

Where the Green Grants Went

SCOTLAND

An Analysis of Grants from UK Sources
for Environmental Work in Scotland



Florence Miller and Phil Murray

DECEMBER 2017

Acknowledgements

Florence Miller is the director of the Environmental Funders Network (EFN). Phil Murray, EFN's part-time researcher, coded most of the grants analysed in this report. Emma Clyde, EFN's administrative assistant, conducted and transcribed some of the interviews in this report and Jane Cabutti, EFN's Expanding Environmental Philanthropy coordinator, helped to edit them. The report was designed by Pete Bishop of Banyan Design (peter@banyandesign.co.uk).

EFN has received grants, donations and in-kind support from many of its member organisations. We are extremely grateful for this support, without which the network could not exist in its current form. In the 2016/17 financial year the following trusts and foundations provided core funding grants: Arcadia Fund, McIntosh Foundation, the Schroder Foundation and the Waterloo Foundation, with an additional 40 foundations supporting EFN's work through membership fees.

The network is guided by a committee chaired by Hugh Raven (a trustee of the John Ellerman Foundation), and including Catherine Bryan (Synchronicity Earth), Jon

Cracknell (The Ecology Trust), Sian Ferguson (Sainsbury Family Charitable Trusts), Stephen Pittam (trustee of the Global Greengrants Fund UK), Steph Stares (Waterloo Foundation) and Harriet Williams (Goldsmith Family Philanthropy). Thanks to Jon Cracknell and Harriet Williams for their feedback on drafts of the report and to Jon for initiating the *Where the Green Grants Went* series of reports in the first place.

We are grateful to Jen Anderson, Laura Bowman, Jenny Dadd, Anne McCall, Steve Micklewright and Caroline Younger for agreeing to be interviewed for this report.

Our thanks to the William Grant Foundation for commissioning and funding the report, and to Nick Addington and Claire Gordon for helping to develop its structure and providing feedback on its contents.

The views expressed in this report are those of the authors and should not be interpreted as official positions of any of the funding organisations, the Environmental Funders Network, or The Ecology Trust.

The Environmental Funders Network (EFN)

EFN's mission is to increase financial support for environmental causes and to help environmental philanthropy to be as effective as it can be. Our members are funders, mainly based in the United Kingdom, who pursue these aims at home and overseas. We provide them with forums to learn and exchange ideas, and research to support their decision-making.

EFN does not hold funds, consider or make grants, or advise fundraisers. PLEASE DO NOT SEND FUNDING REQUESTS TO EFN AS WE CANNOT RESPOND TO THEM.

Funders interested in joining EFN or finding out more about the network should contact EFN's director, Florence Miller, using the contact form at www.greenfunders.org.

This report, along with other EFN publications and resources relevant to environmental philanthropy, is available on the Resources page of our website: www.greenfunders.org/resources.

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Foreword

William Grant & Sons has supported many environmental organisations and projects over the years as part of a long tradition of giving to a wide range of good causes in Scotland. The creation in 2014 of the William Grant Foundation as a more proactive vehicle for the company's giving has provided the impetus to review our approach.

In all our grantmaking, we are interested in how our funding can best add value to the sector we aim to support. So we wanted to find out what other funding is available to support environmental causes in Scotland and how it is targeted. Are some issues well supported and others neglected? Are there trends we should be aware of? Are there opportunities to align with other funders for greater impact?

To help answer these questions, we are pleased to have commissioned the Environmental Funders Network to produce this Scotland-specific version of its *Where the Green Grants Went* series - the first attempt, we believe, to map environmental grant-making at this sub-UK level. I believe it goes a long way to answering these questions.

One observation from having monitored the process of compiling the report is how hard it has been to obtain and collate data on grants from all the different funders in this space across all sectors. Moves towards a consistent standard for sharing data on grants will hopefully make

such exercises easier in future. Certainly, it has confirmed our intention to work towards publishing our own grant-making data in line with the 360 Giving standards (see www.threesixtygiving.org).

We are grateful to all the funders who provided information for the report and to the interviewees whose insight and experiences add so much to our interpretation of the numbers. These insights are particularly helpful to understand the particular value that independent funding from philanthropists and foundations can play.

At the William Grant Foundation we spread our giving over a range of cultural and social issues as well as the environment. Funders need to reach their own decisions about how they balance grantmaking for the environment against other demands on their funds. However, this report provides a snapshot that should enable more informed decisions about targeting of resources and prompts reflection on the links between the environment and culture, communities and well-being, not least in light of the massive impact unchecked climate change would have on humanity. We hope it stimulates discussion about how future funding could best protect Scotland's unique environmental assets and the sector that promotes them.

Nick Addington
 Chief Executive, William Grant Foundation
 November 2017

Executive Summary

This is the first edition of *Where the Green Grants Went Scotland*. It looks at the availability of grants for environmental work in Scotland from UK-based trusts and foundations¹ in the financial years 2012/13, 2013/14, 2014/15 and 2015/16. These grants are compared with those from Landfill Communities Fund (LCF) and lottery sources; in total, 1,347 grants were analysed. We also interviewed six funders and environmental leaders for their insights on environmental issues, the fundraising challenges, and the rewards of funding work on the environment in Scotland.

This report is the most comprehensive assessment yet of UK grants to environmental work in Scotland. It finds:

- From 2012 to 2015, **private foundation funding for environmental causes in England and Wales amounted to 20 times as much as that available in Scotland**. The total amounts were the equivalent of **£2 per capita in England and Wales versus £1 per capita in Scotland**, or **£768 per square kilometre in England and Wales versus £70 per square kilometre in Scotland**. Whichever way you look at it, Scotland's environment appears to get a rum deal in terms of philanthropic support.
- We found 41 foundations that gave environmental grants in Scotland between 2012 and 2016. By contrast, 141 foundations supported environmental work in the UK as a whole over that period. The Esmée Fairbairn Foundation and the Robertson Trust provided over half of foundation funding in Scotland.

- **Of those 41 foundations, only 6 are based in Scotland or focus their giving there.**

Those six account for 40 per cent of total environmental giving, but that is largely due to the Robertson Trust.

- **Though Scotland is home to 56 per cent of the UK's coastline, coastal and marine ecosystems receive just 3 per cent of environmental grant funding** from foundation, Lottery and LCF sources. **Climate and atmosphere-related work receives even less – a tiny 0.4 per cent of all environmental grants by value**. This suggests very little available funding for campaigning work on climate change or air quality, though the latter is a particular problem in Scotland's cities.

Other findings

- From 2012 to 2016, total grants from private foundations, LCF and lottery sources for environmental work in Scotland amounted to £80 million. This amounts to about 5 per cent of 'third sector' funding for charitable causes in Scotland.²
- Grants from lottery sources amounted to £66.7 million, or 83 per cent, of that figure. Grants from private foundations totalled just £7.6 million (i.e. less than 10 per cent), and from LCF sources £5.6 million (or 7 per cent).
- Interviewees highlighted the carbon storage value of Scotland's peatlands, the significance of its seabird populations, its wilderness value, and the relative ease of environmental policy change – and the sometimes exemplary influence of Scots policy initiatives on the rest of the UK.

1 Throughout the report we use the term 'foundations' to refer to private philanthropic organisations that are supporting environmental initiatives, whether or not these are constituted as trusts, foundations, or with some other legal structure.

2 SCVO Scottish Third Sector Statistics: <http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/>

- Environmental groups tell us regularly that foundation grants are particularly valuable as sources of income as they can be flexible, quick to secure, and support hard-to-fund work. Yet the total amount of such funding on an annual basis – £1.9 million – would not buy the top-floor flat in Edinburgh’s new Quartermile development.
- The organisation most successful in raising grants – both from private foundations and from lottery sources – is the Scottish Wildlife Trust.
- Thematically, *biodiversity and species preservation, terrestrial ecosystems and land use and sustainable communities* receive the most grant support, accounting for over 75 per cent of all funds.
- Work on *climate and atmosphere, toxics and pollution, consumption and waste and transport* accounts for just 2.4 per cent of foundation, LCF and lottery grants distributed from 2012 to 2016. Yet they are key drivers of biodiversity loss and declines in the health of our coastal, marine and terrestrial ecosystems.
- We were unable to trace data for all sources of statutory environmental funding, but what we found indicates that statutory funding is substantial compared to philanthropic sources – e.g. low levels of philanthropic funding for climate-related work are to some degree compensated by government sources. However, statutory funding sources are typically for on-the-ground, project-based work, and rarely support advocacy, policy-related work, or capacity building.

Introduction

For over ten years, the Environmental Funders Network has been collecting and analysing data on grants supporting environmental initiatives in the UK. This analysis, published in the *Where the Green Grants Went* series of reports, has allowed us to identify trends, patterns and gaps in environmental grantmaking that had previously remained hidden. Many funders have used the data to inform their own grantmaking strategies, helping them scope out and develop new areas of focus.

Until now, grants specifically supporting environmental work in Scotland have never been analysed, so there was no clear picture of what kinds of work environmental grants are supporting across the country, or who the key players are. In this report, we have analysed a dataset of grants from UK-based foundations, the Landfill Communities Fund and lottery

sources (Big Lottery Fund, Heritage Lottery Fund and the People’s Postcode Lottery trusts) over four financial years, from 2012 to 2016. We have broken down the amounts of funding going to thirteen broad thematic issues (see the appendix for their descriptions), highlighted the foundations most active in supporting environmental work in Scotland, and listed the chief recipients of environmental grant funding in Scotland. We have also looked at the overall amounts of funding for environmental work awarded by statutory sources, where we have been able to get such data.

Our hope is that this report will help environmental grantmakers in Scotland to better understand the context for their giving and – if they see the need – to refine their strategies as a result, supporting a more effective, resilient and robust environmental sector.

Methodology

EFN gathers data about environmental grants from UK-based foundations, from Landfill Communities Fund (LCF) and Scottish Landfill Communities Fund (SLCF) sources, and from three lottery sources: Big Lottery Fund, Heritage Lottery Fund and the People's Postcode Lottery trusts. Where this information is not available publicly, we obtain the data directly from the organisations. We code each grant by the thematic issue the grant is primarily supporting (see the appendix), the location of the work, and the year it was awarded.

For the purposes of this report, we pulled data on grants supporting environmental work in Scotland between 2012 and 2016 out of our larger dataset. The organisations giving out these grants may be based anywhere in the UK. We ran the resultant list of funders past some environmental groups to see if there were any obvious omissions, and then tried to fill in the gaps they identified. For *Where the Green Grants Went* reports in general, we try to include data from all foundations that disburse over £50,000 a year in grants to support environmental work. Though we have also managed to include several foundations supporting work beneath this benchmark, it does mean that data for some funders that support work at a lower level may be missing - and of course there may be some larger funds missing too, although we have tried hard to be thorough.

