

Natural Environment (Scotland) Bill: Financial Memorandum

May 2025

Introduction to Scottish Environment LINK

Scottish Environment LINK is the forum for Scotland's voluntary environment community, with over 40 member bodies representing a broad spectrum of environmental interests with the common goal of contributing to a more environmentally sustainable society.

Its member bodies represent a wide community of environmental interest, sharing the common goal of contributing to a more sustainable society. LINK provides a forum for these organisations, enabling informed debate, assisting co-operation within the voluntary sector, and acting as a strong voice for the environment. Acting at local, national and international levels, LINK aims to ensure that the environmental community participates in the development of policy and legislation affecting Scotland.

LINK works mainly through groups of members working together on topics of mutual interest, exploring the issues and developing advocacy to promote sustainable development, respecting environmental limits.

Response

1. Did you take part in any consultation exercise preceding the Bill and, if so, did you comment on the financial assumptions made?

Yes, LINK actively participated in consultations in advance of the draft Natural Environment Bill publication. This included submissions such as the <u>Nature recovery targets: Statutory targets to drive</u> <u>the recovery of nature in Scotland</u> report and <u>response to the Strategic Framework for Biodiversity</u> <u>consultation</u>. LINK highlighted the need for long-term, stable investment in Environmental Standards Scotland (ESS) to enable it to deliver its enhanced monitoring, assessment, and reporting responsibilities. We also raised concerns regarding the financial and operational implications of inadequate deer population control, and the risks of failing to allocate sufficient funding for implementation. These financial considerations were positioned as critical to ensuring that the Bill's statutory biodiversity targets could be delivered in practice.

LINK has concerns regarding the powers granted under Part 2 of the Bill to amend Environmental Impact Assessment and Habitats Regulations. The Bill grants broad enabling powers to Scottish Ministers that could lead to significant changes in key environmental protections with limited scrutiny. The lack of foresight regarding the operational and regulatory costs of these powers is deeply concerning, particularly given the potential for future administrations to utilise these powers to rapidly reform environmental standards.

2. If applicable, do you believe your comments on the financial assumptions have been accurately reflected in the FM?



Between staff costs, support for HR, communication, corporate functions, and consultancy fees to procure specialist advice or expertise to inform ESS' position on whether appropriate progress has been made towards targets and whether a target should be reviewed or amended, total annual costs to ESS are approximated to be between £660,000-£1,000,000. An allocation of funding at the lower end will result in a more pared back role from ESS.

We have concerns around the cost implications of inadequate deer management. The FM appears to assume that existing, largely voluntary approaches will remain adequate, despite decades of evidence to the contrary. The anticipated costs for NatureScot's use of new enforcement powers are based on a very limited projected use, with no accounting for the scale of intervention needed to bring deer populations to a sustainable level.

3. Did you have sufficient time to contribute to the consultation exercise?

Yes, the consultation period for the *Strategic Framework for Biodiversity* allowed sufficient time for LINK to coordinate and submit comprehensive responses. However, given the complexity and scope of the proposals, further opportunities to scrutinise the financial assumptions behind the Bill would have been welcome. LINK has concerns about Part 2 of the Bill and its enabling powers, and additional scrutiny around their financial implications would have been helpful.

4. If the Bill has any financial implications for you or your organisation, do you believe that they have been accurately reflected in the FM? If not, please provide details.

The Bill has significant financial implications for public bodies and statutory delivery partners, notably NatureScot and ESS, which in turn have implications for LINK member organisations involved in monitoring and habitat restoration roles.

For example:

- The FM fails to realistically cost the level of deer control required to meet biodiversity objectives. It assumes a continuation of voluntary measures and suggests only limited use of new regulatory powers by NatureScot, despite the need for a substantial increase in culling activity to reduce ecological damage. Without an adequately funded, planned cull programme, other public investments, such as in peatland restoration and native woodland expansion, will be jeopardised.
- The FM includes no financial estimates for the use of the powers granted under Part 2 of the Bill, citing that these powers are not intended for short-term use. However, failing to model potential long-term costs associated with significant regulatory changes represents a concerning omission.
- 5. Do you consider that the estimated costs and savings set out in the FM are reasonable and accurate?



It assumes a very limited operational rollout of deer control powers, ignoring the urgent need for landscape-scale intervention to restore ecological balance.

It provides no costing or risk assessment related to the potential use of powers to modify or restate environmental assessment legislation or the Habitats Regulations, despite their long-term implications. The Delegated Powers and Law Reform Committee's recent <u>report</u> on the Inquiry into Framework Legislation and Henry VIII powers concluded that: "The Committee considers powers allowing flexibility 'just in case' are unlikely to meet the test for the necessity of the power, and as such, be considered inappropriate." We believe this strongly reinforces our position.

6. If applicable, are you content that your organisation can meet any financial costs that it might incur as a result of the Bill? If not, how do you think these costs should be met?

No. LINK members are not in a position to absorb additional financial costs associated with the implementation of the Bill. Many members are charitable bodies operating within limited budgets, and are reliant on external funding to carry out policy engagement, scientific monitoring, restoration work, and public education. To ensure successful implementation of the Bill, financial responsibilities must rest primarily with government and public bodies. Adequate central funding must be provided to:

- Enable ESS and NatureScot to deliver their statutory duties.
- Support land managers and communities to meet new obligations.
- Ensure environmental NGOs and civil society partners can contribute to delivery through targeted grants and public funding schemes (such as the Forestry Grant Scheme and peatland restoration funds).

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