ENVIRONMENT, CLIMATE CHANGE AND LAND REFORM COMMITTEE

AGENDA

23rd Meeting, 2018 (Session 5)

Tuesday 4 September 2018

The Committee will meet at 10.00 am in the Robert Burns Room (CR1).

1. **Decision on taking business in private:** The Committee will decide whether to take items 3 and 4 in private.

2. **Draft Budget Scrutiny 2019-20:** The Committee will take evidence on the Scottish Government's Draft Budget 2019-20 from—
   
   Riddell Graham, Director of Industry & Destination Development, VisitScotland;
   
   Iain Gulland, Chief Executive Officer, Zero Waste Scotland;
   
   Jonathan Hughes, Chief Executive, Scottish Wildlife Trust;
   
   Phil Mackie, Lead Consultant in Public Health, SMaSH and Head of the Scottish Public Health Network, NHS Health Scotland;
   
   Francesca Osowska, Chief Executive and Accountable Officer, Scottish Natural Heritage.

3. **Ivory Bill (UK Parliament legislation):** The Committee will consider correspondence on a legislative consent memorandum on the UK Parliament Ivory Bill.

4. **Subordinate legislation:** The Committee will consider evidence received on the Land Reform (Scotland) Act 2016 (Register of Persons Holding a Controlled Interest in Land) (Scotland) Regulations 2021.
The papers for this meeting are as follows—

**Agenda item 2**

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Environment, Climate Change and Land Reform Committee

23rd Meeting, 2018 (Session 5)

Tuesday 4th September 2018

Scottish Government Budget 2019/20

Introduction

1. At its meeting on 4 September the Committee will explore how the budget within the portfolio of the Cabinet Secretary for Environment, Climate Change and Land Reform contributes to national outcomes across the Scottish Government and how spending in some areas can potentially reduce future spend elsewhere.

2. The Committee is seeking to identify the most cost effective preventative investments in the ECCLR portfolio and those that contribute most to achieving the Scottish Government’s National Outcomes, particularly on health and the economy. The Committee will hear from the following in a roundtable format:

- Iain Gulland of Zero Waste Scotland,
- Riddell Graham, Director of Industry & Destination Development, VisitScotland,
- Jonathan Hughes, Chief Executive, Scottish Wildlife Trust,
- Phil Mackie, Lead Consultant in Public Health, SMaSH and Head of the Scottish Public Health Network, NHS Health Scotland, and
- Francesca Osowska, Chief Executive, Scottish Natural Heritage.

3. Written submissions from the witnesses can be found at Annexe A.

Background

4. The Committee considered its approach to scrutiny of the Scottish Government Budget 2019/20 at its meeting of 26 June 2018. In the period between June 2018 and February 2019 the Committee agreed to focus its Budget scrutiny on preventative spending and the carbon impact of the capital budget. The Committee agreed to take oral evidence on preventative spend on 4 September and oral evidence on the carbon impact of the Budget, including a session with the Cabinet Secretary for Finance, Economy and Fair Work, on 11 September.

5. The Committee agreed to write to the Scottish Government and to the ECCLR public bodies seeking information on the main items their budget buys and the evidence they have which demonstrates how their spending over recent years has contributed to relevant national outcomes and preventative spending.

6. In addition, the Committee also agreed to:

- Analyse the Financial Memorandum for the Climate Change Bill (the indirect costs and the public sector’s contribution to the total expenditure required across the public and private sectors), and
Consider options to improve the scrutiny process of climate change spend within the wider review of scrutiny of climate change, over the rest of the parliamentary session.

Call for Views

7. The Committee hosted a call for views from 3 July 2018 until 10 August 2018. It received the following submissions:

- 001 Cairngorm National Park
- 002 Scottish Environment Protection Agency
- 003 Zero Waste Scotland
- 004 Royal Botanic Garden Edinburgh
- 005 Scottish Water
- 006 Scottish Natural Heritage
- 007 Loch Lomond and Trossachs National Park
- 008 Cycling Scotland
- 009 Paths for All
- 010 Andreas Wernsing
- 011 WWF Scotland
- 012 Edinburgh Centre for Carbon Innovation
- 013 VisitScotland
- 014 Confor
- 015 Unison
- 016 NHS Health Scotland

8. The Committee also canvassed the views of young people and others on the impact of preventative spend via Facebook.

Next Steps

9. At the next Committee meeting, on 11 September, the Committee will consider the carbon impact of the capital budget to support the delivery of public infrastructure in Scotland, including spending on buildings, roads, rail and digital. The Committee will take evidence from WWF Scotland, Scottish Water and from the Cabinet Secretary for the Economy, Jobs and Fair Work.

10. The Committee intends to write to the Scottish Government following the evidence sessions, setting out its views, in advance of publication of the Scottish Government Budget later this year.

Clerks/SPICe

Environment, Climate Change and Land Reform Committee
The following written submissions were received from witnesses:

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SUBMISSION FROM Scottish Natural Heritage

- Evidence of what spending in our budget is achieving in terms of the National Outcomes (via the relevant national indicators).
- Estimated costs of programmes and evidence of cost savings on other parts of the budget.

Scotland’s natural capital, on land and in the sea, is relevant to all aspects of our lives. The goods and services that we consume either rely on natural capital or impact on it. All of our work to look after and improve nature contributes to more than one National Outcome and associated indicators and so leads to cost savings in other parts of the budget.

The state of nature, climate change, health and wellbeing must be tackled together. This is reflected in our Corporate Plan, *Connecting People and Nature*. This is central to everything we do because if nature is to thrive it has to be relevant to people and the choices they make about use of the land and the sea. This is reflected in our four outcomes: the more we are able to show the *benefits that people derive from nature*, the more calls there will be for *investment in nature* right across the public and private sector, and more investment will lead to *healthier and more resilient nature*. Healthier and more resilient nature provides more benefits to people, and so on. To do that we need to *transform the way we work*.