We were able to obtain datasets for six key LCF distributors operating in Scotland during the relevant time period (Biffa Award, EB

Scotland, Fife Environment Trust, SUEZ Communities Trust [formerly SITA Trust], Veolia Environmental Trust and Viridor Credits). Altogether there are 14 Scottish LCF distributors and several LCF distributors based outside Scotland that were giving in the country before Landfill Communities Fund taxes were devolved to Scotland in 2015. However, from our conversations with staff at SLCF distributors we believe that we have captured the bulk of the relevant funding from landfill tax sources.

With the final dataset, we compared total amounts given by foundations, LCF and lottery sources, looked at trends over the four years, and analysed the total amounts going towards different thematic issue areas. EFN uses a taxonomy of thematic issues that we developed in coordination with environmental grantmaking networks around the world. A grant is placed in the category that we feel is the main purpose of the work - so, for example, a grant focused on peatland conservation will be classified as *terrestrial ecosystems and land use*, even though you could arguably include it under *climate and atmosphere, biodiversity and species preservation* or *fresh water*.

In addition to analysing the grants data, we also interviewed six funders and environmental leaders for their insights on environmental issues, the fundraising challenges, and the rewards of funding work on the environment in Scotland. Their edited interviews are scattered throughout the report to add context to the data analysis.

INTERVIEW

Laura Bowman, Grants Manager,
and **Jenny Dadd**, Grants Manager
(Environment Lead)
ESMÉE FAIRBAIRN FOUNDATION



We spoke to both Laura and Jenny separately and several themes emerged from our conversations, summarised here:

Pressing environmental issues in Scotland

Conserving peatland, of which Scotland has a relative abundance, is a particularly pressing issue. Peatland is of global importance in terms of storing carbon and, once it has degraded, for releasing greenhouse gases and contributing to climate change. It's also important in terms of water quality and flooding.

Air pollution in Scotland's cities - and how that links to transport infrastructure and sustainable transport - is an emerging issue, one that is bringing in different audiences. Yet, as this report highlights, relatively few resources seem to be available to support climate, air quality or transport work in Scotland, with the exception of peatland conservation and other forms of ecosystem conservation that contribute to climate change mitigation.

Marine issues are of particular concern in Scotland, not least because the Scottish marine area makes up over 60 per cent of UK seas and

covers an area six times that of Scotland's land mass. [See Anne McCall's interview on p.27 for more about Scottish coastal and marine biodiversity needs.] It's very challenging for remote coastal and island communities - especially crofters or people leading subsistence lifestyles - to get a place at decision-making tables, when they physically can't be present because of distance and subsistence needs at home.

Another concern is the decline in access to and quality of green spaces, which correlates with local authority budget cuts. Organisations like Greenspace Scotland are proactively addressing this and putting systems in place to protect Scottish parks from the impact of further cuts, such as through the Scottish Parks Endowment Fund.

What Brexit means for different policies around environmental protection in Scotland is of concern to many, yet most coalitions of environmental groups concentrating on Brexit seem to be focused on Westminster. As yet there hasn't been much resource for coordinating Scottish groups and helping them articulate their goals regarding Brexit.

Scotland plays a lot on its tourism offer - one of remoteness and pure landscapes. Whether those beautiful lochs and mountains are accessible to the bulk of people who are living across the central belt is unclear, and may relate to how willing people are to protect those features.

Reflections on the findings of this report, and the available funding for environmental work

Overall grant figures for environmental work in Scotland seem very low. It puts great pressure on a relatively small pool of funders, and that's not good for Scotland's environment.

Climate-change funding is surprisingly low (see chart 15), though that may be partly because EFN has put some on-the-ground climate

mitigation work (peatland conservation, for example) into the *terrestrial ecosystems and land use* category. Substantial funding for work related to climate change and energy has also been provided by the Scottish Government in the form of the Climate Challenge Fund and the Community and Renewable Energy Scheme. These public sources of funding are focused on reducing carbon emissions in communities and businesses; the low levels of private philanthropic capital available suggest that there is very little funding available for campaigning and policy-orientated work on climate change and air quality in Scotland.

Fresh water funding in Scotland is relatively high compared to overall giving from UK trusts and foundations (as reflected in past *Where the Green Grants Went* reports), which is welcome news.

There is a general impression that the Scottish Government and other statutory bodies are especially proactive in their support for the environment in Scotland, whether in relation to land, energy or pollution. Perhaps this contributes to the low overall levels of funding from the trust and foundation sector.

Why fund in Scotland?

It can be really rewarding funding campaigning work in Scotland. Environmental groups have much better access to MSPs as opposed to MPs in Westminster, and MSPs show up to events. They want to show that they care, and the environmental groups have proven that they can capture their attention imaginatively.

Things move quickly in Scotland. Overall, the environment has a far higher profile in Scottish politics. Once something's been signed up to, they get it done. A good example of environmental groups coordinating to get good results was the bottle deposit return scheme - everybody was lined up and knew what their

role was and when it was their turn to chip in, they stepped up. It was really well calibrated.

Scotland sets the bar on environmental issues in the UK but probably doesn't realise it. When Scotland grasps something, you know something is going to happen. Often the rest of the UK will follow once something has happened in Scotland - so in terms of seeing change happen at the large scale, Scotland is a great place to start.

How the Esmée Fairbairn Foundation tries to support Scottish environmental groups as effectively as possible

The foundation has a broad environmental remit - it will fund most issue areas within the category of environment, and particularly focuses on areas that don't seem to be getting much attention. That approach has given it a good overview of the sector. It tries as much as possible to respond to the sector's needs.

One of the most important ways the foundation feels it can support organisations is by offering long-term, core funding, which so few funders actually provide. Given the main sources of funding for environmental work in Scotland in recent years, this is particularly important - statutory funding tends to be year by year, and a lot of the smaller funders may offer only short-term or project-based funding. That approach hampers organisational flexibility and innovation. Even where a funder awards a three-year grant but it has to be confirmed each year, the organisation is probably just covering their service costs - making sure they can run their service, rather than taking the time to innovate.

If a group has a good track record, the Esmée Fairbairn Foundation will try to free up as much unrestricted funding as it can and fund it over a long period - to try to give security but plenty of flex. Outcomes can change and potentially the focus can change if there is good reason to do so.

Findings

Overview

We analysed the environmental grants made by 41 UK-based private foundations supporting environmental work in Scotland in 2012/13, 2013/14, 2014/15 and 2015/16.

Total grants from private foundations, LCF and lottery sources amounted to £80 million during this four-year period, the equivalent of about 5 per cent of total third sector funding for Scottish charities.³ By contrast, the UK government provided the oil and gas industry with more than £2.3 billion in support over the three years from 2013 to 2016.⁴

The £80 million is largely comprised of grants from lottery sources, which amounted to £66.7 million, or 83 per cent of the total. Grants from private foundations amounted to just £7.6 million, i.e. less than 10 per cent of the total. Grants from LCF sources amounted to £5.6 million or 7 per cent of the total. (See Chart 2, and broken down data for each category in Charts 3, 4 and 5.)

Between the three years from 2012 to 2015 (the time period for which we have data for UK-wide giving), private foundation grants for environmental initiatives in Scotland – where there are roughly 275 environmental organisations – amounted to £5.6 million. By comparison, during that same period, grants from private foundations to environmental causes in England and Wales – where there are roughly 1,800 environmental organisations – amounted

“From 2012 to 2015, private foundation grants for environmental work in Scotland equated to £1 per person, compared with £2 per person in England and Wales. Scotland has 56 per cent of the UK’s coastline but received just 4.6 per cent of private philanthropic environmental funding”

to more than £116 million.⁵ In other words, England and Wales have six times as many environmental organisations but received 20 times the level of funding for environmental work. There are, of course, many ways to consider the comparison: for example, during this three-year period, England and Wales received £2 environmental funding per capita; Scotland received £1 per capita. Scotland has 56 per cent of the UK’s coastline, but received 4.6 per cent of private philanthropic environmental funding. England and Wales received £768 per square kilometre; Scotland received £70 per square kilometre. Whichever way you cut it, Scotland would appear to get a rum deal.

The interviews included throughout this report give a good sense of why funders and NGO leaders think that Scotland’s environment is of particular concern for the UK as a whole, with interviewees commenting on the carbon storage value of Scotland’s peatlands, the significance

³ SCVO Scottish Third Sector Statistics: <http://www.scvo.org.uk/news-campaigns-and-policy/research/scvo-scottish-third-sector-statistics/>

⁴ ‘Chancellor announces North Sea Help’ BBC News, 8 March 2017 <http://www.bbc.co.uk/news/uk-scotland-scotland-politics-39198839>

⁵ Data on number of environmental charities from ‘Comparisons between the characteristics of charities in Scotland and those of England and Wales,’ John Mohan and Steve Barnard, Centre for Charitable Giving and Philanthropy 2013.

⁶ Originally published in *Passionate Collaboration: Taking the Pulse of the UK Environmental Sector*, Environmental Funders Network 2013, the word cloud represents chief executives’ views of the relative merits of private philanthropic capital compared to other sources of income.

CHART 3

Total giving to environmental causes in Scotland from foundations

Year	Total awarded, £ (no. foundations)	Average grant size, £	Total no. grants (no. recipients*)
2012-2013	1,785,267 (28)	18,467	97 (86)
2013-2014	1,956,802 (27)	19,967	97 (85)
2014-2015	2,014,524 (27)	22,138	92 (76)
2015-2016	1,899,912 (23)	22,981	83 (74)
ALL YEARS	7,656,505 (41)	20,766	369 (242)

**(Individual grantee organisations counted once, regardless of the number of grants they received.)*

CHART 4

Total giving to environmental causes in Scotland from Landfill Communities Fund distributors*

Year	Total awarded, £ (no. LCF sources)	Average grant size, £	Total no. grants (no. recipients)
2012-2013	1,116,134 (3)	31,890	35 (33)
2013-2014	1,186,942 (5)	21,581	55 (52)
2014-2015	1,972,193 (5)	29,882	66 (63)
2015-2016	1,351,298 (3)	22,903	59 (59)
ALL YEARS	5,626,567 (6)	26,170	215 (176)

** As we stated in the Methodology section, we were unable to obtain data for some of the LCFs supporting environmental work in Scotland*

CHART 5

Total giving to environmental causes in Scotland from lottery sources

Year	Total awarded, £	Average grant size, £	Total no. grants (no. recipients*)
2012-2013	16,637,460	93,469	178 (168)
2013-2014	18,548,040	98,138	189 (181)
2014-2015	14,331,015	70,250	204 (196)
2015-2016	17,212,641	89,649	192 (170)
ALL YEARS	66,729,157	87,565	763 (650)

INTERVIEW

Caroline Younger, Trustee
CRAIGNISH TRUST



Q: What do you think are the most pressing environmental issues in Scotland?

