



LOCAL GOVERNMENT AND COMMUNITIES COMMITTEE

AGENDA

4th Meeting, 2021 (Session 5)

Wednesday 27 January 2021

The Committee will meet at 9.00 am in a virtual meeting which will be broadcast on www.scottishparliament.tv.

1. **Decision on taking business in private:** The Committee will decide whether to take item 3 in private.
2. **Climate Change Plan:** The Committee will take evidence from—

Sam Foster, Project Officer, Rural Housing Scotland;

Elaine Waterson, Policy Manager, Energy Saving Trust;

and then from—

Bryan Leask, Secretary, Rural and Islands Housing Association Forum;

Elizabeth Leighton, Director, Existing Homes Alliance Scotland;

Craig McLaren, Director of Scotland, Ireland and English Regions, Royal Town Planning Institute.
3. **Climate Change Plan:** The Committee will consider the evidence heard earlier in the meeting.

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The papers for this meeting are as follows—

Agenda item 2

Climate Change Plan Note by the Clerk

LGC/S5/21/4/1

PRIVATE PAPER

LGC/S5/21/4/2 (P)

Local Government and Communities Committee

4th Meeting, (Session 5) 27 January 2021

Draft Climate Change Plan Update – Note by the clerk

Introduction: Climate Change Plans and the CCPu

The Local Government and Communities Committee has joined [three other Scottish Parliament committees](#) in scrutinising the draft Climate Change Plan update (CCPu) laid in December. Committees have the opportunity of commenting on the CCPu before it is finalised. This Committee's focus will be on the 'buildings' chapter of the update. On 27 January, it will take evidence from stakeholders and experts in housing, heat energy systems, architecture and town planning, as shown on the agenda. Three of the five bodies giving evidence have provided written evidence, annexed to this paper.

Under the Climate Change (Scotland) Act 2009, the Scottish Government must produce a Climate Change Plan to meet future greenhouse gas emissions reduction targets. A plan is published every five years, generally covering a 15-year span. The [most recent CCP](#) was published in 2018, covering the period to 2032. The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 amends the 2009 Act and significantly increases Scotland's emissions reduction target, against a 1990 baseline, to net-zero emissions by 2045, with interim targets of:

- 56% reduction by 2020
- 75% by 2030
- 90% by 2040

After the 2019 Act was passed, the Scottish Government undertook to revise the 2018 CCP. After a delay caused by Covid-19, the CCPu ([Securing a Green Recovery on a Path to Net Zero](#)) was published in December 2020.

Progress so far on reducing emissions from buildings

The [Climate Change Committee's 2020 Progress Report to Parliament](#) acknowledged that some progress with emissions from buildings has been made. Total emissions have fallen by 16% from 2008 to 2018, with progress mainly in residential buildings. The Committee identifies three main areas where more progress must be made:

- **Low-carbon heating in existing homes.** The major challenge is to shift from fossil gas to low-carbon heating. There has been only limited progress in Scotland in the last decade and we are not currently on track to meet the 2020 target of 11% of non-electric heat from renewable sources.
- **Energy efficiency in existing homes.** There has been progress in pulling homes out of EPC bands D and E, but not the major progress needed to retrofit existing homes for greater heat retention.
- **New homes.** There is a need for robust standards to ensure all new homes use low-carbon heat, are ultra-energy efficient, and are ready for a changing climate.

The November 2019 [report](#) of the [Climate Emergency Response Group](#) made a similar assessment. Areas of positive progress included large multi-year funding

commitments, doubling of heat pump installations and the target of zero emissions from heating buildings by 2040. But it identified unclear strategies or policies on regulating energy performance standards, on driving change in the non-domestic building sector and on empowering the public sector to deliver heat networks.

Key messages on building and planning in the Climate Change Plan update

The CCPu sets out 4 policy outcomes for the Buildings chapter, supported by 47 distinct policies ([as listed in the Annex from page 215](#)).

Outcome 1: The heat supply to our homes and non-domestic buildings is very substantially decarbonised, with high penetration rates of renewable and zero emissions heating.

Outcome 2: Our homes and buildings are highly energy efficient, with all buildings upgraded where it is appropriate to do so, and new buildings achieving ultra-high levels of fabric efficiency.

Outcome 3: Our gas network supplies an increasing proportion of green gas (hydrogen and biomethane) and is made ready for a fully decarbonised gas future.

Outcome 4: The heat transition is fair, leaving no-one behind and stimulates employment opportunities as part of the green recovery.

It forecasts emissions from the building sector dropping by 67.5% by 2032, much more than the 32.6% reduction in the 2018 plan. It says this needs transformational change in the way buildings are heated, with over 2 million homes and 100,000 non-domestic buildings having to switch from fossil fuel systems to heat pumps, heat networks and, potentially, new technology such as hydrogen by 2045.

The CCPu also highlights the importance of land-use planning in emissions reduction as underlined in the [Fourth National Planning Framework \(NPF4\) Position Statement](#), also published in December 2020. Proposals include:

- **20-minute neighbourhoods:** creating neighbourhoods where residents can access jobs, services and shops on foot, or by bike, within 20-minutes
- **Town centre first:** a long-standing policy aimed at directing employment, retail service and entertainment development to existing town and city centres – which tend to be well-served by public transport.
- **Peatland restoration:** a presumption against the grant of planning permission for new commercial peat extraction for horticultural purposes and using permitted development rights to help facilitate peatland restoration.

There are two Scottish Parliament Information Centre briefings on the CCPu:

- [Draft Climate Change Plan Update – Background Information and Key Issues](#)
- [Draft Climate Change Plan Update – Key Sectors](#)

Next steps

The Committee has one more evidence session on the plan. On February 17, it will discuss with COSLA local government's role in reducing emissions. At a future meeting, the Committee will then consider and agree a letter to the Environment, Climate Change and Land Reform Committee, which is co-ordinating the Parliament's response to the Scottish Government on the CCPu.

Submission from Energy Saving Trust**1. What is your assessment of the progress to date in cutting emissions within the sector/sectors of interest and the implementation of the proposals and policies set out in previous Climate Change Plans (RPP1-3)?**

Thank you for providing the opportunity for Energy Saving Trust to provide evidence to the Committee's call for written views. Our submission focuses on the policies and proposals relating to homes and communities and relates to key aspects of the plan that the Committee is interested in, specifically, housing, fuel poverty and green recovery.

Energy Saving Trust is an independent organisation dedicated to promoting energy efficiency, low carbon transport and sustainable energy use to address the climate emergency.

Our work focuses on reaching net zero targets by taking action to reduce energy consumption, installing new infrastructure and accelerating a move to sustainable, low carbon lifestyles.

A trusted, independent voice, we have over 25 years' sector experience. We provide leadership and expertise to deliver the benefits of achieving carbon reduction targets: warmer homes, cleaner air, healthier populations, a resilient economy and a stable climate.

We empower householders to make better choices, deliver transformative programmes for governments and support businesses and community groups with strategy, research and assurance – enabling everyone to play their part in building a sustainable future.

In Scotland Energy Saving Trust is a principal delivery partner of the Scottish Government for home energy efficiency. We run comprehensive local and national advice and support programmes for the Scottish Government. Public engagement on energy is at the heart of our work. In total each year the Home Energy Scotland advice service managed by Energy Saving Trust on behalf of the Scottish Government helps more than 90,000 customers.

Emissions reductions

In terms of activities to improve home energy efficiency and reduce emissions from the residential sector it is worth emphasising here that Scotland, in many ways, already leads the way in the UK, and as an organisation delivering activity across the whole of the UK, we have first-hand experience of this. Indeed, Scotland was the first part of the UK to recognise energy efficiency as a National Infrastructure Priority and has provided over many years consistent (and increasing) funding and support for programmes to improve the energy performance of Scotland's homes. Indeed, over recent years Scotland has spent considerably more in this area per head of population than other UK administrations. This means that many of the necessary building blocks to ensure that Scotland's housing sector plays its full part in reducing emissions are in now in place.

