



Woodland Trust Scotland
South Inch Business Centre
Shore Road
Perth
PH2 8BW
Telephone: 01738 635 544
woodlandtrust.org.uk

Finlay Carson MSP
Convenor – Rural Affairs & Islands Committee

By email to: finlay.carson.msp@parliament.scot

25 January 2024

Dear Convenor,

Scottish Forestry budget cut

I write to highlight the serious concerns we at Woodland Trust Scotland have over the significant cut to the woodland grant budget, administered by Scottish Forestry, announced in the 2024-25 Scottish Budget.

Together with Confor, we are seeking a meeting with the Cabinet Secretary for Rural Affairs, Land Reform & Islands to set out our concerns in detail. We wish to make the Committee aware of our concerns sooner rather than later as its scrutiny of the Budget comes to a close in the coming weeks.

Woodland grant funding – known as the Forestry Grant Scheme (FGS) – is facing a cut of 41%, or roughly £32 million in the next financial year. This grant funding is available to land managers to create new woodland, and to maintain existing woodland. FGS funding is for both commercial timber forestry and for native tree planting options. We understand that there has long been an annual underspend of the woodland grant budget – where landowners are awarded funding but for various reasons do not progress to deliver the scheme – equating to about 20% of the annual budget. Clearly, however, a 41% cut is double the size of that underspend and will have very real consequences for woodland creation and management.

The backdrop to this cut is itself bleak. As the Committee will be aware, the Scottish Government has increased its woodland creation targets annually as a key element of Scotland's commitment to be net zero by 2045, and we applaud that ambition. The amount of new woodland created has fallen over each of the last five years, however. This proposed cut will only serve to make the gap between targets and delivery ever wider.

We understand that around 14,000 hectares of new woodland creation has been approved for the current year, and that the reduced funding in the budget for 2024/25 will support only around 9,000 hectares. This falls far short of the target of 18,000 hectares for next year, and puts Scotland on a trajectory to fall far short of its 2032 target of 21% woodland cover. The impact on Scotland's ability to meet its Net Zero targets and nature recovery targets could be seriously undermined by this budget cut. Additionally, we believe a cut of the scale proposed will lead to job losses in struggling rural areas, the destruction of millions of young trees in a demand-led sector, and a blow to sector confidence that will take a long time to recover.

Our immediate call is for this budget cut to be reversed. Realistically, however, we know the Cabinet Secretary will not have the resource available to do that. If the cut were halved to 20%, or around £15m, and the long running underspend were better managed, the impact would be vastly mitigated.

We would be very happy to provide the Committee with more information, in writing or orally, if that is helpful. In the meantime we ask that the Committee note our concerns and bear these impacts in mind as you complete your scrutiny of the 2024-25 Budget.

Yours sincerely

Alastair Seaman
Director, Woodland Trust Scotland

A copy of this letter has been sent to the Net Zero, Energy & Transport Committee.