



OFFICIAL REPORT
AITHISG OIFIGEIL

Environment, Climate Change and Land Reform Committee

Tuesday 8 November 2016

Session 5



The Scottish Parliament
Pàrlamaid na h-Alba

Tuesday 8 November 2016

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ENVIRONMENT, CLIMATE CHANGE AND LAND REFORM COMMITTEE
10th Meeting 2016, Session 5

CONVENER

*Graeme Dey (Angus South) (SNP)

DEPUTY CONVENER

*Maurice Golden (West Scotland) (Con)

COMMITTEE MEMBERS

*Claudia Beamish (South Scotland) (Lab)
*Alexander Burnett (Aberdeenshire West) (Con)
*Finlay Carson (Galloway and West Dumfries) (Con)
Kate Forbes (Skye, Lochaber and Badenoch) (SNP)
*Jenny Gilruth (Mid Fife and Glenrothes) (SNP)
*Emma Harper (South Scotland) (SNP)
*Angus MacDonald (Falkirk East) (SNP)
*Mark Ruskell (Mid Scotland and Fife) (Green)
*David Stewart (Highlands and Islands) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Anna Donald (Marine Scotland)
Ian Jardine (Scottish Natural Heritage)
Jane Macdonald (Scottish Natural Heritage)
Mike Palmer (Marine Scotland)
Linda Rosborough (Marine Scotland)
Ian Ross (Scottish Natural Heritage)

CLERK TO THE COMMITTEE

Lynn Tullis

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Environment, Climate Change and Land Reform Committee

Tuesday 8 November 2016

[The Convener opened the meeting at 10:04]

Decision on Taking Business in Private

The Convener (Graeme Dey): Good morning. Welcome to the Environment, Climate Change and Land Reform Committee's 10th meeting in 2016. The committee has received apologies from Kate Forbes. I remind everyone present to ensure that their mobile phones are on silent for the duration of the meeting.

Agenda item 1 is for the committee to decide whether to take in private item 3, which is consideration of evidence heard earlier in the meeting. Is that agreed?

Members *indicated agreement.*

Draft Budget Scrutiny 2017-18

10:04

The Convener: Item 2 is scrutiny of the draft budget for 2017-18. We will be joined today by two panels of witnesses, the first of which is made up of representatives from Scottish Natural Heritage. I welcome Ian Ross, the chairman of SNH; Ian Jardine, the chief executive; and Jane Macdonald, who is the head of portfolio planning and budgeting.

As you can imagine, ladies and gentlemen, we have some questions for you. Although we understand that you do not know yet what your budget settlement will be, it is a fair assumption on your part that it will not increase substantially. If you anticipate a decrease in budget, what work has been done to identify where you can make savings?

Ian Ross (Scottish Natural Heritage): We are participating with our sponsor by contributing information, particularly on what we identify as key priorities. It is slightly difficult to answer on how we might deal with the implications of the budget settlement. It is slightly speculative and we await the completion of the budget process. However, we have a fairly well-established approach for taking things forward.

The Convener: Can you shed any light on whether you could cope with a budget decrease without any great difficulty or whether it would present challenges?

Ian Ross: There are undoubted challenges. We have supplied some information that demonstrates the changes that have taken place since 2010-11. It would be false to say that it is not challenging. However, it is a reflection of the capability and commitment of our staff that we have been able to deal with that through the approach that we have taken. It is about how we have focused on priorities, how we have collaborated with a range of organisations, how we have organised SNH and, in particular, how we have looked at other funding opportunities and taken in other money.

We have had a successful programme looking at shared services, whether buildings, vehicles or information technology systems. We have also found other sources of considerable funding, whether from the Heritage Lottery Fund, the European regional development fund or the European Union LIFE programme. However, the reality is that the funding situation has an impact. We have fewer staff and less money that we can use to support a range of grant approaches. However, we have dealt with it constructively and operated in a smart manner.

Perhaps our chief executive would like to add some comments.

Ian Jardine (Scottish Natural Heritage): Whenever there are budget pressures, there are challenges but there are various ways in which we can address those. We have been successful in questioning some of the ways that we do things in order to reduce costs—we have considered partnerships and sharing as ways of doing that—but, at the end of the day, we are faced with a series of choices about what we fund and do not fund. At this stage in the spending review, we have provided some options for what we could prioritise, what we could de-prioritise if there are not resources to do it and what we could delay and do not next year but in future years. After the result of the spending review, no doubt the Cabinet Secretary for Environment, Climate Change and Land Reform will give us her view on which ones she wants us to prioritise, and that is what we will do.

The Convener: Thank you. Let us drill down into some of that.

Alexander Burnett (Aberdeenshire West) (Con): Good morning. My question is on the priorities and main budget lines. It is good to see that the headline figure for environmental and rural services stays consistent but, when we look at the components of that, we find considerable differences, so the consistency hides some other issues. Where is the explanation of priorities for, say, the trebling of the land reform budget while the spending on flooding, which was a major issue last year, is flatlining and that on zero waste is reducing?

Ian Ross: Will you expand on the zero waste point? I did not quite get it.

Alexander Burnett: The question is not specifically about the zero waste budget. I am asking for an explanation of how the priorities have been assigned below the headline figure for environmental and rural services, which has remained flat.

Ian Ross: We renewed our corporate plan probably around two years ago and tried to ensure that it reflected where we would place emphasis and that it would be well aligned with the Government's priorities. Essentially, it is about making the connection between nature and the ability to deliver wider public benefits. In effect, there is a win-win there, and that has been reflected in our work. We have tried to ensure that there is a strong, compatible alignment between benefits to nature and sustainable economic development, health, education and climate change so that there is that strong connection and we maximise the gains that we can get from the resources that we have.

We have significantly less money than we had, but we still have a significant resource, and it is about using that to the best effect. We still have over £48 million at our disposal this year to deliver benefit and good for the people of Scotland.

The Convener: As nobody else wants to come in on that, let us move on to look at the potential impact of exiting the EU.

David Stewart (Highlands and Islands) (Lab): Good morning. I want to ask about Scotland rural development programme spending. I have looked at RSPB Scotland's evidence. The spending from the SRDP is quite significant: for example, from 2008 to 2014, it was over £42 million. At one level, you may say, "So what's the problem?" The other side of the coin, of course, is that third sector organisations do not have the opportunity to access that funding because of the hoovering up of such a substantial part of the pillar 2 budget. There is also the danger of being overreliant on one source of funding. Any Harvard business school review would say that about a private business. How do you respond to that, Mr Ross?

Ian Ross: On the general point about European funding, it is clear that we have concerns about that. There is not yet clarity about where things will be, particularly in three or four years' time. However, it is not just about the SRDP, which is a significant sum of money; we have also made very effective use of EU LIFE and ERDF funding. There are certain guarantees for two-plus years ahead, but we do not know what will happen beyond that. There has been an indication that moneys will be made available and there have been comments from the Westminster Government, but I will certainly look for greater clarity about some of the replacements.

There is no doubt that there would be a significant impact if that money were not available. There is no point in trying to deny that. However, we are engaging, making information available and trying to bring in as much intelligence as possible on how matters might be moved forward through working with other partner agencies.

The Convener: For clarity, on the sums that David Stewart touched on, to what extent is that money directed to recurring spend and to what extent is it directed to one-off expenditure? If this is going to come up every year, to what extent is it a problem?

Ian Ross: One of my colleagues might have more detail on that.

Ian Jardine: If we look at the SRDP and agri-environment schemes in particular, we see that there tend to be contracts that cover a number of years, but capital elements can also be applied for. There is a mixture of the two.

In response to the general question, we think that we have done really well in accessing European funding, and that presents an issue for us now. Obviously, there will be a period in which we have to decide what will replace European funding if we are not going to have it. The use of the SRDP has been extremely helpful to us in tackling some issues, particularly the impacts of agriculture on the natural environment. At the European level, that comes up as one of the big things that affect biodiversity.

The ability to access SRDP money for a variety of purposes has been particularly useful. Obviously, I do not know what might follow, but SNH will be keen to support the Scottish Government in designing whatever comes next. Some £360 million would have been available over the five-year period. We are anxious to try to maintain that money as important income.

10:15

David Stewart: I take your point that you would need to be the Brahan seer to work out exactly what is going to happen in two years' time, but we know some aspects—for example, the United Kingdom Government has started to repatriate some of our structural funds.

The other key point is that, if we have no substantive trade arrangements with the rest of the EU, we will default to the World Trade Organization rules. You will probably know that those rules say that we cannot subsidise agriculture. That would create all sorts of difficulties in the longer term.

After the referendum happened, did you set up in your organisation a future-proofing plan to look at what the alternatives would be to replace the £42 million that you have received over the past eight or so years?

Ian Ross: We have done a piece of work. We have also collaborated with a range of other agencies in the environment and forestry areas and beyond. Initially, a lot of that work was about sharing intelligence and looking at the implications. We have also had contact with some of our sister bodies elsewhere in the UK and that contact is on-going.

We do not have the clarity that any of us would like to see about how some of the scenarios that you have highlighted will ultimately be addressed. That is what I meant at the beginning; there are significant concerns in that regard.

I am an eternal optimist, and I assume that a combination of politicians, administrations and agencies will be diligent in their work to seek solutions, but those solutions are not yet apparent.

