



RSPB Scotland submitted written evidence to the session 3 Scotland Bill Committee in January 2011<sup>i</sup>. The main issues of interest to RSPB Scotland are those matters where policy is recommended to be further devolved or re-reserved where this has the potential to impact on environmental outcomes. Our views in this briefing are restricted to Landfill Tax, Stamp Duty Land Tax, other devolved taxes and in particular powers to create new taxes, the Crown Estate, and marine matters. In particular, devolution of the Landfill Tax, if implemented wisely, has the potential to help the Scottish Government push forward its environmental ambitions. This would impose effectively no extra cost to the public purse and would provide much needed funding for biodiversity work at a time when funding for the environment is being cut, and will help in meeting the 2020 biodiversity targets set at Nagoya to which Scotland and the rest of the UK is committed.

***Question 6 – The Bill does not propose the devolution of aggregates levy and air passenger duty at this time. How might the devolution of these taxes impact Scotland (a) environmentally and (b) economically?***

The Aggregates Levy was previously a hypothecated tax that was distributed, in Scotland, through the Sustainable Action Fund. Revenue from the levy was subsequently diverted to aid the creation of the Climate Challenge Fund (CCF). RSPB Scotland broadly supports the CCF, however we maintain our view that the CCF should have been funded by other means. Instead, funding has simply been moved from one environmental scheme to another. If the aggregates levy is devolved we would encourage the Scottish Government to consider hypothecating the levy to help push forward environmental objectives.

Taxes on the aviation industry have the potential to help tackle climate change by reducing demand for unsustainable short-haul flights. In particular, changing the tax from a 'per-passenger' duty to a 'per-plane' duty would incentivise airlines to fill up their planes rather than flying services which are under capacity, and could therefore help cut emissions by reducing the overall number of flights over a given time, for example. It was disappointing to note the outcome of the UK Government's March 2011 Budget which revealed that air passenger duty (APD) would not be changed due to concerns about the legality and feasibility of introducing a per-plane duty (PPD) under current international rules. If APD is devolved, we strongly encourage the Scottish Government to consider the feasibility of moving towards a per-plane duty to help meet Scotland's commitment to tackling climate change. We agree, however, that special consideration is needed for so-called 'lifeline routes' to/from Scotland's island communities.

***Question 7 – Proposals regarding the Crown Estate / energy matters***

We refer the committee to our written evidence<sup>ii</sup> submitted to the Scottish Affairs Committee at Westminster, in response to their Inquiry into the Crown Estate in Scotland.

We fully support the concept of Scotland's publically owned assets being managed more transparently, accountably and in support of Scotland's policy objectives. There is not necessarily any reason why this could not be achieved under current arrangements. However, it seems appropriate to periodically review arrangements, particularly in the context of changing administrative arrangements elsewhere in Scotland and the UK, and changing pressures from development activity on the Crown Estate.

Significant new renewables capacity will come from the marine environment in helping to develop Scotland's low-carbon economy, and the Crown Estate will therefore have a key role to play in ensuring this is delivered sustainably. Therefore, **whatever the outcome is of ongoing discussions, the conservation and enhancement of biodiversity, including reinvestment of revenues from the estate, must be an integral part of any amended arrangements.** It is vital that returns from the exploitation of Scotland's natural resources focus on delivering for the environment from which these natural assets are derived. Not least, this is because the environment is valued by people<sup>iii</sup>, and therefore its damage would undermine any monetary return. The best and fairest way to benefit all communities in the long term would be to use the financial benefits from exploitation of the Crown Estate to protect and enhance Scotland's wider environment. This would deliver benefits in the public interest for Scotland's communities country wide.

***Question 9 – What is your view on the Scottish Government's proposal that Scotland needs more influence in European Union negotiations and particularly in the Council of Ministers? What lessons can be learned from arrangements in other Member States?***

Clearly there are issues arising from the current arrangements surrounding EU negotiations. Of particular relevance to RSPB Scotland are CAP reform and CFP reform. It may be useful for the committee to examine the current arrangements in some EU federal states, such as Germany, Spain or Belgium, where engagement of state ministers in achieving a shared federal position is commonplace.

***Question 11 – What further views do you have on the Bill at this stage and do you have any suggestions which, in your view, would enhance the Bill and should be considered by the UK Government for inclusion?***

We focus our answer to this question on Landfill Tax, Stamp Duty Land Tax, powers to create new devolved taxes, and marine powers.

