Official Report
Aithisg Oifigeil

DRAFT

Rural Affairs Committee

Comataidh nan Cùisean Dùthchail

Wednesday 23 September 2026

Session 7

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Wednesday 23 September 2026

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RURAL AFFAIRS COMMITTEE
5th Meeting 2026, Session 7

CONVENER

*Mark Ruskell (Mid Scotland and Fife) (Green)

DEPUTY CONVENER

*Andrew Baxter (Skye, Lochaber and Badenoch) (LD)

COMMITTEE MEMBERS

*Dawn Black (Angus North and Mearns) (SNP)
*Finlay Carson (Galloway and West Dumfries) (Con)
*Jamie Langan (South Scotland) (Reform)
*Laura Mitchell (Moray) (SNP)
Emma Roddick (Inverness and Nairn) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Professor Roxane Andersen (University of the Highlands and Islands)
Jim Fairlie (Minister for Agriculture, Marine and the Islands)
Andy Ford (Cairngorms National Park Authority)
Professor Simon Girling (Scottish Government)
Stuart Goodall (Confor)
Peter Hutchinson (NatureScot)
Richard Lindsay (International Union for Conservation of Nature)
Paul Lowe (Scottish Forestry)
Grant McLarty (Scottish Government)
Simon Ritchie (Woodland Trust Scotland)
Andy Rockall (Community Woodlands Association)

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Rural Affairs Committee

Wednesday 23 September 2026

[The Convener opened the meeting at 09:03]

Decision on Taking Business in Private

The Convener (Mark Ruskell): Good morning, and welcome to the fifth meeting in 2026 of the Rural Affairs Committee. Please ensure that all electronic devices are switched to silent.

We have received apologies from Emma Roddick, who might be able to join us later.

Agenda item 1 is a decision on taking business in private. Item 7 is consideration of evidence that we will hear from our witnesses this morning on forestry and then on peatlands. Item 8 is consideration of our work programme. Do members agree to take items 7 and 8 in private?

Members *indicated agreement*.

Subordinate Legislation

Welfare of Equidae Code of Practice (Revocation) (Scotland) Notice 2026

09:04

The Convener: Agenda item 2 is an evidence session on subordinate legislation. This notice seeks to revoke the 2009 code of practice. The Scottish Government also published guidance that would replace the code in August 2026. The document is subject to affirmative resolution, which means that it is for the committee to recommend to Parliament whether the notice should be approved.

I welcome the Minister for Agriculture, Marine and the Islands, Jim Fairlie, and, from the Scottish Government, Professor Simon Girling, veterinary adviser, and Grant McLarty, solicitor. Minister, I invite you to make a short opening statement about the instrument. After that—you know how it works—members will have the opportunity to ask you some questions before we move to a formal debate, if required, on the motion.

The Minister for Agriculture, Marine and the Islands (Jim Fairlie): Thank you very much, Presiding Officer—I mean convener. It has been a while since I was here. Thank you for taking time to consider this instrument.

On 25 August, the Scottish Government published comprehensive new guidance on the welfare of equids, which is now available on the Scottish Government website. The guidance replaces the 2009 “Code of Practice for the Welfare of Equidae”, and revocation of the 2009 code is sought in order to avoid confusion and to ensure that owners of equids are following the most up-to-date advice and management practices. We published the new guidance because animal welfare knowledge, equid-friendly management practices and science have moved on considerably since 2009. Research has deepened our understanding of equid behaviour, mental wellbeing and what equids need in order to experience not just a life worth living but a genuinely good life.

The new guidance reflects the modern evidence base and ensures that owners and keepers can access clear, current advice that is aligned with best practice. Its development was a collaborative exercise between the Scottish Government and the Scottish equid sector, and it incorporates the latest expertise from leading veterinarians, allied professionals and equid specialists, as well as expertise that simply did not exist in its current form in 2009. The new guidance sets out core principles that are based on the evolutionary

needs of equids, recognising that horses, donkeys and their hybrids require social bonds, freedom of movement, appropriate safe forage and the opportunity to express their natural behaviours. The guidance provides practical advice to all those responsible for equids, with the aim of ensuring that they experience a good life that is worth living at every stage.

The Government has introduced guidance instead of a replacement code because, as we have seen, the research base and expertise evolve and statutory guidance can adapt quickly when evidence, best practice and legal requirements that improve the welfare of equids change. What is considered to be good practice in the area of animal welfare is constantly changing, and it is important that the information issued and requirements made by the Government are kept up to date. I highlight to the committee that the replacement of a code of practice with statutory guidance has occurred previously in relation to meat chickens in 2019, laying hens and pullets in 2020 and pigs in 2023, so this is not a new approach.

The existing code was made under section 37 of the Animal Health and Welfare (Scotland) Act 2006, whereas the legal basis for the recently published guidance is section 38 of the same act. It is worth clarifying that, regardless of whether it is presented as a code or as guidance, the content of these documents is advisory in nature and neither a code nor a guidance document contains legal requirements. However, just like the code that it is intended to replace, the guidance provides recommendations for compliance with animal welfare laws, and it may prove useful to the courts in the context of criminal prosecutions. The guidance may be particularly relevant in the context of establishing whether liability arises under section 19 the 2006 act, in relation to the offence of causing unnecessary suffering to animals, or section 24, in relation to the offence of failing to take reasonable steps to

"ensure that the needs of an animal are met by the standard required by good practice"

That is a really important line.

Accordingly, the guidance may be used by courts in the same way as a court may choose to use a code of practice. The new guidance represents a significant step forward in supporting Scotland's equid sector to meet both its legal obligations and higher aspirations for animal welfare, and I am very grateful to the sector for the key role that it played in the development of the guidance.

I appreciate that we have limited time, so I will close my remarks and take any questions that the committee might have.

The Convener: Thanks very much, minister, for that useful introductory statement. I ask you to reflect on whether it might have been better for the committee to have had a more detailed policy statement in advance of the meeting, but I very much welcome what you have put on the official record. We will move to questions from members.

Finlay Carson (Galloway and West Dumfries) (Con): I want to go back to the question that is always asked: why replace a code of practice with guidance? Can you point to one example where the welfare of horses and so on would be better protected under non-statutory guidance than through a code of practice that would be subject to the scrutiny of this Parliament?

Jim Fairlie: The important thing to remember is that neither the guidance nor the code has legal effect. The legal effect comes when the court deals with a prosecution. The line that I highlighted to you in the Animal Health and Welfare (Scotland) Act 2006 concerning the offence of failing to take reasonable steps to

"ensure that the needs of an animal are met by the standard required by good practice"

is the relevant one, along with the wording in section 19 on the offence of causing unnecessary suffering to animals. Those are the bits that the courts will use to decide where they go with any prosecution that is put in front of them—it is up to the courts to decide.

Finlay Carson: Yes, but the question is, why go for non-statutory guidance rather than a code of practice? Given that the code of practice is approved by Parliament, why would horses be better protected under non-statutory guidance? Why choose guidance over a code of practice?

Jim Fairlie: As I said, neither the code nor the guidance is a legal requirement, so the position is exactly the same. Grant McLarty will correct me if I am wrong, but the position is exactly the same whether it is in guidance or a code. If there is a prosecution because somebody is not looking after the welfare of their animals, the decision about what to do will be for the court, whether it refers to a code or to guidance.

Finlay Carson: I get that, but the point of the question is, why move away from a code of practice that this Parliament gets the opportunity to scrutinise? We also get to see the consultation responses, which are lacking in relation to the guidance. There is no indication of whether those who are looking after horses, donkeys or whatever responded to the consultation on the guidance. We do not know who was asked, whether anybody responded or whether those responses were supportive or otherwise. What is the difference about having guidance that makes you go for that rather than a code of practice?

Jim Fairlie: In terms of how the process functions, from the Parliament's point of view, if you have a code, you have to go through the entire process, so you do not have the flexibility and nimbleness to be able to respond quickly. As you can see, the code was set in 2009. It is now 2026 and a lot of changes have happened over the intervening period, which is why the guidance was developed in the first place. I take the point that you are making, but the guidance gives us more flexibility to get the kind of welfare changes that we want to see in place more quickly.

With regard to the consultation with those who are involved, I think that I made it quite clear in my opening statement that the proposal has been developed in full conjunction with the sector. The sector itself wants to be held to the highest standards of animal welfare. There is nothing being hidden here. There is nothing that is not being done to benefit the animals that we are trying to protect.

I take the point that you are making, but the point of what we propose is to ensure that we are nimble in our ability to put protections or guidance in place as quickly as we can.

Grant McLarty (Scottish Government): The minister was invited to clarify the legal position, so it is perhaps worth saying that codes of practice and statutory guidance are both available as a means of issuing non-binding advice under the Animal Health and Welfare (Scotland) Act 2006. Section 37(9) of that act says that, in any proceedings for an offence under the act,

"failure to comply with a relevant provision of an animal welfare code may be relied upon as tending to establish liability",

whereas

"compliance with a relevant provision of an animal welfare code may be relied upon as tending to negative liability."

There is no such express provision in relation to statutory guidance under section 38, which is what has been published. However, notwithstanding the lack of express words in the 2006 act, a court would be entitled to make reference to the guidance, as the minister says, in the same way.

The guidance itself includes text advising that it may be considered relevant by the courts in any prosecution of offences under sections 19 and 24 of the 2006 act. That is where there is similarity between the two types of document.

The Convener: Okay. That is useful. Andrew Baxter, do you want to come in?

Andrew Baxter (Skye, Lochaber and Badenoch) (LD): Finlay Carson has slightly touched on the area that I would like to concentrate on, but I will say that it is somewhat unusual that neither the committee nor individual members have received correspondence from the sector on the new guidance. That means either that the sector is completely satisfied or that there is a lack of knowledge of the new guidance among the public. Could you provide more detail of the collaboration with the sector and of the wider consultation beyond veterinary advice and the views of the National Equine Welfare Council, so that we can be satisfied that the new guidance has received the public scrutiny that it deserves outside Parliament?

09:15

Jim Fairlie: Simon Girling will be able to answer that question better than me, as he has had more contact with people in relation to the instrument.

Professor Simon Girling (Scottish Government): We went through a fairly lengthy process involving people who were not just from the veterinary and academic side of things but included representatives from the British Horse Society and welfare organisations, as well as nutritionists and so on, so it was a large committee that drew up this guidance, with our help. That process went on for the best part of a year. At the beginning, we made sure that the make-up of the committee was appropriate and covered all the areas that we thought needed to be covered in order to write authoritative guidance.

The feedback that we have had from the equine industry and from private horse owners is that this guidance is the best that we can produce on the current evidence and knowledge that we have about equine welfare. Individuals raised issues such as the plucking of hairs from horses' tails, and we made sure that that particular issue, which was raised a couple of months in, was included in the process, because there was evidence in peer-reviewed journals about the importance of having a full tail and mane for natural equine behaviours.

We took a fairly in-depth approach to setting up the committee, to ensure that its composition was correct and represented all the different sectors. We made sure that there was consensus on the committee about the final version and that everyone agreed to it. The feedback that the animal health and welfare division has received from all the sectors so far has been very positive. The guidance has been warmly received.

I hope that I can allay any fears that the equine sector is not fully aware of the guidance. Indeed, it approves of it and thinks that it is a significant step forward. However, because of the guidance committee's suggestion, we have also taken a further step that involves not only clearly defining what good practice is—that is, what you should be doing in order to stay within the requirements of

the act—but also including aspirational welfare standards. Effectively, we have signposted the direction of travel in relation to equine behaviour and have indicated that we expect the guidance to be updated regularly as new evidence comes along in the areas in which there is ongoing research that might well change the definition of good practice in the guidance. That is a bit of a new step when it comes to what is included in guidance, but, following the great amount of effort that was put in by members of the guidance committee, we have had full sign-off from all members. There was an agreed consensus in what was a large committee.

The Convener: Thank you for that. It would have been good to see that evidence on stakeholder engagement replicated in the policy note in advance of the SI being considered by the committee.

Jim Fairlie: On that point, if we are doing anything further in relation to changes of this sort, I will endeavour to make sure that the committee is well aware of all the work that is going behind the scenes. I cannot promise that that will be done, but I will certainly endeavour to ensure that that happens.

The Convener: I appreciate that offer, minister.

I have a final question, which concerns the Government's wider work on animal licensing. I believe that the consultation in 2023 included proposals to introduce licensing of livery services and updated licensing for riding establishments. Can you give us an update on where that piece of work currently sits?

Jim Fairlie: Again, I ask Simon Girling to comment on that.

Professor Girling: Those proposals are on the work schedule at the minute. We have started the process, but there has been a bit of a hiatus in relation to dealing with the European alignment work, which has occupied a significant chunk of time. The European Union has extended the remit of those provisions, and farm welfare is now included alongside welfare in transport and welfare at the time of killing, which has meant considerable extra work for the legal team and the policy team.

The proposals are on the list, and the intention is to progress that work as soon as we possibly can, because we know that that licensing is needed.

The Convener: Excellent. It would be helpful if this committee could get updates on that, so that we can plan our work.

My final point concerns your correspondence with the committee, minister. You wrote in August, apologising for the late notification of this SI to the committee. One of the reasons that you identified for that was that there were administrative difficulties within Government. It is not for this committee to speculate what those might have been—whether they were around work planning or training around parliamentary guidance and protocol—but I ask you again to reflect on those administrative challenges in order to ensure that we can work with you effectively in line with the appropriate timescales.

