

# **House of Commons**

Environment, Food and Rural Affairs Committee

# Forestry in England: Seeing the wood for the trees

Fifth Report of Session 2016–17

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 14 March 2017

### The Environment, Food and Rural Affairs Committee

The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department of Environment, Food and Rural Affairs and associated public bodies.

#### **Current membership**

Neil Parish MP (Conservative, Tiverton and Honiton) (Chair)§

Chris Davies MP (Conservative, Brecon and Radnorshire)\*

Jim Fitzpatrick MP (Labour, Poplar and Limehouse)

Simon Hart MP (Conservative, Carmarthen West and South Pembrokeshire)\*

Kerry McCarthy MP (Labour, Bristol East)

Dr Paul Monaghan MP (Scottish National Party, Caithness, Sutherland and Easter Ross)\*

Rebecca Pow MP (Conservative, Taunton Deane)\*

Ms Margaret Ritchie MP (Social Democratic and Labour Party, South Down)

David Simpson MP (Democratic Unionist Party, Upper Bann)

Angela Smith MP (Labour, Penistone and Stocksbridge)\*

Rishi Sunak MP (Conservative, Richmond (Yorks))

The Committee appointed a Sub-Committee on 2 November 2016 to carry out its work on this inquiry.

- \* Member of the Environment, Food and Rural Affairs Sub-Committee
- § Chair of the Environment, Food and Rural Affairs Sub-Committee

#### **Powers**

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

#### **Publication**

Committee reports are published on the Committee's website at <a href="https://www.parliament.uk/efracom">www.parliament.uk/efracom</a> and in print by Order of the House.

Evidence relating to this report is published on the <u>inquiry publications page</u> of the Committee's website.

#### **Committee staff**

The current staff of the Committee are Eliot Barrass (Clerk), Sian Woodward (Clerk), Danielle Nash (Second Clerk), Sarah Coe (Senior Committee Specialist), Anwen Rees (Committee Specialist), Caitriona Fleming (Senior Committee Assistant), Henry Ayi-Hyde, (Committee Assistant) and Shaqufta Hailes (Media Officer).

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# Summary

Forests and woodlands provide many environmental, social and economic benefits to society. In order to continue to provide these benefits the creation of new woodland is essential. Private landowners clearly have the right to decide what they do with their land, however, the Government can provide incentives to landowners to use their land for forestry. We have found that woodland creation is reliant upon a well-functioning grant scheme to incentivise landowners to use their land for forestry.

The current operation of the Countryside Stewardship Scheme (CSS) is "not fit for purpose" and is acting as a barrier to greater woodland creation. The ambition to have 12% woodland cover—only a third of the EU average—in England by 2060 will not be achieved without a fundamental change to the "bureaucratic", "overly complex" and "torturous" delivery system for CSS. In this Report we have called on the Government to reinstate a one-stop shop for forestry grants on day one of the UK's exit from the European Union, which will signify a return to a well-functioning grant system.

We have made a number of other recommendations, including calling:

- for clear and accessible information on woodland creation and woodland cover in England to be released by the Forestry Commission every six months;
- on the Government to clarify its commitment to the 2060 12% woodland cover ambition;
- for information to be made available on the number of forests and woodlands in management;
- on the Government to work more closely with the forestry sector on issues such as woodland management;
- for the introduction of a single grant system after the UK leaves the European Union which supports both the agriculture and forestry sectors;
- on Defra to liaise more closely with Ministers in the Department for Business, Energy and Industrial Strategy to ensure that the forestry sector is represented in the industrial strategy;
- on the Government to ensure that the right incentives are in place for softwood planting, through grant schemes which encourage 50:50 mixed planting;
- on Defra to work with the Department for Communities and Local Government to introduce a UK-timber first procurement policy for English housing;
- for the implementation of the proposal in the Housing White Paper to clarify the protections of ancient woodland and veteran trees in the National Planning Policy Framework;

- on the Forestry Commission and Natural England to maintain an up-to-date, readily available public register of ancient and veteran trees and an inventory of ancient woodland annually; and
- for certainty from the Government by the conclusion of Article 50 negotiations on how the forestry research funding gap will be filled after the UK leaves the European Union.

# 1 Introduction

1. The Independent Panel on Forestry (IPF), chaired by the then Bishop of Liverpool, was set up in 2011 following "public outcry" at the then Government's proposals to make changes to how the public forest was managed. The IPF published its Final Report in July 2012 which:

advised [the UK] Government on the future direction of forestry and woodland policy in England, and on the role of the Forestry Commission in implementing it.<sup>2</sup>

- 2. That Report made recommendations relating to the governance of forestry, access to forests and the long-term strategy for forestry. The Government responded to the IPF's Report in January 2013 through the *Government Forestry and Woodlands Policy Statement*, accepting some of the IPF's recommendations.<sup>3</sup>
- 3. It has been nearly five years since the IPF Report was published. This inquiry was launched to scrutinise the work that the Government has undertaken since the publication of the IPF Report to secure the environmental, social and economic benefits of forestry that we explore in this Report. We have also scrutinised the overall effectiveness of forestry policy, support and strategy in England, including looking at these in the context of the UK leaving the European Union. We have not examined forestry policy in Scotland, Wales and Northern Ireland as it is a devolved matter.

# Our inquiry

- 4. We launched a call for evidence for our inquiry into Forestry in England on 25 July 2016. On 2 November 2016 we appointed a Sub-Committee to undertake the inquiry. The members of our Sub-Committee were Neil Parish (Chair), Chris Davies, Simon Hart, Dr Paul Monaghan, Rebecca Pow and Angela Smith. Owing to the Chair's absence in January, the second oral evidence session was chaired by Angela Smith.
- 5. Our Sub-Committee examined how effectively current Government policies achieve the following objectives and how such policies should be developed in future to:
  - Increase the level of tree cover and improve management of private and public forests in England;
  - Balance woodland protection, including of ancient forests, with economic exploitation, including developing woods as an energy source;
  - Provide a strategic framework, including fiscal and regulatory regimes, to support forestry businesses;
  - Provide grants and advice through the CAP and the Rural Development Programme, and any successor programme, for England that incentivise the sector to deliver multiple economic and environmental benefits; and

<sup>1</sup> Independent Panel on Forestry, Final Report, 2012

<sup>2 &</sup>quot;Independent Panel on Forestry", GOV.UK

Defra, Government Forestry and Woodlands Policy Statement: Incorporating the Government's Response to the Independent Panel on Forestry's Final Report, January 2013

- Ensure there is the right research, including into management of pests and diseases, which is well integrated into policy development.<sup>4</sup>
- 6. The Sub-Committee held two oral evidence sessions:
  - The first on 6 December took evidence from forestry delivery bodies (Forestry Commission (England), Forest Research and Natural England), and representatives of the forestry sector (the National Forest Company, the Country Land and Business Association (CLA) and Confor).
  - The second and final evidence session on 13 January took evidence from charities (Royal Forestry Society, Woodland Trust and the Institute of Chartered Foresters), and the Parliamentary Under-Secretary of State for the Environment and Rural Life Opportunities at Defra, Dr Thérèse Coffey.

Over 70 pieces of written evidence were received as part of this inquiry from a wide range of individuals and organisations, including experts in the field, members of the public, recreation organisations, environmental organisations and the forestry sector. The evidence (oral and written) we received can be found on our website.<sup>5</sup> We thank all those who gave oral and written evidence to our inquiry.

<sup>4</sup> Environment, Food and Rural Affairs Committee, "Forestry in England inquiry launched", 25 July 2016

These can be viewed on the Committee's website: www.parliament.uk/efracom.

# 2 Woodland planting and management

#### **Woodland Creation**

7. Forests and woodland provide multiple environmental, social and economic benefits to society. These categories of benefits are not mutually exclusive and can work in tandem.<sup>6</sup> Defra estimates that "woodland provide at least £1.8 billion in social and environmental, and economic benefits each year".<sup>7</sup> The Woodland Trust explained that:

there is so much that trees and woods can deliver across a span of benefits: in terms of commercial timber production but also all the other benefits, such as dealing with floods, dealing with air quality and providing places where people can get physical and mental relaxation.<sup>8</sup>

The Natural Capital Committee, which provides advice to the Government on policy areas such as forestry, concluded in a recent report that for every 250,000 additional hectares of woodland planted around £500 million of net societal benefits were generated each year.

