

SEPA placemaking: Net Zero Grangemouth and The Leven Programme

Background: Grangemouth

Scotland is committed to the ambitious goal (and challenge) of transitioning to an inclusive and resilient net zero economy. Regulators, businesses, communities, and other stakeholders recognise that to align with these goals multi-stakeholder collaboration is vital followed swiftly by the development and implementation of delivery plans.

In 2021 SEPA was asked to lead on the Grangemouth Regulatory Hub workstream for the Grangemouth Future Industry Board (GFIB) <https://www.gov.scot/groups/grangemouth-future-industry-board/>

The role of GFIB is to support industry and communities in the Just Transition whilst keeping a competitive edge, so regulation must play a critical but sensitive role. The port of Grangemouth handles approximately 30% of Scotland's GDP so is critical to the economy.

Regulation needs to be flexible and agile enough to support a transition but also needs to protect people and the environment - to ensure we lead this workstream whilst maintaining and upholding our credibility as regulators.

Environmental regulations will protect and improve the environment but currently, even with 100% compliance, cannot solve the climate emergency. Regulation needs to be flexible to help achieve net zero ambitions and support businesses as they adapt to new processes whilst protecting communities in this transition to a decarbonised future.

This port town was built below sea level and now needs an investment of over £600m for a flood protection scheme to protect the industries and communities that have settled there and in nearby Falkirk. There has been a bid for Green Free Port status for Grangemouth. The potential implications of this on wider regulation will need to be explored and regulators must be ready to move swiftly if the bid is successful.

It is a complex and multi-faceted challenge.

Purpose and next steps

SEPA's work to date has been to identify and bring together key regulators, public sector organisations, business, and communities to understand the existing regulatory, socio economic and investment environment and explore what a future resilient Grangemouth could look like. We want to co-develop and design this work with all those who will use it or need it, including our staff.

The challenge is to convert the momentum into specific, measurable actions at a local level. There are few local baselines, corporate reporting cannot be reconciled to individual sites and most planning in the public domain is at too high a level for accountability.

We will work to develop an understanding of the holistic regulatory environment in Grangemouth, including economic, environmental, and national/regional policies, strategies, and incentives. This will improve our understanding of investment drivers and constraints, make dialogue with business and industry more credible and allow us to encourage and support the right kinds of innovation timeously.

We intend to explore and test an approach to the implementation of environmental regulations, with a focus on Scotland's net zero ambitions and supporting businesses as they adapt to new processes in the just transition to a decarbonised future.

Key deliverables:

- Discovery based stakeholder needs analysis
- Multi-benefit, multi-stakeholder outcome-based regulation logic model
- Prototype outcome based regulatory framework integrating decarbonisation, just transition and public bodies climate change duty
- Pilots with key regulated businesses (INEOS, Scottish Water, SMEs (Small Medium Enterprises))
- Knowledge and learning resources and post-project governance mode

Background: The Leven Programme

The Regulatory Reform (Scotland) Act 2014 set out SEPA's statutory purpose to protect and improve the environment in ways that contribute to improving the health and wellbeing of people in Scotland and to achieving sustainable economic growth. It was this direction that led to SEPA establishing the Leven Programme, a collaborative partnership of 17 public, private, academic and third sector organisations.

This area in mid-Fife thrived during the industrial revolution but now faces multiple challenges including post-industrial legacy impacts, flooding and drought, social and economic deprivation and disconnection from nature, neighbouring communities, and the rest of Scotland.

The Leven Programme partnership is committed to addressing these challenges by prioritising outcomes, reducing duplication of effort, spend and sharing resource: all while celebrating the catchment's rich heritage to empower local people and improve their standard of living.

This place-based approach has seen significant investment to the area (over £130m to date) including active travel projects, public transport improvements, river restoration, data innovation and low carbon innovation and investment. Since the partnership was formed three years ago, both Scotland and SEPA have experienced unprecedented challenges. However, due to the resilience of partnership working and collaboration, the Leven Programme has maintained momentum and continues to deliver beyond our combined basic and statutory remits. More information about the partnership can be found at www.theleven.org.