



# Future Woodlands Scotland

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## SMALL SCOTTISH TREE NURSERIES PROJECT

### Phase 1

Workshop Event held at Dundreggan Rewilding Centre, 22<sup>nd</sup>- 23<sup>rd</sup> August 2024:  
Identifying outcomes and to develop key solutions to maintain and deliver  
business continuity and efficiency of small native tree producers in Scotland



<b>A report to:</b>	<b>The Scottish Forestry Trust</b>
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### Summary

In August 2024 a workshop was held in Dundreggan Rewilding Centre in Inverness-shire for small Scottish tree producers. The event and this report was organised and funded by Future Woodlands Scotland with grant support from the Scottish Forestry Trust.

The supply of native tree seedlings of suitable provenance and in sufficient quantities required for the current ambitious woodland creation targets in Scotland is critical yet this supply chain is fragile. Many nurseries are extremely small (under three employees), reliant on volunteers and often in remote locations.

The workshop event, called Small Tree Nurseries Project Phase 1, aimed to bring key representatives together, facilitate structured discussion, articulate the issues and agree suitable ways forward which could be developed into a funding bid for Phase 2 delivery.

The feedback and findings supplied during the workshop event have been assimilated and presented within this report. The main outcome was the desire from all participants to create a formal small nursery network which could communicate effectively, work collaboratively to improve business practice and facilitate training.

Future Woodlands Scotland will now seek funding to develop a Phase 2 delivery programme over the next 2-5 years, with the aim of improving efficiency and productivity of Scotland's small native tree producers leading to greater sustainability.



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## Small Scottish Tree Nurseries Project - Phase 1

### 1. INTRODUCTION

#### 1.1. Background and Scope

The supply of healthy young trees is fundamental in the process of creating new woodlands. Future Woodlands Scotland, with a remit that encapsulates native woodland enhancement and expansion, acknowledges that focused assistance is extremely important. This is particularly significant in relation to native woodland creation and maintaining the supply of locally sourced and locally grown native tree stock. For the purposes of this report a small nursery is defined as ranging from enterprises producing a few thousand trees annually, to those supplying up to one-hundred thousand trees.

There are new and increasing constraints being placed on tree producers serving the UK forestry industry, with issues being significantly more demanding for small scale producers.

In 2023 Future Woodlands Scotland, together with the Woodland Trust and the Scottish Forestry Trust, met to discuss how they could collectively assist in promoting small native tree nurseries located in the more remote parts of Scotland, including the Western and Northern Isles. Following on from these discussion, Phase 1 of the Small Scottish Tree Nursery Project was initiated.

In order to make swift progress, Future Woodlands Scotland appointed Amy Mitchell as an independent consultant to co-ordinate the progress of Phase 1. As a first step, communication was established with a range of representatives from small and remote Scottish tree nurseries from throughout Scotland to gauge what those working at the tree-roots level identified as the main concerns and issues. In addition, discussion with various other organisations was also made, including supporting regulatory authorities and woodland conservation bodies.

Incorporating general feedback from several key small nursery producers an application was made to the Scottish Forestry Trust for match funding, via their research and education fund. Subsequent to approval of funding, firm outputs were able to be set and research implemented. The first phase of the Small Scottish Tree Nurseries Project was then launched.

#### 1.2 Aims and Objectives

The overall aim of Phase 1 has been directed at identifying the development of tailored solutions for small and sometimes remote tree nurseries located throughout Scotland. Collaboration is required across the sector, to build mutual understanding and develop links with the wider UK forestry industry.

The main objectives of Phase 1 was to bring together key representatives from small-scale native tree nurseries and from associated organisations, to constructively discuss and highlight areas that could benefit from co-ordinated support. Central to this was a focus on training and skills, and towards developing routes to assist in facilitating robust 'futureproofing' the fragile industry.



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### 2. PHASE 1 – DELIVERY

#### 2.1. Small Scottish Nursery Workshop

##### 2.1.1 Overview

On 22<sup>nd</sup> and 23<sup>rd</sup> of August 2024, thirty representatives from small, mainly remote, nurseries and other representative organisations came together at the Trees for Life Dundreggan Rewilding Centre in Inverness-shire. Attendees travelled from across Scotland including the Shetland Isles and the Hebrides, Argyll and Dumfriesshire. With considerable distance travelled by many and taking time away from their nurseries, the event informally kicked off with an evening reception, enabling time to settle into the surrounds at Dundreggan and to provide opportunity for catchups and some pre-event discussion.