SNH contributes directly to 7 of the National Outcomes:

- We value, enjoy, protect and enhance our environment
- We have a globally competitive, entrepreneurial, inclusive and sustainable economy
- We respect, protect and fulfil human rights and live free from discrimination
- We are open, connected and make a positive contribution internationally
- We live in communities that are inclusive, empowered, resilient and safe
- We have thriving and innovative businesses, with quality jobs and fair work for everyone
- We are healthy and active

We also contribute indirectly to three others:
• We tackle poverty by sharing opportunities, wealth and power more equally
• We are well educated, skilled and able to contribute to society
• We grow up loved, safe and respected so that we realise our full potential

Examples of how our spend is contributing to National Outcomes are given below. To avoid repetition we have addressed both asks together in the narratives under each of the 10 National Outcomes our work contributes to.

We value, enjoy, protect and enhance our environment

• Around 80% of our budget contributes to this outcome. It includes all of our work on protected areas, priority habitats and species (including the Pearls in Peril project for freshwater pearls and river restoration, mink eradication in the Western Isles and improved deer management) as well as the Scottish Rural Development Programme and our advice on planning and development, Planning for Great Places. We are increasingly focusing our resources on Planning for Great Places on the upstream aspects of the planning system to provide earlier certainty for investment. This is supporting the government commitment to a plan-led approach to development.

• Scottish Government’s ‘Scotland Performs’ reporting framework assesses performance on the Condition of Protected Nature Sites Indicator as ‘maintaining’. Of the three types of protected area category, the proportion of natural features in favourable condition is assessed as:
  o Earth Science (covering geological features) - 97.9%
  o Species – 74.6%
  o Habitats – 79.3%

• SNH is a delivery partner for the SRDP’s Agri-Environment Climate Scheme, contributing £1.2m in 2017-18 and £1.5m in 2018-19. The programme is the main mechanism we use to offer incentives that deliver positive land management in support of the 2020 Challenge for Scotland’s Biodiversity. Our role focuses on improving management of protected areas and vulnerable species, restoring peatland and improving public access arrangements. This year over 800 applications will deliver £47m worth of benefits for the rural economy and environment, and a third of these were directly administered by SNH. We also provided strategic input to the £20m Farm Advisory Service to promote the sharing of knowledge and good practice to help farmers and crofters take care of our land, wildlife and natural resources.

• As well as being open to people across Scotland to enjoy, our National Nature Reserves (NNRs) help complement our work in tackling inequality by hosting many school visits, offering volunteering opportunities and providing a venue for health walks. Many of these target groups and individuals from disadvantaged communities or those facing particularly challenging personal circumstances. In total, we welcomed around 600,000 visitors during 2017/18, with over 93% satisfied with their visit.
In addition, we supported 16 wheelchair users to access our National Nature Reserves with Pony Axe S, a company that gets people in wheelchairs to wild places that would otherwise be inaccessible.

National Indicators: Condition of protected nature sites; Biodiversity

We have a globally competitive, entrepreneurial, inclusive and sustainable economy

Scotland was the first country in the world to develop and use a measure of natural capital in our National Performance Framework to monitor the sustainable economic use of our natural assets. The underpinning indicator for this is the Natural Capital Asset Index developed and maintained by SNH.

Scotland’s natural capital is estimated to be worth around £20 billion per annum to the economy. Much of this value is generated by key growth sectors highlighted in Government’s Economic Strategy such as tourism, renewable energy and the food and drink sector which are heavily dependent on a high-quality natural environment. In 2015, the last available data, the turnover from the energy, food and drink and tourism sectors stood at £45.7bn, £13.5bn and £8.9bn respectively. Renewable energy grew from 8000 GW hours in 2005 to 21,600 GW hours in 2015, an increase of 270%, with renewables now the largest contributor to energy generation. The food and drink sector grew by 8.8%, with the tourism sector growing steadily since 2013 by 11.1%.

We use our Scotland’s Natural Larder campaign to help reconnect people, particularly young people, with local and natural produce, promoting sustainably harvested and locally produced food as part of the new Food and Drink Strategy.

Central Scotland Green Network: The Central Scotland Green Network (CSGN) is Europe’s largest greenspace project. Stretching from Ayrshire, Inverclyde and Dunbartonshire in the west, to Fife and the Lothians in the east, it encompasses 19 local authorities across 10,000km² and has the potential to benefit 3.5 million people or 70% of Scotland’s population. SNH was a founding partner for CSGN and continues to contribute through our leadership, partnership and funding on biodiversity (£2.3m EU Life project on habitat improvements), landscape (five HLF landscape projects in urban fringe), access (John Muir Way, strategic route links), greenspace (e.g. Seven Lochs wetland park in North Lanarkshire, Inverclyde locality plans) and grants (£1.1 million so far, levering £4.7 million in total project funds).

Economists from the SG Government’s Rural and Environment Science and Analytical Services Division (RESAS) studied the potential benefits that the CSGN would deliver to 2050 through environmental investment in Scotland’s central belt¹. They focused on six areas – crime reduction, improved physical health, improved mental health, peatland carbon sequestration, forest carbon sequestration and reduced flood damage. These six benefits were selected due to the strength of supporting evidence, how easy it is to communicate the

positive impacts on people and on the existing quantitative research. These benefits provide a considerable return on the investment in the green network. RESAS found that they totalled £6 billion to 2050 or a return of £2.14 for every pound spent.