Jim Fairlie: I have gently asked that the administrative error does not happen again.

The Convener: Thank you, minister.

Our next item of business is the formal debate on motion S7M-01087, in the name of Jim Fairlie, recommending that the committee approve the Welfare of Equidae Code of Practice (Revocation) (Scotland) Notice 2026.

Motion moved,

That the Rural Affairs Committee recommends that the Welfare of Equidae Code of Practice (Revocation) (Scotland) Notice 2026 (SG/2026/193) be approved.—[*Jim Fairlie*]

Motion agreed to.

The Convener: The committee will report its decision to the Parliament. I thank the minister and our witnesses for attending.

Charges for Residues Surveillance Amendment (Scotland) Regulations 2026

The Convener: Agenda item 4 is consideration of a negative instrument, which will come into force unless the Parliament agrees a motion to annul it. No such motion has been lodged. The Delegated Powers and Law Reform Committee has made no comment on the instrument. Do members have any comments?

As we have no comments, do members agree that we do not wish to make any recommendations in relation to the instrument?

Members *indicated agreement*.

The Convener: I suspend the meeting briefly to enable witnesses for our next agenda item to come into the committee room.

09:23
Meeting suspended.

09:26

On resuming—

Forestry

The Convener: Agenda item 5 is a panel evidence session on forestry. We have scheduled around an hour and 20 minutes for this discussion. We will then take a short comfort break, which will be followed by a panel discussion with stakeholders on peatland and peatland restoration. To keep us on time, I would be grateful if questions from members and answers from our witnesses could be as concise as possible.

Members have agreed to hold sessions on key topics in our remit, and part of that work is to help to set the scene for the development of the committee's work programme over the next five years, as well as to cover key topics that are introduced by the Scottish Government's programme for government and the upcoming budget.

I will briefly introduce the witnesses before moving to questions from members. I welcome Stuart Goodall, chief executive of Confor; Paul Lowe, chief executive of Scottish Forestry; Simon Ritchie, policy and advocacy manager for Woodland Trust Scotland; and Andy Rockall, chief executive of the Community Woodlands Association. Before we begin, I remind you that you do not need to operate your microphones, as broadcasting will do it for you.

I invite questions from members.

Dawn Black (Angus North and Mearns) (SNP): Welcome, everyone, and good morning. Considering the current focus on public service reform, will you comment on the proposals to consider including Scottish Forestry in the merger of NatureScot, the Scottish Environment Protection Agency and Zero Waste Scotland? In relation to the investigation of the consolidation of public bodies that are involved in the management of public land assets, what are your views on the direction of travel?

Simon Ritchie (Woodland Trust Scotland): The Scottish Forestry proposal is deeply worrying. We all understand the need for public service reform in one degree or another, and we understand the pressure on public finances, but on the proposal to potentially include Scottish Forestry in that merger, the case has not been made at all. We are deeply worried that the functions of Scottish Forestry, the policy specialism, the technical expertise and the staff capacity in the technical area of woodland creation and management could be lost. In the absence of more information from the Government and concrete guarantees that that would all be retained, we cannot support that.

Stuart Goodall (Confor): We share the views of Woodland Trust Scotland on that issue, and we have written a joint letter to the relevant cabinet secretaries to make those points.

From a business perspective, for the past 30 to 40 years, forestry has been built on the foundations of sustainability and the concept of managing economic, environmental and societal or community benefits. We have detailed management standards for that—the United Kingdom forestry standard, which operates in Scotland and across the UK. It is incredibly detailed. If you take the standard and all the documentation that underpins it, in physical terms, you would be looking at something about five inches high, in old money.

09:30

The responsibility for applying that standard sits with Scottish Forestry, alongside the ability to approve all planting and harvesting of trees and, through the forestry standard, to determine how forests are managed in the period in between. That gives the Government department in question huge powers, influence and control.

Our concern is about what would naturally happen over time if we take a small department with broad sustainability responsibility and place it into a superagency on the environment, where the staff would be 8 per cent of the total staff, based on current numbers. We do not believe that that would be protected, and we think that the balance of sustainability outcomes would be materially affected.

Obviously, that would take time to play out if it went ahead but, from speaking to member businesses that I represent, I am certain that they would see that as having a huge impact on their confidence to invest in woodland creation and in their businesses for management and for the use of Scottish timber. That confidence would take many years to recover, even under the best-case scenario.

Andy Rockall (Community Woodlands Association): I share those concerns, but I have a slightly different perspective. Scottish Forestry has a distinctive pragmatism. From the perspective of community woodlands looking to agencies, Scottish Forestry is very supportive, which is much appreciated. I would not be content to see that diluted or lost if it was moved into a superagency.

Paul Lowe (Scottish Forestry): I am in a slightly different position, because I am a civil servant, so I am limited in commenting on ministers' policies. Last week, at the Climate Action Committee, the Cabinet Secretary for Climate Action and Rural Affairs set out some of

the tests for and considerations around whether Scottish Forestry would go into the new environment body. The cabinet secretary is still working through the factors, such as whether it will deliver better outcomes, what it will mean for the operational delivery of the organisation and the service to the citizen, and whether it will achieve the objectives that are set out more broadly for the new environment body. When pressed, there was also consideration about a fourth test, on retention of skills and expertise.

Ultimately, there is opportunity in change and risk in change. If changes are made to Scottish Forestry, careful management would be required not to lose the momentum that is being built. I know that ministers are carefully balancing those issues.

Andrew Baxter: I want to follow up on Mr Goodall's comments about loss of confidence in the industry. Does that mean that we are already seeing delay in industry investment decisions? Public sector reform is likely to be a lengthy process and we have no certainty on the timescale. How long would a delay in any certainty on this area have to be before it led to a crisis of investment in the industry?

Stuart Goodall: That is an interesting question. Obviously, there is an element of speculation. However, when the announcement was made, I spent a lot of time talking with businesses of different scales in the sector, and every one of them reacted with horror—that would be the best description. I do not think that I am overplaying their response by using that term.

To refer to what I said earlier, I would argue that forestry is more highly regulated, in every aspect of its operation, than any other sector that I can think of. Government policies, incentives, regulations and standards, as well as the funding that is made available, all have a direct and early impact on the sector.

I will give some examples of what the businesses that we are talking about scale up to. Large sawmills look at investment of between £70 million and £80 million when they upgrade or create a new sawmill. For a wood panel mill, which we have a few of, it would be between £130 million and £140 million—and they are looking at a return over 25 to 30 years. Smaller businesses would maybe look at shorter periods, but not by much.

Those businesses simply cannot see moving from a known organisation, which understands and supports economic outcomes, jobs and local community, to one that is absolutely and overwhelmingly dominated by organisations whose purpose is environmental regulation and promotion of biodiversity alone, as a positive thing. That is their whole view. It would, therefore, have early impact. The point is that, even under a best scenario, in which everything was done to protect the purposes and operations of Scottish Forestry in a new organisation, it would take years for it to be proven that that was the case. Investment would be hit immediately, and that would become cumulative.

Without opening up another strand of discussion, over the next 20 to 30 years, Scotland will have more timber than it currently has. There is a huge opportunity. However, this change would destroy people's confidence to invest and to take advantage of that, and probably even their confidence to maintain current levels of activity.

I am in no doubt that we would see significant reduction in capacity, activity and jobs over the next five to 10 years, preceded by a reduction in investment almost immediately.

The Convener: Simon, do you want to come in on that?

Simon Ritchie: Yes, please. I will expand on what Stuart Goodall said about investor confidence.

We have done a lot of joint working on budgets in the past couple of years—such as on the forestry grant scheme budget—which we hope has made clear our common vision for sustained, long-term, uplifted funding for forestry and woodland.

Fundamentally, Woodland Trust Scotland is an environmental charity with a focus on woods and trees. We have so much common cause with the commercial forestry sector. None of these issues are binary in relation to the UK forestry standard. Forestry is a spectrum, with different objectives, perhaps, in different places. In many of our sites, for example, the objective is to restore ancient woodland and to restore woodland for people and for nature. Then we have a spectrum that goes all the way through to timber production. It really is a spectrum: it is not an either/or, nor is it a case of us and them.

On Stuart Goodall's comments about investor confidence, I make the point that we share so many of the same parts of the supply chain, from nursery-grown trees and tree seed collection to contractors who plant trees, timber transport and machinery. We share all of that on our sites, and it is part of responsible native woodland management as well as commercial woodland. When Stuart talks about confidence, that is just as important whether we are in the native woodland or the conservation sector.

Andrew Baxter: What is your one-line message to the Government, Stuart? Is it that it should simply leave Scottish Forestry alone, or is it that, if

it is going to do it, it needs move at pace, as quickly as possible, in order to restore that confidence?

Stuart Goodall: If we had a choice, our preference would be for the status quo. If there were a determination, as part of public sector reform, to reduce the number of public bodies, our advice would be to keep Scottish Forestry intact and seek to move it—to lift and shift it into Scottish Government, for example. We see that as the kind of activity that would provide reassurance to the sector that there will be the minimum amount of disruption. I do not believe that proceeding at pace would make a significant difference.

The Convener: I am interested in your analysis of previous public sector reforms, particularly in Wales, where I think that Forestry Commission Wales was brought into Natural Resources Wales. Paul Lowe, what are your thoughts on the benefits, disbenefits and challenges that that brought?

Paul Lowe: A number of forestry challenges arose with the creation of Natural Resources Wales. The organisation was created in 2012 or 2013, and the challenges that it faced were compounded by austerity at the time and the need to reduce head count a few months after its creation. Therefore, a number of reportable issues took place.

The fact is that Wales undertakes considerably less woodland creation than Scotland does. In the year running up to the agency's creation, people were doing 1,000 hectares a year; in the following two years, the figure dropped to 100 hectares a year, and it took about eight years to get back to the level that had been reached before the organisation was created. There were reports and feedback that the organisation had lost a lot of professional forestry skills. People left before the organisation was created, or shortly afterwards, and that obviously had an impact on resource and capacity.

Regardless of whether Scottish Forestry joins it, the model being proposed in Scotland is not identical to that of Natural Resources Wales. There are some additions in the Scotland model, but there are some parts that were included in NRW that have not been included in the proposed environment model. Certainly ministers are very conscious of the experience of Natural Resources Wales and the political views that have been expressed about it at various stages over its lifespan, including in elections to the Senedd and in party manifestos. The Scottish Government has been talking to the Welsh Government about all of that and, if it goes down that route, its intention is to be informed by the lessons learned from the Natural Resources Wales experience and to develop a change process that would factor in those considerations and mitigate those risks as much as possible.

The Convener: What concerns do you have at the moment? Are you concerned about, say, a reduction in head count?

Paul Lowe: There has been no indication of that at the moment. In the conversations that I have heard, and in the various committee meetings at which I have heard ministers speak, the focus has been on creating a new combined organisation that will provide a synergy: bringing together different areas of work and expertise to address the significant environment and climate challenges that we face and using those skills and that expertise in a more cohesive and integrated way to improve decision making, whether it be on regulatory activity, permitting, grant giving or various other activities.

My understanding is that all of this is coming from the direction of how a new model might improve the delivery of services rather than from any budget considerations. That said, the First Minister has spoken of the financial challenges that the Scottish Government faces. It needs to be said that any solution has to be fiscally sustainable, but I have heard no suggestion that cuts will be made in the organisation. There is, more broadly, a recognition from ministers that, with the breadth of public service reform, there will be opportunities to rationalise back-office functions and corporate services activities that, over time, might allow savings to be realised.

The Convener: Would other witnesses like to comment?

Simon Ritchie: It is always helpful to look furth of Scotland to see what other people are doing, how that is going and what the actual outcomes look like versus the intended outcomes. The kindest description that I have heard of Natural Resources Wales is that it has been disappointing, and I have heard a lot of other comments that are not fit to be uttered in the *Official Report*.

A Senedd committee report a couple of years ago on the performance of Natural Resources Wales described it as having

"been in a constant state of flux since its creation"

in various different ways, and noted that

"Between its creation and 2020, NRW's budget had been reduced by over a third."

I think that the proof of the pudding is in the eating. Paul Lowe mentioned the performance on woodland creation, which is a core function of the forestry agency—or the forestry arm of Government in whatever configuration it might be—and I would just repeat that, in the first year of NRW, woodland creation fell by about 90 per cent,

from about 1,000 hectares in a year to about 100 hectares.

That is deeply concerning. I am sure that we do not need to remind anyone in this room or in this Parliament that Scotland is in a nature crisis and a climate crisis. Woodland creation and expansion have been identified as a solution to both, as well as a way of supporting the rural economy, community wealth building and many other agendas.

09:45

The picture is very troubling when we look at Wales. Taking the focus away from delivery, which we agree should be the singular focus of Government over the next five, 10, 15 or 20 years, would be a bad idea. We need only look to Wales to see how things can go wrong.

Stuart Goodall: I had the misfortune—that is probably the best way of phrasing it—to be involved in working with the Welsh Government at the time when NRW was being debated and then developed. We raised significant concerns at that time. We have since seen the impacts of that merger.

Similarly, the organisations that were involved in the merger were different and had different scopes and remits. Warnings were given that, because of short-term distractions and longer-term priorities, forestry would effectively be lost within the larger organisation. We were told that all those concerns were understood and noted, and that they would not happen. However, on the delivery side, since NRW was created, woodland creation has delivered only 18 per cent of the Government's target each year. In Scotland, we are at 73 per cent.