The workshop commenced early on the 23<sup>rd</sup> August, with an introduction by Shireen Chambers, CEO of Future Woodlands Scotland who co-funded the event. Andy Robinson, an independent nursery owner/manager, based on the Isle of Mull, acted as facilitator for the day.



In preparation for the event delegates had been asked in advance to prioritise issues for discussion. The topics that were identified as being of key concern/consideration were listed for discussion with the aim of agreeing a range of relevant outcomes which could be used to develop a Phase 2 delivery programme of structured activity, training and/or research, over a subsequent 2-3 year period. Those topics identified for main focus of the day were as follows:

1. Efficiencies within the Nursery
2. Sourcing Materials
3. Marketing and On-line Profile
4. Pricing, Packaging and Transport
5. Administration, Legal and Compliance
6. Training and Development
7. Routes to Further Support

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With a packed itinerary the day progressed smoothly and to a strict time schedule. There was extensive constructive discussion, exchange of knowledge, and proposals for how best to implement solutions to some of the common problems for small scale tree producers in Scotland.



During the afternoon there was an opportunity for a brief visit to the Trees for Life's nursery located at the Dundreggan Rewilding Centre, and although unseasonably wet and windy, this was a welcome post-lunch airing for participants. The nursery, managed by Jill Hodge, assisted by both employed staff and volunteers, grow trees from locally collected seed which are then used to create new native woodlands both locally and wider afield. The nursery excels in producing local provenance trees and those which are rare or hard to grow which cannot readily be supplied by larger commercial nurseries.





### 3. OUTCOMES

#### 3.1. Summary

The main objective of the Phase 1 of the Small Scottish Tree Nurseries Project is the identification and agreement for clear pathways to improving the effectiveness, scope, scale and efficiency of small tree nursery producers in Scotland.

Detailed below is a summary corresponding to each of the main topics identified and discussed during the workshop (S.2.1. above, refers).

#### 3.2 Current Issues

##### 3.2.1. Efficiencies in the Nursery

During the workshop, concerns were voiced surrounding the overall efficiency of running a small-scale tree nurseries business. In supplying a niche product – native trees with local provenance for planting in new woodland creation projects - there are significant constraints being placed on supplying a specialised and local product. Although a prime product, the efficiency of producing in competition with larger, commercial producers is considerable.

Other than the obvious areas of concern including the remoteness of many small nurseries - being located some distance from suppliers, the effects of economies of scale predominate as a significant business constraint. This issue presents in a number of areas and includes for example: implementing appropriate efficient business systems; the use of technology and IT; investing in infrastructure; and, the ability to employ, and accommodate locally, seasonal staff during the busiest periods of the nursery year. Many nurseries are run with a single employee who is often the nursery owner.

##### 3.2.2 Sourcing Materials

The sourcing of materials efficiently, and cost-effectively is an issue which affects the efficiency of small tree nurseries. As small or very small businesses, many nursery owner/managers supplement their income with other employment or run the nursery as a community venture, often with charitable status, and mostly relying on volunteers.

Due to the simple nature of their existence, small and usually remote tree nurseries find areas such as the cost of delivery of material prohibitive, and although purchasing locally is always preferable, this is often not possible.

3.3.3/



### **3.3.3. Marketing and On-line Profile**

Participants acknowledged that even small businesses require a substantial on-line awareness and current technology. Many day-to-day communications, including for produce sales, are often made directly via various websites and applications. However, as many small nurseries are operated by those who also have other commitments with many competing responsibilities, to spend time on marketing and on-line awareness raising can be complex, and often daunting.

Therefore, alongside the lack of available time, lack of confidence and in some cases, competence are also deemed restricting factors.

### **3.3.4. Pricing, Packing and Transport**

A further considerable constraint to business development and sustainability is the increasing costs of the supply of materials including delivery, (S.3.2.2 above also refers). There are also complexities of appropriate pricing of young trees and the costs of delivering them to customers. Again, the principle of economies of scale come to the fore, and many producers find they are growing trees at a loss which clearly poses a threat to the long-term sustainability of their business.

### **3.3.5. Administration, Legal and Finance**

There continues to be increased regulation and administration in relation to operating a small tree nursery. Mandatory regulation and accreditation are important in delivering best practice, both internally and within the wider horticultural sector. For example, Plant Passports, Forest Reproductive Material legislation compliance, and procedures in relation to plant health responsibilities.

