

Ref: AFG 03/22

AFG Minutes: 03 May 2022**Location:** Webinar/teleconference**Chair:** Joe Watts**Secretary:** Katie Booth**Attendees****AFG Members:**Nick Phillips (Woodland Trust) **NP**Neil Douglas (RSPB) **ND**Neville Elstone (Cumbria Woodlands) **NE**Paul Orsi (Sylva) **POr**Graham Clark (CLA) **GC**David Lewis (RICS) **DL**Graham Garratt (ICF) **GG**Ian Baker (Small Woods) **IB**Clive Thomas (Soil Association) **CT**Cheryl Lundberg (RFS) **CL**Claire Robinson (NFU) **CR**Brian Fraser (HTA) **BF**James Russell (Marston Vale) **JR**Adrian Jowitt (Natural England) **AJ****FC/Defra:**Alec Rhodes (FC) **AR**Hugh Loxton (Defra) **HL**Joe Watts (FC) **JW**Penny Oliver (FC) **POI**Melanie Edgar (FC) **ME**Ian Tubby (FC) **IT**Andrew White (FC) **AW**Richard Beddard (Defra) **RB**Rory Lunny (Defra) **RL**Katie Booth (FC) **KB**Jack Clough (FC) **JC**Fjolla Morina (FC) **FM**Jim O'Neill (FC) **JON**Neil Riddle (FC) **NR**Rhianne Harris (FC) **RH****Apologies:**

Caroline Ayre (Confor)

Julian Ohlsen (SW AFG)

Samantha Malpass (FC)

Poppy Sherborne (NFU)

Steph Rhodes (FC)

Barnaby Coupe (Wildlife Trust)

Adrian Sherwood (RPA)

John Blessington (Local Government)

Claire Douglas (RPA)

Jackie Dunne (Confor)

David Lewis (RICS)

AFG Minutes

Welcome

JW opened the session and welcomed all.

Peatland Decision Support Framework

NR presented his slides.

NP commented on tree establishment guidance with the suggestion that Local Nature Recovery Strategies (LNRS) should be consulted. If there is not one, then this step is skipped. **NR** confirmed the online tool will help address the LNRS step in the restocking decision framework also.

NE wondered about 25-year Environment Plan and if some of this may be a proxy for it and queried why a Yield Class of 10. Was this yield class level chosen because of carbon or productivity? **NR** confirmed it was a mix of both. Foresters understand yield class, but we also need to reflect the balance with carbon when looking at peat soils with trees on top. It is a simple tool, but it addresses the carbon balance in a way practitioners can easily understand it. There has been a task force looking at the evidence base that produced this figure, as more than 10 was tipping in favour of trees. This also coincides with open habitats policy, as we do not request compensatory planting for yield class below 10. We are trying to be consistent in approach. **NE** picked back up the question of societal needs picked up and including water, where slope angle could be a proxy for this. **NR** advised we are rising to the challenge and the important thing is that we do not have costs in the tool at this stage, including natural capital of which water is one. There is a biodiversity net gain tool but also another tool, the benefits tool, with the natural capital elements in it. We want to look at this and build it in. **NR** acknowledges there is a lot to consider.

GG commented that when looking at yield class there must be a tradeoff between higher yield class and higher carbon but considering short rotations, looking at both sides of carbon, soil dynamics as well as carbon in trees. **NR** acknowledged this, if you have high yielding crops and this is your objective for the site, we want to make sure the efforts to restock are minimal, so the site is supporting productive growth with minimal intervention. If you must intervene to get the yield class, then perhaps it is not appropriate.

CT acknowledged it is a thorough piece of work and asked to what extent have you worked with Wales and Scotland, and will we see a common approach. **NR**

advised we have been in touch with colleagues in both administrations. There is a UKFS dimension to this also. With peat we will likely still see a depth criterion but will have more detailed guidance in each administration as circumstances will differ. **CT** then asked what Forest Research's (FR) role was. **NR** advised FR are co-authors in drafting the guidance and are delivering the tool also. **CT** queried if the tool is jointly commissioned. **NR** confirmed it is specifically for England, in the context of supporting LNR strategies. **NR** advised Forestry England (FE) are an important stakeholder too. FE helped with several site visits and workshops, and they have been testing the tool in the context of forest design planning.