In Wales, the public forest estate was seen as a cash cow to balance annual budgets, so huge areas of the public forest estate were harvested and then simply left unmanaged for biodiversity, productivity or public access. As a result, there is now a huge backlog problem. Much of that stems from the fact that, when the new organisation was created, it was overwhelmingly focused on environmental regulation rather than forestry. That was compounded by forestry staff, who were professional foresters, wanting to be part of a forestry organisation. When it stopped being such an organisation, they left. They have transferable skills. I cannot imagine why anything would be any different in Scotland, given those same fundamental issues.

That brings me back to confidence. In Wales, confidence in the sector was hit massively. Investment fell, sawmills closed and businesses in Wales still talk about the merger as having been a disaster.

The Convener: Andy Rockall, have you any reflections on that?

Andy Rockall: To put it bluntly, I am struggling to see a good reason for the merger from the perspective of communities—it just does not make sense. There would be a loss of connection with local woodland officers, as well as loss of the expertise and history that have been built up between communities, those offices and their offices.

From a community perspective, there is also concern about funding. Scottish Forestry currently provides a community fund, and there is concern about its future. It is a matter of record that our largest source of income is Scottish Forestry, and that income is deeply appreciated. For our organisation, that raises questions about how we will support our member groups if that funding stream moves into a big organisation.

A range of questions exists at the national and strategic levels, and across the private and third sectors.

The Convener: My final question is about the other aspect of public service reform, which is the management of assets that are in public ownership and their consolidation.

Andy, you represent community woodland associations. The committee has seen how FLS land is being transferred successfully to a number of communities. Do you see opportunities or threats arising from consolidation of the management of land that is in public ownership, or can communities still have a role to play in that?

Andy Rockall: Through the consolidation of the agencies?

The Convener: Yes.

Andy Rockall: I cannot see how it would maintain the same rate of transfer of ownership and management to communities. For the same reasons, and given the concerns about meeting tree-planting targets amid the distraction of consolidation, I am not sure how that rate of transfer of public assets into community management could be maintained.

In the consolidation I do not see an opportunity to increase transfers. From a community perspective, the process for taking over public assets is long winded. There are good reasons for that, from the perspectives of both the public sector and the third sector.

The short answer is no, I do not see a benefit from consolidation of the agencies in that regard. Being able to deal with Forestry and Land Scotland as it is currently, which is not part of this conversation, is beneficial, and having a direct link

through Scottish Forestry, which supports it, is good at the moment.

Simon Ritchie: I do not disagree with that. There is no clear benefit. My understanding is that Forestry and Land Scotland is not part of the proposed merger.

Paul Lowe: There is still work to be done to define what that commitment means and what it encompasses. It could be incredibly broad ranging. It is hard to comment at the moment, given the amount of detail that is available. Many organisations, including Forestry and Land Scotland, Crown Estate Scotland, national health service boards and local authorities, own land assets, so it all requires definition.

Finlay Carson: Forestry and woodland are far more significant in Scotland than in Wales. The merger in Wales has been a disaster. Given the inevitable disruption that public sector reform will cause, what is your one ask of Government to mitigate any loss in confidence or undermining of woodland creation and forestry jobs between now and whatever the end point of public sector reform might be?

Stuart Goodall: I will kick off. We have only one ask: do not merge Scottish Forestry with an environmental superagency. As I said, anything other than retaining the status quo or adopting some lift-and-shift mechanism will have massive impacts on business confidence. I cannot see anything that would mitigate those.

I have been asked that question by civil servants. The people who are involved would have to believe that, somehow, things were not going to get worse. Fundamentally, nobody believes that. Proving the alternative would take years, so I cannot see an alternative.

Simon Ritchie: The Government should reflect carefully on what questions it is trying to answer with the proposals and the inclusion of Scottish Forestry. The cabinet secretary took a very transparent approach when she gave evidence to the Climate Action Committee last week, when she explained that she had set herself three tests:

> "My first question is: will it improve operations for the bodies and deliver better outcomes? My second question is: will it reduce duplication of effort—backroom functions in particular—and save money … My third question … is: will it make it easier and simpler for clients".—[*Official Report, Climate Action Committee*, 17 September 2026; c 8-9.]

Having spoken to my colleagues here, in Woodland Trust Scotland and around Scotland, I do not think that any of those questions can currently be answered with a clear yes. My ask of the Government is that it reflects on what it is trying to achieve. Ultimately, our priority is to see more woodland of all types in Scotland for the benefit of people, nature, climate and the economy. Prior to the most recent election campaign, we set out our priorities for the new Scottish Government in a document called, "Mair Trees Please". However, nothing that I have read in the Government's proposals to date suggests that they will improve the situation, so we cannot support them.

We have the opportunity to meet the cabinet secretary in the near future, for which we are very grateful. We look forward to discussing the matter in more detail.

Finlay Carson: When it comes to planting targets, there is often a strong focus on the targets themselves and less discussion about the economic impact and outcomes of timber production and the important role that it plays in relation to rural jobs, local processing, future house building and so on. I do not want to focus too much on the targets, which we are not achieving, but what is the single greatest barrier to increasing planting rates in Scotland?

Simon Ritchie: It is clear that it is not the fact that we have a dedicated forestry agency. There are a number of reasons why the figures for woodland creation have been disappointing and have fallen short of the targets. In 2023-24, we came very close to meeting our targets—the closest that we have ever been—but there was a 41 per cent budget cut in the following year, so the numbers nosedived. There is a clear and obvious link between investment and delivery.

I will be interested to hear whether others agree with me, but I reiterate that there are a number of reasons for those figures. There have been slippages and administrative reasons for schemes not materialising from year to year. There are also workforce pressures. The average person in the Scottish forestry sector is a male in his 50s. There is massive grazing pressure, primarily from deer. There are also questions about whether the technicalities of the forestry grant scheme are aimed at delivering the schemes that we want. That is a detailed problem, but the other problems are of a higher order of magnitude.

Stuart Goodall: What is the one change that would allow us to deliver our targets? If we are to ever hit those, there will need to be a significant amount of large-scale woodland creation. By any stretch of the imagination, we do not have the capacity to achieve 18,000 hectares of planting a year through projects that create, on average, between 10 and 20 hectares of woodland. I do not mean to give any indication that those projects are not important—they are hugely important—but we have been successful in reaching targets when we have had large-scale schemes.

We can create woodland forestry in Scotland at scale, and we can do it really well. We know how to identify sites, and we have a robust regulatory

mechanism. As I said, we have the UK forestry standard. We have put a lot of work into developing stakeholder engagement guidance, so that people who develop large-scale projects, whether it be for commercial or native purposes, understand the process that is in place for undertaking good stakeholder engagement.

We provide training for people. As I have said to the committee in its previous guises, people get into forestry because they do not want to be in front of other people; they want to be out in the countryside. However, we ask them to deal with angry people, so we give them the skills to be able to deal with objectors. We are trying really hard to do the work responsibly, and I think that we can do it well.

To pick up on Simon Ritchie's points about capacity and expertise in Scottish forestry, I think that a bit of an adjustment process is needed. In the past, woodland officers in Scottish Forestry would take a facilitatory role in managing the applicant and stakeholders. However, given that the heat around woodland creation has increased, woodland officers have struggled to maintain that role. Our advice is that we need a process that is more akin to the planning process, which is more structured. There is good-quality engagement, but there is a defined period and also a process for it, which brings greater certainty for all parties—the applicant, the regulator and anybody who has concerns.

My plea is that we deliver large-scale woodland creation and the improvements in terms of predictability and process that will allow us to make that happen.

10:00

Paul Lowe: I come back to the point about sector confidence, which is absolutely key. The business model for forestry is different from those in many other business sectors. Landowners or investors have to purchase land with the intention of planting trees, and that process can take a few years to get under way. The realisation of profits in a productive scheme will come 30 or 40 years down the line. Although investment does not present as high a risk as it does in some sectors, the return on investment comes over a much longer time period.

There is a level of interest in increasing woodland creation in the private sector, but the budget reduction in 2024-25 was forced by a very difficult set of financial circumstances. The practical implications were that the capital budget for grants in that year was reduced by 58 per cent. When people plan to develop schemes over many years, that sends signals that impact on confidence. Certainty of outcome, which is ideally linked to multiyear funding that investors can realise and interact with, is really important, and not only in the woodland creation sector. The timber processing sector is looking for reliability of supply, so woodland creation is an important part of that equation.

If factors disrupt or interfere with the progress of that, that will have an impact. Stuart Goodall mentioned the scale of some of the investments. The top two or three companies in Scotland are looking at investing £400 million-plus in this country over the next few years. They are watching very carefully when they should deploy assets, but a range of other factors exists.

The other aspect that I will draw out is funding levels. The rate of grants per hectare in Scotland is a third of that in the rest of the UK. The return on investment that Scottish taxpayers get in woodland creation, when we are delivering 70 to 80 per cent of activity for the amount invested, is really high, but the reality is that inflation has continued to move.

The grant scheme is quite complex due to its links with agricultural systems, but we have made some changes. In order to offset some of the issues, we have introduced additional grant payments, including those under a riparian planting scheme, and we have prioritised funding in certain parts of the country, particularly for native forestry, alongside various other initiatives. We are currently discussing with ministers what further initiatives and developments we could introduce.

Those are two critical factors, but there is a range of others.

Laura Mitchell (Moray) (SNP): I want to pick up on Stuart Goodall's comments about community engagement and benefit, which I was quite interested in. My question is for everyone else. Do you agree with him, and how can we ensure that communities see tangible benefits as a result of the investment in forestry and woodland? The guidance was refreshed in 2025, so I am interested in people's views on that.

Andy Rockall: My perspective is that maximising community benefits from the national forest estate, through tree planting and woodland creation, is vital. The way to achieve that is by treating communities not as consultees but as partners and engaging with them at early doors, before the scheme is designed. You have to ask them, "Where would you like the trees? How do we work together to deliver our targets as planters and benefits for communities?" They are more than consultees.

Communities should have agency over their places, which would fit with the Government's

community wealth building agenda. Engaging with communities earlier and giving them real authority in scheme design would go a long way to mitigating some of the conflicts that have happened. Nobody supports conflict in tree planting, and those conflicts would go away if we worked with communities instead of coming and doing unto them, which is an issue in some areas.

Paul Lowe: Those two elements—community engagement and community benefit—are slightly different. As you said, we updated our guidance on community engagement quite recently. Confor, with some support from us, also developed training and guidance for the sector on how agents and landowners engage with the community as part of the development process.

When the schemes come to us, we look at the engagement that has been undertaken in the communities. When we approve schemes, we then put them out to public consultation as well. At both stages, we look at the comments that have been made and at what the developer has done to address those points and take them into account.

There is further work going on. For example, the Institute of Chartered Foresters is looking at further skills training for the sector in community engagement. We are also currently considering some technical and process changes. When we receive a fully completed application, we put it out to public consultation. We are improving our technology to make that more visible and to do it at an earlier stage and include much more of the information digitally online. The technology is currently a bit of a barrier—we publish the scheme but not the detail, and people have to contact us to request information about it. However, work is quite advanced on making changes that will allow that to happen.

Providing community benefit is always a bit more challenging—the classic example is wind farms, from which an income stream is derived—and practice is variable. However, we have started to emphasise where there are community benefit initiatives in our scoring and prioritisation for the forestry grant scheme, so that factors into our consideration. Benefits can include access—I am aware of plenty of examples, such paths and routes through forests. We know about the significant benefits of forests for health, both physical and mental, and there are various financial estimates around that. Forests provide nearly £30 million in mental health benefits—a recent report found that they provide £34.7 million in prescribing mental health benefits—and I think that the figure is about £170 million for the UK in terms of general exercise and activity benefits from forests. That is a practical example of people getting out and accessing forests.

In other cases, community benefit is about leasing facilities or areas of land back to the community. Some of the developers undertake such initiatives—they provide a building or location that the community can use for community activities in the forest. There are a range of examples. Community benefit is a challenging financial issue for developers and investors, but we are seeing evidence that it is being addressed in different ways in different parts of the country. More could probably still be done, but there is certainly evidence that it is happening.

Stuart Goodall: To pick up on that point, there is a direct link between community engagement and community benefit. As we have developed engagement guidelines and training—with the financial support of Scottish Forestry, as Paul Lowe said—that has led to the early discussions that Andy Rockall talked about. That is helping to allay fears, but it is also enabling opportunities to be identified. Those might be as simple as public access opportunities, but there have also been examples of local communities being able to take on and manage an area of land. We have also been talking to people about how to potentially link up new forests with wind farms to create cycle routes.

In all those instances, all that I can see is real interest from the woodland owners in being able to do that. Nobody is coming out of the process saying, “I don’t want to do it,” or, “How do I do the minimum?” There are limitations, but there is real interest, and we are really keen to develop that.

There is another important aspect with regard to good community engagement. A lot of misinformation comes out when there is a new woodland creation scheme, some of which relates to employment. I constantly hear, “Nobody works in forestry round here,” which must mean that nobody in Scotland works in forestry, because that is what I am told everywhere.

