



House of Commons

Environment, Food and Rural
Affairs Committee

**Forestry in England:
Seeing the wood
for the trees:
Government Response
to the Committee's
Fifth Report of
Session 2016–17**

**Second Special Report of Session
2017–19**

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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.

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[Neil Parish MP](#) (*Conservative, Tiverton and Honiton*) (Chair)

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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.

Publications

Committee reports are published on the Committee's website at www.parliament.uk/efracom and in print by Order of the House.

Evidence relating to this report is published on the inquiry publications page of the [Committee's website](#).

Committee staff

The current staff of the Committee are Eliot Barrass (Clerk), Sian Woodward (Clerk), Daniel Schlappa (Second Clerk), Sarah Coe (Senior Committee Specialist), Anwen Rees (Committee Specialist), Ian Hook (Senior Committee Assistant) and Ian Blair (Committee Assistant).

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Second Special Report

The Environmental, Food and Rural Affairs Committee published its Fifth Report of Session 2016–17, on [Forestry in England: Seeing the wood for the trees](#) [HC 619] on 21 March 2017. The Government’s response was received on 21 July 2017 and is appended to this report.

Appendix: Government response

The government thanks the Environment Food and Rural Affairs Committee for its report on ‘Forestry in England: Seeing the wood for the trees’. Government has renewed its commitment to planting 11 million trees by the end of this parliament and we will continue to work with the sector to reach our joint aspiration of 12% woodland cover in England by 2060. In addition, we will ensure another 1 million trees are planted in our towns and cities.

As the Committee highlighted, there is widespread concern about the Countryside Stewardship Woodland Creation scheme and the government acknowledges this. We think there are opportunities for reform and improvement and we will continue to make improvements to the scheme and to work with the sector to develop new opportunities.

The government is committed to the future of our forests and woodlands and we recognise the opportunities for increasing woodland creation and woodland cover. We are pleased to note the Committee’s thinking across a range of important woodland creation initiatives including the Woodland Carbon Fund and the Woodland Creation Planning Grant. Connecting people to the natural beauty of our environment, whether they live in a town or in the countryside, has many benefits. For example it can enhance their health and well-being and encourage them to take an active role in shaping and protecting the environment around them.

We recognise fully the significant role trees play in and around our towns and cities and the many environmental, social and economic benefits they provide. Trees help connect people with nature right on their doorstep. The right tree in the right place can cool and clean the air, reduce storm water runoff, reduce noise pollution, and enhance the health and wellbeing of our urban communities – improving and creating the places where people want to live, work, visit and invest. The integration of urban trees into planning and development is essential to connect the natural and built environment. We also understand the need for economic benefits, and the government is working with the sector to grow market demand, and increase investor confidence.

The committee made several recommendations, which we now consider in detail.

Woodland Planting and Management

1. **We recommend that the Forestry Commission should release clear and easily accessible information on woodland creation and woodland cover in England every six months.**

The Government agrees with the Committee that regular sharing of information regarding woodland creation and woodland area is essential. Forestry Commission England will continue to publish Headline Performance Updates, which include the rate of new principal government-supported tree planting, on a quarterly basis¹.

The Forestry Commission will continue to publish annual updates of the overall area of woodland in Forestry Statistics. Revising the total woodland area statistic is not a trivial exercise as it is based on revisions to the underlying National Forest Inventory map, including consideration of methodology.

The Forestry Commission will review the indicators it publishes on woodland creation, aiming to reflect woodland creation supported by government more clearly.

2. 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.

Government stands by its shared ambition of achieving 12% woodland cover by 2060, but this will only be achieved through private investment, as well as the sector supporting take-up of government subsidy. The government is committed to working with the forestry industry and rural businesses to support landowners to plant more trees, and we want to encourage further planting. The government will play its part by planting 11m trees and a further 1m trees in urban areas. However, private sector investment needs to increase markedly if we are to achieve the 12% aspiration.

The government recognises some of the challenges associated with woodland creation and we have already taken a number of positive steps to improve the process, to encourage take-up of grants and increase the rate of planting:

- Confirmation of the woodland creation offer for Countryside Stewardship 2018 earlier than in the previous two years, longer application window, Service Level Agreement agreed signed between FC, Natural England and the Rural Payments Agency for the processing of Countryside Stewardship applications
- Ongoing engagement with HMT to confirm Countryside Stewardship offers as soon as possible to provide confidence for potential applicants to prepare and plan
- The Environmental Impact Assessment (EIA) threshold for afforestation has been raised to 50ha in mapped low-risk areas, with full prior notification of relevant details required below this threshold, to maintain environmental protection
- Launch of two funds to encourage planting: the Woodland Creation Planning Grant, which contributes to the costs of developing a UK Forest Standard compliant woodland creation plan for large-scale commercial woodland; and the Woodland Carbon Fund supporting the creation of large-scale, predominantly productive woodland

