LOCAL GOVERNMENT AND REGENERATION COMMITTEE

AGENDA

6th Meeting, 2013 (Session 4)

Wednesday 27 February 2013

The Committee will meet at 9.45 am in Committee Room 3.

1. **Public services reform and local government: strand 3 - developing new ways of delivering services (in private)**: The Committee will consider its approach to the inquiry.

   *Not before 10.00 am*

2. **Decision on taking business in private**: The Committee will decide whether to take item 6 in private.

3. **The Draft Second Climate Change Report on Proposals and Policies (RPP2)**: The Committee will take evidence from—
   
   Derek Mackay, Minister for Local Government and Planning, Angus Macleod, Policy Manager, Housing Sustainability and Innovation Funding Division, Judith Young, Team Leader, Climate Change Public Bodies Duties Team, and Graeme Purves, Assistant Chief Planner for National and Territorial Planning, Scottish Government;

   Donald Carmichael, Director Transport Policy, Transport Scotland.

4. **European Union priorities for 2013**: The Committee will consider its priorities based on the European Commission's 2013 work programme.

5. **Subordinate legislation**: The Committee will consider the following negative instrument—

   Energy Performance of Buildings (Scotland) Amendment Regulations 2013 (SSI 2013/12).

6. **The Draft Second Climate Change Report on Proposals and Policies (RPP2)**: The Committee will consider the evidence received.
The papers for this meeting are as follows—

**Agenda Item 1**

PRIVATE PAPER  
LGR/S4/13/6/1 (P)

**Agenda Item 3**

PRIVATE PAPER  
LGR/S4/13/6/2 (P)

RPP2 Evidence Submissions  
LGR/S4/13/6/3

Submission from the Scottish Government  
LGR/S4/13/6/4


**Agenda Item 4**

Paper from the Clerk  
LGR/S4/13/6/5

*European Commission's 2013 work programme: Work programme annexe;* (PDFs)

**Agenda Item 5**

SSI Cover Note  
LGR/S4/13/6/6

*The Energy Performance of Buildings (Scotland) Amendment Regulations 2013*

**Agenda Item 3 (additional submission)**

Paper from the Clerk  
LGR/S4/13/6/7
Evidence submissions – RPP2

Introduction


2. Under the provisions of the Climate Change (Scotland) Act 2009, the Parliament has a maximum of 60 days to report on the document. Four parliamentary committees have identified an interest in scrutinising the draft report: the Rural Affairs, Climate Change and Environment Committee; the Energy Economy and Tourism Committee; the Infrastructure and Capital Investment Committee and the Local Government and Regeneration Committee.

Call for written views

3. The committees launched a brief call for written views on RPP2 on 5 February 2013. Owing to the statutory timescale for parliamentary scrutiny, the Committee sought views from interested parties by 20 February. The call for views highlighted the following questions as they relate to their specific remit of each Committee—

   • The effectiveness of progress towards implementing the proposals and policies set out in the RPP1 and the appropriateness of the proposed adjustments to the proposals and policies within the RPP1;

   • The effectiveness of the proposals and policies with the draft RPP2 for meeting the annual emissions targets;

   • how these proposals and policies are likely to contribute towards the achievement of the interim target, the 2050 target and, in each target year, the domestic effort target;

   • the appropriateness of the timescales over which the proposals and policies within the draft RPP2 are expected to take effect.

4. Local Government and Regeneration Committee received submissions from the following organisations, which are attached at annexe A:

   • Burcote Wind (page 2);
   • Glass and Glazing Federation (Page 7);
   • Scottish Natural Heritage (Page 9);
   • SEPA (Page 10);
   • Scottish Council for Voluntary Organisations (Page 18);
   • Dr Louise Maythorne (University of Edinburgh) (Page 24)

David Cullum
Clerk
1. Introduction

Based in Dunfermline but active throughout the UK Burcote Wind is an independent, progressive renewable energy company, with a strong focus on helping to create economically and socially sustainable communities as a result of our projects.

We specialise in onshore wind energy projects from the identification and design stage right through to construction and operation. At every stage, we involve local communities to make sure they get the information they need and reap the rewards from having a wind farm in their area.

We believe passionately in the need for renewable energy but are also acutely aware of the necessity for sensitive and sustainable development. This means we take great care to make sure our wind farm proposals are sympathetic to the needs of local people and the local environment.

With climate change already making its impact felt, we believe that the UK has an opportunity to capitalise on its unique wind resource to move away from damaging fossil fuels to clean, green, limitless wind energy.

2. Issues relating to Economy, Energy & Tourism Committee

(a) Reducing Energy Demand, Emissions and Fuel Poverty

The primary environmental benefits of windpower are to cut carbon emissions, reduce reliance on fossil fuels and improve energy security. Wind developments can also enable wider environmental and habitat improvements. We estimate that, if consented, our projects would displace around 1,103,372 tonnes of carbon emissions a year and provide enough clean energy to power over half a million homes.

In addition, because of the increase in the price of fossil-fuelled utilities, through our discussions with local communities we have been encouraging them to consider using some of the community benefit funds associated with our projects to be used on measures for tackling fuel poverty. This has included suggestions from communities such as retro-fitting improved insulation and other energy efficiency measures into older homes or the installation of small scale renewables such as solar panels to reduce energy consumption. A further suggestion made by communities is to develop district heating systems, which can be cheaper and more environmentally friendly and are already used in parts of Scandinavia.

(b) Renewable Energy

Technically speaking, the 2020 renewables target for the equivalent of 100% of Scotland’s electricity needs to come from renewable sources is achievable and will make a significant contribution towards meeting CO\textsubscript{2} reduction targets set out in the Climate Change (Scotland) Act. The technologies, particularly in the case of onshore wind, as well as the political will, are there. Our pipeline of projects alone
totals around 790MW of potential installed capacity, enough to generate more than 1,900 gigawatt hours of electricity and to displace approximately 1.1 million tonnes of CO₂ each year.

However, Burcote Wind believes that the complexities of the planning process and the high costs associated with connection to the electricity grid present significant barriers, especially for onshore wind projects which will form a large proportion of the renewable energy installations needed to meet the targets. We believe that these barriers have the potential to jeopardise the achievement of those same targets.

(c) Interconnection, Grid Upgrades and Transmission Charges

Grid infrastructure and its associated charging regime currently represent one of the biggest barriers to achieving Scotland’s renewables targets.

With regard to connection charges, developers are currently mandated by National Grid to underwrite enormous costs to upgrade grid infrastructure in areas where it is inadequate. Given the location of many onshore wind farms in relatively remote or rural areas, these costs often run into millions of pounds, even for small projects.

Under the current system, developers are forced to pay a non-refundable deposit (based on a cost-per-kilowatt/hour of the total installed capacity) on the ‘trigger date’, i.e. the date on which work is commenced by the DNO (Distribution Network Operator) to provide the wind farm connection. However, this ‘trigger’ bears no relation to the planning process – so in effect developers must start paying these fees (running into the hundreds of thousands of pounds for a large project) without any guarantee of planning consent.

Furthermore, if planning permission is refused and the connection agreement cancelled, cancellation fees are due and typically run into millions of pounds. If a development does proceed, the connection costs are recovered through the annual connection and use charges paid to the DNO and are not required as an upfront capital cost to the project.

While Burcote Wind appreciates the need to deter purely speculative applications, these fees represent a significant deterrent to smaller onshore wind developers, reducing competition and diversity by effectively skewing the market in favour of a small number of established companies (principally UK and foreign-based utilities) which have the necessary operating capital to absorb such fees.

Regarding transmission charges, Burcote Wind believes improved transmission infrastructure represented by such projects as the Eastern HVDC Link, the Western HVDC ‘Bootstrap’ Link and the Beauly-Denny transmission line, are welcome developments which should hopefully enable Scotland and the wider UK to take fuller advantage of the tremendous wind resource of Scotland.

Nevertheless, a major barrier to the Scottish Government achieving the 100% target by 2020 is grid availability. The current commercial regime means that most applications for grid connection will be made at the time of being granted planning consent for the project, with the DNOs and NGET regularly quoting up to five years to provide a connection. We are concerned that the DNOs and NGET are not
3. Issues relating to Local Government and Regeneration Committee

Delivering Emissions Targets

Burcote Wind believes that all levels of society and government structures must work together to meet emissions targets. It is not enough simply to install renewable energy; communities must be encouraged and incentivised to work towards achieving reductions in overall electricity consumption in their area, in some cases using money from local renewables projects. In addition, the planning system and local authorities must be able to do their part as well.

i) Communities

Community engagement is hard-wired into Burcote Wind’s approach to our projects and, we believe, has to be thorough and a two-way process to be meaningful and effective.

Community engagement is a through-life process of working with local groups and residents as a valued part of the community during pre-planning, application, consenting strategy, construction and operation of the wind farm. We typically start out community engagement right from the very outset of a project—typically when we seek a scoping opinion from the Local Authority or Scottish Ministers about a site or submit a planning application for a temporary anemometer or “met” mast to measure wind speeds. We believe it’s right to start as early as possible, to give us sufficient time to present our plans to the community and adapt them in light of feedback, instead of simply showcasing a finalised layout.

Through the setting up of a Community Liaison Group (CLG), Burcote Wind works with Community Councils, Schools & Colleges, local Skills Providers, Businesses, local politicians and others in order to encourage local communities to consider major issues for their area and how community benefit funds might be used in the event of a site being approved, including reducing their own emissions.

For example, we have already heard ideas from communities such as investing in initiatives such as in low-carbon community transport, additional local renewables projects, working with colleges to deliver new jobs in the carbon economy or fitting more efficient heating systems to individual buildings or wider communities. All of these measures would not only directly reduce carbon emissions from individual communities but would also inevitably create a raised level of awareness amongst local people which could result in lifestyle changes bringing further benefits.

ii) Local Authorities

Much of the burden for dealing with renewable applications falls upon local authorities, which are either required to decide on applications below 50MW or to comment on major applications above 50MW as a statutory consultee. For this reason, Burcote Wind welcomes the decision by the Scottish Government to create a...
Annexe A

fund to help local authority planners deal with high numbers of applications for wind turbines. We are hopeful this will help to speed up the system and result in local authorities being able to produce opinions and to take decisions more quickly than is currently the case.

In addition to this, however, Burcote Wind would like to see closer cooperation between Councils and communities in determining how community benefit funds can be effectively spent. Burcote Wind believes that at least 80% of funding from community benefit funds should be spent on addressing local socio-economic needs, with the remaining 20% focused on smaller ad-hoc projects. In so doing, we believe there is significant scope for these funds to be invested in projects and initiatives that will contribute to reducing CO\(_2\) emissions by reducing energy consumption, improving energy efficiency and tackling fuel poverty. In developing effective community benefit strategies for each of our wind farm proposals, both before and after consent is granted, we make strenuous efforts to broker strong relationships between local communities and the relevant departments in local authorities to ensure these strategies are effectively coordinated with local authority policies and programmes. This enables the Council to engage in exchanges of best practice either by passing on ideas from other areas or, indeed, learning from local communities and sharing this knowledge with other communities elsewhere.

iii) Planning System

Resourcing is stretched in many areas of the system that is integral to the planning process. We have experienced significant delays in our dealings with local planning authorities and statutory consultees, such as Scottish Natural Heritage.

The planning system around onshore wind energy developments is complex. In part, this is an unavoidable product of the technical studies which need to be conducted in advance of a planning application being made. Statutory consultees, including Scottish Natural Heritage, can stipulate a preference for ornithological surveys to be conducted over two and sometimes even three years to monitor the behaviour of certain bird species over a site. This inevitably extends the total duration of the ‘planning’ or, more correctly, the pre-planning process.

In terms of time taken prior to submitting a Planning Application, there is usually approximately six months of landowner negotiation; 12 months of legal agreements; and 24 months of bird surveys, during which time public consultation is also undertaken. This means there is on average a 3.5 year pre-planning period.

Burcote Wind suggest that there should be scope to consider the absolute requirement for extended survey periods on a case by case basis, and where initial survey work indicates low potential for significant bird activity that would be problematic for developments, potentially allow earlier submission on the basis of ongoing survey work throughout the determination period. Burcote Wind have progressed initial dialogue with ECDU and SNH on this basis, and this has been generally supported, albeit with the caveat that each case will require to be considered on its own merits. A pragmatic approach to addressing survey...
requirements should assist all parties in terms of expediting the consenting process, and establishing whether a project is deliverable, and can have the potential to make a positive contribution to government targets.

Conclusion

Burcote Wind believes that significant progress has been made towards meeting Scotland’s renewables and CO₂ reduction targets. We believe that, if certain structural changes are made within the grid and transmission system, as well as within the planning system, the future is bright for the environment and for the renewables industry in Scotland.

Our approach of focussing on the importance of communities gives us a unique insight into what can be achieved if local people are engaged properly. With the right support, encouragement and incentives, communities can significantly increase the positive impact of renewable energy projects by undertaking their own initiatives in the area.

We look forward to continuing our work with local communities in relation to the renewable energy projects we are seeking to develop throughout Scotland. In the meantime, we would be happy to provide the Economy, Energy & Tourism Committee or the Local Government and Regeneration Committee with additional information if that would be of assistance.

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SUBMISSION FROM THE GLASS AND GLAZING FEDERATION

1. The Glass and Glazing Federation (GGF) supports the Scottish Government in its efforts to cut carbon emissions, reduce fuel poverty and increase the energy efficiency of its housing stock.

2. The GGF is the main representative organisation for companies involved in all aspects of the manufacture of flat glass and products and services for all types of glazing, in commercial and domestic sectors. The GGF has approximately 500 members of all sizes who can be found in over 1,500 business locations throughout the UK.

The effectiveness of progress towards implementing the proposals and policies set out in the RPP1 and the appropriateness of the proposed adjustments to the proposals and policies within the RPP1

3. The GGF supports any proposals and policies which aim to encourage consumers to cut their carbon emissions by installing energy efficient glazing; therefore any move towards this in RPP2 is welcomed.

The effectiveness of the proposals and policies with the draft RPP2 for meeting the annual emissions targets

4. The GGF agrees with the view expressed in the report that there are major opportunities outside renewable energy to help improve the energy efficiency of the residential and industrial sectors, reduce fuel poverty in households and improve productivity and resource efficiency for businesses.

5. The GGF believes that the retrofitting of Energy Efficient Windows has a significant role to play in reducing carbon emissions from domestic and non-domestic buildings. A number of trials carried out for the Green Deal scheme, proved that windows are popular with consumers, and consumers should therefore be encouraged to adopt a “whole house” approach when installing energy efficient measures. For example, there is much interaction between solid wall insulation (SWI) and windows, as to undertake SWI work correctly the windows should be replaced or the existing windows removed and reinstalled on wider projection sills and possibly external linings. To not undertake this work correctly thermal bridging could occur, and potentially water ingress into the structure, thus creating major problems in the building fabric. It would therefore be a sensible and efficient approach to upgrade new windows and doors at the same time that SWI is installed.

6. Given their popularity with consumers and energy efficient benefits, the essential role that windows have to play in reducing energy use and carbon emissions from homes is evident and building regulations and planning guidance should support this.
Annexe A

How these proposals and policies are likely to contribute towards the achievement of the interim target, the 2050 target and, in each target year, the domestic effort target;

7. Please see above for information on how the GGF’s suggested proposals would contribute towards the achievement of these targets.

The appropriateness of the timescales over which the proposals and policies within the draft RPP2 are expected to take effect

8. The GGF believes that the Scottish Government should be bold in their aspirations for cutting carbon emissions and encouraging householders to improve the energy efficiency of their windows is something which will have a significant effect on this. The GGF is supportive of moves to implement energy efficiency measures as soon as is reasonable and practically possible.

9. We are in agreement that there should be a suitable lead time in between consulting on draft regulations and the application of any standards to allow time for householders, landlords and industry to prepare for the changes.

For further information please contact Nigel Rees, Group Chief Executive of the Glass and Glazing Federation for further information: Glass and Glazing Federation, 54 Ayres Street, London, SE1 1EU Tel DD: 020 7939 9113 or via email on nrees@ggf.org.uk
SUBMISSION SCOTTISH NATURAL HERITAGE

Thank you for the opportunity to provide evidence to Parliamentary Committees on the RPP-2. Climate change is characterised by complexity and continues to present challenges for integrated delivery around multiple and shared objectives. Our responses are interdependent. We address the four main questions posed by the committees through specific comments on: peatlands\(^1\); energy (including renewable developments on peatlands)\(^2\); placemaking (including transport, active travel and planning)\(^3\) and the public sector\(^4\).

Public Sector

1. SNH has been a lead body in reducing emissions by the public sector for over ten years, having cut our emissions by 32% since 2005 in both energy & work travel. We have installed 20 renewable energy systems at our properties, with an estimated energy output of some 1 MWh/year, saving 350 tCO\(_2\)/y, with more projects planned. In our experience the assumption that all predicted savings in Carbon Management Plans will be achieved should be treated with caution for a number of reasons, such as: changed opportunities within bodies; reliance on progress by others to allow projects to begin (e.g. on transport infrastructure); and, securing large investments or investments for projects with a weak financial return during the economic downturn.

2. Improvements in the energy performance of public buildings requires commitment by participating public bodies (especially as sharing of facilities becomes more common), and clear agreement with developers and planners on minimum carbon standards for any buildings occupied by the public sector, their location and the transport infrastructure to serve them.

3. The Procurement Reform Bill provides a clear opportunity to require high sustainability and carbon standards of public procurement, providing an opportunity to get all public bodies and their suppliers onto the same footing.

4. Behaviour change requires long-term senior commitment and significant staff and time investment in order to achieve useful returns.

5. The Scottish Government electricity contract could be strengthened by requiring the supplier to provide new renewable electricity.

6. Given the ambition for low carbon electricity generation in Scotland, it would be useful for Scotland to set its own conversion factor to aid more accurate reporting, rather than continuing to rely on average UK figures from Defra.