David Stewart: I suppose that the key point is to work out how effective your spend is. Clearly, you have systems to work out effectiveness in your organisation, but why are we spending money on uplands, for example? Why are we spending it on peatlands? What is our flood prevention strategy? How carefully do you look at whether the spend is effective in tying in with the objectives?

Ian Ross: We have a comprehensive reporting scheme, and reports regularly go to our board. That reflects our corporate plan and the national performance indicators. It very much responds to the policy priorities that the Scottish Government has identified. As a summary of the feedback, I am very pleased with the effectiveness of the spend and, of course, we would be very happy to supply any supplementary information to support that statement.

The Convener: Given that talk of supplementary information, I will return to my earlier point. Mr Jardine said that there was a mix of spend on the back of the moneys that SNH receives from Europe. We want to get a feel for what the balance is between capital expenditure and the work that we would expect SNH to carry out day to day and to provide the funding for. We need to see a bit more information on that, if you can provide that for us.

Ian Jardine: I can certainly provide that information across all European funding.

The Convener: That would be useful.

Ian Jardine: There is EU LIFE, agricultural, structural and Interreg funding. We try to access whatever we can. Different funds are for different purposes. I could give you a breakdown across the schemes.

We co-administer the SRDP. In effect, we work for the Scottish Government in relation to some of the schemes, so we do not have the overall view across the SRDP, but I can give you the breakdown of those that we are involved in—agri-environment funds, access funds and the environmental co-operation action fund.

The Convener: That takes us back to the question that Alexander Burnett raised. When you make budget decisions, what are the priorities? What is sacrosanct in SNH's work? What is it that you can—I do not want to use the phrase “cut corners”, but you know what I am getting at—trim? What can be treated slightly differently? What is the SNH's core work that must always be protected?

Ian Jardine: The primary focus is on the national performance indicators—we lead on two and support two others—that we report to

Government. That focus is reflected in our corporate plan priorities.

What we have done—and what we will do regularly—is refresh our corporate plan. As we move towards the conclusion of the spending review, we will refresh our corporate plan to make sure that it reflects our priorities and those of the Scottish Government and that it works within a balance between the reality of what can be delivered and what degree of ambition can be retained. It is important to retain ambition.

The Convener: Of course, new responsibilities that you have to take up will always come along.

Ian Ross: Absolutely. We can all remember what it was like to deal with increasing budgets but, even though we had increasing budgets, we still had a range of pressures, tensions and additional responsibilities. Obviously, it is even more challenging if the budget is declining. However, as I say, we have an able, committed and innovative staff and we operate in a smarter way. We manage those circumstances well.

Mark Ruskell (Mid Scotland and Fife) (Green): If we are getting supplementary information from SNH, it would be useful to understand where we are with some of the European projects. For example, we heard last week that a number of projects at the pre-application stage have now been withdrawn, including one for the west Atlantic woodland. It would be useful to know where we are—how many projects have stalled, how many are going forward to the next round of applications and how many can be sustained—so that we can assess what the real impact is. What are the pivotal projects that might fall by the wayside in a Brexit scenario, whether they be, for example, about tackling non-native invasive species—such as rhododendrons or hedgehogs—or about species reintroduction?

Ian Ross: We are happy to supply that information and to respond on any specific projects at the moment, if you want to raise them.

The Convener: Mr Ruskell has highlighted one or two. If you were able to comment on them, it would be useful.

Ian Ross: I will give an example. An important project that was recently launched but is now at the round 2 level is the green infrastructure fund. We are confident that we will be able to deliver the first phase of it, which will bring in about £8.2 million of ERDF funding. That will be scaled up to about £20 million of project funding. It is about green infrastructure particularly in urban spaces and concerns the link between biodiversity gain and supporting people who live in deprived areas. In fact, two schemes are going on in Glasgow at present.

A number of LIFE projects are also moving forward at the moment, such as the EcoCo LIFE project, which concerns networks in the central belt. You also referred to a bid in relation to the wader scheme, which involved the Western Isles. We are not proceeding with that.

Perhaps the chief executive and head of budgeting can cite additional examples.

Ian Jardine: On the general principle, my feeling is that things have settled down a bit now. There was certainly a phase of great uncertainty before various statements were made about commitments on further funding.

Particularly in LIFE bids, there are always partners—it is always a consortium. There was definitely a phase when a number of those bodies—not necessarily the public sector bodies—became nervous about the level of commitment that they were making and what guarantees there were about the longer term. That has largely been addressed by some of the statements from the Treasury since then. In that hiatus, the Atlantic oak woods project did not go forward but conversations are continuing about reviving that, perhaps by restructuring it in some ways so that it can go forward.

On invasive species, we are proceeding with an application to the Heritage Lottery Fund, which is not caught by the European funding issue. That is why I felt that, at the moment, it was a better bet for us to develop a project for lottery funding rather than for LIFE funding.

David Stewart: I do not know whether this has already been mentioned, Mr Jardine, but will you confirm why the LIFE bid to fund the work on the Uist hedgehogs was withdrawn?

Ian Jardine: “Withdrawn” is an interesting word. My phrase was that it did not go forward.

David Stewart: If it quacks and it waddles, it is a duck.

Ian Jardine: The project was submitted last year to the European Commission and was turned down so we knew already that it was not the most likely project to be funded. LIFE funding is competitive, so we are not guaranteed anything. The project went through the application stage last year and did not succeed, so we considered whether to have another go. We decided to do that, but one of the key things that we wanted was more diversity of funding. We wanted more partners to be involved and to consider more funding sources. When it came forward, there were fewer funding sources committed to the project and fewer partners involved. At that stage, I felt that its chance of success, given that it had failed once, was low. It would have required a substantial forward commitment from SNH, which

would have meant that we could not fund other things. It was on my desk at the same time as the Heritage Lottery Fund bid, which aimed to deal with a wider range of invasive species. I took the view that that was a better use of public money than the LIFE project would have been, given the uncertainty that was attached to it.

The Convener: Just for information, when you bid for a LIFE project and are unsuccessful, do you get feedback on why you were unsuccessful?

Ian Jardine: Yes.

The Convener: Did that feedback inform the decision that you came to?

Ian Jardine: It was relevant. It contained several key elements. I should perhaps declare at this point that, at the time, I was working in the European Commission, although I was not working on LIFE projects.

One of the key elements of the feedback was that the project, which was aimed at reducing hedgehog numbers in order to increase the number of waders, was a time-limited project, and the Commission was concerned that we could complete the project but still have a problem. It was not keen on funding projects unless it could be sure that there would be a guaranteed outcome as a result of the money.

The Convener: Let us move on to another topic.

Claudia Beamish (South Scotland) (Lab): Ian Ross has already highlighted the importance and the wider public benefits of nature. I would like to explore the panel's thoughts about the possibility of redirecting funding from the health and social care, agriculture or education portfolios and directorates to support preventative spend. Has there been any dialogue about that possibility?

Ian Ross: As you can probably judge, we do not control the direction of spend from other organisations and agencies. My observation would be that it will always be challenging to redirect spending from areas such as health, given the particular challenges that exist there.

We have engaged in active links with a range of other organisations and agencies, including national health service boards and agencies. We have now secured a recognition of the beneficial link between nature and health. In the past, there was more anecdotal evidence for that, but now the evidence base is much more robust. There is now active support from health boards and others, such as the Forestry Commission, and the range of initiatives that are being taken forward reflect that.

Your original point was about the amounts of money that are redirected from health boards. We

are not talking about large sums. It probably comes down to making successful bids that people from various areas of local and national Government can sign up to and support, but that has not happened yet.

Claudia Beamish: I completely understand that you are given a budget. I perhaps did not make the point clearly enough that my interest is in whether, in conversations with the relevant cabinet secretaries and ministers to whom you are accountable for the spend that you are given, you are able to discuss issues such as active travel, walking, connections with the outdoors and so on and address with ministers whether it is possible—to use the old cliché—to break down the silos and approach the issue in any more preventative way.

Ian Ross: We are actively involved in preventative work, and a number of such initiatives are already in place—when we talk about them, we tend to use the phrase, “the natural health service”.

Part of the work that is done around the paths network, the central Scotland green network and the John Muir way is about preventative spend.

The green infrastructure fund that I mentioned is about improving the sense of place where people live and encouraging them to be more active. The link is quite explicit, and significant resources go into that from a range of sources, including some of the European funding that we talked about earlier. I must put it on record that politicians—our own cabinet secretary and others—are extremely supportive of that.

10:30

Claudia Beamish: Might SNH in future consider having a dialogue about the possibility of other portfolios feeding into this and the crossover in that respect? We need look only at health and social care and the importance of shifting care from hospital into people's homes—or, I would hope, out into nature as far as mental wellbeing is concerned.

Ian Ross: As I said, the dialogue is on-going and the links are there. As for decisions on additional funding sources and contributions, there is a recognition of such things. We would not necessarily make such decisions, but we think that strong cases have been made. I should also point out that there are cross-portfolio committees; in fact, our chief executive sits on one of those groups.

Ian Jardine: Yes. I sit on a group, chaired by the health minister, that looks at activity, and there will also be an event on Friday with the health cabinet secretary at the hospital in Dundee.

