

SNH HERITAGE LAND: TOWARDS A LAND OWNERSHIP POLICY AND RATIONALISATION OF SNH's LAND HOLDING

Summary

1. SNH owns 35,800 ha of 'heritage land' i.e. land held in trust for the nation; we inherited most of this land from our predecessor bodies. We manage 98% of the land as National Nature Reserve. Over the last year we have reviewed SNH's heritage landholdings and as a result we are now proposing to make a number of changes which may initially lead to the sale or transfer of land to other owners. This paper seeks endorsement from the Board for this action. The paper also sets out the principles underpinning why SNH owns heritage land, and the reasons why we might dispose of land or acquire new land. We will use these principles to provide the foundation for a new SNH policy on land ownership, acquisition and disposal. The Board is asked to consider and endorse these principles before we begin to rationalise SNH landholdings.
2. This paper does not cover 'operational' land used mainly for SNH offices, nor is the paper concerned with SNH giving others grants to purchase land. The focus is solely on SNH's 'heritage' land.

Action

3. **The Board is invited to:**
 - **Consider and approve the principles developed to underpin a land acquisition and disposal policy for SNH (paragraphs 33-38).**
 - **Advise whether staff should now proceed with discussions concerning the potential sale or transfer of some areas of land currently owned and managed by SNH (paragraphs 39-46, Table 1).**

Background

4. SNH has wide ranging powers to acquire, hold and dispose of land, some are general powers to hold land to exercise our duties and others are more specific; all are listed in Annex 1. SNH has the power to acquire land compulsorily but has never exercised this power.
5. Most of SNH's heritage land was acquired by predecessor bodies and is declared as National Nature Reserve (NNR) under the 1949 Act and 1981 Acts. SNH was given additional powers to own land in the 1991 Natural Heritage (Scotland) Act.
6. Although we have powers to own land, SNH does not have a clearly stated policy about ownership of natural heritage land against which decisions for acquisition and disposal can be tested.

Land for nature conservation

International Context

7. Most countries, including Scotland (through the UK), are signatories to various international conventions seeking to protect wildlife; often these rely to some extent on designating and managing land as protected areas.
8. The pattern of landownership (i.e. the mix of land owned by the state/private/NGO/business) is different in every country. Ownership by a public body is often considered to be a statement of the Government's commitment to protect natural areas in perpetuity. SNH owns 0.45% of Scotland and FCS owns 668,000ha (8.3%) of which 15% is managed with conservation and enhancement of biodiversity as a major objective. In many countries, however, the state owns and manages a much higher proportion of the protected areas than in Scotland.

National Context - a brief history of SNH Land

9. SNH inherited most of its heritage land from the Nature Conservancy (NC) and Nature Conservancy Council (NCC); their powers to own land were tied to nature reserve status. In the early days they acquired land which was subsequently declared a National Nature Reserve (e.g. Beinn Eighe). Later they acquired land already declared as NNR (e.g. Isle of May). The only land inherited from Countryside Commission for Scotland was Battleby, a designed landscape attached to the CCS office; CCS did not acquire land for recreation, access or landscape purposes.
10. NC and NCC occasionally disposed of small bits of land, which did not meet policy requirements or was needed for other purposes, but neither body had a very active programme of acquisitions and disposals. The Nature Conservation Review (1977) was used to inform land purchases but there was no clear policy.
11. Parallels can be drawn between built heritage, which in Scotland is owned by a mixture of the state, NGO and private sector, and Scotland's natural heritage land which is held in much the same way. SNH is empowered to own and manage iconic wildlife sites as 'heritage land held in trust for the nation', just as Historic Scotland can own and manage iconic historic sites like Edinburgh Castle and Skara Brae.

SNH's acquisition of land

12. SNH has not been very active in the land market (in comparison with the Forestry Commission for Scotland which regularly buys and sells land). We have continued to consolidate our NNRs by acquiring land on or adjacent to them when the opportunity has arisen. In its 17 years, SNH has just acquired 1,874 ha, or 5% of our current landholding (35,800 ha).
13. SNH has not bought any land for new NNRs since 1993. Since 2000 we have declared new NNRs only on land owned and managed by Approved Bodies e.g. Insh Marshes (RSPB), Glen Affric (FCS) and Staffa (NTS). The current position is that SNH wholly owns and manages 18 NNRs, partly owns and manages 16 NNRs, and manages but does not own 8 NNRs. The remaining 17 (promoted) NNRs are owned and managed by others – private land owners, FCS and NGOs (Approved Bodies).