We have a report coming out in which Scotland’s Rural College has looked at the Eskdalemuir area. If I remember correctly, 82 per cent of the people working in and around the forest are based in the Borders or in Dumfries and Galloway, and most of them live very locally. I can give numerous examples of woodland creation schemes where people have said, “Nobody works in forestry round here,” but their neighbours work in forestry.

Forestry people tend not to speak up—they prefer to just get on with their life and do their own thing; so, when other people are angry, they just keep their head down. That is unfortunate, not just because it is not right for them; it goes back to the

point about community engagement and community benefit. If we are not encouraging people, and if they do not feel confident enough, to have those conversations, we do not realise the opportunities. In our experience, there is a real danger that those conversations are going to be damaged by a lot of the misinformation and media campaigns, which create division and conflict rather than conversations in those situations.

Andrew Baxter: I have a specific question for Mr Lowe. Is there not a significant mismatch between the policy framework that you have just outlined and the reality on the ground? We are seeing Forestry and Land Scotland restrict leisure access, in effect, because it does not have the funding to maintain tracks and path networks, and it is removing bridges in much of its forestry across Scotland.

Paul Lowe: Obviously, that is primarily a question for Forestry and Land Scotland, but all the organisations are having to manage within the budgets that they have, and sometimes that involves making choices.

More broadly, although Forestry and Land Scotland is a significant forest holder, the amount of land and forested land in Scotland that is held by the private sector is over 1 million hectares against about 468,000 hectares held by Forestry and Land Scotland. The broader picture of access is one of continuing improvement and of further community benefits being delivered and access being opened up more broadly.

Andy Rockall: We represent 140 community groups that own and manage woodlands across Scotland that, in aggregate, cover about 50,000 hectares, which is a tiny fraction of the land. However, the important aspect is that communities have agency—they determine what they want to deliver for themselves with the woodland and the land that they own and manage. For me, that is a prime consideration.

We talk—I can talk—about access or health benefits, but, in my view, it is for the community to decide on their place. That should be part of the early engagement. If the community says, “We want footpaths,” that is fine—there can be footpaths. If the community would like a health benefit or another social benefit of some sort, that should be part of the consideration. Nothing should be ruled out because of preconceived ideas about what forestry can deliver for communities.

Simon Ritchie: I agree with much of what the other witnesses have said. Fundamentally, people should benefit from the land around them and from whatever land use is under way, whether that is forestry, farming, renewables or any other form of infrastructure. I will not go too deeply into some of the other things, because that is beyond my remit.

Community engagement is incredibly important. I am from the south of Scotland, which is widely accepted to be the best part—I am joking, of course. The region is experiencing a lot of pressures on land use from various sectors. The land is expected to do a lot, and it is important that communities are not overlooked in that.

I applaud the efforts of Confor and the commercial sector in publishing the good practice guidance not that long ago. It is about giving communities and people agency over the land around them and a genuine sense of power over decisions that are made on design, accommodating their requests at an early stage, maintaining access and—above all else—ensuring communication on planting, harvesting operations, closures and things like that, which can upset people if they are not communicated effectively.

The Woodland Trust Scotland manages 60 sites around Scotland, which cover nearly 14,000 hectares. They are all managed for people and for nature, and you will have a first-class time if you ever visit.

Jamie Langan (South Scotland) (Reform): I have a question primarily for Stuart Goodall, but I am interested in hearing input from all the witnesses. The vast majority of timber that we are using in Scotland at the moment is imported—the proportion is somewhere between two thirds and about 80 per cent. What could we be doing to better facilitate the use of Scottish timber in the broader economy, and what could that do to incentivise greater forestry planting?

10:15

Stuart Goodall: Thanks very much for asking that question. We have a fantastic opportunity, and not just because we know that we will have more timber available over the next 30 years or so. Scotland builds 92 per cent of its new housing using timber frames, whereas the figure in England has gone up from about 9 per cent to 13 per cent. We pat ourselves on the back about that, but almost all of that is imported timber and it does not need to be. I encourage all committee members to visit Alexanders Timber Design, in Troon, which has invested £90 million in a robotics factory that takes Scottish timber and builds timber frame kits that are then used to build local houses. That company is at capacity, and we could do a lot more of that sort of work.

We have a number of challenges around the perception of Scottish timber and the fact that we are trying to break into established supply chains, which can be difficult. The perception is that

Scottish timber is not as good quality as imported timber, but, when you have to meet the same grading standards, you can demonstrate that that is not the case. We have businesses that are used to importing timber or specifying a higher grade of timber, but that higher grade is not actually required. If we have proper, appropriate specification, Scottish timber could be utilised in those circumstances as well.

We can also use more Scottish timber in different ways. As well as sawn timber, we use panel board, and we could use engineered timber. That goes from big spans, such as you see in the debating chamber, to small businesses. We have innovative companies such as Makar, which is building affordable homes in the Highlands. A company called Highland Heritage Woodworks, near Aberdeen, is using Scottish timber to produce plywood. We had never previously had UK plywood.

There is a lot of innovation, knowledge, experience and opportunity. The key things for me are creating that climate of confidence for these businesses to invest and looking at where the Government can step in. For example, in publicly funded and affordable housing, you could say to people that they should specify appropriately and give preference or at least opportunity to local suppliers. At the moment, we are locking out Scottish businesses from building Scottish homes. It is not a big task. We are not asking to change the world or for special pleading. All we are asking for is the opportunity to put Scottish timber in front of a customer on a level playing field. We believe that we are going to expand the industry.

Paul Lowe: I will pick up on the example of ATD, which I visited a few months ago. It is an incredible facility. What it does differently is that it constructs on site the full timber frame for the house but it also includes the boarding and insulation to make it watertight and insulated. It does that on site rather than on the construction site. At the moment, about 2,500 of these timber frames are produced every year for all sizes of house, and there is no need to change the production line. The robotic machinery and the humans there work together to produce the frames. It is estimated that, at that site alone, if ATD implemented additional shifts, it could meet up to 13 per cent of the commitment in the PFG to build 100,000 units of new social housing.

There are real opportunities around that technology. It is also considerably cheaper, because the timber frame can be constructed in a single day, the windows are put in the next day and the house is fully constructed within three to four months, which is much more rapid than traditional house building approaches. ATD is working with some of the biggest house builders in Scotland, and there are also opportunities in England, where the percentage of new houses built with timber frames is around about 15 per cent. Now that the UK Government has published its timber use strategy, there are real opportunities to get Scottish timber accepted into the wider UK market.

The importation rate is 80 per cent in the UK, whereas analysis shows that it is lower in Scotland. Some analysis suggests that Scotland is a slight net exporter, but it depends on what you look at. There is also an element of what timber is being produced for what reason. There can be movement in the country or importation, depending on the need.

Simon Ritchie: I will expand on that. I agree with everything that Stuart Goodall and Paul Lowe have said.

Beyond the obvious economic and national security benefits of having a strong timber supply to relieve housing pressure and so on, there are much wider benefits for biosecurity and for the avoidance of imported pests and diseases in the future. We need only look around the Scottish landscape—I am sure that you will all, perhaps without realising it, have seen ash dieback or some of the pathogens that affect our conifers, because they are rampant throughout the countryside. By ensuring that our timber supply comes as much as possible from domestic sources, we can avoid reliance on imported timber and, therefore, importing new pests and diseases and pathogens. We at the Woodland Trust promote a standard called UK and Ireland sourced and grown—UKISG—and that is for saplings as much as for timber. It is intended for the biosecurity outcome.

The Convener: Jamie, have you any follow-up questions?

Jamie Langan: That was interesting to hear, and I am particularly interested in following up on what was said about exporting and importing and what we can do to promote Scottish timber in the rest of the UK. There is a recognition that a lot of the demand for house building might be south of the border, so it would be of particular interest to explore how, as policy makers, we can better support export of Scottish timber to the rest of the UK.

Stuart Goodall: One of the main initiatives is that our industry has launched the trust UK C16 timber campaign, which makes the point that C16 is good enough and does the job.

The Convener: Can you explain what C16 is?

Stuart Goodall: I apologise. There are various grading standards. If you are going to build a house with a material, you want to make sure that the house will not fall down because of it. Timber is graded, and C16 is the basic grade for about 90 per cent of the timber that goes into building a

house. The roof trusses are sometimes C24, which is a higher grade, although, if you put in more roof trusses, C16 can still be used.

We have developed a culture whereby architects—the people who are specifying materials—are just clicking on a button in the software and saying that C24 timber is required, which means that the whole project proceeds on the basis that C24 timber has to be used. In Scotland, we can produce significant volumes of C16, but at the moment we are struggling to produce large quantities of C24, and it will take us time to crack that. The purpose of the campaign is to say to the specifiers—architects—that they should trust, and therefore specify, C16 as appropriate for projects.

The English market is a big part of where the volume of sawn timber that is produced goes, so if there was anything that we could do to promote the campaign and, therefore, awareness and understanding, that would be good. It would be like supporting Scotch lamb or beef. It would involve talking to a market and saying that people can make a simple change, which does not mean that they are compromising anything. In fact, Scottish timber has to be cheaper in order to compete, so people would be saving money.

Just as an aside, with regard to net zero and carbon, if you grow a tree and then put it into a product, the carbon in that product counts towards your net zero calculation. If you export from Sweden to the UK, you cannot count the carbon in that product, and neither can Sweden, so it is lost. If we used more home-grown timber in Scotland and England, that would help us to achieve our net zero targets, as well as supporting local jobs and our rural economies.

Simon Ritchie: I want to link the discussion back to public service reform and to highlight that, whether we are talking about security of timber production or nature restoration for people and nature, all the arguments come back to the fact that a focus on delivery is paramount. If we end up being distracted by a constant state of flux of the kind that occurred at Natural Resources Wales, which led to a massive collapse in woodland creation, that will be a problem in the long term.

The Convener: I would like to move us on to the subject of conservation and biodiversity objectives. We have the biodiversity delivery plan, and the Government is to set nature targets, probably next year. I am interested in your analysis of where we are with the conservation of ancient woodlands, Scotland's rainforest and native woodlands. What are the main challenges in that regard? How do we break those down?

Simon Ritchie: A lot of progress has been made, but there is still lots more to do. That is the snapshot when it comes to the restoration, protection and expansion of native and ancient woodlands.

We are very glad that in the programme for government the Scottish Government has retained its ambitious commitment to native woodland. It is aiming to have 18,000 hectares of new woodland of all types by, I believe, 2029. We went into the Scottish Parliament election with a policy document entitled, "Mair Trees Please", which highlighted our campaign for an expansion of native woodland. We also asked the Government to continue its support for and investment in Scotland's rainforest—the temperate rainforests along our west coast, of which only 30,000 hectares remain. We asked the Government to tackle the threat to Scotland's native woods and trees that is presented by invasive non-native species, overgrazing by deer, pests and diseases, and inappropriate development.

We also said that we would like the concept of tree equity to become embedded, so that people have equitable access to trees no matter where they live. In some of our poorest urban communities, people do not enjoy the benefits of trees that others enjoy. We said that we wanted the Government to support trees in the Scottish economy. By that, we meant that we wanted farmers and crofters to be supported to embed more trees in their landholdings. We also asked for support to be delivered for a sustainable commercial forestry sector.

Your question is a very broad one, convener. On all those issues, lots of progress has been made, but there are some areas where progress has been a bit more disappointing. The figures on woodland creation have been lower than we would have liked. We are glad that the proportion of native woodland is higher, but, ultimately, a higher proportion of a smaller number is not necessarily that great.

We are really pleased with the cross-party support that exists for native woodland creation and expansion and for Scotland's rainforest on the west coast, but there is certainly a lot more to do. I am happy to expand on any of the points that I have mentioned.

The Convener: Paul, you were nodding along to quite a lot of that. What is your analysis of where we are at?

Paul Lowe: My view is similar to Simon Ritchie's: there is work in progress. There is good evidence of work in Forestry and Land Scotland to address the issues on its estate. We have put additional funding into initiatives to support the Atlantic rainforest, and we are working with the Alliance for Scotland's Rainforest and the organisations that fall under that. Interventions are

being undertaken on issues such as rhododendron invasion and herbivore grazing, and work is being done to remove non-native species from the areas in question. In recent years, thousands of hectares of land in Scotland—native rainforest land—has been improved by such activities. There is still quite a way to go, but significant progress has been made.

The Convener: When you talk about herbivore grazing, you are talking broadly about the grazing of sheep and deer. Do you think that Government policy is joined up enough on the agricultural side—the committee has been looking at the rural support plan—and the deer management side? You may or may not wish to comment on that.

10:30

Paul Lowe: Collaboration and co-ordination happen among herbivore grazing groups when they consider those issues, not just across agriculture but more broadly. A range of responses is required to manage the issue. One is the natural management of herbivore deer down to a level where they do not threaten trees, which is quite low—usually around one to two per hectare. In most parts of Scotland, the level is considerably higher than that, which brings in issues of deer control, other herbivores getting access and protective mechanisms.

There is a range of different lines in the forestry grant scheme. Applicants can claim for deer larders and various other things that support activity to control numbers, and for high fencing. There are also protective mechanisms relating to young trees, in particular to reduce the risk of their being damaged by herbivores. In our forestry grant scheme, there is a range of different mechanisms, and there is certainly a range of co-ordination across stakeholders and Government on the issue.