So, Scotland has provided leadership in this area and there has been considerable progress made in developing and delivering programmes to improve the energy performance of Scotland's homes. But there is still more that needs to be done. It is clear from emissions data that the scale and pace of this activity is not currently sufficient to ensure that the housing sector plays its full part in contributing to Scotland's challenging emissions reduction targets. The Climate Change Committee's (CCC) 2020 progress report to the Scottish Parliament highlights that the vast majority of emissions reductions to date in Scotland have been limited to the power sector which has contributed to two-thirds of the total fall in emissions from 2008 to 2018 and that emissions from all other sectors outside of electricity generation have fallen by just 14% over the same period. The report goes on to note that "the key structural changes that will drive emissions in sectors outside of electricity generation have not yet been achieved".

The CCC's report provides a clear indication that the Scottish Government's home energy programmes are delivering results in terms of emissions reductions. The report makes it clear that there have been emissions reductions in the buildings (residential and non-residential) sector over the last decade with a 16% reduction in emissions in all buildings seen between 2008 and 2018. They note that this progress has been "mainly seen in the residential buildings sector" and that "improvements to the energy efficiency ratings of homes... suggests that a proportion of the emissions reductions made in the last decade reflects genuine improvements". Data detailed in the CCC's report shows that emissions in the residential sector have shown little downward movement since 2014 and in fact rose by 0.2MtCO₂e between 2017 and 2018. A number of countervailing factors contributed to this and it is important to emphasise here that without home energy programmes emissions in this sector would have been considerably higher. Emissions in the buildings sector as a whole rose by 4% over the same period. At a time when emissions need to be reducing significantly and rapidly

this is concerning. It is clear from existing data and the expectations outlined in the CCPu that a step change in the rates of emissions reductions is required – as noted above the buildings sector has seen a 16% reduction in emissions over the last 10 years (2008-2018) while the CCPu suggests that the buildings sector (note: the CCPu does not break this sector down further) will need to deliver emissions reductions of 66% (i.e. from 7.6MtCO₂e in 2020 to 2.6MtCO₂e in 2029) in the 9 years between 2020 and 2029.

Implementation of the proposals and policies set out in previous Climate Change plans (RPP1-3)

As noted above, significant progress has been made over the course of the last nine years (i.e. since the publication of RPP1 in 2011) in terms of the development and implementation of policies and proposals designed to reduce emissions from Scotland's housing stock. The Scottish Government has provided consistent (and increasing) funding and support for programmes to improve the energy performance of Scotland homes. Indeed, over recent years Scotland has spent considerably more in this area per head of population than other UK administrations.

Notably, Scotland's overarching energy efficiency programme Energy Efficient Scotland (EES) – previously called Scotland's Energy Efficiency Programme (SEEP) - was announced in response to the designation of energy efficiency as a National Infrastructure Priority. EES was formally launched in May 2018 with the publication of the EES route map with two main objectives - to remove poor energy efficiency as a driver of fuel poverty and to reduce greenhouse gas emissions through more energy efficient buildings and through decarbonising Scotland's heat supply. The Scottish Government have said that EES will be a 20-year programme and this long-term commitment together with the fact that the Scottish Government has proposed long term energy performance standards for all homes in Scotland helps to provide policy certainty (which is important as it provides a clear signal to investors). It also provides a clear signal to the supply chain to invest in the development of their staff, to recruit more staff and grow their businesses.

Delivery programmes have expanded considerably since the publication of the first RPP in response to the evolving policy landscape. As noted above, continued support for energy efficiency over many years means that much of the delivery infrastructure is in place to deliver against EES' objectives. Further information about the parts of the programmes that the Energy Saving Trust delivers for the Scottish Government can be found in our recent report "Delivering a new energy future for Scotland's homes –

Home energy programmes delivered by Energy Saving Trust on behalf of Scottish Government”. See:

<https://energysavingtrust.org.uk/wp-content/uploads/2020/09/Delivering-a-new-energy-future-for-Scotlands-homes-September-2020.pdf>

Support for domestic renewable heating in Scotland has grown since the publication of the last Climate Change Plan. A recent, although short term, development is the addition to the Home Energy Scotland loans and grants offering with the introduction of a new £4.5 million cashback incentive via the Home Energy Scotland loan scheme to help people install renewable and energy efficiency measures in their homes with a focus on renewable heating. This should play an important role in overcoming one of the key barriers to the take up of home renewables – the higher capital cost of a renewable heating system in comparison to a fossil-fuelled system.

It is worth emphasising here that Scotland’s extensive energy efficiency programmes have continued to have been designed where possible to work with and take advantage of other energy efficiency programmes, such as ECO and the RHI. This has helped to maximise the opportunities available to households and local authorities across Scotland and has made it possible to build larger funding pots to help deliver larger and/or more expensive projects. To achieve Scotland’s challenging targets the Scottish Government needs to continue to be bold in incentivising the uptake of home energy improvements even if this means that it displaces UK Government funding support (e.g. RHI) where that support does not provide a sufficient incentive as it has done with the new cashback available via the Home Energy Scotland loan scheme.

Of the policies and proposals outlined in the previous Climate Change Plans we believe there are a number of areas where we think more progress could have been made, including:

- Regulation in the owner occupied sector. RPP3 committed that ‘SEEP will put in place regulation and standards providing long-term certainty and making it the norm to invest in energy efficiency’. While regulation and standards are now/soon to be in place for the social housing sector and the private rented sector respectively, progress on regulation in the owner occupied sector has been notably slower. A legally-binding energy efficiency standard, that applies at a number of trigger points for owner-occupied housing, is clearly required to drive up minimum standards and to ensure that as many homes as possible are brought up to an EPC C standard or equivalent. This would also give a further clear signal to the supply chain to grow. We welcome the commitment in the CCPu that “the Heat in Buildings Strategy will update the Energy Efficient Scotland route map and will commit to putting in place standards and regulation

for heat and energy efficiency, where it is within legal competence, to ensure that all buildings are energy efficient by 2035 and use zero emission heating and cooling systems by 2045". It is difficult to comment further here because the Heat in Buildings Strategy has not yet been published and we therefore don't know the detail of what will be proposed in this area. In this context it may be sensible (depending on publication dates) for the Committee to scrutinize the Heat in Buildings Strategy in parallel with the CCPu.

- Building Regulations. Section 6 (Energy) of the Scottish Building Regulations was last updated in 2015, and the last RPP (RPP3, published in February 2018) committed that a "further review of energy standards will commence in 2018 and will investigate a number of measures that offer the potential for further abatement from new buildings and where work is undertaken in existing buildings". Subsequently the Scottish Government launched a review of energy standards in June 2018 the purpose of which was "to consider next steps to further enhance the energy performance of buildings and contribute to greenhouse gas abatement targets" .

The following year the Scottish Government's Programme for Government for 2019-20 committed to setting "new standards to reduce energy demand, and associated carbon emissions, within new buildings by 2021" and to requiring "new homes consented from 2024 to use renewable or low carbon heat". At the end of 2019 they published a scoping consultation on a new build heat standard that would apply from 2024 which is a welcome development. We note that, at the end of 2019 both the UK Government and the Welsh Government as part of wider consultations on energy standards to apply from 2025 included proposals to future proof new homes from 2020 in readiness for low carbon heating systems in the future. Specifically, both Governments proposed that wet space heating systems should be designed to operate with a flow rate temperature of 55oC or lower in the final heating circuit. Doing so would make it easier to install heat pumps or district heating in the future. We would like to see an at least equivalent commitment from the Scottish Government that all new homes built between now and 2024 are future proofed in readiness for low carbon heating systems in the future.

2. **Do you think the scale of reductions proposed within the sector(s) are appropriate and are the proposals and policies within the CCPu effective for meeting the annual emissions targets and contributing towards the 75% reduction in GHG emissions by 2030 and net-zero by 2045 targets?**

We very much welcome the level of ambition set out for decarbonisation of the buildings sector outlined in the CCPu, in particular ambitions for:

- Zero emissions heating systems to account for at least 50% of new systems being installed each year from 2025.
- At least 50% of Scotland's building stock is heated using zero emission systems from 2030.