Benefits of SNH owning land

14. The general aims of SNH set out in the founding legislation are a) to secure conservation and enhancement of, and b) to foster understanding and facilitate enjoyment of the natural heritage of Scotland.
15. NNRs, our main land holdings, are one of the ways we achieve these aims. NNRs are like shop windows putting some of the best of Scotland's natural heritage on display. The NNRs we own and manage puts SNH's work on display for all to see - on our land we have to put into practice what we preach to others.
16. One of the benefits of owning land, with all its responsibilities, is that it gives SNH credibility with other landowners in discussions on topics ranging from best practice deer management to implementing the Scottish Outdoor Access Code, from implementing foot and mouth precautions to dealing with pollution. Another benefit is that we employ staff with practical skills to manage our land, and their knowledge and experience is valuable when advising others how to manage land.
17. Owning land has allowed SNH and predecessor bodies to manage land experimentally in novel, and sometimes contentious, ways for example the innovative management of trees and deer at Creag Meagaidh. Such experimental management would not have been possible on land owned by others, and owning and managing the land allows SNH to demonstrate to others that such 'novel' approaches can work.
18. Management for nature is a long-term business and not usually a profitable business. Land managed primarily for nature does not generate the same income streams as commercially managed land like farmland or forest, therefore in most European countries, and more widely, the state commonly pays for nature management either directly on its own land or by giving financial support to other landowners.
19. The new policy asserts that there is strong public benefit in SNH continuing to own and manage land.

SNH Land in 21st century - is used for contemporary needs?

20. SNH has owned and managed land for many years. The following paragraphs illustrate how we are using our land to deliver the contemporary agendas of the Scottish Government and the SNH.

Scottish Government objectives and SNH's Corporate Strategy

21. The Scottish Government's National Performance Framework '**greener**' strategic objective is 'to improve Scotland's natural and built environment and the sustainable use and enjoyment of it'. One of the national outcomes is that 'we value our built and natural environment and protect it and enhance it for future generations'. Our NNRs make an important contribution to the greener objective. Our land holdings also have a role in helping to deliver some of the other Scottish Government objectives. For example, under wealthier and fairer it is recognised that our natural landscapes are an important part of the delivery of the outcome that 'we take pride in a strong, fair and inclusive national identity'.
22. SNH's new Corporate Strategy sets out how our work contributes to delivering the SG five strategic objectives. Our NNR land contributes to delivering SNH's corporate strategy in many ways.

- *Caring for Nature* – our NNR land showcases some of the rich and diverse habitats in Scotland. We manage our NNRs to prevent biodiversity loss and we ask our reserve managers to take action for BAP habitats and species over and above the notified features; within the NNR programme there are several standards aiming to foster greater understanding and appreciation of nature.
- *Responding to climate change* – we have put almost all our visitor centres through the Green Tourism Business Scheme and currently have 3 gold awards (Forvie, St Cyrus, Noss), 4 silver (Beinn Eighe, Burn o’Vat, Cairnsmore of Fleet and Hermaness). We have installed equipment to generate renewable energy or save power on some of our landholdings – Forvie, St Cyrus, Isle of May.
- *Delivering health and well being* – SNH has made significant investment in improving visitor facilities on NNRs over the last three years to encourage greater and wider participation in enjoying the outdoors. This has included installing new all abilities paths on several NNRs as well as researching their suitability for use for health walks. To encourage greater involvement by communities we consult on our management proposals. To date we have completed consultations on 20 NNRs with another 2 underway at present; we bridge the natural/cultural heritage divide by promoting the archaeological and cultural features on our NNR land and we are currently working to install Gaelic signs in line with SG policy.
- *Supporting the Scottish economy* – NNRs do not produce a ‘cash crop’ so the economic contributions of our land are indirect, but NNRs, especially those in the remoter economically fragile parts of Scotland, are significant for the tourism industry; SNH creates employment for staff and contractors on our land.
- *Delivering high quality public service* – in terms of satisfaction and value for our customers, the 2003 visitor survey reported the overall visitor satisfaction rate to NNRs was very high at 88%. To streamline services we work with others to manage our land e.g. reciprocal arrangements for deer management with FCS in East Highland.