### **Landfill Tax**

Taxing waste going to landfill encourages us to produce less waste while delivering positive environmental benefits. It is a good working example of a hypothecated or 'ring-fenced' tax – it has compensated for an environmentally damaging activity by funding projects which improve the environment for the benefit of biodiversity and the communities who live near landfill sites. In particular, allowing landfill operators to contribute towards environmental projects through the Landfill Community Fund (LCF) has enabled valuable biodiversity work to take place across Scotland and delivered many positive environmental outcomes (*Please refer to the Appendix to this document which contains short case studies of LCF-funded projects in Scotland*).

Scotland, along with the rest of the UK and Europe, has committed to the renewed 2020 biodiversity targets set at Nagoya. At a time of economic austerity when funding for the natural environment is being squeezed ever more tightly, the LCF has been a lifeline for nature conservation, and is one of the few remaining funding streams for biodiversity work. Continuing the good practice of the LCF following the devolution of Landfill Tax would provide a much needed funding stream for projects which contribute to meeting the 2020 targets. Furthermore, it is worth noting that this has the added benefit of helping drive forward the Government's environmental objectives at no extra cost to the public purse, since Landfill Tax is classed as private money. This also puts successful applicants to the LCF in a unique position to make government money go further. For example, an organisation in receipt of funding from Scottish Natural Heritage could deliver more on a particular environmental project through having access to the private funding stream of the LCF. In addition, a successful application to the LCF can often be used as a tool to attract matched funding from other sources.

In paragraph 61 of its report, the session 3 Scotland Bill Committee stated that *'all the evidence suggests, and our witnesses – even Scottish Ministers – agree that the important question was not what powers were available but the use that was made of them'*. We agree, **and urge the new committee to recommend in its report that, if Landfill Tax is devolved, the Scottish Government should, at a minimum, strive to continue the good practice of the Landfill Communities Fund by allowing landfill operators to pay a percentage of their Landfill Tax into an LCF or similar, in order to maximise the environmental benefits of this form of hypothecated taxation.**

### **New devolved taxes**

As noted in our previous evidence and in the report of the session 3 committee ( paragraph 639) we see tremendous scope for the Scottish Government to use the proposed powers for the creation of further devolved taxes, in order to develop and implement a comprehensive 'green tax policy' to drive forward its environmental objectives. Using the new powers in this way would complement the devolution of other green taxes such as Landfill and, if they are devolved in the future, the Aggregates Levy and Air Passenger Duty. We reiterate our recommendation that the new powers under Clause 24 of the Bill be considered in this light. Furthermore, **we urge the Rural Affairs, Climate Change and Environment Committee to find time to hold an inquiry into the opportunities to achieve environmental objectives from the operation of the Parliament's fiscal powers** (including borrowing powers, Landfill Tax and other devolved taxes).

### **Stamp Duty Land Tax**

We note the measures to devolve Stamp Duty and have no view on whether or not it should be devolved. However, as with Landfill Tax, we reiterate the need to retain the current model of implementation, with regard to 100% relief from Stamp Duty Land Tax for charities.

### **Marine powers**

We note paragraph 212 in the session 3 committee's report and agree with the recommendation that the UK Government should begin a review of the current legislative arrangements with regard to the marine environment as soon as possible.

During the passage of the Marine (Scotland) Bill, RSPB Scotland supported the Scottish Environment Link position that marine nature conservation should be devolved, given the unique opportunity to do so at that time. The Executive Devolution of marine nature conservation agreed by the UK and Scottish Governments has the potential to address environmental concerns previously outlined by RSPB Scotland and LINK, but both the UK and Scottish Marine Acts are still in the early stages of implementation. In light of this, we can see some justification for not devolving nature conservation powers at this time. However, ultimately we remain of the view that marine nature conservation powers should be legislatively devolved. We look forward to a review in the near future into how the two Marine Acts are working together and would welcome the opportunity to participate in that debate. If no devolution takes place under this Bill we hope that, in the course of the debate, both the UK and Scottish Governments will commit to such a review by 2015.