The CCPu proposes a significantly enhanced policy package for the buildings sector and we welcome this. The list of new policies that we welcome is too long to detail here but we are particularly pleased to see the commitment to develop a long term public engagement strategy, to design future delivery programmes to ensure significantly accelerated retrofit of buildings, and various proposals to support the projected roll out of heat pumps. We are also very pleased to see that a particular focus for action before 2025 will be on "taking steps to facilitate common works in tenement buildings". Although we note that while this appears as a focus area in the body of the CCPu there is no reference to this work in the list of policies and proposals provided in the CCPu's annex. Flats represent a particularly challenging challenge in terms of energy efficiency and low carbon heat and given the significant proportion of flats in Scotland's housing stock work in this area is much needed. Action to common parts of tenements can only be undertaken if the majority of owners agree to the works being undertaken. If they don't it can't go ahead. Thus, the decision of some (even a very small majority) can result in energy efficiency improvements (necessary for the health, well-being and comfort of other residents and indeed necessary for CO2 emissions reductions) not taking place. In addition, vulnerable households who are eligible for grant support are not able to benefit from energy efficiency measures when the necessary levels of communal agreement are not reached.

As noted above we would welcome additional detail about some of the proposed policies but acknowledge that much of this is likely to be forthcoming in the Heat in Buildings Strategy which is due to be published soon.

It is not possible to tell from the information provided in the CCPu what scale of reductions are proposed within the residential buildings sector. This is because the emissions envelopes group together residential and non-residential buildings. We note that the original Climate Change Plan for 2018-2032 published in February 2018 included a target for a 23% reduction in direct residential emissions between 2018 and 2032. The CCPu states (on page 31) that many elements of the 2018 plan still stand and that the CCPu should be read alongside that 2018 plan. However, it is not clear

whether the emissions reductions envisaged from the residential sector remain as they were in the 2018 plan or whether they have increased in line with Scotland's increased climate change ambition.

It would be helpful to include information about the scale of reductions expected from the residential sector in light of the Scottish Government's new climate change targets – particularly the 2030 target in relation to which the CCC note "The rapid emissions reductions required for a 75% reduction by 2030 may not be feasible without extreme implications for cost and/or required changes in behaviour". Only then can stakeholders more definitively determine whether the policies and proposals detailed in the update will be effective at meeting these targets.

In the context of the scale of reductions from the buildings sector we note that Annex C, which details the emissions envelopes for each sector, suggests that emissions from the buildings sector are expected to reduce (by between 5% and 22% each year) between 2020 and 2029 at which point they remain stable (at 2.6MtCO₂ per year) until the end of the budget period (i.e. 2032). It is not explicitly clear why this plateauing occurs. We think that some additional narrative in the final CCPu about this would be helpful to make this clearer.

Also included in Annex C is a reference to the fact that additional emission-reduction effort has been allocated out with the TIMES framework across all sectors on a pro-rata basis in order to allow the industrial sector higher emissions to help protect against carbon leakage. This is another area where we believe additional explanatory narrative would be helpful – particularly in the context of the impact that this has on the size of the emissions envelope and resulting impacts on deliverability of reductions in the residential sector.

Additional narrative and data around the impact that different policies are expected to have would also be helpful to allow assessment whether the policies and proposals will be effective meeting for meeting the annual emissions targets and contributing towards the 75% reduction in GHG emissions by 2030 and net-zero by 2045 targets. It was clear from the Scottish Government's Energy Efficient Scotland consultation of March 2019 that neither business as usual i.e. existing approaches, nor business as usual approaches plus regulation at the point of sale, will be sufficient to ensure the delivery of the proposed EPC C standard in all homes by 2040 let alone by 2035 (this latter date is referenced in the CCPu annex). While the CCPu proposes a significantly enhanced policy package there isn't sufficient information provided to determine the impact this will have on installation rates and so on likely emissions reductions.

3. Do you think the timescales over which the proposals and policies are expected to take effect are appropriate?

As noted in our response to question 1 above the CCC have recently emphasised concerns about how rapidly decarbonisation can be achieved. They have also provided initial advice about how the Scottish Government could go beyond the abatement scenarios outlined in the CCC's 6th carbon budget report. Two potential options that they outline relate to the retrofit of buildings; the scrapping of high carbon assets such as fossil fuel boilers and the additional retrofit of hybrid heat pumps. Given the challenges associated with this target we believe that it makes sense to bring forward certain delivery dates where possible. In particular, we believe that the Scottish Government should strive towards all homes being energy efficient (i.e. have an EPC of at least C or equivalent) by 2030 instead of 2035.

We would welcome greater clarity about domestic heat pump numbers and how hybrid and non-hybrid heat pump numbers envisaged by the Scottish Government by 2025, 2030 and 2035 compare to those envisaged by the CCC. As can be seen from the extracts below, it isn't clear what exactly is envisaged in each 5 year period. This makes it difficult to judge whether the timescales proposed in the CCPu are appropriate.

The CCC state that for their balanced pathway (which will not deliver the Scottish Government's 75% emissions reduction target by 2030): "We already assume around 40,000 hybrid heat pumps and more than 200,000 full heat pumps are installed in existing homes in Scotland in our Balanced Pathway by 2030, but there may be potential to go further, if supply chains can be scaled up sufficiently. By 2035, our Balanced Pathway sees an additional 350,000 full and hybrid heat pumps deployed in Scotland compared to 2030 levels, as supply chain capacity and public knowledge and acceptance of heat pumps increase". The Scottish Government in the PfG – which appears to be consistent with the figures outlined in the CCPu - note that:

- "Our ambition is – as a minimum – to see the rate of renewable heat installations in new and existing homes and buildings double every year from a current baseline of 2,000 domestic installations per annum in 2020 to 64,000 homes fitted in 2025 – a cumulative total of around 126,000 homes" and that a peak installation rate of 250,000 homes per annum in the 2030s is expected.

4. To what extent do you think the proposals and policies reflect considerations about behaviour change and opportunities to secure wider benefits (e.g. environmental, financial and health) from specific interventions in particular sectors?

The proposals and policies and the wider narrative in the CCPu reflect considerations about behaviour change well. We very much welcome that the CCPu, along with the draft public engagement strategy for climate change which was published alongside it,

responds to and draws significantly on recent research and advice; in particular that undertaken on behalf of the Scottish Government itself and that of the CCC. The draft public engagement strategy for example responds to the recommendation from an independent advisory report to the CCC on facilitating behavioural and societal change to reach net zero that, “in addition to supporting people to take specific concrete actions to reduce emissions, we need a strategy for creating a wider context that nurtures public engagement with action on climate change” and aims “to create a context that nurtures public engagement on climate change over the next 3-5 years”. We also welcome the acknowledgements in the CCPu of the following statements from the CCC:

- “...over 60% of emissions reductions to meet net zero will be predicated on some kind of individual or societal behavioural change”.
- “In the buildings sector, higher impact savings from behavioural changes are needed, driven by increased engagement with the public on emissions reduction, particularly due to low levels of awareness and understanding of the connection between buildings and climate change”.

It is vital that people know why they need to act, how they need to act and ultimately that they do in fact act. Only then will all the necessary actions be taken by people to improve the energy performance of their homes (i.e. that changes occur to both their purchasing behaviours and wider behaviours). Available evidence suggests that there is low general awareness amongst the population of the need to improve the energy efficiency of their homes and to switch away from conventional heating as well as very low awareness of how people can take action. The CCC has emphasised that where people are involved in the changes that are required, they are likely to be achieved faster and at less cost. A recent survey by the Energy Systems Catapult (ESC) for example, found that less than half the 2,000 people they surveyed were aware that their gas boiler was contributing to climate change (it is responsible for around a third of the average household’s emissions). There was far higher awareness of the contribution to climate change from road and air transport and household waste, despite these all having a lower impact (27 percent, 12 percent and 3 percent according to ESC calculations). The CCC’s most recent report draws on research from BEIS to emphasise that levels of public engagement are low and in particular that there is low awareness amongst the public of the need to shift to low carbon heating.