23. The brief summary above confirms we do use SNH land to contribute to delivering our corporate strategy.

SNH’s policy for National Nature Reserves

24. SNH developed a new policy for NNRs in the mid 1990s which was approved by the minister in 1997. The policy added a new purpose for NNRs, i.e. to ‘raise awareness and pride in Scotland’s natural heritage’. This purpose fits well with the Scottish Government’s **greener** strategic objective. This is the policy SNH land makes the greatest contribution to.
25. In 1999 SNH produced a policy on ‘Openness in Ownership’. We have implemented this policy by adopting a more open approach to managing our NNRs, in particular we consult on our proposals for managing NNRs which set out a 25 year vision for each reserve. We have now completed 20 consultations.
26. SNH reviewed all the NNRs between 2000-2003, to check if they could deliver the 1997 NNR policy. Most passed the review but some failed and as a result the SNH Board approved the de-declaration of 20 NNRs. The Board also approved the creation of several new NNRs, among them Glen Affric, Insh Marshes, Staffa and The Flows, all on land owned by Approved Bodies.

27. We are now more than half way through a programme to Raise Standards on NNRs (2006-2011); the aim is to improve standards for wildlife, people and property. Progress reports to October 2008 show that most of the 8 spotlight reserves largely owned by SNH had reached at least two-thirds of the minimum and advanced standards, and 11 of the remaining 18 reserves largely owned by SNH had reached two-thirds of the minimum standards. SNH has invested in raising standards on our own land and has supported NGOs to raise standards on their NNRs.
28. However while SNH manages some of its landholdings as NNRs very well, it manages others less well due to lack of purpose or lack of resources. It is the latter group that came under most scrutiny during the land review exercise.

Scottish Government Review of undeveloped land assets

29. In 2007 Scottish Government completed a review of buildings and associated assets. Once this was completed, they initiated a review of the land held in its name in 2008. The primary aim was to check that government bodies were not holding onto 'undeveloped land' that did not meet Government objectives or organisational policy needs and which would be suitable for development. This review involved the main landholding bodies namely FCS (668,000ha), SGRIP (43 crofts totalling 104,500ha), SNH (35,800ha) and Crofters Commission (271ha), Research organisations (9 properties totalling 4,000ha) and Royal Botanic (4 properties totalling 113ha).
30. The final report acknowledged that these organisations already manage their land well, albeit each has a different way of doing so. Nonetheless the report proposed a few extra steps to ensure best practice which will be embedded in SNH's internal procedures. The first recommendations were:
 - To ensure all parts of Scottish Government have discrete land asset management in their business plan and objectives with a clear management strategy and plan in place.
 - Each organisation makes their land asset management plan available to others.
31. The review did not find any body was holding onto undeveloped land ripe for development. Additional questions were later asked about whether we had land suitable for other uses such as crofts, allotments or new entrants to farming. The review of SNH landholdings did not identify any properties suitable for allotments or new entrants. Our land at Glen Roy and Loch Druidibeg already has crofts and as part of the transfer of assets to the Isle of Rum Community Trust some land has been advertised for crofts on Rum. In addition there are three further sites where we own land that may be suitable for crofts – Creag Meagaidh, Beinn Eighe and Sunart, but this suitability will require more detailed assessment if the Board is content in principle with our proposals.
32. In conclusion it is clear that SNH does use its heritage land, most of which are National Nature Reserves, to contribute the contemporary agendas of the Scottish Government and the associated SNH Corporate Strategy. We must not forget that managing land for nature is a long term business and SNH has owned some land such as that at Beinn Eighe for more than 50 years, during which time it has survived many changes to Governments, organisations and policies. However we make better use of some of our landholdings than others and this is what we tested during the review of SNH land (see below) and used to shape our emerging policy on land ownership.

Developing a Policy for SNH land – the principles

33. SNH does not currently have a policy on land ownership, so the following paragraphs outline a) the purposes for which SNH should own land; b) the reasons why SNH should dispose of land; and c) the reasons why SNH might acquire land.
34. The Board are invited to consider and endorse the purposes for which SNH can own land, and the reasons why we might dispose of or acquire new land. These principles will form the basis of a new SNH policy setting out why it is important to own land and the criteria against which acquisitions and disposals will be assessed.