A: Speaking personally, I am focusing on the health of the marine environment. I live within one of the newly established MPAs (Marine Protected Areas), and I was surprised to discover that dredging is allowed to continue within certain parts. This got me involved in actively working to give a voice to the local community in the management of their waters. Aquaculture and the fishing lobby are very powerful voices in Scotland but local planners and the Scottish Parliament are responsive to voters' views.

With fish farms putting in hundreds of applications for new and expanded sites within the MPAs, for me, this is the most pressing issue in Scotland, although someone else would have a completely different view. The state of the seas is a global issue and the more you look into it, the worse it is. I am proceeding on the basis of the old mantra 'think global, act local'.

The Craignish Trust also funds reforestation and habitat conservation and those are obviously also important.

Q: Given how funding breaks down by environmental issue in Scotland, do you think funds are allocated appropriately right now?⁷

A: I think the whole marine sector is underfunded, proportionately speaking - Scotland has more coast than any other European country. I would like to know the breakdown for funding going into *coastal and marine ecosystems*, as coastal may include things that aren't under the water.

Q: What do you see as the greatest resource needs of the Scottish environmental sector?

A: I think it is getting politicians to listen, which means lobbying, which means raising community awareness. The Sustainable Inshore Fisheries Trust, a charity based in Edinburgh, works on this and has produced useful publications. FFI (Flora & Fauna International) employs a wonderful Marine Community Support Officer to go round Scotland encouraging coastal communities to address these issues. There is now a Coastal Communities Network where information and ideas are shared.

Sustainable fishing and wildlife tourism are both threatened by fish farms, which are like battery chicken farms with the added problem of the effluent and pesticides leaching into the surrounding seas. The Scottish Government has called for a review of the aquaculture

sector, but so far the industry voices are very much louder than everyone else's.

Q: What have you found most rewarding about supporting environmental work in Scotland?

A: For me, it has been most rewarding getting involved at a local level.

Q: What motivates you to give to the environment?

A: Environmental issues are primary. If uncontrolled climate change and environmental degradation continue unabated, the future of life on earth is threatened. The Craginish Trust has made the decision to move the bulk of its support towards environmental issues, because they underpin absolutely everything. My grandchildren might be the lucky ones, as inhabitants of a relatively temperate and politically stable part of the world, but it's going to be grim elsewhere.

Q: How do you try to add value with your funding?

A: I was pleased, reading EFN's excellent publication *Forces for Nature: Interviews with Environmental Funders*, to see that several of your interviewees favoured giving in three-year packages to reduce the pressure on fundraising and also contributing to core funding - without an office or computer nothing can get done. Both of these have been Craginish Trust policy for some time.

With fish farms putting in hundreds of applications for new and expanded sites within the MPAs, for me, this is the most pressing issue in Scotland.

7 See Chart 15

Key Grantmaking Foundations

Altogether we found 41 foundations that gave grants to environmental issues in Scotland between 2012 and 2016. By contrast, 141 foundations supported environmental work in the UK as a whole during the same period. Chart 6 shows the top 10 foundations awarding funds for environmental work in Scotland ranked by

the amount awarded, and Chart 7 lists the top 10 foundations ranked by the number of grants awarded during that period. Two foundations – the Esmée Fairbairn Foundation and the Robertson Trust – together account for over 50 per cent of all philanthropic foundation support for environmental causes in Scotland.

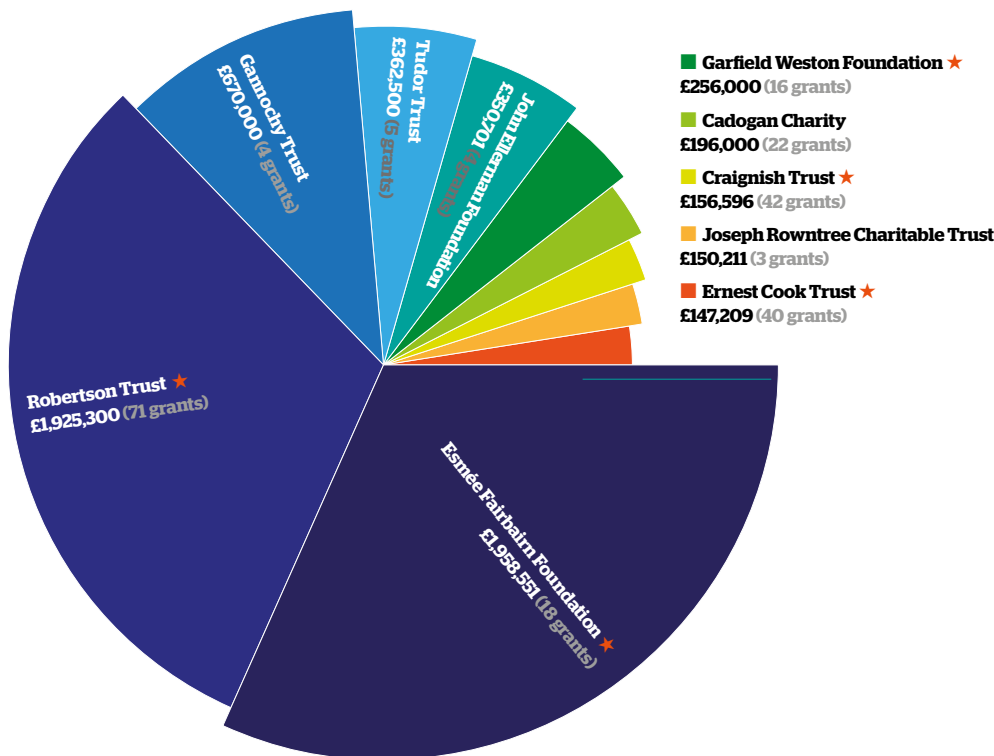


CHART 6
Top 10 philanthropic foundations supporting environmental work in Scotland, by value of grants, in the period 2012-2016.

The foundations marked with a ★ are in the top ten both in terms of the value of the grants they awarded, and also the number of individual grants they awarded to Scottish environmental initiatives.

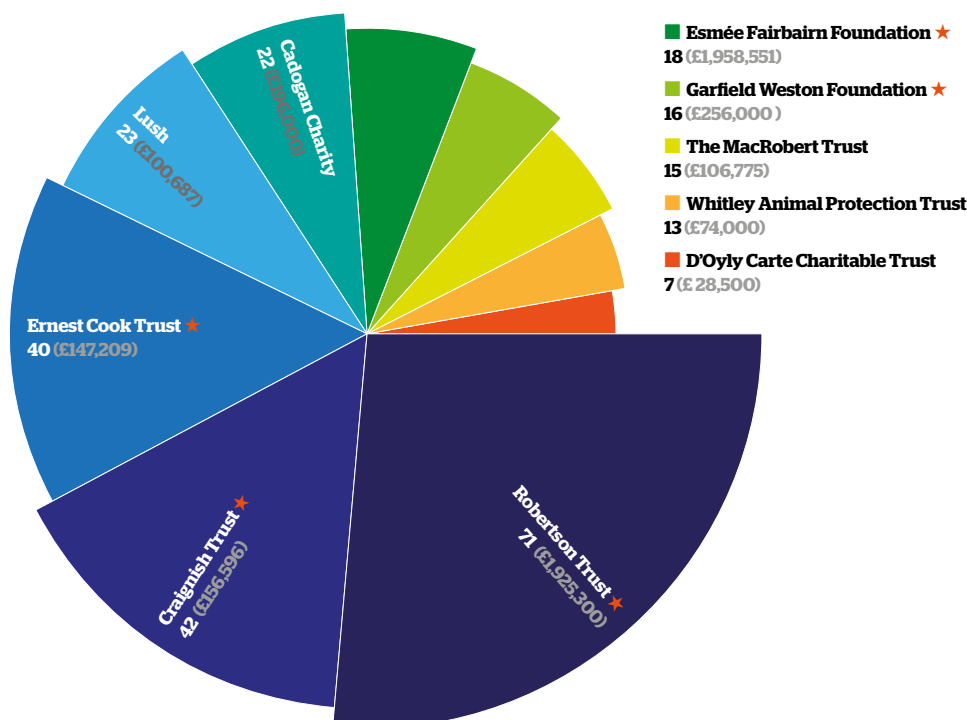


CHART 7
Top 10 philanthropic foundations supporting environmental work in Scotland, by number of grants, in the period 2012-16.

The foundations marked with a ★ are in the top ten both in terms of the value of the grants they awarded, and also the number of individual grants they awarded to Scottish environmental initiatives.

Scottish Foundations Supporting Environmental Work

Just six of the 41 foundations supporting environmental work in the country are Scottish-based or, if not based in Scotland, focus their giving specifically on the country. (For reference, in 2017 the Directory of Social Change's Trustfunding database lists 2,611 grant makers that offer funding to third sector organisations in Scotland and 4,607 that give in the UK overall.) The total share of philanthropic foundation grants for environmental work coming from Scottish-based or Scottish-focused foundations is a healthier 40 per cent, but this is largely because of the particularly high levels of giving from one of those six, the Robertson Trust.

As we stated in the Methodology section of the report, we cannot be sure that we have captured the data for all of the foundations supporting environmental work in Scotland. The figures we do have, however, raise the question of why Scottish-based and Scottish-focused foundations have not taken more interest in environmental issues.

The figures we have raise the question of why Scottish-based and Scottish-focused foundations have not taken more interest in environmental issues.

Landfill Communities Fund Grants

Relatively similar levels of support for environmental work in Scotland come from Landfill Communities Fund (LCF) sources and, since the landfill tax was devolved to Scotland in April 2015, Scottish Landfill Communities Fund (SLCF) sources. We were able to obtain data for six such funds awarding grants in Scotland during the relevant time period (see Methodology section). Altogether, their giving amounted to £5.6 million over the four years. The devolution of the tax to Scotland did not impact on the total amounts of funds being awarded to environmental issues. However, the purpose of the landfill tax is to deter waste going to landfill, and that is having the intended effect. Ultimately, this will mean that the levels of funding available for environmental and other causes from the landfill tax will decline in Scotland, as elsewhere in the UK. This will have a particular impact on the parts of the sector relying on SLCF grants, which, as described below, are mostly focused on community-level sustainability and green-space projects.

Lottery Grants

Grants from the Heritage Lottery Fund, the Big Lottery Fund and the People's Postcode Lottery trusts together amount to £66.7 million, with the bulk of those funds coming from the Heritage Lottery and Big Lottery Fund. One key distinction between those two sources was the average size of the grants, with Heritage Lottery Fund grants averaging £535,000 and Big Lottery Fund grants averaging £39,000. Meanwhile, People's Postcode Lottery trusts' funding for environmental work in Scotland more than doubled between 2012 and 2016.

INTERVIEW**Jen Anderson**, Chief Officer
SCOTTISH ENVIRONMENT LINK**Q: What do you think are the most pressing environmental issues in Scotland?**

A: Brexit is, of course, a very serious issue for Scotland, as for the rest of the UK - we need to ensure that standards of protection and regulations will continue to be at least as good for a devolved UK after Brexit as they are now. The loss of funding when the UK leaves, whether through the environmental funding supplied by Europe or other support mechanisms, is going to be huge. Scotland has a very different funding picture to England, in that there are more habitats and species; relatively less money available; and fewer people, companies and other funding bodies based in these areas and able to see the funding needs.