For further information please contact:

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## APPENDIX

### Landfill Communities Fund – Case Studies for Scotland Bill Committee September 2011

**Location:** Kelvingrove Museum & Park, Glasgow City

**LCF Amount awarded:** £7,238

**LCF Distributor:** Glasgow Council

**Project Details:**

As part of an innovative partnership with Kelvingrove Museum (Scotland's largest free visitor attraction) LCF funding was provided through Glasgow City Council to help deliver a new and varied programme of outdoor learning. This funding was used to purchase and install engaging interpretation about the surprising diversity of wildlife that can be found in the green spaces of Scotland's urban centres. The project complemented a wider programme involving RSPB field teachers and information officers who had been placed within the museum and surrounding park to deliver active environmental education to Glasgow school children. The interpretation benefits not only the 5,000+ school children who have enjoyed the guided nature walks, but also the hundreds of thousands of people who visit this site each year. The project also helps contribute towards Council and Government objectives: in learning about sciences and the natural world, the interpretation provides improved intellectual access, whilst the wider programme of outdoor learning helps encourage healthier and more active lifestyles.

**Location:** RSPB Abernethy Forest Nature Reserve, Cairngorm National Park, Highlands

**LCF Amount Awarded:** £10,000

**LCF Distributor:** Inverness Council

**Project Details:**

Abernethy encompasses Scotland's largest remnant of ancient native Caledonian pinewood forest. Its expanse encompasses the richest biodiversity of all the RSPB reserves across the UK, with 3,500 recorded species. Of these, however, 800 are of conservation concern, making the reserve vitally important in terms of species conservation. LCF money was awarded to target conservation and enhancement of the native pinewood woodland - a UK Biodiversity Action Plan (UKBAP) Habitat - for the benefit of capercaillie and black grouse (both high priority UKBAP species). This targeted work, and the broader biodiversity benefits that it will bring, are in line with the objectives of both the Scottish Government's '*Scottish Biodiversity Strategy*' and the Species Framework Directive programme that is coordinated by Scottish Natural Heritage. The work undertaken will help improve biodiversity and the wildlife spectacle enjoyed by the 90,000 people who visit the reserve each year.

**Location:** Aberdeen City

**LCF Amount Awarded:** £45,000

**LCF Distributor:** Aberdeen Countryside Project

**Project Details:**

LCF money was awarded to help reintroduce red kites back into the Aberdeen and Aberdeenshire area through a dedicated relocation programme. The money was used to hire a project officer, build release cages, and purchase radio tracking and safety equipment for tree climbing. This project was delivered between 2007 and 2010 and has been a resounding success with over 100 red kites having been released into the Aberdeen area and in 2009 chicks fledged in Aberdeen for the first time in 150 years. Following breeding successes, the project has been able to be expanded to include public engagement work that raises awareness of these spectacular birds. Footage of the chicks on the nest has been shown in prominent public areas of Aberdeen and over 2,500 local school children have been connected to the project.

**Location:** Fowlsheugh Nature Reserve, Aberdeenshire

**LCF Amount Awarded:** £9,743

**LCF Distributor:** Aberdeenshire Council

**Project Details:**

Since 2007, Fowlsheugh Nature reserve near Stonehaven in Aberdeenshire has received nearly £10,000 of funding through the LCF. Through three separate projects, access at this cliffside reserve has been substantially improved through the creation and enhancement of new and existing paths and the installation of a boardwalk and footbridge over the more challenging terrain. Engaging interpretation that helps the public recognise and understand the natural heritage that surrounds them has been installed in strategic locations along the length of the reserve helping to improve intellectual access to, and enjoyment of, this spectacular location.

The LCF-funded projects at Fowlsheugh have helped to develop and enhance a superb community resource and tied in with the plans of the local partnership of community groups ('Stonehaven... It's Special') to entice people into the area. The pathway feeds into the wider northeast community by linking with the 'Nortrail' network of pathways to help provide a continuous pathway around the northeast's beautiful coastline.

**Location:** Lochwinnoch, Renfrewshire

**LCF Amount Awarded:** £250,000 (pending)

**LCF Distributor:** WREN

**Project Details:**

LCF funding of approximately £241,000 has been nominally awarded for a large habitat restoration project planned for RSPB's Lochwinnoch nature reserve in Renfrewshire. This will allow engineering works to take place that will help re-naturalise the water course in the area, helping improve water conditions in the nearby Barr loch and its associated in-flow and outflow channels. Wetland habitat, long a diminishing natural resource in the UK, will be created and profiled to provide optimum conditions for a wide variety of wetland species – including priority conservation species - that are reliant on this type of habitat. The works will contribute to the restoration of good ecological status of this wetland reserve under the Water Framework Directive. Improved habitat conditions at the reserve are anticipated to improve its biodiversity value and provide an enhanced experience for the c.35,000 people that currently visit the reserve each year.