*Purposes for which SNH should **own** land*

35. SNH's predecessor bodies owned land for the following purposes
 - *for National Nature Reserves.* The recommendation is that SNH's policy on land ownership should carry forward this purpose, so that SNH can continue to own land as National Nature Reserves. The vast majority of SNH's land holding is owned and managed as NNR. (See below for caveat i.e. when no other body can own and manage the NNR more effectively and efficiently.)
 - *for research and experimental management.* NC and NCC acquired land for research and experimental management, the land was then declared as NNR. Nowadays however legislation on protected areas is much stronger and should prevent research and experimental management that might damage the notified features. Therefore SNH might want to acquire unprotected land for experimental management and demonstration purposes. (English Nature bought land alongside the Humber, susceptible to increased flooding from climate change, to transform it into wildlife habitat as well as alleviate flooding.) The recommendation is that SNH's policy on land ownership should allow SNH to own land for the purposes of experimental management of the natural heritage and demonstration of such management.
 - *Landscape, recreation and access.* To date SNH has not had reason to own land primarily for the purposes of protecting landscape or providing recreation and access opportunities, even in urban areas. We usually work with partners to deliver these purposes on their land. The recommendation is that SNH's policy should remain unchanged. However we can, and do, our land is used for recreation and access and to promote an understanding of how landscapes and landforms have changed over time.

*Reasons for SNH to **dispose** of land*

36. The new policy will require SNH to review its landholdings regularly, as part of business planning, with a view to disposing of the following:
 - *land that fails to meet policy tests* – i.e. the land no longer supports the nationally or internationally important natural heritage interests, or is no longer required to support essential management activities. This approach is needed to conform to SNH's financial guidelines.
 - *land that another body could own and manage, such as an NNR, more effectively and efficiently* to deliver the same public benefits in the long term. The other body could be a public sector organisation (e.g. FCS or local authority), private landowner, NGO or community organisation.

- *land required for developments of national importance* e.g. SNH disposed of a sliver of land at Creag Meagaidh for the re-alignment of the trunk road.

Reasons for SNH to acquire land

37. The new policy should provide guidance for SNH on acquisition of land. It will include acquiring
- *land for National Nature Reserves or other appropriate public benefits* - when no other body can own and manage the NNR more effectively or efficiently.
 - *land that can be used for medium - long term experimental management and demonstration* - e.g. creating new wildlife habitat in the light of climate change.
 - *land left in a bequest* - supported by an endowment or land that is bequeathed to SNH that can be transferred to another body.
 - *land that cannot be managed economically due to the conservation management requirements placed upon it* - e.g. areas of land which are a significant example of a nationally or internationally recognised habitat that need to be brought into favourable condition or to prevent destruction.
38. If endorsed by the Board staff will take these principles and develop a new policy for SNH Land in the new SNH policy format.

SNH Review of Landholdings

39. SNH initiated a review of its own landholdings last year. In general terms the review aimed to see whether there were any landholdings that we would sell or transfer with compromising the ability to continue to deliver the management required to meet their conservation objectives. In conducting the review it was recognised that release of some of our landholdings may not result in significant cash savings and that there may be a limited number of other organisations or individuals interested in taking over the required management.
40. The specific objectives of the review included:
- To assess to what extent ownership is clearly linked to the achievement of SNH's corporate goals and functions and to assess existing land holdings against objective criteria.
 - To consider where options exist to sell land which either fails to deliver sufficient benefit through being in SNH ownership, or where efficiency and effectiveness can be increased (or maintained) through sale or transfer to another owner.
 - To consider options whether SNH could increase efficiency and effectiveness by contracting out the management of land it owns to another body.
 - To consider whether efficiency and effectiveness of SNH's direct land management activities, or better achievement of its corporate objectives, could be increased through any additional land acquisition.
41. Managed Sites Unit led the review of the land SNH has acquired or inherited over the last 58 years. We used a standard questionnaire to interview Area staff about the land in their Area. This led to an Area recommendation to retain the land, dispose of the

land or transfer management of the land to another body. Next the SNH Land Review group, chaired by Patrick Hunter-Blair, examined the full set of recommendations and proposed some changes. At both stages the recommendations were very pragmatic. The principles proposed above to underpin the SNH policy on land were drawn from this land review exercise. The last step was to check each landholding against these principles.