Securing integration and compliance across Scottish governance and policies is a major

challenge. For example, making sure that the strategies for the economy, marine spatial planning, land use and biodiversity aren't all developed separately in silos, but are looked at across the piece, work together, support each other and don't contradict each other. These must all contribute to our climate ambitions too, and we endeavour to make sure that the Scottish Parliament's scrutiny over all of this is as robust as it needs to be.

Scotland has world-leading climate legislation and is developing a new Climate Bill now. Affecting the shift to a low-carbon economy so that we can deliver the climate targets and cease to rely on fossil fuels, without at the same time perversely affecting other aspects of the environment - that's another major challenge. There is genuine commitment at the political level, but the devil is in the detail: strategies are set that are big and visionary but, in reality, other things carry on happening; for example, money is spent on new roads rather than encouraging a shift to other modes of transport.

The other policy challenge to flag is access to justice - ensuring that people, communities and third parties have rights and standing equal to those of developers. Securing that influence is key to ensuring the kind of environmental protection and high standards that the public wants from new development.

Invasive non-native species is a pressing environmental issue in Scotland: hedgehogs

We have consistently found it challenging to access funds from the Scotland-based trusts and foundations, and that's not for want of our trying. The environment does not appear to attract their interest as much as other themes and needs that they support.

on the Western Isles, stoats on Orkney, invasive rhododendron in our native woodland, Himalayan balsam and other plants growing along waterways and railways. Finding the money and the political energy to address this in a time of austerity is very difficult, so a lot of unique habitats and species are at risk. Habitat loss and fragmentation happening for other reasons are compounding the problem, through pressure for development of new roads, golf courses, housing and some inappropriate energy development, among other reasons.

Q: Given how funding breaks down by environmental issue in Scotland, do you think funds are allocated appropriately right now?⁸

A: Answering this accurately would require a more detailed understanding of the breakdown behind these headings.

The overall percentage spent on *coastal and marine ecosystems* seems really small, considering the size of the job to be done there. Scotland has a larger share of British coast than the other UK countries, and is home to a majority of marine habitats and species. *Trade and finance* getting nothing is interesting, as this is an important area. For the last three years, we have been trying to make sure the Scottish Government's performance framework has environment, sustainability and people's well-being far enough up its pyramid, and it's been very difficult to get funding for this kind of work. It may seem nebulous to funders, and it is also a very long game.

Terrestrial ecosystems, sustainable communities and biodiversity of species appear to receive reasonable percentages, but it would be interesting to see how much of this funding is going to people-focused projects, rather than to the environment intrinsically, to improve

nature, habitats, etc. A lot of funders seem to be focused on outcomes that affect people and communities, and while these matter, and can help drive behaviour change, there needs to be funding for the intrinsic value of nature - healthy land and water, having the pollinators we need, habitats for critical species, etc.

Q: What do you see as the greatest resource needs of the Scottish environmental sector?

A: In no particular order but firstly, funding which is not as time-limited as we have traditionally experienced, but recognises that some jobs to be tackled are much longer term than others, and that there is a real risk of failure if the funding rug is pulled out too soon. An example of this is the UK Marine & Coastal Act and Marine Scotland Act, which has been an eleven-year project across the UK so far, funded by trusts. Although securing the legislation was a first great success, supporting and pressuring government to implement the spirit and letter of the legislation is crucial. That job is a long way from being done.

Secondly, and as mentioned, we need funding which is focused on environmental deliverables, such as habitats, resources, and land management, because of the intrinsic benefits these will have for the planet, including human population and communities. The funding needs to be given in a way that doesn't focus first and foremost on the number of human beings that are going to benefit.

Thirdly, there needs to be more funding for policy staff within environmental NGOs: these staff are particularly hard-pressed as they are drawn into big issues of which Brexit is just one; there are also increasing calls to input to committees on legal issues, institutional and procedural issues, as well as the traditional policy areas. There are very

⁸ See Chart 15

many such needs at both the Scottish Parliament level and now, because of Brexit, also at the UK level. It is hard for NGOs to maintain their traditional work and take on Brexit on top. More funding is needed just to maintain the domestic policy work at its previous level.

Funding for policy and advocacy work can be difficult to attract across the sector. Until governments of all shades are more committed to environmental protection, this is an element that needs more funding.

Q: What are your reflections on the total amount of private funding going to support environmental issues in Scotland every year? Does it seem sufficient?

A: In general, the charitable trust and private funding for work in Scotland doesn't seem to reflect the amount of biodiversity and wider environmental resources there are here. The majority of the population lives in the central belt of Scotland, so quite a lot of the issues are in remote areas, far from major communities and companies who can see the need for action, and the funding outcomes. There is also too much reliance on a few foundations.

It can be difficult for organisations in Scotland (and probably Wales and Northern Ireland) to have strong links to the contacts needed to access funding, as many funding sources are based south of the border. We are [geographically] far away from many environmental funders, and understand that they might find it hard to justify giving money to these 'remote' projects when there are hundreds of pressing applications on their doorsteps in very well-populated areas of the UK. However, while there is some really great work being taken forward by some progressive private landowners in Scotland, who spend their own money in a non-profit-making way on ground-breaking, landscape-scale restoration projects, overall it is the case that Scotland

needs to turn round poor and damaging land management. This is a major environmental and political issue in Scotland - and one which is going to need considerable resources to address.

We have consistently found it challenging to access funds from the Scotland-based trusts and foundations, and that's not for want of our trying. The environment does not appear to attract their interest as much as other themes and needs that they support.

Lottery funding is also an issue in Scotland. The Scottish Big Lottery isn't accessible for environmental organisations in the same way as in England, because of the way they have developed funding themes.

Q: What kinds of work do you find it hardest to secure funding for?

A: Support for core costs, which is absolutely fundamental to the sustainability of any organisation, and is always difficult - although one or two funders do support this.

Long-term funding for the kind of 'job not done yet' work, like the marine policy example, is hard to secure. In this bracket also is funding for strategic programmes such as changing attitudes or pressing governments to make significant shifts in areas such as economic policy and climate change. Basically, these are very long games without charismatic outcomes - they are focused on tackling the roots of serious and pervasive problems - exactly the kind of projects that reports like EFN's *Passionate Collaboration* and *What the Green Groups Said* have identified we need more of.

Taken all in all, the sector is on a shoestring in relation to the size of the challenge. This is not a criticism of those funders who do give us their support, which we hugely appreciate; it's simply an observation on the reality of our funding situation in the environment sector in Scotland.

Grantee Organisations

Over the four-year period, foundations and LCFs supported 358 different grantee organisations. The top recipients of grant funding from foundations and LCFs are shown in Charts 8 and 9. Those that received just one grant may not typically receive such large amounts of funding; in some cases, the grant may have been for a one-off capital

project, as in the case of the £500,000 grant for the construction of the Kelpies Visitor Centre.

In terms of grants from foundations and LCF sources, the Scottish Wildlife Trust tops the rankings, receiving the most grants by value, and coming second in terms of the number of grants received over the four-year period.

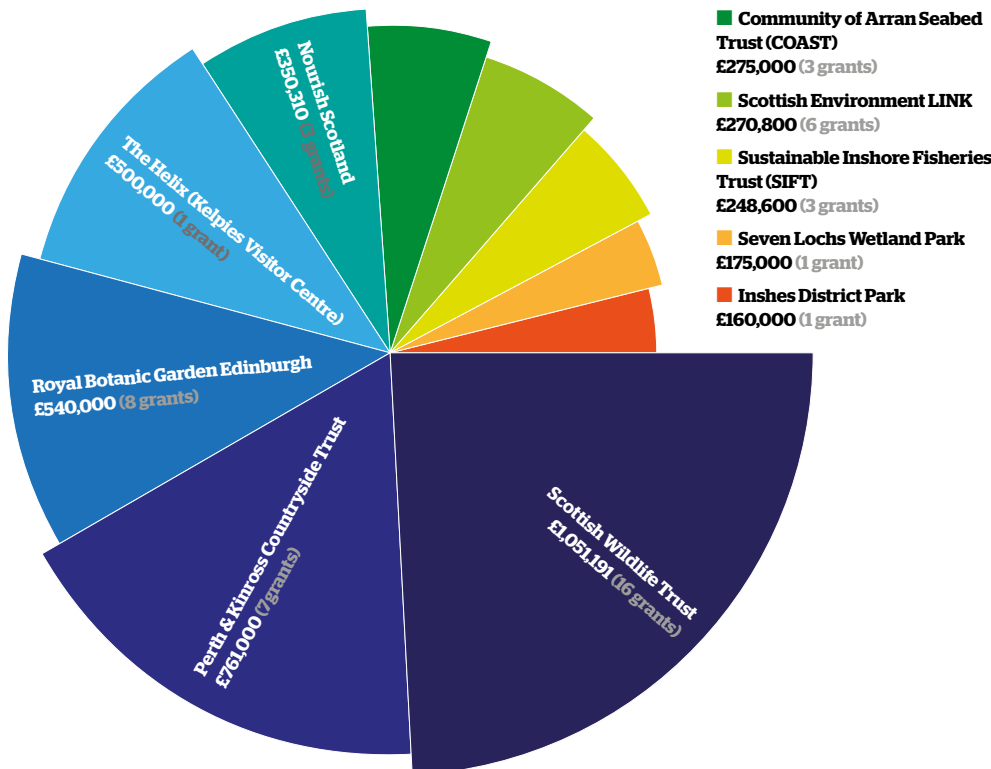


CHART 8
Top ten grantee organisations ranked by amount received, 2012-2016
 (foundations and LCF sources combined - lottery grants excluded)

