

## **Written evidence submitted by Natural England (TPW0024)**

Natural England is the Government's statutory advisor on the natural environment. Our purpose is to ensure that the natural environment is conserved, enhanced, and managed for the benefit of present and future generations, thereby contributing to sustainable development.

We welcome the opportunity to comment on this important and timely inquiry and have focussed our comments in response to the questions outlined in the call for evidence below. Within that we would like to highlight:

- Natural England recognises the valuable contribution and critical role establishing more trees in the landscapes and woodlands will play in the delivery of the broad ambitions of the Government's 25 Year Environment Plan for people and nature.
- We see it as imperative that woodland expansion is seen through this wider focus rather than being too narrowly focused on carbon. Addressing the twin challenges of climate change and biodiversity loss represent two sides of the same coin. Well-targeted and designed woodlands of all types will deliver a high carbon benefit.
- We believe the Government's targets for woodland expansion are sufficiently ambitious in light of the immediate investment that needs to be made in ensuring key environmental datasets used to inform decision making are "up to the job". These datasets will help ensure we achieve the right tree in the right place. Without proper care and scrutiny of woodland establishment projects there is a risk of large scale and incremental environmental damage through inappropriate planting schemes.
- Whilst much can be delivered through partnerships, the Forestry Commission and Natural England will also have a vital statutory and advisory role in the delivery of this agenda. It is therefore vital that they are properly resourced to handle the increase in work associated with the significant increase in woodland creation projects; we cannot simply reassign staff from other key work areas.
- There are some key policy areas that need to be addressed to ensure an increase in woodlands of different types, across a range of geographies, is achieved. The most pressing of these is to address the market failure whereby the range of public benefits provided by woodland, such as public wellbeing, nature recovery, flood alleviation and carbon sequestration, currently go unrewarded. Addressing this will help provide revenue from woods that are unlikely to produce a return from timber. This could be addressed through the new Environmental Land Management Scheme (ELMs) or mechanisms which harness private finance to incentivise the creation of woodlands which provide a wider range of public benefits.

### **Are the UK Government's targets for increasing forestry coverage, and tree planting, for England and the UK sufficiently ambitious and realistic?**

1. New woodlands and trees outside woods (whether they are within hedgerows, orchards, wood pastures and parklands) have a vital role to play in linking existing ecosystems of nature conservation importance, restoring nature and in enhancing the

natural fabric of our rural landscapes. Furthermore, trees and woodlands provide society with a range of carbon and other natural capital benefits and establishing them close to where people live and in urban situations, provides significant opportunity for more people to develop positive connections with nature with resultant benefits to well-being and to health.

2. Whilst there is a focus on tree planting, we also recognise that woodland and woody habitats can be created in the right places through natural establishment. Natural regeneration of woodlands is attractive as an approach as it enables local provenance trees and shrubs to become established resulting in a more structurally diverse habitat, better adapted to local environmental conditions and supporting a wider range of wildlife. It also reduces the risk of importation of tree disease, reduces plastic use and is less costly.
3. Natural England's believes that the targets for increasing woodland cover are currently ambitious enough. Most tree establishment proposals are focused on marginal agricultural areas which creates an inherent and widely recognised tension between the creation of new woodlands and protection and restoration of important open habitats – grasslands and peatlands in particular. As such, there is a risk that if we proceed with insufficient care and without explicit recognition of the value of these open habitats for nature and carbon sequestration in their own right, we will do more harm than good compromising achievement on net zero and nature recovery ambitions. It would be helpful for the targets to differentiate between different types of woodland and establishment to help steer towards an outcome that delivers 'the right trees in the right places'.
4. Furthermore, current market failures reflect that there is neither the pipeline nor the demand for new creation proposals, so to increase the target at this stage could risk setting Government up to fail. Whilst there have been lots of mapping exercises which identify land where trees could be planted this does not address the fundamental issue of the appetite for conversion to woodland or agro-forestry of those owning and managing land. There needs to be concerted effort to work with a wider range of landowners to bring land forward for planting from a range of land use types and geographies, in particular on mineral soils and off peatlands. Only by doing so will there be optimal delivery of the range of public benefits sought.
5. Looking forward, as more landowners see woodland as an economically viable land use option and as we develop a better culture of woodland management and production of woodland products (including public benefits) across the land management sector, further increases in the targets for woodland cover will become achievable and desirable.

