

## Forestry: an asset for farmers

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*An article written by Jamie Farquhar, Confor's National Manager for Scotland, in Farm Focus Magazine of the Press & Journal and Dundee Courier*

Lifelong farmer and now MSP Peter Chapman made a perceptive comment at a conference last autumn that cut to the heart of the historic tensions between forestry and farming.

"In Scotland, if you plant trees on your land, it is somehow seen as failure," he said. "We have to change that mindset- and I think we can."

"My focus is to help change the mindset of the farming community, to see forestry as an asset, not a failure of the business model."

From a forester's point of view, this was a welcome intervention and a recognition that many barriers to agri-forestry are about perception. I believe perception is about 60% of the problem because the basic arguments for tree planting on a portion of a farm are strong. The main reasons for agri-forestry are well-rehearsed - attractive grants to plant trees, shelter for livestock as trees grow, water and flood management and longer-term, diversified income and increased productivity.

The political climate is favourable. The Scottish Government wants to plant 100,000 hectares (ha) of new woodland between 2012 and 2022, with annual rates rising to 15,000 hectares by 2024-25. The Forestry Grant Scheme, part of the Scottish Rural Development Programme (SRDP) offers funding to farmers and landowners to plant new, or manage existing, woodlands. Land planted under the FGS remains eligible for the Basic Payment Scheme and income from commercially-managed woodland is tax-free.

Beyond the initial grant, there are several potential income streams for farm forestry. Under the UK Woodland Carbon Code, landowners can sell the carbon in woodland creation projects that would not otherwise be financially viable. Carbon prices vary, but for a predominantly Sitka spruce crop, it could be £400-£600 per hectare.

Later, income can be derived from firewood by thinning (removing certain trees to allow others to flourish as part of a final cash crop) before timber is harvested at 35-45 years, depending on site and species.

A final timber crop of Sitka spruce could be worth about £10,000 per hectare at current prices – not a bad boost to one’s pension, or a handsome gift (potentially free of inheritance tax) to the next generation.

There are additional, less tangible benefits. Farmers can use new forest areas, with grant-funded fencing, to create paddocks. These more heavily-grazed areas encourage better grass to grow than on an undergrazed hill, allowing more stock to be kept on a smaller area, increasing efficiency and saving on the cost and time of managing sheep on an open hill.

The Sheep and Trees initiative launched last year can also support an access track to the new woodland, further aiding stock management. The shelter from wind and rain provided by trees also reduces winter heat loss from livestock, in turn reducing winter feed requirements.

Despite the apparent benefits, outdated misconceptions persist. As an industry, foresters work hard to take critics to modern planting sites and show them mixed conifer and broadleaf species, designed carefully to fit into a landscape and including much more open space. Constant attacks on single-species forest blocks are misplaced - that kind of planting hasn’t happened for more than 25 years in Scotland and won’t happen again.

Another perception is that foresters want to blanket high-quality farmland with trees. Not so. We know Grade 4 and 5 land - pasture and rough grazing – is most appropriate for planting.

There is great potential on such land in Angus and Perthshire and it’s not all Sitka spruce; other species, including Douglas fir, can grow well on the right site. Yet many farmers simply don’t want to plant trees; it’s just not what they do. They are farmers and generations of their family have been farmers - it is in their blood.

I understand this perspective, but if a farmer is desperate to keep a stock-rearing farm in the family, finding ways to diversify long-term income is the way to do it. Planting trees on part of a farm can provide that long-term income diversification that multi-generation farming families are seeking.

Broadly speaking, the younger generation of farmers is more open-minded to this approach and with Brexit casting its shadow over support for rural areas, the future has to be different.

At the UK level, Michael Gove has signalled support for a broader approach to

countryside policy and a desire for clear environmental outcomes in return for subsidies. As a growing number of reports have noted (including the recent 25-Year UK Environment Plan), forestry delivers clear environmental outcomes. The arguments are well-versed; growing trees soak up atmospheric carbon, which is stored after they are harvested. Forestry can also reduce run-off of water from hillsides, mitigating flood risks. From the first year of forest establishment, soil absorbs 60 times as much water as neighbouring land left as pasture. There is a wider environmental imperative; the UK is the second largest net global importer of wood products.

Minette Batters, Deputy President of the National Farmers Union in England, accepts more tree planting will happen in future. Last November, she spoke of a “shared ambition” for the future of our rural areas. Confor calls it a common countryside policy, built on greater cooperation rather than polarised positions.

I hope Peter Chapman is right that the mindset can change – to develop this shared ambition and deliver successful agri-forestry in Scotland.

## Planting grants

Grants for planting trees (an initial planting payment followed by five years of maintenance payments) range from £2960-£4320 for predominantly conifer woods, and £2480-£6210 for different native and broadleaf woods. Planting trees in the Central Scotland Green Network (CSGN) Area (Ayrshire, the Central Belt, East Lothian, West Fife and parts of Stirling) can receive higher grants, including a CSGN additional contribution of up to £2500 per hectare, with additional cash for fencing and tree protection available.

The SRDP-funded Farm Advisory Service offers one-to-one advice on whether land is suitable for trees and how to seek the necessary approval from Forestry Commission for new woodland. [www.fas.scot/](http://www.fas.scot/).



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