

## Minutes - Sustainable Land Management Group Meeting

26th April 2023, 10:00 – 12:00

MS Teams Meeting

### 1. Almond Headwaters – Investment Readiness Pioneering (David Tollick, Perth and Kinross Countryside Trust (PKCT)/ Perth Nature connections Partnership (PNCP))

- Previously referred to as the Tay Catchment Communities, now project name is Almond Headwaters. Submitted a bid to Riverwoods Investment Readiness and has recently been recommended to Esme Fairbairn Foundation for an award to take forward further. The proposal was developed with a consultant (Matt Hay at Bidwells).
- Programme report mapped features in the area (highland Perthshire that lies between the two national parks). Features included; 1. Designated nature sites; 2. Native woodland and grazing; 3. Carbon peatland; 4. Woodland; 5. Land holdings and management; 6. Carbon creation under peatland and woodland code. Mapping entailed existing cover and conditions and also identified areas for future restoration.
- 3 estates are involved (all with an interest in better management for nature and climate). This is a requirement of Riverwoods, as is the involvement of potential buyers of Ecosystem Services (ES) and communities. Community involvement dimensions include mapping of access routes. The area overlaps with 5 community councils and a community hall.
- Suggested activities for restoration include;
  - Woodland
  - Riparian woodland
  - Creation of a nature corridor from area to loch Tay
  - Fish passage improvements to overcome artificial barrier in river channel
  - Deer management
  - Peatland restoration
- Fish passage improvements being proposed in a part of the river that previously had a waterfall, and this was destroyed by a landowner in the past, which harmed fish passage further. Further understanding about impact on fish migration is needed.
- Funding is to get ready for private investment, not for doing these activities (which may be refined as the process progresses), particularly through further involvement of different stakeholders in the process. An interesting question will be whether private finance influences the motivations and contributions of Estates in the process (what activities/ outcomes are considered relevant).
- The community hall wants to be involved. One option being investigated is to create a community benefits programme (much like those developed for windfarm community benefits) through the trading of the ES.
- Key issues in the process (which is proof of concept process) for attracting private finance will be the ability to verify units of biodiversity (what and how) for buyers. Also, the cost of units, especially for those providing private sector finance not seeking a return (units may be too costly for meaningful engagement). Furthermore, some landholdings are too small to attract the minimum scale considered by private investment.
- It is expected that a blended finance approach will be needed (i.e. both private and public finance). Estates were involved in CAP payments. The new Scottish farm payments system is still underdevelopment but there is greater potential for supporting ecological recovery. Useful would be to include some mechanism for incentivising collective action (multiple farmers cooperating to better access private finance).

### 2. Natural Capital Assessments for Electricity Transmission Lines (Francis Williams, Environmental Net Gain Manager at SSEN)

- SSEN includes 3 transmission operators. It includes a large investment programme to meet the 2030 targets and develop a network for net zero. Aim is to be nature positive.
- Biodiversity is considered a key ES. 3 existing tools were tested, but limitations identified. These included;
  - Data availability
  - Lack of transparency
  - Not clear how tools would inform/ drive decision making

- Not scalable
- The natural capital valuation toolkit has been developed to overcome these issues. This tool uses publicly available data whilst additional site level data can also be added in, takes a portfolio approach, can be used to assess carbon, can provide assessments in a timely manner whilst being useable internally and externally, and is able to be used across the UK.
- Keen to ensure tool can also identify irreplaceable ecosystems (e.g. ancient woodland) which cannot be compensated for if damaged/ lost.
- In addition to assets the tool also assesses the flow of ES. These can be quantified, which is important for informing decision making. However, this is for internal purposes only. There is potential to develop co-benefits with commercial dimensions, e.g. grassland corridors for increasing pollinators that could benefit adjacent fruit farms.
- Other regulated businesses have been approached to engage them in this process however take up has been patchy.
- Next steps:
  - Understand implications to business of increasing biodiversity (positive and any trade offs)
  - Embed tool into different stages of decision making
  - Embed tool into non operational asset management
  - Develop reporting and monitoring processes
  - Ensure resources to undertake this in practice
  - Link to sustainability strategy to involve multiple aspects of business (not just biodiversity team).