#### The ambition

8. England has one of the lowest levels of woodland cover relative to the rest of the UK and parts of Europe:

Country	Total land area (rounded to the nearest million ha)	Woodland cover as a % of total land (rounded to the nearest per cent)
UK (overall)	24	13
England	13	10
Northern Ireland	1	8
Scotland	8	18
Wales	2	15
Finland	30	73
France	55	31
Germany	35	33
Italy	29	32
Spain	18	37
Sweden	28	68
Other EU	52	32
Total-EU 28	161	38

Table 1: Woodland cover comparisons<sup>10</sup>

<sup>6</sup> See for example Qq37, 86 and 160 [Royal Forestry Society].

<sup>7</sup> Defra (FOR0073) para 9

<sup>8</sup> Q119 [The Woodland Trust]

<sup>9</sup> Natural Capital Committee, The State of Natural Committee: Protecting and Improving Natural Committee for Prosperity and Wellbeing: Third report to the Economic Affairs Committee, p3

<sup>10</sup> Information taken from Forestry Commission, Forestry Facts & Figures 2015

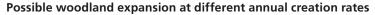
9. The Independent Panel on Forestry (IPF) in its 2012 Report recommended that the Government commit to increase woodland cover in England from 10% to 15% by 2060.<sup>11</sup> The then Government rejected the 2060 15% ambition as unfeasible on the basis that:

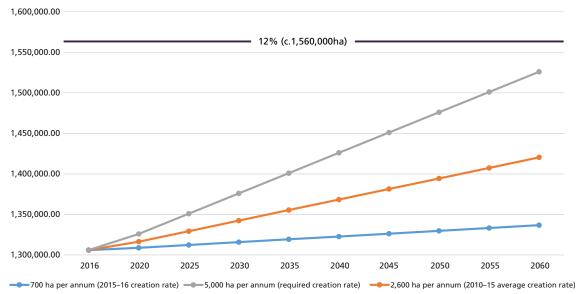
The recent rate of progress has been between 2,000 and 3,000ha per year, which would reach 11% woodland cover by 2060. The Panel's recommendation implies a 500% increase on this rate sustained for the next 47 years. This is unlikely to be achievable or affordable. We, therefore, agree that 15% is a reasonable level of woodland cover to aim for although not within a specified timescale.<sup>12</sup>

The Government instead committed to a 12% level of woodland cover by 2060, implying planting rates of at least 5,000ha per a year. In parallel to this 2060 woodland cover ambition the Government has also committed to plant 11 million more trees by 2020.<sup>13</sup>

#### Will the Government meet its ambition?

- 10. In the 2015–16 planting year woodland creation, according to the Forestry Commission, in England stood at under 700 hectares (ha). The Forestry Commission told us that this was significantly short of the 5,000ha needed to meet the 2060 ambition and considerably lower than previous years (the average woodland creation rate between 2010 and 2015 was 2,600ha). The superior of the superior of the 5,000ha woodland creation rate between 2010 and 2015 was 2,600ha).
- 11. We have analysed woodland creation at different planting rates between now and 2060. This showed that even if woodland creation rates were to be double the 2010–15 average and reach 5,000ha per a year the Government would still fall short of the 12% 2060 ambition. This can be explained by the less than required woodland creation rates in recent years. The graph below illustrates the various scenarios we have analysed:





<sup>11</sup> Independent Panel on Forestry, Final Report, p31

Defra, Government Forestry and Woodlands Policy Statement: Incorporating the Government's Response to the Independent Panel on Forestry's Final Report, January 2013, p39

<sup>13</sup> The Conservative Party Manifesto 2015

<sup>14</sup> Forestry Commission (FOR0072) para 9

<sup>15</sup> Forestry Commission (FOR0072) para 9

- 12. We asked our witnesses about the Government's tree planting performance and the feasibility of reaching the 2060 ambition. The CLA doubted that the Government's ambition would be met and blamed a lack of Government effort: "The problem is that the aspiration has been put out there, but the policy to achieve the aspiration has not followed it". The CLA went on to explain that the Government needed to take more forceful action and was misguided to think that the private sector was "desperate to plant woodland" but just needed some support to do it. To
- 13. Other witnesses agreed with the CLA. The Forestry Commission, for example, talked of the need to "speed up" woodland creation, while the Royal Forestry Society called for a "step change in the rate of planting to achieve this target". Similarly, the National Forest Company described meeting the 2060 ambition as "quite a steep hill to climb". 19
- 14. Nonetheless, witnesses were generally supportive of the 2060 ambition, even if they questioned the likelihood of it being met. The Woodland Trust described the 2060 ambition as "the right one" and Confor stated that it was "realistic [as it was] only one-third of the EU average". However, the Royal Forestry Society cautioned that it was "very ambitious", explaining that England had "not achieved the rate of planting that is required to get there, which is 5,000 hectares a year [...] on the average for the last 10 years or, indeed, the average for the last 50 years". <sup>22</sup>
- 15. Many of our witnesses told us that the biggest barrier to greater woodland creation was the complex and bureaucratic nature of the grant schemes currently available for forestry. <sup>23</sup> As the Forestry Commission explained: "Most of the land is in private hands and so it is a matter of making tools and financial incentives available, alongside encouragement, advice and support". <sup>24</sup> We return in detail to the issue of grants in Chapter 3.
- 16. In written evidence Defra noted that "more forestry and woodland planting was needed by the private sector". The Minister did not commit to the 2060 ambition being achieved, noting: "I cannot remember when it was referred to as a target as opposed to an aspiration, but it is intended to be stimulating us about how we increase our tree cover". However, the Minister was very confident that the Government would achieve its short-term targets stating that the Government would "easily meet the 11 million trees that we have said we will plant this Parliament". We will hold the Government to account for delivery of the target to plant 11 million trees by 2020 and to do its part to contribute towards the 2060 ambition. We recommend that the Forestry Commission should release clear and easily accessible information on woodland creation and woodland cover in England every six months.

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16 Q81 [CLA]
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<sup>17</sup> Q81 [CLA]

<sup>18</sup> Q7 [Forestry Commission]; Q119 [Royal Forestry Society]

<sup>19</sup> Q79 [National Forest Company]

<sup>20</sup> Q119 [Woodland Trust]

<sup>21</sup> Q78

<sup>22</sup> Q119 [Royal Forestry Society]

<sup>23</sup> See for example written evidence from Charles Urquhart (FOR0003), Chiltern Woodlands Project (FOR0029), CLA (FOR0008) and Horticultural Trades Association (FOR0024).

<sup>24</sup> Q17 [Forestry Commission]

<sup>25</sup> Defra (FOR0073) para 11

<sup>26</sup> Q191

<sup>27</sup> Q280

17. We are not convinced that the Government will do its part to contribute towards the ambition for England to have 12% woodland cover by 2060. While we agree with our witnesses that the 2060 ambition, at just a third of the EU average, is the right one, the Government needs to put the correct processes in place to ensure that this ambition is a reality for this Government and future Governments. In response to this Report the Government should clarify whether it remains committed to the current 2060 ambition and how it will bring about the step change needed in planting to meet this ambition, including setting woodland creation targets for five-year intervals until 2060.

## **Woodland Management**

### Why manage woodland?

18. Active woodland management is the process by which landowners intervene to sustain the best features of a woodland for both current and future needs, and could, for example, involve coppicing the forest.<sup>28</sup> There are many economic, environmental and social benefits to managing areas of woodland. The Minister summarised some of the benefits of active woodland management in a Westminster Hall debate on tree planting in December 2016:

Active woodland management is important to not only to help monitor and protect against disease, but to increase the biodiversity of our woods by allowing light into them to enable other plants, insects and woodland species to thrive.<sup>29</sup>

We touch on the wider benefits of woodland management in later sections of this Report.

19. The IPF recommended in its 2012 Report that the Government should work with the forestry and land management sectors to offer woodland management advice, "with a view to increasing the area of woodland with a current UKFS [UK Forestry Standard] compliant management plan, from around 50% to 80% of the total, over about the next ten years". The Government was supportive of the thinking behind the recommendation and noted that:

To accelerate the rate of progress, we want the whole sector, including Government, to work together to provide the advice and incentives that woodland owners need.<sup>31</sup>

The Government, however, did not commit to the IPF's proposed target, but instead stated an ambition "that this shared woodland management programme could bring around two-thirds of woodland into active management by 2018". This target is hereafter referred to as the 2018 target.