- **City Region Deals** – we are providing input into the development of City Deal programmes and promoting the role of access and greenspaces in delivering inclusive economic growth. We are adding value to existing City Deal projects through green infrastructure funding and our placemaking advice. Recently, we led the masterplanning work for the river park project to connecting communities in Stirling and Clackmannanshire along the River Forth.
- **National Indicators**: Access to green and blue space, Natural capital (and others)

**We respect, protect and fulfil human rights and live free from discrimination**

- Scotland has some of the best access rights in the world. These rights apply to most land and inland water and include walking, cycling and other non-motorised activities. They give both citizens and visitors the right of responsible to access some of the world’s most beautiful landscapes and scenery.
- During 2017-18 we hosted several visits to NNRs by families escaping the Syrian conflict, and staff have gone on to befriend a group in Stirling, accompanying them on regular walks.
- **Climate justice agenda** – Scottish Borders Climate Resilient Communities project, involved self-selected communities in co-designing the research so that they actively built their resilience as the research progressed. The findings highlight the need for much greater holistic approaches to community resilience to both address the integrated challenges but also to identify key opportunities that emerge from a more integrated and synergistic approach to the challenges facing communities. We supported this through our funding of the Southern Uplands Partnership.
- **National indicators**: access to green and blue space; visits to the outdoors

**We are open, connected and make a positive contribution internationally**

- We have contributed advice internationally on approaches to species conservation and management, including multi-partner conservation and management, translocations, reintroductions, non-native invasive species control and conservation frameworks.
- We discovered the largest Flame Shell reef in the world in Loch Carron
- Development casework management, notably in response to renewable energy developments, including the establishment of the ‘Band Model’ (devised by former colleague Dr Bill Band) to assess bird collision risks, and other guidance produced by colleagues and research associates. A recent visit to Japan to advise on environmental impact assessments on offshore
renewables, showcased Scotland’s World-leading expertise in this area on the international stage.

- Our internationally-renowned work on peatland restoration mitigates against climate change and has benefits for flood management, water quality and biodiversity. The Scottish Government funded PeatlandACTION programme, which we run, is the principal funding mechanism for this work. Annual targets are vulnerable to spells of bad weather, but we have already restored 10,000ha of peatland and have viable proposals for restoration of a further 25,000ha, all of which augers well for meeting longer term Climate Change Plan targets.
- Our contribution to reducing Scotland’s carbon footprint in relation to energy consumption and travel use shows a steady reduction. For 2017/18, our CO$_2$ emissions were 6.6% lower in comparison with 2016/17, and over the last 3 years we have managed to reduce emissions by 27.5%.
- National Indicator: Natural Capital Asset Index; Greenhouse gas emissions

*We live in communities that are inclusive, empowered, resilient and safe*

- SNH runs the Green Infrastructure Strategic Investment Fund (a Strategic Intervention under the European Rural Development Fund), to deliver transformative change in some of Scotland’s most disadvantaged urban areas through the creation and improvement of green spaces. The first round projects worth some £5.5m are due for completion this year. The Canal & North Gateway project in Sighthill, Glasgow is supporting economic regeneration in one of the poorest parts of Scotland. It will help contribute to climate change mitigation by solving an urban flooding issue over 100ha and diverting potential stormwater from a combined sewer (this is part of the North Glasgow Integrated Water Management System). In turn, the reduction in flooding risk will help to make much of the vacant and derelict land in the area more attractive to development as well as making a local nature reserve more attractive and accessible which has an important role to play in tackling health inequalities in the area, including links to a new Health Centre.
- We currently support 7 landscape partnerships through around £100k of grant aimed at delivering large-scale ecosystem improvements, restoring degraded landscapes, engaging disadvantaged communities and/or addressing visitor pressure on fragile natural environments (East Ayrshire Coalfields, Coigach & Assynt, Garnock Connections, Nevis, Seven Lochs, Callander, North Isles).
- National indicators: Access to green and blue space (and others)

*We have thriving and innovative businesses, with quality jobs and fair work for everyone*

- Funding has been secured for a two-year marketing initiative dedicated to attracting more walkers and cyclists to the iconic coast-to-coast John Muir Way running through the heart of the CSGN. A key focus will be to collaborate
with businesses along the route, to promote them as a part of the John Muir Way experience. This will respond to and further drive the growing market for walking and cycling tourism, in the central belt. This popular route attracts both domestic and international visitors, particularly those from John Muir’s adopted home in the USA, reinforcing the economic opportunities for Scotland. The project has been financed by the Scottish Government and the European Community through the LEADER 2014–2020 Programme and by Local Authorities along The John Muir Way.

- ‘Connecting Outdoors, it’s in our nature’ is SNH’s CanDo (challenge fund for public sector innovation) funded CivTech 3.0 challenge to harness the power and popularity of new and emerging technology to better connect (young) people with nature, and support outdoor learning. CanDo funding of c£30k will be paid directly to CivTech. The project will focus on nature reserves, parks and greenspaces, and the product will probably take some form of app for phones/tablets. We are currently going through the application matching phase to find a suitable developer to work with.
- National indicators: Natural capital; Entrepreneurial activity

**We are healthy and active**

- **The National Walking and Cycling Network:** SNH leads on the development of Scotland’s National Walking and Cycling Network - a National Development within National Planning Framework 3, spending about £450k in both 2017-18 and 2018-19. Many of the priority routes listed in the NWCN Project Plan pass by or through urban areas with the aims of: strengthening local economies; supporting physical activity and sustainable travel choices and encouraging more people to enjoy Scotland. A first Baseline Monitoring Report was published in August 2017 which showed that 8.7 million walking and cycling trips were taken on Scotland’s National Walking and Cycling Network generating £85m of expenditure in the local economy; 78% of route users said that the NWCN had helped to increase their level of physical activity while 52% of those interviewed stated that the existence of the NWCN route allowed them to use active travel (walk/cycle) for their journey instead of using a motorised vehicle.
- **Our Natural Health Service:** SNH is working with a range of public sector partners on Our Natural Health Service, spending £150k in 2017-18 and £200k in 2018-19. An ageing population, more people with multiple conditions, widespread chronic illness and medical advances – all put increasing pressure on the health sector. At the core of the Our Natural Health Service initiative are Green Health Partnerships, currently being piloted in Lanarkshire, Dundee, North Ayrshire and Highland. These local cross-sector partnerships are working to demonstrate how co-ordinating and up-scaling green health opportunities can contribute to addressing public health and health and social care priorities identified in local strategies and plans. Within
its operational area, the activity of each partnership is being targeted on areas experiencing high levels of physical inactivity, health inequalities and other aspects of disadvantage and will aim to tackle key barriers to using the outdoors. Examples of supportive nature-based initiatives include: health walks groups, therapeutic / community garden projects, Green Gym programmes and active travel promotion.

