

Evidence to the Rural Affairs, Climate Change and Environment Committee on the Draft Scottish Budget 2013/14

by the Scottish Environment LINK
Economics Forum

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Summary:

- The National Performance Framework provides a good basis to help integrate spending decisions to deliver a flourishing and sustainable Scotland and should be used to guide spending decisions. Focusing on sustainable economic growth alone risks undermining this potential.
- In several areas the Draft Scottish Budget 2013/2014 should be strengthened to deliver on the environment.

In particular we note:

- Funding for agri-environment and woodland grant schemes should be increased to help meet our biodiversity and climate targets, to support climate adaptation measures and to increase opportunities for outdoor recreation and enjoyment of the countryside.
 - The level of investment set out in the Green Investment Package falls short of the levels required to ensure we deliver on our climate emission reduction targets as set out in the Climate Change (Scotland) Act 2009.
 - Funding for a national home retrofit programme should be boosted to at least £100m per year, funding for major road projects reduced and active travel spend increased from less than 2% of the budget to 10%.
 - Additional funding for Historic Scotland is required to ensure adequate historic environment advice and support to rural communities as part of an holistic rural land use approach.
- Boosting funding in these areas provides substantial social, economic and environmental benefits and opportunities to contribute to the preventative spend agenda.
 - The commitment to fund peatland restoration is welcome and this should be equivalent to at least £12m per year for the next 10 years.

Introduction

Scottish Environment LINK is the forum for Scotland's voluntary environment organisations, with over 30 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

LINK members welcome the opportunity to provide evidence on the Draft Scottish Budget 2013/14. The Budget is an important lever to support a transition to a low carbon economy, tackle biodiversity loss and safeguard our natural and historic built environment. With the right approach the Scottish Budget can help secure multiple benefits for the environment, society and economy and deliver on the Government preventative spend agenda by avoiding future costs.

Budget and Sustainable Economic Growth

The Scottish Government purpose is identified as 'creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth'. We are concerned that

- i) the purpose is frequently shortened and economic growth is articulated as the purpose in itself, rather than as a mechanism and
- ii) placing the emphasis on economic growth, as measured by GDP, risks undermining progress in other aspects which are key to achieving a flourishing and sustainable Scotland.

While a growing economy may help with the goal of flourishing, our long term wellbeing and prosperity is underpinned by a broad range of factors not least access to nature, a healthy ecosystem and a benign climate. Whilst the National Performance Framework has considerable scope to be improved it does already identify a broader range of outcomes for economic, social and environmental progress than GDP alone and we believe more emphasis should be applied to these aspects of the framework, and the broader set of indicators it sets out, in scrutinising the Budget.

Agri-environment funding

We are concerned at cuts to the agri-environment budget which amounts to almost an £11m reduction over the next 3 years and comes on top of a £10m reduction already applied in 2010 - a total cut of more than a third over five years.

Support for agri-environment schemes are one of the most important mechanisms for protecting and restoring biodiversity. The level of support will be a key factor in whether or not we are able to meet the 2020 biodiversity targets to which Scotland, the rest of UK and Europe are committed. One study¹ has estimated

¹ Cao, Y., Elliot, J., McCracken, D., Rowe, J., Whitehead, J., & Wilson, L. (2009) Estimating the scale of future land



that the annual cost of agri-environment options to deliver biodiversity objectives alone would be £250 million per annum for Scotland – almost 6 times the current agri-environment budget.

Not only do agri-environment schemes deliver for biodiversity but also help farmers manage our valued landscapes, improve water quality, support sustainable flood management approaches and manage soils to store carbon and constitute a huge preventative spend opportunity. They also provide an opportunity for farmers to provide for public access and a variety of outdoor recreation activities. Given the match funding nature of EU funding for agri-environment we are also concerned that cutting domestic levels of agri-environment and other rural development funding now will hamper Scotland's ability to make the case for increased levels of EU funds in future.

Climate change

The most recent emissions data identifies that emissions from transport and homes in Scotland have increased since 1990 and as a result Scotland missed the first emission reduction target in the Act. Whilst we welcome the Green Investment Package announced in the 2013-14 draft Budget, we do not believe that this funding is at a sufficient level to meet climate change targets, as set in the Climate Change (Scotland) Act 2009.

Transport: The modest boost in funding for cycling is welcome but the transport budget remains heavily dominated by spending on motorways and trunk roads with less than 2% of the total budget allocated to walking and cycling. We note that Edinburgh council is showing leadership in this area by committing to spending 5% of its transport budget on walking and cycling and urge the Government to follow this example and allocate 10% of the transport budget to boosting walking and cycling.

Homes: Investing in energy efficiency can help cut emissions, tackle fuel poverty and create green jobs. Beyond the additional funding to support Green Deal as a result of Barnett consequential spend we understand that the budget provides a very modest additional £3m to support energy efficiency programmes. However, overall the current levels fall short of those required to ensure that Scotland's homes deliver emission reductions in line with the Climate Scotland Act targets and delivering on the Government target to eradicate fuel poverty by 2016. We recommend that this Budget provides at least £100m in public funding for a national retrofit programme.

Peatlands: We welcome the Government announcement that additional funding will be made available to support peatland restoration and await details of the level and source of this funding. Peatland ecosystems, in their natural state, sequester carbon from the atmosphere and lock it away and we note that Scotland's peatlands hold 1,620Mt of carbon – equivalent to ten times the carbon stored in all of the UK's forests². The IUCN estimate that restoration of 600,000

management requirements for the UK. A report for the Land Use Policy Group

² [http://www.forestry.gov.uk/pdf/fcin048.pdf/\\$FILE/fcin048.pdf](http://www.forestry.gov.uk/pdf/fcin048.pdf/$FILE/fcin048.pdf) - 150 Mt CO₂ in UK forests



ha of peatland over 10 years would result in an annual saving of 2.7MtCO₂ per year. A funding commitment equivalent to £12million per year over 10 years is required (£120m in total) to deliver on this commitment.

We welcome the recommendation in the Committee's report on the 2012-13 budget, that the Scottish Government "ensure that all proposals and policies in the RPP, and any future revisions of the RPP, are fully funded, in order to meet the targets set out in the Climate Change (Scotland) Act 2009"³. We urge the Committee to scrutinise the budget in this way and ensure that this and future budgets adequately fund proposals set out in the forthcoming revised RPP.

Woodlands

Public support through SRPD contributes to be invaluable for native woodland creation which in turn provides ecosystem services including flood alleviation, water quality improvement, soil management, improved air and water quality, carbon sequestration, livestock shelter, and helps improve biodiversity and natural resilience to a changing climate. Given the demand for woodland creation and current grant commitments, there is a risk of a budget shortfall of around £10m. The recent success of native woodland creation must be sustained if the Low Carbon Scotland plan and the recommendations of the Woodland Expansions Advisory Group are to be met.

Historic environment

We note with concern the significant reduction in funding for Historic Scotland and believe investment in our historic environment offers huge environmental, social and economic benefits associated with the important role that our historic environment plays in contributing to our wellbeing and supporting a vibrant tourism industry.

Conclusion

The Draft Scottish Budget 2013/14 offers considerable potential to be strengthened to support the environment and our rural economy.

This response was compiled on behalf of the LINK Economics Forum and is supported by:

Archaeology Scotland
Buglife
Butterfly Conservation Scotland
Friends of the Earth Scotland
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North East Mountain Trust
Ramblers Scotland
RSPB Scotland
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³ <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/45089.aspx#annl>



Scottish Wildlife Trust
Woodland Trust Scotland
WWF Scotland

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