Scottish Natural Heritage
February 2013

\(^1\) Rural Affairs, Climate Change and Environment Committee
\(^2\) Energy, Enterprise and Tourism
\(^3\) Infrastructure and Capital Investment Committee
\(^4\) Local Government and Regeneration Committee
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\(^5\) 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\(^6\). 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

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\(^5\) http://webarchive.nationalarchives.gov.uk/+/http://www.hm-treasury.gov.uk/sterntreview_index.htm

\(^6\) 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.
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.

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, could assist with this.

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7 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.gov.scot/Topics/Built-Ev____/Planning/National-Planning-Policy/ClimateChange/SPACE.7
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 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. 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 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.

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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**

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10 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 RB covers climate change)
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.

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’ Duties. 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.
SUBMISSION FROM SCVO

Summary

- The strong climate change legislation in Scotland is commendable but will only be worthwhile if it translates to real carbon reductions which contribute to mitigation of global climate change.
- Missing the first annual target set by the Climate Change Act was disappointing and set a worrying precedent. Scotland must now fully commit to its obligations and ensure that combatting climate change remains a key government priority.
- Many organisations in the third sector are concerned that the RPP2 is overly reliant on proposals and needs firmer policies with greater detail provided on how targets will be met.
- Placing greater emphasis on promoting behaviour change through community based action and initiatives would deliver better outcomes and would align with policy goals for community empowerment and resilience.
- Third sector initiatives such as Transition Town’s and Fife Diet provide good models for connecting communities around environmental purposes and promoting low carbon behaviour and environmental responsibility.
- The third sector would like to see a new and more ambitious community renewable energy target set for 2030.
- The RPP2 should look to build on social capital instead of focusing mainly on infrastructure and physical approaches.
- To ensure the strategy gets back on track the government should build in carbon reduction measures to other policy areas where a contribution can be made.

Our response

1. SCVO welcomes the opportunity to respond to this enquiry. We recognise the importance of Scotland having ambitious emissions targets as a critical part of global efforts to tackle climate change. The strong climate change legislation in Scotland is commendable but will only be meaningful if it translates to real carbon reductions which contribute to mitigation of climate change.

General

2. Missing the first annual target set by the Climate Change Act was disappointing and set a worrying precedent. Scotland must now fully commit to its obligations and ensure that combatting climate change remains a key government priority. More ambitious abatement policies should be outlined which aim to exceed targets and ensure they are not missed again. Many organisations in the third sector share the concerns raised by SCCS that RPP2 is overly reliant on proposals and needs firmer policies with greater detail provided on how targets will be met.
3. The focus in the RPP2 is on continued sustainable economic growth rather than looking at wider wellbeing implications. The arguments for reducing emissions should be based on more than pure economic decisions and aim to improve what matters most to people. There should be more emphasis on the social impacts of policies and proposals which account for the added value they deliver.

**Behaviour change - The Rural Affairs, Climate Change and Environment Committee**

4. The RPP2 recognises the importance of understanding and influencing behaviour change and references a new Low Carbon Scotland: Behaviours Framework which is due to be published during the scrutiny of RPP2. Not aligning the publication of this document with that of the main RPP2 is an unusual step which makes it difficult to assess what is an important part of the overall strategy. Based on the information provided in RPP2 we would like to make the following points:

5. We note the recognition in the RPP2 of the effectiveness of the Climate Challenge Fund in delivering behaviour change through the various projects that were funded.

“Evidence from the CCF review suggests that community projects are wellplaced to deliver pro-environmental behaviour change because of:

- Their ability to tailor and personalise their messages and interventions to appeal to individual participants’ motivations and overcome the particular barriers that apply in each case;

- Their position in the community as trusted entities that are seen to have the community’s interests at heart; and

- Their ability to engage those who are „moderately interested“ in the environment and open to the idea of change (who make up a fairly sizeable proportion of the population), and spark them into action.”

6. The third sector’s view is that placing greater emphasis on promoting behaviour change amongst the general public through community based action and initiatives would deliver better outcomes and would align with policy goals for community empowerment and resilience. This should not just be restricted to the projects delivered by the Climate Challenge Fund but should be a key component of the strategic approach to influencing behaviour.

7. Third sector initiatives such as Transition Town’s and Fife Diet provide good models for connecting communities around environmental purposes and promoting low carbon behaviour and environmental responsibility.

8. The 10 insights on how to influence people’s behaviour outlines good principles for bringing about behaviour change but there is little action outlined for specific
Annexe A

policies or proposals to bring this about. Behaviour change takes time and with significant carbon savings dependent on success in this area, it is critical that this process is given greater priority. We hope the Framework when published will set out a clear and detailed strategy for addressing this issue.

Fuel Poverty - The Economy, Energy and Tourism Committee & Infrastructure and Capital Investment Committee

9. The RPP2 outlines a number of important measures for improving the energy efficiency of housing which help to alleviate fuel poverty. These are positive steps but many organisations in the third sector are concerned that some of the measures outlined in RPP2 could pass on costs to consumers. This could exacerbate fuel poverty and threaten the duty to eradicate it by 2016.

10. The Scottish Housing Quality Standard has helped improve standards in energy efficiency in social housing. To help reduce fuel poverty we support the proposal in RPP2 for similar standards to be introduced to the private rented sector. It will be important to have the correct mix of incentives and regulation to encourage private landlords to improve their homes whilst ensuring that minimum standards protect tenants when they choose not to.

11. In addition, there are concerns that RPP1 and RPP2 have a confusing array of funding and improvement schemes which could leave the average householder confused about the best course of action for them. Whilst advice is available it would be preferable to simplify and consolidate these schemes where possible and bring them under more unified branding.

Renewable Energy - The Economy, Energy and Tourism Committee

12. There is support in the third sector for the 2020 renewable energy targets and in particular the 500MW target for local and community ownership. However, the sector would like to see a new and more ambitious target set for 2030 which only takes into account genuine community ownership. This would give communities greater confidence to develop new projects and deliver the increased benefits that ownership brings.

13. In addition to financial benefits, a degree of ownership with a genuine stake in the scheme is more likely to lead to a greater understanding and adoption of wider low carbon behaviour in the community. This is evident in the progress being made in places like Fintry**, where money from ownership of renewable energy is being used to finance energy saving projects and promote low carbon behaviour in the community. In this way the money invested in community renewable projects can deliver a greater return by providing: direct carbon reductions from the scheme itself, additional finance invested in environmental projects and behaviour and attitudinal change in the community.

14. To allow more communities the opportunity to benefit from renewable energy schemes there is support in the sector for it to be mandatory for communities to
have the opportunity for partial ownership of any renewable energy development, on- and off-shore.

**Governance - The Rural Affairs, Climate Change and Environment Committee**

15. We welcome the commitment outlined in RPP2 to take a ‘whole Government approach’ to tackling climate change. Positive leadership and coordination from the Government will be required to ensure future targets are met but it will also be important for governments to properly utilise the creativity and expertise in communities. The RPP2 places a great emphasis on infrastructure and physical approaches. However there is little outlined for building on social capital which will be necessary for success.

16. Government can play a strong top down role through legislation, regulation and finance but bottom up initiatives developed by communities also need to be encouraged and supported. Third sector organisations can play a key role in disseminating information and promoting good practice through their extensive networks. This would ensure that action is coordinated locally as well as nationally with knowledge and experience flowing up as well as down.

17. To ensure transparency and accountability and that the correct policies are being pursued, there should be further detail published on how specific policies are performing against expectations and appropriate monitoring in place. The Carbon Reduction Activity reports provide insufficiently detailed data to accurately scrutinise policies and their success.

18. Local authorities also have an important role to play in reducing emissions through their own activity and promoting change locally. We are encouraged by the annual reports produced by local authorities as part of the Climate Change declaration and the commitments made in some areas. The quality of these reports is variable but there can be a good level of ambition and a high level of data presented. However, it is difficult to compare and contrast data from each local authority as it is often reported in different ways. To make analysis easier the government should investigate whether common data sets could be employed which enable more effective monitoring of local authorities progress.

19. There are local outcomes related to climate change incorporated into Single Outcome Agreements but the latest Scottish Government guidance on SOAs prioritised five areas which make no contribution towards tackling climate change. This is indicative of the challenge required to keep climate change at the top of the agenda and ensure other policy initiatives continue to make a contribution.

20. The Procurement Reform Bill is another good example of this. This single piece of legislation will have a huge impact on emissions through the delivery of billions of pounds of public services and their associated carbon emissions. When the draft bill comes before Parliament it is important that its potential impact on emissions reductions is scrutinised. Changing the name from the Sustainable Procurement bill sent out a worrying message about where the priorities of the
new bill will lie. Many in the third sector would like to see the bill focus on Social Impact rather than Best Value. This would place greater emphasis on social outcomes and give greater priority to areas like carbon reduction.

Conclusion

21. The third sector welcomed the ambitious emissions targets outlined in the Climate Change Act. However, there are now concerns in the sector that the first target was not met. The long term goals to tackle climate change require vigilance and bravery on the part of decision makers but will be beneficial in the long run. To ensure the strategy gets back on track and meets future targets the government should commit to more policies aimed specifically at reducing emissions and build in measures to other policy areas where a contribution can be made. The third sector has a crucial role to play in delivering projects, disseminating information, promoting behaviour change and connecting people together. Its experience and knowledge should be further utilised across the sectors for the added value it can bring.

About us

The Scottish Council for Voluntary Organisations (SCVO) is the national body representing the third sector. There are over 45,000 voluntary organisations in Scotland involving around 138,000 paid staff and approximately 1.2 million volunteers. The sector manages an income of £4.5 billion.

SCVO works in partnership with the third sector in Scotland to advance our shared values and interests. We have over 1400 members who range from individuals and grassroots groups, to Scotland-wide organisations and intermediary bodies.

As the only inclusive representative umbrella organisation for the sector SCVO:

- has the largest Scotland-wide membership from the sector – our 1400 members include charities, community groups, social enterprises and voluntary organisations of all shapes and sizes
- our governance and membership structures are democratic and accountable - with an elected board and policy committee from the sector, we are managed by the sector, for the sector
- brings together organisations and networks connecting across the whole of Scotland
Annexe A

SCVO works to support people to take voluntary action to help themselves and others, and to bring about social change. Our policy is determined by a policy committee elected by our members.  

Further details about SCVO can be found at www.scvo.org.uk.

References

*Scottish Voluntary Sector Statistics 2012, SCVO*

http://www.scvo.org.uk/about-the-sector/sector-stats

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1. http://www.transitionnetwork.org/about
2. http://www.fifediet.co.uk/
4. http://www.transitionnetwork.org/about
5. http://www.fifediet.co.uk/

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13 SCVO’s Policy Committee has 24 members elected by SCVO’s member organisations who then co-opt up to eight more members primarily to reflect fields of interest which are not otherwise represented. It also includes two ex officio members, the SCVO Convener and Vice Convener.
Submission from Dr Louise Maythorne (University of Edinburgh)

Call for Evidence: The Scottish Government’s draft second Report on Policies and Proposals Climate Change (RPP2)

Evidence for the attention of The Rural Affairs, Climate Change and Environment Committee and the Local Government and Regeneration Committee

Written Evidence from Dr Louise Maythorne, University of Edinburgh

1. Executive Summary

1.1 The premise of this submission is that the RPP2 does not sufficiently address the need for environmental movement organisations (EMOs) to work as part of a network with public, business and civic interests, to help achieve the targets laid out in the document. This will negatively affect the ability of the Scottish Government to reach the emissions targets laid out in its report.

1.2 The emissions cuts put forward by the RPP2 will require the collective support of non-government actors including businesses, environmental organisations and citizens. The important role that networking plays across these assorted actors should not be under-estimated in its ability to enhance cooperation, share best-practice, and facilitate innovation. The RPP2 makes frequent reference to the notion of ‘working together’ to reach the targets (e.g. 2.2.5, 2.14.1), but it is unclear how the proposals within RPP2 will enhance that collaboration, especially at the level of EMOs.

1.3 I make the recommendation that the Scottish Government establishes a forum for government, business, civic and EMO actors to share their experiences and expertise with one another. Existing fora are not cross-cutting and do not reflect the government’s recognition of the important role that EMOs play in climate policy development and implementation.

2. An Important Opportunity to Involve EMOs

2.1 I wish to first draw attention to the important opportunity that the RPP2 offers for developing platforms through which EMOs, business, public and civic bodies are able to build systematic, resilient and productive networks.

2.2 The increased commitment of businesses and public sector bodies to the climate change agenda offers new opportunities for EMOs to engage with these actors. Furthermore, the Scottish Government’s own commitment to abating climate change recognises the need for systematic engagement across the spectrum of interests:

‘we need the continued support of our partners in the public and private sectors, the involvement of activists within the environmental NGO movement and, most importantly, the participation of individual families within Scotland’ (Forward)

2.3 EMOs are a valuable asset in working towards the ambitious emissions reduction targets laid out in RPP2. For government, EMOs play an important
role in helping to shape public perceptions of environmental issues, offer expertise in a wide variety of environmental issues and participate in the development of legislation at all levels of governance (a). EMOs also work as ‘delivery partners’ for government legislation and are therefore central to the fabric of the Scottish Government’s work on climate change (2.14.4). EMOs are often able to be more flexible than government, leading to faster consultations and amendments to their strategies, and more immediacy for the input into government policy.

2.4 EMOs also have an important role to play in helping the businesses to address their climate change responsibilities. In this way, EMOs can act as a ‘strategic bridge’ that helps to reconcile environmentalism with business interests and to develop innovation within the business community (b).

3. Building on Existing Fora

3.1 The RPP2 recognises the important roles played by non-government organisations outlined above:

‘The third sector has a central role too. Non-government organisations rally support and activity across Scotland, and in many cases act as delivery partners’ (2.14.4)

The RPP2 does not however offer any suggestions about how to engage with the third sector. This is a concerning omission within the report, but one that could be rectified by building on the Scottish Government’s existing infrastructure of climate change fora.

3.2 I am aware of a number of successful initiatives supported by the Climate Change Scotland Act (2009) and the RPP1 (2011) to engage with businesses, public bodies and civic actors.

3.3 For businesses there is a well-developed suite of resources available, including the Scottish Energy and Resources Efficiency Service, Climate Change Business Delivery Group, Prince of Wales’ Mayday Network and, from April 2013, Resource Efficient Scotland. While these bodies are tasked with helping their audience to reduce their own emissions, they will not play a role in facilitating collaboration amongst ‘business, third sector and public sector’ interests that they aim to represent (c). At the level of the citizen and the community the Scottish Government has provided the Greener Scotland Initiative and the Climate Challenge Fund.

3.4 The principal climate change networking forum supported by the government is the Public Sector Climate Action Group. This group is populated by representatives from Scottish public bodies and the Chair of Climate 2020 who is able to act as a representative of the business community.

3.5 I propose that a similar kind of forum should be established, but one that includes a far greater range of participants, including representatives of EMOs with the opportunity for dialogue across the two groups. A multiple stakeholder forum would provide an opportunity for its members to share the challenges and opportunities that arise in working towards climate change abatement. It would furnish these stakeholders, whose contact with one another is (especially in the case of EMOs) often ad hoc, with a stable and
systematic framework for their interactions, and enhance the quality of their collaboration. This submission will not discuss the details of such a forum, rather I seek to highlight the benefit that it would bring, not least because it would go some way to addressing the Scottish Government’s aim that climate change abatement is an inclusive process (2.2.5) and that EMOs have an important role to play (2.14.4).

3.6 The author is aware that there is an appetite amongst the EMO community in Scotland for greater networking opportunities, both within that community, and within a broader framework that encompasses business and government representation. These concerns were discussed most recently with the author of this submission at a workshop for environmental actors at the University of Edinburgh (d).

3.7 The EMO community as a whole is not sufficiently well-resourced to finance such systematic opportunities for dialogue with other stakeholders, but the Scottish Government, at the centre of a number of existing climate change bodies and networks detailed in 4.3-4.4, would be well-placed to develop this opportunity.

4. Concluding Summary and Recommendation

4.1 EMOs will play an important role in implementing the proposals of RPP2 and achieving the emissions reductions targets. They have well-developed capacities to engage with the general public in this area, established roles a delivery partners for government policy, and specialist expertise of benefit to both business and government.

4.2 The policies and delivery mechanisms that will be developed as a result of RPP2 offer a significant opportunity to capitalise on the benefits that EMOs bring to the government’s efforts in this area.

4.3 Although the RPP2 recognises the importance of EMO actors in the delivery of report’s targets, it does not suggest any mechanisms through which they might be involved in the iteration and delivery of these targets. Furthermore, the Scottish Government has already developed a suite of initiatives that help to engage the business and civic communities with these proposals, but not EMOs.

4.4 The recommendation of this submission is that the creation of a forum, into which the interests of multiple stakeholders across the spectrum of public, civic, business and EMO actors would be fed, is one way in which this omission could be corrected. Such a body would provide a stable and systematic platform for the inclusion of EMOs in the government’s work towards climate change abatement, enhance the opportunities for innovation and extend the reach of the government’s policies into the community.

References


(d) The workshop ‘Environmentalism in Europe’ was held at the University of Edinburgh of Friday 8 February 2013 for stakeholders from environmental organisations and environmental researchers. A report detailing the themes and suggestions discussed in the workshop is available from the author: Maythorne, L. (2013) Environmentalism in Europe: Think European, Act Local Report.