The Convener: I am interested in cases when there is a licence application for a significant area of woodland creation but there is tension with surrounding farms, particularly around hefted livestock in upland areas, and the displacement effect that that might have. We talked earlier about the need for negotiation in licensing, and about that being a key role. I am interested in your thoughts on that—how do we manage that transition in our upland landscapes?

Paul Lowe: Are you talking about land use change, convener?

The Convener: Yes.

Paul Lowe: There are misconceptions around the issue of trees and farms being in significant competition. The evidence does not actually support that. If we look at the forestry grant scheme applications that have been made from 2015 until last year, we can see that the proportion that include prime agricultural land—the land classification for agriculture 1, 2 and 3.1—is around 581 hectares out of 99,000 hectares of woodland creation activity that was approved on agricultural land, which is around 0.13 per cent.

Some of that will be because a farmer has taken the decision to sell their farm business to achieve the best price that they can for themselves and their family and, in some cases, there will be small developments on that land. The bigger picture here is that there is not a significant competition between forestry and farming. There are broader issues about the impacts of modern farming practices and whether change is needed.

The other point that needs to be remembered is our ethos that farmers should integrate tree planting as part of a diversified farming enterprise. For example, we in the Scottish Government co-fund the integrating trees network, which is a peer-led group of farmers and crofters who have been through the process of planting trees on their farms—in small woodlands, in riparian planting across watercourses or in agroforestry, where they are planting fruit trees, nut trees or various other things. There is a range of those activities.

Around 50 per cent of our woodland creation schemes are small. On average, they are around 24 hectares, but the vast majority of them are sub-20 hectares. The vast majority of those applications come in from farmers and crofters. There are community woodlands and some other activity, but a high proportion of them involves farmers and crofters.

There is some misinterpretation about a sense that great tension exists, but the evidence at present does not support that.

Simon Ritchie: I will begin with trees and farms. I applaud the integrated trees network, led by Scottish Forestry, for its work. In Woodland Trust Scotland, we are very interested in the integration of trees and farms, although not necessarily the land use change.

Agroforestry is the broad term for that sort of work. Whether it is restoring hedges, planting parkland trees, exclosures or the riparian work that Paul Lowe talked about, all that work is agroforestry. It provides benefits to productivity, helps livestock with shade and shelter, does water management, improves soil health and provides by-products such as timber, fruit and so on. It is a great idea.

Lots of farmers are doing it, but some of them need a bit of help and support to get over the line. A couple of years ago, we developed shelf-ready costed proposals that the Scottish Government

could adopt. We published a paper on those, and we have endorsement from NFU Scotland and the Scottish Crofting Federation, but, for whatever reason, our proposals cannot happen. I am told that it is because of the payments system, so the Scottish Parliament, or this committee in particular, might want to look at that.

More broadly, on deer and grazing, there is so much partnership work going on. The Alliance for Scotland's Rainforest and the Common Ground Forum on deer management are exemplars of partnership working on interests that might historically have been in competition with one another—traditional sporting estates in the Highlands and people who want to do nature restoration, for example. Clearly, deer jump fences, so that is a problem, but, when you have people coming together, you can achieve landscape-scale nature restoration and multiple objectives, and you take a lot of the heat out of the argument.

Andy Rockall: Community management of woodland is good for biodiversity. Community woodlands are delivering multiple objectives across a range of things, including biodiversity. Generally, they are not single-interest organisations, and they are clearly good at delivering biodiversity and conservation. We have a study, using sites in Wales and the south of Scotland, that shows that communities are delivering more biodiversity benefits on forest land than public forests are. That is really interesting, although maybe not surprising, given that Forestry and Land Scotland perhaps has a single forest management focus.

The CWA is a member of the Alliance for Scotland's Rainforest, and we are waiting on the outcome of a funding bid that would enable us to have a member of staff to connect communities through the rainforest area. That fits with our agenda of connecting people to woodlands, so we are looking forward to the outcome of the bid in order to take the work forward. If the bid does not come good, we will take the work forward in another way.

The spread of self-seeding Sitka from plantations has not been mentioned. It is a potentially significant issue, because it is an invasive, non-native species that could spread on a level akin to rhododendron, and, in some people's minds, it could become a bigger issue. It would be best to address that soon, if at all possible, so that it does not become a bigger issue than rhododendron.

Another thing that delivers something along the lines of agroforestry is the Woodland Croft partnership, which we are involved in. Again, it has multiple benefits for woodlands, where communities create crofts, which addresses all sorts of issues—small-scale local economies and housing in the local area, including social housing. It creates benefits for woodlands and people and, inherently, it addresses conservation.

The Convener: Thank you. The committee visited a community woodland in Lochaline, which was informative.

Stuart Goodall: Andy Rockall mentioned community management. Alongside the community aspect, the word "management" is key, because woodlands that are managed will deliver more for biodiversity, but they are also better protected from pests, disease, herbivores and so on. How we support people to manage the forests is really important. As somebody who loves timber, I have to say that there are opportunities to use timber in all types of woodland at all scales, supporting small-scale local use as businesses, which I am hugely supportive of.

The changes that we have made to our productive commercial forests over the past 30 to 40 years represent a process, but it is a huge process. When I joined the then Forestry Commission, much longer ago than I am prepared to admit in public, we basically said to people, "You've forgotten a bit there. You've got 100 hectares, and you've got to plant every single hectare with a tree that's going to produce timber," and, surprise, surprise, we have inherited forests of that design. Since the 1990s, we have fundamentally changed the design, which is now about having a greater variety of species, areas managed for biodiversity, open space and so on. However, the change is a process. A forest that was planted in 1990 is not yet being harvested, so we are still experiencing this period of change, but NatureScot is measuring significant change in the biodiversity in these productive forests.

My plea is always that we are not doing enough to monitor, understand and learn lessons from that process. We spend a lot of time asking, "Should we change it? Should we change the standards?", but, having worked in policy, I am very aware that, when you introduce policy and make changes without having checked the evidence, you get unintended outcomes. Therefore, we are saying that we should absolutely learn and improve.

I want to pick up on Andy's point about self-seeding Sitka. I sat in front of this committee about 19 months ago and said that I recognise that there is an issue and that we would love to talk to anybody about how we understand and address it, and the only organisation that has actually picked that up has been Woodland Trust Scotland, which recently asked whether it could help us to convene people to talk about it. Not one of my offers and approaches to discuss the issue has been picked

up, and offers to MSPs have been ignored. We stand ready now—as we did then—to discuss the issue, and we would love to do that.

Laura Mitchell: I will go back to some of the things that we talked about earlier. If we are to deliver on the conservation and economic objectives that we all want to achieve, we need the workforce to do that, but we all know that that is a big challenge. Has there been any progress on that? What more can we do to encourage people into the sector, and are the challenges more acute in specific parts of the country?

Stuart Goodall: The workforce is an important issue for us, in terms of qualities and numbers, and it is increasingly important, because we have more opportunity to create jobs in the next 20 to 30 years. We have an ageing workforce, so we want to bring more young people in and have a more diverse workforce. We are all blokes on this panel of witnesses, as has been noticed, and most people in forestry tend to come from a particular background. We are doing a lot, as are a lot of the companies, to put in place recruitment opportunities and traineeships, so we are seeing a more diverse workforce coming through.

There are particular areas of challenge. For example, for harvesting trees, you need a timber harvesting machine that costs half a million pounds, and that is paired with another machine, which takes the timber to the roadside, which costs about £350,000 to £400,000. Therefore, you want people who are highly skilled, but, if you are a small business, parking up that machine while you train somebody—who could then be offered a couple of extra thousand pounds by a business down the road that has not experienced the business expense of training somebody—means it can be very difficult to kick off recruitment to some of these areas.

We set up a subsidiary business just outside Dumfries, called Forestry Training Service UK, and its purpose, heroically, is to examine those areas where we have problems and gaps in training and to fill them where there is market failure. The larger businesses across the sector have underwritten that, with kind one-off support from Scottish Forestry and others to set it up. We are also working with military service leavers who are looking to find another career. Forestry can be a very attractive career for people at all levels in the military, from officers to the ranks, so we are now recognised as a provider of appropriate career opportunities, and we are working with the forces and looking to increase that provision. Again, we welcome modest financial support from the public sector to do that.

We are working with science, technology, engineering and mathematics teachers, creating STEM ambassadors to go into schools. We have also been working with an organisation called Prosper to try to get timber and forestry into STEM clubs. Therefore, a lot is happening, but, ultimately, the college and university sectors are driven by applications, and if there is a low number of forestry applications, courses do not run and schools of forestry do not get supported.

We are in a transition phase in which it is really important for us to be able to say, “We’re doing more, and we hope to work with Government to do more, given the opportunity that we present.” We also need the education sector to understand that there are opportunities out there.

I will sign off by saying that forestry is a well-paid career. Professional foresters operating machines in rural areas earn far more than the average salary for others working in the same area, and average salaries for those working in sawmills are higher. It is a comparatively well-paid career, but we need to communicate that.

10:45

Simon Ritchie: We all have a role to play in expanding and diversifying Scotland’s workforce, particularly in forestry and nature restoration. As Stuart Goodall has said, we are all blokes here, so you might take what we say with a pinch of salt, but we can all agree that many of the challenges that are being faced by our sector—by forestry, and by woodland creation and management—are, to a large extent, the same as many of the challenges being faced in rural areas in general.

There is a rural workforce problem in Scotland, and I would like this Parliament and the Scottish Government to stretch every sinew to do what it can to improve the situation. I do understand the limited powers that we have under devolution, but all of us can certainly be doing something in the meantime. We can all be promoting our work and engaging in opportunities, whether it be attending trade fairs or engaging with school leavers, military leavers and so on, to promote what we do. There is an interesting diversity to what we do, and it is a really rewarding career; one person could be operating heavy machinery, someone else could be working in policy in the Scottish Parliament and they would both be connected to the same sector. That is the message that we would like to put out there.

The Convener: Andrew Baxter has the final question.

Andrew Baxter: We have come full circle, having started off with public sector reform. Such reform should be about not just reorganisation and the merger of functions, but, equally, the effectiveness of public sector funding.

In that light, I have two questions, and I will leave it to you gentlemen to decide which, if any, you want to answer. First, we have talked a lot about the number of hectares planted, but how effectively are we measuring what those publicly supported woodlands will deliver over five, 10 or 15 years in terms of survival rates, timber production and biodiversity as well as carbon and community benefit? Secondly, should future forestry grants include clearer and publicly reported outcome measures instead of simply regarding the planting of a hectare as the end result?

Paul Lowe: That was a comprehensive range of questions. The system, as it exists, is not based purely on a tree being planted or not; the grant scheme is based on an ongoing and enduring commitment over many years, including commitments to replace trees if they die during a certain period. There is an element of a maintenance grant in woodland creation schemes for the enduring preservation of the forest.

There is lots of data about how much timber is produced in Scotland and what purpose it is used for—I think that we have good published evidence and statistics on its purpose and use. There is also good scientific research on the multiple benefits that trees deliver. We know that, each year, 130,000 tonnes of pollutants such as ammonium, nitrogen dioxide and particulates are taken up by Scotland's forests, which obviously has clear health implications for humans and animals. We have good data on health benefits, both physical and mental, and we know that Scotland's forests support 172 significant species, so we have data on biodiversity, too. Therefore, we do have a range of data on what Scotland's forests deliver.

Moreover, In the UK, there is Forest Research, which is co-funded by Scottish Forestry and the Scottish Government and which produces a range of research on a variety of different forestry topics. Data exists on a lot of the issues that you have mentioned.

Stuart Goodall: That was a really interesting point, and it brings me back to a central theme that we have been dealing with for a long time. As those of us in forestry know, we have multipurpose forestry—we do not have single-issue forestry or do forestry for one particular benefit. Every forest that we have delivers multiple benefits. We have spent such a long time in the sector that we can reel off all of the different positive things that come from it, but when you go out and talk to the public about it, you find that they have almost zero understanding or awareness of a lot of that, or their perspective is to zero in on a particular thing and ask, "What are you doing for biodiversity? What are you doing for local communities? What are you doing for carbon or timber production?"

I have struggled for many years to work out how we communicate what is a very complex issue. Everybody complains about how difficult the job is, but it is also very difficult to explain what we do. Taking a bit of land or an existing forest, with so many different species and opportunities, and working with and crafting it to deliver a wide variety of objectives is an art and a science; it is also very difficult to communicate, and I wish that we could find a way of doing that. An important part of it will be information metrics and having that sort of thing available in an area, because that will give you the evidence base upon which to craft a story. We spend a lot of time—and understandably so—on delivery and on how we do something or make things happen, and then we just move on to the next thing. We do not necessarily get that communication right.

Andy Rockall: I think that we are all in general agreement that the focus on what area is planted per year is only part of the picture. We want multiple delivery of multiple objectives.

I would challenge slightly the timescales in the question. Community woodlands are multigenerational projects, and as far as those communities are concerned, five years is neither here nor there when it comes to delivery. This was in the days before the general data protection regulation prevented such photos, but I have a slideshow that contains a picture taken 20 years ago of a community woodland group, with children and toddlers sitting around a fire in their woodland. Those people are now managing that community woodland. That should be the normal, and thinking in terms of five or 10 years is simply not, in my view, long enough.

The Convener: Does anyone have any other final points?