ND queried what can be shared with other organisations who may be interested. **JW** advised **NR** will share the presentation from today, as this will be more suitable to share more widely rather than the papers already distributed.

NR advised the published guidance is weeks away.

NP asked if the yield class of 10 is part of the guidance or if it will be used for decision making. **NR** advised that when you get to that step it will be considered. The guidance is more positioned around not wanting barriers if it is less than 10, so we will not ask for compensatory planting for example. The idea is to allow the site to be restored.

NP believes management would be more important than yield class. **NR** advised if you read the guidance, it will become clearer. With the review period we can change it if we do not have it right.

JW requested any further comments to be fed back to **NR** directly.

Tree Health Pilots

RH presented the slides.

JW reiterated the rule around not starting the project before the grant is awarded.

JW invited feedback from the sector in terms of value.

NP felt it was very useful and asked for clarification regarding grant incompatibility, can you take multiple grants providing they are not for the same activity? **RH** confirmed that if the activities are separate that is fine.

NE asked about precedence, from what was presented it is not possible to tell what has and has not been funded, except by disease. It would be useful for the applicants and

the AFG to see the types of interventions that have been funded. **RH** confirmed we can pull this data. A lot of applications have been IPS in the Southeast and London, with a considerable proportion of felling and restocking. **NE** then asked if it has all been felling/restock or if there has been any human capital.

ACTION: RH to pull the data on interventions that have been funded and distribute to the AFG.

CL provided some specific examples of OPM assessments and treatment such as golf courses actively seeking companies to carry out treatment and queried if a register could be built of approved companies to be approached for surveying, management plans and as a surveyor for a group to apply. **RH** can find out exactly what is involved.

JW emphasised this is a pilot testing the need for and uptake of the grants. The pilot needs to run the course to check demand and need.

RH included the relevant mailbox for any further comments or queries in the chat - thpilotenquiries@forestrycommission.gov.uk.

Tree Production Capital Grant

JC presented the slides.

NP welcomed the grant and would like views on uptake and potential blockers and **JC** advised we are unsure what these will be as it is a new grant. He confirmed there have been a variety of early warning comms to all kinds of organisation but anything further to promote it by the AFG would be appreciated. The level of funding is slightly higher than the Scottish harvesting and processing grant at 50% rather than 40%. Based on applications to TPIF, we expect some unsuccessful applicants to apply.

GG queried if it is being delivered through Area teams or the Woodland Officer (WO), as if someone is considering diversifying, they may need support. **JC** confirmed it is being delivered through national office not Area teams, but we could distribute information on it to Area teams. It is like TPIF in that it is targeted at a very specialist sector, nurseries, and growers. If there are Area teams with links with those types of applicants it would be great to use them, but we have a dedicated team at head office. **GG** wondered if there is a human element to the interaction. **JC** advised that there will be a webinar hosted to advise on how to apply, eligibility and answer questions. For TPIF and WiM we have dedicated mailboxes to respond to enquiries and this will be similar. **GG** advised it does not sound ideal and he would have liked to see area-based WO interaction. **GG** also queried what size saplings are being considered. **JC** confirmed it is largely whips and this grant is not intended to substitute for other offers for larger trees. **GG** advised this could

be a point for clarification, particularly regarding hedgerow trees. **JW** confirmed we do pay for larger trees under things like UTCF, but GG's point is useful to help delimitate what plant production is being supported by the grant.

NP commented in the chat "Picking up Graham G's point, can the scoring or payment (uplift?) criteria be evolved to specifically support the larger trees gaps, given risk area with imports?".

BF felt it is very welcome as is the increase in what has been offered by Scotland in the past two years. Many have used the Scottish grant system already so it will be interesting to see what comes forward and what the uptake is in the normal nursery sector.

GC reiterated the importance of a human element for applicants to interact with, particularly if trying to reach new people. He also asked how long the application window is open for and how long you get once you have applied to build your case. **JC** advised the application window will be at least 6-8 weeks. In terms of claims, the Scottish grant was quite limiting, and you had to claim within the financial year. We will allow you to claim in the first or second year so there is more flexibility. **GC** raised the issue of planning permission for items such as polytunnels and 6-8 weeks may be too limited depending on what an applicant is trying to achieve. **JC** advised we are hoping to open in subsequent years, so we would hope people may consider applying in future years where the timescales are too limiting.