- Most of the *Green Infrastructure Fund* projects, which will cover 30 disadvantaged communities, include investment and community engagement actions linked to improving physical and mental health.
- National indicators: Physical activity, Mental wellbeing, Journeys by active travel; Healthy weight

*We tackle poverty by sharing opportunities, wealth and power more equally*

- **Learning in Local Greenspace** (a Biodiversity Route Map project) is aiming to support 100 schools serving the 20% most disadvantaged areas across Scotland to take learning out into a local greenspace on a frequent and sustained basis by 2020. This SNH led work is a collaborative project working with a wide range of national and local partners to engage eligible primary, secondary and additional support needs schools.
- During 2017/18 our grant aided projects were focused on projects that benefit people from the following groups: disabled; young; older; poor health; low income/in areas of deprivation; black/minority ethnic communities. For example the Volunteering Matters Action Earth small community grants project supported 55 projects, involving over 4,000 volunteers in the lowest 15% of the Scottish Index of Multiple Deprivation. The National Trust for Scotland Community Outreach work benefitted over 3,500 people from the 15% most deprived areas of Scotland. The East Dundee Environment Network Get in touch with the Dighty project supported over 700 people from communities of multiple deprivation, and many other people, to benefit from the burn, connecting people and nature.
- National indicator: educational attainment; confidence of children and young people

*We are well educated, skilled and able to contribute to society*

- SNH’s Outdoor Learning in Nature (OLiN) Fund launched in March with the aim to support more young people to have regular, frequent, structured and progressive outdoor learning experiences. A total of 43 applications were received in the first round in April 2018 and 16 projects (with an estimated value of £410k) have been approved for funding. A second round is planned for later in the year to address gaps in fulfilling fund priorities.
- National indicator: educational attainment; confidence of children and young people

*We grow up loved, safe and respected so that we realise our full potential*
Since 2015, Young Scot and Scottish Natural Heritage have been working in partnership to create and support a strategic co-design panel of young people called ReRoute. The group of volunteers from across Scotland aged 13-24, explored ways of increasing young people’s engagement with Scotland’s biodiversity. In June they produced their ReRoute Recommendations Report with a series of inspiring recommendations to advise Scottish Natural Heritage and policymakers in Scotland on how to get more young people to engage with the country’s natural environment in urban and rural locations. SNH accepted their proposals in full, including establishing Urban Junior Ranger groups and creating new urban nature parks/reserves co-designed with young people.

We have committed £100k funding to the future routes challenge fund for the next 5 years to empower young people to engage with Scotland's natural environment by providing funds for projects and ideas, with additional funding likely to support Urban Junior Ranger groups and creating new urban nature parks/reserves.

National indicator: public services treat people with dignity and respect.

SUBMISSION FROM VisitScotland

VisitScotland is the National Tourism Organisation for Scotland and has a crucial role to play in helping to deliver the Scottish Government’s core purpose of creating a more successful country, with opportunities for all the people of Scotland to flourish, by increasing sustainable economic growth.

As the lead delivery agency for the visitor economy, and with an annual GIA of £49 million (incl. ring-fenced money) from the Scottish Government, VisitScotland focuses on marketing Scotland as a tourism destination and the perfect stage for events, with the aim of attracting domestic and international visitors.

VisitScotland works very closely with the tourism industry. This includes the Scottish Tourism Alliance, contributing to the delivery of Tourism Scotland 2020 and to ensure a thriving industry beyond 2020.

Background

In 2017, Scotland attracted approximately 14.9 million overnight visitors, which generated £5.3 billion in visitor expenditure. Further to this 151 million day trips were taken in Scotland with a total spend of £6 billion. Taking into account the wider Scottish supply chain, spending by tourists in Scotland generates £12.7 billion of economic activity in the wider Scottish supply chain and contributes £7.3 billion to Scottish GDP.

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2 OCEA Impact Model takes the direct spending by tourists in Scotland, deducts off imports and product taxes, and then estimates indirect (supply-side) activity and induced (re-spending of wages) activity. The latest estimates are based on direct spending in 2015.
Tourism is a key component of Scotland’s economy as demonstrated in its status as one of Scotland’s Growth Sectors\(^3\). Growth in the sector in recent years, both in terms of value and jobs, has cemented the tourism sector’s status as a key growth sector, particularly when compared against the performance of other identified Growth Sectors. Between 2008 and 2016, tourism GVA grew by 50%, with only the Life Sciences sector exceeding this figure over the same period. Similarly, in respect of jobs, tourism employment accounted for 207,000 jobs in 2016.

VisitScotland’s marketing activity benefits every aspect of the Visitor Economy from accommodation providers to plumbers, from Visitor Attractions to construction and acts as a tangible expression of our identity, values and aspirations both at home and abroad.

Our Information network located in key areas of the country provides a shop window for small local businesses, primarily arts, crafts and textiles, which would be impossible to achieve otherwise; delivers information to 3 million visitors on what to see and do, where to shop and stay highlighting the best an area has to offer.

VisitScotland’s Events Directorate not only delivers high profile international events such as the Solheim Cup but also supports, nurtures and grows our domestic offering such as the Portsoy Boat Festival thereby ensuring that our rich cultural tapestry across Scotland is developed and sustained.

Our Business Events team delivers major conferences not just to the cities but also to more rural areas such as The Highlands, Fife, Perthshire and Stirlingshire. Core business events activity – attendance at trade shows, sales missions, buyer events, familiarisation trips and PR – generated £24.2m net economic impact and £12m GVA and supported 313 FTE jobs.

VisitScotland Delivers

- Without tourism, many rural communities would not be sustainable and business sectors such as food and drink, retail and construction would be impacted severely.

- There are £16bn worth of tourism capital projects underway across Scotland identified in the National Tourism Development Framework.

- VisitScotland makes a difference by delivering economic success for Scotland on a global stage as a place to visit and invest in by supporting a wide ranging programme of events, marketing and partnerships projects

- VisitScotland is committed to working closely with partners across Scotland - working with destination organisations and local authorities - and being responsive to industry needs, to ensure local success.

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National Tourism Development Framework

The National Tourism Development Framework for Scotland: role of the planning system in delivering the Visitor Economy (the Framework) sets out actions to assist and promote growth in Scotland’s visitor economy to 2020.