Simon Ritchie: On the first question, a phrase that you will probably hear a lot from anyone involved in forestry and woodland creation is "the right tree in the right place"—and that is a large part of it. Obviously, there needs to be clear public benefit in exchange for public money, and whether the outcome is the production of timber, the restoration of nature or carbon sinks, public access, green space or whatever, we should expect careful reporting. I would say in defence—and as Paul Lowe has set out—that the data is there when you drill down into the reporting on the woodland creation figures that are released every year.

As for how we ensure that trees get established and do not just die after a few years, I think that that is all about planning and guidance, which, I have to say, comes from the specialist knowledge, technical expertise and staff capacity that is currently held within Scottish Forestry. To bring us

full circle, then, I will just say again that I am really worried about losing all of that.

The Convener: I thank our witnesses for joining us this morning. You have been an excellent panel, and you have contributed to what has been a good introductory session for the committee. I am sure that we will return to these topics throughout this parliamentary session.

We will now pause for a changeover of witnesses and a brief comfort break, and we will resume with the next panel at five past 11.

10:54

Meeting suspended.

11:04

On resuming—

Peatlands

The Convener: Welcome back. We move to the second evidence session of the morning, in which we will hear from stakeholders from the peatlands sector. We have around an hour and 15 minutes for discussion and, as always, I would be grateful if questions and answers could be kept as concise as possible. As with the previous agenda item, the purposes of this session are to support the committee in the development of its work programme and to consider important issues relating to the priorities of the Scottish Government and its budget.

Before we move to members' questions, I will introduce our witnesses. I welcome Professor Roxane Andersen, senior research fellow at the University of Highlands and Islands north, west and Hebrides, and Richard Lindsay, senior research adviser at the International Union for the Conservation of Nature, UK peatland programme, both of whom join us online; and Andy Ford, director of nature and climate change at the Cairngorms National Park Authority, and Peter Hutchinson, head of peatland programme and strategy at NatureScot, who join us in the room. Before we begin, I remind our witnesses that they do not need to operate their microphones, as our broadcasting team will do that.

I now invite questions from members. Finlay Carson has the first question.

Finlay Carson: I remember clearly when the former cabinet secretary, Roseanna Cunningham, trumpeted the huge investment that would go into peatland restoration and what we would be doing in Scotland over several years. However, we know that current restoration rates are well below what was required to meet not only the Scottish Government's ambitions but Scotland's long-term ambitions on climate change. Is the primary failure to reach those restoration rates due to a lack of funding, a lack of capacity or a combination of both?

The Convener: Who would like to go first?

Peter Hutchinson (NatureScot): I would be pleased to answer that question. I think that it was in 2020 that Ms Cunningham held a summit on peatland, at which she set out the targets and the various constraints. Since 2020, we have had real success in delivering restoration. For example, in 2020, we were delivering around 5,000 hectares a year; now we are delivering about 15,000 hectares a year. Also in 2020, Ms Cunningham identified constraints on operating throughout the year. We have introduced bird breeding protocols, and we

developed the previously limited workforce. So, there has been huge success since 2020.

The question that I think you are asking, though, is whether that success is good enough. Our current rate of increase in restoration will not see us making the initial target of 250,000 hectares by 2030. That is why the climate change plan not only reframed that target, setting its longer term to 2040, but increased it, in recognition of the fact that delivering peatland restoration is quite complex. Indeed, we have to design the projects, develop the workforce, and bring in private finance as well.

I am sorry. That was quite a long answer to a simple question.

Andy Ford (Cairngorms National Park Authority): Thank you very much for inviting me. We have seen quite a lot of progress in recent years. We now have a fully equipped pipeline. There are constraints, absolutely—at the moment, they are primarily budgetary.

One of the other constraints is that we need longer-term commitment in the programme in order for us to build agent-led capacity in the private sector. We do a blend of park authority-led projects and agent-led ones. The commitment for 2030 is a good one, and we very much welcome the budgets that have been outlined for that target. However, in the private sector, longer-term commitments out to 2040, for example, would enable us to build capacity in that sector and therefore scale up delivery again.

Professor Roxane Andersen (University of the Highlands and Islands): It is important to understand that the scale of the ambition was really large. At the beginning, the rate of delivery was perhaps not as high as it could have been but, as Peter Hutchinson has articulated, we have had huge success in delivering at large scale. Instead of looking only at the hectares, we need to measure success in terms of what those restoration projects look like. Increasingly, it will not be about the hectares but about the quality of delivery, the connectivity between the areas that are being restored and the more strategic implementation of that restoration to really build in the resilience at the landscape scale that we need. Looking at the hectares is perhaps misleading with regard to the success of delivery when we consider the wide range of benefits that all those interventions are delivering and will continue to deliver in the future.

Richard Lindsay (International Union for Conservation of Nature): To pick up on something that Roxane said about restoration at the landscape scale, it is important to understand that it is about restoring not only peatland but the other elements of the landscape, brought together. For example, by bringing back temperate rainforest on the slopes of our hills, we get emergent properties that give us more benefits than those that arise simply from the individual elements.

I want to highlight that the IUCN UK peatland programme also runs the peatland code, which is the means by which private sector funding is used to bring about peatland restoration. At the moment, 424 projects are registered with the code, which accounts for 60,000 hectares. However, there is a big learning curve for estates, which need to undertake a lot of baseline monitoring and need the expertise to do so. All those factors have meant that the peatland code is establishing itself as another means of restoration. The peatland action project is a globally admired system for peatland restoration—other countries are quite envious of it—but it takes time to train up estates and the workforce to get them up and running.

Finlay Carson: Thanks for those answers. I am pleased that Roxane touched on the fact that we need to look not only at hectares but at other benefits of peatland, which previous committees certainly heard about. They also heard about the concerns and the length of time that it would take to develop, approve and deliver those projects. I know that the peatland action project has stepped up to the mark. At what stage of the processes are delays most likely to occur at the moment? What practical changes could we implement right now that would have the greatest impact on speeding up those projects?

Peter Hutchinson: You are right to highlight that it takes about two years to develop a project and deliver it on the ground. That is because we have to design the work—for example, we need to decide how we will block the drains and re-establish vegetation. Ramping up our delivery from 2030, which I think we will need to do, will mean that we need forward design and planning and to design projects now for delivery in two years' time.

Similarly, we need to develop the workforce to work in 2030. We have done really well to develop the workforce for the current amount of restoration, but if we want to ramp up delivery through those new design projects, we must develop the workforce and, of course, get the finance to fund those projects as well.

11:15

Andy Ford: I agree with the timeline and the fact that it is necessary to do this. Going back to the point about longevity—this reflects Roxane Andersen's point—ideally, we would like to move towards a space where we are considering the issue on a landscape scale. If we can get multiyear and long-term commitments and build a

programme of, say, upper catchment restoration, and can tie our activity in with other landscape-scale stuff so as to build resilience, we can increase efficiencies. Looking at having longer-term programmes of three, four or five years, rather than picking off hundreds of hectares here and there, as we do at the moment, might help with efficiency in the system. Our current approach still delivers multiple benefits, but it is taking a landscape-scale approach that will bring efficiencies.

The Convener: How does that work within the national park, where you have different objectives and landscape-scale restoration projects that all have to work together?

Andy Ford: I would say that that is where the national park and the national park authority bring a great deal of added value. We have the national park partnership plan, which is the regional spatial land use strategy. Within that, we identify where the key restoration areas would be and where you would invest to get the most bang for your buck in terms of combined effort on landscape resilience. We have ambitious targets for woodland, river restoration and peatland restoration. Peatland restoration is just one crucial aspect of that whole landscape resilience. Through the national park partnership plan, that is where we can focus and target our efforts.

If I might add, the other part of that equation is the land manager, who can sometimes be pulled in lots of different directions by various policies and incentives, regulations and so on. In such a situation, the park authority takes a place-based approach. We speak to the land manager in terms of their landholding and not just in terms of peatland restoration, hectares or carbon—you get my point: it is crucial to look at the issue from a catchment point of view and a land manager's point of view, and not to come at it from the single perspective of hectares, carbon and peatland.

Professor Andersen: This is an important issue, which I have discussed with another committee. Regional land-use partnerships are important with regard to enabling de-implementation. They are often organisations in regions or areas that are trusted and have built long-standing, trusted relationships with a range of landowners and land-owning organisations, and they can facilitate the uptake of peatland restoration or other landscape-scale initiatives and provide steering on the more strategic implementation. Supporting, enabling or leveraging the authority or the power that organisations such as rural or regional land use partnerships have will be critical to ramping up and speeding up delivery.

In the north of Scotland, where I am based, the Flow Country Partnership is one of those organisations. It has been supporting the large-scale implementation of initiatives and has developed a more strategic vision for where and how they should be implemented, working collaboratively with a range of organisations. Such organisations need to be enabled to support implementation more widely across Scotland.

Richard Lindsay: One of the issues, of course, is the question of demand. If the demand side is strong and vigorous, it is easier to have things put in place. One of the challenges for peatlands remains that, although there is funding for restoration, there is no current way of monetising peatland that is in good condition. Therefore, once you have restored the peatland, there is no economic incentive to maintain it like that. So, if an estate owner or a crofter has peatland that is in good condition, they cannot get an income from it.

We need to find the key to unlock ways of, in effect, monetising peatland in a way that does not involve exploiting it, which has been the traditional way—to some extent, it is still the current way—of generating income from it. That is a land use support question. We need to consider ways of encouraging the demand side.

Laura Mitchell: You have talked about the demand side and not being able to monetise peatland once it has been restored. There is a recognition that we need more private investment in peatland restoration. Is that a key barrier? What can be done to encourage more private investment?

Richard Lindsay: The only vehicle that we have at the moment is the peatland code. One of the issues with the code is that it focuses entirely on restoration. As I said, once an area has been restored, there is no incentive to maintain it over the long term. That also means that the code does not help with areas that are already in good condition, so private investment has no interest in that. At the moment, private investment is more geared to, for example, wind farm development and forestry—things that involve destructive actions when it comes to peatland, unless we are talking about the restoration of temperate rainforest.

Professor Andersen: One issue, particularly in some remote and rural regions, is that much of the peatland that has been used for crofting or has been part of a common grazing area might not be eligible for restoration. Even if it is eligible, it is very complicated for crofters to get an income through the peatland code. There are projects that are looking at that, but access to private finance is currently relatively limited to people who already have the means to undertake peatland restoration.

There is not much alignment with a just transition, so progress is needed in that regard.

In relation to what Richard Lindsay said about the demand side, one of the reasons why it has taken a bit of time for the peatland code to take off is that there is a lot of hesitancy about the market for carbon emission reductions. The emission reductions do not involve a net gain of carbon; rather, they come from a reduction in emissions, and that is not seen as a real carbon credit. For that reason, in the market, people have been hesitant to get into the peatland code. We should consider anything that can support an increase in demand and in confidence in the carbon units from peatland restoration.

Another part of the solution involves supporting mechanisms that enable crofters and smaller landholders to access the benefits allied to planting, including private and public finance. Richard Lindsay made a good point about landowners or land managers who have provided good stewardship of their peatland, because, at the moment, there is no way of getting a financial benefit from maintaining peatland in good condition. They cannot access peatland code funding, because that requires intervention. We need to consider how that work can be valued and how payment can be given to people who continue to provide good stewardship of peatland. There should not be incentives for further degradation—the incentives should not be based only on restoration interventions on degraded peatland.

It is more the protection of the peatland that we need to consider and how people who have demonstrated good stewardship can also benefit, not only people who have peatlands that require intervention to bring them up to a better condition.

Peter Hutchinson: To support the encouragement of private finance through the peatland code and carbon units, we are piloting carbon contracts. We guarantee a price for people to sell their carbon contracts after five years, which for many private investors takes away the risk of investing in peatland restoration. The idea is that we guarantee the price of the carbon units in return for a greater contribution from the landowner. I wanted to flag that up.

Andy Ford: Private investment is a tricky subject. I am sure that we could talk a lot more about it. I have said twice that budget, and in particular long-term security of budget, is a key part of securing the restoration, but I am sure that almost everybody who comes to give evidence tries to convince the Parliament of that. There is no question that we need to find other finance models, including blended ones.

The word “investment” is a bit of a red herring, because it implies a return for investment and I am not sure that I have seen that yet in the peatland restoration market. There are some interesting models coming through that we are particularly keen to explore, which are not about a return for investment but about a company investing in its business supply chain. For example, where water—clean or cool water, or regular supplies of water—is an important part of a business’s risk-management processes or its supply chain, such a business is not looking for a return on investment from peatland restoration; it is looking to protect and secure a part of its business. Those models are interesting and we will probably put a bit of effort into seeing whether there is mileage in them.

As land managers in upper catchments, we are paying for ecosystem services that are realised elsewhere. How we tap into that elsewhere is more of a key question than investment is. However, if I might be slightly cynical, that is still voluntary. It still involves companies saying, “Yes, okay. I’ll do it.” That is a more fundamental point about the system.

Richard Lindsay: Dr Lydia Cole at the University of St Andrews has undertaken valuable research into the barriers to peatland restoration that crofters in the Outer Hebrides face.

Andy Ford just touched on the thorny question of wider society benefiting from actions carried out by individuals. A crofter who maintains peatland in good condition benefits wider society but receives no benefit from it themselves. That is a challenging issue that we need to address somehow.

Jamie Langan: My question comes off the back of Laura Mitchell’s. How can we balance the peatland ambitions with productive land use and ensuring that a productive rural land-based economy is maintained? There is recognition from the witnesses that peatland ambitions cannot fill that void for many rural communities.

