SUBMISSION FROM SEPA

Thank you for providing the Scottish Environment Protection Agency (SEPA) with the opportunity to provide written evidence to the Local Government and Regeneration Committee. This response relates specifically to the committee's particular areas of scrutiny: local government spending and plans on climate change targets; planning policy and climate change targets; and communities aspects of climate change and the role of regeneration policy in delivering on climate change targets.

SEPA will be responding separately to the Rural Affairs, Climate Change and Environment Committee, the Economy, Energy and Tourism Committee plus the Infrastructure and Capital Investment Committee regarding the areas which these Committees will be focusing on.

In our response, which is attached as Annex 1, we provide some broad comments on RPP2 overall (we have made these points to all four committees scrutinising RPP2) and then more specific comments relating to the detailed policies and proposals in the areas being scrutinised by the committee.

Generally, we welcome publication of the second RPP and recognise its importance in providing a roadmap for implementing the ambitious climate change targets. We are, however, concerned that there is more that needs to be done in order to make the RPP fit for the purpose of delivering world leading climate legislation. There is a need in our view, for a step change in the ambition of RPP2, particularly in the light of the first annual target having been missed. We also believe that there needs to be greater resilience built into RPP2 to ensure that if some policy areas do not deliver to their full capacity that there is sufficient headroom to ensure that this does not prejudice meeting the challenging targets set. It may be worth remembering that Scotland has a 2050 target and many “no-regret” actions can be taken sooner that will contribute to the achievement of that more distant target.

In 2006 Stern\(^1\) suggested that climate change mitigation would cost 1% of Global GDP per year. More recently as a consequence of inaction he revised this to 2% per year. Currently the Scottish Government is spending around 0.3% of GVA\(^2\).

There is a need in our view, therefore, for a step change in the ambition, resilience and monitoring of the RPP in order to make it a fully credible plan for implementing actions that achieve the targets.

Specifically to the remit of this committee, SEPA welcomes the recognition of the role of the land use planning system, but we also feel that there is much more that could be done to place the planning system on the strongest possible footing to facilitate transition to a low carbon economy, enable behavioural change and reduce resource use. We also argue that greater use of carbon assessments as part of the development planning and consenting process could bring major benefits to understanding the climate impacts of new proposals and to fully factor this into decision making.

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\(^1\) [http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sternreview_index.htm](http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sternreview_index.htm)

\(^2\) Source: Scottish Government Draft Budget 2013-14 Details of funding for climate change mitigation measures: SNAP (Scottish National Accounts Project). Note: GVA is GDP at basic prices.
As a public body committed to openness and transparency, SEPA feels it is appropriate that this response be placed on the public record. If you require further clarification on any aspect of this correspondence, please contact ask@sepa.org.uk SEPA Corporate Office, at the address shown or phone 01786-452416.

Yours faithfully

James C Curran
Chief Executive

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Appendix – Written Evidence from SEPA

1. Introduction and General view of RPP2

1.1 SEPA welcomes the publication of the draft second report on policies and proposals (RPP2) and the opportunity provided to us to submit our views on it as part of its 60 day scrutiny period. RPP2 is vitally important in helping to set Scotland on a path to meet the ambitious targets set in the Climate Change (Scotland) Act 2009.

1.2 We are, however, concerned that there is more that needs to be done in order to make the RPP fit for the purpose of delivering world leading climate legislation. There is a need, in our view, to (a) increase the scale of ambition, (b) enhance the resilience of RPP2 (c) provide more robust monitoring arrangements to help understand how policies and proposals are delivering in order to make it a credible plan for implementing actions that achieve the targets:

1.3 Scale of Ambition – RPP2 makes clear the scale of the challenge ahead and also makes it clear that the challenge is one to which the government is determined to rise. For the ambitious targets to be reached, however, a step change is needed and unless that step change is made early, then the scale of the challenge is likely only to increase. While many parts of RPP2 are welcome, we are concerned whether it will facilitate that fundamental shift of gear that is required. This involves beginning debate on some of the more uncomfortable decisions that will be required to meet the long term targets set and also setting out very clear, substantive, robust and deliverable policies. The section on transport, for example, appears to contain little new policy effort and much reliance is placed on reductions beyond 2020, whilst no mention is made of the potential impacts on the delivery of transport policies and proposals arising from the road-building programme that runs parallel to the RPP2 timescales.