¹ <https://www.forestry.gov.uk/forestry/infd-8kmhu6>

- A communication campaign to launch this summer in support of woodland creation to encourage take-up of these existing initiatives
- Maintaining engagement with the forestry sector to identify additional possible mechanisms that could support our shared ambition
- Supporting the Woodland Carbon Code, the voluntary standard for UK woodland creation projects, providing independent validation and verification of the carbon sequestration from these sustainably managed woodlands.
- FC has put in place a dedicated small unit to support the development of large scale afforestation projects

Government will continue to monitor the long term profile and trajectory of woodland creation towards the 2060 ambition. Our emissions reduction plan will set out how we will reduce emissions through the 2020s and send an important signal to the markets, businesses and investors. Woodland creation is an important component of our ability to meet future carbon budgets in the longer term. Further detail on the forestry contribution will be set out as we further develop our policies to achieve each of the five-year carbon budgets.

We will work with the Committee on Climate Change to establish a long-term trajectory for woodland planting to match 5-year carbon budgets and the 2060 aspiration.

3. 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.

Forestry Commission England (FCE) will continue to publish information on the percentage of woodland in England in active management as part of its quarterly Headline Performance Updates, and will add the total area of woodland and the area in active management to these updates.

4. The government should consult land management and forestry organisations on how it can encourage landowners to bring their woodland into management.

The government recognises that active management, through the harvesting of trees to produce timber and improve ecosystem services, can enhance the natural capital of England's woodlands as the climate changes and new pest threats emerge. Government will continue to promote compliance with the requirements of the UKFS to woodland owners, managers and agents energy producers, environmental NGO's and the public, as a means of meeting sustainability requirements for timber procurement and bioenergy supply. This continued engagement will take place through existing forums and day-to-day relationships; for instance via the Applicants' Focus Group, England Woodland Biodiversity Group, Biomass and Biogas Sustainability Implementation Group and other national and regional forums.

The Forestry and Woodland Advisory Committees include representatives of the forestry industry and landowners; social, access and environment expertise, and local community, economy and government also play an important part in providing insight to the FC helping to communicate the benefits of active woodland management.

The Public Forest Estate provides ideal opportunities to explain and demonstrate the benefits of active woodland management to the public, as it combines the delivery of significant volumes of timber (1,375,000 m³ in 2015/2016) with receiving over 70 million day visits. Specifically, the Public Forest Estate welcomes and benefits from the involvement of over 6,000 volunteers, and has developed new guidance to better train, and up-skill those volunteers. There is also now an easy route on the FC website for the public to become involved in activities on the Estate ('Get Involved').

Countryside Stewardship woodland management planning grant, Countryside Stewardship woodland improvement grant and Countryside Productivity capital grants for forestry also act as incentives for bringing woodland into management. Government supports Grown in Britain, and work with LEPs and companies such as Stobart's and Kent Renewable Energy Partnership to increase demand for timber and woodfuel, driving active woodland management.

The Grant Schemes in Forestry

5. 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.

6. 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.

7. 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.

A review of Countryside Stewardship was initiated earlier this year and I will share the findings with the committee once the new SoS and I have had time to consider.

Government has commissioned a review of the operation of the scheme and will look to identify learnings to make improvements for future years and will engage with the sector to discuss those as they are developed. We also note:

- Many stakeholders have expressed a desire for a future integrated land scheme that would cover both agricultural and forestry land use, and that such a scheme may drive a more integrated delivery setup.
- We have also recruited a new operations director at Natural England to ensure that the scheme is as simple and efficient as possible.
- A key lesson from last year's scheme was that the application window should be announced as early as possible, giving the forestry sector plenty of time to make investment assessments.
- Working with Natural England, the Forestry Commission provides specific forestry input to Countryside Stewardship and continues to administer legacy grant agreements
- Incentives delivery often is associated with regulatory aspects, and so there can be customer and efficiency benefits from delivery of regulation being integrated

with the technical elements of the incentives. This is reflected in the current delivery for Countryside Stewardship, with Forestry Commission providing forestry specific support in parallel with delivering the associated regulation for example felling licenses and environmental impact assessment.

- In the longer term, after we exit the EU, we will move to a new, more outcome focused agri-environment scheme.

8. 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.

The design of any future schemes will form part of our work to consider how we should manage land for environmental benefit in the future. Incentives delivery is often associated with regulatory aspects, so their integration can offer customer and efficiency benefit. This will be considered as we design future schemes.

A Long Term Strategy for Forestry

9. 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.