Coppicing is the process by which trees are cut down to ground level at regular intervals to stimulate growth and/or provide timber and firewood, and Forestry Commission England, Practice Guide: Managing native and ancient woodland in England, 2010

<sup>29</sup> HC Deb, 7 December 2016, col 97WH

<sup>30</sup> Independent Panel on Forestry, Final Report, p 46

<sup>31</sup> Defra, Government Forestry and Woodlands Policy Statement: Incorporating the Government's Response to the Independent Panel on Forestry's Final Report, January 2013, p 39

Defra, Government Forestry and Woodlands Policy Statement: Incorporating the Government's Response to the Independent Panel on Forestry's Final Report, January 2013, p 12

20. Currently about 58% of English woodland is in management.<sup>33</sup> The Forestry Commission has described meeting the target to have two-thirds of English woodland in management by 2018 as "challenging" as "we still have quite a long way to go […] because of the economics and because of the sheer diversity of land ownership".<sup>34</sup> The Forestry Commission went on to summarise research that Defra had undertaken on landowner motivations on woodland management:

there is a significant proportion of woodland owners who really are not very interested in managing their wood. We can go and talk to them [...] "Can we come in and manage your woodland, because we would like to extract some timber from it?" In many cases, they will say, "No, I just like having woodland." There is a persuasion job. I fear that there are still people out there who believe that the best thing to do with a woodland is never to cut down a tree, and that is just scientifically wrong.<sup>35</sup>

- 21. The Royal Forestry Society told us that the target would not be met, but appeared to sympathise with the Government's problems, acknowledging that "nevertheless, on the whole, the Government are doing the right thing, although they may not be doing enough of it".<sup>36</sup>
- 22. In evidence the Minister noted that the Government had "made some decent progress [...] but we still have some way to go on our journey".<sup>37</sup> The Minister did not make an explicit commitment that the 2018 target would be met, other than to say "It is still our clear objective to do that".<sup>38</sup> We will continue to monitor Government progress against the 2018 target for woodland in active management. We recommend that the Forestry Commission should include information on the amount of woodland in management in its summary facts and figures document that it releases already.
- 23. We acknowledge that the Government can only do so much to encourage landowners to manage their forests and woodland. Good relations and communications with the sector will be needed to help the Government meet its 2018 target. Public perception also needs to be managed to highlight the benefits in some forests and woodland of cutting down trees which have reached the end of their natural lifespan. The Government should consult land management and forestry organisations on how it can encourage landowners to bring their woodland into management.

<sup>33</sup> Q213

<sup>34</sup> Q32

<sup>35</sup> Q32

<sup>36</sup> Q140 [Royal Forestry Society]

<sup>37</sup> Q213

<sup>38</sup> Q214

# 3 The grant schemes for forestry

# The delivery of grants

24. As discussed earlier grants are key to incentivising private landowners to use their land for forestry. In this Chapter we discuss current forestry grants and changes needed, particularly to the Countryside Stewardship Scheme.

## Current forestry grants

- 25. There are currently a number of grant schemes, including some at a local level, in place to support the creation and management of woodland. The main national forestry grant schemes are:
  - The Countryside Stewardship Scheme (CSS): landowners, including farm owners and woodland owners, receive funding to look after the environment through particular activities (e.g. woodland creation and management).<sup>39</sup>
  - The Woodland Creation Planning Grant (WCPG) contributes to costs of UK Forestry Standard (UKFS) compliant woodland creation plan for large commercial forests (>30 hectares (ha)).<sup>40</sup>
  - The Woodland Carbon Fund is available for multi-purpose woodlands over 30ha and is a "demand-led grant scheme to boost the rate of woodland creation and to visibly demonstrate how, by taking a natural capital approach, woodland creation can help to meet Government's future carbon targets alongside delivering other benefits".<sup>41</sup>
- 26. In this Report we focussed almost exclusively on the CSS and how it is administered. We noted that new forestry grant schemes have been introduced in recent years. The first round of the WCPG scheme, for example, which was launched last year, has taken forward 10 applications in its first round with the potential to assist with the creation of 1,064ha of new woodland.<sup>42</sup> In future inquiries we may more closely scrutinise the success of other forestry grant schemes, such as the Woodland Creation Planning Grant and the Woodland Carbon Fund.
- 27. During this inquiry we focussed on the Countryside Stewardship Scheme as it has performed poorly in the planting year 2015–16, with only around 700ha of woodland created. This poor performance was cited by Ministers, the Forestry Commission and others as a reason for the low planting rates in the 2015–16 planting year. It was suggested that this performance would be remedied in future years as the scheme became more established.<sup>43</sup> The Forestry Commission explained:

<sup>39 &</sup>quot;Countryside Stewardship", GOV.UK

<sup>40</sup> Forestry Commission England, "Forestry Innovation Fund", 15 February 2017

<sup>41</sup> Forestry Commission England, "Woodland Carbon Fund", 15 February 2017

<sup>42</sup> Defra (FOR0073) para 11

<sup>43</sup> See for example Q19 [Forestry Commission].

It was the first year of a new scheme. There is a seven-year cycle of EU schemes for support for the environment and woodland creation. If you look back, the first year of a new scheme is always a bad year. [...] That is not to conceal the fact that there were well-known technical difficulties with the payment system and the application system.<sup>44</sup>

## Current delivery of the Countryside Stewardship Scheme (CSS)

- 28. The three agencies involved in the current delivery of forestry Countryside Stewardship Scheme (CSS) were: the Forestry Commission, Natural England and the Rural Payments Agency (RPA). In summary applicants were required to register with the RPA "to get single business identifiers", 45 then Natural England managed and oversaw the application, while the Forestry Commission was responsible for giving expert advice to landowners. 46
- 29. The Woodland Trust identified the way in which CSS was delivered as its major problem: "the money in the scheme is not bad. It could be better, but it is not terrible. However, the way in which it is administered at the moment acts as a real disincentive".<sup>47</sup> Other witnesses described the process as "tortuous",<sup>48</sup> "bureaucratic",<sup>49</sup> "overly complex" and "not fit for purpose".<sup>51</sup>
- 30. Confor and the Minister<sup>52</sup> identified the European Union as part of the problem with the current process for administering CSS:

part of the problem [with CSS] is the fact that we are part of the EU processes, so forestry grants are coming out of the CAP-funded budget and therefore there is the whole bureaucracy, checking against availability of other funds and the mapping processes in sector.<sup>53</sup>

31. The CLA explained landowners' previous positive experience with a one-stop shop for the administration of CSS:

[landowners] had a woodland officer, who had an admin person sitting on the desk opposite to them. They worked very closely together on your applications, so if you had a problem you rang up the woodland officer. If he was out, you spoke to his admin officer. You got an answer really quickly. It was well organised and worked really well.<sup>54</sup>

We explored with other witnesses whether there was an appetite to return to a one-stop shop. The Woodland Trust, for example, told us "Having a one-stop shop that still sought to get the right inputs […] I am sure would help".<sup>55</sup>

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44
     Q17
     Q6
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     Q2
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     Q123
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    Q95 [CLA]
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    Q93 [Confor]
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    Q93 [Confor]
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     See Q79 [Confor, National Forest Company] and Q97 [CLA].
52 See for example Q204.
53 Q101
54 Q95 [CLA]
     Q132; see also Q114 [National Forest Company].
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32. The issues relating to the administration of the Countryside Stewardship Scheme were raised with the Minister during a debate in Westminster Hall in December 2016. She undertook in that debate to look into the issues and "how further improvements could be made for the future" to CSS, particularly through a return to a one-stop shop in which administration and funding of forestry grants was unified in one agency. 56 By the time the Minister appeared before our Sub-Committee in January 2017 she had already undertaken further work on returning to a one-stop shop and doubted that it was possible, concluding that "I am led to believe that there are elements of [the current system] that I cannot break up, where we just have one agency that deals with it" as there was an element of "splitting out" between the three agencies.<sup>57</sup> Despite doubting the value of reinstituting a single point of contact the Minister hoped that with time the acknowledged problems would resolve themselves:

> that we can get to a stage where the process becomes so straightforward that people feel they have not even had to deal with the RPA, apart from their cheque coming out at the end, and that we are in a process where it is a lot smoother.58

The Minister explained that she would undertake further work on the operation of CSS around the end of March, reporting back in late spring/early summer 2017.<sup>59</sup> The Minister also offered to share those findings with us. 60

- 33. Appropriate and well-functioning grant schemes are essential to increasing woodland creation. We welcome the Minister undertaking to further review the operation of the Countryside Stewardship Scheme around the end of March. We look forward to receiving the findings of her review by 1 July 2017.
- 34. The evidence we have received highlights how the present system for administering CSS is not fit for purpose. Previous experience illustrates that a one-stop shop for grants will provide a smoother and less bureaucratic service for CSS customers. We are unconvinced by the Minister's arguments that it is not possible to return to a one-stop shop for grants. We recommend that the Government take steps now so that it is able to reinstate a one-stop shop for forestry grants on day one of the UK's exit from the EU.