1.4 Building Resilience – We are concerned whether there is enough “headroom” in the RPP so that if things do not go to plan then there may not be scope to meet the targets. This could arise from policies and proposals not delivering to the extent assumed, from the lack of an EU agreement to increase the target to 30% or where emissions increase due to unforeseen circumstances. We are already behind schedule due to the missed 2010 target, meaning that the policies and proposals set out must deliver to their full potential if we are to meet the targets set. Our own experience from internal target setting on greenhouse gas emission reductions is that it is very difficult to recover from a poor start and that later remedial actions to bring you back on track are often more dramatic. Accordingly, we feel that RPP2 needs to plan with more resilience in mind to face changing circumstances and emerging challenges such as the potential for large scale unconventional oil and gas exploitation, decisions on which have the potential to lock us into a higher carbon future through the life of RPP2.
1.5 *Behavioural Change* – SEPA agrees that behavioural change is key to delivery of the policies and proposals in RPP2 and we welcome the strategic approach to behavioural change that will be set out in the forthcoming Low Carbon Scotland: Behaviours Framework. It is our view that it is essential that climate change is expressed as a national interest issue rather than a government issue, a sectoral issue or a policy issue if a step change in behaviour is to occur. For RPP2, we consider that behaviour change should find expression in all sections of the report and should not be stand alone as change is needed across all sectors of the economy and society. This requires collaborative working across the public and private sector that crosses party political boundaries, and requires extensive engagement with Scotland’s people about both the need for climate action and the benefits it will bring. RPP2 could also play a stronger role in enabling behavioural change through, for example, reconciliation and co-ordination of potentially conflicting policies and messages on climate change or through the identification and removal of perverse incentives that impact detrimentally on emissions.

1.6 *Monitoring* - There is a considerable reliance on assumptions about how the policies and proposals will perform. Without detailed monitoring of each of the specific policies and proposals however, it will be very difficult to tell whether these assumptions are accurate in the face of changing circumstances and whether revised assumptions and associated actions need to be identified. We believe therefore that there is scope to improve the use of more specific indicators, particularly leading indicators that let us know how we are progressing against a particular target beyond the overall monitoring of progress towards emissions reductions. Without this, it is difficult to understand risk and to understand which policy areas are working, and which could be accelerated, and which are not and therefore may need to change.

1.7 *Delivering Multiple Benefits* - RPP2 indicates that the costs of the policies and proposals is £1.6 billion and outweighs their direct benefits of £1.2 billion, but this completely ignores the wider benefits of climate actions and sends out the message that climate action is disproportionately costly and also risks these benefits not being given due regard in decision making. There are very many examples where concerted action would have multiple benefits not just for climate, but for improving the health and wellbeing of citizens and making Scotland’s towns, cities and villages nicer places to live and work - yet these are not clearly articulated or costed. For example, taking actions to reduce emissions from transport can lead to a wide range of economic, social and environmental benefits, including improved urban air quality, less congestion and improved safety which in turn can lead to improvements in people’s health, promote more active lifestyles and can make our towns and cities nicer places to be and which attract economic investment. There is an opportunity for RPP2 to show the wider benefits of these actions to help to secure the behavioural change that is needed, and to show wider financial savings.

2 The Role of the Planning System

2.1 We welcome the recognition in RPP2 that the planning system has an important role in helping Scotland to adapt to climate change and mitigate its
effects. We would in fact go further and argue that the planning system is absolutely fundamental to supporting and enabling mitigation and adaptation measures across many sectors, including housing, energy and transport. Without effective planning that is focused on delivering development that supports a low carbon economy and low carbon lifestyles, it will be difficult to realise many of the other policies and proposals set out in RPP2.

