what conditions/revisions should be reported and published on a publicly facing register and cumulative results collated to report against the Scottish Biodiversity targets for no net loss of biodiversity by 2030 and reversing biodiversity decline by 2045.

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?

Yes

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

We agree that this can be an effective measure and is a useful approach to take. However, in relation to the impact on the ground this measure has largely not been effective so far in delivering public benefit.

Sawmilling for instance has over time moved from local to regional hubs and specialised towards processing larger volumes of timber, but of a narrower range of timber types. This has resulted in less diverse forests, i.e. dominated by a small number of species, particularly Sitka Spruce and encouraging clearfell plantation forestry, rather than continuous cover systems. These woodlands are not resilient to climate changes and pests and net negative for biodiversity.

It would be more appropriate instead to focus public spending via FGS and other capital support on local small scale forestry businesses with a view to diversifying the timber market in Scotland. This would result in more rural employment and more diverse woodlands – better for nature, climate and more resilient to threats. It would clearly be beneficial for the forestry sector in Scotland to deliver a wider range of timber products, including native broadleaved tree hardwoods, rather than importing them. Currently Scotland largely produces softwood products and is a net exporter, but imports virtually all its hardwood products, including from tropical rainforests. Small sawmills capable of processing hardwoods and with sustainable forestry models which encourage wider planting and management of productive native broadleaved trees should be a key focus of capital support, rather than spend on regional industrial scale sawmills.

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

Rural Environmental businesses associated with forestry should also be encouraged by the FGS and related spend. These are currently a missing link in many cases in terms of advice on planting and design to forestry applicants, i.e. habitat surveys to inform net positive for nature forestry design and contributing to forestry application design itself. Capital spend would not be appropriate as a method for subsidising this particular rural business sector. The costs are more modest and incurred as revenue costs to applicants. It would be appropriate therefore to subsidise this particular rural business sector, which is in decline, via FGS grant payments to cover the cost of survey and advice. These costs are modest at a few pounds per ha for habitat survey and a half day or so consultant cost to contribute towards a forest design plan, but would be important for supporting this rural business associated with and vital for sustainable forestry.

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.:

Environmental/ecological skills are a fundamentally important but often missing or under-represented skill within the forestry sector. That it is both fundamental to forestry and part of the forestry skill set is evidenced by the fact that Forestry and Land Scotland employ "Environment Foresters" and "Environment Leads", employ ecological consultants and most other staff have a degree of environmental/ecological knowledge within their understanding. In the private forestry sector similar roles, engagement with ecological contractors and general understanding of environmental and ecological skills are less represented but do occur.

Given the Scottish Governments commitments to reverse biodiversity loss by 2030 there needs to be a skill set able to understand and consider nature within the forestry and therefore more companies and organisations need to provide such training positions within the forestry sector to ensure forestry is sustainably managed, complies with wildlife laws and is net positive for nature overall.

These skills are often best developed by shadowing someone in the forestry sector with environmental/ecological skills, so we would support and encourage apprenticeships or similar systems for developing environmental/ecological skills within the forestry sector.

We would also suggest that environmental/ecological skills relevant to forestry are included within SG/FGS funded training programmes for the forestry sector. As these skills are required to a degree by all workers within the sector. But specifically planning foresters in FLS and those preparing applications for woodland expansion or management in the private sector require these skills more than any other role within the sector, in terms of the requirement to consider nature in forestry planning, to deliver sustainable forestry. Therefore training specifically aimed at Planning Foresters both within the public and private sector should be supported by SG/FGS funding.

The National Trust for Scotland is a frequent client to forestry consultants and notes the market is limited and expensive and therefore training in general forestry skills and other methods to encourage new entrants to support the needs of forestry owners would be helpful.

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.:

1) Sustainable forestry, i.e. "net positive for biodiversity"

The FGS and supporting policies are the primary reason why sustainable woodland management is not happening in Scotland. The FGS to date has been largely focussed on expanding non-native species plantation forestry with little effective consideration of nature. Afforestation has been one of the main drivers of biodiversity decline in Scotland. Given the very significant area of open ground afforested by the FGS and the often lack of effective consideration of biodiversity this has inevitably resulted in the large scale loss of biodiversity. It is clearly not sustainable to have such a large area of habitat destruction and replace it largely with monocultures of non-native trees, usually in dense plantations subject to clearfell, i.e. very simplified ecosystems capable of hosting little biodiversity.