## **Are the right structures in place to ensure that the UK wide target for increasing forestry coverage is delivered?**

6. Natural England recognise that the £640M Nature for Climate Fund and the England Tree Planting Programme that will deliver this fund presents an opportunity to substantially increase woodland expansion rates in England in the short term. Maintaining high rates of woodland creation and the establishment of more trees outside woods over the medium to longer term requires additional financial instruments; firstly, a well-designed Environmental Land Management Scheme (ELMS) able to deliver the publicly funded contribution to the target across the full range of wooded habitat types and landscapes. Private funding will also be required through mechanisms that address the current market failure in the delivery of public goods, namely fully functioning carbon markets and markets for public benefits such as biodiversity and flood protection. Neither ELMs nor these new market mechanisms are yet in place.
7. Substantial deficiencies in key environmental datasets which are heavily relied on to inform land use change proposals, including afforestation projects, can compromise the quality of decision making. Some of the datasets used to inform exclusions from the Forestry Commission's Low Risk Map (which denotes land most likely to be suitable for planting) are neither comprehensive in their spatial coverage nor up to date in the field data relied on, be it for Priority Habitats or species of conservation concern including breeding birds. Gaps in these datasets combined with a lack of pre-approval field survey by a qualified ecologist to establish suitability of sites where data is lacking poses a risk to the principle of planting the right tree in the right place. This is evident from recent incidences of planting which have taken place on areas of priority habitat in Cumbria and in the Chilterns.
8. Natural England are keen to see cross agency consensus reached on how best to rectify data deficiencies and better inform woodland opportunity mapping and risk assessments as well as wider spatial planning decisions required by the 25 Year Environment Plan strands. Natural England are in partnership with the Botanical Society of the British Isles (BSBI) and the Woodland Trust exploring how mobilising additional data collected by expert volunteer botanists can be made use of to improve information used to target and assess woodland creation proposals.
9. Existing targets can only be delivered, with risks mitigated and opportunities realised, by significantly increasing capacity and developing expertise in the agencies to deliver the increased workload demanded by the step change in ambition. Although much can and should be done through partnership working the agencies have a vital statutory role. Natural England has statutory duties with regards to protected sites, protected species and the Environmental Impact Assessment process and in galvanising action to deliver the Government's Nature Recovery Network nationally and locally. Without proportional investment in staff resourcing and training the desired increase in support to woodland scheme development and delivery cannot be achieved.

10. Research linked to agri-environment schemes has repeatedly demonstrated the importance of trusted advisers who know the farmers and land managers they are dealing with and have a detailed understanding of their farming systems. This is an area that, due to budget constraints, agencies have stepped back from with an increasing reliance on standing or one to many generic advice. To ensure the many benefits of woodland and tree establishment are realised, through the Nature for Climate Fund and into ELMS, it is vital that farmers and land managers are provided with high quality specific advice to help them make the optimal (financial and arboricultural) choices for their land and for society.
11. It is vital that the agencies work in close collaboration to not only ensure most effective and efficient delivery of the tree targets but also of the wider 25 Year Environment Plan ambition of nature's recovery. With this in mind it would be desirable for advice given on the optimal environmental use and management for a specific area of land to be the same, irrespective of the agency giving that advice. Reaching this endpoint demands close working in the development of joint training and better operational guidance, including evidence-based decision support frameworks, all of which Natural England and Forestry Commission are already working together on.
12. Whilst there is an understandable focus on tree and woodland establishment it needs to be recognised that in some cases delivery of 25-year plan ambitions for the restoration of important priority open habitats will require tree removal. Currently, unless on a SSSI, tree removal of this type requires compensatory planting which acts as a deterrent to delivery of Government ambitions for nature recovery. The requirement for a more joined up implementation of policy on compensatory planting needs to be addressed.

**Why were previous ambitions for increasing tree planting in England not met and what lessons should be learned?**

13. There are a number of reasons that tree planting rates are currently low:
  - There are market failures with regard to the delivery of public goods. Woodland can deliver a whole range of public benefits including carbon sequestration, flood protection, nature's recovery and improvements to health and wellbeing. Whilst the carbon market is now developing other public benefits are still largely unrewarded meaning that there is no financial incentive for the creation and management of woodlands delivering them.
  - The agricultural subsidy framework associated with the Common Agricultural Policy and the Pillar 1 Basic Payments Scheme (BPS) has effectively underwritten unprofitable farming systems. This has meant that land managers, in areas most suitable for tree establishment, haven't been provided any financial incentive to change or diversify their farm business. This situation is further compounded by woodland being ineligible for BPS so conversion from agriculture to woodland results in financial loss.
  - Woodland creation constitutes a long term and permanent land change. Landowners are reluctant to plant woodland for fear of restricting their flexibility to reinstate the land back to some other land use system if the need or financial opportunity arises.

