WRITTEN EVIDENCE FROM STOP CLIMATE CHAOS SCOTLAND

"Only by promoting environmental sustainability, and delivering a significant reduction in our greenhouse gas emissions, will we be able to deliver growth and benefits for all over the long-term." Scottish Government's Economic Strategy[1]

Introduction

Stop Climate Chaos Scotland (SCCS) welcomes the opportunity to respond to the Committee's call for evidence on the draft Budget for 2013-14.

SCCS is a diverse coalition of 60 organisations campaigning together on climate change, including international development, faith and environment organisations, trade and student unions and community groups. We worked together to inform the debate around the Scottish Climate Change Act when it went through Parliament in early 2009. Since then we have continued our engagement with Parliament to ensure that Scotland meets the ambitious targets set in the Act.

In July 2012, the latest greenhouse gas emissions for Scotland were published, showing an increase of nearly 2% in 2010 compared to the previous year. This meant that the 2010 annual target, as set in the Scottish Climate Change Act, to reduce emissions by just 0.07%, was missed.

The Budget now presents a key opportunity to get the Act back on track and ensure Scotland never misses a legally-binding climate target again. This is important not only to provide the benefits and opportunities within Scotland of moving to a low carbon economy but also to retain our international reputation on climate change and ensure we play our part in delivering climate justice, particularly for the world's poorest communities who are already affected by its impacts.

In line with the Finance Committee's request that Committees consider "whether the strategic priorities as set out in the Government Economic Strategy are supported by budget commitments for 2013-14" (one of the six priorities being the transition to a low carbon economy), we have focused our evidence on the need to invest in a low carbon economy to meet our climate targets and secure multiple benefits for Scotland.

Summary

- In terms of "how well environmental priorities sit alongside an overall priority of sustainable economic growth", the current budget fails to give sufficient priority to the environmental imperative of delivering the Scottish Climate Change Act and falls short of realising the economic opportunities presented by the transition to a low carbon economy.

- SCCS welcomes the Green Investment Package announced in the 2013-14 draft Budget, but does not believe that this funding is at a sufficient level to meet climate change targets, as set in the Climate Change (Scotland) Act 2009.

- SCCS recommends that this Budget provides at least £100m in public funding for National Retrofit Programme and moves towards 10% of the transport budget being

[1] http://www.scotland.gov.uk/Resource/Doc/357756/0120893.pdf

allocated to active travel, alongside a decisive shift away from spending on large road-building programmes which will increase emissions.

- The draft Budget for 2013-14 does not fund the proposals and policies (for relevant years) required in the existing RPP, the Government's current plan for meeting emissions targets.

- Moving towards a low carbon economy and funding measures to cut emissions will also bring multiple benefits right across the Scottish economy, including thousands of jobs and improved health.

Opportunities and benefits of low carbon investment

The Scottish Government has stated that there are "significant opportunities associated with the transition to a low carbon economy" including the potential for low carbon activity to grow to 10% of the Scottish economy by 2015 and provide 130,000 low carbon sector jobs by 2020[2].

The CBI also recently confirmed that "Green or growth' is a false choice, highlighting that 'a third of the UK's economic growth in 2011-12 came from green business"[3]. While excellent progress has been made in Scotland to realise the potential of the renewable industry to reduce emissions and create green jobs, there is still much more that will need to be done in the home energy and transport sectors to ensure maximum impact of these opportunities can be reaped in Scotland.

Homes and transport: key sectors to reduce emissions

The 2010 emissions data published earlier this year showed that emissions from the housing and transport sectors are higher now than in 1990[4]. Transport and home energy efficiency programmes are two of the key areas where significantly more effort is required to meet our climate change targets. **SCCS recommends that the Budget provides at least £100m in public funding for home energy efficiency programmes and moves towards 10% of the transport budget being allocated to active travel.** At the same time, there needs to be a move away from spending vast amounts of public funds on carbon-intensive activities.

There is evidence[5] that investing in low carbon transport and energy efficiency/fuel poverty projects can bring benefits to small to medium businesses across Scotland. Because this work will be required across the country, it is much more accessible to smaller, local businesses than large road-building projects in particular locations would be. For example, the development of National Cycle Network route 78 (Oban-Ballachulish) was delivered by local firms. Small projects like these keep money in the local economy and ensure that capital investment and the resulting job creation is spread cross Scotland.

