

FORESTRY COMMISSION SCOTLAND REPORT

Scottish Government

Agreement has been reached between the UK and Scottish governments on the fiscal framework which will underpin the transfer of new powers under the Scotland Bill.

The RACCE Committee completed Stage 2 consideration of the Land Reform (Scotland) Bill on Wednesday 10 February 2016. The Bill has now progressed to Stage 3 consideration. It is expected the Parliament will consider Stage 3 amendments to the Bill in mid-March 2016. The date for this consideration is yet to be agreed by Parliament but will be published in the Parliamentary Business Bulletin.

The consultation on the second draft Land Use Strategy 2016–2021 and accompanying Environmental Report closed on 29 January 2016. Consultation responses are currently being analysed and a final Strategy and Consultation Report will be published in March 2016.

National Committee

Two new non-executive members have been appointed to the National Committee which helps Forestry Commission Scotland formulate its strategic forestry policies and advice to Ministers. Jon Hollingdale, Chief Executive of the Community Woodlands Association and David Gould, a finance professional, joined the National Committee for Scotland in February this year. Both individuals bring a wealth of experience from their respective areas of expertise.

Woodland Creation - Forestry Grant Scheme

The new Forestry Grants Scheme, administered by Forestry Commission Scotland, provides support for the creation of new woodland and management of existing forests and is part of Scotland's Rural Development Programme (2014-20). Annually, £36 million has been allocated for the Forestry Grants Scheme with £30 million of this specifically for new planting.

Exempt from publication, in accordance with the Freedom of Information Act 2000, Part 2, Section 35(a) – 'The formulation or development of government policy'.

Designated Sites

FCS has been a key player in the delivery of a key government environmental target: the National Performance Indicator target for designated site condition has successfully been achieved following targeted and focused efforts by FCS and other agencies. Final reports for 2015-16 will be produced on 30 March. The focus for improving woodland condition is now broadening beyond designated sites, towards all native woodlands as part of the implementation of the Scottish Biodiversity Strategy Route Map.

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Forestry and Natural Flood Management

There has been increased recognition of the role of well-designed forests and the creation of riparian woodland in water management, including in some circumstances improving flood mitigation, as well as providing other environmental benefits. Support for the creation of new woodland and restructuring of existing forests is available as part of the newly launched Forestry Grant Scheme, under Scotland's Rural Development Programme. In 2015 Forestry Commission Scotland launched the Opportunity Mapping project that identifies areas in priority catchments in Scotland where woodland creation has the greatest potential to reduce flooding and diffuse pollution. Targeted enhanced support is available under 'Woodlands for Water'.

Tree Health

The latest draft of the Scottish Plant Health Strategy was presented at the third Plant Health Workshop on 14 December 2015 and is due for publication by 31 March 2016. It is also hoped that the Plant Health Centre of Expertise will be launched in 2016 (subject to funding) and that a Scottish Chief Plant Health Officer will be appointed.

The management of *Phytophthora lateralis* and *Phytophthora austrocedri* on juniper has changed following reviews of the Pest Risk Analyses by the UK Plant Health Risk Group. The recommendations in both cases is to no longer routinely undertake statutory action in 'wider environment' cases but to continue to work in collaboration with conservation organisations and other stakeholders to mitigate the risk and protect unaffected areas where possible. However, the option of carrying out statutory actions will be retained in exceptional circumstances, for example where particularly sensitive habitats are threatened, and for nursery infections.

Phytophthora foliorum has been identified through molecular analysis of a sample of *Rhododendron ponticum* from the wider environment near Torridon, North-West Scotland during surveys for *P. ramorum*. Further analysis is underway to confirm the pathogen. If confirmed this will be the first known finding of this pathogen 1) in the UK, 2) in the wider environment and 3) on *Rhododendron ponticum*.

Although there are no known tree hosts of this pathogen, it is closely related to several other pathogens currently causing Tree Health issues in Scotland. Therefore, although this species is currently of interest to the horticultural sector it may prove to have relevance to forestry should the host range be larger than currently reported.

Further sampling of the area have already been undertaken and should the laboratory notice confirm the presence of this species, Scot Govt Horticulture Marketing Unit will be responsible for issuing a containment order to prevent infected material leaving the site.

One million acre working group

On 4 February FCS and other members of the '1 million acres of land in community ownership' Working Group met Dr McLeod to discuss the SG Strategy. Following that

FC Scotland Report

meeting the Group's membership will be expanded and its remit revised to take on a strategic co-ordination role to help support the implementation of the strategy. FCS will continue to play a key role in this Group.

National Forest Land Scheme II

The Scottish Government has formed a working group to develop regulations and guidance for the Community Empowerment (Scotland) Act asset transfer scheme. This will supersede the National Forest Land Scheme, which FCS has serviced since 2005. Completion of guidance is expected by July, with the legislation coming into force in September. The group has produced 6 discussion papers and 2 process flow charts which can be seen [here](#).

The group is currently considering the processes to be adopted for making an asset transfer request, appeals and valuations, including the assessment of values associated with environmental and social benefits.

Forest Enterprise Scotland

Health & Safety:

Exempt from publication, in accordance with the Freedom of Information Act 2000, Section 40 – 'Personal Information'.

Norbord Investment:

Norbord announced on 28 January 2016 a £95m programme of modernisation/expansion works for the mill at Dalcross, Inverness. The investment will upgrade the mill to continuous press technology and nearly double its production capacity from 350k m³ to 640k m³ of Oriented Strand Board (OSB) per annum. The building phase of the project is planned to be completed by the end of 2017, but full production is not expected until the end of 2018.

Norbord have acknowledged the work done by FCS/FES in the provision of forest inventory/production forecasting which proved invaluable to the company and a key element in confirming the availability of future wood supply to support the new investment. This, along with FES's continued commitment to the long term wood supply to the Inverness site, played a significant part in the decision making process.

Glentress Masterplan:

The Glentress Masterplan has been approved by the Scottish Borders Council Planning Committee at a meeting on 29 February. As a result the Masterplan and guidance will now form part of Scottish Borders Council's planning policy thus paving the way for future planning applications. FES continue to negotiate an agreement with Forest Holidays for a 65 cabin development which is provided for in the masterplan. FES are also having ongoing discussions with Scottish Enterprise in relation to funding support for enabling development comprising relocation of existing and new recreation facilities which also form part of the masterplan.

The Economic Contribution of Forestry and Other Activities on Scotland's National Forest Estate: [Embargoed until 14 March]

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A new study on the economic contribution of forestry and other activities on Scotland's National Forest Estate will be published on 14 March. The key results of the study are:

Total employment (direct, indirect and induced) supported as result of activity on the Estate in 2012/13 comprised **11,015 FTE skilled jobs** provided, throughout Scotland, in mainly rural and disadvantaged areas:-

- 5,454 FTE jobs supported in forest management and timber harvesting
- 3,790 FTE jobs supported in the visitor economy
- 1,090 FTE FES staff
- 681 FTE jobs in renewable energy

Total Scottish GVA of **£395m** generated - **more than £1 million per day**:-

- **£285m** from forestry and timber processing activity.
- **£110m** supported by tourism and recreation expenditure associated with visits to the Estate.

The key messages that the Minister will highlight in the press release supporting the publication are as follows:

- The Estate makes a significant contribution to Scotland's economy – 11,000 jobs and a total economic contribution of over £1 million per day.
- The Estate is one of Scotland's greatest natural assets - more relevant today than ever as it provides so many different benefits to Scottish society.
- The unique mix of public land assets - forests, woodlands and open habitats delivers for industry, fights climate change and supports tourism, health and communities.