As small businesses with limited resources, both financially and in labour availability, many are fully aware of the efficiencies that can be gained from new business systems but working at maximum capacity often results in updates and improvements in this regard being added to a long 'to do list', that never gets completed. Thus, a vicious circle ensues.

### **3.3.6. Training and Development**

Although those operating small tree nurseries are knowledgeable and experienced, it is acknowledged that to continue to be viable businesses training and development is critical, both for themselves and to encourage new entrants. Available time to implement training is for many small-scale tree producers not readily available, with many competing pressures to juggle. Furthermore, as a niche industry training requirements particularly in consideration of the physical aspects of operations can also be unique and fairly specific adding to the overall availability and costs.

### **3.3.7. Availability of Financial Support**

A significant issue for small scale tree producers is the access to appropriate grant funding; for training, infrastructure provision, and wider business support. The Scottish Rural Development Programme can provide grants for limited infrastructure provision, but only a few businesses have successfully navigated the application process, with the conclusion that it was not an easy or overly worthwhile process.



## 4. SOLUTIONS

### 4.1. Overview

A number of solutions were discussed and agreed for each topic. It should be noted that each is not necessarily stand-alone, with some cross over in detail applicable.

#### 4.1.1 Efficiencies in the Nursery

##### 4.1.1.1 Knowledge Transfer and Associated Opportunities

Although individual small nurseries run their own businesses at varying scales, to be able operate collectively to increase efficiency was seen as highly positive. In this regard, the main over-arching solution which was agreed as an absolute necessary was the development and maintenance of an official network of small tree nurseries whereby regular sharing of information could be easily accessed.

The overall benefits of the establishment of a network of nurseries where collaborative support is available are deemed wide-ranging and include being able to provide workable solutions to individual problems.

##### 4.1.1.2 Sharing of Resources

By working collectively and in partnership, the consensus from those representing small tree producers could be an improved position to gain benefits from sharing a range of resources. Whether this be business support, accreditation, marketing, IT, packing, transport or delivery costs, for example.

#### 4.1.2 Sourcing Materials

As materials continue to inevitably rise in price several workable solutions were proposed which could substantially assist small tree nursery producers to improve their productivity. These have been noted as follows:

- Development of the equivalent of a machinery ring – a model which has worked successfully in the agricultural sector and which a version could be evolved for nurseries.
- Develop a comprehensive database of suppliers and their costs, which is monitored and reviewed regularly.
- Collective bulk buying, for example for compost supply, to potentially enable discounts, however this would require an extent of co-ordination and management.

#### 4.1.3 Marketing and Online Profile

There is a considerable array of benefits which can be accrued from simple but positive marketing and public relations enhancements. A number of suggestions raised during the workshop discussions are listed below.

- Further/



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- Further develop and formalise the already positive steps taken to maintain a small nursery network.
- As part of the wider awareness raising create a Small Nursery Network logo.
- Consider developing individual and group USPs.
- Development of a communal website. An example of where co-operative working and the use of on-line profile is proving successful is with the model used by the Association of Scottish Hardwood Sawmillers (ASHS).

ASHS is a membership-based co-operative of independent businesses, supplying a range of sustainably produced and locally sourced Scottish timber and timber products to the UK marketplace. In addition to providing links to the availability of products and services, there is also access to a knowledge base and links for training and development.

A further example was *Treetrader*™ (although no longer live) which was a specific tree nursery on-line directory set up during the early days of internet access used by small tree producers and their customers. Perhaps launched before it's time, now may be a good opportunity for this to be revitalised, subject to any formal legalities.
- Marketing locally grown trees from specialist tree growers as a premium product – and work to develop a robust pricing strategy that is consistent and duplicable across the industry.
- Encourage local networks and marketing hubs – perhaps based on seed zones.
- Develop lines of communication with woodland and land agents, raising awareness of the advantages of using small and local producers to supply robust plants for their woodland creation and enhancement projects.
- Raise awareness on social media platforms such as Facebook and LinkedIn.
- Create a sales hub, which would be particularly useful at the end of season when excess stock is available.
- Develop an assurance scheme, either based on existing standards, or stand-alone.
- Develop strategies to assist with supply and demand of trees, with more focus placed on the medium and long-term. This could be linked with approved Long Term Forest Plans, Management Plans and designated sites' Management Strategies.
- Organise and host rotating nursery Open Days to assist in knowledge exchange.