- Whilst incentive schemes have been available there has never been investment in the development of a pipeline of prospective applicants, through proactive engagement with landowners helping them to see woodland, wood pasture or agroforestry approaches as a valid component of their business.
- Deer and squirrels have been a block to woodland establishment through their browsing and ringing respectively which also deleteriously impacts the condition of existing woodland. Squirrels make the growing of productive hardwood very difficult and cause significant damage to young trees. Deer can simplify woodland structure by preferentially browsing seedlings or regrowth of certain palatable tree and plant species, impacting the diversity and resilience of woodlands to climate change, pests and pathogens. Heavily impacted woodlands are less likely to be able to sequester carbon or intercept water flow and processes such as natural regeneration within woodlands is impeded. Deer make the establishment of woodland through natural colonisation difficult if not impossible in some areas of the country.

14. Looking forward lessons we can learn from this include:

- Addressing the market failures set out above. This needs the development of new incentives and a recognition that commercial timber production will not be applicable in all situations both in its attractiveness to potential applicants and in its ability to deliver optimally for key public goods.
- It is important that we acknowledge that addressing this target is as much about people as it is trees. Farming is about to go through the biggest change in a generation but farming is more than a business, it is a culture and a way of life. Helping farmers, especially small to medium sized family farms, work through the changes will require skilled advisers who understand the farming systems, the existing and potential ecological interest of the land and the best means of realising that from the full range of options available be they woodland creation, peatland restoration or something else. Increasing woodland coverage as well as the number of trees outside woods in hedgerows, wood pastures and the public (and private) benefits derived from these can be part of the way forward and helping farmers to understand how this can work within their system will play a vital part in increasing England's woodland and tree cover overall as well as enabling recovery of nature.
- We need action, supported by appropriate funding, to address the deer and squirrel issues. Research into ways of reducing squirrel numbers through fertility treatment is underway and this needs continued support. Deer impacts cannot, except for a few sites with specific species, be addressed on a site basis. We need a step change in the action to manage deer at a landscape scale. This means incentives to encourage collaborative working between landowners and a review of legislation to address current shortcomings and to better address situations where serious deer impacts are occurring.

**In relation to increasing tree planting in England, what should the Government be trying to achieve? For example, how should the following policy objectives be prioritised?**

- **Mitigating or adapting to climate change;**
- **Promoting biodiversity and nature recovery;**
- **Increasing biosecurity and plant health;**
- **Improving human well-being and health;**

- **Protecting natural and cultural heritage;**
- **Food security;**
- **Creating commercial opportunities from forestry, tourism and recreation; and**
- **Any other priorities?**

15. These policy objectives can be complementary and work together to address the twin challenges of climate change and biodiversity loss represent which are ‘two sides of the same coin’. Well-targeted and designed woodlands of all types will deliver a high carbon benefit. Woods close to where people live will deliver public wellbeing, carbon and nature benefits. The challenge is to address the market failure and incentivise this type of woodland rewarding land managers for producing a wide range of public benefit.
16. The woodland expansion agenda needs to be viewed through the lens of the 25 Year Environment Plan. Woodland and forestry can deliver multiple environmental and social benefits and it is important not to view them in isolation. We need to ensure an integrated approach to policy making (for example supporting outcomes and ambitions of the England Peat Strategy and Nature Strategy) and delivery in a place.
17. The UK is the 2<sup>nd</sup> largest net importer of timber in the world. There is clearly a need to increase UK production of sustainable timber products. This could be achieved by the creation of genuine multifunctional woodlands, using wherever possible continuous cover production methods and through increased diversity in the market to increase the sustainable management of existing woodlands. A desire to increase timber production should not be seen as licence to revert to poor forestry practice.

### **Are the right policies and funding in place to appropriately protect and manage existing woodlands in England?**

18. There is good protection for both ancient and SSSI woodlands. However, the ancient woodlands definition only covers woodlands in existence before 1600 which is an arbitrary cut off in terms of ecological value. Further woodlands are arguably underrepresented in the SSSI series. So, whilst the protection is good for designated woodlands there are many non-designated woodlands of high ecological or social value which have only a basic level of protection.
19. Current payment rules prohibit payment of full cost which is an issue for smaller woodlands where desirable management is not commercially viable. This is another example of market failure associated with woodlands.
20. As noted previously, deer are a major issue for the condition of woodlands in England. To deliver better deer management in England there is a need for policies that help build a better evidence base, increase capacity in the sector, develop incentives to undertake deer management and build a better UK wild venison supply chain. Natural England are working closely with Forestry Commission on this work area.

### **How will prospective changes to policy and legislation effect this?**

21. Increasing the number of woodlands protected by the ancient wood land definition and expanding the SSSI series would increase the number of woods protected.
22. Reviewing both the deer and wildlife legislation with regard to deer could help with their proper management through helping resolve situations where unwillingness to manage deer is causing severe impacts to existing woodland or preventing the establishment of new or in situations where standard management practices are not sufficient.
23. Embarking on an ambitious planting programme presents a good opportunity for a thorough review of the Forestry Act to ensure that it is fully up-to-date and focused on the delivery of the wide range of public benefits that trees can deliver for society.

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