There are really exciting possibilities in this area. It is about preventative spend but, at the moment, we need to be able to demonstrate some real outcomes for that. It is a lovely theory that if we did these things it would benefit health, but we need some more projects to demonstrate real benefits in local communities as a result of investing in the environment.

Moreover, as an organisation we need to show how valuable environmental and natural heritage really is. It is not just an end in itself; it underpins issues around health, prosperity and so on, and it would be good to have some more practical demonstrations of that.

The Convener: What is the driver behind the group that you sit on? Is it looking for SNH to do more to improve health outcomes, or is it looking to identify areas where health spend could be redirected to help you do what you do? What is the balance in the approach?

Ian Jardine: I do not think that the group starts from the position that either of those things is the right answer; instead, it looks at what we would need to do to increase activity levels that feed into health, and that could mean SNH or the health sector doing something more or something different. All those people are around the table. I chair another group, called the natural health service, that brings the same people around the table in order to find these practical demonstrations that I have talked about.

The Convener: It is useful to get that on the record.

Mark Ruskell: A lot of that work is delivered on the ground through community planning partnerships, each of which sets out a single outcome agreement. How useful has SNH's participation in CPPs been? Are any outcome agreements coming forward to bind, for example, the NHS to taking action on green space or local authorities to increasing path networks? Is SNH or indeed are other partners putting money into those objectives as a result of your involvement in CPPs?

Ian Ross: I can certainly confirm that we are actively involved in a number of CPPs. I would not say that there is the same level of activity in all of them—there are some where we have been more successful—but we are certainly very committed to them and recognise the benefits that can come from that.

There are a number of examples of the type that you have described where the link between countryside, nature, access and health has been made. One such example of green space being used to bring benefits by encouraging more people to be active is very close to our headquarters at Great Glen house in the

Highlands. That happened as a result of the NHS board signing up to it. Some of these things happen through the CPP and some of them happen as a benefit of the very strong positive links that we have. There are other such examples throughout Scotland. It is fair to say that there are CPPs in which further progress is required, but we are certainly committed to engaging.

Mark Ruskell: Is it an issue if you cannot come to the CPP with a substantial budget to put on the table? Otherwise you are just saying, "You should spend more money, but we do not have the budget to put into this."

Ian Ross: I would not agree that that is an issue. Sometimes we can commit officers and expertise; that sort of commitment can also bring a lot of gain. There are examples of where we can bring some resources, too, but the issue is not purely about resources. It is about hearts and minds, and sometimes just the way in which you use existing resources.

Claudia Beamish: Are any other portfolios pursuing priorities or spend that can exacerbate environmental challenges? What sort of dialogue are you able to have, directly or indirectly, with other portfolios on how that can be dealt with?

Ian Ross: We have significant involvement in education, tourism and food and drink, where a number of initiatives are progressing. In transport—this links back to some of the points that we have already made—particularly cycling and walking, there is a great deal of work going on, particularly linked to infrastructure. That has been happening for some time. Those are the main ones that I would highlight. My colleagues may wish to add to that.

Claudia Beamish: As well as the positives—which it is great to hear about—are there areas of priority and spend that are exacerbating the challenges that you face in delivering your remit and your aims?

Ian Ross: There can be frustrations because we would like to move things forward more quickly, but our experience in general has been positive. We recognise the challenges that other people are having to face. I cannot identify anywhere where we have encountered examples of people being reluctant to engage in dialogue and look at options. The frustration probably is that at times there might not be the immediate resources to make things happen. The understanding and the cooperative spirit certainly exist.

Claudia Beamish: Is Ian Jardine also going to comment? I do not feel that I have teased out the matter enough yet.

Ian Jardine: We have seen such a change in this area, certainly during my career, in terms of the degree of integration between different bodies. When I started, public bodies sat in their own little corners—I do not think that that is true anymore. There is a lot of dialogue and a lot of contact between them. There is a programme for government, and we all sit under that. All that has helped.

I also think that SNH is much more engaged, through things such as planning, with bodies such as Transport Scotland and Highlands and Islands Enterprise. There is much more integration. My answer to your question would be that at the moment I do not perceive any areas of Government activity or spending that are inherently endangering any aspect of the natural heritage.

There are always things that could do so, but it depends on how they are done, and our job is to influence that. Linking back to our budget, whatever SNH's budget was, we could not actually do our job unless we influenced other parts of Government. That is a big part of what we do. That requires people and expertise, so an issue for us is maintaining a sufficient core of expertise to be able to influence properly—to be able to have a conversation about transport, industrial expansion or investment and have people respect our opinion because we come from a position of knowledge.

Claudia Beamish: Could you give me an example from transport or another area and be more specific about what sort of dialogue you have had?

The Convener: First, I will supplement Claudia Beamish's line of questioning. Let us take as an example the fact that we have a Cabinet sub-committee on climate change, so climate change is a priority. There is an opportunity across the portfolios to have dialogue to ensure that climate change is embedded in the work of Government and is balanced against other priorities such as economic growth. Are you satisfied that, even if there is no mechanism on that scale, there are mechanisms in Government that ensure that the natural environment is embedded in the thinking of other portfolios?

Ian Jardine: I think that it is embedded. I am not saying that things are perfect—sometimes we have to remind people—but the awareness is there.

Claudia Beamish: Can you give an example of a specific challenge in transport or another portfolio, about which you would have a dialogue?

Ian Jardine: I will give two transport examples: the new Forth road bridge and the dualling of the A9. Both are major projects, which will have

impacts on the environment. The way in which things are handled now is much better than it was in the past. Right at the beginning of the projects, groups were set up, which included SNH, to assess the issues and ensure that we did not get into a stand-off. Early engagement has been key, and it happens now, which is certainly an improvement on the approach 20 years ago.

Claudia Beamish: Can you say how that engagement has made for a better approach to the dualling of the A9, for example?

Ian Jardine: What it means is that challenges to do with direct impact on the natural heritage or access are scoped right at the beginning, so if there is a way of designing around them, mitigating them or offsetting them, it is part of the project from the outset and is not tacked on later when someone discovers a problem.

The new Forth bridge is a major development across a European protected area, with protected areas on both sides, and early engagement enabled issues to be bottomed out right at the beginning of the project so that they did not delay things half way through or towards the end.

Mark Ruskell: You said that you were involved at the beginning of the A9 project, but does SNH have the capacity to follow a project through to its conclusion? Controversial options have been put on the table at quite a late stage, which could have major implications for the natural heritage of highland Perthshire, but I do not see SNH in the process at all. Where does your involvement start and stop?

Ian Jardine: Involvement starts at the beginning, when a project is being scoped. On individual projects, we rely to an extent on developers maintaining dialogue with us, but we will always try to seek dialogue. The important point is that there is early, upstream engagement.

Mark Ruskell: Are you still involved in the A9 project? Are you assessing options?

Ian Jardine: Yes. We advise almost constantly as different bits of the project come forward.

Mark Ruskell: That is interesting to know.

The Convener: Finlay Carson has a supplementary question.

Finlay Carson (Galloway and West Dumfries) (Con): I wanted to know whether SNH has a structure in place to enable it to be a delivery partner in helping portfolios to achieve their priorities, but we have explored the issue and I think that my question has more or less been answered.

The Convener: Thank you. I will bring in Jenny Gilruth to tease out issues to do with education.

Jenny Gilruth (Mid Fife and Glenrothes) (SNP): Thank you. I wanted to drill down a bit. We have looked at health and planning in the context of funding across portfolios, and Mr Ross said that there are various initiatives in education.

Mr Ross, you will know that closing the attainment gap is a Government priority. There has also been a lot of discussion about mental health in schools and how to teach children to look after their social and mental wellbeing. I think that in that regard there is an agenda to do with access to quality green space in the education environment—members who have been in any of our secondary schools might agree. As part of plans to close the attainment gap, head teachers will receive funding directly from the Government. To what extent will SNH feed in to that agenda in the context of preventative spend? Have you thought about the issue? Can you give examples of initiatives?

Ian Ross: I highlight the learning in local green space project, the aim of which is to help about 100 schools. In the past two or three weeks I was at an event in Ayrshire, at which the project was cited as an example of on-going work there. The focus is on the most disadvantaged areas, which is important, and it is about encouraging pupils to use the outdoors regularly as part of their learning experience.

That is something that is already there. It is up and running and building up quite a significant momentum. We also have an initiative called teaching in nature, which has been running since 2012. We have also had a number of initiatives that are linked to other agencies. You will probably be aware of things like forest schools, which have had a significant impact in some areas for people who had become disconnected from the traditional school experience but found that they could reconnect in a greener environment and it could help them to move on.

We have been involved in a number of such initiatives around Scotland with partners and others.

10:45

Jenny Gilruth: Has SNH fed into the agenda for closing the attainment gap? Does it plan to?

Ian Ross: My colleagues might know whether we have fed into it. A number of initiatives are clearly in sympathy with it but I do not know whether we have fed into it. It would be an obvious extension of the work that we do.

The Convener: How do you raise awareness of your work? I attended a Tayside biodiversity event a few weeks ago—it was very good, by the way—and I was quite struck by the number of projects

that were being carried out across Tayside that I had no knowledge of. That might be a criticism of me but, given my interest in the subject, I am a little bit surprised that none of them had come across my radar. What do you do to raise awareness of your good work out there in communities? That is surely part and parcel of encouraging respect for the natural environment and spreading it across society.