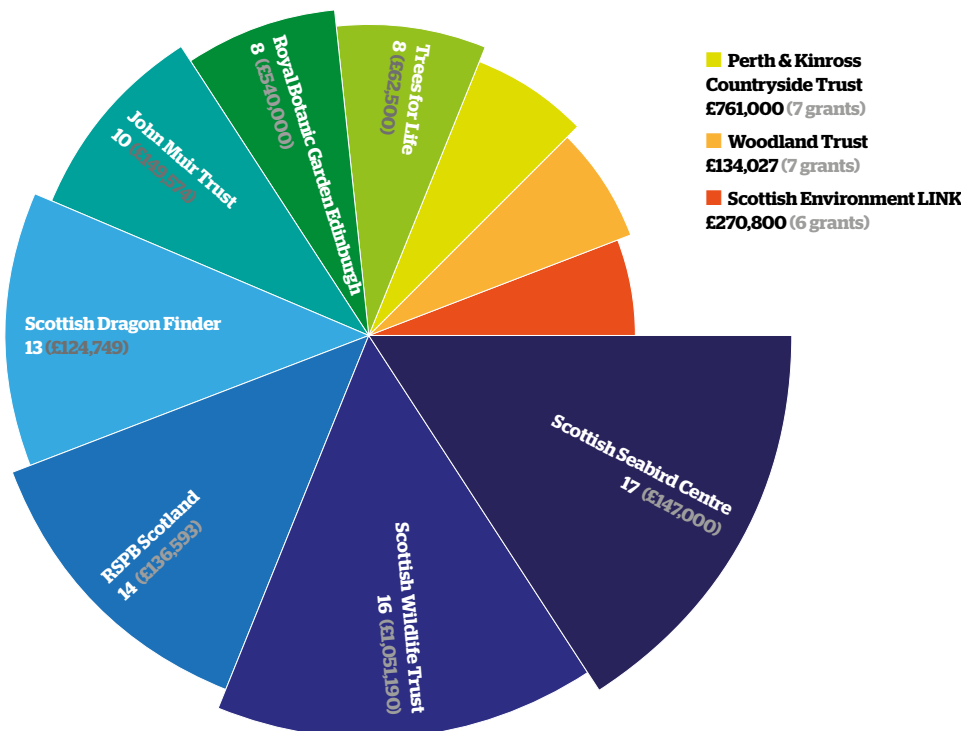


CHART 9
Top ten grantee organisations ranked by number of grants, 2012-2016
 (foundations and LCF sources combined - lottery grants excluded)

When you add in grants from lottery sources, the picture changes significantly. When lottery, foundation and LCF sources are combined, grants were awarded to 956 organisations between 2012 and 2016. The Scottish Wildlife Trust still tops the list in terms of grants by value, but it is now followed by RSPB Scotland. Glasgow City Council received a particularly large

Heritage Lottery Fund grant for the development of Seven Lochs Wetland Park, resulting in their inclusion in the top three organisations. Of course, we have not factored in funding from other sources (such as funds raised from the public or government grants), which would likely alter these rankings.

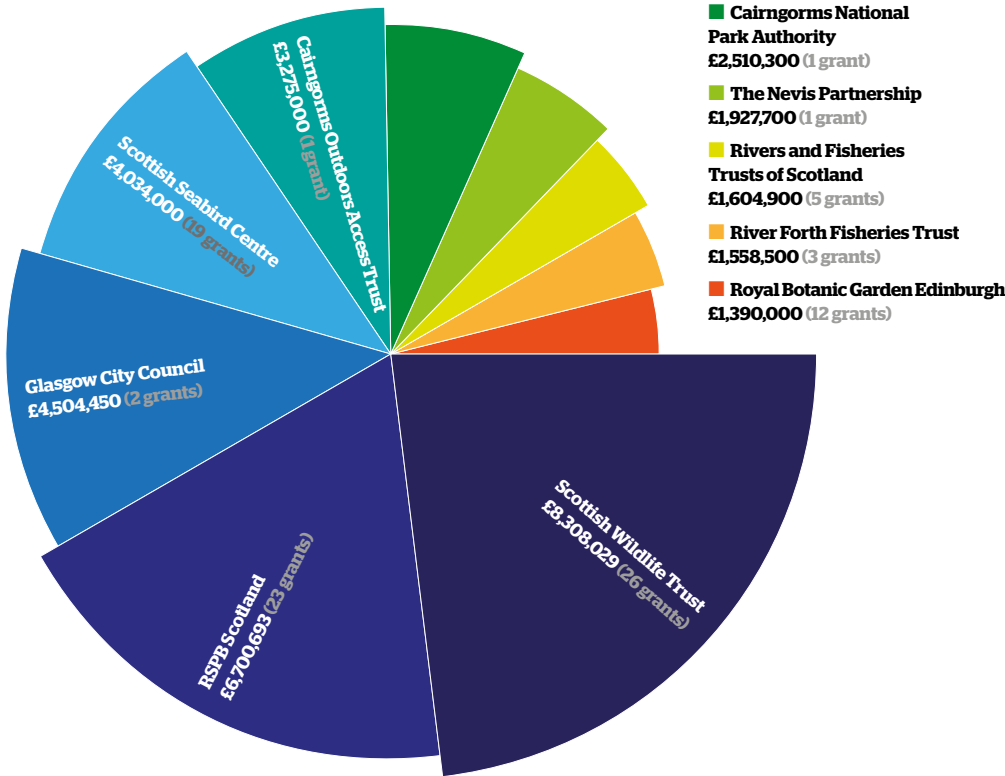


CHART 10
Top ten grantee organisations ranked by amounts received, 2012-16
 (foundation, LCF and lottery sources combined)

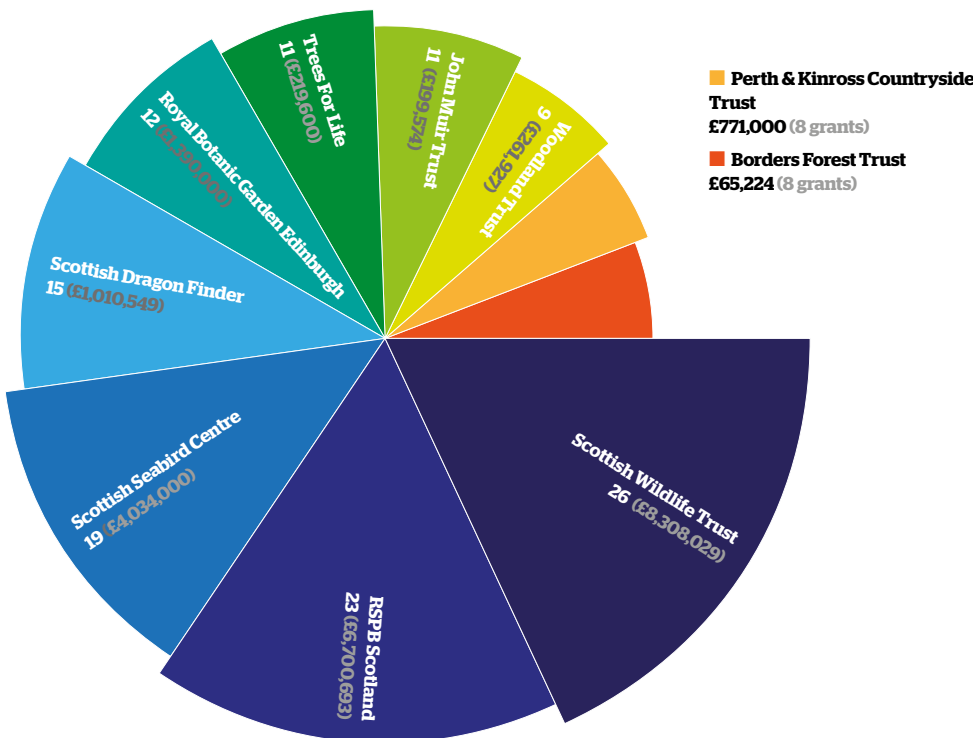


CHART 11
Top ten grantee organisations ranked by number of grants, 2012-16
 (foundation, LCF and lottery sources combined)

INTERVIEW

Steve Micklewright,
Chief Executive Officer
TREES FOR LIFE



Q: What do you think are the most pressing environmental issues in Scotland?

A: That's a thesis, isn't it! I think land use and land management is the big one for me. I know that encompasses a lot but we have got conflicting and differing ideas in terms of conservation and how the land should be used and I think that needs to be resolved. The big issue for land management is, of course, deer, and how they affect the wider landscape. More broadly, the need to resolve how to integrate different functions into ecosystem services (to get multiple different benefits from the same patch of land by managing it well) is quite pressing. I think we need to look at how to manage the land in a more integrated way.

Q: Given how funding breaks down by environmental issue in Scotland, do you think funds are allocated appropriately right now?⁹

A: What jumped out at me was that climate change wasn't getting very much money, but then it made me ask the question as to whether climate change mitigation is better funded by

government grants and subsidies and that sort of thing. So are the grantmakers filling the gaps where wider society isn't providing funding? My gut reaction, without the final figures in front of me, is that the balance isn't too bad. Sustainable transport, for example: I would hope and expect that government funding amounts to a lot more than £773,000 and if you put the two together you'd have a much more balanced figure. It's the same with energy, so I think it's not bad. It also depends on how you break it down - coastal and marine funding appears quite low compared to how much coast and how much marine environment we have in Scotland.

Q: What do you see as the greatest resource needs of the Scottish environmental sector?

A: We have found (and I've found this throughout my working life) that you are stronger together than if you work apart, and you are stronger together if you pool your resources and focus your efforts on where you can work the smartest with the others. For example, we have the Scottish Environment LINK, which is a great way of bringing together the NGOs in the sector at a strategic level to work on policy and influence government. We found it useful to link up with the other NGOs who work on similar things to us, i.e. trees and forests, and we are finding it much more useful than us all reinventing the wheel. It's boring for funders, but that sort of capacity, that partnership work needs more support because I think you get much more effective NGOs as a result. It's a thing you don't have time for and it's hard to raise money for as it's not very shiny, but actually it's one of the most important things. That comes directly from us having lots of talks with the Woodland Trust in Scotland, who are doing very similar work to us; we have just come to the point where we have a partnership

9 See Chart 15

We found it [more] useful to link up with the other NGOs who work on similar things . . . than us all reinventing the wheel. It's boring for funders, but that sort of partnership work needs more support because you get much more effective NGOs as a result.

agreement now so we use the few resources we have both got, better, and we collaborate more, rather than just going into charity competition, which would be ridiculous. Practical experience tells me that more of that needs to be done, really.

Q: What are your reflections on the total amount of private funding going to support environmental issues in Scotland every year? Does it seem sufficient?

A: I'm English and you always hear that Scotland gets more money than it deserves, which is absolute rubbish because there is more here that needs attention, if you balance it out, as Scotland still has a lot of resources and really good environments that need protecting. So the amount [of private funding] seems reasonable to me, but is nowhere near going to cover the work that needs doing. It's not enough.

Q: What kinds of work do you find it hardest to secure funding for?

A: We find a lot of the trusts and foundations want to support the 'people' stuff. We organise these things called conservation weeks,

where people come and spend a week in the Highlands and they help with forest restoration. They also have life-transforming experiences because it is just such a brilliant place to be. Although it's always a struggle to fund that, it should be highly fundable because it's about people and it's about the forest. The stuff that we find hardest to fund is the bread-and-butter work, as well as interesting, innovative, research-type projects, testing out new ideas in reforestation. The innovation work, the kind that everyone needs to do, is the hardest thing we find to fund. The geeky, nerdy, science-y stuff and the less glamorous parts of reforestation like small plantings. For example, we should have a natural treeline so when you go above the pine zone there should be a scrubby layer, but we don't have that in Scotland because it's gone. We are interested in trying to bring that back, but even though we try to make it sound as interesting as it really is, it's very hard to sell scrubby willows being restored above tree lines - it sounds quite dull, but actually has huge benefit. These very specialist projects that help to restore an ecosystem - we find them quite hard to fund.