In this context we have previously called for a major engagement campaign to build awareness amongst the public. The time sensitiveness of this activity is worthwhile highlighting here. It will be vitally important that people know as soon as possible that the heating system they have now is unlikely to be the same type of system they have in the near-medium term. The CCPu envisages that from 2025 (i.e., in only 4 years’

time) zero emissions heating systems will account for at least 50% of new systems being installed each year. We are therefore pleased to see commitments to “build public support for the heat transition through extensive and sustained engagement with individuals, communities and businesses across Scotland”, and to “...maximise the impact of our advice and support schemes to build public awareness and understanding of heat decarbonisation and energy efficiency solutions”. We also welcome the publication of the “Net Zero Nation: A Draft Public Engagement Strategy for Climate Change”.

It is also important that people are adequately supported to take action. The necessary frameworks for supporting customers and incentivising action are already in place in Scotland (through Home Energy Scotland and various financial support schemes) and there will be a continued and growing need for these programmes. Encouraging householders to install low carbon heating systems will mean persuading them to engage with systems that involve more complex choices and significant investment alongside home energy efficiency improvements. Our evidence shows that where Home Energy Scotland provides specialist advice on more complex measures such as small-scale renewables around 83% per cent of customers who received this support and took action attributed that action, at least in part, to the support they received. Our evidence also shows how the specialist advice service has supported customer action on renewables:

- Half of customers reported that the service gave them ideas for action.
- Two thirds of customers reported that the service gave them confidence to implement actions.
- Half of customers reported that the service provided them with skills and understanding to implement actions.

Against this background we believe that, in order to ensure that householders and owners are well advised and supported in making decisions installing a lower carbon heating system it will be essential that the Home Energy Scotland advice function is not only retained but is scaled up to support more householders. It is therefore very welcome that the CCPu commits to “provide enhanced support to households through existing programmes such as Home Energy Scotland”.

One ‘behavioural’ area that we feel would benefit from greater consideration in the plan is around the use of new heating systems once they are installed and the use of heating systems once a home’s energy efficiency has been improved. It is clearly important that assumed savings from energy efficiency measures are actually delivered in practice and behaviour change will obviously have a key role to play here. Given that heat is responsible for such a significant proportion of emissions from the

household sector it is particularly important that people use their heating systems effectively, otherwise there is a significant risk that the full potential savings (in terms of comfort, energy, money and CO₂) from energy efficiency programmes will not be realised in practice. Low carbon heating systems will in the majority of cases need to be used differently than the systems that they are replacing and it is important that householders have access to the advice and information necessary to ensure that they are able to use them effectively and efficiently. While such advice is currently available under Home Energy Scotland the need for it will become even more significant and will need to be provided to more households in the coming years.

Interestingly, there is no explicit mention of ‘behaviour’ in any of the policies listed for buildings. However, as noted above many of the policies will result in behaviour change. We therefore think that there could be scope to make the link between the policies proposed and their impact on behaviour change more explicit.

As well as delivering emissions reductions improving the energy performance of homes delivers multiple additional benefits – including, but not limited to, improved health and well being, additional and sustained jobs, and reduced rates and levels of fuel poverty. Ensuring that energy efficiency makes its full contribution to emissions reductions in Scotland will help to ensure delivery of these additional benefits.

5. Reflecting particularly on the CCPu sections on ‘Green Recovery’ and ‘Cross-Sector issues’, to which extent does the CCPu deliver a green recovery?

It is worthwhile firstly highlighting that Energy Saving Trust very much welcomes the Scottish Government’s commitment to “securing a just and green recovery” and its intention that the CCPu is seen as a “strategic document on our green recovery from COVID-19”.

The economic benefits of investing in home energy improvements are well documented and have received considerable attention over the last year as part of efforts to determine the ‘best’ means of post-COVID-19 economic recovery.

Many reports have recently been published highlighting the benefits associated with increased investment in energy efficiency and advocating that energy efficiency be a key element of economic stimulus packages. The recently published report from Scotland’s Advisory Group on Economic Recovery for example highlights that, “Non-traded sectors and activities which are less affected by international competitiveness concerns such as domestic heating, energy efficiency and ground transport are all ripe

for a programme of investment and innovation which will deliver emissions reductions, jobs and potential opportunities in supply chain development”.

Some of the key economic benefits are neatly summarised in a recent report from the IEA and IMF : “We estimate that 9 30 jobs would be created for every million dollars invested in energy efficiency measures in the buildings sector. Measures in this area often have short lead-times: existing efficiency programmes, for example, can be rapidly expanded and new projects can be shovel-ready within weeks or months...Government investment in accelerating energy efficiency in buildings would bring long-lasting benefits: it would reduce energy bills for consumers, reduce energy poverty, improve health and comfort, and improve resilience in the face of climate events and price shocks”.

Scottish specific research shows a £7.8bn boost in real GDP over the period of a 30 year energy efficiency programme can be achieved, with ‘sustained delivery of 0.2% GDP in the long term’ as the impacts of energy efficiency gains continue. This suggests there could be a return of £5 in GDP per £1 of government investment, though figures will vary as timescales are brought forward to address the economic and climate crisis. As far as jobs are concerned, analysis within Scottish Government’s Energy Efficient Scotland route map notes that “every £100 million spent on energy efficiency improvements in 2018 (is) estimated to support approximately 1,200 full-time equivalent jobs across the Scottish economy”.

It is therefore clear that policies to improve the energy performance of Scotland’s buildings will undoubtedly make a key contribution to a green recovery for Scotland. However, as noted above there is not sufficient detail to determine the extent to which this will occur and whether or not they will result in energy efficiency making its full contribution to both emissions reductions and economic recovery in Scotland. We hope this may become more apparent in the forthcoming Heat in Buildings Strategy. Ensuring that energy efficiency makes its full contribution to emissions reductions in Scotland will be key to ensuring the delivery of a truly green recovery in Scotland.

Submission from Existing Homes Alliance Scotland

1. What is your assessment of the progress to date in cutting emissions within the sector/sectors of interest and the implementation of the proposals and policies set out in previous Climate Change Plans (RPP1-3)?

The Existing Homes Alliance Scotland (EHA) welcomes the opportunity to submit views to the Scottish Parliament Committees on the recently published Scottish Government updated Climate Change Plan.

The Existing Homes Alliance is a coalition of housing, environmental, fuel poverty and industry organisations who are working together to end fuel poverty and deliver the transformational change needed to address the climate emergency. Given our purpose, we will focus our response on the CCPu's policies and proposals for the residential sector, and the role it should play in meeting Scotland's climate change targets.

General comments:

We welcome the aim of the Climate Change Plan Update (CCPu) to set out a clear route map to achieving Scotland's new climate change targets – which it achieves, in part. We are particularly pleased to see the CCPu signed off by the entire Cabinet, demonstrating the firm support for collective action across portfolios.

The parliamentary scrutiny process offers the opportunity to improve the CCPu so it does the job as recommended by the UK CCC in its latest progress report for Scotland (October 2020). In their view the CCPu must:

- Put Scotland on a path to sharper emissions reduction in the near-term, and establish a course to Net Zero by 2045.
- Put Scotland on the path to deliver meaningful reductions outside of the power sector.
- Help Scotland to build a resilient recovery from the pandemic, be consistent with a changing climate, and complement Scotland's efforts to improve resilience to climate change.
- Reaffirm Scotland's status as an international leader.

The CCC progress report also makes buildings a priority and calls for a “coherent strategy for the future of low-carbon heat and energy efficiency in Scotland's homes and other buildings”.

Overall, we know that the Climate Emergency is going to require rapid action over the next decade if we are to avoid the most devastating impacts of climate change. The CCPu is a welcome opportunity to align Scotland's climate change policies with our international obligations. With COP-26 now less than a year away, when Scotland will be on the world stage, it is essential we have an exciting and credible route map to achieving Net Zero. The proposals and policies set out in the CCPu will undoubtedly help put Scotland on track to meeting our ambitious climate targets, as well as help tackle fuel poverty and recover from the worst economic impacts of the COVID-19 crisis. But only if we don't delay.