Ian Ross: I am happy to say that one of our real strengths is the quality of our people and their commitment, professionalism and absolute dedication. I have worked with a range of agencies and I have seen such qualities, but never to the extent that I see them at SNH. The people are really committed to what they are doing and go well beyond what would normally be expected.

If I was to make one criticism of SNH, it would be that we are not good at telling people what we do. One of my aims is for us to become better at it. SNH leads, participates in, facilitates or enables a whole range of initiatives, some of which we have described today but many of which we have not, and we are not good at getting that message out. Many people think that SNH is something to do with protected areas and that that is about it, but we are involved in a wide range of activities. Making things happen and the connection between nature and people are right at the core of our role.

One of the things that I have highlighted as a priority and that is beginning to gather a bit of momentum is about communicating to stakeholders and to the wider public what we do. We have more to do in that respect.

I was at the local biodiversity action plan reception in Parliament about a week ago. It was gratifying to have people who are directly involved highlighting time and again things that had happened because of SNH. We are probably a little bit shy about claiming the credit and there is a lot of credit that we can justifiably claim.

The Convener: Thank you. Talking about people, Maurice Golden has some questions.

Maurice Golden (West Scotland) (Con): I am looking at staffing levels and have looked across the portfolio at other agencies and their staff to budget ratios. My reckoning is that SNH is probably at mid-table. Some agencies operate with around half the number of staff per pound of budget spent and others operate with around double SNH's staffing levels.

That partly reflects the slightly different functions that are being carried out but it could also reflect on different approaches to spending the allocated budget. I am interested to hear a little bit about your delivery approach, what it is, and how much you use contracting out for delivering various

functions. How have changes in staffing profiles been reflected in delivering the functions and national performance indicators in the past five years in terms of total number and particular areas of focus?

Ian Ross: I suspect that I will have to look to my colleagues to go into the detail of that. My general comment on delivery is that we still value the fact that we have a dispersed presence across Scotland.

We have, I think, 38 offices across Scotland. Many of them are shared premises now because of the approach that we have taken, but that means that we still have that level of operational contact with stakeholders and members of the public. We also try to create a number of teams so that we can have centres of expertise, not necessarily located in one place. The term that we often use is virtual teams; they are a team but are located in different areas. We have tried to work to the strengths of our organisation while retaining some of those benefits.

In relation to some of the more detailed points that were raised, now that I have given my colleagues some time to reflect I will look across to Ian Jardine and Jane Macdonald.

Ian Jardine: I might ask Jane to say something specifically on the extent of contracting out. On the general issue of delivery, the key point is, as Maurice Golden set out, finding the balance between things that need people for their delivery and things that could be delivered in other ways if we chose to do so.

SNH as an organisation has a great benefit, but also a great challenge, in that we have very wide legislation; we have powers to do lots of different things. We are always blessed with a great variety of things that we could do and, therefore, the difficult decisions are about which ones we will do.

We have a set of statutory responsibilities that must be prioritised. Those are things that we are legally obliged to do and a lot of them are about advice, such as our role in the planning system and the protected area system. In essence, we are a knowledge-based organisation and that is about people. That tends to make it harder to reduce staffing numbers, because we need the people and expertise to deliver those statutory responsibilities.

That said, we have reduced our staff numbers by about 148 over a six-year period now. We have done that by identifying what to protect and reducing everything else. For example, marine issues have been protected for a lot of that period, because there was an increase in the work on marine protected areas and marine planning. We protected that area, which meant that other areas were vulnerable to cuts and vacancies.

Maurice Golden: What areas were vulnerable and had to be cut?

Ian Jardine: Some of the terrestrial areas, such as earth sciences, have seen a reduction in staff and we have fewer ornithologists. There has been pressure on those areas of expertise that were not specifically protected. Marine ornithologists were in a better position, shall we say, because of the priority on marine issues; we have approached it in that way.

We have also looked at the core functions—things such as IT and finance. There is a difficulty because there is a core there beyond which we are taking risks. You will be familiar with the work of digital Scotland, and there is an issue as to how public bodies can be enabled to scale down their investment in IT, perhaps if we can share more. That has been difficult for us to reduce; although we did not specifically protect it, we found it hard to reduce.

As I say, we have protected some areas. The committee may have seen from parliamentary questions that we have also protected a lot of the deer work. Again, that was because of the priority that was placed on that work; it has worked that way round.

Maurice Golden: How does contracting out function?

Jane Macdonald (Scottish Natural Heritage): I will have to get some further detail provided to you after the meeting. I do not have specifics on the contracting-out information.

Ian Ross: We will supply that information, Mr Golden.

Maurice Golden: Thank you.

The Convener: Could you do that as quickly as possible? This is a constrained process. Claudia Beamish has a supplementary question.

Claudia Beamish: I am a bit perplexed by the comments about what is and is not protected. I do not in any way want to put words into anyone's mouth—you are here to give evidence to us—but my understanding is that there are terrestrial protections that are equally robust as marine protections. Is it possible that because the marine protections are new there are additional budgetary pressures and that that is therefore the reason for the shift? We will come to the terrestrial protections later in the discussion, but I would be concerned if there was that shift away from terrestrial.

Ian Jardine: It is a question of current priorities. The programme of identifying new marine protected areas means that there is a lot of work to be done on surveying, scoping, management and identification. That new area of work had to be

protected because there were a lot of new things to be done. It is harder to cut it, but more important to invest in it now while the work is on-going. In time, the balance many change back again—it will depend on the priorities.

Mark Ruskell: Has SNH taken on new responsibilities in the past year around, for example, licensing? When it does so, is there discussion with Government? Does it say that you have to deliver the new responsibility within the terms of your existing budget or do you get into negotiations about what additional resource you need to perform the functions?

The Convener: Before you answer that, I note that two potential examples are coming up. The reports that you produce on beavers and deer may lead to a requirement for greater work on the part of SNH. I think that Mark Ruskell touched on how you are placed resource-wise and how fleet of foot you are to respond to such new challenges.

Ian Ross: As you can probably guess, it is difficult for me to say much about deer or beavers at present. We just have to wait and see how that develops and await ministerial decisions—

The Convener: But those are examples of things that could generate situations for you.

Ian Ross: Yes. I will cite another example. As you are probably aware, the joint nature conservation committee recently had a review led by the Department for Environment, Food and Rural Affairs and the countryside administrations, and we will be taking on some additional responsibilities there. That is quite small, but it is an example of such work, and a degree of some form of resource transfer will be needed to support that. That would normally be part of the discussion that takes place.

You specifically mentioned licensing. We have a robust service-focused licensing group in place within SNH, which was subject to a review that we did a year or two ago. It is a positive development given how it takes things forward, and it is well placed to manage its existing load and perhaps look at any additional responsibilities.

The Convener: Okay. On priorities and what can or might be cut, in evidence that the committee received last week on biodiversity, it was suggested to us that SNH has either taken or is considering a decision to withdraw from attending the Moy game fair, the Dundee food and flower festival, the Scottish game forum and—perhaps most significant of all—the Royal Highland Show. Is there any truth in that? If so, how does it square with your stated determination to raise awareness among a wider audience of what SNH does?

Ian Ross: Our intention is certainly to continue to participate in the Royal Highland Show and the Scone game fair. We have done that for a number of years. The only change that I am aware of is that we did not have a physical tent presence at the Moy game fair, although we still had staff there.

As part of my role, I make a point of attending all those events, although I did not make it to the Moy game fair, purely because I managed to injure my leg the week before and I could not walk. That was my excuse. It is certainly my intention that, as long as I am chairman, I will attend all those main events.

On the Dundee event, I am not sighted on that. There are a number of smaller local events that are in effect taken forward by operational staff, and there are some that we attend and some that we do not. I cannot comment on that.

The only example that I am aware of at which we did not have a stand as such was the Moy game fair, and this was the first year that we did not have it. I think that that would have been a budget decision, but we made sure that staff were there and that they circulated. As I said, under normal circumstances, the chairman would be there as well, and that will be the intention in the future. Those events are important, particularly the Royal Highland Show and the Scone game fair.

The Convener: It is good that you have had the opportunity to clear that up after the suggestion that we heard last week.

11:00

Mark Ruskell: There is a wider question here. If Scottish Natural Heritage is withdrawing staff and services in particular areas—we touched on planning earlier—the issue is what impact that will have on other organisations. For example, if SNH spends less time on educational outreach or supporting the assessment of planning applications, does that not just transfer pressure to other organisations? What discussions does SNH have with other organisations about that? Who fills the gap if SNH is protecting some areas of its service and withdrawing or reducing others?

Ian Ross: I will clarify the position on planning. It is a change of approach, and I challenge the comment that we have withdrawn. We seek to influence the planning process, whether it is local development plans, supplementary planning guidance or strategic plans. The idea is that natural heritage, landscape and access issues are embedded within the planning process. We get directly involved in casework when there is a national designation, but we still have significant involvement with planning and consenting authorities and influence their policy development.

Last week, I attended the unit meeting of our planning and renewables group, at which updates were given about, for example, one of our officers who had been on a long-term secondment supporting the development of the strategic plan for the Lothians; that was a significant commitment of time. Part of other officers' time is spent in supporting local authorities when they review development plans, which is an example of upstream involvement.