Grants by Issue Area

The distributions of philanthropic grants from foundations, LCF and lottery sources are shown in Charts 12- 15. The appendix provides an overview of each thematic issue. We offer the caveat from the Methodology section again here: that it is not possible to be certain that all relevant foundations have been included in the dataset, which means that the figures on these pages only relate to the 41 foundations, six LCF and three lottery sources on which we have focused.

For foundations, *biodiversity and species preservation* and *coastal and marine ecosystems* are the dominant thematic issues, with these two categories accounting for just under 50 per cent of grants by value in the period 2012-2016. *Biodiversity and species preservation* is also the thematic issue receiving the largest number of grants from foundations, with 77 across the four years. It is worth noting that *coastal and marine ecosystems* rose sharply up the ranking in 2015/16 when funding levels increased by around 50 per cent.

Many LCF grants - almost 46 per cent by value - fall into the *sustainable communities* category, which encompasses urban green spaces, parks, and community-based work related to sustainability. In second place is *biodiversity and species preservation*, with 26 per cent of grants by value. Together these two thematic issue areas account for nearly three quarters of environment-related funding from LCF sources.

When we turn to lottery grants, the three categories of *biodiversity and species conservation*, *terrestrial ecosystems and land use* and *sustainable communities* together account for over three quarters of all grants. Notably, *coastal and marine ecosystems* received less than 0.5 per cent of lottery grants (compared to 24 per cent of foundation grants) in the same time period.

Chart 15 shows the total funding for each thematic issue when foundation, LCF and lottery sources are combined. We think the results are striking, with very low levels of funding for several thematic issues. For example, despite the recent increase in foundation support noted above, *coastal and marine ecosystems* receive just 3 per cent of the overall funding. This stands in contrast to the importance accorded to Scotland's coastal and marine environments by grantmakers and NGO leaders interviewed for this report. *Climate and atmosphere*-related work receives even less grant funding in Scotland, with a tiny 0.4 per cent of all grants by value. It's possible that, because of the contributions to climate change work from the government-funded Climate Challenge Fund and Community and Renewable Energy Scheme, private foundations do not see the need to support climate-related work. However, these funds are largely for business and community-based carbon emissions reductions and not for advocacy or policy-related work. Our data therefore suggest very little available funding for campaigning work on climate change or air quality, though the latter is a particular problem in Scotland's cities.

In other editions of *Where the Green Grants Went* we have identified a set of 'Cinderella' issues, which repeatedly receive low amounts of grant funding in the UK, across Europe and also in North America. The breakdown of Scottish grant funding conforms to this pattern, with work on *toxics and pollution* receiving just one small grant over the four-year period; and initiatives relating to *consumption and waste* and *transport* receiving just 1 per cent of funds each. Work focused on *trade and finance* received no funds at all. When combined, *climate and atmosphere*, *toxics and pollution*, *consumption and waste* and *transport* account for just 2.4 per cent of foundation, LCF and lottery grants distributed in 2012-2016.

Yet climate change, consumption, transport policies, and trade and finance rules are all key

drivers of biodiversity loss and declines in the health of our coastal, marine and terrestrial ecosystems. Some work on these drivers of environmental change may be better directed to

other parts of the country or world, but in many instances, when Scotland acts, the rest of the UK follows, suggesting the potential of great leverage in investing funds in Scotland.