NE commented that it is a particularly important area, so it is great to see but raised the need to technical development and business development, for new entrants many other government schemes help you to think, develop and grow rather than just give you a capital grant, e.g. WCPG. This grant has no scope for this and given the size of the sector there may be a requirement to help with this thinking. Are we better investing in human capital and not just capital interventions? **JC** thanked NE for the comments.

EWCO Forward Look

AR presented the slides and suggested that in future, updated statistics could be provided via a briefing pack, rather than presented in the meeting.

GG commented that the support for water supply was good and helped to overcome barriers with farming clients and showed good will. He also queried whether, if you are taking water from a water course and not from the mains, you would need Environment Agency (EA) consent. **AR** advised this is where we feel we need to bring a Catchment Sensitive Farming Officer in to give this advice. We will make sure land managers have this advice when making an application.

CT agreed in the chat with **GG's comment** on water and thinks "it's helpful practically but also symbolically as well".

GC commented on the display of where applications are in the process and felt some reasons for rejection would be useful and an idea of what information is missing, so applicants can be told to include it. He also queried the size of applications coming through, understanding whether there are a lot of 2-3 ha or 20-30 ha schemes would be useful.

AR advised there is a variety of missing information, such as SBI, CRN and issues with map quality. He advised we have just finished a round of handy hints in e-alerts and have done a webinar – [EWCO handy hints webinar](#). He confirmed we are also finding that people are not checking Rural Payments to complete any validations.

AR confirmed the size range is from a minimum of 1 to over 100 ha. The trend shows the average size is starting to decline and is running around 6-7 ha now. We are keen to understand what we can do to bring forward more larger schemes.

NP queried if there is anything that can be done to promote natural colonisation, as there has been low uptake.

AR confirmed that the uptake of natural colonisation has not seen a lot of change since the last update and posted the following in the chat for information - "At the moment we have 55 hectares of natural colonisation (so 5% of the total area in applications or agreements but the amount of NC in those applications varies - the average is 30% where it is included". He advised that anything we can do to promote this part of the offer we'd be keen to talk about.

NE raised the point that inflation means our grants are now offering less and asked what is being done about this.

AR advised there is no answer to the inflation question. We recognise that inflation changes things, but the offer is what it is currently and hopefully the Additional Contributions help. **JW** confirmed it is a point we feed back to Defra as rates are set from Defra for many things, fencing being a tight point.

UKFS Revision

IT gave an update and confirmed the process being followed.

There has been a light touch first review, which received general support. Feedback has helped to target further reviews. More text was provided by the next group of reviewers. This has then been further commented on by regulators over the last few months. It will be played back to the stakeholder reference group in June and then the text will go out for formal consultation likely, in September 2022. This will not be a public consultation but rather to a targeted group of organisations. This will then go to ministers and when approved, it will be published.

IT feels the consultation will be pushed back, as there will be a lot of comments and feedback from the next stage of review. He imagines the publication date will be the end of the financial year, rather than end of the calendar year. FC was happy with a light touch approach and cross cutting themes.

Our first main area for improvement was reduction of single species used in a woodland. Northern Ireland put a strong case that their soil types make it difficult to diversify. We believe this means it is not sustainable. Evidence for the maximum percentage was hard to identify and the minister referred us the trees and woodlands scientific advisory group, although no definitive studies were put forward. We had a lot of common ground with Scotland, they also think a 60-65% threshold is appropriate. Even large-scale conifer commercial forestry designs going for grant support do not tend to be signed off unless around the 65% threshold, as the other aspects of UKFS cannot be met unless there is species diversity in larger schemes. We hope 65% is the figure that will be consulted on. We want more diversity for climate change, disease resilience and biodiversity reasons. Each one of these may draw you to a different conclusion but in all, and considering economics, we feel 65% is achievable and economically viable, while reducing risk of losses.

Our second key area for improvement was around peat and changes to depth limits on where woodland can be planted. There were differing approaches from each country as each have different depths currently. NI wanted to remain at 50 cms and Wales shallower. Another suggestion was to remove the threshold altogether. We feel that as this is a technical standard, it should have a figure, but with flexibility to allow some divergence between countries. Also, looking ahead a few years, it is likely we will see less peat disruption in future. It was agreed that the 50cm depth will be retained but with the reader referenced to more detailed guidance for their country.