Response to question 1:

Over the last decade we have seen steady, though slow, improvement in the energy performance of Scotland's housing stock. This has been supported by the development of a solid delivery structure – Energy Efficient Scotland, and a nationally funded energy advice service – Home Energy Scotland.

However, the rate of progress is unlikely to be adequate to ensure the necessary levels of emissions reductions from Scotland's housing stock, with emissions reductions fluctuating and fuel poverty rates remaining stubbornly high.

Nonetheless, we have the foundations from which to build an ambitious and massive national and local programme of retrofit for existing homes in the next decade – starting now. Progress to date in cutting emissions CCP (February 2018) aims:

- By 2032, a 23% reduction in direct residential emissions (from 2018 to 2032)
- By 2032, improvements to the building fabric of domestic buildings will result in a 15% reduction in domestic heat demand.

Note: it appears these two aims have not been carried forward into the CCPu. This makes it difficult to know what the emissions 'envelope' for domestic housing is, though we would assume the percentage reduction expected is likely to be increased given the new emissions reduction target of 75% by 2030. It is also then difficult to assess whether or not we think the policies in the CCPu can achieve the planned reduction.

Emissions reductions: Scotland has reduced GHG emissions from housing by 24% from 1990 to 2018 – a period of over 25 years. We will most likely need to achieve the same and more emissions reduction in the next decade, with much of the 'low hanging fruit' already taken. It is concerning that in the most recent figures, emissions actually increased between 2017-2018, in part due to colder winter weather – we need to decrease emissions year on year whatever the weather. The table below (from the UK CCC Reducing Emissions in Scotland Progress Report to Parliament October 2020) illustrates the trajectory of emissions reductions in the residential sector, with little progress made since 2014.

To achieve these goals, it is clear that the pace and scale of progress must be ramped up significantly.

Energy efficiency: Scotland has made steady progress on improving the energy efficiency of its housing stock, but the rate of improvement does not match the need in terms of addressing fuel poverty or the climate emergency. And it is concerning that progress is slowing, as easy measures such as loft insulation have been taken up, and existing policies, programmes and incentives are not resulting in sufficient levels of demand.

The Alliance believes that the vast majority of homes should achieve a 'good' rating – or EPC band C – by 2030. This can be achieved through tried and tested measures such as insulation, more efficient and low carbon heating. In 2019, 45% of Scottish homes were rated as EPC band C or better – this is similar to 2018. This means over 1 million homes need to be upgraded to EPC band C in the next decade – at least 100,000 per year. This compares with the current trends, with the number of dwellings below EPC band C is decreasing at about 40,000 a year – though this is likely to slow under 'business as usual' conditions as upgrades become more expensive and complicated. (EES Consultation March 2019).

Progress on Policies and Programmes:

- Energy efficiency of buildings became an infrastructure priority from 2015 – benefitting from multi-year investment. However, investment initially stayed level and only recently increased.
- Development of Energy Efficient Scotland – a coherent programme with milestones and long-term targets. The delivery infrastructure has been developed into a nationally funded advice service (Home Energy Scotland) local authority-led area-based programmes and a national fuel poverty programme – all of which have a strong track record and good infrastructure. However, the scale of these programmes does not reflect the infrastructure priority designation.
- Merging the EES programme with low carbon heat policy and programmes has been a positive development, which could be further enhanced by creating independent oversight for this major programme of work.
- Pilots and innovation programmes – Local Heat and Energy Efficiency Strategies (LHEES), engaging self-funding households and mixed-tenure properties, promoting innovation in heat networks.
- Private Rented Sector regulation (though introduction delayed due to COVID).

Concerns

- Current rates of reduction in emissions and heat demand do not appear to be aligned with Scotland's new climate change targets.
- The number of homes heated with renewable heat is negligible and the rate of increase is very slow – showing that 'business as usual' policies are not delivering. The CCPu states that only 11% of households have a low carbon heating system and a good number of those are electric heaters which will need upgrading.
- Slow pace of policy development (LHEES, regulation) and small scale of delivery programmes does not match urgency of climate emergency (and this is revealed in emission reduction trends) and does not provide certainty for investment – in spite of the fact that CCPu plans for building sector are ambitious. It is hoped the Heat in Buildings Strategy will answer these concerns.
- Fuel poverty programmes have been successful in removing poor energy performance of the home as a driver of fuel poverty for a limited number of households – but the scale is too small (15,000 pa). Public money is still funding fossil fuel heat as a rule, although this is shifting, as indicated by the CCPu. To eradicate fuel poverty, these efforts must be combined with effective programmes to address the other drivers of fuel poverty.
- Social sector standards continue to lead and innovate – but the sector needs funding support to increase and improve affordable housing supply (new and existing).
- Assessment methodology for setting standards is not aligned with net-zero and continues to cause confusion in terms of choosing the best measures to meet zero emission standards (fabric and heat generation). This problem has been acknowledged for several years but as Scotland is tied to the UK-wide assessment methodology (SAP), change is not straightforward. The Scottish Government did have a short-life working group on assessment which made several recommendations, but this work seems to have stalled.
- Existing powers have not been deployed or legislation amended to enable and accelerate action:
 - Standards: there is a lack of clear standards to drive action in private housing sector. Social housing enjoys much better energy performance standards due to regulation. The Scottish Government has spent many years exploring and developing regulations (Scottish Government working group on Regulation of Energy Efficiency in Private Houses started in 2013 using powers established in the Climate Change (Scotland) Act 2009 for both PRS and O/O). PRS regulations will finally be introduced in 2021 (understandable 1 year delay for COVID).

◦ In 2018 the EES route map committed to consider the need for mandatory standards in 2030 if progress towards EPC band C by 2040 was not sufficient. TheCCPu suggests the target will be moved forward to 2035 and standards introduced in 2024/25 with further detail to come in the Heat in Buildings Strategy. This is a welcome shift, though the delay has meant a missed opportunity in locking in early emissions reductions and giving homeowners an early and long lead time for understanding and meeting standards. We recommend introducing regulation as soon as possible, with implementation from 2025, to reach a standard of EPC band C by 2030

2. Do you think the scale of reductions proposed within the sector(s) are appropriate and are the proposals and policies within the CCPu effective for meeting the annual emissions targets and contributing towards the 75% reduction in GHG emissions by 2030 and net-zero by 2045 targets?

The Buildings Emissions Reduction Pathway to 2032¹ set out in the CCPu clearly illustrates the extent to which action needs to be ramped up over the next decade. It is ambitious, and should be welcomed given both the scale of the challenge and the opportunity this presents to transform the homes of millions of Scottish households. The Plan recognises that, if the target of reducing emissions by 75% is to be achieved, heating system conversions need to be accelerated. We very much welcome the commitment to convert over 1 million homes to low and zero emissions heating by 2030 and endorse the early actions to focus on standards and regulation; investment including scaling up of delivery programmes; and supply chain support. We specifically want to welcome the following commitments:

- Zero emissions heating systems to account for at least 50% of new systems being installed each year from 2025.
- At least 50% of Scotland's building stock is heated using zero emission systems from 2030.

We hope that more detail is to come in the Heat in Buildings Strategy on how these targets will be met, and we encourage the committee to scrutinise that document in tandem with the CCPu to fully understand how it aligns with the climate targets.

The commitment to co-ordinating decarbonisation and tackling fuel poverty is particularly welcome. Not only is this essential to ensure decarbonisation does not exacerbate fuel poverty but taking a whole house approach is also the most effective way to minimise both cost and disruption. We hope that the Heat in Buildings Strategy will set out how the Scottish Government will ensure heat decarbonisation will alleviate fuel poverty. As a start, we believe the Scottish Government should double the funding and scale of its existing energy efficiency and fuel poverty programmes in order to maximise their impact and support the green recovery.