Biographical note

Dr Louise Maythorne is an ESRC Postdoctoral Fellow in the School of Social and Political Sciences at the University of Edinburgh. Louise’s research focuses on local-level environmental mobilisation and governance at the local, national and European levels.
Local Government and Regeneration Committee

Low Carbon Scotland: Meeting our Emissions Reduction targets 2013-2027:
The Draft Second Report on Proposals and Policies (RPP2)

Information from the Scottish Government

Introduction

On 20 February 2013 the Committee wrote to the Scottish Government, seeking a response to a number of questions in relation to RPP2, and how it applies to the remit of the Committee. The questions were as follows:

1. Why is Local Government not specified within the RPP plan?

2. Please supply an update on the known thermal efficiency of council housing stock together with details of the national heat mapping exercise;

3. What action is the Scottish Government taking to monitor climate change activity by local authorities?

4. Can you indicate how RPP2 and the Regeneration Strategy are linked and complement each other?

5. Can you provide details around the recovery of vacant and derelict land?

6. Can you supply details of Government strategies to deliver behavioural change in the population at large to support the strategy. Could you also comment on whether this can be aligned to the timescales required of Parliament to comment upon the draft report?

7. Can you supply details of actions the Scottish Government are taking to support Local Government to reach the targets.

Response from the Scottish Government

1. Why is Local Government not specified within the RPP plan?

The structure of RPP2 reflects the format in which emissions data is available in the Greenhouse Gas Emissions Inventory, which categorises emissions according to a set of sectors, including energy supply, transport, residential and waste management. One of the categories is ‘Public’, which relates to emissions arising from combustion – primarily the use of heating – in the public sector. Public sector emissions in this category account for approximately 2% of total Scottish emissions. Local Authorities account for approximately 60% of public sector emissions but the Inventory itself does not formally disaggregate data to this level.
Chapter 6 of RPP2 contains proposals and policies for reducing emissions from business, industry and the public sector and focusses on emissions from buildings and some industrial processes. It sets out the Scottish Government’s ambition that,

*By 2027, we will have witnessed a complete transformation in the way Scottish public bodies work and in how their estates are managed: achieved through implementing and going beyond existing carbon management plans, sustainable procurement processes and supporting governance arrangements.*

This ambition stems from research that the Carbon Trust has carried out on behalf of the Scottish Government to identify what additional emissions abatement in the public sector might be feasibly delivered between now and 2027-30. Many organisations in the Scottish public sector, including all 32 Scottish Local Authorities, have Carbon Management Plans which detail actions to which they have committed in order to reduce their emissions. The Carbon Trust report identified areas where public bodies could take action in areas such as behaviour, the efficiency of buildings and use of renewables, that go beyond the measures set out in current Carbon Management Plans. The report also showed that this kind of extended ambition, together with an accelerated programme of implementation, has the potential to reduce emissions across the public sector by up to 285 ktCO₂e by 2027.

RPP2 commits to developing this proposal into a clear plan of action by reviewing the following by October 2013:

- Our governance and leadership arrangements;
- Whether to set a target or set of targets for Scottish public bodies linked to mandatory reporting of emissions in the context of the Public Bodies Duties set out in the Climate Change (Scotland) Act;
- What more might be done through our procurement activities;
- Funding and financing options, working with the Scottish Futures Trust; and
- The skills and expertise within our public bodies for both accelerating emission reductions and carbon accounting.

The Carbon Trust report on potential emissions abatement from the Scottish public sector is available online at the following address: [http://www.scotland.gov.uk/Publications/2012/12/3885](http://www.scotland.gov.uk/Publications/2012/12/3885)

Of course, local government has an important role to play in helping to deliver emissions reductions across many of the RPP2 sectors beyond simply action in their own estates. Examples in RPP2 include: delivery of the Universal Home Insulation Scheme and its successor, the National Retrofit Programme; putting in place measures to support sustainable transport; and the management of waste.
2. **Update on the known thermal efficiency of council housing stock together with details of the national heat mapping exercise.**

According to the 2011 Scottish House Condition Survey, 75% of council-owned housing was rated as ‘good’, which refers to a National Home Energy Rating (NHER) of at least 7; 23% was ‘moderate’ (with a NHER score of between 3 and 6); and 2% was ‘poor’ (a NHER score of between 0 and 2).

By comparison, owner-occupied and private rented homes were likely to have lower ratings, with only 62% of owner-occupied and 52% of private rented sector homes being rated as "good".

More generally, there have been significant improvements in the energy efficiency of Scotland’s housing as only 31% of all housing was rated as ‘good’ in 2002-03, but this had increased to nearly 65% by 2011.

The overall higher energy efficiency standard of social housing is likely attributable to the requirement for social landlords to meet the Scottish Housing Quality Standard by 2015, which includes an energy efficiency component.

The Scottish House Condition Survey is available online at the following address: [www.scotland.gov.uk/Resource/0041/00410389.pdf](http://www.scotland.gov.uk/Resource/0041/00410389.pdf)

**Scottish Government and Heat**

The Scottish Government launched an outline for a Draft Heat Vision alongside publication of the draft RPP2 on 29th January 2013.

The outline for a Draft Heat Vision statement of ambition is ‘By 2050 Scotland will have a largely decarbonised heat sector with significant progress made by 2030.’ This ambition will be realised through a number of means, including renewables and carbon capture and storage, but is based on the fundamental first principles of keeping demand to a minimum, most efficient use of energy and recovering as much ‘waste’ heat as practically possible, at least cost to consumers.

Heat makes up around 49% of all energy we use. We face challenges of changing fuel sources and reducing our climate change impact. We know rising fuel costs drive households into fuel poverty. Heat is also often is an important requirement for many businesses.

Scotland’s approach to heat will be key to addressing our statutory obligations on climate change, tackling fuel poverty and managing energy costs for businesses and manufacturing as we work towards realising our renewable energy ambitions in Scotland. Heat maps are seen as a fundamental tool in this process.

Scottish Government Heat Mapping programme

What are heat maps?

- Heat maps are a specific tool to help identify, plan for and maximise opportunities for local heat use and to support investment decisions on strategic heat infrastructure.
- Heat mapping uses largely existing data in a GIS based tool to estimate the heat demand for buildings and supply opportunities. It is not based on thermal imaging but is ideal to link together different data sets such as this.
- A real strength of the heat map is that it can be updated and modelled with other spatial data such as local development plans, social housing, and economic development opportunities.
- By modelling options, heat demand maps can provide information on the potential for heat supply and constraints covering the Local Authority area.

Progress to date

Three Scottish Local Authorities, Highland, Fife and Perth & Kinross, have completed the Scottish Government pilot. A two year programme began in April 2012 to roll out this methodology to all Scotland’s Local Authorities by March 2014. A Programme Manager was seconded in December 2012 to drive forward this work.

Eight Local Authorities are beginning work to collect the information for their heat maps. These are Edinburgh, Glasgow, Aberdeen City, Aberdeenshire, Dundee, Stirling, Falkirk and Clackmannanshire.

Typical contacts in Local Authorities include: housing, economic development, planning, sustainability and climate change, data and geographic information system specialists. The heat map can add value to existing systems, for example providing an additional level of detail for Aberdeen City’s existing heat map. The Scottish Government approach is designed to enable and support Local Authorities. The Local Authority based approach recognises that there are different local priorities and locally based data sets that can add real value to understand and plan for heat needs. The approach is already enabling links to additional data sets as well as providing opportunities to learn lessons and share best practice improving the way the programme is delivered.

The Scottish Government is also investigating potential national data sets that can be disseminated to each Local Authority. This includes discussions with:

- The Scottish Federation of Housing Associations regarding data on social housing and energy efficiency projects
- The Energy Saving Trust to investigate sharing data with the Home Analytics programme to improve both data sets
Examples of practical heat work in Scotland

Aberdeen City is well known for its developing district heating system, through arms-length company Aberdeen Heat & Power. The approach brings financial benefits to the Council and tenants. Annual maintenance costs have been reduced for individual properties from an estimated £75 for gas boilers to £35 for heat plates. The cost to tenants to keep a property warm has reduced from an estimated £25 a week to £10.

Fife Council set out detailed specifications for an extension to the north Dunfermline Heat Network. Through developing the Fife heat map, this demonstrated the potential to include social housing in this detailed district heating study. Fife Council has also used the heat map to help guide the development of its Main Issues Report for the Fife Local Development Plan. Additionally, two further heat network studies have been undertaken using the heat map. An online version of the Fife Heat Map is planned for the near future.

3. What action is the Scottish Government taking to monitor climate change activity by Local Authorities?

The Section 44 of the Climate Change (Scotland) Act 2009 places duties on Scottish public bodies to carry out their activities and operations in ways which help contribute to the achievement of Scotland’s statutory greenhouse gas emissions targets, which contribute to climate change adaptation and to act sustainably.

Responsibility for compliance with the section 44 duties is placed directly and individually on each individual public body falling within the definition set out in the Act.

The Scottish Government guidance on these duties encourages public bodies to undertake regular reporting of their climate change actions, either through a dedicated reporting process, or other arrangements. The guidance is available online at the following address:

www.scotland.gov.uk/Publications/2011/02/04093254/0

The guidance makes clear that it is for individual bodies to determine the details of how they report, depending on their own individual circumstances. Notwithstanding this, Ministers do provide support to public bodies, including Local Authorities, on the Public Bodies Duties via the Sustainable Scotland Network (SSN). SSN provides sustainable development, climate change and sustainable procurement support and advice to Local Authorities and the wider public sector. This includes coordinating reporting against Scotland’s Climate Change Declaration (SCCD) – a voluntary declaration, signed by all 32 Scottish Local Authorities, which commits them to a range of actions relating to climate change.

Analysis of Year 4 of Scotland’s Climate Change Declaration Reports was published by SSN on 20th February 2013 and is available online at the following address: http://climatechange.sustainable-scotland.net/documents/Year4_AnalysisReport.pdf
In addition to reviewing the content of the reports and spotlighting examples of Local Authority action, the analysis includes the following recommendations:

- Improve the quality and consistency of SCCD reporting to aid performance improvement.
- Support the development and use of good practice impact and influence analysis.
- Develop the structure and content of SCCD reporting so that it is better aligned with the national strategies for emissions reduction and adapting to the impacts of a changing climate.
- Support and enhance capacity to analyse and feed-back on SCCD reports in future years.
- Continue to ensure the provision of well-targeted and trusted support services which are informed by the experience and requirements of Local Authority officers and elected members.

As part of the RPP2 commitment to develop an action plan to realise greater levels of public sector emissions abatement, a review will be undertaken in 2013 of reporting in the round - both by Local Authorities and the wider public sector. This will be led by the Scottish Government’s Sustainability Reporting Advisory Group and consider the wider issues, including the value of moving to a mandatory reporting regime.

The Scottish Government also monitors activity in the main sectors where local government is an important delivery partner:

**Housing**

The Scottish Government published performance data on the four fuel poverty and energy efficiency programmes (Boiler Scrappage Scheme, Home Insulation Scheme, Universal Home Insulation Scheme and Energy Assistance Package) in June 2012. The report is available on the Energy Saving Trust website at the following address: www.energysavingtrust.org.uk/scotland/content/view/full/868.

This reporting framework explicitly addresses the carbon and household financial savings generated by the programmes. We will publish updated information on performance in 2012-13 and final performance data for 2011-12 later this year. There is a lag in reporting due to the need to ensure that the data is accurate and complete before being published.

We are working with Local Authorities, energy companies, the Energy Saving Trust and others to ensure there is robust monitoring in place for the National Retrofit Programme (to be renamed the Home Energy Scotland Programme). One of the criteria for successfully receiving funding is that councils will have to show the impact of their proposals on both fuel poverty and greenhouse gas emissions.
Transport

The Scottish Government has set a National Indicator to “Increase the proportion of journeys to work made by public or active transport”. Performance is monitored using the Scottish Household Survey.

The national figure is published annually in the Transport and Travel in Scotland publication (table S3 for time series, table 7 for more in depth breakdowns of most recent figure). The most recent report is available online at the following address: www.transportscotland.gov.uk/strategy-and-research/publications-and-consultations/00925-00.htm

Every two years this information is published at a local authority level. This is set out in table 1 in most recent publication, available online at the following address: www.transportscotland.gov.uk/files/SHS_LA_Tables_2009_10_updated%5b1%5d.pdf. The next update will be published in September 2013.

‘Public and active travel’ is a combination of the figures for walking, cycling, bus and rail.

Waste

The Scottish Government monitors Local Authority waste management through SEPA’s Waste Data Flow System. Local Authorities report the tonnage, type of material and treatment method of their managed (controlled) waste. This data is compiled every year, alongside Commercial and Industrial Waste and waste from the Demolition and Construction sector in the form of the Waste Data Digest, which is available online at the following address: www.sepa.org.uk/waste/waste_data/waste_data_digest.aspx.

This document is used to report Scotland’s national recycling, energy from waste and landfill figures, and Local Authority recycling rates.

4. Relationship between RPP2 and the Regeneration Strategy

The Scottish Government has a key role setting the vision and strategic direction for regeneration in Scotland, providing an overarching framework for delivery and putting in place the right conditions to implement that vision, evaluating and driving forward change to make a lasting difference. The Scottish Government also has responsibility for ensuring that national Government policies are co-ordinated, pulling together the different strands of related policies at national level so that regeneration does not stand alone and is aligned across a wider range of strategies and policies, including climate change policy.

The Scottish Government’s Regeneration Strategy ‘Achieving a Sustainable Future’ emphasises that regeneration has an important contribution to make to the delivery of the Scottish Government’s overarching purpose – sustainable economic growth. In this context regeneration activity contributes to the drivers for growth including
Sustainability – enhancing the environment and reducing emissions – helping to support resource efficiency, one of the measures highlighted in RPP2.

Our vision is a Scotland where our most disadvantaged communities are supported and where all places are sustainable and promote well-being. This vision can only be delivered if regeneration is approached in a holistic way by addressing the economic, physical, environmental and social needs of our communities. This relies upon a wide range of policy levers contributing to the mix from planning, transport, housing and place-making to health.

Support for community-led regeneration is at the heart of the Regeneration Strategy. We are starting from a strong position in Scotland. There is already an impressive range of activity taking place across urban and rural communities, led by hundreds of committed local anchor organisations that drive change across a broad spectrum, including environmental issues. The Regeneration Strategy highlights the opportunities for community anchor organisations to benefit from the Climate Challenge Fund and to consider the scope for local community renewables.

Local Authorities have responsibility for delivering local regeneration alongside other critical functions such as housing, planning, education and local transportation infrastructure. In partnership with Community Planning Partnerships, it is for Local Authorities to ensure that the resources they have available are directed by the genuine needs of local people and that the right working relationships are in place to deliver regeneration.

The Regeneration Strategy details a number of specific regeneration funding programmes all of which contribute to the climate change agenda.

The People and Communities Fund was launched in May 2012 with two themes – employability and preventative spend.

One example initiative is the Milnbank Housing Association (HA) Employability and Prevention project which will enhance the employability of the local community in Milnbank, Glasgow, by providing training and accreditation in various activities. These include Early Years and Childcare through the Registered Social Landlord’s (RSL) new community nursery; horticulture training using the community gardens; providing training programmes through local businesses and the RSL’s IT training suite; and training and accreditation in cycle maintenance.

The Climate Challenge Fund originally provided the capital toward the nursery, bike track and community gardens and these community owned assets are being used to deliver this employability and prevention project. Milnbank HA is applying to the Big Lottery and Climate Challenge Fund in year 2 and year 3 to carry out capital works to the cycling park and to continue the behavioural change in relation to reducing carbon footprint. Although these areas are not directly related to the service delivery funded through PCF the match funding acts to reduce the % PCF contribution towards total costs.

The outcome specific to climate change is ‘Ensure the project continues to reduce carbon and behavioural change’ and the outputs to achieve this are:-
The main Regeneration outcomes relate to enhancing employability through the nursery (Create 25 FTE jobs; Create 18 training places; Create 25 work placements); engaging young people in the project to enhance their employability; delivering cycling opportunities for the community and increasing health outcomes by improving access to community growing and healthy eating.

The **Vacant and Derelict Land Fund (VDLF)** is currently being reviewed in conjunction with COSLA. The purpose of the VDLF is to tackle land that has ceased to fulfil a useful function because it is derelict or vacant; land which represents a significant loss of economic potential and amenity for the community concerned. More detail about the VDLF is provided in section 5 of this paper.

The Scottish Government provides funding for a number of **Urban Regeneration Companies (URC)** whose business plans are aligned with the Regeneration Strategy. The URCs are required to consider environmental issues and where possible to invest in developments that meet the highest environmental/ energy standards. One of the National Outcomes on which they report to the Scottish Government is National Outcome 12: We value and enjoy our built and natural environment and protect and enhance it for future generations. To illustrate the contribution of the URCs, a copy of the environmental policy statement of Irvine Bay URC is included below.

To support the delivery of regeneration projects in Scotland, the Scottish Government has developed the **Scottish Partnership for Regeneration in Urban Centres (SPRUCE)** investment fund, in conjunction with the European Commission and European Investment Bank. A range of projects, which meet European Structural Funds criteria, can be supported as long as they form part of an area-based regeneration strategy including:

- Support for projects that promote clean and sustainable public transport to link areas of need with areas of opportunity.
- Support for development and refurbishment of existing facilities and workspace to make them suitable for new or established SMEs or social enterprises (especially those that employ “green design” principles).
- Support for conversion and adaption to industrial sites and business centres/facilities that offer employment or training opportunities to people living in targeted areas (especially those that employ “green design” principles).
- Support for energy production from renewable energy and low carbon technologies in response to local energy needs, such as co-generation and distribution energy systems (e.g. district heating and combined heat and power projects).
- Support for schemes that pilot or demonstrate new or innovative approaches to energy efficiency retrofit measures - in particular targeting the retrofit of existing social housing stock.
- Support for projects that invest in the rehabilitation of the physical environment (specifically work around the decontamination and servicing of brownfield land and gap sites.

In addition, the Joint European Support for Sustainable Investment in City Areas (JESSICA) investment strategy requires the creation/modification of 7500m$^2$ of business space under the BRE Environmental Assessment Method ‘BREEAM’ classification.