**Location:** Airds Moss Nature Reserve, East Ayrshire

**LCF Amount Awarded:** £20,000 (over two phases)

**LCF Distributor:** Barr Environmental Ltd

**Project Details:**

Artificial agricultural drainage installed prior to RSPB management of this upland bog site had degraded the bog's condition and dried out valuable peat soils. This reduces biodiversity and also causes significant amounts of carbon to be released into the atmosphere because the bog's natural capacity to store carbon is diminished.

Thanks to support from Barr Environmental Ltd through the LCF, we have been able to undertake two phases of restoration work to date (during 2009 and 2010). The work has improved the hydrological status of the site and created more attractive habitat for breeding waders (including UKBAP species) through the development of shallow pools. It will also help prevent rapid water run-off from the site, decrease water erosion and reduce diffuse pollution into the River Ayr, helping to protect water quality and biodiversity in the wider catchment area.

The project will help deliver key objectives of the Scottish Government's 'Scottish Biodiversity Strategy' and will contribute to delivering the 2020 biodiversity targets. The funding from the LCF played a significant part in leveraging money from another local funder (The Cumnock & Doon Valley Minerals Trust) who also contributed to this project.

**Location:** Mersehead Nature Reserve, Dumfries & Galloway

**LCF Amount Awarded:** £32,133

**LCF Distributor:** Solway Heritage

**Project Details:**

Mersehead Nature reserve received £32,133 worth of LCF funding through Solway Heritage over the course of three years between 2007 and 2010. A range of improvements were carried out, including: enhancements to path networks; creation and restoration of wetland habitat; installation of hydrological controls; tree and hedgerow planting and the installation of wildlife interpretation boards around the reserve – all of which have helped to improve the visitor experience on site. In addition they resulted in Mersehead being promoted from a 3-star to the only 4-star Wildlife Experience Attraction (Visit Scotland Accreditation) in Dumfries & Galloway.

LCF funding laid the foundations for these improvements which in turn provided momentum for further investment in the reserve. Its mosaic of habitats, abundance of wildlife and public amenities that came about as a result of LCF funding helped Mersehead to achieve the Quality Badge assessment from the Council for Learning Outside the Classroom. This scheme was designed to indicate to schools the quality and safety of out-of-classroom learning that educators provide. Though a Westminster Government initiative, the RSPB have adopted the scheme as an objective assessment of its Field Teaching programme.

**Location:** Vane Farm Nature Reserve, Perth & Kinross

**LCF Amount Awarded:** £200,000 (Project in progress)

**LCF Distributor:** Biffaward

**Project Details:**

Vane Farm nature reserve forms the largest wetland area within the Loch Leven National Nature Reserve (NNR). LCF funding has formed a substantial part of a £450,000\* habitat restoration project to improve habitat conditions and hydrological control on the wetland part of the reserve, and provided significant leverage in obtaining the additional funding required for the work.

Following detailed hydrological surveys, the project will see the flattening of the wetland and installation of a series of sluices to provide greatly-enhanced control over the water flows around the reserve to help prevent flooding whilst helping to ensure that the ground remains wet in drier periods. This will optimise UK Biodiversity Action Plan habitat that will attract more wetland birds – including priority conservation species such as lapwing - to visit and breed on site. Removal of trees beside the loch has extended wetland habitat to the loch shore and removed raised vantage points for predators of ground nesting birds.

The project will greatly improve the wildlife spectacle for the c.50,000 people that visit the reserve each year. The anticipated increase in breeding productivity and reduced predation rates will help to bolster local populations of waders and wildfowl species as well as benefitting wider wetland species such as otters and water vole, in line with 2020 biodiversity targets and key objectives in the Scottish Government's Scottish Biodiversity Strategy.

\*Other funding came from SNH and RDC

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<sup>i</sup> [http://www.scottish.parliament.uk/s3/committees/scotBill/documents/51\\_SBRSPBScotland.pdf](http://www.scottish.parliament.uk/s3/committees/scotBill/documents/51_SBRSPBScotland.pdf)

<sup>ii</sup> <http://www.publications.parliament.uk/pa/cm201012/cmselect/cmselect/writev/crown/m10.htm>

<sup>iii</sup> Wellbeing through wildlife in the EU (RSPB/Birdlife International 2007) [http://www.birdlife.org/eu/pdfs/Wellbeing\\_EU\\_final\\_version\\_2mb.pdf](http://www.birdlife.org/eu/pdfs/Wellbeing_EU_final_version_2mb.pdf)