2.2 As the Committee will be aware, both the National Planning Framework (NPF) and Scottish Planning Policy (SPP) are currently being reviewed. This represents a huge and timely opportunity to put the planning system on the strongest possible footing to support delivery of climate change policies.

2.3 In our response to the recent Scottish Government consultation on priority areas for change in the revised SPP we highlighted:

- that there is an opportunity to significantly strengthen the climate change section in SPP by presenting clear policy guidance to planning authorities about how they should act in order to meet the public bodies duties in the Climate Change (Scotland) Act;
- that climate change will have an impact on most areas of planning policy and should therefore be strongly embedded into the whole of the SPP;
- that we feel that there is merit in structuring planning policy around the requirements in the Public Bodies’ Duties for contributing to the emissions reduction targets, contributing to the adaptation programme and acting sustainably.

2.4 One specific mechanism could be to set planning authorities’ carbon or climate change targets when preparing Development Plans, so that future development is planned within the context of substantially and continually reducing emissions and with resilience to future climate change firmly in mind. This would provide incentive to drive down emissions through identifying the most sustainable uses of land, strongly facilitating the development of renewable energy on the most suitable sites and ensuring that flood plains are not developed. The recently developed Spatial Planning Assessment of Climate Emissions (SPACE) tool\(^3\), could assist with this.

2.5 In our response to the recent Scottish Government consultation on candidate national developments for inclusion in the third National Planning Framework, we proposed that it should identify a national infrastructure development consisting of a series of strategic heat networks across Scotland, linking significant heat producers with heat users. It is our view that NPF3 provides a unique opportunity to identify, through a national heat map, strategically significant “heat dense” areas where cost-effective heat networks can be developed.

2.6 While SEPA recognises that existing planning policies do influence the design and location of new developments with the aim of reducing emissions, we feel

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\(^3\) SPACE is a tool to help planners make informed decisions about the greenhouse gas implications of planning policies. It’s development was funded jointly by Scottish Government and SEPA. For details: [www.scotland.gov.uk/Topics/Built-Environment/planning/National-Planning-Policy/themes/sus-dev/SPACE](http://www.scotland.gov.uk/Topics/Built-Environment/planning/National-Planning-Policy/themes/sus-dev/SPACE)
that they will not currently deliver the step change in spatial planning decisions that is required for the transition to a low carbon economy and low carbon lifestyles. Reviewing both SPP and NPF to make sure they are fully aligned to RPP2 represents an opportunity that can and should be taken right now in order to deliver maximum benefit.

3 Carbon Assessments

3.1 We believe that there is scope to consider whether the impacts of proposals on greenhouse gas emissions should more widely considered and more routinely applied as part of the planning and development consenting processes. Presently, a formal carbon assessment is only required for large windfarm developments requiring consent under section 36 of the Electricity Act and where loss or disturbance of peat could occur\(^4\). SEPA validates these assessments and their findings are a material consideration for Ministers in determining such applications. Carbon assessment has provided valuable insights into the actual emissions associated with the development of wind farms on deep peat.

3.2 There is, however, no requirement for assessing the climate change impacts of any other developments on peat or indeed for other methods of generating energy. Introducing such a requirement would help to ensure that the carbon impacts of new developments – particularly those on carbon rich soils – are fully considered as part of the consenting process. It would also help decision makers to better understand the greenhouse gas emissions associated with new and emerging technologies such as those for extracting unconventional oil and gas, the climate impact of which is not clearly understood.

3.3 We note that one of the European Commission’s proposals to amend the EIA Directive\(^5\) includes a plan to compel projects requiring EIA to assess its impacts on greenhouse gas emissions. We would support this proposal as it would enable a clearer understanding of the greenhouse gas emissions associated with a development and ensure that this is formally considered in decision making.