IT advised there has also been reflection on discussions around how UKFS is implemented and monitored. This is down to regulations and there are some differences in approach, although general agreement that we need to do more to find out what the levels of compliance are. We need to find out where compliance is good and where less so, so that we can tailor guidance and R&D to bring levels up. Woodland creation

compliance is higher than woodland management and we are working on how best to tackle this.

GG raised that compliance, rather than having it as a separate activity, could be embedded in other interaction with FC, seeing the WO more often, and seeing them beyond management planning. This could work as a deterrent and an opportunity to learn what our expectations are. With regards to the single species level, **GG** queried if this related to a certain number of maximum stems per hectare. He raised the issue of site regeneration taking time, with the example of a site with many close stems of birch, but other broadleaf and conifer coming through over time, succeeding the birch, to allow a mixed woodland.

IT confirmed he would love to have a situation where we have a more discursive relationship on compliance, particularly on ash dieback in natural woodland and encourage regeneration and bring more woods under management we need to share information. We are a way from that now, but we are starting to focus more on outcomes than grants issued etc. When counting the species contribution, it will be looked at it on an area basis rather than stems per hectare. If 10,000 stems of birch regenerate in a small area but we have oak regeneration coming through, the task will be to balance it out so there is a mix of both, and then select for oak so you end up with not more than 65% birch. This means that the correct figure will not be available on day one but will be something we move to over a decade or two. **IT** acknowledged this, it is easy to demonstrate compliance if you are starting afresh but there will be several interventions when bringing woodland back into management, so this is not about jumping on those trying to bring woods into management.

NP commented that this was a useful update and a pragmatic stance. The delay of the launch would be reassuring, as by the time we are consulted it leaves little chance for us to feedback. The end of the financial year would be reassuring given there have been no conversations yet.

IT acknowledged this and that the point was taken on the lack of contact so far. He will feed this back as there have been staffing issues.

CT confirmed it was a useful update and queried why there was a focus on the two issues **IT** mentioned. There are a couple of other points it would be interesting to get an update on such as size of clear fell and baselines around mixed species stands particularly in relation to restocking and new planting.

IT confirmed the size of clear fell has not been discussed in any detail. We did have discussions around climate change adaptation, encouraging people to move towards low impact systems and CCF etc. and more development types. Requirement were also put

forward around use of clear fell in more exposed areas, but we did not look at area thresholds. Peat and single species proportions were identified in-house as the two aspects that we feel need addressing to improve the overall carbon benefit of woodland creation. The peat conversation was focused, not only on depth, but on cultivation technique. We would like to see more narrative on avoiding disturbing soil during development.

GG commented in the chat that it is a "Really important process, please don't rush it!".

CL also commented in the chat that "the UKFS/ICF day-long courses delivered by Steve Scott's team were excellent. Welcome roll-out/replication across England as a step-up from an online only course".

Restocking Update – Storm Arwen

IT gave an update, confirming the damage was severe in the northeast and parts of the northwest. The northeast has a lot of shelter belts and small pine woodlands, and they suffered a lot of damage. Under current licensing arrangements the owner could remove the timber and be under no obligation to restock, so there is a chance we could lose some of these. We are keen to avoid this and have started to look at how we could use a grant incentive to dissuade owners from turning shelter belt back into rough pasture. We are exploring a lead with the Great Northumberland Forest with a view to using it as a pilot area. We would like to buy an increase in species diversity in these stands. If we can find money for a grant, it would not be to replace like for like, but something more resilient or offering better biodiversity benefits. We will be revisiting this over the next month or two.

NE raised the issue of restock generally and requested a wider, substantive discussion on the topic is considered to include how it could be rolled into ELM, planting on ancient woodland sites and tools over and above UKFS to provide resilience for the future. **JW** acknowledged this and thought it had been picked up by **PO**. **GC** is also interested in this and seconds **NE**'s request for a more substantive discussion not just on windblown areas but in other areas including PAWS. We need to bring insights into more modern forestry practice not just basic restocking and lots of members have raised this.

In the chat **GG** also expressed a desire to discuss this as did **NP** and **PO** confirmed "Yes - on the list for LNR woodland options ref restocking - woodland options are planned for development later this year/early next so we'll think about right time to start the convo".

SFI and Agroforestry

JON presented the slides.