The Framework supports the national tourism strategy (Tourism Scotland 2020) produced by the Tourism Leadership Group where the collective ambition is for Scotland to be recognised as a destination of first choice. It also supports the vision in the National Planning Framework on securing sustainable economic growth and the transition to a low carbon economy.

The Framework identifies over £16 billion of public and private sector investment in major infrastructure projects being delivered across the country that are expected to have an impact on the visitor economy and support tourism growth.

Figures outlined for each main theme include:

- Transport £8.5 billion
- Towns & Cities £3 billion
- Accommodation £1 billion
- Digital £486 million
- Nature £255 million
- Heritage £236
- Food & drink £201 million
- Events & festivals £115 million

Rural Tourism Infrastructure Fund

The Scottish Government Rural Tourism Infrastructure Fund (RTIF) launched on 30 March and is designed to help rural areas in Scotland invest in the quality of their tourism offering. The increasing popularity of outstanding scenic areas stimulated by marketing successes such as the North Coast 500, film tourism and the huge growth in cruise liner arrivals has led to rapid increases in visitor numbers. This has resulted in some rural areas, at certain times of the year, experiencing pressure on infrastructure.

Many of our more remote rural areas are served by narrow or even single track roads, designed for regular local traffic and not suited to increased usage during peak times. Visitors are often not sufficiently experienced to drive these routes.

Many free natural attractions do not generally have the amenities in place, such as parking and toilet provision that visitors have come to expect in other locations. The £6 million rural tourism infrastructure fund will address some of these concerns and support sustainable, well planned, and collaborative infrastructure projects to enable visitors to further enjoy Scotland’s rural communities.
To date we have received 49 expressions of interest from 15 local authorities and both National Park Authorities.

South of Scotland

VisitScotland is working with public and private sector partners to deliver a fresh approach to economic development in the South of Scotland and helping to prepare the ground for the establishment of a new South of Scotland Enterprise Agency.

VisitScotland will use the Scottish Government’s investment of £500,000, to develop and deliver an ambitious, targeted and measurable marketing programme that further promotes the South of Scotland through digital and traditional media as well as by working with the travel trade.

This will be delivered over a two-year period, with activities and campaigns positioning the South of Scotland as an inspirational, must-visit, destination. This will link directly with the Programme for Government’s focus on coastal and forest tourism activities, highlighting the wealth of visitor experiences around walking opportunities, cycling routes, 7stanes mountain biking network sites, the Galloway Dark Sky Park and South West Scotland Biosphere.

While complementing the existing activity, this South of Scotland marketing project will enable VisitScotland to target new audiences with a south-wide message by establishing a narrative that will position the south as a top destination for coastal and forestry experiences.

Destination Development

VisitScotland works very closely with local destination organisations, supporting, advising and working collaboratively with these industry groups across the country. Destination Organisations focus on local ambitions to grow tourism in their areas and increase the positive impact on communities.

By maintaining close relationships with those groups in rural locations, VisitScotland is able to actively support their ambitions to develop the positive impacts of tourism in rural communities.

Themed Years

VisitScotland is the lead organisation for developing and delivering the Scottish Government’s programme of themed years. This year’s theme Year of Young People is celebrating the role of our young people in their communities and encouraging businesses to celebrate their young employees which are so vital to the advancement of our industry.

Further themed years of Coast and Waters in 2020 and then Scotland’s Stories in 2022, will create many more opportunities to showcase Scotland’s environment.

Conclusion

VisitScotland’s activity is in line with the Programme for Government and our Letter of Strategic Guidance. VisitScotland delivers for the Scottish Government’s economic strategy, for the industry and for the sustainability of our communities across the length and breadth of the country. VisitScotland stimulates investment,
practises and embraces innovation, is a catalyst for internationalisation and is committed to inclusion.

To drive economic growth, as evidenced by our results, VisitScotland will continue to make the case for investment in tourism and to spread the benefits of tourism to all communities.

VisitScotland

August 2018

SUBMISSION FROM NHS Health Scotland

Sent on behalf of the Scottish Managed Sustainable Health Network, ScotPHN, hosted by NHS Health Scotland

The Scottish Managed Sustainable Health Network (SMaSH) is a network within ScotPHN, the public health network hosted by NHS Health Scotland. SMaSH is pleased to be able to provide additional background for the members of the Scottish Parliament’s Environment Climate Change and Land Reform Committee in relation to its scrutiny of the Scottish Government’s budget for 2018/19.

SMaSH was formed in 2012 to bring together professionals with an interest in health/healthcare and sustainability. It aims are to provide:

- a forum for sharing information between individuals and organisations across Scotland;
- opportunities to encourage and coordinate good/innovative practice; and
- opportunities to highlight the role the NHS has to play in sustainable energy and resource use, reductions in environmental vulnerability, supporting adaptation to climate change, and realising the potential for health co-benefits across sectors.

As such, it is closely concerned with approaches to, and promotion of action that can achieve the necessary co-benefits in human and planetary health set out in the UN Climate Change Conference of the Parties (COP21).

In this short paper, we have addressed our comments specifically in regard of the three main areas for scrutiny.

Evidence of what spending in the ECCLR portfolio is achieving in terms of the National Outcomes (via the relevant national indicators)

Given that the UN Sustainable Development Goals are formally linked to the new Scotland Performs Framework, the first point to note is that this is a framework that
encourages and supports action that can deliver environmental, human, and climate change co-benefits.

This is important as experience suggests that the achievements of such co-benefits need to be actively planned for and their delivery managed. It is not sufficient to simply assume that action to protect the environment in some manner, will result in improvements in human health. One example of this is in the area of active travel, where improving (affordable) access to public transport can reduce the carbon footprint associated with private vehicle use. It cannot be assumed that there will be a result in changes in physical activity levels that improve human health at the population level unless this is actively planned.

Furthermore, at present, the national indicators do not necessarily capture collaborative action between public, private, and independent sectors and agencies to achieve co-benefits.