In addition, investing in low carbon activities can improve the health and well-being of the Scottish population, reducing costs in public health care and contributing to the economy. Increasing cycling rates by improving facilities has a positive effect on health and would

[2] Scottish Government, Low Carbon Scotland: Meeting the emissions reduction targets 2010-2022, The Report on Proposals and Policies, http://www.scotland.gov.uk/Resource/Doc/346760/0115345.pdf
[3] http://www.cbi.org.uk/infographics/how-the-uk-can-make-the-most-of-green-growth
[4] http://www.scotland.gov.uk/Resource/0039/00397478.pdf
[5] Sustrans evidence on Budget 2012-13 to ICI Committee: http://bit.ly/ub09Qr

translate into an annual economic value of up to £2.03 billion[6]. In another example, air pollution from transport and power stations results in an average reduction in lifespans of around 8 months. In Scotland, that equates to 5,000 deaths and up to £2 billion in health costs annually[7]. The most recent report on air pollution shows that Glasgow is failing to meet European standards for air quality[8].

The Committee noted in its Budget report last year "*the concerns expressed in evidence that, despite the increase* [for home insulation and energy efficiency measures], *the available funding may not be enough to deliver the housing sector's contribution towards meeting the Scottish Government's own climate change targets and specifically, the objectives set out in the Report on Proposals and Policies (RPP).*" In the Draft Budget 2013-14, this remains a significant problem as it provides £65m for energy efficiency and fuel poverty, less than the funding available in the current year and £5m less than in 2010-11.

Increased costs of not tackling Scotland's emissions
Delaying action to tackle climate change will mean Scotland will not maximise the opportunities presented by developing Scottish expertise and industry around the low carbon economy, meaning we become increasingly reliant on importing green technology and expertise in future. Scotland's Climate Act provides clear, long-term policy direction that makes Scotland an attractive place for investment in low carbon industries. In order to fulfil this significant potential, the framework of the Act must be complemented by the necessary level of public sector funding to stimulate private investment.

Matching spending with Government plans to meet climate targets
In its Budget 2012-13 Report last year, this Committee, along with the Rural Affairs, Climate Change and Environment Committee, highlighted concerns about the ability of the Budget to deliver on the Government's plans to meet emissions reduction targets as set under the Climate Change (Scotland) Act 2009: "*The Committee is concerned about the ability of the Draft Budget to deliver on—Low Carbon Scotland: Meeting the Emissions Reductions Targets 2012-2022. Report on Proposals and Policies*."

The draft Budget for 2013-14 also does not fund the proposals and policies (for relevant years) required in the existing RPP, the only plan available at present while we await the publication of the revised RPP2, which therefore does not address the concerns the Committee's raised last year on this subject.

Conclusion
Scotland has committed to the most progressive climate change legislation anywhere in the world. Given that the first emissions reduction target under the Scottish Climate Change Act has been missed, there must be considerably increased action to ensure that future targets can be met. This Budget provides a key opportunity to get us back on track.

However, the Budget as drafted does not allocate sufficient funding to low carbon transport, nor to home energy efficiency and fuel poverty programmes. SCCS calls for increased funding levels for these areas, while at the same time, reducing the huge levels of public

[6] Transform Scotland Trust, Towards a Healthier Economy, http://www.transformscotland.org.uk/GetFile.aspx?ItemId=108
[7] Friends of the Earth Scotland, 42% Better, http://foe-scotland.org.uk/sites/files/42PercentBetter_0.pdf
[8] http://uk-air.defra.gov.uk/library/annualreport/air_pollution_uk_2011.pdf

funds which are allocated to road-building programmes which will increase Scotland's emissions.

There are multiple benefits presented by shifting away from high carbon activities to a low carbon economy, such as improved health and well-being and substantial job opportunities. SCCS encourages the Committee to urge Government to urgently direct public funds in this Budget towards measures, as outlined above, to reduce emissions in line with the commitments set out in the Scottish Climate Change Act, while creating positive benefits for people across Scotland.