CHART 12 Distribution of foundation grants by issue area, 2012-2016

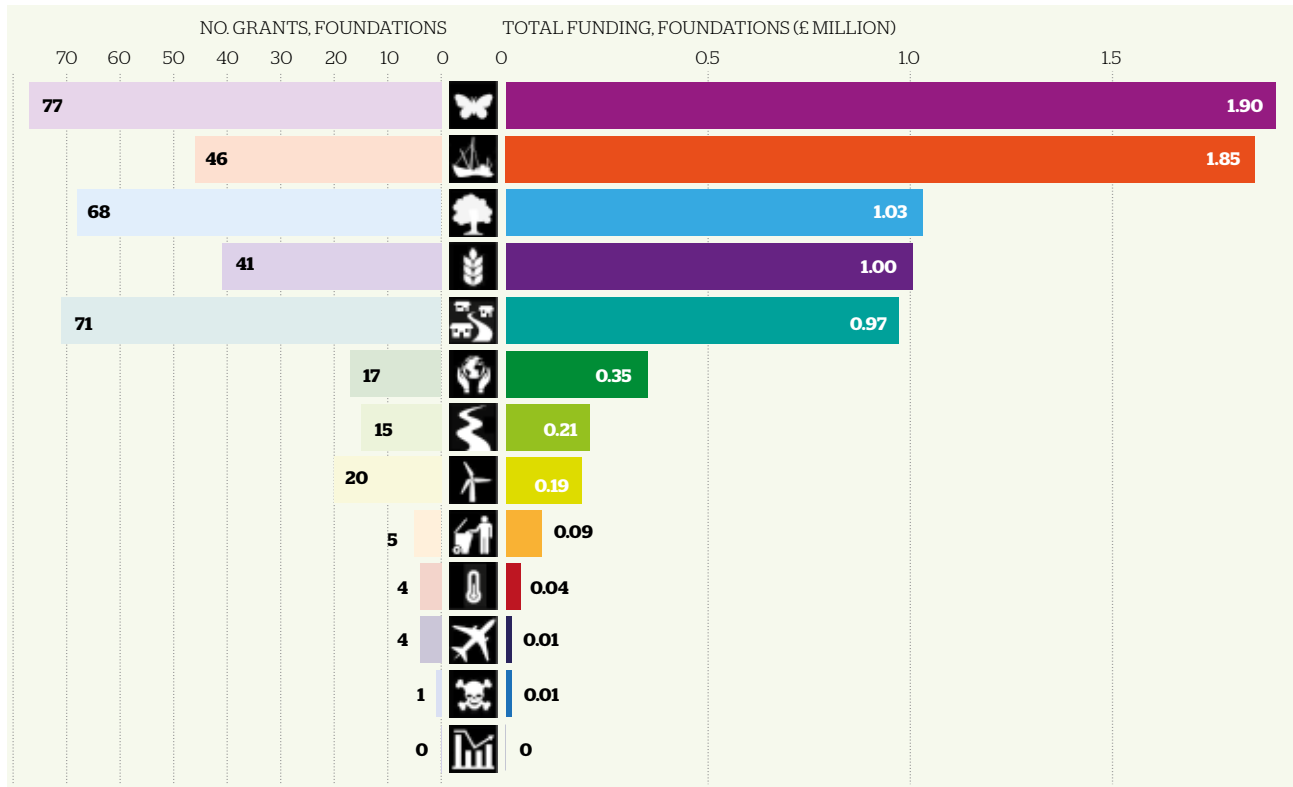


CHART 13 Distribution of LCF grants by issue area, 2012-2016

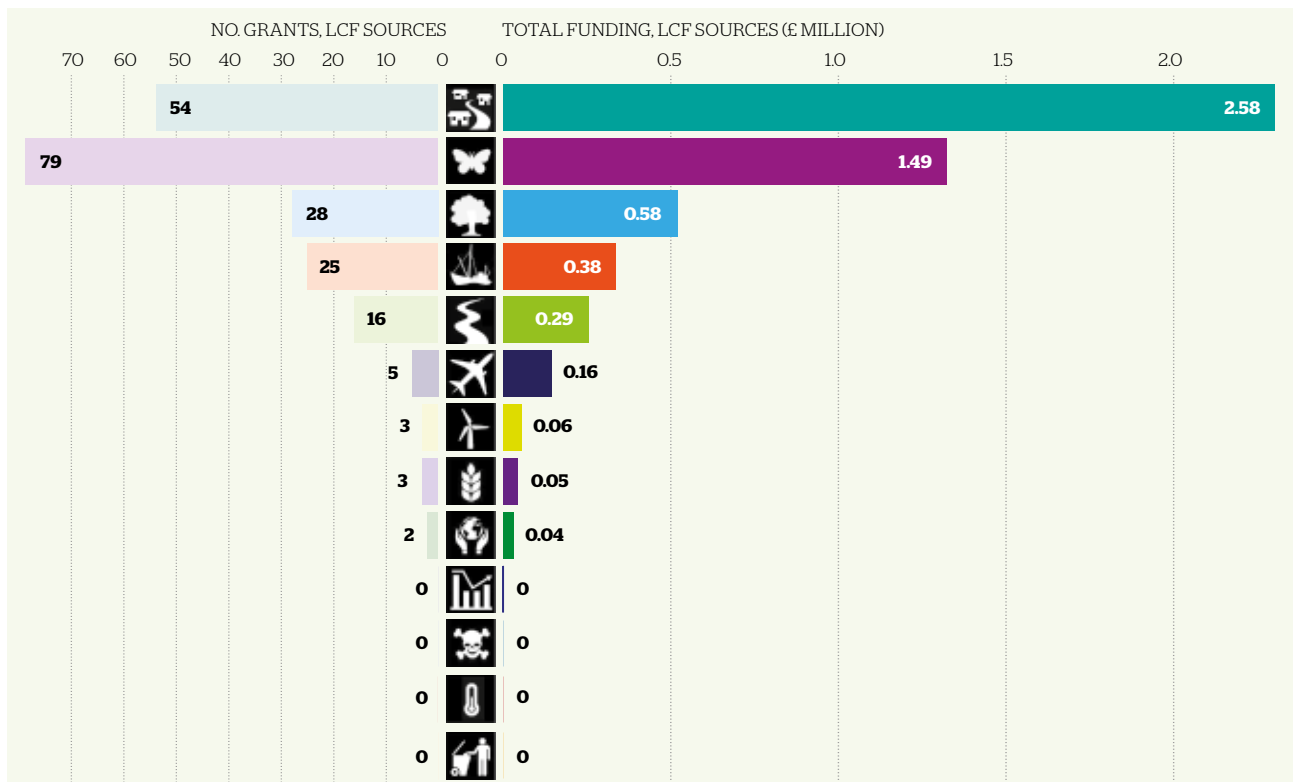


CHART 14 Distribution of Lottery grants by issue area, 2012-2016

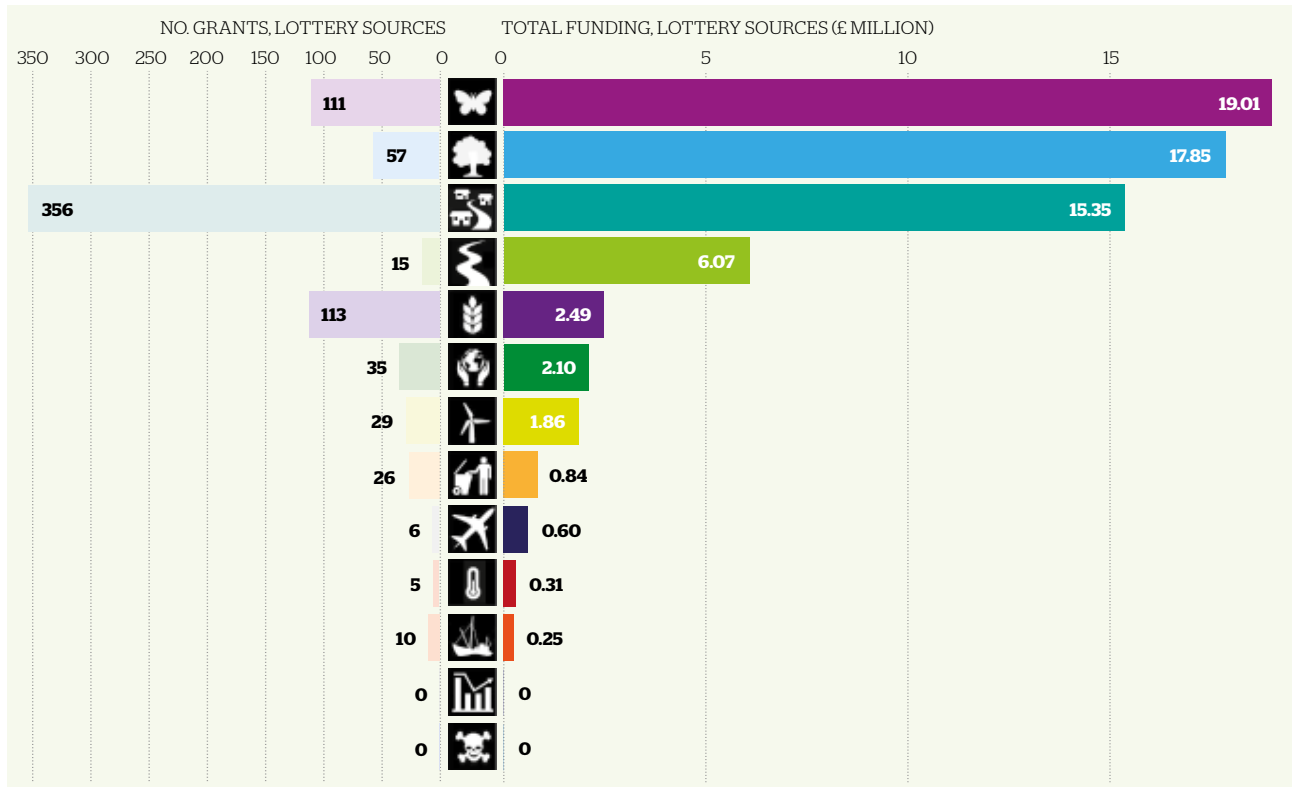
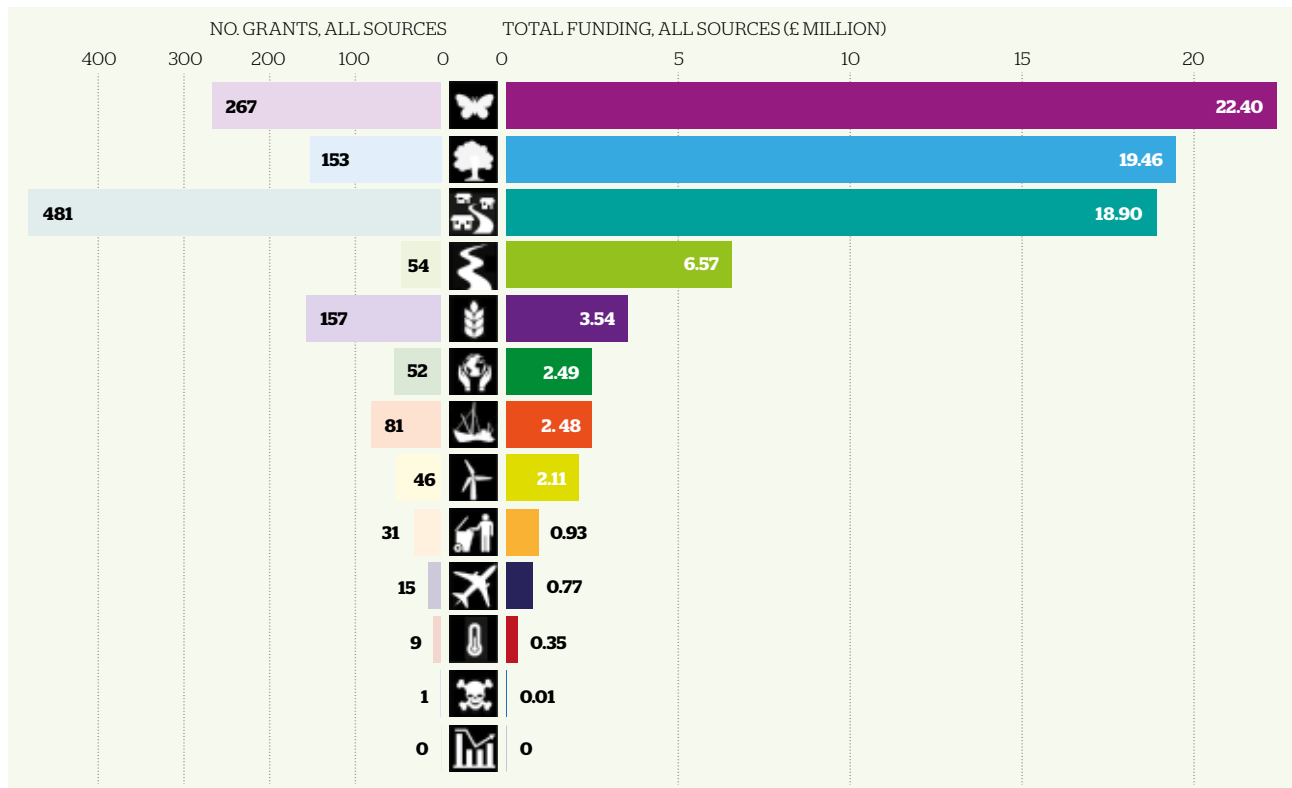


CHART 15 Total funding from foundation, LCF and lottery sources (combined) 2012-16



KEY TO SYMBOLS

- | | | | |
|---------------------------------------|-----------------------|-------------------------|-------------------------------------|
| Agriculture and food | Consumption and waste | Multi issue work | Terrestrial ecosystems and land use |
| Biodiversity and species preservation | Energy | Sustainable communities | Trade and finance |
| Climate and atmosphere | Fresh water | Toxics and pollution | Transport |
| Coastal and marine ecosystems | | | |

Statutory Funds Supporting Environmental Work in Scotland

We attempted with varying degrees of success to capture the statutory funds available to support environmental work in Scotland. The data we were able to track down are in Chart 16.

Fresh water issues receive an order of magnitude more funding from the Water Environment Fund than they do from philanthropic sources. Similarly, the availability of Climate Challenge Fund and Climate and Renewable Energy Scheme grants (for which we were unable to obtain data) no doubt significantly bolster support for climate, energy and transport-related work, all

of which receive remarkably little funding from foundations, LCF and lottery sources.

Grants from statutory sources increase the total amounts of funding available for environmental work in Scotland very significantly. However, they are generally project-based and short-term and, of course, typically cannot support advocacy or policy-related work. It's also unsurprising but worth noting that statutory funds do not plug the issues gaps left by foundations, LCF and lottery sources - i.e. the distinct lack of funding in Scotland (as elsewhere) for work on *toxics and pollution, trade and finance* and *consumption and waste*.

CHART 16: Statutory sources of funding for environmental issues in Scotland

Source of funds	2012-2013	2013-2014	2014-2015	2015-2016	Issue area
Water Environment Fund	£1,200,000	£2,370,753	£2,754,987	£1,927,022	Fresh water
Forestry Commission Scotland	£32,270,255	£35,521,124	£39,330,000	£27,500,000	Terrestrial ecosystems and land use (includes Scottish Rural Development Programme funds)
Scottish Rural Development Scheme: Agri-Environment Climate Scheme	Unable to obtain data	Unable to obtain data	Unable to obtain data	£12,094,342	Terrestrial ecosystems and land use (98%); climate and atmosphere (2%)
Scottish Natural Heritage	£5,383,062	£5,482,459	£7,970,155	£6,055,901	Terrestrial ecosystems and land use (68%); multi-issue work (15%); biodiversity and species preservation (7.5%); sustainable communities (5.6%); fresh water (3%)
Climate Challenge Fund	£12,150,000	£10,386,652	£6,100,000	£4,760,000	Climate and atmosphere

INTERVIEW

Anne McCall, Director
RSPB SCOTLAND



Q: What do you think are the most pressing environmental issues in Scotland?

A: There are many pressing issues, but I'd single out biodiversity loss and climate change as the top two. For the thousands of species for which we have reliable data from 1978 to 2013, 56 per cent have experienced a notable decline. One in 10 species is at risk of becoming extinct altogether. This is a really serious problem across the UK and it has happened in our lifetimes.

The UK plays host to a third of Europe's breeding seabirds. With nearly 800 islands, Scotland is basically a massive archipelago with plenty of cliffs, which seabirds love - so most of those seabirds are here in Scotland. A combination of pressures on our marine and coastal areas means that our next big conservation priority is going to be the marine environment. Seabirds comprise one of the fastest declining suites of bird species, so we will be focusing on them in particular. It's our huge duty of care.

Climate change is obviously impossible to ignore. It's an overarching concern as it

exacerbates lots of other environmental issues.

Another big priority for us in Scotland is the impact of invasive non-native species. A lot of the islands have been occupied by introduced species, like stoats and hedgehogs. As a result, our islands - which are hugely important biodiversity hot spots, as islands everywhere tend to be - are suffering massive declines in biodiversity. We'd like to introduce more biosecurity measures that will prevent the problem in the first place.

Brexit is clearly contributing to a great deal of uncertainty. From a nature conservation perspective, the RSPB came out quite clearly before the referendum saying we would be better in than out of the EU. We rely on lots of EU mechanisms to protect nature.

One final thing I'd mention is that we continue to have serious wildlife crime, where heavily protected species - golden eagles, hen harriers, all sorts of birds of prey - continue to be killed illegally.

Q: Given how funding breaks down by environmental issue in Scotland, do you think funds are allocated appropriately right now?¹⁰

A: The figures prompted a few questions for me. Our experience is that the Big Lottery Fund doesn't really fund [landscape-scale] natural environment projects in Scotland, so they are basically off the table for us. We have quite a lot of smaller funders who will limit how much they give or what size of organisation they will give to. It makes me realise how much responsibility sits at the feet of the Landfill Communities Funds, which are [going to] decline, as well as with the Heritage

¹⁰ See Chart 15

For the thousands of species for which we have reliable data from 1978 to 2013, 56 per cent have experienced a notable decline. One in 10 species is at risk of becoming extinct altogether. This is a really serious problem across the UK and it has happened in our lifetimes.