In addition to the key commitments noted above on decarbonisation and tackling fuel poverty, we wish to welcome the following additional commitments:

- Doubling of zero emissions heat technologies year on year up to 2025
- An early public engagement strategy for heat decarbonisation
- Creating the conditions to secure the growth of heat networks
- Developing a supply chain strategy
 - Local Heat and Energy Efficiency Strategies by 2023
 - Taking steps to facilitate common works in tenement buildings as part of the standards and regulation work
 - Review the system of building assessments and reports on energy performance and heat to ensure a system that is fit for purpose in meeting net zero emissions objectives for heat in buildings
 - Support for demonstrator projects and “learning by doing”.

We do have concerns that the proposals contained within this Plan are insufficient to ensure the conversion of 1 million homes and make meeting the 75% emissions reduction by 2030 target unlikely – though more detail may come in the Heat in Buildings Strategy which could respond to these concerns.

Key Concerns

- The ambition to convert 1 million homes by 2030 is challenging and we are lacking a clear strategy on delivery, leading to confusion and disengagement.
-

EHA proposed solution:

The forthcoming Heat in Buildings Strategy must clearly set out how we will achieve this and by what means (delivery programmes, regulation, engagement, technologies). Scottish Government needs to provide the policy certainty and leadership as the market will only follow demand.

The CCPu commits to developing long term public engagement strategy in 2021 which is welcome. This should be developed quickly, drawing on existing research (The right frame of mind: Engagement for domestic energy efficiency in Scotland) with implementation in 2021. Quality advice and support services must be available to support homeowners and others to make decisions that will ensure every home gets the most cost effective and appropriate package of investment. At the same time, enhanced communications and engagement to promote existing and new schemes over the course of 2021. This will require additional funding in the 21/22 Scottish Budget.

We also recommend a rural heat transition support package is developed and implemented in 2022/23, tailored to the specific needs of homes in rural and remote areas; and technical support/expertise is funded / provided for local authorities and

social housing providers making decisions on a large scale, to ensure that solutions are tailored to the neighbourhoods and innovative, future thinking solutions are considered.

- The Plan states that all new homes and buildings consented from 2024 will use zero emissions heating and be highly energy efficient. We believe this is a missed opportunity and there is potential to have an impact earlier.

EHA proposed solution:

We believe the new standards should be brought forward to ensure that all new homes actually built as opposed to consented from 2024 use zero emissions heating (the CCC 6th Carbon Budget report recommends such standards 'in advance of 2023'). There should be no retreat from the position that there will be no gas boiler installations allowed by the new standards. And at a minimum the Scottish Government should ensure that homes built between now and 2024 are low carbon heat ready (as proposed by UK Gov and Welsh Government).

The Scottish Government should also lead the way by requiring that new homes receiving government funding must be zero carbon from heat by 2022. This not only accelerates transition but also helps build supply chains to manage future demand.

- The Plan states that the HiBS will commit to putting in place standards and regulation that will ensure all buildings are energy efficient by 2035.

EHA proposed solution:

We believe that homes need to have an Energy Performance Certificate rating of at least C by 2030, and that these standards must be introduced in 2021 with implementation from 2025 so that homeowners, landlords and businesses know what is expected of them and can make the changes needed. This standard and timetable will lock in emissions reduction early, reduce heat demand and make the decarbonisation of heat more affordable.

- The CCPu recognises the good progress that has been made in terms of increasing the numbers of homes meeting EPC C or better, however it must address the barriers remaining if we are to accelerate improvements.

EHA proposed solution:

It is essential that the HiBS recognises the challenges of mixed tenure and hard to treat homes and ensure that an appropriate framework of support and regulation is in place. We recommend that this includes enabling homeowners to better understand the condition of their homes through initiatives such as the Digital Home Log-book (this type of approach was referenced by the SLWG on Assessments which has stalled). We also recommend that, to manage the particular challenges

faced by owners in tenements, from 2028 tenement owners should be required to carry out regular surveys, set up building reserve funds and owners associations.

- The requirement for local authorities to have prepared LHEES by 2023 is positive, however the coverage and quality of LHEES across the 32 local authorities is uneven and they lack the high profile and leadership required to drive them forward.

EHA proposed solution:

We believe that local authorities must be adequately resourced to ensure they are equipped to develop and deliver robust LHEES. As LHEES are being completed across Scotland, those strategies which are completed should enter the implementation phase as soon as possible. LHEES must be made a statutory duty to ensure it receives priority, resourcing and leadership.

3. Do you think the timescales over which the proposals and policies are expected to take effect are appropriate?

We believe there are several areas where timescales need to be brought forward and clearly defined, along with interim milestones for monitoring purposes. We note that in the CCC's letter to the Cabinet Secretary Roseanna Cunningham (9 December 2020), they advised that "Scotland's 75% target for 2030 will be extremely challenging to meet, even if Scotland gets on track for Net Zero by 2045." The letter goes on to advise how the Scottish Government could go beyond the abatement scenarios in the CCC's 6th Carbon Budget report – two of the four suggestions relate to retrofit of buildings: scrapping of high carbon assets such as fossil-fuel boilers and additional retrofit of hybrid heat pumps alongside improvements in energy efficiency. In light of this advice, we believe there is a need to accelerate some of the policy proposals in the CCPu to meet the 2030 emissions target:

- CCPu policy/proposal: Review existing fuel poverty and energy efficiency programmes

EHA view: Double the scale and budget of the existing Warmer Homes Scotland and Area-based schemes from 2021/22 to maximise impact in terms of jobs and emissions reduction.

- CCPu policy/proposal: All new homes and buildings consented from 2024 will use zero emissions heating and be highly energy efficient.

EHA view: We believe this should be brought forward to ensure that all new homes actually built as opposed to consented use zero emissions heating.

- CCPu policy proposal: All buildings are energy efficient by 2035 and zero emissions from heat by 2045 (the CCPu annex suggests the standard for energy efficiency would be EPC band C).

EHA view: We believe this must be brought forward to 2030 to reduce heat demand and enable effective and cost-efficient decarbonisation of heat. We believe that most homes should be zero emissions from heat by 2040, maximising emission reductions early to address the climate emergency and investing in the green recovery to address the economic impact of the global pandemic.

To achieve this standard, we believe regulations for the O/O sector should be introduced as soon as possible, with implementation from 2025, requiring EPC band C to be met at the point of sale or major refurbishment. We believe that getting the balance right between regulation and support is critical. Hence, the introduction of regulation should be accompanied by attractive financial support – one tool could be the use of a carefully designed boiler scrappage scheme.

- CCPu policy/proposal: Ambition to double rate of zero emission heat installations year on year to 2025

EHA view: To support this ambition, and the aim for all buildings to be zero emissions from heat by 2045, we believe phase out dates for replacement fossil fuel boilers should be set – for off-gas grid properties from 2025 and for on-gas grid from 2030 at the latest. Again, this could be supported by a boiler scrappage scheme.

4. To what extent do you think the proposals and policies reflect considerations about behaviour change and opportunities to secure wider benefits (e.g. environmental, financial and health) from specific interventions in particular sectors?

Behaviour change:

We were pleased to see the Scottish Government's acknowledgment in the CCPu of the CCC's estimate that more than 60% of emissions reductions to meet Net Zero will need to come from societal change⁵. As the CCC stated in their October 2020 advice to the Scottish Parliament, "much of the success in reducing Scotland's emissions has been invisible to the public. Government policy has enabled emissions reductions to proceed in a way that has not required mass engagement..." (p.123).

The CCPu should consider the role of behaviour change in ensuring that envisaged emissions reductions are actually achieved in practice. How energy is managed is already recognised as a driver of fuel poverty, and 'after care' support is provided as part of the fuel poverty programme to ensure households know how to use their

new heating systems for maximum benefit. The same should apply for anyone transitioning to new energy systems or tariffs. It's all well and good increasing the installation rates of energy efficiency and low carbon heating systems but people need to use these appropriately to ensure that envisaged emissions reductions are achieved and also so that financial savings can be realised.

We support the measure to develop and implement a public engagement strategy. It is essential that this is not simply an awareness raising marketing campaign, but learns from the long experience of Home Energy Scotland and other local and community energy advice groups, as well as the SEEP pilot projects. It is important that homeowners are supported, from seeking information and advice, through identifying the right solutions, the best contractors, how to operate the systems, and all backed up through robust quality assurance.