I therefore challenge the view that we are withdrawing, because what we are doing is getting involved in a different way. I gave a talk to the heads of planning conference about a year and a half ago on upstream involvement. I sought their feedback on whether they thought that that approach was working, and they gave me a very positive response about its effectiveness.

Mark Ruskell: You see SNH's role now as commenting at a strategic level on planning, but not commenting on the individual application process. For example, SNH is no longer involved in commenting on appeals or public inquiries.

Ian Ross: Again, I have information directly from the people who are most involved. We have not been involved in any appeals in the past few months, but we will be involved in four appeals in the near future. Whether we are involved depends on the nature of the casework, but we are still involved. When we get involved in individual casework, it tends to be when a development links into a national designation with regard to, for example, a special area of conservation, a special protection area, a significant site of special scientific interest or a national scenic area. We are therefore still involved.

I do not know whether the chief executive wishes to add anything.

Ian Jardine: It has been a process of ensuring that we use our resources better. We reviewed our involvement and manage it through a casework management system. We did that to ensure that staff prioritise their time on the things that matter: the most important cases and those that are most likely to have an influence. Our approach depends on the Government's plan-led approach; that is the key thing for us. If we can put our resources into influencing the plan, we put fewer resources into influencing individual decisions, because they should follow from the plan. That is the approach that we have been taking, but obviously it relies on maintaining a plan-led approach in the first place.

The Convener: We move on to an area that we have covered to an extent but which we need to drill down into.

Finlay Carson: We have seen written evidence from Paths for All that shows that the demand for support from local communities for path projects

far outweighs the funding that is available. Does improving and increasing access to the outdoors directly correspond to enabling a greater understanding of nature?

Ian Ross: The simple answer is yes. That is one of the reasons why that work is a priority. In that regard, I highlight our commitment to path networks across central Scotland and the leadership that we give to the development of the John Muir way and further work around that. That work is very important in built-up and deprived areas in particular, and for Scotland as a whole. That is why we were an active partner in the Hebridean way. The cycleway for that is just about in place and the walkway for the full length of the Western Isles is about to be completed.

If you were to ask whether we would welcome more resources to do more, the answer would be yes, but our medium to long-term ambition reflects exactly what you said: if we can get people to be more active—if they have pathways and cycleways that are close to where they live and can be encouraged to use them—it can make an enormous difference to their quality of life. That is why we work with agencies such as Scottish Canals and make use of the canal network. That has been supported, and ambitious policies and strategies are in place.

Finlay Carson: How do you make the funding decisions and prioritise projects for more access? You mentioned deprived areas and we have talked about the attainment gap in education. How do you prioritise the outcomes of projects?

Ian Ross: Officers have an approach to the detail of a project that is based on an assessment of how well it matches the Government's and our priorities. I am more familiar with projects such as the green infrastructure fund, which has an access element in it. Deprivation is part of the consideration in that, although it is actually more complicated than that. I do not have the detailed pro forma in front of me but, unless the chief executive is able to give you more detail, we will arrange for you to see the criteria so that you can have a better understanding of the matter.

Ian Jardine: Prioritisation is based on two key things. One concerns equality of opportunity, which is the prioritisation of areas of urban deprivation or the urban fringe. Examples are projects on green infrastructure, the work with Scottish Canals and the seven lochs project in Easterhouse.

The second area concerns the national walking and cycling network. That is to say that, because it is a national network, a national agency should lead it. It primarily relates not only to access opportunities but to the network as an economic asset to Scotland, particularly for tourism.

Prioritisation is based mainly on those two things. On local path networks, it is based on areas of deprivation and health inequalities. On national networks, it is about tourism opportunities and supporting local economies.

Finlay Carson: How much has SNH levered other funding streams for improved access and increased use of the outdoors when a project ticks the boxes for the priorities for other organisations or groups? For example, on health and social care integration, there are priorities that SNH could deliver. How have you gone about trying to leverage funding from those other bodies?

Ian Ross: I will cite one example because I have the information at hand. It is one of the green infrastructure fund projects: the canal and north gateway project around Possilpark in Glasgow. That cost about £7.59 million, £1.63 million of which came from ERDF. The match funding was from the city deal, vacant and derelict land funds, regeneration capital grant, Sustrans, the green exercise partnership and the Esmée Fairbairn Foundation. There was also a contribution of land and other things that involved Scottish Canals. Glasgow City Council was also involved and the project linked into others that it was pursuing.

That gives you the spread. I cite it as an example to show how complicated it is and the range of sources—charitable, public and other—that allowed the project to go ahead.

Emma Harper (South Scotland) (SNP): I seek information about the underspend. SNH's "Annual Report and Accounts 2015/16" states that there is

"no end-year flexibility ... to retain reserves or to overspend"

and that it will be challenging to manage the underspend

"to within 1%".

The net underspend for 2015-16 was more than the approved underspend—I have the figures here. Will you help me to understand the reasons behind the underspend and what activities were impacted?

Ian Ross: I will leave it to my colleagues to go into the detail, but I know that that was based on managed agreement with our sponsor and considerable discussion. I look to Ian Jardine and Jane Macdonald to give the specifics.

Jane Macdonald: We were asked to consider uncommitted funds in-year as part of Scottish Government reconsideration of in-year budget pressures last year. The agreed approach was reflected in our annual accounts.

Ian Jardine: Annuality is the interesting issue in that we cannot carry over any funding, so we have to try to bring the budget in, but we cannot

overspend. That means that we almost always underspend, so the challenge is in how small we can keep that underspend, which we try to do every year.

The challenge for SNH is that a lot of our project spend is with partners. That is quite difficult because not only must we bring our budget in, but they have to bring their budgets in as well. SNH almost always ends up with some underspend but, as Jane Macdonald said, last year there was also an agreement with the Scottish Government that we should seek to underspend in order to free up funds for other things.

Emma Harper: Were activities impacted by the underspend?

Ian Ross: I am not aware that any were. It was done in a planned way—it was not something that just materialised. I cannot think of any specific examples of that happening. There may have been some things that were postponed until the next year, but I do not think that there were any major issues.

Ian Jardine: No.

The underspend was a mixture. I was not in post when it happened, so Jane Macdonald may want to correct me, but we were asked at a point in the financial year not to make any further commitments, so any funding that had not been committed by that stage was not committed, which is where the underspend came from. There was a mixture, but the underspend was essentially on the project side. In SNH, part of the money is spent on staff, on delivering advice and all the rest of it, and part of it is to pay other people—it is for funding projects, and the project side contributed to the underspend. We could give you some more information on that, but the short answer is that the underspend was down to a mixture of projects.

Emma Harper: Thank you.

The Convener: Let us wrap this up by looking at biodiversity in general.

Mark Ruskell: The committee has heard concerns that there may be a reduction in funding for protected areas. The concerns are particularly about maintenance and enhancement of habitat condition, and what the impact of reduced funding might be on our ability to meet the important international Aichi biodiversity targets. As you know, we are chasing 15 per cent restoration of degraded ecosystems by 2020; there are obviously some big issues in there around non-native invasive species, as we have already discussed this morning. What is your view of the nature of that risk and the concerns that have been raised with the committee?

Ian Ross: I will make a few general points. We need to celebrate the fact that our protected areas

achieved the 80 per cent “favourable condition” target this year. That is no mean feat and reflects a great deal of good work by our people and a range of other organisations.

Mark Ruskell: Does that not depend on how you define “favourable condition”?

Ian Ross: Yes, it does, but I think that we make it very clear what that definition is. The figure includes areas that are under management and are moving towards favourable condition. We also have to recognise that on some sites—certainly some degraded sites—operations will not change overnight when we initiate management. Change can take some years—that is the nature of ecology and the sites. The important thing is that the commitment has been made and the sites are making progress, which has been part of their assessment.

Other contributions to note include the biodiversity route map. We gave the first of our yearly reports just in the past couple of months, and it highlighted significant positive progress in a number of “six big steps for nature” areas of work. It also highlighted where further work is required—in particular, on native woodlands.

Sometime—we hope early next year—we will have completed and submitted our three-yearly report on the Scottish biodiversity strategy. That is probably going to be a most significant document, because that is when the committee will assess how performance has progressed against the biodiversity criteria. The intention is that that document will come before Parliament reasonably early next year. I have no doubt that the committee will be significantly interested in it. At that point we will be in a better position to judge progress.

11:15

Mark Ruskell: Will the report look at budget issues? I do not understand how you will, if you have a declining budget for protected species, improve that ecological condition—unless I am missing a trick.

Ian Ross: The report will look at progress against the agreed performance criteria for the Scottish biodiversity strategy. It could be argued that that will reflect, or be a consequence of, a range of influences that will include resourcing, because it will be a measure of success. My recollection is that most of the criteria are scientific, but a small number are around issues of engagement. If I recall correctly, there are 22 areas. The report will be a significant document that will cover a three-year period.

The Convener: Will that “significant document” take on board a criticism that was made to the

committee last week, to the effect that there are perhaps too many strategies and that they do not obviously mesh? If that is a valid criticism, it means that there has been a waste of financial resources somewhere. Is that something that you will look at?