Irvine Bay Regeneration Company Environmental Statement

Introduction
Irvine Bay Regeneration Company has been set up to regenerate the economic fortunes of the Irvine Bay area.

The role of Irvine Bay Regeneration Company is to increase investor confidence in the area by catalysing “step change” projects. The company seeks to work with the private sector and local communities to create employment and economic prosperity.

Irvine Bay Regeneration Company recognises the important role that the natural environment plays in the regeneration of the area. The unique coastline gives the area its character. It is the coast that offers great potential for people to visit and appreciate the beaches and stunning views. This in turn provides opportunity for economic benefits in the local area. However, some aspects of the coastal environment are fragile and need to be managed and protected.

Long Term Impact
The regeneration process seeks to embrace three core aspects of sustainable development: -

- Engagement – Community engagement is essential, without the support and involvement of the local community, delivering the regeneration aspirations of the area would be much more difficult and run the risk of having a reduced impact.

- Economy – Economic prosperity is crucial to providing resources to create and sustain employment, and invest in the future.

- Environment – Protection and enhancement of the natural environment is a critical aspect of the development process. The sustainable development of Irvine Bay requires respect and management of the natural environment.

The Environment
While the primary goal is physical regeneration to promote economic prosperity, this is being done with high regard for the environmental context. Achieving high environmental standards in development not only results in environmental benefits but also reaps economic benefit by improving the quality of materials, increasing the longevity of use, attracting positive publicity for the area and maintaining the environmental assets to a high standard.
The developments that Irvine Bay Regeneration Company is pursuing seek to minimise environmental damage while also achieving optimised economic development benefits. Examples of this approach include the work at Annickbank where Irvine Bay is promoting the creation of a new office development demonstrating the highest possible environmental standards of design and construction. This will result in a great project and utilise a disused site. It will also demonstrate and will trial innovative methods of construction, material and energy use.

Irvine Bay seeks to embrace the following ten key principles in the developments it takes forwards. There are:

1. **Encourage use of public transport**
   The Irvine Bay area is particularly well served by public transport. The rail network is a great asset, with stations in each town. The promotion of developments in town centre, such as business centres, encourages the use of these excellent public transport links and encourages vibrancy back into the town centres and the promotion of transport hubs.

2. **Re-use of brownfield land**
   The re-use of brownfield land rather than developing on green field sites is part of the regeneration approach of Irvine Bay. This includes decontaminating sites to encourage land back into productive use, rather than having it lying derelict. Where there is excess industrial land, opportunities for environmental or community uses will be considered as part of managing a land portfolio.

3. **Renewable Energy**
   Utilising renewable energy will be considered where ever possible. This includes in project design, or seeking opportunities for renewable power generation in the Irvine Bay area.

4. **Sensitive Sites**
   Where sensitive sites are affected by development, Irvine Bay Regeneration Company will seek to develop sensitively and appropriate solutions for that environment and adhere to best practice in land-use management.

5. **Interpretation and appreciation of the natural environment**
   Irvine Bay seeks to encourage understanding and appreciation of the natural environment of Irvine Bay. This helps local communities to respect and protect their environment, and will also encourage others to come and visit the area to appreciate it.

6. **Local Sourcing**
   To reduce the carbon footprint, using local labour and materials is encouraged in all development projects. This is currently being done in the streetscape work in Kilwinning Town Centre.
7. Eco-buildings
In buildings where Irvine Bay Regeneration Company has influence, eco—building techniques are being encouraged.

8. Sea Levels
Irvine Bay Regeneration Company is very conscious of vulnerability to flooding and rising sea levels. Research will be undertaken to ensure that the implications of rising sea levels on coastal developments are understood and mitigated.

9. Coastal Management
The overall management of the coast and the creation of a Coastal Park is an aspiration for Irvine Bay. The coast line and beaches are currently blighted by unmanaged and sometimes conflicting recreational land uses such as trail biking, horse riding, kite surfing, bird watching etc. By creating a park with clear land use management will help to manage and maintain fragile areas and steer recreational uses to appropriate sites.

10. Design Guide
Irvine Bay Regeneration Company is promoting the development and implementation of a new Design Guide to inform and guide all design projects in the area. This will help to raise the level and quality of design and set a high environmental standard. This will particularly enhance developments in town centres, making these more attractive for investment and encouraging the re-use of existing infrastructure.

5. Recovery of vacant and derelict land.

National Planning Framework 2 (NPF2)

NPF2 states that:

Vacant and derelict land is a wasted resource and causes blight, sometimes exacerbating the difficulties of already deprived communities. The Government wants to see this land brought back into productive use for housing, for economic purposes and to create attractive environments

National planning policy encourages the reuse of previously developed land in preference to greenfield land. However, while the highest levels of growth are expected in the East, vacant and derelict land is heavily concentrated in the West. There is therefore potentially much greater scope for accommodating new development on previously used land in Glasgow and the Clyde Valley and Ayrshire than in Edinburgh and the Lothians, Stirling and the North East, where a higher proportion of new development will have to be on greenfield sites.

The restoration of vacant and derelict land, former mineral workings and landfill sites offers important strategic opportunities for improving the environment and increasing
biodiversity through the development of green networks and the expansion of urban, amenity and community woodlands. Indeed, vacant, derelict and even contaminated land can have greenspace and natural heritage value even without remediation.

The creation of a Central Scotland Green Network will complement improvements in rail, road and communications infrastructure, making Central Scotland a more attractive place to live in, do business and visit. Improving the health and resilience of the natural environment will help it to adapt to climate change. A well-planned increase in woodland cover can substantially enhance the landscape settings of our towns and cities, bring vacant and derelict land back into beneficial use, improve biodiversity and amenity and help to absorb CO2.

The Central Scotland Green Network is designated as National Development 12 in NPF2.

Scottish Planning Policy (SPP)

SPP states that ‘Previously developed land (also referred to as brownfield land) is a potential source of sites for new development and planning authorities should support and promote proposals to bring vacant or derelict land back into productive use for development or to create more attractive environments. Not all previously developed sites are available in the short term, but areas can be identified where investment in site assembly, remediation, infrastructure and environmental improvement will enable successful development in the longer term. Vacant and derelict land and obsolete commercial and industrial property can act as a constraint on the economic growth of towns and cities. Authorities should therefore adopt a proactive approach to encouraging the reuse of buildings and previously developed land, making use of land assembly and compulsory purchase powers to enable redevelopment opportunities.’

Vacant and Derelict Land Fund

As highlighted in section 4 of this paper, part of the Vacant and Derelict Land Fund, currently being reviewed with COSLA, is one of the Scottish Government’s regeneration funding programmes. The purpose of the VDLF is to tackle land that has ceased to fulfil a useful function because it is derelict or vacant; land which represents a significant loss of economic potential and amenity for the community concerned. More detail about the VDLF is provided in section 5 of this paper.

The criteria of the fund are:
- to tackle long term vacant/derelict land;
- stimulate economic growth/job creation; and
- promote environmental justice and improved quality of life – with a focus on projects which promote innovation in temporary and longer term greening techniques for vacant and derelict land sites.

One example is the North Lanarkshire Council Biomass Storage Facility. VDLF has been used to support the construction of a biomass storage facility, contributing directly to the remediation of a VDLF site as well as helping to put in place
infrastructure that will support sustainable waste management and the future reuse of other V&DL sites for biomass production.

Scottish Vacant and Derelict Land Survey 2012

The main findings of the 2012 survey include:

- Between 2006 and 2012 there has been a three per cent decrease in the total extent of urban vacant and derelict land in Scotland, from 11,282 hectares in 2006 to 10,984 hectares by 2012 (a net decrease of 298 hectares).
- Changes in the extent of urban vacant and derelict land are more varied at Local Authority level. Some Local Authorities (for example Falkirk, South Lanarkshire and Glasgow City) have large decreases whereas others have recorded larger than average increases in total amount of urban vacant and derelict land (such as North Ayrshire) between 2006 and 2012.
- Where the length of time for which land had lain unused was known, 65% of vacant and derelict land in settlements has been out of use for at least twelve years. Thirty nine per cent of vacant and derelict land within settlements and 52% of derelict land within the countryside had been unused since before 1991.
- 3,396 hectares (36%) of derelict and urban vacant land was reported to be developable in the short term and so has an expectation of development within the next five years.
- Of the 285 hectares brought back into use between 2011 and 2012, 111 hectares received some public funding (either a full or partial contribution).

The Scottish Vacant and Derelict Land Survey 2012 is available online at the following address: www.scotland.gov.uk/News/Releases/2013/01/scottish-vacant-derelict-land

Stalled Spaces

The Local Government and Regeneration Committee stakeholder session on RPP2 on 20 February 2013 heard from Alistair Macdonald: Convener, RTPI Scotland about the Glasgow City Council Stalled Spaces initiative.

Glasgow, from its legacy as an industrial city, now has a problem with Stalled Spaces across the city. Glasgow currently has more vacant sites than the rest of Scotland put together. Many of these sites may have plans for future development, however this can be anywhere from one to over ten years until development is scheduled to begin.

This project delivers an innovative approach to dealing with issues relating to poor environmental conditions that have become more prevalent due to economic downturn. The project focuses on the temporary use of vacant land, under-utilised open space and sites earmarked for development though stalled.

These projects deliver a range of initiatives that promote health and wellbeing. Examples of such uses include
• green gym/ play space/ outdoor exercise
• pop up sculpture
• exhibition space
• outdoor education
• arts project
• event space
• urban beach
• pop up park
• growing space

The project has brought over 12 hectares of land into temporary use in the past year.

This project recognises the opportunities available to use unproductive vacant land on a temporary basis to deliver a range of innovative projects that would benefit local communities.

The project is built around the central tenet that place and space have an impact on health and wellbeing and that individual action to improve lifestyle or health are likely to be constrained by the environmental and socio-economic contexts in which they take place.

Accessible, safe urban greenspace has a positive and significant influence on levels of physical activity as well as enhancing an individual's sense of wellbeing by providing opportunities for engagement with nature, and social interaction

Scottish Government and Stalled Spaces

The Scottish Government’s planning website hosts a case study on Glasgow’s Stalled Space Initiative at the following address:
http://www.scotland.gov.uk/Topics/Built-Environment/planning/modernising/cc/stalled

The initiative also won a Scottish Awards for Quality in Planning (SAQP) Award for Community Involvement in September 2012. Here is an extract from the SAQP page on our website:

STALLED SPACE INITIATIVE - GLASGOW CITY COUNCIL

About this initiative

The initiative focuses on the temporary use of vacant or under-utilised land to deliver a range of projects, enabling physical renewal and fostering community empowerment throughout Glasgow.

Reason for Award

This initiative has been given an Award because the partners have used passion, commitment and innovation to turn neglected vacant environments into positive spaces for people. With an understanding of the relationship to health and wellbeing,
the project is making a real difference to the confidence and capacity of communities across the city.

Who made it happen

Glasgow City Council | Glasgow Housing Association | Creative Scotland | Public Art Scotland | Glasgow & Clyde Valley Green Network

Scottish Government officials met with Glasgow City Council to discuss Stalled Spaces in February 2013. We are currently looking at ways of taking this initiative to a national level.

Other planning case studies relevant to vacant and derelict land and climate change

Glasgow Clyde Valley Green Network
www.scotland.gov.uk/Topics/Built-Environment/planning/modernising/cc/gcvgreen

Edinburgh Waterfront visioning
www.scotland.gov.uk/Topics/Built-Environment/planning/modernising/cc/CaseStudies/EdinWaterfront

Scottish Awards for Quality in Planning
www.scotland.gov.uk/Topics/Built-Environment/planning/National-Planning-Policy/awards/planning-awards

6. Detail of the Government’s strategy to deliver behavioural change in the population at large to support the RPP2.

The infrastructural and technology measures in RPP2 are crucial in moving us towards a low carbon Scotland – and the impact of many of these policies and proposals depends heavily on the extent to which people adopt and use them. Integrating behaviours into our policies and proposals is key.

The Scottish Government will publish a Low Carbon Behaviours Framework will be available on Monday 4 March. Due to timings in finalising RRP2 and feeding the work of RPP2 into the Framework, the Framework is being launched a few weeks after the publication of the draft RRP2.

The forthcoming Framework proposes the ‘Individual, Social, Material' (ISM) tool for effectively influencing behavioural change. This tool, drawing on key behavioural research from recent years, recognises that behaviour is contextualised and cannot be successfully influenced by targeting the individual alone. It is important to simultaneously target the social norms within which an individual operates, as well as the material or infrastructural world in which they live. A full technical guide to ISM will be published in mid-2013.
We will deliver workshops in 2013-14 on the Individual, Social and Material (ISM) tool for government officials responsible for the proposals and policies put forward in RPP2. This will help refine the behavioural aspects of our policies and proposals to deliver the greatest change. We will also offer introductory workshops on ISM to local government, NGOs and other partners to support low carbon behaviours.

In addition to this, we are currently commissioning a series of pilot projects based on the principles of the ISM research. Each of these is aimed at influencing one or two specific behaviours, and will seek to test out the efficacy of new approaches.

The ‘Greener Together’ campaign launched in January 2012 is our main engagement tool with the general public in relation to carbon emissions reductions. The campaign is based on 10 key behaviour areas which were identified as having the most impact in reducing emissions at a household / consumer level. These fall into four categories: Homes, Transport, Food and Consumption. The objective of the Greener Together campaign is to encourage the Scottish public to adopt more of the 10 key behaviours, more often.

The Greener Together campaign is used to bolster topic-specific marketing activity to achieve increased behaviour change. Recent topic-specific campaigns include Recycling (Jan 2012), Eat in Season (July 2012), Home Energy (Nov 2012) and Food Waste (Oct / Nov 2012). An Active Travel campaign is scheduled to launch in May 2013.

Media activity for the Greener Together campaign is supported by field activity e.g. in shopping centre and visitor attractions; an interactive website (www.greenerscotland.org), an electronic customer relationship management (eCRM) strategy and engagement through various partnership agreements.

An independent evaluation of the Greener Together Campaign has been carried out showing good levels of awareness, recognition, motivation and action taken as a result of the campaign.

Alongside Greener Together we are working with stakeholders and networks to engage with a range of groups, for example Eco-congregations, Climate Challenge Fund, 2020 Group and Sustainable Scotland Network (SSN), on the key climate change behaviour areas.

7. Detail of actions the Scottish Government is taking to support Local Government to reach the targets.

Housing

The Scottish Government prepared joint guidance with COSLA in 2011 to provide advice to Local Authorities on how to address climate change in their Local Housing Strategies (LHS), to help them meet the duties they have as public bodies under the Climate Change (Scotland) Act 2009, set out the financial and other resources available to assist them and signpost sources of technical information and advice.
The Scottish Government funded **Universal Home Insulation Scheme** (UHIS) has provided significant investment to Local Authorities to enable them to deliver energy efficiency advice and free basic insulation measures such as loft insulation and cavity wall insulation on a free-to-all basis. This has assisted councils in reducing emissions and fuel poverty in their local communities.

The first phase of this area based scheme saw around 30,000 free energy efficiency measures (such as loft and cavity insulation) installed in 27 Local Authority areas across Scotland.

In the 2011-12 follow up scheme, 31 Local Authorities accessed £14.3m of Scottish Government grant.

All 32 Local Authorities were awarded a share of the 2012-13 budget. Installations remain ongoing from these programmes and in the autumn we announced a further allocation of £6m for the scheme in this financial year bringing the total budget to £22.5m. Local Authorities are responsible for the delivery of this scheme and estimate that up to 10,000 households across Scotland could benefit from this additional funding.

Local Authorities have a central role in developing and delivering the new **National Retrofit Programme** (to be renamed Home Energy Scotland Programme), which will replace UHIS and other schemes in 2013-14.

Scottish Government will make available £79m funding for energy efficiency programmes in 2013-14, which will lever in funding from energy companies to create an initiative with access to up to £200m.

For 2013-14, the area-based scheme will have a budget of around £60m with a proportion as an allocation to all 32 authorities based on a needs formula and the balance based on bids for an assessed allocation.

In December 2012, we announced NRP pilots worth £27m to cut heating bills and transform more than 2,200 older, colder properties across Scotland. Scottish Government investment of £3.5m on these pilots will lever in £13m from major utility companies.

The area based scheme could assist RSLs and Local Authorities where mixed tenure schemes exist by funding any owner occupied ‘blockers’ to projects and we are encouraging Local Authorities to engage with RSLs over their proposals for the NRP in their local areas.

Through COSLA and the Association of Local Authority Chief Housing Officers, councils have been represented on the Deputy First Minister’s Sustainable Housing Strategy Group which is shaping a Sustainable Housing Strategy to achieve our vision of warm, high quality, affordable, low carbon homes and a housing sector that helps to establish a low carbon economy across Scotland.
Transport

Transport Scotland is supporting Local Authorities around sustainable transport on a range of fronts detailed below.

**Car Clubs:** To encourage reduced car ownership, and use, Transport Scotland is supporting the establishment of car clubs in urban populations over 25,000 and a network of community-led rural car clubs. Local Authorities play a key role in the development of car clubs, often being the main business partner. Eleven car clubs have so far received support from the Developing Car Clubs in Scotland programme, including city-based schemes in Aberdeen and Dundee and a number of community-led schemes. Car clubs also have potential to give drivers experience of low carbon vehicles.

**Smarter Choices Smarter Places (SCSP):** a four-year Scottish Government/Transport Scotland demonstration project in partnership with COSLA designed to increase active travel and public transport use and tackle transport emissions in seven communities, working with their Local Authorities. £16m (including Transport, Health and Climate Change funding) has been made available to the lead Local Authorities between 2008 and 2012 to fund a range of interventions. The main interventions from the whole programme consist of much needed incentives to change travel behaviour with improvements to the walking and cycling infrastructure to make it more comfortable and convenient to get around actively; bus infrastructure including service and stop improvements; personal travel planning by travel advisors visiting over 50,000 households to promote each project and the opportunities for active and sustainable travel available locally, public realm improvements including signposting and lastly branding, promotion and marketing of all of the schemes ensuring local identity.