Wider benefits

For several years we have called for an ambitious programme of low-carbon refurbishment of Scotland's homes, aimed at cutting greenhouse gas emissions, tackling fuel poverty, improving health, and creating jobs. A similar view on the potential wider benefits from specific interventions has been articulated by others, including the Just Transition Commission¹, which called for more action on energy efficiency retrofit as part of a green recovery stimulus package following the COVID-19 public health crisis.

We agree that fairness and inclusivity is held at the heart of our climate action. This will ensure that no individuals and communities are left behind as we plan and prepare for transformational changes on their way. Taking action in these areas will also allow inequalities to be tackled, provide good jobs, improve Scotland's environment and support a thriving, wellbeing economy.

5. Reflecting particularly on the CCPu sections on 'Green Recovery' and 'Cross-Sector issues', to which extent does the CCPu deliver a green recovery?

The case for investing in retrofit of Scotland's housing as part of the economic recovery plan is very strong and recognised by government advisors and commentators. For example, the UK CCC included buildings retrofit as one of five priority measures for immediate expansion in its recent advice on a green recovery to the Scottish Government. A report from Smith School of Enterprise and the Environment at Oxford University identified building energy efficiency retrofits as one of five policies with "high potential on both economic multiplier and climate impact metrics." Previous to the Covid-19 crisis, the Scottish Infrastructure Commission and the Just Transition Commission had already recommended additional investment in building retrofits.

Building retrofit projects are excellent value for money investments because they provide an immediate economic impact, all over the country. They are 'shovel ready' and use local labour and SMEs. In Scotland we are fortunate to have a strong delivery structure in place with Energy Efficient Scotland, with programmes ready to accelerate and scale up.

In supporting Scotland's green recovery following the pandemic, the EHA has endorsed the recommendations in the Just Transition Commission's advice on the green recovery, which has called for a boosting of investment in Scotland's energy efficiency programmes. This is because of the multiple benefits these programmes can deliver in terms of good secure jobs, enhanced public health, tackling fuel poverty (and poverty more widely through supporting local economies) and reducing climate change emissions.

In terms of Scotland's existing buildings, a green recovery will mean everyone in Scotland living in a warm, zero emission home, that is affordable to heat. It also means creating and sustaining good secure jobs in insulation, heat pumps, heat networks, and building maintenance across the length and breadth of Scotland. With analysis by the Scottish Government suggesting fuel poverty rates could potentially increase to 30% of households due to the economic fallout following the COVID-19, investing in affordable people's homes has become even more critical. We estimate there could be 16-17,000 jobs created and sustained from a major retrofit programme. These would be local jobs, all over Scotland – so a distributed benefit. There are also opportunities in manufacturing and innovation in services. We strongly support the commitment to develop the supply chain, to ensure it is ready to meet the growing demand, and to support the green recovery. The careful use of public procurement to support local jobs in publicly funded retrofit programmes is also important.

The CCPu contributes to Scotland's green recovery by picking up a number of themes first expressed in the 2020-2021 Programme for Government. A number of these align with priorities for the EHA:

- Attracting investment – Both public and private investment must play a role in delivering the transition to Net Zero. This will require every possible policy lever to be used to encourage action on the ground and the creation of a level playing field so that the transition to Net Zero is fair and equitable, at the same time as being the only viable choice.
- Increasing and sustaining good 'green' jobs – The CCPu has at its centre a commitment from government to create and protect good and green jobs, strengthen supply chains, deliver new skills, boost household incomes and reduce fuel poverty. There is significant potential for jobs arising from investing in a major energy efficiency retrofit and heat programme⁵.

- Adaptation & resilience – Improving public understanding of the contribution people and communities can make to meeting climate change targets will help embed resilience and security into Scottish society and the economy.

Retrofitted buildings are more resilient to the impacts of climate change.

- A localised, place-based recovery – The CCPu outlines the Scottish Government's commitment to delivering a place-based approach to the green recovery.

Retrofit plans should be developed with community involvement, tailoring solutions to local circumstances and ensuring that the benefits are spread widely.

Submission from Royal Town Planning Institute Scotland

1. **What is your assessment of the progress to date in cutting emissions within the sector/sectors of interest and the implementation of the proposals and policies set out in previous Climate Change Plans (RPP1-3)?**

RTPI Scotland supports the Scottish Government's ambition to achieve reductions in climate change the achievement of a net zero carbon target by 2045. Our expertise are not in climate science, but rather in the question of how we can help society adapt to both meet the new targets, and to mitigate the impacts of climate change that are now unavoidable. Nevertheless, within the limits of our knowledge we support the approach laid out in the consultation paper, and look forward to working with the Government and others to deliver the Climate Change Plan that ensures that Scotland will fulfil its ambitions, and obligations, regarding climate change causing emissions

2. **Do you think the scale of reductions proposed within the sector(s) are appropriate and are the proposals and policies within the CCP effective for meeting the annual emissions targets and contributing towards the 75% reduction in GHG emissions by 2030 and net-zero by 2045 targets?**

See above

3. **Do you think the timescales over which the proposals and policies are expected to take effect are appropriate?**

See above

4. **To what extent do you think the proposals and policies reflect considerations about behaviour change and opportunities to secure wider benefits (e.g. environmental, financial and health) from specific interventions in particular sectors?**

The CCPu runs to 255 pages, however we are disappointed that the role of the planning system is covered in a single page. Although there are references to place based approaches and the National Planning Framework in other parts of the document, we have concerns that the potential of the planning system and the support that it gives to place-based work to help achieve the net zero targets is not recognised.

Doing this requires a planning system that is:

- corporate and collaborative to support and influence investment and policy across local and national government

- frontloaded and proactive system to allow for community and stakeholder engagement on the priorities for an area and who is going to take them forward
- able to deliver sustainable development by ensuring the vision for an area is viable and resourced
- recognised as a valuable way of providing solutions to complex issues, and resourced to fulfil this task The planning system can be a facilitator of the Place Principle and place based approaches.

Achieving the net zero carbon targets – and the current situation regarding Covid-19 - shows the need to change how we work and the need to plan, prepare and provide a routemap for a different Scotland. There is a need to agree that we need a new normal and how we achieve this. We need to embed resilience into how our cities, towns, villages and neighbourhoods function and develop over time. This needs to embrace risk in a more positive and constructive way. To make this change RTPi Scotland is of the view that there is a need to undertake the following shifts:

- from short term thinking to long-, medium- and short- term thinking
- from having many overlapping and disjointed strategies to complementarity
- from an opportunistic, reactive approach to development to a planned, proactive approach
- from economic priorities to holistic priorities covering environmental, social and economic issues
- from a competitive investment approach to one of managed investment
- from a deal-making approach to one based on providing a place vision first
- from short-term, project focussed investment to a planned long term holistic vision

The Committee may also want to read our recent report Plan The World We Need at www.rtpi.org.uk/plantheworldweneed

A green recovery from COVID-19 will require a reduction in unsustainable patterns of consumption, which contributes to climate and ecological breakdown and increases the risk of future pandemics. These pressures, coupled with continued supply chain disruption and the need to decarbonise, could also impact on land use. Urban areas could see increased demand for sectors which support a circular economy, such as decentralised manufacturing and upcycling, while rural areas could see changing patterns of demand for food, timber and minerals. These changes will be coupled with the contraction of at-risk sectors, creating challenges for certain places. Proactive planning and place-leadership will be needed to maximise the opportunities of a green industrial revolution, while helping vulnerable places navigate through a difficult transition.