Ian Ross: I think that good progress is being made in that respect. That criticism would probably have been more justified a few years ago when there were a number of strategies that were not necessarily as well aligned as they might have been. We are not absolutely there yet, but we now have a land-use strategy. The intention is that as new strategies come along, they will be aligned to reflect that. Critically, we will take a more integrated approach to what we measure and take forward. Clearly, the Scottish biodiversity strategy will link into that.

Claudia Beamish: Mark Ruskell opened up the issue of biodiversity for us all, but I have a question about the national ecological network. The Scottish Wildlife Trust expressed in its written submission concerns about a possible lack of leadership at national level on the network. I am not saying that that is necessarily SNH's responsibility. We often hear very good comments about the central Scotland green network, but I have some concerns about how it connects with developing the national ecological network. What progress has there been in that regard? Obviously, there are budgetary pressures, but how is that network developing?

Ian Ross: The network is referenced within the national planning policy framework. We have taken a collaborative approach, in particular, with regard to central Scotland. Our main leadership has been through the EcoCo LIFE project, which has managed to drive a number of things forward. We have also made use of a number of initiatives that I have already mentioned.

I do not necessarily agree with the comments about the network. What we can do is give you greater visibility about what we have done with partners, particularly through the EcoCo LIFE project.

Claudia Beamish: The central Scotland green network is very exciting and all sorts of things are happening with it. I know about some of it because it is happening in my region. How is it progressing as part of a national strategy for the green network? It would be interesting to know whether there are budgetary pressures that mean that bits are not getting developed at all.

Ian Ross: I am aware of the comments by the Scottish Wildlife Trust, but I do not necessarily recognise what they refer to. Ian Jardine wants to come in on this point.

Ian Jardine: There is a fairly long-standing debate around what the national ecological network is. To be honest, that has not bottomed out, yet.

Claudia Beamish: The network has been around for quite a long time, so it would be good if that could be bottomed out.

Ian Jardine: Yes. The national ecological network is one of those things that sound lovely, but the question is what it should look like. I do not think that we are there yet—but we have asked non-governmental organisations to help us by presenting their views on what a national ecological network should look like.

It would not be fair to say that we have not done anything on the issue; there are building blocks for what could be a national ecological network. We do not think that it would be like the Dutch model, which has lines on maps, because we have a different situation in Scotland. There are large areas of semi-natural habitat left in Scotland and issues of connectivity here are not what they are in other parts of Europe, so it would be an artificial exercise to try to reflect that here.

However, we have issues in the central belt about habitat connectivity and habitats being broken up by infrastructure and development, which is why we have concentrated on that area. As Ian Ross said, there has been more focus on the central belt, the central Scotland green network and the EcoCo LIFE project, and seeing how we could best join them up. Following that, we should be better able to see what things will look like Scotland wide.

Claudia Beamish: That is helpful. Is there a timescale for the discussions? It would probably be helpful if people knew the timescale that they are working to.

Ian Jardine: I do not think that there is a timescale, but I am happy to take away the message that we should have one.

The Convener: Can you keep the committee updated on progress in that work? It would be useful to have that information in addition to the follow-up information that you have undertaken to provide on a number of issues that we have discussed today. I appreciate the demands on your time, but it will be appreciated if it is possible to give us the information timeously. I thank you for your attendance.

I suspend the meeting to facilitate the changeover of witnesses.

11:21

Meeting suspended.

11:27

On resuming—

The Convener: I welcome everyone back to this meeting of the Environment, Climate Change and Land Reform Committee. We will continue our discussion of the Scottish Government's draft budget for 2017-18. We are joined by representatives of Marine Scotland: Linda Rosborough, director; Mike Palmer, deputy director, performance, aquaculture and recreational fisheries; and Anna Donald, head of marine planning and strategy—I welcome you all.

We will begin by looking at the general picture. Given the direction of travel, it is unlikely that you are going to see a budget increase for the forthcoming year. What work has gone on, or is going on, to identify areas of potential savings that might need to be activated once you get your budget figure?

Linda Rosborough (Marine Scotland): Obviously, that is a live issue for us. We were established as an organisation that brought together separate agencies at a time when resources were, and have continued to be, challenging. We have been on a journey over the past few years looking for more effective ways of working by bringing together resources to be used for different purposes, seeking more flexibilities and driving efficiencies. That will be very much part of the picture going forward as well.

In addition, we have been ensuring that, where possible, we can secure income generation and that we have a strategy that allows us to set agendas that we can work on in partnership with others rather than doing everything at our own hand. That has been particularly significant for the way in which we have approached the underpinnings of offshore energy, as we have worked a lot with partners and secured significant research resources. Beyond that good housekeeping, we have continued to invest in improving our approaches. For example, we have successfully introduced electronic logbooks as the basis for fisheries management across the fishing fleet, which has enabled us to reduce significantly our spend on administrative staff. The staff are distributed across coastal offices, so we have managed that by reducing work in Edinburgh and farming work out so that we can keep folk where they are and manage within the limited flexibility that we have around staffing.

11:30

The Convener: How do current staffing numbers compare with those from, say, two years ago?

Linda Rosborough: It always depends on what you count, but we are at 628 permanent staff and,

when we were formed, we had 765, so the reduction has been substantial over the years. We have had a modest reduction recently.

The Convener: How does that impact on Marine Scotland's priorities? I presume that you have to be careful where you make those cuts to protect the areas of work in which you have statutory duties and to cope with the new responsibilities that can come along unexpectedly.

Linda Rosborough: Indeed. A big part of our role and our essential capability is our fleet. We operate five vessels on a three-weeks-on, three-weeks-off basis, so they have two crews and a fairly substantial resource demand is associated with the vessels. That is core to our ability to police the sea and collect the data that are essential to underpin the scientific process of stock assessment. We are restricted in manning levels because there are statutory restraints on the posts and skills. Therefore, we have had a big challenge to maintain that capability as public sector pay has been frozen.

The Convener: We will move on to consider marine conservation orders.

Emma Harper: As previously noted, Marine Scotland has implemented a network of marine protection areas and associated fisheries management measures. How much has it spent annually on the development and implementation of marine protection areas? Does it have adequate resources for maintenance of the MPAs?

Linda Rosborough: There are complicated elements to that. I mentioned our core capability. One of the advantages of the establishment of Marine Scotland was the ability to use that core capability in different ways. We have invested in the vessels. Therefore, whereas the voyages of a research vessel might in the past have been solely for fish stock assessments, a voyage will now generally also collect environmental data. We might be monitoring an MPA as part of a planned voyage, so we ensure that our assets are used as effectively as possible.

Equally, the Marine (Scotland) Act 2010 brought in powers for our compliance staff in relation to compliance with the new provisions that introduced marine conservation orders, which they took on alongside the fishery officer role that they previously had. We are able to apply our flexible resource, our vessel monitoring systems, our shore-based capability, our risk-based approach to monitoring and our intelligence-gathering systems to the compliance needs of marine protected areas.

We are not standing still on that; we are also looking ahead to new technologies and ensuring that we think for the future.

Emma Harper: I am also curious about the extent to which the success of the marine protection area network is reliant on collaborative working with local authorities or other stakeholders such as inshore fisheries or the marine tourism sector. How might budgetary restrictions impact on them?

The Convener: Further to that question, towards the end of the previous parliamentary session, the development of one MPA became very resource intensive because, some of the stakeholders would argue—fairly or unfairly—of the approach that Marine Scotland took. What did you learn from that experience about how the development of other MPAs might be done more efficiently? I appreciate entirely that you must approach matters from an evidence-based standpoint.

Linda Rosborough: That example is well recalled.

The Convener: By all of us who were involved.

Linda Rosborough: Yes—we were all involved. There were very strong views on both sides. Part of the reality of operating in this space is that that is how things sometimes are. Mr Lochhead spoke quite eloquently about some of the challenges around that.

We spend a lot of time and resource on engaging with stakeholders directly and ensuring that good evidence is collected—we certainly did so with regard to the example to which the convener referred. Although there were a few initial concerns, compliance has generally been good since the conservation orders came into effect. There are still strong views on all sides and there is still a need to improve relationships to create a forward-looking, positive vision of marine management that people can buy into. There is still some unfinished work in that regard.

However, we have the Clyde marine planning partnership in inception and an inshore fisheries group, and links between those are being encouraged. We also have the work that Mr Lochhead announced on monitoring the socioeconomic impact as well the work for the environmental monitoring framework. That work has been taken forward and reports on it, which I am sure that the committee will be interested in, are due early in the new year.

All that work is active and is building an evidence layer that I think will help all sides to move forward. Anna Donald might want to speak specifically on the connections with marine planning.

Anna Donald (Marine Scotland): I will pick up on a few of those issues. As Linda Rosborough mentioned, the Clyde marine planning partnership

is in its emerging stages at the moment. It does not yet have a formal role, but the partnership is there and the inshore fisheries group is part of it. There is therefore potential in the future for a more locally based forum for the discussion of issues, in addition to Marine Scotland discussing them with local interests, which obviously take a very vocal approach at certain stages of the process.

The partnership might be a way of making things more locally based so that we can use the local resource efficiently, in addition to the extensive central resource to which Linda Rosborough referred and which we are using to support the processes.

Again, as Linda Rosborough said, because there are strongly held views from different perspectives on the issues involved, the process is always going to be resource intensive. It is about using a combination of local and national resource most effectively.