4. Strategic Locational Framework to Avoid Carbon Rich soils

4.1 Exploiting renewable energy rightly plays a key role in the RPP2 and SEPA supports this. However, as noted above, some developments result in a loss or disturbance of peat. Development on peat not only arrests the ability of these areas to sequester carbon in the future, but also the carbon that is locked up in undisturbed wet peatlands is rapidly released when they are drained or disturbed. The ambition to enhance Scotland's carbon sequestration capacity through both woodlands and peat is reinforced through RPP2 and to ensure that this ambition is not blunted, we feel that there is scope for improved policies and locational frameworks that guide on-shore wind to locations that avoid peatlands.


4.2 It is far easier and cheaper to protect pristine peatlands, and thereby ensure that their carbon remains locked up and that they continue to sequester more, than to try to re-capture the amount of carbon that is lost once the peatlands are disturbed or drained. In terms of both financial and environmental costs, it is likely to be more efficient to protect pristine peatlands than the restore those that are damaged.

4.3 We believe that a stronger locational framework that avoids development on carbon rich peatlands and that directs new development to the least sensitive sites is needed. Given the ambitious domestic effort target stated in RPP2, avoiding emissions wherever possible is imperative.

5. Environmental Assessment

5.1 In 2011 SEPA, on behalf of the Scottish Government, SNH and Historic Scotland, undertook the first formal review of implementation and practice of Strategic Environmental Assessment (SEA) in Scotland. This review made specific recommendations about how SEA could do more to help Scotland’s public bodies to deliver on climate change. Specifically, we recommended that it should be a vehicle to enable public bodies to demonstrate the climate impacts of their plans, programmes and strategies and what measures they have taken to address them. As far as we are aware, there has been no progress in taking forward this recommendation. We believe, however, that SEA has strong potential to act as a checking mechanism to ensure that public sector policymaking is co-ordinated and focused towards delivery of climate actions.

6. Regeneration

6.1 As we noted earlier, delivering climate change actions often enables co-benefits for other aspects of society and economy. Areas that are in need of regeneration are often those areas where the communities and business that exist there are less able to adapt to a changing climate and therefore may be affected most. Accordingly, we firmly believe that fully integrating climate change actions into regeneration programmes can be a very important ingredient to their success. For example actions to reduce flood risk, to create new greenspace and green networks, and that reduce traffic will all be climate positive but also lead to demonstrable benefits to those who live and work in these areas. Further, ensuring that regeneration areas are made “heat ready” so that they can be ready to benefit from cost effective renewable heat may help to address issues of fuel poverty. The long term success of regeneration projects relies on them being able to increase the resilience of communities and businesses to potential future changes in climate.

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6 SEA of qualifying public sector plans, programmes and strategies is a requirement under the Environmental Assessment Scotland Act 2005. For a summary of the review see: Scottish SEA Review – Summary (Recommendation R8 covers climate change)
SEPA’s Actions on Climate Change

We have committed corporately to embed climate change into all that we do. These commitments are identified and delivered annually through our Annual Operating Plans and are supported by a Climate Change Plan (CCP) and by our new Corporate Plan which has ‘climate change as one of its four key outcomes’.

Our five year CCP provides the framework for delivering on climate change actions across the business. Annual action plans set out the deliverables for each year. A new CCP is currently being prepared and is being designed to deliver actions to support SEPA’s climate change vision:

“We will do everything in our power to help Scotland address climate change to ensure Scotland’s environment, economy and communities flourish.”

Last year, we published our first report of actions to meet our responsibilities under the Public Bodies’ Duties8. We intend to report annually on our actions and progress from now on.

We have set a target to reduce our greenhouse gas emissions by 42% by 2020 from 2006 levels. By April 2012 we had reduced our emissions by 11.7% and by some 19% from their peak in 2007/8.

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7 SEPA Outcome 3 - “Scotland is preparing for a sustainable future and is taking steps to limit climate change”.
8 Part 4 of the Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change. The duties require that a public body must, in exercising its functions, act:
   - in the way best calculated to contribute to delivery of the Act’s emissions reduction targets;
   - in the way best calculated to deliver any statutory adaptation programme;
   - in a way that it considers most sustainable.