CT commented that there are strategic points that are fundamental such as the need to improve training capacity and knowledge. It is incumbent on a public body to get long term success.

GC suggested that an update, modern regulatory framework is needed for an integrated approach, rather than trying to operate within the current framework.

CT raised that it needs to be considered from the farmers' perspective. This is about having cognizance of existing woodland on the farm as a starting point. It is not credible to develop agroforestry ideas in isolation for on-farm woodland.

GC working towards elm post-2024, sorts of things such as silvo-pastoral rows and tree densities need to be part of it but to sell the benefits to farmers we need to be thinking about livestock production and agronomic benefits such as shelter and wide hedgerows, that CS and EWCO are not interested in. This is unsupported no man's land that is useful. It is a very useful hook as farmers are interested in hedgerows and may then go further and develop trees on their farms. We are shackled by the rules of what CS and EWCO can do but there is a lot that could be done with that bit in the middle, less than 10m. Whatever tier of ELM this is should not miss the opportunity.

GG likes the way it is developing and the integration. It sounds as if FC is contorting itself to avoid the regulatory system. To fulfill our potential, we need to look at other end of the rotation. He queried why, when planting trees on productive land, they need to be permanent. If they are delivering the benefits paid for then we should be able to give conditional felling consents.

DL agrees with the queries posed so far and asked if there is a sense about the grants that might be available under SFI and LNR. They need to reflect the fact that planting trees in parkland and hedgerow will cost a lot more than under a standard woodland creation scheme.

CL echoed the previous comments that the reality is clients are looking to combine all systems within the same parcel with strips of faster growing species, so if a parcel of land can be treated as hybrid with one application process to build all factors in, then people will be interested. Clients are currently trying to separate these things out and ended up leaving it for now and moving away from the grant system. There is frustration that it does not deliver what they want now.

ND thanked **JON** for the helpful update. He queried the density given of 40-60, how this relates to expected canopy cover, and what counts as woodland and what does not. SFI

have flagged concern about lack of capacity for site specific advice for some of these incentives.

JR raised an issue around permanence of what is created and concern around farm woodland standards. We are encouraging people to plant woodland then support falls away. Society recognises the benefits of the first 10-15 years and modeling shows benefits continue if not increase after that time. We need to be clear on benefits persisting and get the value right. If, come year 16 government is saying its only worth around £50 a hectare a year, then this is a negative signal when we are throwing money at them to get them planting to start with. The impact of the signaling from some decisions has not been recognised.

NE noted that the Institute of Chartered Foresters have convened a group under agricultural transition and thanked **RB** for coming along to first meeting. If anyone else wishes to get more involved in agroforestry, please contact **NE**.

IB noted in the chat "Understand the administrative desire to keep SFI simple. Where farmers are applying for things they do (or should) know how to do, I think that is OK. The situation is different I think with new stuff, such as agroforestry, where a little bit of advice could make all the difference between viable schemes and lots of frustrations and failures. Agroforestry is a good way to create new small woods."

NP commented in the chat "Many of the public goods from agroforestry take time to develop and much longer than a normal agreement length. Whilst I see the logic of enabling removal (unconditional felling license) after certain period and hoping enough of the extra applicants don't, I think this theory could backfire on what is on the tin, if those benefits are never realised and a new cultural practice is embeded."

JW pointed to all the helpful comments in the chat.

RB thanked all for their comments and has noted them. **RB** will be at the next of the forestry agricultural transition groups and feel free to contact him with all comments.

JON has provided a document detailing the queries raised and responses to these, which will be distributed along with these minutes.

AOB

JW advised due to time constraints we will log all AOB points and may need to respond outside the meeting.

CL raised issues with WCPG and the user experience of the increased size and complexity of the application. CL has had feedback from people who are going straight to EWCO due to perceived and actual delays as they are seeing the process taking up time with less return in financial certainty than expected.

ACTION: CL to feedback details to **AR** and we can take thoughts away and come back to you.

GG raised as issue as a user of MAGIC. The OS base maps have changed, and you can no longer see statutory rights of way. **JW** advised to contact Natural England as this tool is run by them but to come back to us if it becomes a recurring problem.

JW advised that **JO** raised a point about VAT and grants last meeting and confirmed that we have been working on it but have no answer yet. We are working with Defra and will come back on it next meeting.

Next meeting is June 23rd.

The meeting closed at 16:30.

END