Peter Hutchinson: That is a really good question. We need to put our peatland work in the context of other initiatives on the rural environment, so that we are thinking about trees, turbines and peat. We need to ensure that we have the right balance between those different land uses.

To go back to Andy Ford’s point on how we achieve the right balance, we need to look at the success of things such as the national park plans and apply them at a regional level. We need to restore peat in the right places, plant trees in the right places and develop wind farms in the right places.

11:30

Professor Andersen: I completely agree with Peter Hutchinson, but I also want to highlight that we recently led a review, which was commissioned

by NatureScot, of the wider benefits that are delivered by restoration. We looked at the compatibility of peatland restoration with the agriculture sector. One thing that came through really strongly, mostly through anecdotal evidence, was a recognition that most people who have engaged with peatland restoration have seen net benefits for their farming business through the reduction in black loss, which is when sheep are lost on the hill and do not come back when they are gathered because they go into the drains and die—blocking the drains prevents that from happening. We have seen real enthusiasm for the fact that restoration can be compatible with slightly different agriculture, allowing people to reap the benefits of having better agriculture and better peatland and, potentially, income from the peatland code, where applicable.

Perhaps there are still myths about the incompatibility of peatland restoration with agriculture, but better evidence would show that that is not the reality on the ground. The two sectors might be slightly different, but they can go together in many contexts.

Andy Ford: I do not really see much conflict. Peatland restoration in the Cairngorms is certainly a win-win. People continue to manage grouse sporting moorland, and people continue to have cattle on the hill. As Roxane Andersen said, there are also downstream benefits in terms of water quality, droughts and floods.

There has been very little resistance to peatland restoration. We are starting to see a lot of benefits. A lot of gamekeepers are now converts and say that it actually benefits grouse due to the invertebrates that become available. Crofters who put their cattle on the hill are converts and are saying, "Actually this is reducing my water costs because they are getting the water off the hill," and so on.

The one caveat is that although a lot of those different land uses can co-exist with drain blocking, which is fairly straightforward—we have lots of evidence of that—we are not convinced that you can restore erosion features with high densities of herbivores, including red deer and possibly others.

Richard Lindsay: Define "productive".

The Convener: Or "highly productive".

Richard Lindsay: What do we mean by something that is "productive"?

Jamie Langan: Land where there is a clear, tangible economic benefit coming off it.

Richard Lindsay: Yes, but who benefits economically?

Jamie Langan: Good point.

Richard Lindsay: If you have good-condition peatland, the water quality is better, so your water treatment costs are reduced, and better flood resilience, so you have fewer flood mitigation costs.

However, how do you define "productive" and how do you define "economic benefit"?

The Convener: Jamie, do you have any follow-up questions?

Jamie Langan: I do not want to take us down a rabbit hole. I appreciate that we could probably talk about what economic productivity is for more than the 50 minutes that we have left, so I am happy for other people to jump in.

The Convener: I will ask a follow-up question. Peter Hutchinson, you talked about turbines, trees and peat. I am interested in hearing witnesses' thinking about the state of the peatland code in relation to renewable energy development and where you see good practice needing to go in terms of wind farm development. Are we there at the moment? Is what the industry is doing right now perfect, or is there a need to evolve that good practice?

Peter Hutchinson: I do not think that we are there in terms of the balance at the moment. NatureScot objected to a number of renewable energy developments because they were going to impact on peatlands, so we still have that tension between certain developments and peatlands—we are restoring them on one hand, but we may be damaging them on the other.

To try to address that, NatureScot provides a lot of guidance on getting the right development in the right location. One of the key things that we are developing at the moment is a peatland standard, which will apply to the restoration sector and the development sector, so that everybody is working to the same standard and has the same commitment to looking after our peatlands when they are developing on them, managing them, restoring them and doing all the technical activity. That is an exciting piece of work. We consulted on it over the summer and are analysing the responses at the moment. We aim to publish a peatland standard by Christmas.

The Convener: That is good to know. Roxane Andersen, you were nodding there. Have you worked on the peatland standard or do you have an awareness of how that is working?

Professor Andersen: Yes, a little bit. I think that what Peter Hutchinson mentioned represents a really important opportunity.

I currently have a knowledge-transfer partnership with one of the renewable energy companies. The reason why we had to develop

that project was because there is very little embedded peatland expertise within the various companies and contractors in the renewable energy sector, which means that the standard of restoration is not always as good as it could be. The sector as a whole is crying out for that expertise and is asking for the standard, but it is also seeking to embed expertise much more firmly, so that, where developments are consented that have to disrupt peatland, they can be done in a more sensitive way that maximises the restoration outcomes.

A lot definitely needs to happen in terms of the whole planning framework to ensure that the peatland that needs to be protected is protected, but also to ensure that, where developments are consented, the restoration can be achieved to the highest standards—that is, the same standards that we expect of peatland action. Similarly, compensation areas that are developed alongside restoration that is undertaken by renewable energy developers need to be of the same quality and standard that is achieved by public sector restoration. There is a need to embed much more expertise from the peatland sector in the renewable energy sector to make sure that we do not miss that opportunity.

The Convener: Is this an opportunity to lever more funds into landscape-scale approaches, so that, alongside the mitigation of any impact of an individual development on an area, there are other opportunities for investment? I see that Andy Ford is nodding.

Andy Ford: I agree with what you were saying. The landscape-scale approach is important. There needs to be a regional approach to where investment is targeted, so you get the biggest bang for your buck. The fact that a development is happening in one part of Scotland does not necessarily mean that the investment from that should be in that part of Scotland. We need to think about how we tackle the overall issue of our green infrastructure rather than localising the investment. I agree with everything that has been said, but I would just stress that point about the landscape-scale approach.

Professor Andersen: I agree. There is an opportunity to use regional planning to enable us to increase our ability to build a resilient landscape, and we need to take advantage of that.

Andrew Baxter: We have moved on from the question that I was going to ask, which was about the effectiveness of restoration beyond the success measure that Mr Hutchinson pointed out, which concerned the sheer hectare numbers. Professor Andersen and Mr Ford gave examples of how we can look at the effectiveness beyond that measure.

I am particularly interested in what happens beyond restoration. I would like to know how we are monitoring those restored sites and for how long we are doing that, and whether we can assess the proportion of those restored sites that have perhaps failed to achieve the expected outcomes.

Peter Hutchinson: That is a very good question. NatureScot has a monitoring strategy for our restoration projects; we go back afterwards and look at a sample of projects to see whether they are delivering the benefits. For example, we look at whether they have raised the water table and whether the area is getting wetter—we have hydrology loggers for that. We look at whether they are actually reducing emissions—we have a network of flux towers around Scotland that look at emissions. We also look at the biodiversity benefits—for example, whether the habitat has improved.

That is a really good start. On your point about whether that work is long term, that links in with the question of funding, which we talked about. We need to ensure that we are monitoring over the long term, because we need to be learning. The industry has been going for the past decade, and we need to learn from those experiences and apply them in our future work. We are doing some monitoring, therefore, and we are looking at benefits beyond hectares, but we need to ensure that that monitoring is long term.

We are also developing a wider network of monitoring, because it is not just about the peatland action projects. The renewables industry is doing restoration, too, and we need to see whether that is successful. We are working with the forestry industry on forested bog restoration, as we need to make sure that that is working.

Monitoring is really important, but we need to ensure that we monitor the whole sector that is looking at peatlands, not just the peatland action projects.

Richard Lindsay: On private sector investment and the peatland code, it is worth pointing out that the average length of peatland code projects is 80 years, so there is a requirement for those adopting such projects to commit to long-term monitoring. It is important to recognise that, if we were talking about the restoration of ancient woodland, for example, we would not have a problem in recognising that recovery is going to take a long time. I often see comments about whether a restoration programme has succeeded, when the restoration intervention took place only three, four or five years ago. We would never ask that if an intervention was related to woodland.

It is good that people are thinking longer term in recognising the benefits. However, with regard to putting peatland on the road to recovery, we can see the beginnings of the effects within two or three years.

Professor Andersen: Again, I point to the wider review that was just published, which looks in depth at a range of benefits, in terms of not only carbon but the recovery of all the functions that underpin the delivery of these ecosystem services. We find that there is currently a good evidence base that demonstrates that, with most of the peatland, once an intervention has been done, there is progress towards the functioning of a near-natural peatland. However, those benefits take time to realise, and the timescales over which different types of benefits are realised differ. Often, the water table will recover somewhat more rapidly than, for example, the full suite of organisms that are associated with functioning peatland.

As Richard Lindsay said, we need to accept that some of those benefits will take longer to realise, but the sooner we can make the interventions, the more resilient those peatlands will be when the full force of climate change comes to bear. We need to accept that there is a period of transition between the moment of intervention and the point at which a peatland site is fully functional. At present, I do not think that we have a clear, robust evidence base as to which sites will still be on the restoration and recovery trajectory in the next 10, 20 or 30 years, and which sites might not.

Andy Ford touched on an important point. We know that we might be able to give those sites the best chance if we can reduce important pressures such as grazing or trampling from herbivores such as deer. It will be important, as we move forward, to manage those other pressures in order to maximise the delivery of benefits. There is a good evidence base to suggest that the wide range of benefits that are associated with restored peatlands start to be realised relatively quickly, but they may take a very long time to be fully realised. As more evidence becomes available, we can constrain those timescales and understand where success is more likely, and where failure might be likely and repeated intervention may be necessary.

11:45

Andy Ford: Longevity is a key point, as is the measurement of multiple benefits. If we were to start looking at reductions in peak flow, for example, peatland might take a little bit off it, but peatland, woodland and rivers, and water storage elsewhere, would do more. Looking at peatland in isolation will not give us the amplitude of effects that we might otherwise see.

To go back to the point about private investment—I am using the word " investment", despite having said that I do not like it—it depends on what we are selling. If it is a distillery, for example, we are probably selling cooler water and water storage, so we need to start measuring the impacts of what we are doing in those terms, because that is what we are trying to sell. We are not selling restoration; we are selling water stored. We can develop something on what it is that we are actually measuring.

To go back to the longevity point, none of these sites are locked in. We pay for restoration and they are restored—actually, my team would say that they are under restoration management, because it is a long-term game—but they are not locked in in any way. There is no obligation, as it were, for a long-term benefit. We may have important habitats and species and parts of our landscape that are delivering important public services, but there is no obligation associated with that. It is not under a designation system or anything else.

It might be that the nature30 approach and that type of stuff can bring that in, but where is the long-term security for our investment? That ties in with the question, "What have we paid for, and are we getting it?"

Andrew Baxter: If long-term monitoring is so important, do you believe that Scottish Government ministers in particular recognise its importance and the need to fund it? Is there any risk that NatureScot's long-term monitoring work will be restricted, or even threatened, because you are dealing with year-to-year funding settlements rather than longer multi-year funding settlements?

Peter Hutchinson: To date, we are doing well from the Scottish Government. It recognises the importance of monitoring and is supporting us in the monitoring work that we are doing.

We would, of course, like to have certainty on the future. Looking at the budget projections, we know that there are going to be some difficult years. We want to try to protect monitoring, because it informs the standards and the skills that we need to develop.

At present, the Scottish Government is supporting NatureScot to do that monitoring to ensure that we have evidence of the benefits. However, we, like everyone, think that it would be great if we could have a longer-term commitment, because we could then put in a longer-term programme of monitoring.

Professor Andersen: Again, long-term security is key. As a scientist who writes bids competitively for things like UK Research and Innovation funding, I know that it is a hard sell to UKRI to say, "We're just going to do exactly the same thing that

we've been doing for the past 10 years with exactly the same method." It is not a particularly good sell for innovation.

Of course there is a space for innovation and new monitoring techniques, but the value of long-term monitoring is in being able to repeat the same measurements over many years to see how things are progressing. Having support from the Scottish Government is fundamental to that, because such support is much less likely to come from other sources of funding to which scientists and academics have access.

In being supported by the peatland action monitoring programme, we have been able to roll out some really nice monitoring pieces on some of the sites in the flow country. Without that support, it would be impossible to do that. The longevity of that funding is therefore important in enabling us to maintain the monitoring networks and build up the expertise that is needed to analyse the data and look at the evidence in the future as well.

Richard Lindsay: Roxane Andersen makes an important point about the difficulty of maintaining funding for established monitoring techniques. UKRI has famously said that it is interested only in innovative blue-sky research, so it is almost impossible to obtain research funding from it to continue monitoring using an established technique. Therefore, where do you find funding to maintain long-term monitoring? One advantage of the peatland code is that the private investor is contractually committed to long-term monitoring. However, who covers the wider scheme of monitoring?

Finlay Carson: I want to go back to one of my original questions. We have talked about targets and covered the point that Roseanna Cunningham received £250 million to meet a target of restoring 250,000 hectares by 2030. That was mostly based on the ability of peat to sequester carbon. However, as we have heard, over the past few years, we have found that there is a lot more to the benefits of peatland restoration, whether that is net biodiversity gain or flood or wildfire prevention.

In a meeting in the previous session of Parliament, Emily Taylor from the Crichton Carbon Centre said that we need to look at the biggest bang for our buck, and Andy Ford touched on that. In the good old days—or, if you like, the bad old days—the biggest bang for our buck was getting the maximum number of hectares for the minimum amount of money. Therefore, many projects were focused on the Highlands, where there are big landowners and big stretches of peatland. However, ultimately, as Roxane Andersen has set out, that is not the biggest bang for the buck—there is now more focus on other benefits.