Key interim findings from year one by monitoring is showing that overall, the investment in infrastructure and improved service delivery has resulted in enhanced public engagement and involvement, thus helping to build foundations for more innovative future approaches geared to stimulating further modal shift towards sustainable transport options. A knowledge sharing event involving the various demonstration project managers and other stakeholders from this programme took place in May 2012, which explored some of the early lessons from programme and other associated initiatives. A full evaluation report will be available in spring 2013 following which next steps for local delivery work will be developed.

**Fuel Efficient Driving** (FED) techniques can lead to average fuel savings of 5-10% for the average driver. Current activity includes subsidised training delivered via the Energy Saving Trust, which Local Authorities are encouraged to access for their employees. The longer term aim of this proposal is to encourage market demand for fuel-efficient driving training from car drivers and thus stimulate its delivery. In 2011-12, around 3,000 drivers benefited from subsidised training provided on our behalf by EST. 2,000 of these lessons were made available to public sector drivers, including Local Authority staff. Early feedback suggests that 96% of trainees change their behaviour after having the training, resulting in fuel savings which equate to around two months’ worth of fuel per year. The lessons therefore pay themselves back in around three to four weeks per driver.
Grey Fleet Reviews: Grey fleet is use of private cars for business use. Transport Scotland funds the Energy Saving Trust (EST) to take forward grey fleet reviews. In 2012-13, 13 public sector organisations underwent a grey fleet review (including five Local Authorities). The results show that substantial financial savings can be made, as well as carbon savings. In 2013-14, EST will produce case studies and tools based on the learning from pilot organisations, as well as information papers for Local Authority Directors of Finance.

Public Sector Fleet Benchmarking: Transport Scotland funds the Energy Saving Trust (EST) to take forward a benchmarking exercise for the public sector on fleet emissions. In 2013-14, EST will continue to work with the Environmental Association of Universities and Colleges (EAUC) and the Scottish Sustainability Network on the adoption of appropriate policies and procedures to reduce carbon while maintaining service delivery. Case studies will be publicised.

Cycling infrastructure development and promotion: Scottish Government funding to Cycling Scotland and Sustrans supports key actions evolving from the cycling Action Plan for Scotland (CAPS) to bring about significant behavioural change around functional cycling, in schools, workplaces and communities.

- CAPS is currently under-going a refresh, as a partnership endeavour with the active engagement of Local Authorities (who come together with other delivery partners in the CAPS Delivery Forum which monitors progress).
- The Bikeability delivery group delivers a coordinated approach to training for young people across all Local Authorities. In 2011, 95% of schools were offered training and 69.5% of schools delivered training. Training courses for adults are also being delivered.
- The ‘Give Me Cycle Space’ campaign is supported in 12 authorities. This campaign is supported by national TV, radio and roadside hoardings delivering key road safety message around cycling to the wider community and all road users.
- All Local Authorities complete the Hands Up Scotland Survey to gather a longitudinal data set on how young people travel to school. Data on cycling is also extracted from the Scottish Household survey.
- The Cycle Friendly Employer award now encompasses 118 workplaces, with over 53,000 employees across Scotland.
- the Scottish Government grant-funds Sustrans to work in partnership with Local Authorities to develop cycling infrastructure, on a match-funded basis, and this is enabling the development of community links to key destinations such as schools, stations and shopping areas as well as the development of the National Cycle Network.
- Local Authorities are supported to actively manage roads for active travel for cyclists and pedestrians by encouraging the roll out of effective 20 mph schemes in residential areas and in the vicinity of schools. Also by promoting ‘Designing Streets’ and ‘Cycling by Design’. Examples of best practice from Local Authorities like Edinburgh which has developed its own cycling action plan, are shared widely.
- A programme of ‘Making Cycling Mainstream’ courses provides professional training to staff including Local Authority officers on cycling related issues to
promote the use of planning policy, access legislation and design guidance.

Three universities have been involved and over 290 candidates have successfully completed courses.

- Monitoring the shift in authorities towards more functional journeys by bicycle will be an integral part of the refreshed CAPS, spring 2013.

**Low Carbon Vehicle support and the Plugged in Places (PiP) Scheme:** Through the Low Carbon Vehicle (LCV) Procurement Support Scheme and membership of the UK Government's Plugged in Places (PiP) Scheme, the Scottish Government has invested over £8m in LCVs and charging infrastructure since 2010. This has enabled Scotland’s public services to purchase around 270 low carbon vehicles, including electric cars, vans and street sweepers, and to install over 300 charging posts across the country. Transport Scotland has continued to work closely with the Local Authorities of Scotland’s cities and major conurbations to work towards increasing the number of charging posts to over 500 by the end of 2012-13 to ensure that the people of Scotland have access to a viable charging infrastructure. This infrastructure will allow us to maximise the potential environmental and economic benefits that arise from the increased use of electric vehicles in keeping with the aims of the national, regional and local transport strategies and support Scottish Government targets on carbon reduction.

**E-cosse:** This partnership, launched Mar 2012, of government, industry (including Scottish Power, SSE, Toyota and Nissan), WWF Scotland, other stakeholders promotes advance adoption of electric vehicles (EVs) in Scotland. Publication of an EV roadmap for Scotland is planned for spring 2013.

**Community Rail Partnership (CRP):** At the inaugural Community Rail Partnership (CRP) conference on 19th February 2013, Keith Brown, Minister for Transport and Veterans, announced additional funding of up to £100,000 of Scottish Government support for 2014-15, in addition to the £100,000 already committed to March 2014. This funding will assist with the creation and development of CRPs in Scotland. The primary role of CRPs is to encourage local communities, Regional Transport Partnerships and rail industry partners to invest in realistic and affordable initiatives. Building on existing successful schemes such as the Scottish Community Regeneration Fund and "Adopt-a-station", CRP backed initiatives will further support and develop local transport and community requirements.

**Major infrastructure work: Fastlink:** The Scottish Government’s has committed to provide Strathclyde Partnership for Transport (SPT) up to £40m for the Glasgow Fastlink project core scheme. Fastlink is a bus rapid transit system which will provide fast access to jobs, services and communities along a key development corridor, including healthcare services at the new South Glasgow Hospital Campus, and improve transport links for the Commonwealth Games. The Fastlink Core scheme incorporates the three main transport hubs in Glasgow city centre - Glasgow Central Station, Glasgow Queen Street Station, and Buchanan Bus Station.

Other significant infrastructure development work includes the Edinburgh Trams project with CEC.
Agenda Item 3  LGR/S4/13/6/4
27 February 2013

Buses and local transport: the role of the Scottish Government is to set the national policy framework and the strategic direction for buses. The main aim is to achieve growth in a manner that supports the environment and is broad based. A Bus Stakeholder Group (BSG), comprising of the regulator, operators, transport authorities (RTPS & LAs), users and community transport, meet regularly to review the operation and regulation of the bus sector.

We are considering with the Bus Stakeholder Group the development of a Bus Investment Fund (BIF) to encourage projects that deliver partnership working and patronage growth. The aim of BIF is to provide funding to incentivise and enable transport authorities to work in partnership with operators to improve bus services in Scotland. Projects can obtain funding over a maximum period of three years and the Fund is planned to be introduced in 2013-2014.

More widely on the bus industry:

- We amended the Bus Service Operators Grant (BSOG) scheme as from April 2012. The grant calculation is now based on distance and not fuel use and thus removes an inappropriate incentive. It encourages further fuel efficiency measures and will support our climate change targets. It also provides a limited redistribution of funding towards longer and more rural services and supports the bus network. BSOG also contains incentives for low carbon vehicles at twice the agreed rate.

- Through the Scottish Green Bus Fund (SGBF) we have so far supported the purchase of 70 low carbon buses with investment of £5.75m in two rounds. Further grant in round 3 (2012-13) has seen bids totalling £2.5m from five operators which, if approved, will allow purchase of approximately 45 new low carbon vehicles (23 hybrid buses, 20 gas buses and 2 all-electric buses). Round 3 of the SGBF has seen a bid (still to be approved) from the South West of Scotland Partnership (SWestrans) in Dumfries for grant totalling £96,288 to assist in securing the purchase of an all-electric mini bus. The proposed vehicle (seating capacity 33) will assist the current disconnect in the transport network in providing links with ferry ports in Cairnryan with the rail and bus network at Stranraer.

Wider work of relevance: 2020 Climate Change Group:

- Ongoing work with this group which has recently launched a transport challenge, encouraging organisations to trial electric vehicles, look at public transport, participate in fuel efficient driver training and consider tele/video-conferencing to replace business travel. This work is in parallel to work with the wider public sector through the Climate Action Group, in which COSLA participates, and associated networks such as the Scottish Sustainability Network.
Waste

Local Authorities contribute to cutting greenhouse gas emissions through measures to cut household waste and increase reuse and recycling. To help meet national recycling targets and ahead of new requirements for separate collection of food waste and key recyclables, the Scottish Government is supporting Local Authorities through:

- National campaigns to influence public behaviours to recycle more and waste less – supported by local roadshows in partnership with Local Authorities and retailers.
- Working with major food retailers and brands through the Courtauld Commitment to use their influence to meet stretching targets to reduce household packaging and food waste.

And through Zero Waste Scotland (ZWS) grant funding for:

- Local Authority food waste collections (£2.5m in 2011-12, and £6.5m in 2012-13). Eighteen Local Authorities are now providing some form of separate food waste collections, making use of previous ZWS investment in food waste processing infrastructure.
- Recycle on the Go facilities (£250,000 in 2011-12, and £850,000 in 2012-13) for Local Authorities and others managing public venues such as shopping malls, universities and tourist attractions. Boosting recycling when people are out and about.
- Local Authority glass collection infrastructure and improvements to household waste recycling centres (£1.2m and £0.4m in 2012-13).
- £200,000 in 2012-13 for four Local Authorities to participate in a trial collection of nappies and similar Absorbent Hygiene Products for recycling.
Local Government and Regeneration Committee

European Commission Work Programme 2013

Background

1. Annual consideration of the European Commission’s Work Programme (CWP) is integral to the Scottish Parliament’s early engagement with EU issues, as detailed in the Parliament’s European Strategy. The CWP details the work commitments of the Commission for the next 12 months, outlining both legislative and non-legislative proposals.

2. The Parliament’s European Strategy aims to mainstream consideration of EU issues. To fulfil that objective, the EU Reporters of each subject committee lead the analysis of the CWP and the proposals relevant to their remit, to determine EU priorities for their Committee’s agreement.

3. Further details of the agreed process for assessing the CWP proposals for 2013 and the initial EER Committee assessment of those proposals is attached at Annexe 1.

4. Each subject committee should then require to report to the European & External Relations (EER) Committee with their agreed EU engagement priorities by 24 January, with the EER Committee considering and agreeing an overarching ‘Report on EU Priorities of the Scottish Parliament’s Committees for 2013’ on 7 February 2013, which is the subject of a chamber debate on Tuesday 27 February 2013.

5. However, due to an administrative error, the LGR Committee was not consulted in time for its EU priorities to be agreed and included in the European and External Relations Committee report.

6. In order to rectify this error, it has been determined that the Committee will now consider and agree its EU priorities and will report to the EER Committee separately, who will consider this information, in due course, and seek a response from the Scottish Government to the priorities of the Committee.

7. This paper outlines below the specific CWP proposals for 2013 that fall within the remit of the LGR Committee, and ongoing EU priorities for the Committees consideration, identified by the Committee’s EU Reporter, Stuart McMillan MSP.

8. If agreed by the Committee, these priorities will represent the EU Work Programme for the LGR Committee in 2013.

Local Government and Regeneration Committee EU Priorities for 2013

9. It can be seen from Annex 1 that the EER Committee’s assessment of the CWP for 2013 does not identify European Commission initiatives for 2013, falling specifically within the remit of the Committee.
10. However, there are a number of policies continuing (or completing) their legislative journey in 2013, notably:

- negotiations over the structure and scale of the next Multi-annual Financial Framework;
- the future of structural funds, and
- public procurement rules.

11. All of these areas are of significant relevance to the Local Government and Regeneration Committee, particularly given its current inquiries into ‘Public Services Reform: Strand 3 – Developing New Ways of Delivering Services’ and ‘Delivery of Regeneration in Scotland’.

12. In addition, COSLA wrote to all Scottish Parliament EU reporters in January 2013, outlining their key EU priorities for 2013. It identifies key priorities for COSLA to:

- Ensure that local development is a key pillar of the Scottish Partnership Agreement 2014-2020 (and safeguarding the specific status of the Highlands and Islands as a transition region);
- Ensure that any new provisions secured in EU rules for Public Procurement are fully exploited in the Scottish implementation of the legislation, through the forthcoming Scottish Government Procurement Reform Bill;
- Work on any other EU limitations that may be placed on shared service arrangements, which are also currently being negotiated in Brussels.

13. It is proposed that the areas outlined above are agreed by the LGR Committee as its EU priorities for 2013.

Recommendation

14. The Committee is invited to consider and agree to:

- The EU priorities for the Committee as set out above;
- Keep these priorities under review in the light of developments to the Commission’s Work Programme throughout 2013;
- Take evidence on the potential impact of changes to European Structural Funds from 2014 onwards on funding of regeneration projects, as part of the Committee’s current Inquiry into ‘Delivering Regeneration in Scotland’
In order to feed into the Committee’s Inquiry into ‘Public Services Reform: Strand 3 – Developing New Ways of Delivering Services’, and any future Committee consideration of the forthcoming Procurement Reform Bill, to write to the COSLA European Unit, seeking further information on:

i. The potential impact of new EU Public Procurement rules on Local Government, and

ii. The impact of EU limitations on shared service arrangements for Local Government.

Finally, to keep a watching brief via the EER Committee’s Brussels Bulletin on:

i. Multi-Annual Financial Framework (MFF) and the Scottish Partnership Agreement 2014-2020;

ii. European Structural Funds;

iii. Public Procurement;

iv. Shared Service arrangements.

Stuart McMillan MSP
EU Reporter
22 February 2013
European issues for 2013

Assessment of the Commission Work Programme for 2013

Introduction

1. Each year the European Commission produces a detailed work programme for the year ahead, outlining legislative proposals (directives, regulations etc.) and non-legislative proposals (action plans, green papers, recommendations etc.). The programme is the product of a dialogue both within and between the EU institutions and the member states that will hold the rotating presidency of the Council.

2. The Commission Work Programme (CWP) for 2013 continues to build upon the priorities outlined by Commission President José Manuel Barroso when he began his second term of office in 2009 (Political Guidelines for the Next Commission) and updated by his recent State of the Union address to the European Parliament on 28 September 2012.


Policy themes of devolved interest

4. The key Commission initiatives for 2013 are:

- **Economy.** The Commission will assess the state of the EU’s economy in its Annual Growth Survey. In addition the Commission continues to deliberate on the necessary architecture to re-build confidence in the EU’s financial and banking sector, including a review of the European Financial Stability Facility and the Common Strategic Framework.

- **Energy & Climate Change.** Efforts will be made to put in place the requirements for a longer term energy roadmap to 2050, including Energy Technology & Innovation consideration and a strategy to support adaptation to climate change as well as an overarching climate and energy strategy to see the union through to 2030. Air pollution will also be the subject of regulation, and a framework will be established to allow assessment of unconventional hydrocarbon extraction.

- **Justice.** The roll-out of measures under the Stockholm Programme will continue, notably with the delayed proposals to address the vulnerable within the justice system and the mutual recognition of legal documents. The establishment of a European Public Prosecutor may also prove controversial.

- **Infrastructure.** The rollout of the digital agenda will see a number of initiatives including measures to reduce the cost of broadband deployment, e-invoicing and an action plan on wireless
communication. The Commission will also instigate a framework for ports and establish a ‘blue belt’ for maritime transport. Reform of state aid will also continue apace.

- **Rural Affairs & Environment.** Against a backdrop of reform of the Common Agricultural Policy (CAP) and Common Fisheries Policy (CFP) a number of initiatives will be advanced, including a review of waste policy, animal medicines and technical measures in fisheries.

- **Other issues.** Negotiations on the next EU Financial Framework (the EU Budget) will continue, impacting upon a number of policy areas (agriculture, regional policy, innovation & research). Also to be expected will be a review of access conditions in controlled professions and a review of the internationalisation of higher education. A Commission recommendation on Roma integration is also anticipated.

**Structure of paper**

5. The Commission proposals for 2013 are detailed below. In the accompanying table each proposal is grouped according to the responsible committee of the Scottish Parliament. Where available, the title of each proposals contains a hypertext link to the Commission ‘road map’, which provides greater detail on the proposal as well as the Commission’s considered response to questions of subsidiarity and proportionality. Further background material is also provided where appropriate.

6. The initial selection of the CWP proposals was conducted according to the criteria agreed by the EER Committee at its meeting of 25 October 2011, particularly: (i) the nature and stage of proposal; (ii) the potential Scottish dimension; (iii) the status of the proposal vis-à-vis reserved or devolved; and (iv) the financial implications.

7. It is important to note that while the paper focuses upon the initiatives to be launched in 2013, there will be a number of policies continuing (or completing) their legislative journey in 2013, notably: (i) negotiations over the structure and scale of the next Multi-annual Financial Framework; (ii) the future of structural funds; (iii) the Europe 2020 strategy; (iv) the Horizon 2020 strategy; (v) the Stockholm (Justice) programme; (vi) reform of the CAP; and (vii) reform of CFP.

8. The current engagement of the Parliament’s committees has recently been documented in a report of the European & External Relations Committee.