Mike Palmer (Marine Scotland): The other area that we are looking at to help us with the monitoring programme in collaboration with the industry is emerging technology. We have been trialling monitoring systems on 274 different inshore vessels that are under 12m long. They are the kinds of vessel that often operate off the west coast and which are very much affected by the MPA network developments that have recently taken place.

One of the challenges that we have had concerns gathering comprehensive, evidence-based information in order to be able to assess the different opinions and concerns that have arisen from the management of MPAs. The technology that we are using will in due course give us a much better map in real time of what exactly the fishing patterns are and where the impacts are. That will help us monitor the MPAs.

The Convener: In terms of resources, we also have regional marine plans coming down the track. In the previous parliamentary session, the Rural Affairs, Climate Change and Environment Committee was concerned that the local authority partners in the local plans would not have the expertise to take forward the required work, and it was looking to Marine Scotland to be proactive in assisting them. Does Marine Scotland have the resources to do that and do you see that as your role?

Linda Rosborough: I will ask Anna Donald to answer.

Anna Donald: Yes, I recall the previous discussions.

Regional marine planning is an area for which there are fewer resources available than were anticipated when the Marine (Scotland) Bill was

going through Parliament, so progress in rolling out the partnerships has been slower than was envisaged at that time.

The first partnership was formally set up in Shetland in March 2016. We are working very closely with people who are involved in the Clyde marine planning partnership, and that is a good case study of how we are planning to work with local authorities. Eight local authorities come within the Clyde marine planning partnership area. Some have chosen to be represented through Clydeplan, which is the strategic planning authority that they are already engaged with. They feel that Clydeplan can provide a good joint approach to feed into the main planning partnership. We have done specific work with each of the local authorities and have also brought them together for information sharing at this stage about what we expect from regional marine planning, and what support is potentially available from Marine Scotland in terms of data, geographic information systems and so on. We have started that dialogue and have an open door to those local authorities to come to us for any further information. That is a pattern that we would be able to resource and would be keen to take forward in other areas.

In the other regional marine planning areas, we are working closely with people in Orkney and have had quite in-depth discussions with Orkney Islands Council about a potential way forward, building on the Pentland Firth and Orkney waters marine spatial plan.

We also continue to fund local coastal partnerships elsewhere, such as the Solway Firth, the Moray Firth, the Tay, the Firth of Forth and the east Grampian coastline. Local authorities are engaged to varying degrees with those local coastal partnerships. As we move from an informal to a statutory position, we would look to carry that engagement forward. That is something that we definitely can do from existing resources.

A lot of what we are doing is about bringing local authorities together in those areas and connecting them to the other partners that would form the partnership. The input from Marine Scotland is crucial but does not have a major impact on our resources.

The Convener: That is useful.

Finlay Carson: At the risk of being a bit parochial, are there issues with the level of funding with regard to Marine Scotland's standard requirement on electrofishing? As you will be aware, we have a real issue in the Solway Firth about electrofishing for razor clams. It would appear that resources are spent on dealing with the problem, but are they sufficient to enable prosecutions? The practice, which we all know is illegal at the moment, has been carrying on for

many years and continues on a daily basis, and there is much frustration that it is not being stopped. Is that a funding issue, or are you putting in resources but not getting any results?

Linda Rosborough: Generally, ensuring compliance at sea is quite challenging. Securing the evidence that is needed to bring forward a prosecution is difficult. We use both overt and covert methods of following up instances that we are aware of.

We also find that our grey ships are a strong deterrent. We have three vessels, and if we put them in a location where we are aware of reports of negative activity, we get an instant change in behaviours locally.

We have cases that we are following through. At times, it can be a bit of a cat-and-mouse game and we have to prioritise our resources. We have a network of 17 coastal offices and we move people from one part of Scotland to another as the demands change. Razor clams are one of our top priorities at the moment in terms of the level of investment that we are making.

We work in close collaboration with the police and other agencies, not just on this issue but on other inquiries as well, so there is a lot going into it, but it is very challenging. It is easy for people to throw the evidence over the side or to hide evidence, and people sometimes try to throw smoke the other way, so it is a challenging game.

11:45

The Convener: Let us move on to marine monitoring.

Claudia Beamish: Before we move on, could I go back briefly to marine protected areas? Is there any possibility of formal arrangements for conflict resolution, in view of what the convener said about MPA challenges between stakeholders? I wonder whether, through the inshore fisheries groups or through marine protected area management, there are any such formal possibilities.

Linda Rosborough: Is the question about the future management arrangements that are still to be determined on MPAs that do not have management?

Claudia Beamish: No—I am asking about MPAs where management is already in place and about whether any possibilities for formal conflict resolution are being considered.

Linda Rosborough: We have mechanisms by which we do workshops and work with different people. We try to find a way forward that causes the least impact while still meeting the conservation objectives. The issues are often about who turns up on the day and who is not

there who subsequently has an issue, and challenges from that can surface later. Quite a diffuse group is being dealt with, and some of those involved are members of organisations while others are not, so it is a bit of a challenge to think through how a measure would work for a particular group. Mike Palmer may want to comment.

Mike Palmer: I can give an example of activity that we have carried out. We took part in a WWF project under the Celtic seas partnership that focused on finding new ways of engaging with fishing stakeholders. That project happened to coincide with a lot of the tension and concern that sparked around the management of the MPA network, so we were able to take the opportunity to engage with fishing communities on the west coast in a structured set of engagements that WWF brokered. It was helpful to have a third party facilitating that process.

To answer the question, in a sense, we have been doing a bit of what Claudia Beamish suggested. That project is now completed, so it is not on-going, but it was useful while we undertook it. I took part in a number of the engagements. They were quite small scale, so one could be candid in a room with a group of fishermen and get to the heart of the issues in a way that was brokered and facilitated professionally by WWF. We felt that that was helpful, and I know from having talked to the fishermen we engaged with that they felt that it was helpful, too.

Claudia Beamish: More broadly, I have a question on marine monitoring and research, a lot of which has been touched on already. RSPB Scotland has highlighted concerns about budgetary constraints, which many of us on the former Rural Affairs, Climate Change and Environment Committee had concerns about. RSPB Scotland states:

"Of particular note is that without adequate financial support for marine science and monitoring of the type that is needed to inform robust decision making in the marine environment, Scotland's fledgling marine planning system will be ineffective, and the legal requirement of 'good environmental status' under the Marine Strategy Framework Directive will be unachievable."

I would value comment on that and on a couple of extra points. It has been raised with us that there is a need to do research on longer-term climate change issues and biodiversity and to work with partners. We would be interested to know about the possibility of partnership working on, for example, the geographical information systems that commercial interests such as the oil and gas industry have, which came up at a previous meeting. Will you give us an update on how, given the budgetary constraints, you can work in partnership?

Linda Rosborough: There are a number of aspects to that. When we think about prioritisation—about what only the Government can do and about what things are so important that they need to be protected—some of the issues are to do with long-term data series. For example, we monitor hydrographic elements in the Iceland-Faroe-Shetland channel, which is one of the key world monitoring points for ocean currents. That has been hugely important for understanding the implications of climate change and for ocean current research.

The maintenance of that data series, which we do in conjunction with the other northern countries, is of huge importance. We are starting to experiment with a non-vessel-based approach to capturing some of the data—we are looking ahead to when technology might help us to be more cost effective—but at the moment we have to send the Scotia out into the far northern channel and people have to spend time collecting samples at different depths annually. We value that effort hugely. We work with international partners on it, and it is of global importance to climate change research.

You mentioned the oil industry. In our engagement with other industries, we are trying to ensure that data that others collect is surfaced and mined so that it can be used in a joined-up way. I have mentioned the offshore wind industry group, which is a partnership that we set up with the Department of Energy and Climate Change and the Crown Estate. Its purpose was to secure resource to enable us to understand and research some of the challenges to do with offshore wind farms, so that that knowledge could be applied in the Scottish context. We follow that through with a Scotland-specific group.

We have also set up Fisheries Innovation Scotland, which brings together investment from the fishing industry, the retail sector and others. It pools resources to enable us to look at shared priorities for future fisheries innovation. That is another example of a successful way of working in partnership.

The work that we have done on Marine Scotland interactive has been hugely valued by the oil industry, because it enables the industry to draw on publicly funded research and data collection to underpin its forward thinking and planning on how it would manage an event such as a spill incident. The industry values Marine Scotland interactive, and we have worked with it on that for a couple of years.

Claudia Beamish: Will you comment on the concern that RSPB Scotland highlighted about budgetary constraints? What you have said about partnership working is interesting and positive, but do you feel that the heavy demand for assessment, research and extending the science

base across biodiversity, climate change and the economic interests is manageable with the present budget?

Linda Rosborough: At the moment, that is manageable. What we are doing is innovative and genuinely groundbreaking, which means that we have been able to access European resources. The European Commission has been quite enthusiastic about some of our work, and that has enabled us to draw in additional European resources in partnership with others. Although our core budget has been reducing, we have been able to retain core capability and use it to draw in additional resource.

We led on and are one of the key partners of the European marine biological resource centre, which is a collective of significant assets for marine biology across Europe and will be the basis for future research. The members include European partners from beyond the EU.

The key answer to your question is that the continued investment, which is still substantial, in our core capability enables us to lever in other resource and gives us a platform to work from.

The Convener: That takes us nicely on to a line of questioning from David Stewart.