Lottery Fund (HLF). They are utterly critical. We've been talking to Big Lottery Fund for a long time and we have a great desire to see if we can encourage them to do more for nature in Scotland.

The amount focused on tackling climate change is tiny, but a lot of the practical side of tackling climate change is probably captured in the terrestrial ecosystems category - adaptation, peatland conservation and associated tree removal, and so on.

It would be interesting to see what proportion of overall biodiversity spend in the UK is going to Scotland. Quite a few of the very important species we're trying to protect as a nation are in Scotland. I don't know whether £22 million per year is a reasonable proportion of the overall spend in the UK on biodiversity.

Q: What do you see as the greatest resource needs of the Scottish environmental sector?

A: More money! We are probably one of the bigger players in Scotland and, even for us, fundraising is only getting harder. Brexit will have a big impact; we'll lose a lot of EU funding that we've relied on to conserve Scottish biodiversity. We have absolutely no idea if those funding streams will be replaced and, if so, how. Public sector funding is declining. The commercial sector has yet to bounce back from the financial downturn from a corporate sponsorship point of view - and the

environment lags behind the arts on that front anyway. So funding is critical.

Securing funding that is long term is also vital. Having funders with whom we can talk about long-term ambitions is hugely helpful.

Getting a high percentage of funding for one project from one funder makes a big difference. I understand that funders want to see commitment from other organisations, but for small charities - Plantlife, Buglife, Butterfly Conservation - finding the match funding is a huge challenge, as it can be for us. A few projects getting 85 or 100 per cent funding from one funder would make a big difference.

The sector also needs resources for unpopular but vital projects - eradication of non-native species is a good example. HLF made the move into that space and they really understand why it's a big conservation issue. Talking about killing stoats or rats is not glamorous - and some people get very emotional about it - but it can mean the restoration of lots of other wildlife.

Brexit poses an access-to-justice gap; without the options for challenging environmental wrongs provided by the EU, we will be left only with judicial review. But that is an expensive and difficult option and is out of the reach of many players in the sector. The Scottish Government has rejected the popular idea of having an environmental court. This is nothing

to do with direct delivery but it's everything to do with how the right decisions are made and how the government can be held to account.

Q: What are your reflections on the total amount of private funding going to support environmental issues in Scotland every year? Does it seem sufficient?

A: It's quite hard to convey to colleagues elsewhere how much we depend on HLF at RSPB Scotland. There are very few other options on the table. Everyone understands that to deliver lasting change we have to think at a landscape scale. If we're going to deliver landscape-scale improvements to the environment, then there is only one funder for us. It's quite anxiety inducing! It puts a huge burden on HLF and I think they do a great job. But it would be great to see the Big Lottery Fund or others stepping up on this front.

Between EU privacy and data protection rules and the foundation code of practice for fundraisers, it's getting harder to raise funds. We are looking at how we empower our membership, how we encourage our members to do conservation work themselves, rather than doing it all ourselves. I'd love to see funders supporting work on how to empower people to

take action for nature. That's something we're going to have to increasingly rely on.

Q: What kinds of work do you find it hardest to secure funding for?

A: Funders like to fund new things. But often the 'old' is what works, and it just needs to keep getting funded in order to keep working. An example is corncrakes. They used to be all over the UK, even in London, but now we only have them on the far west coast and the islands of Scotland. At one point the population had gone down to 400 birds, maybe fewer. Our research showed that that was largely to do with changes in when and how silage was being cut. Through engagement, education and some adjustments to payment timings, we worked with farmers to help them adopt corncrake-friendly practices, and the corncrake population increased to 1,400 pairs, largely in the areas where the changes had been made. The trouble is, you've got to keep that work up. The funding stream for farmers disappeared last year, so people stopped managing the land in that way. This year, the numbers have gone down to 900 pairs.

The core message is to support core work. I understand it's not sexy, but if you don't fund it, things will go.

Everyone understands that to deliver lasting change we have to think at a landscape scale. If we're going to deliver landscape-scale improvements to the environment, then there is only one funder for us. It's quite anxiety inducing!

Conclusions

The interviews in this report highlight the particular value of Scotland's environment, from its peatlands to its vast coastal area and its seabirds, as well as the value of funding policy work in a place where ministers are – relatively speaking – accessible and open to ideas.

We know from previous EFN research that environmental organisations particularly value private philanthropic capital: grants from foundations tend to be much more flexible, quicker to secure and more accessible for hard-to-fund work than grants from other sources.

Yet the levels of foundation support for environmental work in Scotland that we detected for the years 2012 to 2016 were depressingly low, averaging just £1.9 million per year. This is 20 times less than the funding provided for environmental issues in England and Wales. Moreover, the bulk of foundations offering such grants are based not in Scotland but England. That Scottish foundations in the round seem not to be focused on environmental issues is frustrating, not least because Scottish NGOs often find it harder to access funds from sources south of the border than their English counterparts due to the simple fact of distance. (See, for example, Jen Anderson's interview on p. 16.)

When grants from lottery sources are added to grants from foundation and Landfill Communities Fund sources, the total available for environmental work in Scotland rises to an average of £20 million per year, a substantially heftier sum. But this reveals the heavy dependence of Scottish environmental groups on lottery funds – the Heritage Lottery Fund in particular – which tend to be focused on the delivery of particular projects and to have limited lifespans, often of two to three years.

This makes it less likely that they will be able to provide either the unrestricted core funding that is so important in providing flexibility to environmental organisations, or the 'patient' capital needed to allow the sector to invest in long-term solutions to difficult problems. (Though it's worth noting that the People's Postcode Lottery trusts' funding – which, though relatively small, is on the rise – does include one strand that provides unrestricted, core funding.)

Meanwhile, foundation grants, which can provide unrestricted and long-term funding, are particularly dominated by the Esmée Fairbairn Foundation and the Robertson Trust, which together account for 50 per cent of funding available in the four years of the study. Overall, then, environmental groups in Scotland are forced to rely on relatively narrow sources of limited grant funding for their work.

In terms of thematic issues, our first attempt to map the environmental funding landscape in Scotland revealed some stark gaps in funding: work on *climate and atmosphere*, *consumption and waste*, *transport* and *trade and finance* all receive very low levels of funding (if any at all), yet in each case they are key drivers of biodiversity loss and declines in the health of our ecosystems. *Coastal and marine ecosystems* – identified by several interviewees as among the most important and most threatened of Scotland's ecosystems – receive just 3 per cent of overall funding from foundations, LCF and lottery sources.

Despite our best efforts, it wasn't possible to capture all of the statutory sources of funding available for environmental work in Scotland. From what we did capture, it's clear that grants from statutory sources add very significantly

to the total amounts of funding available for on-the-ground conservation and carbon-reduction work. What they don't (generally) offer is unrestricted funding – i.e. support for capacity development in the sector – or support for advocacy and policy-related work; nor do they plug the issues gaps left by philanthropic grants around such issues as *toxics and pollution, trade and finance* and *consumption and waste*.

Our goal in producing this report was less about making definitive conclusions and more about starting a conversation about environmental funding in Scotland. We realise

there may be sources of funding that we have failed to include, but we are confident that the data we do have capture the main trends. We are hopeful that the points we've highlighted will prove useful conversation starters among funders and between funders and environmental groups about the levels of funding available for environmental initiatives in Scotland and the thematic issues that those funds are and are not supporting. We invite readers to send us their feedback on the contents of the report, and their recommendations for improving future versions, to info@greenfunders.org.

Appendix

1 Agriculture and food – a very broad category. It includes: support for organic and other forms of sustainable farming; training and research to help farmers in developing countries; campaigns relating to the control of the food chain; initiatives opposed to factory farming; horticultural organisations and projects; education on agriculture for children and adults (e.g. city farms); opposition to the use of genetically modified crops and food irradiation; work on food safety and on the genetic diversity of agriculture (including seed banks); and soil conservation.

2 Biodiversity and species preservation – again a broad category, focused on work that protects particular species, be they plant or animal, vertebrate or invertebrate. Included within this is support for botanic gardens and arboretums; academic research on botany and zoology; the protection of birds and their habitats; funding for marine wildlife such as whales, dolphins and sharks; projects that aim to protect endangered species such as rhinos and elephants; and defence of globally important biodiversity hotspots, including the use of refuges, reserves and other habitat conservation projects; and wildlife trusts.

3 Climate and atmosphere – the bulk of the money in this category is targeted towards work on climate change, with a much smaller sum directed towards the issue of ozone depletion. Also included: work on acid rain, air pollution and local air quality.

4 Coastal and marine ecosystems – this category includes support for work on fisheries; aquaculture; coastal lands and estuaries; marine protected areas; and marine pollution (such as marine dumping).

5 Consumption and waste – this category covers work directed at reducing consumption levels; initiatives that look to redefine

economic growth; projects on waste reduction, sustainable design and sustainable production; recycling and composting schemes; and all aspects of waste disposal, including incinerators and landfills.

6 Energy – this category covers alternative and renewable energy sources; energy efficiency and conservation; work around fossil fuels; hydroelectric schemes; the oil and gas industries; and nuclear power.

7 Fresh water – this category covers all work relating to lakes and rivers; canals and other inland water systems; issues of groundwater contamination and water conservation; and projects relating to wetlands.

8 Sustainable communities – this category covers urban green spaces and parks; community gardens; built environment projects; and community-based sustainability work.

9 Multi-issue work – there remain grants that are hard to allocate to specific categories, generally because they take the form of core funding to an organisation that works on a range of different issues, or because the grant supports environmental media titles (e.g. Resurgence & Ecologist) or environmental education projects covering a wide range of issues. Some grants provided to generalist re-granting organisations are included in this category as it is not possible to identify which issues will be supported when the funds are re-granted.

10 Terrestrial ecosystems and land use – as with 'agriculture' and 'biodiversity', this is a broad category encompassing land purchases and stewardship; national or regional parks; landscape restoration and landscape scale conservation efforts; work on land use planning; tree planting, forestry, and work directed to stopping deforestation; and the impacts of mining.

11 Toxics and pollution - this category covers all the main categories of toxics impacting on the environment and human health: hazardous waste; heavy metals; pesticides; herbicides; radioactive wastes; Persistent Organic Pollutants; household chemicals; other industrial pollutants; and noise pollution.

12 Trade and finance - the trade and finance category encompasses work on corporate-led globalisation and international trade policy; efforts to reform public financial institutions (such as the World Bank, International Monetary Fund, and Export Credit Agencies);

similar work directed at the lending policies of private sector banks; initiatives around the reduction of developing country debt; and local economic development projects and economic re-localisation.

13 Transport - this category includes all aspects of transportation, including public transport systems; transport planning; policy on aviation; freight; road-building; shipping; alternatives to car use plus initiatives like car pools and car clubs; the promotion of cycling and walking; and work on vehicle fuel economy.



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