Has the approach of the peatland action programme addressed that, so that smaller projects in terms of hectares get the priority that they should get over what was, in the bad old days, the biggest bang for our buck—the maximum number of hectares that we could get for the money? Has the approach changed?

The Convener: Have we have got the balance right on scale, in other words?

Peter Hutchinson: That is a good question. You are right that we have been chasing hectares over the past decade—that is what we have been driving. However, as we have talked about, there are other benefits. That links to the point that I made about designing projects. If we want projects that provide good drinking water, we need to design projects in drinking water catchment areas. I illustrate that by pointing to the great work that Scottish Water is doing at Loch Katrine with the Loch Lomond and the Trossachs national park. That approach is more targeted at the benefits, which is the direction that we want to go. We want to take control.

On your point about small projects, I agree that some valuable projects were priced out. We have a competitive process, and we were funding projects that would deliver the most hectares for the pound, so some community and crofting projects were priced out. We now make sure that certain elements of our budget are secured for crofting projects and that, when community projects come in, we do not compare them with projects from large landowners.

We are developing a more sophisticated approach to prioritising. The Government's five-year peatland partnership plan, which we are all working to, sets out the range of benefits. We need to be more targeted and prioritise more to deliver those broader benefits.

Finlay Carson: And you need Opposition parties to lay off from bashing the Government for not hitting its hectare target.

Peter Hutchinson: I like the pressure—I love the scrutiny that you are doing.

We have developed a really successful industry, but we are now maturing as an industry, so we need to be more sophisticated and prioritise more. We need to bring down the costs. We are moving into a different period of peatland restoration work.

Professor Andersen: Another reason for the situation is that, at the beginning of the peatland action programme, there was almost always more money available than people wanting to get into the scheme—there was more money than demand. More recently, demand for peatland restoration has exceeded the annual budgets and, because of that, the restoration can be

implemented much more strategically. That is exactly what Peter Hutchinson has articulated.

The sector is maturing, and there is a much better understanding of not only how the techniques can be rolled out at scale and more cost effectively but how different parts of society might benefit differently from the restoration intervention. The enabling of more strategic intervention by securing or ring fencing some funding for crofters or community projects is a good example of how the approach is changing. That is happening because the demand has changed, and because the understanding of the benefit delivery has evolved over the past 10 years.

Andy Ford: Fundamentally, it is about the metrics by which we measure success, and those metrics have undoubtedly changed so that they are not just about hectares. We have heard quite a lot about the multiple benefits of peatland restoration.

We have done a lot of the low-hanging fruit so, as we proceed with the programme, what is left will be more expensive. We will not get as many hectares for our pounds, and it will take more time and be more challenging. If we judge the programme purely on value for money and hectares delivered per pound, that value return for investment will seem to decrease, but it will not. As we have heard—I think that I see everyone nodding—it is much more about multiple benefit delivery.

We are working hand in hand with NatureScot on this. We have five delivery partners in Scotland, each of which works to its strengths. Some will be much better at focusing on getting the hectares under the belt, and others will be much better placed to look at the challenging issues. I mentioned deer. If we are to restore 400,000 hectares across Scotland, we will have to find ways of either reducing deer throughout Scotland or doing peatland restoration in the presence of herbivores, which goes back to the point about multiple policy crossover.

It is important to have spatial targeting and to use the delivery partners to do what they do best. The national parks know about upland land management and upland land managers, and about multiple benefit delivery et cetera. We can do the difficult stuff and we can move at speed. We can be a test bed and trial things, because we are national parks and we are different. The way to tackle the issue is definitely to use the delivery partners to do different things and to look at the programme in the round rather than just focus on hectares.

Richard Lindsay: The question of small scale versus large scale addresses two sorts of landscape. At the small scale, we are talking about lowland raised bogs and individual peatland units. Surprisingly, the richest area in the UK for those raised bogs is the central belt between Edinburgh and Glasgow.

On the increase in demand, the IUCN has initiated a programme called eyes on the bog, which is a citizen engagement programme in which local communities are encouraged to start monitoring their local bogs. I believe that that has helped to drive the demand for small-scale site recovery. In the uplands, we are talking about large-scale landscape recovery. The IUCN programme is keen to emphasise that we need to look at whole landscape recovery, and that means considering the complex of bogs, fens, temperate rainforest, watercourses and river systems as an integrated system, because that will give us the maximum range of benefits. As I mentioned, by combining those components, we get emergent properties that we would not get if we addressed them individually.

12:00

Laura Mitchell: Peter Hutchinson, you talked about developing the workforce. Unsurprisingly, there was a similar theme in our earlier round-table session with the forestry witnesses. NatureScot has done some work on that. What progress are we making in ensuring that we have the staff that we need? How can we fill the skills shortages when there are workforce challenges across all sectors in many rural communities?

Peter Hutchinson: That is a big question. We are in a good place in developing the workforce for peatland restoration. There are no projects that are failing or not progressing because of workforce issues. We have been developing the workforce in restoration and in the design of projects. We have one eye on the future, because our future workforce is still at school, so we are going into schools to raise awareness of peatlands and to encourage people to take an interest in the industry. Therefore, we are in a good place, with one eye on the future.

I come back to the point about certainty, with the amount of restoration that we want to do in the future being linked to the targets. If people can see work on the horizon, they will be keen to develop the skills to do that work. We do not want to develop people's skills if there will be no work, because we have had examples of people being trained and then struggling to get into the sector.

Our skills development is very much about consolidation. We are providing continuous professional development—sorry, that is a real mouthful—to ensure that people are up to date on modern techniques. We are also looking to the future because, if we are to reach the target of

400,000 hectares, there will need to be a big step change in the amount of restoration that we undertake. We need to develop the skills to allow that step change to happen.

I want to go back to an earlier point—I am sorry, but I cannot remember who made it—about training for other sectors. NatureScot provides people with training on peatland restoration, and we find that a lot of renewables companies want to send people on our training courses, so that they follow best practice when developing renewables schemes. A lot of foresters also come on our training courses, because they see the benefits of combining peatland restoration with forestry. I wanted to take the chance to go back to that point. Our training courses are in huge demand. We are taking stock, and our target is to publish, by Christmas, a new skills plan, which will look to the future.

The Convener: That is great. The committee will always be interested in receiving more evidence of skills plans as they are produced.

Andy Ford: National park peatland restoration provides a good opportunity for a fair and just transition. Quite a few people have moved from being gamekeepers or stalkers to being peatland restorers—if that is the term. There have been quite a lot of opportunities for that.

The national park has run a new entrants scheme in which we give smaller companies the opportunity to start out in peatland restoration through smaller and simpler projects. Eight new companies have come through the new entrants scheme, and one of them is now one of Scotland's biggest restoration companies. There has been a really positive story in the national park.

As Peter Hutchinson said, the private sector is there. Things have not been straightforward to date—I expect there to be ups and downs—but the problems are entirely surmountable. If we can provide security on the scale of the pipeline, there are more jobs to come.

Professor Andersen: I would like to comment on this question. I deliver these courses—UHI is one of the delivery partners—and over the past two years, we have trained more than 100 people in a range of skills. Something that has come through really strongly is that, when we put a course up on our webpage, it is sold out in less than a day; we have a waiting list of 50 people, so we need to run it again—and once again, it gets filled up in a day, so we have another waiting list.

There is a huge demand for the kinds of skills that are relevant to peatland restoration, but the people on the training courses are not all machinery operators—they come from everywhere—and it is really important to articulate the point that peatland restoration, as a sector, provides a whole range of job opportunities for those designing the restoration plan, which requires lots of geographic information system skills, all the way to those delivering it on the ground, who do the monitoring, validate the site and interface with the different programmes. A whole range of jobs is available, and the people who come on the training course that we deliver include planners, people in the renewable energy sector and forestry sector and so on.

That is really important, because it shows that peatland restoration is not an isolated sector. It covers a range of land-based sectors, and people with those skills can pivot from peatland restoration to, say, renewable energy and forestry. If we can consolidate the training and work together with other industries to understand what the gaps are and how can we fill them, we will have an immense impact on not just the peatland restoration workforce, but the workforce that will be needed to deliver a whole range of land-based changes.

As Andy Ford has said, this is also part of the just transition. Up here in the north of Scotland, we had a contractor who came to our training course, then secured a contract and got two new people employed, and that meant that one of the schools here did not have to close, because there were suddenly enough pupils on the school roll to maintain it. Therefore, this is important work, and it makes a huge difference to be able to have that skill force, not just for now, but for the future. I completely echo what has been said, but I wanted to give you a more personal example, too.

Dawn Black: I have just two questions. They might be very tenuously linked, but I will ask them both at the same time, and the witnesses can choose which to answer.

First of all, the ban on horticultural peat has not progressed through the Parliament, because of the United Kingdom Internal Market Act 2020. However, the market seems to have moved naturally in that direction anyway, which might have a lot to do with public perceptions of using peat et cetera. I would like to hear your thoughts on that and on whether we need an actual ban to make sure that that happens.

Secondly, when we were talking earlier about the need to find some way of monetising peatland without actually exploiting it—that is the very tenuous link with the previous question—Mr Hutchinson mentioned the carbon contract, and I would be interested to hear more about those contracts and how they are helping.

The Convener: Richard, shall we start with the ban on horticultural peat? I will then go to Peter Hutchinson for the second question.

Richard Lindsay: I should say that my day job is head of environmental conservation at the University of East London, but back in 1990, when I worked for the Nature Conservancy Council, I was part of the initial peatland campaign to halt the use of peat in horticulture. However, 36 years on, we are still using it.

It is certainly true that, in the retail sector, peat use has diminished substantially, and many commercial interests no longer supply peat—the problem continues to be the professional market. There are companies that have spent several years looking at peat alternatives; Melcourt Industries, for example, has not been using peat for years and still provides professionally grown plant material without needing to use it.

For one reason or another, though, there is still resistance among certain plant groups in the professional horticultural industry to the point where we still do not have a legal ban. Frankly, the only way of ensuring such an action is legislation. Once that is in place, people will find a way. While you are not compelled to find a way, there is no incentive to do so.

Peter Hutchinson: I will respond to the first question and then touch on the second, if that is okay.

On the issue of the ban, that matter sits with the Scottish Government, but I should say that, as Richard Lindsay mentioned, the industry is looking at alternatives. Indeed, we have been talking to some of the peatland extractors, and we know that they are looking at alternatives; they want to restore extraction sites, too, so they are very interested in our techniques. It is a strange partnership, but we are working with them.

The other people who are key to this are the customers—that is, the people who are buying the peat products—and that is why we need to tell them about the benefits of peatlands. We need people to want to buy peat-free products. Yes, a ban would be really important, but I cannot comment on where that has got to. I can say, though, that the industry is thinking about the issue. We also need to help the public actually choose products that are peat free, and that comes down to telling them about the benefits of our peatland: clean water, fire resilience, a better approach to climate change and so on.

Shall I move on to your second question?

Dawn Black: Yes.

Peter Hutchinson: On carbon contracts, the deadline for applications is actually next week, so I will have a better idea of take-up then. However, the principle is that, in return for our guaranteeing a price in those contracts, landowners or people developing projects make a larger contribution themselves. In other words, we are taking the risk out of peatland code carbon unit sales by guaranteeing a price in return for landowners making a higher contribution. It could be a significant tool in our efforts to bring in private finance, just to go back to an issue that was raised by a number of other people in the committee. I will be able to provide you with a better update on the success of the approach after our application deadline next week—I think that it is 29 September.

The Convener: Roxane, did you want to come in?

Professor Andersen: I just wanted to reflect on the fact that the peat that goes into the commercial horticultural markets does not all come from the UK—it comes from the Baltic, too, for example. If that peat continues to be used, there is no guarantee that, in those sites in the Baltic where it is extracted, there will be peatland restoration at the end of the process. Therefore, it is important to consider the consequences not just of using peat in the context of our own emissions, but of using peat that comes from elsewhere. I am not going to comment on the ban itself, but I think it important to understand the slightly bigger picture of where the peat that is used in horticultural markets, and by professional growers, comes from.

The Convener: I have a final question. Peter Hutchinson said earlier that he anticipated some difficult years ahead with regard to the funding for peatland restoration, but is next year's budget—that is, the 2027-28 budget—sufficient to deliver that year's peatland restoration target?

Peter Hutchinson: The 2027-28 budget has not been confirmed yet, but the indications are that it will support the 10 per cent increase in delivery of restoration that we are planning for. Therefore, although it has not been confirmed, the indicative budget will allow us to continue on that trajectory of a 10 per cent increase each year.

The Convener: Is the current 2026-27 budget adequate to meet this year's target?

Peter Hutchinson: I think that we are good when it comes to meeting the 10,000 hectares target that was set by the minister at the start of the year. The budget should actually deliver that. The five delivery partners have sufficient projects in place to meet the target, so I think that we are good. We just do not need loads of snow or some other crisis.

The Convener: I think that that is something that is beyond the gift of ministers to resolve.

I thank our second set of witnesses for attending the meeting and for what has been a great and very informative introductory session for the committee.

That concludes the public part of the meeting. We will now move into private session.

12:15

Meeting continued in private until 12:44.

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