# Agroforestry and multi-benefits

# An integrated land use policy

35. In our Future flood prevention Report (HC 115) we discussed the contribution of tree planting to flood management as part of wider public policy.<sup>61</sup> We heard from many witnesses about the "artificial distinction" between agriculture and forestry, which has "ensured forestry is not properly integrated into public policy thinking", 62 and forestry is viewed as a lesser option compared to agriculture. The Royal Forestry Society explained that:

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56
     HC Deb, 7 December 2016, col 87WH
57
     Q239
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Q238 58

Q241 59

<sup>60</sup> Defra (FOR0081)

Environment, Food and Rural Affairs Committee, Second report of Session 2016–17, Future flood prevention, HC

Royal Forestry Society (FOR0019)

The CAP is an active disincentive to planting trees as woodland is not included in pillar 1 basic payment schemes and is inadequately provided for under pillar 2 rural development programmes.<sup>63</sup>

Similarly, Natural England explained:

Generally, most of the farmers that we work with who may also be woodland owners prefer to carry on in their agricultural interests, because there are limitations to afforestation. You usually have to work quite hard to persuade land managers of the merits of moving from an agricultural system to a forest system.<sup>64</sup>

36. Defra acknowledged "integrating woodland and forestry into farm business models" as a future opportunity for forestry policy. <sup>65</sup> The Minister explained that some of the current challenges with forestry grants stemmed from "a lot of the parameters and the auditing requirements [being] set by the European Commission". <sup>66</sup> Witnesses told us about the opportunities to change the Government's approach to grants in light of the UK's decision to leave the European Union. The CLA explained that there was:

a real opportunity to have a much more integrated food, farming and environment policy when we go forward, with forestry really embedded, where we can look at taking some of the land that is not too attractive to farm [...] and use it for woodland creation.<sup>67</sup>

- 37. The Ancient Tree Forum similarly advocated the idea of a fresh start arising from the UK's exit from the EU, stating that "Tree planting should be integrated with Defra's 25 year environment plan and any replacement for CAP". Plantlife called for specific grants which supported agroforestry, proposing that "Grant support should be made available for agroforestry, together with good training facilities and the promotion of diversification projects, i.e. provision of recreational activities and enterprises, rights of way management".
- 38. We recommend that in any grant schemes introduced by the Government after the UK leaves the European Union the dual benefits of agriculture and forestry should be recognised by having a single grant scheme to support both sectors.

<sup>63</sup> Royal Forestry Society (FOR0019)

<sup>64</sup> Q50 [Forestry Commission]

<sup>65</sup> Defra (FOR0073) para 64(iv)

<sup>66</sup> Q204

<sup>67</sup> Q95 [CLA

Ancient Tree Forum (FOR0070)

<sup>69</sup> Plantlife on behalf of PlantLink (FOR0063) para 3.3

# 4 A long-term strategy for forestry

- 39. The Independent Panel on Forestry (IPF) in its Final Report acknowledged the particular problems arising from the long-term nature of forestry: "Investment in and management of forests requires a very long-term view and financial security, as actions taken now may only prove their worth in 50–100 years".
- 40. Our witnesses also recognised the long-term nature of forestry, with the Friends of the Forest explaining that there was "a need to put suitable mechanisms in place to avoid "short life" Government administrations [taking] "short-term" decisions in relation to forestry". Indeed, the National Forest Company put some of its success down to having a long-term strategy, which it could implement. The National Forest's current strategy, for example, covers the period 2014–2024, and the delivery plan before that covered the period 2009–2014. Defra's written submission agreed that forestry by its nature demanded long-term thinking.
- 41. When the Minister appeared before us we questioned her on Defra's engagement with the Department for Business, Energy and Industrial Strategy (BEIS) on the Government's industrial strategy to make sure that the forestry sector was being appropriately represented. The Minister explained that the main sector Defra had been making representations for in relation to the industrial strategy was the food industry. While she had held "discussions with Ministers from BEIS about forestry and [...] the amount of timber that is self-generated in this country", these had been at a high level.
- 42. We also asked the Minister about who was representing the forestry sector in plans being drawn up for the UK after it has left the European Union. Defra's written evidence noted that while the "EU does not have legislative competence over forestry; nevertheless EU legislation does influence forestry activities". The Minister explained in oral evidence that she did not see the need for specific forestry representation in discussions on the UK's exit from the EU:

I am a bit quizzical, but there are very specific things when it comes to agriculture and food when talking about future trade deals. [...] In terms of Brexit, I do not see what is special about forestry in regard to trade deals.<sup>79</sup>

Despite this she made clear that anyone in the forestry sector who wanted to make representations on the needs of the sector after the UK leaves the European Union should contact her, but she was "not aware that anybody from the forestry industry has approached me at Defra, so far, to talk about Brexit". 80 We encourage those in the forestry sector to

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70
      Independent Panel on Forestry, Final Report, p49
      Friends of the Forest (FOR0009). See also: UK Forest Products Association (FOR0015), Royal Institution of
71
      Chartered Surveyors (FOR0048), and Institute of Chartered Foresters (FOR0051).
72
     The National Forest, Strategy 2014–2024
73
      The National Forest, The National Forest Delivery Plan 2009–2014
74
     Defra (FOR0073) para 7
75
76
     Q219
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      Q221
    Defra (FOR0073) para 46
79
      Q274
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approach the Parliamentary Under-Secretary of State for the Environment and Rural Life Opportunities as early as possible with any concerns, opportunities and thoughts they have on the forestry sector when the UK leaves the European Union.

43. We were disappointed that the Minister had not raised in detail the issue of forestry with her governmental colleagues, especially during discussions on the Government's industrial strategy and the UK's withdrawal from the EU. We were disappointed at the apparent lack of enthusiasm on the part of the Minister to lobby for the sector's interests across Government. We recommend that the Minister holds detailed discussions with relevant Ministers in BEIS on the role of the forestry sector in the Government's industrial strategy, including resourcing the sector and increasing the number of apprenticeships within the forestry industry.

# 5 Getting the most out of forests and woodland

44. We discussed with the Minister in evidence the role of the Government in maximising the social, economic and environmental benefits from forests and woodland. She explained that it was "for the market to decide that they want to do more with wood in this country".<sup>81</sup> In this Chapter we discuss possible Government interventions which could encourage the market to make greater use of wood in England.

#### Softwood

## Projected decline of softwood

- 45. There are two main types of wood from trees: softwood (from coniferous trees such as spruces, pines and cedars) and hardwood (from deciduous trees such as oak and maple).
- 46. A Report by the Forestry Commission on softwood availability between 2013–16 and 2057–61 explained that availability of softwood would fall after the period 2027–2031:

Potential softwood availability changes over the period of the forecast; it increases from an average of 16.5 million m³ per annum in the period 2013–16, rising to a maximum of 18.4 million m³ per annum in 2027–31, after which it falls away then levels out, reaching an average of 12.2 million m³ per annum in 2057–61.82

We discussed the possible decline in the availability of softwood with our witnesses.

