



# THE NEW FORESTS

**Commercial forests are a vital resource, but we're in danger of not planting enough new trees to meet future demand for timber, writes Fenning Welstead of John Clegg & Co, the independent forestry arm of Strutt & Parker**

ILLUSTRATION **POLLY LINDSAY**

The life of a commercial tree can be measured against the life of the UK's membership of the EU. We joined the EEC in 1973 and voted to leave the EU in 2016 – a period of 43 years, which, as it happens, is an ideal lifespan for growing commercial timber.

A spruce tree planted as we joined the Common Market would be ready for felling today. Throughout that period, we have seen the three-day week, the rise of Thatcherism, the Falklands conflict and countless other world events.

So here we are today, starting the process of leaving the EU, and the tree is ready for harvesting to provide material for a wide range of uses. The best of it will

be used for sawn timber for housebuilding. The smaller-dimension timber will go to make pallets and fencing, or be converted into pulp for chipboard. Finally, any sawdust, bark and other leftovers will be burned to create heat and electricity.

Throughout its life, the tree has required little in the way of maintenance and, with the application over time of air, rain and sunshine, it has turned gas, water and heat into something useful. That, in a nutshell, is the purpose of commercial forestry. For our part, we can either lock up the carbon by building with the timber or release the gases and water by burning it and using the heat to keep warm or make electricity. But one of the things we have lost during the lifespan of this tree is consistency and long-term thinking.

In 1988, Chancellor Nigel Lawson removed Schedule D tax relief on forestry expenditure and, with it, ended 70 years of continuity for this vital rural enterprise. Since then, we have only had 'consistency' in the sense that everything has been constantly changing. There have been different support systems put in place almost every five years. Overlay that with political change at Westminster and in the devolved parliaments, and it has become almost impossible to engender the appropriate confidence that is needed to encourage people to plant and think long term.

## A growing concern

However, a new awareness is taking hold. The governments in Westminster, Cardiff and Edinburgh fully realise the need for more trees. They appreciate the downstream industries that now flourish on the back of harvesting crops planted 40 years ago. Without replacing those crops, these industries will wither.

The demand for timber is increasing across the globe and the UK should be doing its best to maximise production as part of a holistic long-term land-use policy. Furthermore, planting and growing trees also sequesters carbon, reduces flood risk and provides diverse landscapes, recreational spaces and wildlife habitats.

The recent announcement in England of the £19-million Woodland Carbon Fund is an indication of the support that is

now coming forward to promote new planting. In Scotland, the planting target has been increased to 15,000 hectares a year, backed up by hugely positive grants. In Wales, too, there is the political will to see more trees planted.

On the horizon, Brexit is likely to mean a fundamental change in the support system and, at this moment in time, no one can confirm what that will be. Rather than consider it as a negative, we should look on it as a great opportunity to reintroduce consistency of policy and support for rural land uses as vital businesses, among which forestry should be a major player.

A recent economic survey in Scotland confirmed that the forest sector was a £1-billion contributor to the economy. This has really focused minds on the

“

THE UK SHOULD  
BE MAXIMISING TIMBER  
PRODUCTION AS PART  
OF A HOLISTIC LONG-  
TERM LAND-USE POLICY

”

importance of continuing to support and encourage increased planting, thus ensuring that future supplies of the raw material are available. It goes well beyond five-year political cycles and appears to have consolidated cross-party support.

A new forest is a tangible asset expressing confidence in the future. While nobody can predict what developments will take place over the next 40 years, it's a reasonable bet that we'll still need raw materials. One made from air, rain and sunshine might be the best investment we make. ■

*fenning@johnclegg.co.uk*

VISIT [JOHNCLEGG.CO.UK/FOREST-ASSET-MANAGEMENT/UK-FOREST-MARKET-REPORT](http://JOHNCLEGG.CO.UK/FOREST-ASSET-MANAGEMENT/UK-FOREST-MARKET-REPORT) TO READ JOHN CLEGG & CO'S 2016 UK FOREST MARKET REPORT