This means, for example, that emerging collaboration between the Scottish Environmental Protection Agency, Scottish Natural Heritage, and the NHS bodies Heath Protection Scotland and NHS Health Scotland under the broad umbrella of SMaSH are difficult to align to the financial investments being made under the relevant Scottish Government portfolios and the budgets that support them.

**Estimated costs of programmes and evidence of cost savings on other parts of the budget.**

It is clear that one of the underlying challenges for the Scottish Government and those organisations that are responsible for the delivery of agreed policies is achieving meaningful “invest to save” programmes.

Within the health sector, we seek to encourage current investment to prevent future consequences to human health arising from environmental degradation and existing and emerging environmental hazards. Similarly, we are keen that actions taken to mitigate or adapt to the impacts of climate change are able to minimise or reduce the future costs to the NHS and wider health sector. This includes associated potential increases in health and health care demand related to extreme weather events, changes in current patterns of disease, and potential human migration.

From a population health standpoint, we would want to encourage a degree of caution in interpreting evidence of future returns on preventative investment. Many of the health co-benefits (the returns on investment) are likely to be prone to generational change. We also need to recognise that health is impacted by factors beyond environmental change. The impacts of the social and cultural determinants of health, which may also be changing as a consequence of environmental change, need to be addressed too. This is important because there is a clear relationship
between poverty, inequality and the impacts of environmental degradation and climate change. If programmes are seeking to improve health through current environmental protection, climate change adaptation, and land use (e.g. for food production), they may also need to consider how they can help change the social and economic facts that create and sustain inequality.

**The carbon impact of the capital budget.**

The methods to identify the carbon consequences of capital programmes are well developed across the public sector and given the recent changes in procurement regulations, assessed early in most capital programmes subject to all public procurement processes. That is not to say that there is a wealth of capacity in public sector organisations to across Scotland to undertake carbon calculations of what can be complex capital programmes.

Carbon impacts are not limited to capital expenditure and in many cases it is the revenue consequences of public investment which need to be taken into account. Approaches to what has been variously described as “whole process” or “lifetime” carbon consequences are an essential component of understanding carbon impact. In other words, how the capital infrastructure is to be used is as important as the carbon efficiency of the infrastructure and its development. For example, focusing only on the carbon footprint of a new building (in terms of its estate consequences) in an out of town location is not complete without understanding the overall use of the facility, from service user transport to getting supplies to and waste from the facility etc.

By extension, there is also the issue of carbon consequences of capital investment in one sector that has an impact on a cross-sector basis. This is important when considering the increasing approaches to public sector integration. An illustration of this can be seen in the work of our partner organisation the Sustainable Development Unit in Public Health England.


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SUBMISSION FROM Zero Waste Scotland

Zero Waste Scotland Response to ECCLR Committee scrutiny of Scottish Government draft budget 2019/20

Thank you for the opportunity to input to the Committee’s work. Please find attached Zero Waste Scotland’s response to this call for evidence. If you would like further information, or have any questions, please don’t hesitate to contact us.

1. Introduction

Zero Waste Scotland’s delivery plan for financial year 2018/19 is built around four organisational outcomes, which set out our vision for developing a circular economy in Scotland – an economy where resources are used and reused as efficiently as possible, with economic value retained and enhanced at the end of a product’s life through remanufacture, repair, reuse, or recycling. Our four organisational outcomes are long term and align closely with the National Outcomes and national indicators, as well as specific national targets and goals in the policy portfolios we support (most notably Making Things Last and the Energy Strategy). The full scope of our ambition will not therefore be delivered by Zero Waste Scotland alone.

Purely for ease of reference throughout this document we have numbered the national outcomes as follows:

1. We grow up loved, safe and respected so that we realise our full potential
2. We live in communities that are inclusive, empowered, resilient and safe
3. We are creative and our vibrant and diverse cultures are expressed and enjoyed widely
4. We have a globally competitive, entrepreneurial, inclusive and sustainable economy
5. We are well educated, skilled and able to contribute to society
6. We value, enjoy, protect and enhance our environment
7. We have thriving and innovative businesses, with quality jobs and fair work for everyone
8. We are healthy and active
9. We respect, protect and fulfil human rights and live free from discrimination
10. We are open, connected and make a positive contribution internationally
11. We tackle poverty by sharing opportunities, wealth and power more equally

Source: http://nationalperformance.gov.scot/, our numbering, for convenience only
National Outcome Six, on the environment, is of course central to what we do. We are specifically focused as an organisation on reducing carbon dioxide (CO\textsubscript{2}) equivalent emissions, and enhancing or preserving natural capital. Some of this benefit arises directly from our interventions, and some arises where we have influenced the preferences and decisions of others. The former is typically realised more quickly and is easier to quantify, while the latter may make the biggest difference in the long term. Our full environmental impact is best understood globally, in line with Scotland’s carbon metric\textsuperscript{i}, reflecting the fact that material supply chains associated with Scottish consumption create significant emissions overseas. This activity also delivers significant benefit in Scotland alone\textsuperscript{ii}.

In terms of the committee priorities for this query, almost all our activity contributes to National Outcome Four, on the economy, and also to National Outcome Seven, given the potential of a circular economy to create high quality jobs. Energy and material efficiency are good for businesses and non-profit organisations, saving money and enhancing competitiveness and cost-effectiveness. But the potential of a circular economy goes far beyond this, offering Scotland a chance to be a leader in offering new products and services that meet the needs of the global economy while protecting our environment. Our work also supports National Outcome Eight, on healthy and active lives, through our work with communities and the public, and especially relating to topics such as litter and food waste prevention.

Our communities work also contributes to National Outcome Two, on communities. And we would also like to emphasise the importance of delivering the right skills and knowledge to underpin the circular economy transition, and Scotland’s competitive position in the world economy, making National Outcome Five, on skills and education, an important part of our work. We deliver all our programmes in ways that reinforce the full range of National Outcomes.