Rather than in isolation, the FGS should be viewed in the wider context of government and public objectives, to halt the loss of biodiversity by 2030 and reverse it by 2045. It would not be appropriate for the FGS to continue funding the often unmitigated destruction of habitats and replace it with some of the lowest biodiversity value ecosystems possible in Scotland on the scale it has been.

Productive woodlands are of course essential for our timber needs. We understand that Scotland currently produces about the same volume of timber it uses every year, but that we produce more softwood products than we need and export them, but produce less hardwood products than we need and are large net importers. Therefore a move away from most of the FGS funding being used to support yet more non-native coniferous plantations producing softwoods towards more diverse tree species woodland including native tree species such as Scot's Pine and Oak, but also other productive hardwood trees, would be beneficial in all respects, better for nature, better for our timber needs and more resilient to climate change and emerging pests.

The FGS should therefore be redesigned to meet a wider range of objectives as described above and have the stated aim of being "net positive for biodiversity" as to not have this aim and effective measures in place would mean the FGS was working against Scottish Government objectives and the increasing public concern for the environment.

2) In order to avoid and minimise biodiversity loss in woodland creation, the following is proposed:

a) A facility is introduced in the FGS to cover applicants costs for an NVC habitat survey and report, that such survey is mandatory for all potential afforestation sites where semi-natural vegetation is present.

As a guide, all in costs could average £4-£5 per ha for upland sites, and for smaller lowland sites, which take less than a day to survey be capped at £250. Advice from an FS or SGRPID advisor, competent in habitat identification, recorded as part of the application, could negate the need for contracted survey on smaller sites, where such support was available.

b) Optional FGS grant support is also made available for species surveys when required – e.g. breeding bird surveys.

b) FGS support for afforestation applications is made conditional on the application complying with the Scottish Biodiversity Strategy i.e. "design delivering increased biodiversity and habitat connectivity". i.e. net habitat and biodiversity gain – i.e. avoiding loss of priority habitats and species in afforestation and any unavoidable open habitat afforestation losses being offset by native woodland habitat creation.

To make it more practical, the latter could be deployed anywhere in the applicant's landholding, as per the control of woodland removal policy requirement to afforest an equivalent area.

In afforestation a decision making process to assess FGS applications is required to adequately consider environmental impacts. As a minimum for larger applications, this needs to include–

A) The collection of NVC data.

B) A competent person in respect of nature conservation contributing to the design of the application.

C) A competent person in respect of nature conservation contributing to the authorisation or not of the proposal and any revisions required.

For smaller schemes in the lowlands, part A could be replaced by competent site specific ecological advice, which if biodiverse semi-natural open habitats

were present would result in the advisor pointing the applicant towards agri environment, rather than forestry plantation grants. In order to be transparent the applicant must record in the plan, which habitats are being afforested and how any such losses are considered in the design of the scheme so as to result in net biodiversity gain. Items a and b above could easily, i.e. as a relatively small cost in respect of the overall grant spend, be funded by FGS and would need to be if we are to have meaningfully/genuinely sustainable forestry in respect of the environment. The replacement of native woodland on open habitats such as upland heathland would often be net positive for nature, but on the lowland open habitats and upland habitats with restricted extents would usually be net negative for biodiversity. The design of open ground within FGS funded applications could also be designed via this process to avoid the most important habitats.

3) Restoring nature rich habitats which have previously been converted to plantation:

For priority habitats which have historically been replaced by plantation forestry FGS grants should be actively encouraged by the Forestry Authority for the restoration of these habitats, where they can be restored, i.e. Blanket bogs, Lowland Raised Bogs, Coastal Sand Dunes and Ancient Woodlands.

a) That an actual cost of non-native coniferous plantation removal to reverse habitat loss grant is made available in the FGS for restoration of all peatland types (Blanket Bogs, Intermediate Bogs, Lowland Raised Bogs, and fen peats), PAWS and sand dunes.

The cost per ha is calculated on the basis of the cost required to undertake the operation, felling and extracting the timber (or if not extractable, mulching (or if very stunted – cross cutting) the timber) minus any income from timber. The cost will be variable from £0 to perhaps as much as £5000 per ha in extreme cases depending on current mulching costs.

b) That the proposed removal of coniferous regeneration grant (above) is also applicable in subsequent years to restoration sites where the above grant is applied, to maintain restoration areas.