David Stewart: Brexit has the potential to be the biggest political earthquake in a generation. What assessment have you made of the implications of leaving the EU for your organisation, particularly in relation to the common fisheries policy?

Linda Rosborough: That will depend on what happens and, obviously, the Scottish Government has its own views on that. If we were in a position where we were leaving the EU, there would be implications. The common fisheries policy provides a regulatory framework at European level, and fisheries management is a devolved matter for the Parliament. In such a scenario, a framework for the management of fisheries would be needed.

We secure a lot of resource from the EU, including resource from the European maritime and fisheries fund. We get direct core funding for certain functions that we do on the EU's behalf. We receive resource for our contribution to the data collection framework, which covers the fisheries data and the wider marine environmental data that we pass back to Europe. We get about £2 million a year for that.

We receive resource directly from European sources for joint deployments with other countries on fisheries compliance. We work together because stocks are shared and fishing happens in other countries' waters, so we work quite a lot with our partners.

We also receive funding for some of our IT systems that are associated with our need to report to Brussels on quota uptake and fisheries management. Therefore, there would be substantial implications for us as an organisation in the UK leaving the EU.

David Stewart: You might have seen a report from the Scottish Association for Marine Science—it is part of the University of the Highlands and Islands, which is in my region—that was quite negative about the effect of Brexit on academic research and on the ability to continue to have collaborative partnerships with other European nations. Whether or not you have seen the report, what is your general view on funding—for example, under horizon 2020?

Linda Rosborough: Horizon 2020 has been an important resource for us recently. I mentioned how we have been gearing up in all the funding areas, and our success rate has been above average on securing funding from horizon 2020, as well as from Interreg.

Beyond the direct funding that I mentioned, which would need to be secured going forward, there is a risk to our partnerships with others and wider marine science in Scotland. We work closely with and are members of the marine alliance for science and technology for Scotland, which is the umbrella body for all the marine universities in Scotland working together, and through that we are involved in various collaborations. We therefore share the concern that the report raised.

David Stewart: RSPB Scotland gave us quite an interesting evidence note. It stressed—you will be familiar with this—that we are not out of Europe yet and that we still have access to structural funds, LEADER, LIFE+ and the SRDP. There are also arguments that the UK and Scottish Governments will be—to use the terrible jargon—repatriating the structural funds and providing matching funds. I have had evidence in the Highlands and Islands that some people are worried about how fast our structural funds are being spent. What is your general view on the RSPB's point that it is not over yet, we are still in the EU and we should be trying to access the funds, at least over the next couple of years?

12:00

Linda Rosborough: I very much agree with that view. In fact, on the day that the referendum result came out, we got a phone call from the European Commission to say that we had been successful in a €1.6 million bid that we had made for a project, which will commence this month. We are still very active in that regard. On marine energy, we have been involved in the ocean energy forum, which has been shaping the future

agenda. We very much expect to take an active part in that and to be part of that future.

David Stewart: I will share an observation with you, on which I do not necessarily expect an answer. I recently went to an economic forum in Edinburgh on Brexit at which the chair of a think tank from Brussels said that none of us can tell what the future will be but that we should consider what the role of the other 27 nations in the EU would be in negotiations with Britain on Brexit. As a rhetorical question, he asked what Spain might do and said that the first thing that it might do is bid for access to Scottish fishing grounds, which would seem logical from a Spanish perspective. You will have considered that matter internally. What are your observations on those thoughts from the conference?

Linda Rosborough: Scottish ministers are looking closely at those issues, and Mr Ewing spoke to the Scottish Fishermen's Federation conference about them only last week. Fishing access is a key area of Scotland's interests that needs to be carefully safeguarded.

Mark Ruskell: Further to that, what is your view on what the architecture of negotiation and enforcement would be in a post-CFP scenario? At the moment, there is a well-defined set of negotiating structures involving the Council of Ministers in December, the regional advisory councils on the CFP and various bilateral agreements between the EU and Iceland and Norway. Is that how you would see Scotland negotiating post the CFP? What role would Scotland play in enforcement in that case? Would we still collaborate with other countries, or would we enforce our waters independently?

Linda Rosborough: At the moment, we participate in negotiations involving Norway and non-EU states—the Faroes and other countries. We are therefore used to the coastal state negotiations and the arrangements that are put in place to deal with the management of fish stocks that cross international boundaries. The big difference in a post-EU situation would be that we would no longer be part of the EU club, which would have implications for Scotland.

Mark Ruskell: Would that also have budget implications for Marine Scotland because of the timings and the number of negotiations and forums that your teams would have to be part of across Europe?

Linda Rosborough: I will ask Mike Palmer to come in on this in a moment. In general, we already participate in negotiations as part of UK and EU teams. In a post-EU situation, we would be responsible for our own science and compliance, but we do not have that responsibility when we are part of the EU club. If we were out of

the EU, the compliance task, the process of stock assessment and the involvement in working groups would still need to be done as at present, but we would not undertake the kind of sharing of work and participation that we currently do and we would have to defend our position on our own. That would lead to more challenges and make things more difficult. Mike Palmer will talk about more detailed aspects.

Mike Palmer: I endorse what Linda Rosborough has just said. We are well used to being involved in the kind of bilateral negotiations that have been mentioned. In terms of negotiating resource and expertise, we would simply turn that from being part of the EU negotiating team into being the Scottish negotiating team or, potentially, the UK negotiating team, depending on how matters developed.

In that respect, we are prepared for negotiation and are ready to plan for it if necessary. What often happens in the course of a negotiation is that we receive requests to do extra bits of science and research in order to underpin the arguments that we are making to seek to maximise the fishing opportunities. That is very important, because those arguments must be evidence based and grounded in sustainable fisheries management. We have to do the science.

As Linda Rosborough said, we currently use the EU scientific frameworks: we are a member of the Scientific, Technical and Economic Committee for Fisheries. We are part of the apparatus and we receive endorsement from the committee for doing different bits of science, but the actual operation of that science comes down to us. It is not as if there is a body sitting in Brussels that goes away and does a bit of science. The EU says, "You do the science in Scotland", and gives a bit of direction. We will now take more of the initiative in taking those bits of science forward, and we will simply need to plan for and be prepared for that.

Mark Ruskell: Do you have the resource to do that?

Mike Palmer: We currently tend to do that when we are asked to do it. For example, in the past year, we have been asked by the European Commission to do a strategic piece of science on the herring stock off the west coast of Scotland in order to underpin some of our proposals with regard to fishing opportunities.

We have collaborated with Ireland, the Netherlands and the pelagic fishing industry on a multi-partner research programme for the fishery, which is currently under way. Post Brexit, we would wish to be in a position in which we could continue that sort of collaborative work with other nations. We hope that we would be able to do that, on the basis that having a better evidence base on

that kind of issue is of mutual benefit to all the nations.

Mark Ruskell: On enforcement, are the three grey boats enough?

Linda Rosborough: The question of how much is enough for enforcement is tricky. The difference in being outside the EU is largely to do with the level of control that we would need over other countries' vessels that are fishing in our waters and who has overall responsibility for their catch. At present, because we are part of a shared system, we rely on other European countries to police the quota take-up of their vessels even if they are fishing in our waters, and our policing of their activities is more about any immediate issues relating to how they go about it.

Some additional risk-based procedures will be necessary, but we already have some experience of that in our work with Norway, where we have a lot of shared stocks.

The Convener: That information is useful.

I will take us in a slightly different direction. As an organisation you will anticipate workstreams and areas of spend, but sometimes things will come out of the left field. The impact of climate change is an on-going issue. In recent years you have carried out research into the impact on migratory fish and the fact that fewer are returning to their native rivers, and you have done work on the impact of the electromagnetic fields from undersea cables. I presume that such issues will continue to arise over time. What capacity is built into your organisation, in terms of resource and budget, to enable you to respond to challenges that climate change might throw up?

Linda Rosborough: The key way in which we can respond is by increasing the flexibility of our staff. We employ a lot of specialists and we have been moving in a direction in which we encourage science staff, in particular, to be more flexible. For example, if an invasive species event happens, we might use the core scientific capabilities that people have to work on the issue, identify requirements and secure partnerships with, for example, specialist research institutes in universities or the research councils. We are trying to ensure that the research councils align their pots of money more with needs and we work with them to identify projects that can be taken forward. That is our key way of responding to the unexpected—rather than having a pot of money with nothing attached to it, which we can deploy.

We have been able to bid into the contract research fund, which is a pot of money that the Scottish Government holds for research of policy necessity in the rural affairs and environment family. The fund has been a helpful source for us when we have had urgent need, and such funding

has underpinned a lot of our work on offshore energy.

The Convener: Thank you. Members have no more questions, so I thank the witnesses for attending, in particular Linda Rosborough, because I think that this is her last appearance in front of a parliamentary committee—I understand that you are stepping down next week.

Linda Rosborough: That is true.

The Convener: On behalf of the committee and the Parliament, I wish you a very long and happy retirement. I look forward to working with your successor.

At our next meeting, on 15 November, the committee will take evidence on the draft budget 2017-18 from the Scottish Environment Protection Agency.

As we agreed earlier, we will move into private session. I ask that the public gallery be cleared and I close the public part of the meeting.

12:12

Meeting continued in private until 12:33.

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