9. A glossary of EU terms is also included.

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## European Commission proposals for 2013 of devolved interest

<table>
<thead>
<tr>
<th>Nature</th>
<th>Title</th>
<th>Date</th>
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<tbody>
<tr>
<td><strong>Economy, Energy &amp; Tourism</strong></td>
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<tr>
<td>Communication</td>
<td><strong>Annual Growth Survey (AGS)</strong></td>
<td>Q1</td>
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<td>The AGS is the first stage of the ‘European Semester’, an annual cycle of macro-economic, budgetary and structural policy coordination. The key stages in the European semester are.</td>
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<td>• Commission issues AGS, setting out EU priorities for the coming year to boost growth and job creation (January).</td>
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<td>• European Council and Parliament discuss AGS (February).</td>
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<td>• EU Heads of State and Government issues EU guidance for national policies on basis of AGS (March).</td>
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<td>• Member States submit their Stability/Convergence Programmes and outline plans to progress the smart, sustainable and inclusive growth agenda (National Reform Programmes) (April).</td>
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<td>• Commission assesses programmes (May).</td>
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<td>• Commission gives country-specific recommendations which are discussed and endorsed by EU leaders (June).</td>
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<td>• European Council adopts the country-specific recommendations (July).</td>
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<td>• Governments present the budget draft to their Parliaments (Autumn).</td>
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<td>See Committee of Regions forecast (August 2012).</td>
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<td>Legislative (likely to be a Directive)</td>
<td><strong>Providing long-term finance through actions to ensure the effectiveness of financial institutions, markets and instruments</strong></td>
<td>Q2/3</td>
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<td>Following the Green Paper (December 2012), the Commission will propose actions to improve the conditions for long term finance in Europe. Some of the actions may be included in other proposals (like UCITS VI)</td>
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<td>Click here for more details.</td>
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<tr>
<td>Legislative/ non legislative</td>
<td><strong>Review of the European System of Financial Supervision</strong></td>
<td>Q3</td>
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<td>The regulations establishing the European Financial Stability Facility (the three European Supervisory Authorities and the Systemic Risk Board) require the Commission to carry out an in-depth review in 2013, before proposing any change.</td>
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<td>Click here for more details.</td>
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<td>Communication</td>
<td><strong>Common Strategic Framework (CSF) Funds and EU economic Governance</strong></td>
<td>Q2</td>
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<td>The CSF (March 2012) is intended to help in setting strategic direction for the next financial planning period (2014-2020) in Member States and their regions. The communication provides an analysis of how the CSF Funds will contribute to EU economic governance, their role in fostering growth and the importance of a sound macroeconomic framework for the efficient use of the funds. It will examine the links of CSF Funds with the economic governance procedures and explain how macroeconomic conditionality will be implemented. A public hearing will take place in Spring 2013.</td>
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<td>Nature</td>
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<td>Communication</td>
<td><strong>Energy Technologies and Innovation in a future European Energy Policy</strong></td>
<td>tbc</td>
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<td>The communication will set out means to foster energy technologies development (as per the energy roadmap 2050), to promote energy research, demonstration and market deployment actions at EU level and to remove market, regulatory and behavioural barriers to the market deployment of energy innovation (via the Intelligent Energy Europe III programme).</td>
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<td>Legislative / Non-legislative</td>
<td><strong>Reforming the internal market for industrial products</strong></td>
<td>Q3</td>
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<td>The aims of the proposal are, among others, to address the shortcoming, bottlenecks and out-dated requirements of the existing EU industrial products legislation in order to further strengthen and simplify the regulatory framework. A Commission presentation outlines how the proposals fit in to the overall EU industrial policy.</td>
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<td>Communication</td>
<td><strong>Access for regulated professions</strong></td>
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<td>The Communication will take stock of recent developments in Member States in the area of regulated professions and to seek to devise a methodology for facilitating the mutual evaluation exercise foreseen in the proposal modernising the Professional Qualifications Directive. The mutual evaluation foreseen in the proposal will focus on restrictions (qualifications and reserved activities). Click here for more details.</td>
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<tr>
<td>Education &amp; Culture</td>
<td><strong>Internationalisation of Higher Education</strong></td>
<td>Q1</td>
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<tr>
<td>Non-legislative</td>
<td>Europeans need to be prepared for an increasingly global, open and competitive labour market. European universities are subject to growing global competition to attract talent and exchange knowledge. The Communication will review the different policies and programmes that can support them in furthering their internationalisation efforts. Click here for more details.</td>
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<td>Equal Opportunities</td>
<td><strong>Integration of the Roma</strong></td>
<td>Q2</td>
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<td>Commission recommendation (Soft law)</td>
<td>Proposal to foster implementation of National Roma Integration Strategies, based on the work of a Pilot Group of Member States representing a geographical balance and the diverse situations concerning Roma within the EU and identifying good practices and effective approaches to Roma Integration.</td>
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<tr>
<td>European &amp; External Relations</td>
<td><strong>Proposals for reinforced partnering in research and innovation under Horizon 2020</strong></td>
<td>Q3</td>
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<td>Nature</td>
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<td><strong>Legislation</strong></td>
<td>Legislation to enable leveraging of investment and the pooling of efforts in key industrial sectors facilitating global development assistance through the renewal and creation of Public-Private Partnerships. These partnerships will leverage substantial private investment in key industrial sectors, such as pharmaceuticals, energy, transport, aeronautics, electronics, air traffic management and bio-based products. The initiative also includes Public-Public Partnerships for the joint implementation of national research programmes, to underpin industrial competitiveness by supporting R&amp;D-performing SMEs, cutting-edge metrology, and ICT-based products and services for the elderly. Another will fight against poverty-related diseases in Sub-Saharan Africa.</td>
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<td><strong>Communication</strong></td>
<td>Social Investment for Growth and Cohesion – including implementing the ESF 2014-2020 (see above)</td>
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<td>The Communication will provide guidance on increasing the efficiency, effectiveness, and adequacy of social protection systems; improving, activating and enabling policies; social inclusion and adequate livelihoods. The Communication will contribute to implementing the Europe 2020 strategy/ European Semester, support the design of social investment in the National Reform Plans and assist Member States in making best use of EU funds, European Structural Funds in particular.</td>
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<td>Details of the expert working group on the initiative can be accessed here.</td>
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<td><strong>Communication</strong></td>
<td>Preparing an EU position on the post - 2015 development Agenda</td>
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<td>As part of a process to pursue a linked strategy for the Millennium Development Goals, the follow-up to Rio+20 and the Sustainable Development Goals process, this Communication will pursue agreement on an ambitious post-2015 global development framework with a strong emphasis on shared responsibility and accountability.</td>
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<td><strong>Health &amp; Sport</strong></td>
<td>Fighting cigarette smuggling</td>
<td>Q1</td>
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<td>Communication</td>
<td>This strategy would propose a comprehensive response at EU level to illicit trade in cigarettes, taking into account the losses caused to public revenue and its role as an outlet for organised crime. Better co-ordinated and more targeted action would include exchange of information, standard setting and international cooperation.</td>
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<td>Background materials to the EU's fight against tobacco can be accessed here.</td>
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<td><strong>Infrastructure &amp; Capital Investment</strong></td>
<td>Reducing the costs of broadband infrastructure deployment</td>
<td>Q1</td>
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<td>Regulation</td>
<td>Follows 2012 consultation on broadband. The regulation would reduce the cost of deploying high-speed broadband networks across the EU. This would incentivise investment in line with Digital Agenda high speed internet targets. The Regulation would mainly set out rights and obligations directly applicable to telecom operators and other utilities</td>
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<td>Directive</td>
<td>Initiative on E-invoicing in the field of public Procurement</td>
<td>Q2</td>
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<td>This initiative would eliminate the fragmentation of the Internal Market by promoting the use of B2G e-invoicing in the public sector and enhancing the interoperability of national e-invoicing systems. It would help to reduce the operating costs of enterprises and the procurement costs of public authorities by fostering the automation of procedures related to invoicing. For further details click <a href="#">here</a>.</td>
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<td>Communication/Action plan</td>
<td>Action Plan on Wireless Communications for a Connected Europe</td>
<td>Q2</td>
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<td>The aim of the Communication is to lay down an action plan to meet the challenges the EU is facing in the next few years with regard to dynamic market developments and exponential traffic growth in wireless services. Policy objectives include accelerating the roll-out of wireless broadband networks, fostering shared spectrum use, exploitation of EU R&amp;D results on wireless communications and enhancing global spectrum harmonisation. For details of the EU's connecting Europe Facility click <a href="#">here</a>.</td>
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<tr>
<td>Legislative/non legislative</td>
<td>A Blue Belt for a single market for maritime transport</td>
<td>Q2</td>
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<td>To reduce the administrative burden for intra-EU maritime transport to a level that is comparable to that of other transport modes by avoiding multiple controls (including customs). The proposal will be supported by modern ICT technologies, which permit the reliable tracking of ships and cargo with a sufficient level of certainty when shipping operates within the Single Market. Further details of the blue belt initiative can be accessed <a href="#">here</a>.</td>
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<tr>
<td>Legislative/non legislative</td>
<td>Framework on the future EU ports' policy</td>
<td>Q2</td>
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<td>Enhancing the efficiency and overall quality of port services, addressing the obligations of Member States regarding the sound planning of ports and hinterland connections, transparency of public funding and port charges, and administrative simplification efforts in ports, and reviewing restrictions on the provision of services at ports. A summary of extent ports legislation can be accessed <a href="#">here</a>.</td>
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<tr>
<td>Legislative</td>
<td>Internal Road Market - Access to the road haulage market and access to occupation of road transport operator</td>
<td>Q2/3</td>
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<td>The initiative will set out to improve the economic and environmental efficiency of road freight transport by further lifting the restrictions to cabotage. It will create a more even playing field by including provisions to apply social rules of the host country in the case of long stay of drivers and provisions for a more uniform enforcement. Background and further information on the findings of the high-level group can be accessed <a href="#">here</a>.</td>
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<td>Legislative</td>
<td><strong>State aid Modernisation: General block exemption Regulation (GBER)</strong></td>
<td>Q4</td>
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<td>The GBER set the most appropriate conditions for State aid, exempted from the notification requirement, to be compatible with the internal market. This will reduce administrative burden for national authorities. Details on the current GBR rules can be accessed <a href="#">here</a>.</td>
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<td>Communication</td>
<td><strong>State aid modernisation in key sectors</strong></td>
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<td>Review of compatibility criteria in the guidelines for aid to: (i) Research &amp; Development &amp; Innovation; (ii) risk capital, for regional aid, for environmental aid and for industrial Rescue and Restructuring aid; and (iii) airports and airlines. These revisions aim to support the EU's strategy for economic growth, to quicken decision making. Further details of the proposal are contained in recent remarks of Joaquín Almunia Vice President of the European Commission responsible for Competition Policy (June 2012) which can be accessed <a href="#">here</a>.</td>
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<td>Justice</td>
<td><strong>Special safeguards in criminal procedures for Suspected or Accused Persons who are Vulnerable</strong></td>
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<td>The will ensure that special attention is shown in criminal procedures to suspected or accused persons who cannot understand or follow the content or the meaning of the proceedings, owing, for example, to their age, mental or physical condition. (It had been anticipated that this initiative would be launched during 2012, but to date no progress has been made). For more details click <a href="#">here</a>.</td>
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<td>Regulation (revision)</td>
<td><strong>Service in the Member States of judicial and extrajudicial documents in civil or commercial matters</strong></td>
<td>Q2</td>
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<td>The revision of regulation 1393/2007 will pay special attention to the effectiveness of the transmitting and receiving agencies and focus on the practical application of the execution of a request for forwarding a request for service. It may include the establishment of common minimum standards. For more details click <a href="#">here</a>.</td>
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<td>Communication</td>
<td><strong>EU Citizenship Report 2013: Progress towards eliminating obstacles to EU citizens' rights</strong></td>
<td>Q2</td>
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<td></td>
<td>The Communication will report on progress made since the 2010 Citizenship Report and identify further actions towards completing the removal of obstacles to EU citizens’ enjoyment of their rights under the Treaty. It will be one of the outcomes of the 2013 <a href="#">European Year of Citizens</a>. Details on EU citizens’ right can be accessed <a href="#">here</a>.</td>
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<td>Nature</td>
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<tr>
<td>Legislative</td>
<td><strong>Establishment of a European Public Prosecutor’s office (EPPO) to protect the financial interests of the Union</strong></td>
<td>Q2</td>
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<tr>
<td></td>
<td>This initiative intends to set out the framework and conditions for establishing the European Public Prosecutor’s office to focus on the protection of the financial interests of the Union. It will be accompanied by proposals on the reform of Eurojust and on protection of the financial interests of the EU. For more details click <a href="#">here</a>.</td>
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<tr>
<td>Rural Affairs, Climate Change &amp; Environment</td>
<td><strong>Review of EU political and legal framework for organic production</strong></td>
<td>Q3</td>
</tr>
<tr>
<td>Communication/ possible Legislation</td>
<td>The policy objectives of the current framework for organic production (Regulation 834/2007 and Communication COM(2004) 415) are to: (i) establish a sustainable management system for agriculture and (ii) to produce high quality products and a high variety of products responding to consumers’ demand for processes that do not harm the environment, health, or animal welfare. The review will verify whether they are still relevant and adapted to the future evolution of organic production. For more details click <a href="#">here</a>.</td>
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<tr>
<td>Communication/ Directive</td>
<td><strong>EU’s Strategy on adaptation to climate change</strong></td>
<td>Q1</td>
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<tr>
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<td>To contribute effectively to a more climate-resilient Europe. This means enhancing the preparedness and capacity to respond to the adverse impacts of climate change of the EU, its Member States and regions. For more details click <a href="#">here</a>.</td>
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<tr>
<td>Communication/ Directive</td>
<td><strong>New climate &amp; energy framework for the period up to 2030</strong></td>
<td>Q2</td>
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<td>The EU is committed to moving beyond its current climate change targets. The communication will explore means to: (i) meet 80-95% GHG emission reduction objective in 2050 compared to 1990; (ii) foster long term competitiveness, security of supply and sustainability; and (iii) provide a long-term perspective for investments until 2030. Details of the Commission’s current thinking can be accessed <a href="#">here</a>.</td>
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<tr>
<td>Communication/ legislation</td>
<td><strong>Review of the Thematic Strategy on air pollution and associated legislation</strong></td>
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<td>The initiative will assess the implementation and achievements of current air pollution and air quality policies and will include legislative proposals to revise the Nation Emissions Ceiling Directive and other air quality legislation as appropriate in order to deliver enhanced protection from the impacts of air pollution for human health and the natural environment whilst contributing to Europe 2020. There will be a further public consultation process regarding the possible direction/outcomes of the review towards end 2012. There is also a dedicated web site for the review. For more details click <a href="#">here</a>.</td>
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<td></td>
<td><strong>Review of Waste Policy and Legislation</strong></td>
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<td>This initiative will review key targets in EU waste legislation (in line with the review clauses in the Waste Framework Directive, the Landfill Directive and the Packaging Directive) and carry out an ex-post evaluation of waste stream directives, including ways to enhance coherence between them.</td>
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<td>Background materials can be accessed <a href="#">here</a>.</td>
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<td><strong>Environmental climate and energy assessment framework to enable safe and secure unconventional hydrocarbon extraction</strong></td>
<td>Q3</td>
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<td>Against the background of existing EU legislation the initiative will examine options to ensure that opportunities to diversify energy supplies and improve competitiveness, including by production of unconventional gas, can be taken up. The framework would establish a level playing field across the EU, provide clarity and predictability for both market operators and citizens including for exploration projects, give full consideration of greenhouse gas emissions and management of climate and environmental risks in line with public expectations.</td>
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<td>For more details click <a href="#">here</a>.</td>
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<td><strong>Animal medicines</strong></td>
<td>Q2</td>
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<td>New framework for veterinary medicines and certain aspects of their use to establish a level playing field in the EU, and decrease administrative burden.</td>
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<td>Simplification of the regulatory environment pre and post marketing authorisation (including pharmacovigilance): (i) reduce the administrative burdens to businesses (with a particular focus on SMEs) clearly identified during public consultation and IA preparation; and (ii) increase availability of medicines (including for minor species) on the single market.</td>
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<td>For more details click <a href="#">here</a> and <a href="#">here</a>.</td>
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<td><strong>Animal health</strong></td>
<td>Q1/2</td>
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<td>A simpler framework (a single regulation replacing some 40 directives) detailing clear responsibilities for authorities and operators. Improved use of new electronic technologies and simplified requirements will bring potential for considerable savings, while the high safety standards that are necessary to ensure disease control and safe trade in animals and their products would be maintained.</td>
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<td>Further details on the Commission’s proposals can be accessed <a href="#">here</a>.</td>
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<td><strong>Conservation of fishery resources through technical measures for the protection of marine organisms</strong></td>
<td>Q1</td>
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<td>The main problem that this initiative will address is to reduce the complexity of the existing technical measures legislation. This initiative aims to simplify the current technical measures regulations through the development of a framework regulation with specific rules developed regionally. A non-paper is planned for initial consultation with</td>
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<td>stakeholders in early 2013.</td>
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<td>For more details click <a href="#">here</a>.</td>
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<tr>
<td>Regulation</td>
<td><strong>Plant Reproductive Materials</strong></td>
<td>Q1</td>
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<td>The initiative aims to foster innovation and seeks to reduce overall administrative burden and introduce flexibility within the regulatory framework with a view to globalisation, specialisation and development of new uses of agricultural commodities, together with changes in the societal expectations on the interplay of agriculture and the natural environment. It will modernise and simplify the legislation by replacing 12 Directives on seed and plant propagating material with one single act.</td>
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### Process for determination of Committee priorities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consideration of Commission Work Programme for 2013 by EERC and referral of European Officer’s analysis to subject committees</td>
<td>29 November 2012</td>
</tr>
<tr>
<td>Initial consideration of each subject committees’ priorities by EU reporter and supporting clerk</td>
<td>December 2012</td>
</tr>
<tr>
<td>Additional analysis, as required, commissioned from SPICe, Scottish Government etc</td>
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<tr>
<td>Subject committees’ consideration of reporter’s engagement recommendations and onward transmission of report to EERC</td>
<td>January 2013</td>
</tr>
<tr>
<td>Consideration of compendium of subject committee reports by EERC, determination of EERC-specific priorities and subject committee referrals.</td>
<td>February 2013</td>
</tr>
</tbody>
</table>
A guide to EU terminology

Commission proposals fall into two broad categories, legislative and non-legislative. The second group commonly gives warning of future action or legislation yet to come. The nature of each type of proposal is outlined below.