42. We reviewed all 40 properties that SNH owns (including Battleby). The results are given in the Table 1 below. At the outset we were mindful that there would be some situations where there was still uncertainty. For example, where significant change is already progressing (e.g. through SEARs) that may affect the status of the land holding, or particular complexities (e.g. terms of bequest) which we might not be able to resolve immediately. In these situations we have noted that further work is required before a final view can be reached on the preferred recommendation. As it is, only a small number of sites which fall into this category we felt that it was still timely to bring forward the wider principles and general overview at this stage.
43. The numbers are not straightforward because some properties are sub-divided e.g. the recommendation to retain most of Rum which has a significant conservation value, but to transfer the crofts and village land to the Isle of Rum Community Trust, means that Rum appears twice.
44. In summary the recommendations are to retain 28,000ha (78%) of land, to dispose of 5,000ha (14%) land to further review 2,800ha (8%) to reach a firm conclusion.
45. It is good practice for SNH to review its landholdings on a regular basis and to ensure that the reasons for ownership are still current. Where the policy or management requirements have changed and we are considering disposal we have to recognise that some properties will be more transferable or marketable than others. In particular this may be the case where the land has no obvious commercial value or where the management requirements of the protected features limit the options for maximising profit or development (such as Clais Moss). These publicly owned assets should only be disposed of if the buyer is able to meet the management objectives of the nationally or internationally protected area.
46. There are a small number of sites or parts of sites in Table 1 under the category of 'Willing to consider disposal – fails to meet policy test' where SNH might actively pursue disposal. These tend to be sites where there is no nationally important natural heritage interests (e.g. Rum village and crofts) or where the management requirements are minimal and would not be incompatible with a broader land management use (e.g. Rhynie Chert).
47. The land holding review has not yet considered what new land SNH might acquire. SNH is planning a 2nd review of NNRs. This is likely to make further recommendations about NNR status on some of our properties – such recommendations will be brought back to the Board in due course and may lead to recommendations for further acquisition.

Cost Implications of Disposing of Land

48. There is no straightforward way to compare the costs of owning and managing SNH's land holdings because they are so diverse in size, their natural heritage interests vary, the facilities that are present are different in scale and staffing levels vary. They require different levels of investment to meet agreed targets, like favourable condition and NNR minimum and/or spotlight standards.

Table 1 – Review of SNH Landholdings

	Number of properties	Sites
<p>Recommended for retention</p> <p>- for National Nature Reserve</p> <p>- non-NNR for experimental management</p>	<p>17 whole or part</p> <p>0 owned</p>	<p>Battleby</p> <p>National Nature Reserve - Beinn Eighe (most), Ben Wyvis, Corrie Fee, Creag Meagaidh (most), Flanders Moss, Forvie, Glasdrum Wood, Glen Roy, Invereshie-Inshriach, Isle of May, Loch Lomond/Inchcailloch part, Knockan Crag, Moine Mhor, Rum (most), St Cyrus, Tainish, Tentsmuir</p>
<p>Willing to consider disposal</p> <p>- fails to meet land ownership criteria</p> <p>(NB we expect it will be easier to dispose of some than others)</p> <p>- another body might be able to manage more efficiently and effectively</p> <p>- required for another use</p>	<p>6 plus part of 3</p> <p>10 plus small part of 1 other</p> <p>0 at present</p>	<p>Achanarras Quarry, Castlehill, Claish Moss, Dunnet Links, Loch Leven, Sunart Croft land. Parts of Beinn Eighe, Creag Meagaidh, and Rum</p> <p>Another body could manage - Ariundle Oakwood, Abernethy/Dell Woods, Braehead Moss, Cragbank Woods, Loch Druidibeg, Glen Tanar, Glencripesdale, Keen of Hamar, Mealdarroch, Rannoch Moor. And small part of Creag Meagaidh</p>
<p>Transfer management?</p> <p>but do not sell the land</p>	<p>Possibly 2</p>	<p>Transfer management? - Blawhorn Moss, Clyde Valley Woodlands</p>
<p>Uncertain?</p>	<p>3 whole plus 1 part</p>	<p>Uncertain - Ben Lui, Cairnsmore of Fleet, Kirkconnell Flow, plus part of Loch Lomond/Buchanan Castle Woodlands, Rhynie Chert.</p>