The industry is not covered by EU regulation. The government is supportive of the forestry sector, but would emphasise that it is for the industry to come forward with a proposal for a ‘sector deal’. Defra and the FC work closely with BEIS and have a shared understanding of the contribution the forestry sector makes to renewable energy supply, the bio-economy and future carbon targets alongside the wider rural economy.

The forestry sector already actively supports apprenticeships. FCE provides an apprenticeship programme preparing trainees for Forest Craftsperson Level 2. FCE has hosted 42 apprentices since the beginning of the programme; of the 34 who have completed their apprenticeship, all have gone on to work in wider forest and land management sector, 24 of them with the FC. The FC liaises closely with both the Royal Forestry Society (RFS) and ICF through the Forestry Skills Forum and we are in discussion with them and the industry about the creation of higher-level forest manager apprenticeships.

Forest managers are educated and qualified by universities to Degree and Masters level, and/or are a product of forestry companies, for example Tilhill’s, internal management development programmes, or FC England’s trainee forester programme. Professional qualifications for working foresters are also available through the RFS. Higher education in forestry has, however, declined sharply over recent decades, with the closure of a number of programmes, and is now confined to a handful of providers.

Private sector forest workers are trained and qualified through Further Education providers, typically land-based colleges, often through the apprenticeship route. FC England has been supporting the industry in creating a new apprenticeship standard for Forest Operative, which was approved for delivery by the Institute for Apprenticeships in July this year.

The FC are now in the process of engaging with colleges and private training providers and assessment bodies to ensure sufficient take up of the apprenticeship standard, and provision of the necessary assessment and awarding body accreditation. It is expected that there will be a small number of colleges and training providers that will offer specialised forestry apprenticeship provision.

Getting the most out of Forests and Woodland

10. 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.

Government is pleased that the Committee welcomes the introduction of the Woodland Creation Planning Grant and Woodland Carbon Fund, which supports the planting of softwoods for commercial afforestation.

The Countryside Stewardship scheme pursues specific objectives (improvement to biodiversity, water quality and flood mitigation), some of which are better delivered by native hardwoods, while others (for example flood mitigation) can equally well be achieved through softwood planting.

The driver for these, as for any future incentive schemes, should remain the right tree in the right place to deliver the desired outcomes. A requirement of UKFS is that forest design should be appropriate to scale and context. Recognising this, government now offers the same incentives for both conifer and broadleaf species (or a mixture of both). In practical terms, however, species choice and woodland design will always be determined by the characteristics of the individual site and the owner's objectives.

The species breakdown of proposals for which an Environmental Impact Assessment determination has been requested since March 2016 indicates that 24% of tree planting supported by Countryside Stewardship is conifer, 76% broadleaf. This represents a marked change from the English Woodland Grant Scheme, under which less than 1% was conifer. In the past, it was necessary for Ministers to set a Direction for the species mix to be planted on certain habitats requiring urgent protection. That Direction prevented the planting of predominantly conifer species on unimproved grasslands and this is incorporated into the definitions used in the UKFS. The government is considering the impact of this on incentives for woodland creation. The government's ambition is to increase woodland cover and to encourage the planting of sustainable, productive woodland using an appropriate mix of species, while maintaining landscape and environmental protections.

It is also essential that going forward, that government and the sector encourages the diversification of planting, to improve woodland resilience and protect future supplies of timber, biomass and other woodland benefits. The Public Forest Estate has been taking proactive steps in this regard, trialling the establishment of new commercial species on the estate.

11. 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.

We have discussed this with Department for Communities and Local Government. We will also continue to work with the construction and forestry sectors to promote new product and market development (e.g. thermally modified wood, hardwood products for construction, and engineered timber products).

12. The Government should review the working of the Renewable Heat Incentive in these terms and look to implement any improvements to its operation.

There is close-working between the FC and other parts of government to ensure bioenergy and domestic forestry policies are complementary. Since the introduction of the Renewable Heat Incentive in 2011, demand for woodfuel has grown steadily. This demand is helping to bring more woodland into productive management and more timber to market and enhance the quality of woodland habitat for wildlife.

BEIS recently published (December 2016) its response to the consultation on Government proposals for reform of the RHI scheme in the consultation (The Renewable Heat Incentive - A reformed and refocused scheme). This review and the responses received to the consultation did not lead BEIS to identify significant changes to the RHI that would deliver greater benefits to the biomass energy market or supply chains.

To help ensure English woodland owners and forestry companies benefit from market pull provided by the RHI, FC also offered grant support via the Woodfuel Woodland Improvement Grant (under the previous Rural Development Programme) to help owners establish access tracks and loading areas to facilitate harvesting and extraction of fuel and other wood products for around 10,000 ha of woodland.