The rest of this response is structured around our four draft organisational outcomes (currently pending Board approval), demonstrating our key activities under these headers, and how this maps to the national framework. Zero Waste Scotland currently receives funding from the following sources: Scottish Government Zero Waste (£16.7m), Scottish Government Low Carbon Energy and Heat (£2.7m), and European Regional Development Funds (ERDF) (£5.5m)\textsuperscript{iii}. Many of our activities contribute across our organisational outcomes, and the national outcomes – however we have only described each activity once in this submission.

2. **Zero Waste Scotland’s Outcome A: “Develop an economy where businesses and organisations are demanding and supplying their products and services in a way that uses less materials.”**

   Total spend in this area is £9.1m

   **Key activities include:**

   Our Circular Economy Investment Fund is a large-scale grant fund to catalyse investment in transformative circular economy opportunities, with 18 projects
supported since its launch in 2016 (and a further eight currently in contract negotiations). Our Circular Economy Business Service provides advice and technical expertise to SMEs considering new and innovative business models to deliver products and services. We’ve supported over 80 businesses since 2017, building on past support. Projects in these areas from Project Beacon (focused on new technologies to retrieve up to 95% of plastics for reprocessing) to companies exploring providing lighting as a service, rather than as fixed equipment. Our Revolve quality standard for reuse already covers over 120 stores across Scotland. The standard both provides confidence to customers in the quality and safety of the items on sale, and helps certified stores and staff to improve customer service and business performance. Our Cities and Regions approach builds the local and regional partnerships and expertise that will deliver the networks and synergies that are key to developing a circular economy, with work underway in locations ranging from Glasgow to Orkney.

We also support a number of wider Scottish priorities as part of our work in this area. Circular public procurement is an area with a very significant potential to deliver long-run cost and efficiency savings to government, and builds on the sustainable procurement framework that is already in place. Since 2015, we have provided mentoring support to over 30 procurements with a combined potential spend of £1.2 billion, and have trained over 800 staff in sustainable procurement best practice. We are currently exploring specific opportunities around construction, where embedding circular principles from the start can have very significant whole-life benefits. We have been an active partner in the Manufacturing Action Plan, and the development of the National Manufacturing Service, alongside other Scottish Government agencies such as Scottish Enterprise, Highlands and Islands Enterprise, and SEPA.

Specific projects have supported key policy areas such as North Sea Decommissioning, reuse in the NHS, and ensuring Scotland is recognised as a circular economy leader overseas. Our work with the NHS supported efforts to maximise the life and reuse of assets, and thus reduce the new need for new procurement, and we continue to work with the NHS on a number of initiatives.

The lead-in time for some of the transformative projects listed above can be significant, but we will be publishing an update on the impact of some of our work, where changes are already occurring, later in the year.

*Fit to National Outcomes:*

In addition to National Outcome Six, National Outcomes Four and Seven are central to our ambition in this area – a circular economy will be more efficient (and thus competitive) but also more innovative (and thus compete through an ability to offer new products and services overseas). A circular economy is more sustainable (National Outcomes Four and Six) – and also more resilient to external shocks in price or supply (see also National Outcome Two). The circular economy agenda on skills is also central to ensuring Scotland is well placed internationally (National Outcome Five).
3. Zero Waste Scotland’s Outcome B: “Change the way we live and work so that we use fewer materials, generate less waste, and minimise the impact of the waste that occurs.”

Total spend in this area is £8.6m

Key activities include:

Resource Efficient Scotland provides advice and support on all aspects of resource efficiency (materials, energy, water). The majority of the carbon and economic savings to date have come from energy savings and are thus highlighted in section D, but significant savings also occur from material efficiency, especially with the availability of ERDF funding since 2016, which has enabled support offers such as grants for waste prevention (one of the most notable is a packaging free shop, Locavore, in Glasgow). Specific support offers for construction and food and drink businesses will be impact assessed later this year.

We actively support local authorities and the resource management industry through a wide range of technical and financial support offers, as well as householder engagement. Our combined local authority support offer has helped local authorities significantly expand recycling services across all materials, and, as an example, 80% of Scottish households now have a separate food waste collection. Our support between 2011 and 2015 contributed to local authorities recycling an additional 120,000 tonnes of all materials a year once services were fully on line, with an associated carbon saving of 160,00 tonnes per yeariv. We will be assessing the benefits of work between 2015 to 2018 this year, for a period where the emphasis has been not just on expanding services, but optimising those in place to ensure cost-effectiveness, and, in the long run, improve the collection of quality recyclate that can support greater reprocessing capacity in Scotland and the associated economic opportunity that represents. Initiatives like the Household Charter, the Resource Sector Commitment, and the opportunities for a Brokerage service will deliver not just environmental savings, but economic and efficiency gains. Our technical advice to government on initiatives like a Deposit Return Scheme for Scotland also supports these objectives, while promising additional anti-litter benefits.

Our work on litter and flytipping is fully aligned with Scotland’s Litter Strategy, which has prevention at its heart. This is reflected in the new Code of Practice on Litter and Refuse (CoPLAR) which has recently been adopted in statute by the Scottish Parliament. Zero Waste Scotland were a key partner in CoPLAR’s development, and the Code will support the shift from reactive clean-up practices (costing the country more than £46 million per year) to a preventative approach that minimises waste.

An expanded focus on plastics this year will consider how to tackle their impact on the marine environment, but also look at plastic supply chains to understand how to stop leakage into the environment from all sources. Zero Waste Scotland has already helped organise Scottish Government’s Marine Litter Summit in Oban, and will provide a secretariat function and technical support to Scottish Government’s Expert Panel. We have supported the NHS in trialling alternatives to plastics, and a number of public and private organisations to test charging regimes for single use
cups. Our research and evaluation work will be key to understanding what works, and where interventions will have greatest value.

**Fit to National Outcomes:**

Our contribution to National Outcome Six in this area is not just around carbon savings, but also to environmental quality through our focus on the value of our shared environment with our work on litter, and plastics. These material “leaks” from our economic system are just as challenging to our vision for a circular economy, whether they are accidental or criminal. We believe quality shared public spaces are key to National Outcome Eight, and there is a large amount of evidence on the potential adverse impacts of litter on social wellbeing and communities (see also National Outcome Two). Again, National Outcomes Four and Seven are central to our vision. Efficiently handling waste and recycling services, but also procurement, and producer responsibility, offers gains (both savings and growth opportunities) across supply chains.