49. We pay for our land through several SNH funding streams – capital projects are funded through two elements capital and heritage assets (the total for the latter was £0.8m in 2008/09); managing NNRs (£1.2m in 2008/09) pays for management on land we own, lease and have agreements over. Additional monies come from the promotions funding stream, research funding stream, the administration funding stream and staff salaries. Most, but not all, spend is coded to an individual NNR but is not coded to SNH ownership. The range of spend is illustrated by 2008/09 when no expenditure was recorded for Claish Moss, Braehead Moss or Rannoch Moor, and there is a small income of £3.2k for Glen Roy. At the other end of the scale we spent £76k on operations at Beinn Eighe. The largest single project on NNRs last year was the grant SNH gave towards the footpath around Loch Leven - SNH does not own this land.
50. During 2008-09 the major capital investments in our own heritage landholdings included upgrading the road infrastructure on Rum (£155k), and from heritage assets upgrading paths on Tainish (£46k) and Ben Wyvis (£82k) and new habitat management projects (fencing, drain blocking and tree planting) at Blawhorn (£66k), St Cyrus (£14k), Flanders Moss (£41k) and Rum (£99k). The managed sites budget paid for over 130 management projects of varying scale and size on land owned by SNH and others.
51. The sites listed for disposal in the table above cost SNH a total of £495k in 2008/09. This total includes significant payments on land that we do not own such as the £227k grant for the path around Loch Leven and significant payments to Glen Tanar estate. The sites listed as uncertain cost SNH £207k. These figures exclude staff time. The main message is that selling land that fails to meet our policy tests or which would be better owned and managed by others, will not significantly reduce SNH operating costs (there are no significant staff costs associated with these landholdings). Furthermore it is highly possible that SNH will be asked for financial support to manage some of this land in future and funding may also be sought from other Government sources, such as SRDP.
52. Any capital receipts obtained from the sale of SNH land would not bring direct benefit to SNH as, under the terms of our financial memorandum, these would simply be passed back to Scottish Government or would result in a reduction in our baseline grant-in-aid funds.
53. In conclusion the key message is that disposing of land that does not meet our policy tests will not save SNH a huge amount of money either from operational budgets or capital budgets.

Conclusion

54. Many of SNH's current landholdings help us to demonstrate how the Scottish Government's strategic objectives can be delivered. The landholdings are primarily managed as National Nature Reserves to deliver the NNR policy and meet the targets in the programme to raise standards on NNRs – a long term agenda which has survived many policy changes over more than 50 years.
55. The paper puts forward some principles for a Land Policy for SNH – these underpin why SNH should own land and reasons why we might acquire or dispose of land. The Board is asked to endorse these principles; if endorsed by the Board staff will develop a more detailed operational policy. Staff will also develop business cases to check that the detailed case for those sites identified for disposal stand up to scrutiny.

SNH Powers to own land

Year	Act	Section	Power
2004	Nature Conservation (Scotland) Act	(s39)	to acquire land either compulsorily or by agreement any land that is of scientific interest, land to which a nature conservation order or land management order applies or any other land contiguous to this land
1991	Natural Heritage (Scotland) Act	(2(1)(g))	to acquire, hold and dispose of land or any interest or right over land
1991	Natural Heritage (Scotland) Act	(5(6)(a))	to compulsorily acquire land, a servitude or any new right over land in order to implement a demonstration project (development project or scheme) prepared under section 5 of the Act
1981	Wildlife and Countryside Act	(s35)	holding land as a National Nature Reserve Establishes Approved Body NNRs
1973	Nature Conservancy Council Act		gives NCC the power to hold land or any interest or right over land that is incidental or conducive to the discharge of the Council's functions – these powers were transferred to the NCCS in 1990
1967	The Countryside (Scotland) Act		gave the Countryside Commission for Scotland, with the approval of the Secretary of State, to acquire land for the purpose of carrying out its functions
1949	National Parks and Access to the Countryside Act	(s17) (s18)	Powers to create nature reserves and powers for compulsory purchase for establishment and management of nature reserves