#### Hardwood vs softwood

47. The National Forest Company explained that there was a misguided perception among foresters on the respective value of hardwood and softwood. This perception was possibly influencing what types of trees landowners were planting, but:

To look at hardwoods as being attractive and softwoods as being unattractive and commercial is the wrong way to look at it. I believe you can manage softwood plantations by mix-planting, by planting different species, by well managed edgeplanting, so they create a benefit to the landscape.<sup>83</sup>

The Royal Forestry Society and the CLA<sup>84</sup> agreed with this assessment.<sup>85</sup>

48. This projected decline in availability of softwood was a cause for concern with our witnesses. The CLA explained how the projected decline in softwood availability had been as a result of Government policy favouring hardwoods to the extent that softwood planting "has almost been demonised". The CLA went on to explain this policy approach as:

<sup>81</sup> Q216

<sup>82</sup> Forestry Commission, NFI Statistical Analysis: 50-year forecast of softwood timber availability, April 2014

<sup>83</sup> Q90

<sup>84</sup> Q9

<sup>85</sup> Q160 [Royal Forestry Society]; Q92 [CLA]

very short-sighted and unfortunate, because it has meant that where we potentially had a resource that was continuing to grow and support a fairly vibrant saw milling and processing industry, there is now going to be a period of about 20 years where the resource will be really difficult for those guys to access.<sup>86</sup>

49. The Forestry Commission acknowledged that Government policy, particularly grants, had for some time favoured hardwoods and had caused the decline in softwood, but noted that:

What we are now working towards is a much better balance. From a grants perspective, we have the Countryside Stewardship grant, which now supports broadleaf and conifers at the same rate, which the previous scheme did not.<sup>87</sup>

- 50. In a similar vein the Royal Forestry Society advocated a need to balance the planting of softwoods and hardwoods and explained: "If we were truly serious about balancing the books, we would have a 50:50 mix".<sup>88</sup> When we put this to the Minister she told us "We can always skew schemes, but it is whether we think that its desirable and what the best way is to use public money in that regard".<sup>89</sup> She went on to explain that the Woodland Creation Planning Grant and the Woodland Carbon Fund generally incentivised softwood planting.
- 51. Confor told us that introducing measures to increase the availability of softwoods would have the benefit of providing timber resource for building more houses:

Currently, the UK is near the bottom of the table for using timber frame housing, despite the need for at least 200,000 new homes every year. By invigorating this sector, houses could be built more quickly and cheaply and require far less energy after construction.<sup>90</sup>

- 52. In the Government's recent White Paper *Fixing our broken housing market* ('Housing White Paper') the Government acknowledged that there was a housing shortage and pledged to build more homes which were affordable, with the Prime Minister noting in her foreword to that paper that "housing is increasingly unaffordable", and the "starting point [to this] is to build more homes".<sup>91</sup>
- 53. We are concerned that the availability of softwood is projected to fall after the period 2027–2031. We are especially concerned as softwood has many uses, including being a suitable resource for building more houses. Previous incentives have not been favourable to softwoods. We welcome the introduction recently of grant schemes which have been more favourable to softwoods such as the Woodland Creation Planning Grant and the Woodland Carbon Fund, which also has a consequential benefit of carbon sequestration. We recommend that the Government continues with

<sup>86</sup> Q92

<sup>87</sup> Q41

<sup>88</sup> Q162 [Royal Forestry Society]

<sup>89</sup> Q217

<sup>90</sup> Confor (FOR0040) para 3.23

<sup>91</sup> Department for Communities and Local Government, *Fixing our broken housing market*, Cm 9352, February 2017

the Woodland Creation Planning Grant and the Woodland Carbon Fund to incentivise further softwood planting. We further recommend that the Government introduce additional incentives to encourage 50:50 mixed planting of softwoods and hardwoods.

#### **Timber**

- 54. Timber from woodlands can have many economic, environmental and social benefits and there is a large demand for timber in England. The Royal Forestry Society told us that "The UK currently imports 80% of the wood it consumes and is the third biggest timber importer in the world behind Japan and China". <sup>92</sup> This demand for imported timber has the potential to increase with the projected decline in availability of softwood after the period 2027–2031 (see paragraphs 45 to 53).
- 55. The Forestry Commission explained some of the benefits of using home-grown timber relating to the building trade and the environment: "The best thing to do with the timber, when it is time to fell the forest, is to build it into a house or something like that, because then you have continued to lock up the carbon". Confor told us further benefits of using home-grown timber included stimulating business growth, encouraging more woodland into management and assisting with housebuilding. The National Coppice Federation and Coppice Association North West in their joint submission advocated that using home-grown timber also helped to better manage pests and disease entering the UK. The Institute of Chartered Foresters explained how timber framed houses represented a "quicker fix", "more attractive" housing and a "cheaper to heat" house.
- 56. Witnesses also told us that the market needed reassurance that there would be long term demand for timber. The Woodland Trust specifically called for a Government commitment to give the timber industry confidence that there would be support for it in the long term:

In terms of supplying that market, it is a long-term commitment, and anything that the Government can do to provide some sense of security in the longer term would be helpful. While it [timber demand] remains simply market-driven, there is not that long-term security that would encourage more planting.<sup>98</sup>

In written evidence Defra appeared to acknowledge that opportunities existed for the timber industry in future forestry policy telling us that it was important to make "domestic timber more attractive to the market".<sup>99</sup>

57. We discussed with the Minister who was representing the forestry sector in cross-department Government policy. She told us that she had had discussions "at a certain level" with Department for Communities and Local Government (DCLG) Ministers, but:

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92 Royal Forestry Society (FOR0019)
93 Q39
94 Confor (FOR0040) para 3.24
95 National Coppice Federation and Coppice Association North West (FOR0058) para 5.1
96 Q151
97 See for example Institute of Chartered Foresters (FOR0051).
98 Q155
99 Defra (FOR0073) para 64(iii)
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I am not going to pretend that I will be writing the housing procurement policy, but it [using more UK wood] is a nudge towards other Ministers in other Departments to think about how domestic wood could be considered as a really good way to improve [house building].<sup>100</sup>

58. We note the many economic, environmental and social benefits of using timber from UK forests and woodland to build houses. The Parliamentary Under-Secretary of State for the Environment and Rural Life Opportunities must be more proactive in advocating the needs of the forestry sector with regard to using UK timber for housebuilding. We recommend that Defra should work with the Department for Communities and Local Government to incorporate a UK timber-first approach into English housing procurement policy.

#### **Biomass boilers**

59. Hardwoods are perceived by many as a suitable type of wood to use in the wood fuel market and for biomass boilers. The Forestry Commission explained that a lot of hardwood forests and woodland, containing broadleaf trees for example, are unmanaged and while not usable for other purposes such as timber, can be used for biomass:

We have put a lot of work into developing wood fuel markets, because the reality is that the vast majority of that unmanaged woodland is broadleaf woodland and very little of it has timber in it that is usable by the timber industry. [...] the majority of it, partly because of neglect, will no longer be in a fit state for timber. If it is going to be managed in any way economically, it is going to start from the firewood market. [...] of course [the Renewable Heat Incentive] has supported that, with 20,000 biomass boilers now in the country.<sup>101</sup>

Defra also made this point in their written evidence.<sup>102</sup> Other witnesses agreed that measures such as the Renewable Heat Incentive (RHI) in England have had a consequential benefit of bringing more woodland in to management.<sup>103</sup>

- 60. The National Forest Company explained that the introduction of biomass boilers "has given us a market for hardwoods that we did not have 10 years ago". <sup>104</sup> However, this was not the view of all our witnesses. The Institute of Chartered Foresters explained that softwood had been the main source of fuel for RHI-funded biomass boilers because "in most cases, [it is] economically more viable to harvest and process on that sort of scale". <sup>105</sup>
- 61. The RHI has both a domestic and a commercial strand. The domestic strand is more focussed on incentivising the small-scale use of biomass boilers in places like local care homes. The Woodland Trust told us that the domestic strand of the RHI was not a complete success and that people were put off applying "because it is complicated" and it would be "great" if work was undertaken on improving its supply chain. <sup>106</sup>

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100 <u>Q230</u>
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<sup>101</sup> Q32 [Natural England]

<sup>102</sup> Defra (FOR0073) para 32

<sup>103</sup> See for example Renewable Energy Association (REA) & Wood Heat Association (WHA) (FOR0045) and Forestry Commission (FOR0072).

<sup>104</sup> Q90

<sup>105</sup> Q143

<sup>106</sup> Q146

- 62. Defra also attributed the growth in the use of renewable energy, particularly biomass boilers, as being a result of the Renewable Heat Incentive, 107 but the Minister in evidence to us stressed that it was not all about the market burning trees in wood-burners and biomass boilers. 108
- 63. It would be possible for the Government to meet its target for increasing the amount of woodland in management by 2018 through the appropriate use of biomass incentives. The Government should review the working of the Renewable Heat Incentive in these terms and look to implement any improvements to its operation.

#### Protecting forests and woodland 6

64. In this Report we have discussed the many benefits of forestry, how to incentivise landowners to use their land for forestry and how to get the most out of forests and woodland. None of that is possible if the correct protections to sustain forests and woodland are not in place. In this Chapter we look at protecting ancient woodland and forestry research.