4. **Zero Waste Scotland’s Outcome C:** “Inspire people, businesses and organisations to reduce food waste as part of a good food nation.”

Total spend in this area is £2.9m

**Key activities include:**

Scotland has set an ambitious food waste reduction goal of 33% by 2025 – making the country one of the leaders in Europe, and globally, on this issue. Zero Waste Scotland will be a key delivery agency in helping Scotland to achieve this goal. Food waste prevention offers very significant economic opportunities. Household food waste in Scotland fell between 2009 and 2014, with an associated carbon saving of 140,000 tonnes per year by 2014, and a cost saving to households of over £90m in unnecessary purchases. The new national target covers both household and non-household food waste. For individuals, financial savings can help tackle food poverty or simply extend household budgets, and for businesses, it can help competitiveness and long-term sustainability. As an example, recent international evidence suggested the payback for hospitality firms from food waste prevention could be as much as 6 to 1. Zero Waste Scotland will seek to identify concrete savings examples across the full range of food waste producing sectors through pilot projects in Scotland.

Specific activities in this area run right across the supply chain. Public sector focuses to date include the NHS, the Scottish Prison Service, and schools. In the private sector we support SMEs through dedicated technical advice and grant funding (see other sections of this submission), with over 170 food and drink businesses supported with specialist advice since the launch of this service in 2016. We engage directly with industry bodies and larger Scottish companies both in Scotland, with dedicated leads for manufacturing, retail and hospitality/catering sector engagement, and through the UK-wide Courtauld Initiative. On the consumer side, we mobilise partners in communities and in business to promote food waste prevention initiatives, awareness, and knowledge through our Love Food Hate Waste campaign.
Some food waste cannot be directly eliminated through efficiency gains (e.g. peel, leaves, and other non-edible organics content) but could become a product, rather than a waste, if Scotland embraces the potential for a vibrant bioeconomy. Our work has already identified some opportunities at the strategic level\textsuperscript{viii}, and in relation to more specific projects under our business support offerings already discussed above.

Over the course of 2018/19 we will be working closely with Scottish Government to outline the measures needed to realise the 33% reduction target and the benefits, both environmental and economic, that it offers. And we will continue to promote Scotland's position as a leader on these issues at European and international platforms.

\textit{Fit to National Outcomes}

The carbon savings potential of food waste prevention is very significant. Food production as a whole accounts for around 20\% of Scotland’s global carbon footprint. But once again the competitiveness and innovation aspects of this work will contribute to National Outcome Four and Seven for private, public, and third sector organisations. Opportunities around bioeconomy applications, or simply finding secondary markets for surplus products, offer additional economic potential. There is also scope to better align messages around waste with messages around diet and health for consumers (for example food skills), which would strengthen fit to National Outcomes Eight and Two.

5. \textit{Zero Waste Scotland’s Outcome D: “Persuade businesses and organisations to choose and invest in energy efficient and low-carbon heat solutions to realise Scotland’s ambitious energy strategy.”}

Total spend in this area is £4.3m

\textit{Key activities}

Our RES programme of general resource efficiency advice and support has already been mentioned, but as the majority of benefit to date has been from energy savings, we have chosen to list the programme benefits here. The programme interventions between 2013 and 2017 will deliver lifetime carbon savings of over 1 million tonnes from energy measures, and a further 175,000 tonnes from material and waste measures. Lifetime cost savings to organisations supported will be £223 million, across energy and materials combined\textsuperscript{ix}. The mix of savings varies from year to year based on delivery priorities and savings opportunities. Since 2016 the support offer to SMEs has been expanded with ERDF funding. Over and above the quantified savings, these support offers also upskill Scotland’s workforce and businesses, making them more likely to take action in future. We will continue to provide this service in 2018/19 and to consider ways in which it can align with Scottish Government’s ambitious Energy Strategy.

Another key component of our work in this area is on low carbon heat. Since 2013 we have provided technical support to energy intensive industries looking at heat export opportunities for their operations, and delivered feasibility studies for local authorities and other public sector organisations looking at the potential of specific district heating schemes. We have provided support in developing low carbon heat
strategies, and capacity building for local authorities engaging in the heat agenda. Our Low Carbon Heat team has provided secretariat support for the Heat Network Partnership, facilitating cross-agency working, and technical support and project leads to the Scottish Government’s Low Carbon Infrastructure Transition Programme (LCITP). Key partners for our work have included Scottish Enterprise, Scottish Futures Trust, and Energy Savings Trust. Due to the long lead in times for projects and investments in this space, we do not yet have a definitive account of the value we have contributed in this area, but we will be publishing an interim report later in 2018.

We have also been a key partner in a number of other strategic initiatives in this space. For example, in 2014 and 2015 we provided extensive support to public sector organisations on carbon management plans, and we have worked with Scottish Futures Trust on a number of strategic programmes. We aim to intervene as a partner where we will add value through either the technical expertise, contacts, or the catalysing potential that we bring.

*Fit to National Outcomes*

Energy savings give beneficiary organisations a very real economic as well as environmental incentive to act. So once again, National Outcome Four is just as important as National Outcome Six in this work area. Qualitative evidence supports the case that efficiency savings can help maintain jobs, or create new posts to manage resource efficiency improvements, supporting National Outcome Seven. Scottish Government’s wider heat ambitions will clearly also support National Outcomes Three and Eight by helping reduce energy poverty. While domestic energy is not core to our delivery, our work on specific heat projects will further progress on this. Our programme also contributes very directly to National Outcome Five, with over 4,000 individuals trained at specialist workshops, and over 1,300 qualified as Green Champions, since 2013.

**References**

1. Zero Waste Scotland, What is the Carbon Metric, [https://www.zerowastescotland.org.uk/content/what-carbon-metric](https://www.zerowastescotland.org.uk/content/what-carbon-metric)
3. All spend information in this submission is from our Operating Plan for financial year 2018/19, and all figures are rounded to the nearest £100,000.