The government recognises the need to limit the particulate matter emission into the atmosphere from wood burning. The Clean Air Act helps ensure only clean burning log stoves and fuels are used in smoke control areas. Defra maintains a list of ‘smoke exempt’ stoves and fuels that can be legally used in these areas. In addition, industry led schemes such as Woodsure (the quality scheme in common use on woodchip and logs) promote fuel quality and ensure consumers choose the appropriate fuel for their boilers and stoves.

As bioenergy markets mature and other opportunities in the bioeconomy arise, the FC will continue to work with other parts of government to ensure policies are synergistic and, where appropriate, benefit English forest based supply chains.

Protecting Forests and Woodlands

13. 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

Preliminary Estimates of Change² of Change in Canopy Cover in British Woodlands show that in England the level of permanent ancient woodland loss to other land uses was 57 hectares or 0.02% of the overall ancient woodland area over 2006–2015.

Officials are due to relevant such organisations shortly to discuss these issues around measuring the loss of Ancient Woodlands. We will write to the committee to update them on the outcome of the meeting.

14. We recommend that the Government implement this proposal.

As part of the government’s manifesto commitment, we will provide stronger protections for our ancient woodlands. The Government recognises the value and irreplaceable nature of ancient woodland and veteran trees, which is acknowledged through their special status in the National Planning Policy Framework.

We are proposing to clarify this strong and appropriate protection for ancient woodland and veteran trees through our proposal set out in the housing white paper, Fixing our broken housing market. We have consulted on placing these irreplaceable habitats alongside other national policies which the Government regards as providing a strong reason to restrict development when preparing plans, or which indicate that development should be restricted when making decisions on planning applications. These policies include those on Sites of Special Scientific Interest, Green Belt, National Parks and designated heritage assets. We will consider all comments relating to this proposal as part of this white paper consultation, which closed on 2 May.

15. 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.

Government will assess feasibility of this recommendation.

16. 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.

The forestry sector was engaged directly in drawing up the Science and Innovation Strategy for Forestry in Great Britain and is already represented on the steering groups of some of Forest Research’s research programmes, for example the Timber properties steering group. The FC requires Forest Research, in its delivery of the Strategy, to ensure that 25% of the research budget is spent on knowledge exchange. This includes formal publications, scientific papers, conference presentations and seminars. A significant proportion of this is allocated to communications with the forestry sector. Knowledge exchange activities include research updates and tree health seminars across the country, provision of a tree disease, diagnostic and advisory service, the attendance at shows like the Royal Welsh and Highland Agricultural Shows and the Confor/APF show, as well as the extensive provision of information on the internet and publications which can be downloaded. The FC has an established series of publications, including Practice guides and notes, and

Research reports and research notes. These synthesise the results of research and make them accessible to forestry practitioners and other woodland and tree managers on the FC website at www.forestry.gov.uk/research.

In addition to these publications, the FC has over the last two years digitised all of its historical publications, and these are now being provided in an archive section on the same website. Over 400 have been uploaded to date, ensuring that the lessons from past research are available for today's practitioners. There is an e-Alert for new publications, which interested parties can sign up for so that they receive notification of new material as soon as it is published.

The Government is keen to encourage the forestry sector to play an increasing role in the design of forestry research programmes and have greater involvement as partners in research funding, commissioning, application and knowledge exchange. To this end, positive discussions are already underway to explore opportunities for greater engagement and continued emphasis will be placed on the provision of updates to the forestry sector as research results become available.

17. 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.

Science and research are vital to our country's prosperity, security and wellbeing, and are at the heart of our industrial strategy. As the Prime Minister said in her statement in Parliament on Article 50, the UK must remain among the best places in the world for science and innovation. The Government intends to secure the right outcome for the UK research base as we exit the European Union, and we would welcome an agreement to collaborate with our European partners on major science, research and technology initiatives. However it is too early to speculate on the UK's future relationship with specific EU research programmes.

Until our departure from the EU, we remain a full Member State, with all the rights and obligations of EU membership remain in force. The important work being done by our researchers, universities and innovative businesses must continue throughout this period. UK businesses, including the forestry research sector, should continue to bid for competitive EU funds while we remain a member of the EU and we will work with the Commission to ensure payment when funds are awarded. The Treasury has already agreed to underwrite the payment of such awards, even when specific projects continue beyond the UK's departure from the EU, if they meet conditions of being good value for money and being in line with domestic strategic priorities."

Defra and the Forestry Commission are currently working with officials from the Scottish and Welsh Governments to explore future business models for the Forest Research Agency, with the aim of attracting greater private sector investment and increasing financial resilience and growth. In recent years, Forest Research has developed strong links with a wide range of external bodies including NGOs, the Forest Industry, woodland owners, universities, and charitable organisations and trusts.