### 4.1.4 Pricing, Packaging and Legal

The financial pressures of operating a small nursery business in often remote locations places additional constraints to efficiency. Pricing, packaging and legal issues are also closely linked to marketing and overall efficiency. It was agreed by all attending the workshop that the requirement was to develop a suitable pricing strategy which can endorse the niche product, which would in turn assist in maintaining overall business sustainability. Areas for attention also included:

- Working together to set realistic prices for products and becoming confident in setting prices which equate to the positives of selling a niche product.
- Being comfortable in increasing prices annually, and at least in line with inflation.
- The/



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- The endorsement of local produce, which could be via some form of accreditation/certification scheme.
- Co-operative management to assist with sourcing materials including collective purchasing, packaging, business development, etc. But also considering logistics and distribution.
- Research and implement the use of alternative products, particularly biodegradable packaging. Although more expensive, the industry wide use of more environmentally friendly products can be linked to the development of USPs and therefore assist in contributing to justifying a more realistic and profitable pricing strategy.
- Developing ways to tackle transport and delivery costs.
- Encourage/commission research into how to reduce the use of plastics and to deal with recycling and waste.

### **4.1.5 Administration, Legal and Compliance**

#### **4.1.5.1 Record Keeping**

Efficient record keeping is becoming increasingly crucial as a component of any business model, with a rapidly transition to making this digital. For example, in consideration of maintaining efficient working practices to improve business efficiency - areas such as the maintenance of databases, labelling for traceability and for Forest Reproductive Material inspections.

#### **4.1.5.2 Database**

The development and maintenance of a databases is deemed crucial to be able to manage business operations efficiently. The range of data which can be assimilated is wide-ranging and can remain useful as long as it is managed, monitored and reviewed regularly. From a co-operative perspective, the development of central hubs of information, which can be readily available, was agreed as being a welcome step forward assisting in overall efficiency of operations. Data held could include:

- Build on the current list of small nurseries and associated representatives prepared as part of this first phase project, and incorporating other lists held, both formal and informal.
- Details of industry-related networks.
- Template documents - legal, administrative and regulatory.
- Sources of training.
- Lists of suppliers.
- Up-to-date availability of staff and volunteers.

### **4.1.6 Training and Development**

To maintain progressive efficiency training it is absolutely essential that it feeds into all aspects of nursery operations. Although there is a considerable amount of information available, it is not always accessible or easily found.

The consideration of training requirements was covered in-depth during the workshop, and the following were highlighted as requiring further consideration:

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- The development of a programme of physical and online events. This could build on the workshop and Facebook group providing both informal meetings, and more structured on-line and in-person training. Delegates also thought visits to various nurseries to share information and develop relationships would be of great value.
- The development and availability of training and learning needs to cover a combination of resources and timeframes, such as hands-on in person experience, formal and in-formal on-line, by webinar/video, and a combination of free and paid.
- Training can be designed to be specialised such as for developing propagation techniques, or more general, such as business management.
- Electronically available data base of all relevant training available.
- Feed in data base available to all nursery members to be able to input and retrieve information easily.
- Training provision for volunteers.
- Development of government apprentice schemes and links to colleges and universities. Mentoring schemes.
- Development of accreditation schemes, and the possible integration of NVQs.
- Work experience availability provided by host co-operative nursery.

### **4.1.7 Routes to Further Support**

A considerable range of areas where further support would be welcomed was voiced during the workshop. These included aspects covered in the sections detailed above. However, the main stand out areas were noted as:

- Training – in all areas.
- Accessibility of grants funding, including capital grants.
- Business optimisation – at all levels.



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### 6. ACKNOWLEDGEMENTS

In the preparation and delivery of Phase 1 of the Small Scottish Tree Nurseries Project Future Woodlands Scotland wish to thank the following:

- The Scottish Forestry Trust for awarding match-funding to enable the delivery of Phase 1 of the project.
- All tree producers and other industry representative from throughout Scotland who gratefully assisted by providing comments and feedback from an early stage, and who made the time and effort to attend the workshop event.
- The workshop event facilitator, Andy Robinson - the Woodland Croft, Isle of Mull.
- Jill Hodge, Nursery Manager, and her staff, from the Trees for Life Tree Nursery, at Dundreggan Nursery for hosting an informative and tour of the nursery.
- Iona Hyde and Matilda Scharsach representing the Woodland Trust who at short notice, assisted during the workshop in summarising the various outcomes.

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