- **Communication.** A commission Communication is non-legislative in nature. It is commonly deployed to give warning or an outline of Commission thinking, or to summarise the results of an earlier consultation. Road maps and action plans are commonly published in this form. Communications will therefore appear throughout the legislative process. As such they are vital for gaining early warning of the likely course of a proposal, and the legislative milestones along the way. A communication can also be used in areas where the Commission has limited or no competence but believes it can add value to the process. An ‘Interpretative Communication’ is adopted to clarify issues of confusion within a specific EU law.

- **Green Paper.** The Commission usually issues its consultations in the form of Green Papers, which are non-legislative. A green paper is produced early in the legislative process. The results of this consultation grant legitimacy to the Commission’s further actions and are commonly summarised in a communication or a white paper. Recently the Commission has taken to issuing shorter, more specific, consultations without the title of green paper. These exercises are commonly electronic in nature.

- **White Paper.** Although non-legislative, a white paper will commonly summarise the Commission’s chosen course of action and legislative proposals. At this stage there is still opportunity to affect the broad thrust of policy development.

- **Directive (or Framework Decision in the Justice area).** A legislative proposal, which often results from the stages outlined above. Once a directive is issued it will debated by the Council and where the co-decision procedure operates, by the Parliament. This stage can take several years, depending upon the complexity or controversy of the issue. There is still an opportunity to influence the detail of the law at this stage through amendment but it is harder to influence the broad purpose. Once passed, a Directive will progress to domestic transposition, where the member state has flexibility to deliver on the Directive’s objectives.

- **Regulation.** A legislative proposal which commonly progresses more rapidly through the legislative process. Once passed, there is no domestic flexibility in its implementation.
Introduction

1. This paper seeks to inform members’ consideration of the Energy Performance of Buildings (Scotland) Amendment Regulations 2013 (SSI 2013/12).

Energy Performance of Buildings (Scotland) Amendment Regulations 2013 (SSI 2013/12)

Background

2. The instrument was laid on 23 January 2013 and the Local Government and Regeneration Committee was designated as lead committee.

3. The Subordinate Legislation Committee considered the regulations at its meeting on 5 February 2013 and agreed to draw the attention of the Parliament to the regulations. Further information from the Subordinate Legislation Committee can be found at Annexe A.

4. The Local Government and Regeneration Committee must report by 4 March 2013.

5. The regulations are subject to negative procedure. No motion to annul has been lodged.

Policy Objectives

6. The above instrument is made in exercise of the powers conferred by section 2(2) of the European Communities Act 1972 and sections 10 and 75 of the Energy Act 2011. The instrument is subject to negative procedure.

7. Under regulation 10 of the Energy Performance of Buildings (Scotland) Regulations 2008, made under section 2(2) of the European Communities Act 1972, a register of energy performance data is maintained to support delivery of Directive 2010/31/EU on the Energy Performance of Buildings. The energy performance certificates and recommendations reports produced from data held on this register are the vehicle for disclosure of green deal information in relation to the sale or rental of a property where energy efficiency improvements are funded through the green deal energy efficiency scheme (‘Green Deal’).

8. The Energy Act 2011 Act (‘the Act’) made provision for the development of the Green Deal. Through consequential secondary legislation, the UK Government has
put in place a scheme whereby the cost of carrying out energy efficiency improvements to a property are paid back in instalments via the electricity bill for the property, by the person who is the bill payer at the time the instalment is due. Accordingly, when the electricity bill payer for a property changes, the obligation to pay Green Deal instalments passes to the new bill payer. The disclosure requirements (set out in section 12 of the Act and Chapter 2 of Part 7 of The Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) Regulations 2012 (2012 No. 2079) (‘the Framework Regulations’) are designed to ensure that the new electricity bill payer is made aware of the green deal plan before they take on the property.

9. In Scotland, that information is to be included in a “recommendations report”, which is a document that is required to be provided whenever an energy performance certificate is issued for a property. The energy performance certificate and the recommendations report (which are referred to in the Framework Regulations as the “disclosure document”) must be given to prospective electricity bill payers. In making this instrument, which is required in advance of launch of the Green Deal on 28 January 2013, the Scottish Ministers exercise powers under sections 10 and 75 of the Act.

10. This instrument requires the inclusion of green deal information on the EPC and recommendations report where a property is the subject of a Green Deal, enabling disclosure of this status. They also address access to and use of such information where held on the register of energy performance data. A schedule lists the Green Deal information which is required to be presented within the recommendations report.

11. The provisions made in this SSI are as follows:

- regulation 3 adds further definitions in relation to the Green Deal, needed to support the amended regulations;
- regulation 4 introduces a requirement to identify the presence of a Green Deal on an energy performance certificate and specifies the validity of the certificate for Green Deal disclosure purposes.
- regulation 5 introduces a requirement to provide Green Deal information in the recommendations report which must accompany an energy performance certificate, for disclosure purposes.
- regulation 6 enables Green Deal information entered on the register to be altered to enable such information, reported on disclosure documents, to be current.
- regulations 8 to 10 specify restrictions on the disclosure of information held on the register to ensure that Green Deal information is only disclosed by the keeper of the register in appropriate circumstances.
- regulation 11 introduces the schedule which sets out the Green Deal information which must be present in a recommendations report for disclosure purposes where a building is subject to a Green Deal.
Procedure in committee

12. Under negative procedure, an instrument comes into force on the date specified on it (the "coming into force date") unless a motion to annul is lodged it is agreed to by the Parliament (within the 40-day period). Any MSP (whether a member of the lead committee or not) may lodge a motion recommending annulment of an SSI at any time during the 40-day period, including after the lead committee has considered the instrument.

Action

13. Unless a motion to annul the instrument is lodged, the Committee need only consider the instrument, and the comments of the Subordinate Legislation Committee and indicate whether it is content not to make any recommendations on it.

David Cullum
Clerk to the Committee

23. The instrument is subject to the negative procedure. It was made on 22 January 2013, laid before the Parliament on 23 January 2013 and came into force on 27 January 2013. There has accordingly been a failure to lay the instrument at least 28 days before it comes into force, as required by section 28(2) of the Interpretation and Legislative Reform (Scotland) Act 2010.

24. The Committee has considered the explanation for this failure that the Scottish Ministers provided in their letter to the Presiding Officer. The correspondence is reproduced in Appendix 2.

25. In light of that explanation, the Committee asked the Scottish Government for a further explanation of certain matters relating to the failure to comply with the 28 day rule. This correspondence is reproduced in Appendix 2.

26. It appeared to the Committee that, in their letter to the Presiding Officer, the Scottish Ministers rest their explanation for the failure to comply with the 28 day rule substantially upon the fact that the making of this instrument was a necessary pre-condition in order that the Secretary of State might make the Green Deal Framework (Disclosure, Acknowledgment, Redress et c.) (Amendment) Regulations 2013 ("the Framework Amendment Regulations"). In turn, they point to the necessity of that instrument in order that the Green Deal might be launched, as intended, on 28 January 2013 throughout Great Britain.

27. In the Committee's view, this does not appear to proceed upon a proper interpretation of section 11 of the Energy Act 2011, which contains the powers for making the relevant provisions of the Framework Amendment Regulations. Section 11(6) confers a power upon the Secretary of State to make provision in the Framework Regulations about the circumstances in which green deal data is to be updated. However, section 11(2) provides that the section 11(6) power applies only where one or more of the first, second or third conditions are met. Those conditions are set out in subsections (3) to (5). The Committee does not understand it to be disputed that the first condition is fulfilled by the coming into force of the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013, and that the second condition is fulfilled by the coming into force of this instrument.

28. However, the Committee differs from the Scottish Ministers as to the effect of section 11(2). The Scottish Ministers’ position is that both the first and second condition required to be fulfilled in order that the Framework Amendment Regulations might extend to the whole of Great Britain. The Committee is unable to concur in this analysis. It appears to controvert the plain words of section 11(2), which provides that the section 11(6) power applies only where one or more of the
first, second or third conditions are met. In the Committee’s view, section 11(2) clearly makes the operation of the section 11(6) power dependent upon the occurrence of any one of the three conditions.

29. The Committee accordingly considers that the making of this instrument on 27 January 2013 was not a necessary pre-condition for the Secretary of State to make the Framework Amendment Regulations on the following day. To the extent that the Scottish Ministers argue that this necessity obliged them not to comply with the 28 day rule, the Committee disagrees.

30. The Committee also sought further information from the Scottish Ministers as to the planning and preparation which was undertaken for the making of this instrument. The Ministers indicate that dialogue has taken place with the UK Government over recent months. They go on to advise that “in late 2012” it became clear that final text from the Department for Energy and Climate Change would not be available until early 2013. It is unclear to the Committee whether this was before or after the laying of the draft Framework Amendment Regulations before the UK Parliament on 10 December. In other words, it is unclear whether the inability to comply with the 28 day rule became apparent after it was too late to do anything about it, or whether the Ministers were aware of this fact at a point where they could still have laid an instrument in compliance with the 28 day rule.

31. The Scottish Ministers express the view that a co-ordinated approach has been taken to the laying of these instruments. The Committee accordingly finds it surprising that the Minister go on to narrate that they did not receive the final text of the English instrument until after it had been signed, and that they only discovered at that stage that it differed from the draft which they had prepared. Had a co-ordinated approach truly been adopted, then it appears to the Committee that this would not have happened.

32. The Committee observes that the purpose of the 28 day rule is twofold: it allows an adequate opportunity for public notice of the change in the law prior to it taking effect, and it allows time for Parliamentary scrutiny (including the possibility of annulment) before the instrument comes into force. It appears to the Committee that both of these purposes were substantially frustrated by the manner in which this instrument was made, laid and brought into force within a four day period.

33. The Committee accepts that, as the English instrument was not going to be laid timeously at Westminster, it was by that stage impossible for the Scottish Ministers to comply with the 28 day rule. It does not consider, however, that this explains why the Ministers were not in a position to make and lay this instrument at the same time as, or shortly after, the English instrument.

34. Fundamentally, it appears to the Committee that there has been a failure to plan adequately for the laying and coming into force of a series of related instruments, both in this Parliament and in the UK Parliament. In particular, that process has failed to take adequate account of both Parliaments’ procedural rules in respect of laying. In the case of this instrument that failure appears to have been compounded by the decision to await the final text of the English instrument, rather than proactively seeking to ensure that the drafts of this instrument were up to date so
that the final approved text could be made contemporaneously with the English instrument.

35. The Committee draws the instrument to the attention of the Parliament on reporting ground (j). There has been a failure to lay the instrument at least 28 days before it comes into force, as required by section 28(2) of the Interpretation and Legislative Reform (Scotland) Act 2010.

36. The Committee recognises that, in policy terms, the coming into force of this instrument at the same time as the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 may have been considered necessary in order to ensure consistent application throughout Great Britain of the Green Deal. However, it does not consider that the Scottish Ministers have adequately explained why they, in conjunction with the Secretary of State, were unable to agree a timetable for the making of both sets of regulations which properly respected the procedural rules on laying applicable in this Parliament and in the UK Parliament.

37. The Committee does not find the Scottish Ministers’ explanation as to why they were not in a position to make and lay this instrument at the same time as, or shortly after, the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 to be persuasive or helpful. It observes that only two sitting days elapsed between the laying of this instrument and its coming into force. The Committee accordingly considers that the Scottish Ministers’ failure to comply with the requirements of section 28(2) of the Interpretation and Legislative Reform (Scotland) Act 2010 has meant that there has neither been an adequate opportunity for public notice of the change in the law prior to it taking effect, nor any time for Parliamentary scrutiny of this instrument before it came into force.
Agenda item 5  
27 February 2013  
Appendix 2 of the Subordinate Legislation Report

Energy Performance of Buildings (Scotland) Amendment Regulations 2013 (SSI 2013/12)

On 25 January 2013, the Scottish Government was asked:

1. In its letter to the Presiding Officer of 23 January 2013, the Scottish Government indicates that the making of these Regulations on 27 January 2013 is a necessary pre-condition in order that the Secretary of State may also make the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013 on that day, given that those Regulations are to be made under section 11(6) of the Energy Act 2011. The Scottish Government suggests that section 11(4)(b) of the Energy Act 2011 makes it a pre-condition of the exercise of the section 11(6) power that the Energy Performance of Buildings (Scotland) Regulations 2008 (“the principal Regulations”) have been amended by regulations made under section 10(3) (i.e. this instrument). Given that section 11(2) provides that section 11(6) applies if “one or more of the first, second or third conditions is met”, and that the first condition would appear to be met by the coming into force on 27 January of the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013, the Scottish Government is asked to explain:

a. Whether it agrees that the section 11(6) power becomes exercisable, without qualification, once any one of the conditions set out in subsections (3) to (5) of section 11 is met, and – if it disagrees – the basis for that view; and

b. Accordingly, why it considers the making of these Regulations to be a necessary pre-condition for the making of the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013?

2. The letter further narrates that it was considered necessary to delay the making of these Regulations until the Secretary of State had made the equivalent instrument for England and Wales, the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013. It also narrates that that instrument was made on 9 January and laid before Parliament on 11 January. Given the stress which the letter lays upon the desirability of ensuring that the Green Deal operates as far as practicable on the same basis in Scotland and in England and Wales, the Scottish Government is asked:

a. Why there does not appear to have been a co-ordinated approach taken to the making of the two instruments so that the procedural requirements for scrutiny could properly be observed in both the UK and the Scottish Parliament or, if that were not possible, so that the Scottish Ministers could have made these Regulations at the same time as, or very shortly after, the Secretary of State made the equivalent instrument for England and Wales; and

b. Why, when that instrument was made on 9 January, the Scottish Ministers were not in a position to make these Regulations until 22 January, some 13 days later?

The Scottish Government responded as follows:
1. The Scottish Government recognises that section 11(2) of the Energy Act 2011 provides that section 11(6) applies if one or more of the conditions set out in sections 11(3) to (5) is met. It does not, however, agree that the coming into force of the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 would be sufficient to enable the powers available under section 11(6) to be exercised so as to enable the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013 to be made on 27 January 2013.

It is considered that section 11 envisages that the power under section 11(6) to make regulations to require information to be updated rests upon there already being provision made by regulations under section 10(3) for the inclusion in a document of the information which is to be updated.


“(6) The framework regulations may make provision as to the circumstances in which—

(a) data from which a document of a description falling within subsection (3) or (4) may be produced, or

(b) a document of a description falling within subsection (5), is required to be updated or further updated in accordance with the provision made by the Secretary of State in the regulations.”

The condition contained in section 11(5) (the third condition) is not of immediate relevance as the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) Regulations 2012 specify documents falling within section 11(3) and (4). Regulation 42(2) of those Regulations (read together with the definitions of “the 2007 Regulations”, “the 2008 Regulations”, “disclosure document”, “energy performance certificate”, “Energy Performance Regulations” and “recommendations report” in regulation 2(1)) provide that the document specified for the purposes of section 8(4)(b) of the Energy Act 2011 is—

(a) for a property in England and Wales, the energy performance certificate within the meaning of the Energy Performance of Buildings (England and Wales) Regulations 2012 (at the time of the passage of the Energy Act 2011 these were the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007);

(b) for a property in Scotland, the energy performance certificate and the recommendations report within the meaning of the Energy Performance of Buildings (Scotland) Regulations 2008.

It is considered that the first condition contained in section 11(3) is intended to relate to the position in England and Wales and the second condition contained in section 11(4) is intended to relate to the position in Scotland. Section 11(3)(a) refers to Regulations which apply only to England and Wales and section 11(4)(a) refers to
Regulations which apply only to Scotland. Similarly section 11(3)(a) and (4)(b) refer respectively to amendments made by regulations made by the Secretary of State under section 9(3) and by the Scottish Ministers under section 10(3). Section 9 extends only to England and Wales and section 10 extends only to Scotland.

In terms of section 11(4)(b) the third condition, which relates to Scotland, is only met where the Scottish Ministers have made regulations under section 10(3) to amend the Energy Performance of Buildings (Scotland) Regulations 2008 to require the energy performance certificate and recommendations report (“the disclosure document”) to contain information in connection with the green deal (“green deal information”). Regulations under section 11(6) may provide when the green deal information required to produce a disclosure document is to be updated or further updated. The structure of section 11 envisages that regulations will already have been made to require green deal information to be included in a disclosure document.

It is considered that the intention is that the powers to make regulations under section 11(6) which extend to Scotland is not properly exercisable until the disclosure document which applies in Scotland is required to contain green deal information. As the green deal extends GB wide and the Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013 accordingly extend to Scotland it is considered that it would not be sufficient if only the condition which related to England and Wales had been met.

2. The Scottish Government considers that a co-ordinated approach has been taken in the drafting and laying of these amendment regulations. Continuous dialogue has taken place between Scottish Government officials and those in the UK Department for Energy and Climate Change (DECC) over recent months.

It became clear in late 2012 that final text would not be available from the UK policy lead until early in 2013. This has resulted in compressed laying timetables for both the UK and Scottish Governments and breach of the respective 21 day and 28 day period between laying of regulations under negative resolution and coming into force date.

The Energy Performance of Buildings (Scotland) Amendment Regulations 2013 is made solely for the purpose of enabling use of the Scottish energy performance certificate and recommendations report as the vehicle for disclosure of information relating to the green deal status. The information which must be disclosed in such circumstances is the same in England, Wales and Scotland and it was therefore essential that, in making regulations, the requirements for the production, validity and disclosure of this information and the data requirements introduced by Schedule 2 of these Regulations functioned in the same way as those in England & Wales.