And in relation to wider Forestry policy, supporting the FGS:

c) That the Scottish Government encourages the Forestry Authority to develop supportive policies which encourage the restoration of open habitats and ancient woodland from non-native plantation forestry to reverse biodiversity decline, as relevant to the Scottish Biodiversity Strategy commitments.

Reducing the ecological impact of invasive non-native coniferous regeneration

4) Invasive conifer control:

A new/improved option to tackle coniferous regeneration should be included in the FGS to help address biodiversity loss, i.e. the degradation of native woodland and open habitats by invasive non-native conifers from adjacent plantations. The proposal is that a new “removal of coniferous regeneration on habitats of conservation interest” grant should be made available in the FGS. The cost payment available per ha should be flexible based on the density of regeneration, actual costs vary from £160 per ha to up to £900 per ha. The definition or application of the grant should be flexible and not too restrictive in terms of “habitats of conservation interest”, i.e. including potentially any BAP priority habitat where a landowner has a conservation interest to remove the coniferous regeneration, including (obviously) land outside forestry plantations. Given regeneration can occur repeatedly, the grant should be applicable to the same site again up to a maximum of once every seven years if required, but in practice often less. To improve financial sustainability grant aiding alternative methods of control other than cutting could be considered, e.g. grazing after cutting. We also suggest that planting or restocking of invasive conifers such as Sitka Spruce & Lodgepole pine is not grant aided through FGS within 500m of the most sensitive habitats, i.e. SSSIs, ancient semi-natural woodland and Blanket Bog.

5) Accelerating restoration and regeneration of Native Woodlands:

We would welcome improved measures for Scotland's Rainforest, and also Native Pinewoods that encouraged, through an adequate level of support, i.e. increased funding levels for deer control, natural regeneration and INNS control including Rhododendron and non-native trees.

We also would welcome new and/or adapted woodland establishment measures which included the rarer and more biodiverse woodland types which have previously not been considered in the FGS, i.e. Wood Pasture and Parkland, Montane Willow Scrub and Treeline Woodland.

The National Trust for Scotland is likely to be the largest single land manager of wood pasture and parkland, montane willow scrub and treeline woodland in Scotland. So has extensive experience of managing these habitats including whether the FGS currently supports them as well as it could.

For example our montane woodlands – treeline woodland and montane willow scrub are far rarer than the native woodland types currently covered by the FGS, i.e. Native Pinewood, Upland Birchwood, Upland Oakwood, Lowland Mixed Deciduous Woodland, and Wet Woodland. It is anomalous therefore, from the nature conservation viewpoint that they are not covered by the FGS.

They have presumably been omitted in the past as they were not considered to be woodland as they were not capable of producing timber. However, the type of management required to maintain and expand treeline woodland and montane willow scrub is more similar to forestry establishment operations, i.e. deer control, fencing and natural regeneration, than it is to the operations required in the agricultural grants system AECS. And therefore the FGS is the appropriate place to support this important work.

In terms of expectations considering the scale of the opportunity – i.e. rarity of habitat, it is likely that only a few grant applications would be submitted in any given year. But the work is very important considering the rarity of the habitat and the larger number of rare species they hold.

It should also be noted, and supported in the FGS, that the costs of establishing montane woodland in the remote and steep terrain it occurs in are considerably higher than the costs of establishing native woodland in sub montane upland and lowland areas.

The following proposal in relation to treeline woodland and montane willow scrub in the FGS is made:

- Deer management payments, exclosure fencing plus fencing maintenance and new natural regeneration establishment payments should be available for treeline woodland establishment that reaches 400 stems per ha for treeline woodland (or less if the ground dictates it, e.g. interspersed by steep crags).
- Deer management payments, exclosure fencing plus maintenance and a payment for a proportion of the cost of designing and delivering an agreed planting plan for montane willow scrub should be available (the latter including survey and nursery costs). Given the complexity and variability of what is ecologically appropriate on a given site, a stems per ha approach would not be suitable. [costs of delivering “an agreed plan” can be met for different habitats in AECS and also for delivering a woodland grazing plan currently so the principle is established in Scottish Government grant aid].
- On any given site only one of deer management or exclosure payments would apply. There should be no bias towards deer control rather than fencing in this situation as some sites can be impractical to control deer on. The deer management payment needs to take account of the difficulty of controlling deer in the often inaccessible locations where montane woodland can form and the larger area over which deer management is required.
- Treeline woodland payments should not be conditional on being contiguous with existing native woodland.