## **Ancient Woodland**

## How much of it is disappearing?

65. It is widely accepted that ancient woodland—any wooded area (including its soil) that has been wooded continuously since at least 1600 AD—is irreplaceable. This is why it is important to monitor the loss of ancient woodland. In written evidence the Forestry Commission told us that between 2006 and 2015 in England only 0.02% of ancient woodland (c. 57ha) was lost. 109 The Minister reiterated this to us in oral evidence:

> In the last 10 years, of about 340,000 hectares of ancient woodland that we have, about 4,300 have been felled. A lot of that has been due to more proactive management of those areas, removing some of the conifers that were just planted and dotted in between the ancient woodland. [...] 57 hectares have been given up to other use. 110

66. The Government's figures were queried by our witnesses who raised concerns about the protections in place for ancient woodland. The Woodland Trust, for example, explained that ancient woodland is "disappearing at a frighteningly fast rate" and challenged Forestry Commission records which suggested that not much ancient woodland was disappearing, and identified the cause of this discrepancy:

> the Forestry Commission only measures woodland that disappears over a 10-year period and of a certain size. A lot of ancient woodland is now very fragmented, so those losses are not being recorded. We know that, in England alone, there are 380 ancient woods under threat right now.<sup>111</sup>

67. We are concerned about the rate at which irreplaceable ancient woodland appears to be disappearing. We recommend that Defra, the Forestry Commission and organisations, such as the Woodland Trust, meet by 1 June 2017 to discuss measurement of the loss of ancient woodland and steps that should be taken to prevent, and better record, its loss. Further, Defra should write to us with an update on the outcome of this meeting by 30 June 2017.

<sup>109</sup> Forestry Commission (FOR0072) para 31

## National Planning Policy Framework (NPPF)

- 68. The National Planning Policy Framework (NPPF) "acts as guidance for local planning authorities and decision-takers, both in drawing up plans and making decisions about planning applications". 112
- 69. We heard from the Woodland Trust that ancient woodland "is not adequately protected by the planning system, and developers use that [planning] loophole and will put infrastructure in particular through ancient woodland". 113 This was supported by a survey the Woodland Trust undertook of 500 planning officers, which found that 85% of those surveyed thought that ancient woodland was at risk due to loopholes in the planning system. 114 The Woodland Trust called for changes in the NPPF to classify ancient woodland as "equivalent to built heritage, so to be wholly exceptional if ancient woodland is to be developed".115
- 70. A further proposal was for "a register of particularly ancient and veteran trees to be maintained". 116 In addition the Woodland Trust called for "the ancient woodland inventory, which is held by Natural England, to be kept up to date and to be used". 117 This would help to provide clarity on the amount of ancient woodland lost.
- 71. When we discussed the protections in the NPPF for ancient woodland with the Minister she told us: "The NPPF gives strong protections to ancient woodland". 118
- 72. Since we concluded taking evidence the Government issued the Housing White Paper, which included a proposal to clarify in the NPPF which national policies provide a strong reason to restrict development and to explicitly mention ancient woodland as such a policy:

when preparing plans, or which indicate that development should be restricted when making decisions on planning applications: it is proposed that these are limited to the policies listed currently at footnote 9 of the National Planning Policy Framework, with the addition of Ancient Woodland and aged or veteran trees; and that these are no longer set out as 'examples' but as a clear list. 119

73. We support the proposals in the Government's Housing White Paper to clarify the protections which apply to ancient woodland in the National Planning Policy Framework. We recommend that the Government implement this proposal.

<sup>112</sup> Department for Communities and Local Government, National Planning Policy Framework, March 2012

<sup>113</sup> Q165

<sup>114</sup> Q166

<sup>115</sup> Q166

<sup>116</sup> Q166

<sup>117</sup> Q166 118 O247

<sup>119</sup> Department for Communities and Local Government, Fixing our broken housing market, Cm 9352, February 2017. Para A.38

74. We recommend that the Government instruct Natural England and the Forestry Commission to maintain an up-to-date, readily available public register of ancient and veteran trees and an inventory of ancient woodland annually. Further, we recommend that loss of ancient woodland and trees, regardless of its size, should be recorded in the register and inventory.

#### Research

- 75. Research is one component of pest and disease management within English forests and woodland, and is a vital tool to sustaining the future of forests and woodland in England. Forest Research told us that tree pests and disease are "not going to go away", and their concern was "about ensuring that we sustain that level of vigilance going forward". 120
- 76. Forest Research is a cross-border executive agency of the Forestry Commission which provides forestry research to all nations in Great Britain. This is despite devolution of Forestry Commission functions in Wales to Natural Resources Wales. Scottish Ministers in the Scottish Government have now signalled their intention to complete the full devolution in Scotland of forestry management arrangements, which are currently delivered by Forestry Commission Scotland. Our witnesses, were supportive of Forest Research continuing to operate as a Great Britain (GB)-wide body after this devolution has taken place. Confor explained that We work well through having that overarching organisation [Forest Research], especially as there is often only one expert on a particular disease. The Forestry Commission summarised the benefit of retaining Forest Research as a GB-wide body:

there will still be a number of important aspects, of which forest science is certainly one, where, whatever constitutional and structural arrangements are put in place, it will be important for forestry, in general, that we continue to collaborate very closely at an island level and do not allow ultimately political boundaries to get in the way of good co-operation.<sup>123</sup>

Defra also acknowledged the importance of Forest Research continuing to operate at a GB-level, noting that "the expert advice, evidence and research provided by the Forestry Commission on a cross-border basis are all crucial to deliver shared policy goals to protect the whole of the UK from disease".<sup>124</sup>

# Disseminating forestry research

77. The CLA explained in evidence to us the importance of research and advice guiding foresters on which trees they should plant or advise others to plant (the so-called right tree in the right place):

<sup>120</sup> Q67

<sup>121</sup> See for example Qq26, 108 and 278.

<sup>122</sup> Q108 [Confor]

<sup>123</sup> Q25 [Forestry Commission]

<sup>124</sup> Defra (FOR0073) para 54

I get asked quite a lot, "What should I plant?" That is generally in response to the fact that everything seems to be hit by one pest or disease at the moment, so they are worried that what they are going to plant today will still be alive in 10 years' time, let alone getting to the return stage. 125

- 78. A number of witnesses explained difficulties with research, including from Forest Research, filtering through to foresters on the ground. The CLA explained two causes of this: the time it takes for research to be undertaken and then released given the "emphasis on peer review"; and "getting information from Government agencies". Confor noted that the private forestry sector was keen for improvements to be made to "encourage [research results] to come out more quickly, which would allow us to use the resources we have to do more". 127
- 79. Conversely, the Royal Forestry Society did not perceive that there was a problem with dissemination of research findings:

One of the great strengths of Forest Research, for example, is its relatively big focus on applied research and its willingness to disseminate that research through organisations like the Royal Forestry Society, for whom dissemination is what we do.<sup>128</sup>

80. Dissemination of forestry research to foresters is vital to improve resilience to, and management of, tree disease. Many in the sector do not feel able to easily access the outcomes of research. We recommend that the Government explores with the forestry sector how best the private sector can influence the subjects of research and receive updates on research outcomes.

#### **Funding**

81. In its written evidence Defra explained that "Research related to tree health, pests and diseases currently absorbs some 30% of the Forestry Commission's £9.5m annual research budget" and that "between 2012 and 2019 it will have, along with the Forestry Commission and research councils, "invested more than £37m into research that has directly informed tree health policies and management of priority pests". <sup>129</sup> A successful outcome of this funding, cited by Defra, was:

work by UK scientists to identify the country's first ash tree that shows tolerance to ash dieback, raising the possibility of using selective breeding to develop strains of trees that are tolerant to the disease.<sup>130</sup>

82. Confor explained that "the funding available for forestry [research] is very modest ... [and] needs to be increased". Similarly, the Royal Forestry Society explained that forestry research was "underfunded" and noted that "Forest Research's core budget for tree improvement has been cut by half in recent years". The Royal Forestry Society went

<sup>125</sup> Q92

<sup>126</sup> Q108 [CLA]

<sup>127</sup> Q111 [Confor]

<sup>128</sup> Q179

<sup>129</sup> Defra (FOR0073) para 62

<sup>130</sup> Defra (FOR0073) para 62

<sup>131</sup> Q111 [Confor]

<sup>132</sup> Q174 [Royal Forestry Society]

on to explain tree improvement was a much needed research priority and highlighted its low funding: "The amount of money that is invested into that [tree resilience] research at the moment is less than £1 million a year, in an industry that is over £2 billion a year". <sup>133</sup> In the same vein the CLA also advocated greater research into tree resilience. <sup>134</sup>

83. Forest Research also set out the level of its funding that came from the EU:

A portion of our research funding is from the EU [c. 16%], so that is something that needs to be taken into account. Some of the existing programmes that are supporting the activity I have talked about are time-bounded. Some of our skilled people are on short-term contracts.<sup>135</sup>

84. Leaving the European Union might result in significant funding for tree pest and disease research being lost. Forestry research in England is already underfunded. Any further reduction in research funding could leave England ill-prepared for future pest and disease outbreaks. The Government must provide certainty by the conclusion of Article 50 negotiations on how it will fill the gap in forestry research funding for organisations such as Forest Research after the UK leaves the European Union, where practicable this could involve greater co-operation with the private sector.