### 3. Update from NatureScot

- Biodiversity audit – future for farms. Aim of this is to better factor in biodiversity (alongside carbon) into whole farm planning to signpost best actions for biodiversity. ELPIS (dataset of climate scenarios for Europe – see <https://publications.jrc.ec.europa.eu/repository/handle/JRC57353>) mapping layer already available. Ground truthing is underway. Score card will be developed. Testing will commence next month and an app will be developed from September onwards. It is unclear how this will fit with the new farm payments system (which tier and with monitoring). NFU can help engage farmers in developing this (who are being asked to do more and more).
- NatureScot partnership with private bank. Aim of this work is to help address the funding gap with private sector investment, whilst going beyond the current focus on peat and woodlands. Funding has been secured for large scale restoration with sites identified and scoping completed. Interim principles for responsible investment will be incorporated into process and the need for community benefits is recognised. This involves large investment so sites may need to be packaged together. Similarly, AVIVA (insurance company) are involved in (i.e providing finance for) Scotland's Rainforest initiative.
- Landscape scale NC tool. Open access tool to generate information usable by non-experts. Stakeholder workshop has been held and tool will be developed from September onwards.

### 4. Update from Scottish Government

Agricultural policy. Timeline for replacement framework and legislation in place and implemented is 2026. This will involve 4 tiers. Tier 2 is a new tier which opens up payments for nature (and climate) outcomes beyond those farmers near designated sites (as per previous system). Tier 4 relates to how to make these changes happen (i.e. new skills and tools). Lots to be confirmed still, including list of measures included, and shifting between tiers. Question: how this will relate to supply chain schemes (driven by private sector)? Response: There are schemes underway driven by private sector within their supply chains and it will be important to ensure these public and private sector mechanisms align so that land managers are incentivised and verification processes are compatible. 2025 new conditionality introduced (but not clear when in 2025).

### 5. Site visits update – Glen Prosen and

Glen Prosen visit 22nd May being organised by Forestry and Land. Information already sent out. Kerry and Julia not able to attend. Attendees requested to take photos and share.

Glensaugh 14th June please get in touch if interested in attending. Format still being organised.

**Chair:** Julia Clough - Scottish Forum on Natural Capital (stand in chair for this meeting in absence of Kerry Waylen - James Hutton Institute)

**Minutes:** Esther Carmen - James Hutton Institute

**Working Group Members Attending:**

Eleanor Harris - Galbraith

Eleanor Kay – Scottish Land and Estates

Esther Carmen - James Hutton Institute

Helen McIntyre - Dalhousie Estates

Kate Hopper - NFUS

Kirsty Blackstock - James Hutton Institute

Rory McLeod - GCV Green Network

Stuart Shaw – NatureScot

**Guests:**

David Tollick, Perth and Kinross Countryside Trust (PKCT)

Francis Williams, Environmental Net Gain Manager at SSEN

Rosie McGuigan (Riverwoods Partnership Support Officer, Scottish Wildlife Trust)

Benjamin Townsend (Riverwoods Project Officer, Scottish Wildlife Trust)

**Apologies:**

Alistair McVittie - SRUC

Andy Tharme – SOSE

Anna Graham - Scotch Whisky Association

Anne Gray - Heather Trust

Bruce Wilson - Scottish Wildlife Trust

Campbell Gerrard - Crown Estate Scotland

Catherine Preston – SEPA

Hamish Walls - SAOS

Harriet Donald - LLTNP

Jayne Ashley - SOSE

Jared Stewart – Scottish Water

Kerry Waylen - James Hutton Institute

Louise Bond - SEPA

Marc Metzger - Edinburgh University

Mark Williams - Scottish Water

Pat Snowdon - Scottish Forestry

Ross Johnston – Scottish Government

Ross Lilley – NatureScot

Stephen Young – SLE