It is currently possible to receive government grant support (through the FGS) for delivering a woodland grazing plan and this can be helpful in supporting and encouraging important wood pasture management. This could be expanded to include more support for managing and establishing trees within a grazed woodland situation, i.e. providing grant aid to provide coral shelters which are robust enough to withstand cattle grazing. And also other measures which incentivise and support the management of individual trees in open situations, which will go on to become the veteran and ancient trees of the future, particularly given such trees host a large proportion of our woodland biodiversity in terms of saproxylic invertebrates and fungi.

As far as we are aware it is not possible to receive government grant support for specifically managing woodlands in designed landscapes or arboreta. In these situations the only FGS support available is for standard forestry operations, which are largely designed for commercial forestry plantations. These can often be inappropriate for the cultural heritage and biodiversity associated with these woodlands. Again the most obvious and appropriate solution would be a new FGS grant payment to deliver an agreed woodland management plan for a designed landscape or arboreta.

Given that the way forward, in terms of FGS support for a variety of the rarer, more diverse and culturally important woodland types is a payment for delivering an agreed woodland management plan, which would allow flexibility to manage the High Nature and/or Cultural Value Woodland for its specific biodiversity and cultural needs a single option could be introduced to cover all of these situations which explained which woodland types it was available for. But also bearing in mind the specific changes needed as outlined above for montane woodlands.

In other native woodlands there should be a 50/50 FGS option that incorporates natural regeneration with enrichment planting – this would be for cases to rescue small remnants of native woodland where limited regeneration of some species is possible but would benefit from enrichment planting as well to enhance woodland extent and diversity the species mix.

The planting density for native woodland creation options Native Scots pine and Native broadleaves should be reduced from 1600 stems per ha to 1100 stems per ha at 5 years as it currently is for the Native upland birch option. Establishment at 1600 stems ha potentially results in loss of ground flora at the thicket stage reducing woodland biodiversity.

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?:

The FGS should have more emphasis on prioritising grant aiding for natural regeneration rather than woodland planting. In order to ensure effective management of deer populations, providing wider ecological benefits including improving condition of open habitats such as upland heathlands and wider landscape scale impacts for natural regeneration of native woodlands.

This would be best achieved by FGS incentivising deer control as a priority, rather than deer fencing. Exceptions to support fencing should be made when the public benefit is greatest, particularly where browsing can't be reduced to allow regeneration of more palatable native tree species and montane woodlands (which are vulnerable on account of their height) in these and other situations where native woodlands are at risk fencing should continue to be grant aided by FGS.

Capital costs for deer control should reflect the remoteness of the site and the real costs in establishing a woodland creation scheme. Current capital costs payments do not cover actual costs for NTS sites like Mar Lodge. Capital costs should be awarded on a percentage basis of actual costs and reflect the public benefit of the woodland, i.e. with a higher grant intervention rate available for native woodlands such as Caledonian Pinewood Inventory sites, montane woodlands and Scotland's Rainforest.

Alternative fencing types such as off-set electric fencing that are more suited to particular locations and/or less visually obtrusive should be options for FGS.

It should be recognised that deer must be controlled over a wider area than the existing forest extent or planting area, to deliver natural regeneration and woodland expansion. A deer control payment should be payable for the whole area in which deer are controlled. The higher premium SMF native woodland deer control option should be paid over the wider deer control area not just the current woodland area. Or alternatively the SMF native woodland deer control payment can be claimed for the woodland area alongside the SMF species conservation reducing deer impact option which is claimed for the wider area out with the woodland where deer are being controlled.

The FGS scheme should provide grant support for regeneration that is present beyond a 50m buffer around the existing woodland if this can be evidenced.

A deer management payment and new natural regeneration establishment payment should be available for treeline/montane woodland establishment that reaches 400 stems/ha (or ideally a lower density which is more realistic for the habitat). This should not be conditional on the montane woodland being contiguous with established native woodland.

Small scale mixed land use?:

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

Please add your comments here.:

The National Trust for Scotland would welcome the opportunity to discuss the development of FGS improvements as suggested in our consultation response and/or the Scottish Environment Link response, to which we were a contributor, with Forestry Scotland and/or the Scottish Government.

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:

National Trust for Scotland

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

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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?

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