<sup>133</sup> Q174 [Royal Forestry Society]

<sup>134</sup> Q104 [CLA]

<sup>135</sup> Q68 [Forest Research]

# Conclusions and recommendations

## Woodland planting and management

- 1. We will hold the Government to account for delivery of the target to plant 11 million trees by 2020 and to do its part to contribute towards the 2060 ambition. (Paragraph 16)
- 2. We recommend that the Forestry Commission should release clear and easily accessible information on woodland creation and woodland cover in England every six months. (Paragraph 16)
- 3. We are not convinced that the Government will do its part to contribute towards the ambition for England to have 12% woodland cover by 2060. While we agree with our witnesses that the 2060 ambition, at just a third of the EU average, is the right one, the Government needs to put the correct processes in place to ensure that this ambition is a reality for this Government and future Governments. (Paragraph 17)
- 4. In response to this Report the Government should clarify whether it remains committed to the current 2060 ambition and how it will bring about the step change needed in planting to meet this ambition, including setting woodland creation targets for five-year intervals until 2060. (Paragraph 17)
- 5. We will continue to monitor Government progress against the 2018 target for woodland in active management. (Paragraph 22)
- 6. We recommend that the Forestry Commission should include information on the amount of woodland in management in its summary facts and figures document that it releases already. (Paragraph 22)
- 7. We acknowledge that the Government can only do so much to encourage landowners to manage their forests and woodland. Good relations and communications with the sector will be needed to help the Government meet its 2018 target. Public perception also needs to be managed to highlight the benefits in some forests and woodland of cutting down trees which have reached the end of their natural lifespan. (Paragraph 23)
- 8. The Government should consult land management and forestry organisations on how it can encourage landowners to bring their woodland into management. (Paragraph 23)

## The grant schemes for forestry

- 9. In future inquiries we may more closely scrutinise the success of other forestry grant schemes, such as the Woodland Creation Planning Grant and the Woodland Carbon Fund. (Paragraph 26)
- 10. Appropriate and well-functioning grant schemes are essential to increasing woodland creation. We welcome the Minister undertaking to further review the operation of the Countryside Stewardship Scheme around the end of March. (Paragraph 33)

- 11. We look forward to receiving the findings of her review by 1 July 2017. (Paragraph 33)
- 12. The evidence we have received highlights how the present system for administering CSS is not fit for purpose. Previous experience illustrates that a one-stop shop for grants will provide a smoother and less bureaucratic service for CSS customers. We are unconvinced by the Minister's arguments that it is not possible to return to a one-stop shop for grants. (Paragraph 34)
- 13. We recommend that the Government take steps now so that it is able to reinstate a onestop shop for forestry grants on day one of the UK's exit from the EU. (Paragraph 34)
- 14. We recommend that in any grant schemes introduced by the Government after the UK leaves the European Union the dual benefits of agriculture and forestry should be recognised by having a single grant scheme to support both sectors. (Paragraph 38)

## A long-term strategy for forestry

- 15. We encourage those in the forestry sector to approach the Parliamentary Under-Secretary of State for the Environment and Rural Life Opportunities as early as possible with any concerns, opportunities and thoughts they have on the forestry sector when the UK leaves the European Union. (Paragraph 42)
- 16. We were disappointed that the Minister had not raised in detail the issue of forestry with her governmental colleagues, especially during discussions on the Government's industrial strategy and the UK's withdrawal from the EU. We were disappointed at the apparent lack of enthusiasm on the part of the Minister to lobby for the sector's interests across Government. (Paragraph 43)
- 17. We recommend that the Minister holds detailed discussions with relevant Ministers in BEIS on the role of the forestry sector in the Government's industrial strategy, including resourcing the sector and increasing the number of apprenticeships within the forestry industry. (Paragraph 43)

#### Getting the most out of forests and woodland

- 18. We are concerned that the availability of softwood is projected to fall after the period 2027–2031. We are especially concerned as softwood has many uses, including being a suitable resource for building more houses. Previous incentives have not been favourable to softwoods. We welcome the introduction recently of grant schemes which have been more favourable to softwoods such as the Woodland Creation Planning Grant and the Woodland Carbon Fund, which also has a consequential benefit of carbon sequestration. (Paragraph 53)
- 19. We recommend that the Government continues with the Woodland Creation Planning Grant and the Woodland Carbon Fund to incentivise further softwood planting. We further recommend that the Government introduce additional incentives to encourage 50:50 mixed planting of softwoods and hardwoods. (Paragraph 53)

- 20. We note the many economic, environmental and social benefits of using timber from UK forests and woodland to build houses. The Parliamentary Under-Secretary of State for the Environment and Rural Life Opportunities must be more proactive in advocating the needs of the forestry sector with regard to using UK timber for housebuilding. (Paragraph 58)
- 21. We recommend that Defra should work with the Department for Communities and Local Government to incorporate a UK timber-first approach into English housing procurement policy. (Paragraph 58)
- 22. It would be possible for the Government to meet its target for increasing the amount of woodland in management by 2018 through the appropriate use of biomass incentives. (Paragraph 63)
- 23. The Government should review the working of the Renewable Heat Incentive in these terms and look to implement any improvements to its operation. (Paragraph 63)

## Protecting forests and woodland

- 24. We are concerned about the rate at which irreplaceable ancient woodland appears to be disappearing. (Paragraph 67)
- 25. We recommend that Defra, the Forestry Commission and organisations, such as the Woodland Trust, meet by 1 June 2017 to discuss measurement of the loss of ancient woodland and steps that should be taken to prevent, and better record, its loss. Further, Defra should write to us with an update on the outcome of this meeting by 30 June 2017. (Paragraph 67)
- 26. We support the proposals in the Government's Housing White Paper to clarify the protections which apply to ancient woodland in the National Planning Policy Framework. (Paragraph 73)
- 27. We recommend that the Government implement this proposal. (Paragraph 73)
- 28. We recommend that the Government instruct Natural England and the Forestry Commission to maintain an up-to-date, readily available public register of ancient and veteran trees and an inventory of ancient woodland annually. Further, we recommend that loss of ancient woodland and trees, regardless of its size, should be recorded in the register and inventory. (Paragraph 74)
- 29. Dissemination of forestry research to foresters is vital to improve resilience to, and management of, tree disease. Many in the sector do not feel able to easily access the outcomes of research. (Paragraph 80)
- 30. We recommend that the Government explores with the forestry sector how best the private sector can influence the subjects of research and receive updates on research outcomes. (Paragraph 80)

- 31. Leaving the European Union might result in significant funding for tree pest and disease research being lost. Forestry research in England is already underfunded. Any further reduction in research funding could leave England ill-prepared for future pest and disease outbreaks. (Paragraph 84)
- 32. The Government must provide certainty by the conclusion of Article 50 negotiations on how it will fill the gap in forestry research funding for organisations such as Forest Research after the UK leaves the European Union, where practicable this could involve greater co-operation with the private sector. (Paragraph 84)

# **Sub-Committee Formal Minutes**

The following declarations of interest relating to the inquiry were made:

## **Tuesday 10 January 2017**

Angela Smith declared non-pecuniary interests in relation to the Sub-Committee's inquiry into Forestry in England, as a member of the Woodland Trust, as an officer of the All-Party Parliamentary Group for Ancient Woodland & Veteran Trees, and that a planning application which included the removal of ancient woodland was currently underway in her constituency.