We believe that planning, planners and the planning system can support change through the following:

- Improving the quality of existing homes and neighbourhoods. The focus of planning on new build supply must be complemented with efforts to improve existing housing stock. Much-needed investment in energy efficiency retrofit should be linked to masterplans which regenerate deprived areas, protecting the rights of existing residents, and improving access to jobs, services, amenities and infrastructure.
- Deliver high quality and affordable housing in the right locations. Significant growth should be mixed use and targeted on brownfield sites which support wider regeneration efforts. Housing should come from a more diverse range of providers, including SME's, housing associations, local authorities and the custom and self-build sector, with clear design standards for space, light and thermal efficiency.
- Improving access to green spaces. Parks, public gardens and other open spaces should be integrated into strategic plans for critical green and blue infrastructure. These should improve quality, scale and accessibility of green spaces, especially in areas of deprivation, while delivering multifunctional benefits such as flood mitigation, cooling, air quality, active travel, biodiversity gains, habitat creation and space for urban agriculture.
- Embedding 'climate justice' in plan-making. Strong climate mitigation and adaptation policies are required to achieve net zero carbon and increase resilience to environmental risks. These policies must be designed to support the most vulnerable in society, integrated with the measures outlined above.
- Integrating temporary measures to enable walking and cycling into wider strategies for place, locking in long-term shifts in travel behaviour. This will require multidisciplinary place-based teams which can integrate active travel measures with plans for high street regeneration, green infrastructure, new car-free residential and commercial developments, electric vehicle charging points and last-mile deliveries.
- Engaging with communities and businesses to ensure that changes meet a range of mobility needs. This should include groups which promote diversity and equality in walking and cycling, including in more rural areas.
- Collaborating on temporary measures to support sustainable mobility in car-dependent locations. Provide evidence on locations where ongoing subsidy will be required to maintain levels of public transport coverage and frequency, or initiatives to provide access to active and shared mobility options, such as like electric bikes.

- Designing and locating new development to maximise accessibility by public, active and shared modes of transport. Patterns of housing and commercial development must support urban regeneration and renewal, and provide levels of patronage which support the recovery of public and shared transport providers, rather than diverting public funds towards the expansion of the road network to accommodate car use.
- Identifying, developing and approving suitable renewable energy developments at a strategic and local level whilst integrating and empowering key stakeholders such as local communities to deliver low carbon, resilient and affordable energy networks.

RTPI Scotland believes that the 4th National Planning Framework (NPF) provides an opportunity to effect real, positive change towards a green recovery. To maximise this RTP Scotland believes that:

- NPF4 should be accompanied by a 10 year capital investment programme with buy in from across government.
- It should be used as a key corporate document that influences Scottish Government decision making and has buy in from all Cabinet Secretaries in supporting their Post Covid-19 recovery ambitions and as a vision piece on planning for the 'new normal'.
- It should be seen as the spatial articulation of the Scottish Government's National Outcomes - much as development plans are the spatial articulation of Local Outcome Improvement Plans - which clearly sets out relationships between the planning at national, regional, local and community levels.
- NPF4 should embed "Place and Wellbeing" themes from Place Standard and ensure collaborative implementation of the NPF through the place principle.
- NPF4 should be structured around outcomes which are tied into planning authority performance assessment frameworks and priority strategic themes on achieving climate action, delivering a net zero carbon Scotland and improved health and wellbeing and it should promote active and sustainable travel. The document should ensure that the reuse first principle - where previously used land, buildings, places, materials and infrastructure are given preference to new - is applied across all of planning for places.
- It should adopt and embed the principle of planning decisions that provide long-term positive impacts to prevent persistent problems such as poverty, health inequalities and climate change and which meet the needs of future generations.

- It should include short-, medium-, and long-term milestones and establish a delivery oversight group (which should include representatives from younger generations) to report annually on progress being made.

The next version of the NPF will also become part of Local Development Plans across the country. This presents a real opportunity to ensure that these documents – which will provide the basis for decision on planning applications – can promote the actions required to ensure that future development support net zero carbon targets. A strong policy context is essential to ensure often difficult decisions are made for the long term public interest.

5. Reflecting particularly on the CCPu sections on ‘Green Recovery’ and ‘Cross-Sector issues’, to which extent does the CCPu deliver a green recovery?

As stated earlier we are disappointed by the lack of recognition given to key role that planners, planning and planning system can play in supporting the move towards net zero carbon. This requires investment in:

- Effective leadership from elected mayors and councillors will be critical to the recovery, and should be informed by the expertise of Chief Planning Officers
- Robust strategic planning arrangements aligning infrastructure investment and other stimulus measures with the needs of businesses, and the economic, social and environmental priorities of multiple local authorities.
- Investment in proactive planning to allow for meaningful participation with local communities and close collaboration between council departments, developers, businesses and infrastructure providers.
- Resources for community participation in planning.

Other key opportunities include:

Governance and resourcing

- Place leadership. Effective leadership from Scottish Government, working with local authorities, informed by the expertise of Chief Planning Officers in each local authority. Providing more powers and funding should be devolved to support ambitious regeneration programmes that require land assembly, direct delivery of affordable housing, and upfront infrastructure investment.
- Robust strategic planning arrangements. Many of the challenges require planning across wide geographical areas, aligning infrastructure investment and other stimulus measures with the needs of businesses, and the economic, social and environmental priorities of multiple local authorities.

- Investment in proactive planning. Public sector planning has seen disproportionate cuts which makes it extremely challenging to deliver on the wider objectives of planning. Financial assistance for local government should include sufficient investment in plan-making for the recovery, and allowing for meaningful participation with local communities and close collaboration between council departments, developers, businesses and infrastructure providers.
- Resources for community participation in planning. Existing neighbourhood and community-level planning systems should be strengthened to ensure that diverse voices are reflected in plan-making.

Joined up national strategies

- Infrastructure: National infrastructure spending should be closely aligned with the delivery of long-term visions and objectives for place, with upfront investment to reduce travel demand and encourage public, active and shared modes of transport, enable sustainable land use, support urban regeneration, accelerate progress towards net zero carbon, increase resilience to risk, and improve health and wellbeing.
- Building retrofit and reuse: 80% of the buildings that will exist by 2050 have already been built. National strategies should deliver the labour force and investment needed to maximise their energy and water efficiency, accelerating progress towards net zero carbon. Policy and taxation should also prioritise building reuse and refurbishment over demolition and rebuild, where lifecycle emissions would be lower as a result.
- The climate and ecological crisis: Cross-departmental strategies should provide clarity on the legislation, regulation, policy and investment needed to decarbonise heat and transport, and deliver national environmental priorities. These should remove barriers to planning for networks of active travel, district heat, smart energy and multifunctional blue/green infrastructure, ensuring that investment is directed to solutions which have local support and deliver multiple benefits.

Common objectives and metrics

- Equality and justice: The impacts of the pandemic, economic slowdown and climate crisis are likely to place the most vulnerable at greater risk. National strategies, policies and investment decisions must help plans to tackle place-based poverty, eliminate discrimination and promote equality of opportunity across the built environment.

- Climate-proof planning systems: To accelerate progress towards net zero carbon, national planning legislation and policy should be strengthened to support high levels of energy efficiency in new development, maximise accessibility by sustainable modes of transport, and overcome barriers to the delivery of smart and renewable energy infrastructure.
- Infrastructure appraisal: The regulatory framework for utilities, and transport appraisal methodologies, should be improved to better align infrastructure investment priorities with the economic, social and environmental objectives of planning. The Well-being of Future Generations Act in Wales provides an example of how better legislation can shape infrastructure decisions.
- Measuring planning outcomes: Establish common metrics to measure and monitor the short, medium and long-term performance of planning. These should look beyond housing delivery to focus on decarbonisation, resilience, accessibility to services and infrastructure, design, health and wellbeing.
- Scenario modelling tools. Local authorities should have access to open source scenario modelling tools which allow for different policies, land uses and infrastructure investments to be tested against key sustainability criteria.
- Standardisation and open data. Planning for the recovery requires close cooperation between local government departments, developers, infrastructure providers and others. This can be facilitated through the standardisation of common built environment language, processes, documents and data, and by ensuring that planning documents are published in a machine readable format.
- Digital tools for inclusive and participatory planning. These should complement traditional face-to-face methods, enabling discussions with diverse stakeholders to gather qualitative data on local priorities for place, and enabling planners to analyse large volumes of representations.