Rebecca Pow declared a non-pecuniary interest in relation to the Sub-Committee's inquiry into Forestry in England, as Co-Chair of the All-Party Parliamentary Group for Ancient Woodland & Veteran Trees.

Chris Davies declared a non-pecuniary interest in relation to the Sub-Committee's inquiry into Forestry in England, as Chairman of the All-Party Parliamentary Group on Forestry.

# **Tuesday 7 March 2017**

Members present:

Neil Parish, in the Chair

Chris Davies Rebecca Pow Simon Hart Angela Smith

Dr Paul Monaghan

Draft Report (*Forestry in England: Seeing the wood for the trees*), proposed by the Chair, brought up and read.

*Ordered,* That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 85 read and agreed to.

Summary agreed to.

*Resolved*, That the Report, be the First Report of the Sub-Committee to the Committee.

*Ordered*, That the Chair make the Report to the Committee.

# **Formal Minutes**

## **Tuesday 14 March 2017**

Members present:

Neil Parish, in the Chair

Chris Davies Rebecca Pow

Jim Fitzpatrick Ms Margaret Ritchie

Simon Hart Angela Smith

Kerry McCarthy David Simpson

Dr Paul Monaghan Rishi Sunak

Draft Report (Forestry in England: Seeing the wood for the trees), proposed by the Chair, brought up and read.

*Ordered*, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 84 read and agreed to.

Summary agreed to.

*Resolved*, That the Report, be the Fifth Report of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 15 March at 2.00 pm.

# Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the  $\underline{inquiry\ publications}$  page of the Committee's website.

Tuesday 6 December 2016	Question number
lan Gambles, Director of England, Forestry Commission, Peter Freer-Smith, Chief Scientist, Forest Research, and Martin Froment, Principal Adviser for Incentive and Advice Grant Schemes, Natural England	<u>Q1-76</u>
<b>Stuart Goodall,</b> Chief Executive, Confor, <b>Sir William Worsley,</b> Chairman, The National Forest Company, and <b>Mike Seville,</b> Forestry Adviser, Country Land and Business Association (CLA)	Q77–117
Tuesday 10 January 2017	
<b>Simon Lloyd,</b> Chief Executive, Royal Forestry Society, <b>Beccy Speight,</b> Chief Executive Officer, Woodland Trust, and <b>Martin Glynn,</b> Fellow, Institute of Chartered Foresters	Q118-189
<b>Dr Thérèse Coffey MP,</b> Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs	t Q190–287

# Published written evidence

The following written evidence was received and can be viewed on the <u>inquiry publications</u> page of the Committee's website.

FOR numbers are generated by the evidence processing system and so may not be complete.

- 1 10:10 Foundation (FOR0028)
- 2 A forester (FOR0006)
- 3 Ancient Tree Forum (FOR0070)
- 4 Bat Conservation Trust (FOR0065)
- 5 British Association for Shooting and Conservation (FOR0064)
- 6 BSW Timber (FOR0044)
- 7 Chartered Institute for Archaeologists (CIFA) (FOR0069)
- 8 Chiltern Woodlands Project (FOR0029)
- 9 CLA (FOR0008)
- 10 Climate Friendly Bradford-on-Avon (FOR0032)
- 11 Confor (FOR0040)
- 12 Countryside Alliance (FOR0067)
- 13 CPRE Gloucestershire Branch (FOR0016)
- 14 Cranborne Chase Area of Outstanding Natural Beauty (FOR0049)
- 15 Dean Natural Alliance (FOR0075)
- 16 Department for Environment, Food and Rural Affairs (Defra) (FOR0073)
- 17 Doug King-Smith (FOR0027)
- 18 Dr Keith Kirby (FOR0013)
- 19 Egger Forestry Ltd (FOR0023)
- 20 England's Community Forests (FOR0061)
- 21 Essex Bridleways Association (FOR0030)
- 22 European Squirrel Initiative (FOR0052)
- 23 Flora locale (FOR0041)
- 24 Forest Stewardship Council UK (FOR0034)
- 25 Forestry Commission (FOR0072)
- 26 Forestry Commission Trade Unions (FOR0056)
- 27 Friends of the Forest (FOR0009)
- 28 Gloucestershire Local Access Forum (FOR0011)
- 29 Hagge Woods Trust (FOR0018)
- 30 Hampshire Coppice Craftsmen's Group (FOR0014)
- 31 Hands off our Forests Campaign (FOR0021)
- 32 Horticultural Trades Association (FOR0024)
- 33 Hugh Milner (FOR0001)

- 34 Institute of Chartered Foresters (ICF) (FOR0051)
- 35 Isle of Wight Ramblers (FOR0012)
- 36 Jonathan Ayres (FOR0077)
- 37 Kent Coppice Worker's Co-operative (FOR0022)
- 38 Kent Downs Area of Outstanding Natural Beauty Unit (FOR0053)
- 39 Kielder Water & Forest Park Development Trust (FOR0038)
- 40 Mr Bob Milton (FOR0002)
- 41 Mr Charles Urquhart (FOR0003)
- 42 Mr Edward Mills (FOR0068)
- 43 Mr Jamie Westall (FOR0079)
- 44 Mr Miles Drury (FOR0071)
- 45 Mr Norman Weiss (FOR0033)
- 46 Mr Richard Bellamy (FOR0043)
- 47 National Coppice Federation & Coppice Association North West (FOR0058)
- 48 National Parks England (FOR0076)
- 49 Natural England (FOR0080)
- 50 Paul Branen MEP (FOR0042)
- 51 Pennine Biomass Ltd (FOR0010)
- 52 Plantlife on behalf of Plant Link England (FOR0063)
- 53 Plunkett Foundation (FOR0062)
- 54 Pryor & Rickett Silviculture (FOR0054)
- 55 Resource Efficiency Services (FOR0036)
- 56 RICS (FOR0048)
- 57 Rodney Helliwell (FOR0004)
- 58 Royal Forestry Society (FOR0019)
- 59 RSPB (FOR0020)
- 60 Small Woods Association (FOR0060)
- 61 Soil Association (FOR0055)
- 62 Supplementary evidence from Defra (FOR0081)
- 63 The British Ecological Society (FOR0074)
- 64 The British Horse Society (FOR0046)
- 65 The Hon Ralph Assheton (FOR0037)
- 66 The National Forest Company (FOR0031)
- 67 The Ramblers (FOR0039)
- The Renewable Energy Association (REA) & Wood Heat Association (WHA) (FOR0045)
- 69 Timber Strategies (FOR0025)
- 70 UK Forest Products Association (FOR0015)

- 71 Unite the Union (FOR0059)
- 72 William Richards (FOR0017)
- 73 Wood Panel Industries Federation (WPIF) (FOR0047)
- 74 Woodland Heritage (FOR0050)
- 75 Woodland Trust (FOR0057)

# List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the <u>publications page</u> of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

#### Session 2015-16

First Report	Defra performance in 2015–16	HC 443 (HC 894)
Second Report	Greyhound welfare	HC 478 (HC 133)
Third Report	Farmgate prices	HC 474 (HC 561)
Fourth Report	Air quality	HC 479 (HC 665)
Fifth Report	Common Agricultural Policy: payments to farmers	HC 405–i (HC 664)
First Special Report	Defra performance in 2014–15: Government Response to the Committee's First Report of Session 2015–16	HC 894
Second Special Report	Farmgate prices: Government Response to the Committee's Third Report of Session 2015–16	HC 561

#### Session 2016-17

First Report	Appointment of the Chair of the Environment Agency	HC 649
Second Report	Future flood prevention	HC 115
Third Report	Animal welfare in England: domestic pets	HC 117 (HC 1003)
Fourth Report	Future flood prevention: Government's Response to the Committee's Second Report of Session 2016–17	HC 926 (HC 1032)
First Special Report	Greyhound welfare: Government Response to the Committee's Second Report of Session 2015–16	HC 133
Second Special Report	Government Response to the Committee's Fifth Report of Session 2015–16: Common Agricultural Policy: payments to farmers	HC 664
Third Special Report	Government Response to the Committee's Fourth Report of Session 2015–16: Air quality	HC 665
Fourth Special Report	Animal welfare in England: domestic pets: Government Response to the Committee's Third Report of Session 2016–17	HC 1003
Fifth Special Report	Government's Response to the Committee's Second Report of Session 2016–17: Government Response to the Committee's Fourth Report	HC 1032