Confirmation of the final text of The Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 was received in the evening of Wednesday 9 January 2013, following signature by the UK Minister.

As the final instrument contained changes from previous drafts, officials from the Building Standards Division sought information from DECC on Friday 11 January
whilst amendments were made to previous drafts of the Regulations. Clarifications were received from DECC late on Monday 14 January. The Regulations were finalised, checked and styled and arrangements made for signature by the Minister. This occurred six working days (including the date of signature) after receipt of final information from UK officials.

On notification of final text from the UK Government, officials sought to expedite proceedings whilst still allowing sufficient time for analysis of the implications of applying similar provisions within differing legislative frameworks.

**Breach of Laying Requirements: Letter to the Presiding Officer**

The above instrument amends The Energy Performance of Buildings (Scotland) Regulations 2008 (“the 2008 Regulations”). It was made by the Scottish Ministers on 22 January 2013 under section 2(2) of the European Communities Act 1972 and sections 10 and 75 of the Energy Act 2011. It has been laid before the Scottish Parliament under the negative procedure on 23 January 2013 and will come into force on 27 January 2013.

Section 28(2) of the Interpretation and Legislative Reform (Scotland) Act 2010 has not been complied with. In accordance with section 31(3) of that Act, this letter explains why

The Green Deal is an initiative to remove the barrier of up-front costs to the installation of the more expensive energy efficiency measures and whole-property (domestic and non-domestic) approaches needed to meet climate change targets and promote green jobs. DECC expect the overall number of jobs in the insulation industry to increase significantly under the Green Deal and ECO, rising on DECC estimates from 27,000 in 2007/8, to between 39,000–60,000 by 2015. This will be an important contribution in our transition to a Low Carbon Scotland and could present huge opportunities for Scottish industry.

The laying requirements have not been complied with due to the need to ensure that the Green Deal will operate in essentially the same manner on a GB wide basis and that the legislation underpinning the Green Deal will be in force both on a GB wide basis on the same date, namely 28 January 2013. This is the date on which The Green Deal Framework (Disclosure, Acknowledgement, Redress etc.) Regulations 2012 (SI 2012/2079) (“the Framework Regulations”) are to come fully into force.

The Secretary of State is to make a further set of amendments to the Framework Regulations. These, The Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013 are subject to the affirmative procedure and were laid in draft before the UK Parliament in early December 2012.

Those draft regulations include provision made under section 11(6) of the Energy Act 2011 relating to circumstances in which green deal information must be updated. It is considered that due to the wording of section 11(3) and (4) those amending regulations cannot be made until amendments to both 2008 Regulations and the Energy Performance of Building (England and Wales) Regulations 2012 (SI 2012/3118) have come into force. Section 11(4)(b) makes it a pre-condition of the
exercise of the power in section 11(6) that the 2008 Regulations have been amended by regulations made under section 10(3) to require information to be contained in a document required to be produced under the 2008 Regulations (i.e. the energy performance certificate and related recommendations report). The amendments to the Framework Regulations need to be in force on 28 January 2013 to coincide with the date on which the Framework Regulations themselves come fully into force.

The commencement provision in the draft Green Deal Framework (Disclosure, Acknowledgment, Redress etc.) (Amendment) Regulations 2013 (regulation 1) provides for the regulations to come into force the day after the day on which they are made. Subject to Parliamentary approval of the draft amending regulations, those Regulations could be made on 27 January and will come into force the following day. The amendments to the 2008 Regulations therefore need to be in force on or before 27 January in order to allow those Regulations to be made and the changes to be made to the manner in which the Green Deal is to operate as the point when the Framework Regulations come fully into force in England, Scotland and Wales on 28 January 2013.

In order to ensure that the green deal information specified was essentially the same on a GB wide basis, it was considered necessary to delay making of Energy Performance of Buildings (Scotland) Amendment Regulations 2013 until the Secretary of State had made the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 (SI 2013/10). Those Regulations were made on 9 January and laid before the UK Parliament on 11 January.

The legislative context to the making of the Amendment Regulations is set out more fully below.

Under section 8(4)(b) of the Energy Act 2011 a green deal provider must if required to do so by the framework regulations secure that a document of a description specified in the framework regulations is produced. Regulation 42(1) of the Framework Regulations requires a green deal provider to take that action provided in section 8(4)(b). Regulation 42(2) of the Framework Regulations (read with the relevant definitions in regulation 2(1)) provides that the document specified for the purposes of section 8(4)(b) of the Energy Act is in Scotland the energy performance certificate and recommendations report produced under the 2008 Regulations. These documents are together referred to as the “disclosure document”.

Where this is the case section 10 of the Energy Act 2011 enables the Scottish Ministers to make regulations amending the 2008 Regulations in connection with the production of such a disclosure document and in particular to require the document to contain information in connection with a green deal plan and improvements installed under the plan. Section 9 of the Energy Act 2011 confers an equivalent power on the Secretary of State to amend the Energy Performance Regulations for England and Wales. At the time of the passage of the Energy Act 2011 these were the Energy Performance of Buildings (Certificates and Inspections) (England and Wales) Regulations 2007 (SI 2007/991). The 2007 Regulations have since been replaced by the Energy Performance of Buildings (England and Wales) Regulations 2012 (SI 2012/3118).
The result is that the power to make regulations for Scotland to specify the green deal information to be included in a disclosure document is conferred on the Scottish Ministers while the equivalent power to make regulations for England and Wales is conferred on the Secretary of State.

The Green Deal is a GB wide scheme under the Energy Act 2011 and it is considered to be highly desirable that it operates as far as practicable on the same basis both north and south of the border. It is therefore considered important that the green deal information to be included in a disclosure document should be essentially the same in Scotland as it is in England and Wales. In order to ensure that this was the case the Scottish Ministers have held off making regulations under section 10 of the Energy Act 2011 under the Secretary of State has made regulations under section 9.

The Secretary of State has now made the Energy Performance of Buildings (England and Wales) etc. (Amendment) Regulations 2013 under (among other powers) section 9 of the Energy Act 2011. These Regulations require the energy performance certificate produced under the 2012 Regulations for a green deal property (which is the disclosure document for England and Wales) to include information known as green deal information. The green deal information is set out in the new Schedule A1 to be introduced by those Regulations into the 2012 Regulations.

The Energy Performance of Building (Scotland) Amendment Regulations 2012 require the recommendations report produced under the 2008 Regulations for a green deal property to include the same green deal information. This information is set out in the new Schedule 2 to be introduced by these Regulations. The information is the same but the new Schedule 2 does not include information regarding the energy performance certificate required by paragraphs 2 and 3 of Schedule A1 as in Scotland the information will be contained in the recommendations report rather than the energy performance certificate.
Local Government and Regeneration Committee
6th Meeting, 2013 (Session 4), Wednesday, 27 February 2013
Supplementary written evidence – RPP2

Introduction

1. On Wednesday 20 February 2013, the Committee held a round-table oral evidence session, with stakeholders, on the Draft Second Climate Change Report on Proposals and Policies (RPP2).

2. At that meeting both the Sustainable Scotland Network, and COSLA, undertook to provide the Committee with supplementary written evidence. The Committee has now received this evidence.

3. Supplementary information from the Sustainable Scotland Network is attached at Annexe A (pages 2 to 16).

4. Supplementary information from COSLA is attached at Annexe B (pages 17 to 46).

David Cullum
Clerk
SUPPLEMENTARY WRITTEN EVIDENCE FROM THE SUSTAINABLE SCOTLAND NETWORK

Further to the evidence provided by the Sustainable Scotland Network (SSN) during the roundtable session on Wednesday 20th February, the Local Government and Regeneration Committee has invited the SSN to contribute additional information around two key areas: Leadership and Governance and Sharing and Embedding Good Practice.

Leadership, Governance and Management

The following summary of governance will be updated by local authorities in their Year 5 reports on commitments in Scotland’s Climate Change Declaration (SCCD), due to be submitted March 2013. The information below has been collated from the Year 4 SCCD reports; however it is acknowledged that the Local Government elections that took place in Scotland in May 2012 may have changed these governance and leadership arrangements. This briefing provides an analysis of key points from across all the local authorities. A summary of the governance section of each SCCD report is provided in Appendix 1. SCCD reports can downloaded from Scotland’s Climate Change Declaration website: http://climatechange.sustainable-scotland.net/

The committee was particularly interested in understanding how climate change is governed at a local authority level and the leadership aspects of the climate change agenda, including roles played by council leaders, senior managers and elected members.

As the Analysis of the Year 4 Declaration Reports for Scotland’s Climate Change Declaration highlights, most councils have a committee or group that covers action on climate change, however the function and make up of these groups vary. Some management groups are focussed on taking forward the corporate action under Carbon Management Plans, while others have a wider remit and look at embedding action on climate change across services and the community.

This diversity in the way local authorities develop their governance arrangements reflects the diversity across all 32 local authorities. Resources dedicated to climate change within councils also vary and range from some local authorities having a team of dedicated officers to other councils with one contact point for climate change. In general, there is evidence that most local authorities have one or more cross council groups to manage climate change activities - these range from specific climate change boards, to environment groups and corporate groups to manage carbon reduction. Representation in these groups varies with some having elected members, chief executives and senior managers directly involved, while others
operate at the officer level. Members of SSN have also highlighted in focus group sessions that while having senior management and elected member involvement in formal governance structures around climate change, this does not always result in increased effectiveness in this area.

SSN has also found that successful leadership and governance is often dependant on particular administrations and their prioritisation of the climate change agendas. Momentum on climate change that was fostered by one administration might slow down if a new administration sets different priorities.

Key contextual points:

- There are different components to success when looking at governance and leadership around climate change in local authorities
- Each local authority is unique - what works in one may not work successfully for another.
- Some local authorities have opted to mainstream climate change through existing governance structures, while other local authorities have attempted to create dedicated governance structures for climate change. There has been no comprehensive research done to assess the relative effectiveness of these approaches. This is an area of research that the SSN could undertake.
- Local authority officers from all councils contribute time and effort to SSN, which itself is a contribution to local government leadership and action on climate change.

Common Approaches to Climate Change Leadership, Governance and Management

1. Champions: Some councils have nominated climate change champions at the senior management or elected member level. For example, **Angus Council** has Carbon Champions in each department; **Inverclyde Council** has an Elected Member Champion for climate change, **East Ayrshire Council’s** Energy Champion is the Head of Corporate Infrastructure and **Perth and Kinross Council’s** Corporate Management Group is the corporate sustainable development champion.

2. Carbon (or climate change) Management Boards / Groups: Around half the councils have reported that they have carbon management or climate change boards or groups.

Some of these are officer led, while others are led by senior management. For example **Scottish Borders Council** has a Carbon Management Board comprised of Departmental Directors and senior officers from each department and Moray
Council's Carbon Management Group is made up of senior officers within the council responsible for delivering projects for carbon savings.

A small number of these groups directly include chief executives or elected members, while others feed information from the group to elected members through existing committee structures. For example, **Aberdeen City Council's** Chief Executive Officer sits on the Carbon Management Strategy Group and **Dundee City Council's** Climate Change Board is chaired by the Chief Executive; an elected member sits on **West Dunbartonshire Council's** Sustainability, Energy and Carbon Management Group and **Dumfries and Galloway Council's** Carbon Management Plan Steering Group; and **West Lothian Council** has a Carbon Management Board made up of Heads of Services which reports to the Executive Management Team and elected members.

Some councils have high level groups as well as operational groups, for example, **Fife Council** governs its carbon reduction through the Officers, Senior Managers and Councillors carbon boards and groups and **South Ayrshire Council** has a Carbon Management Strategy Group which is chaired by the Head of Property and Neighbourhood Services within the Development and Environment Directorate which is supported by a Project Group, chaired by the Council’s Sustainable Development Policy Officer.

**3. Governance through existing structures:** As mentioned above, some councils have opted to manage climate change action through existing structures, via established environment committees or mainstreamed through cross council working groups.

Some councils have included climate change in the sustainable development or environment governance structures. For example in **Argyll and Bute Council** climate change is managed through the Environment Policy and Performance Group which is chaired by an elected member; in **East Renfrewshire Council** the Environment Partnership has responsibility for addressing climate change and in **Glasgow City Council** climate change responsibilities are dealt with through existing working groups, with the theme leaders reporting through the Sustainability and the Environment Senior Officers Group rather than creating new forums. Mainstreaming climate change and sustainable development has been a particular focus for **North Lanarkshire Council** and the working group, to be renamed the Environment Partnership Working Group, will have members from key partner agencies.
4. Officer working groups: Many councils have cross cutting groups at the officer and heads of service level which deal with climate change. Many of these have an operational focus.

For example, Aberdeenshire Council has a cross-cutting Sustainability Officers' Group; Edinburgh City Council has a Corporate Asset Management Group which is made up of Heads of Service from all the departments overseeing the in-house activities on reducing carbon emissions; Midlothian Council has an officers Climate Change and Sustainable Development Group and Renfrewshire Council has a high level Sustainable Development Working Group that meets regularly to plan and monitor the progress of projects relating to sustainability in both Council assets and the community.

5. Sustainable Development Member and Officer Working Groups: some councils have set up sustainable development working groups that involve officers and elected members which govern the climate change agenda.

For example South Lanarkshire Council has a Sustainable Development Officer Member Group consisting of three elected members and three executive directors which meets three times per year to oversee all sustainable development business; and Perth and Kinross Council has a Sustainable Development Member Officer Working Group which has representation from all political parties and council services.

6. Elected member portfolios, working groups and external representation: Elected members are involved in climate change governance in varied ways across the 32 councils. Some councils have elected member portfolios or spokespersons on climate change, sustainability or the environment, while others have elected member working groups to deal specifically with these issues.

For example Argyll and Bute Council has a Spokesperson and Deputy Spokesperson for the Environment; Moray Council has a portfolio holder for the Environment and also a Councillor representative on the COSLA Regeneration and Sustainable Development Group; and Stirling Council has a Portfolio-holder for Environment with an overview of sustainable development and climate change.

Edinburgh City Council has a cross-party working group on climate change which comprises members from all five political parties in Edinburgh and Highland Council has a cross-party member-led Climate Change Working Group to oversee progress towards the commitments outlined in Scotland's Climate Change Declaration.
Some councils have reported that elected members have employed their leadership role in this arena outside the local authority, for example, an elected member of Aberdeen City Council was elected to be the council's member to the North East Scotland Climate Change Partnership; and East Renfrewshire Council’s Environment Convener was recognised as the ‘Best Green Campaigner/Activist’ at the Scottish Green Awards.

Sharing and Embedding Good Practice

The SSN works to share good practice through its members in 32 Local Authorities. A large part of what the SSN does is coordinating and facilitating local authority access to and advice on policy and practice. The work reflects the complex breadth of issues and actions related to sustainable development and climate change. The SSN has increased funding from the Scottish Government for 2012-2015 that reflects the desire for the good work done by the network to be scaled up to include the wider public sector. The SSN has a larger staff team, which will work with the SSN Steering Group to develop this work further. The SSN is currently developing a capacity development programme that reflects the gaps and needs identified in climate change and sustainable procurement and provides targeted activities to address both action on climate change in the public sector and reporting on that action.

The strength of the SSN is the network’s ability to share ideas, challenges and opportunities around climate change and sustainable development. The SSN therefore has a strong influencing role. Subsequently there are a number of examples of sharing and embedding good practice that can be attributed directly to the work of SSN and other examples of where SSN has played an important and influential role.

An overview of SSN’s main mechanisms for sharing good practice and an indication of how they contribute to spreading good practice:

Scotland’s Climate Change Declaration

Scotland's Climate Change Declaration is a clear example of scaling up best practice across local authorities in Scotland, which was driven by the SSN working with Scottish Government, COSLA, SOLACE and others.

- The Scottish Climate Change Declaration (SCCD) was launched in 2007 and signed by all 32 Scottish Local Authorities - this was the direct result of SSN and COSLA working together with local authorities
- For the second year in a row, all local authorities have reported on their commitments under the SCCD - these reports are submitted to SSN, who works in partnership with
other organisations to analyse both progress on action and progress on reporting. Reporting is on a voluntary basis and the scaling up of this reporting good practice across all 32 local authorities shows the influence and impact of SSN in sharing and embedding good practice

- The SSN supplies local authorities with templates for their report, which are updated and improved on a yearly basis
- The SSN provides training and events to assist with both action of climate change and reporting on this action and the council's carbon footprint

Based on recommendations from the analysis of Year 4 reports, the SSN plans to provide further targeted training over the 2013-2014 period:

- To improve the quality and consistency of SCCD reporting to aid performance improvement - the SSN will be providing training on best practice reporting on specific areas of the report template: e.g. area wide emissions
- To develop the structure and content of SCCD reporting so that it is better aligned with the national strategies for emissions reduction - the SSN will be working with the wider public sector to help clarify the landscape and improve consistency. This could assist with joining up the national targets with local action - for example, thematic chapters in the Report on Proposals and Policies could form a useful reporting structure for future SCCD reports.

Program support:

- **Best Value and Sustainable Development**

Through collaboration with local authority officers SSN developed and produced the Best Value and Sustainable Development toolkit, based on the principles embedded in the Local Government in Scotland Act 2003 and related statutory guidance. This resource (available online at [http://bestvalue.sustainable-scotland.net/](http://bestvalue.sustainable-scotland.net/)) led to improved understanding and engagement across local authorities, with examples such as Falkirk Council, South Lanarkshire Council, Perth and Kinross Council and Dundee City Council using the guidance to inform their approach to embedding sustainable development across council services.

- **Local Footprints**

SSN has worked with WWF Scotland to provide innovative support on area-wide emissions. The Local Footprints programme worked with North Lanarkshire, Aberdeen City, Aberdeenshire, South Lanarkshire, Clackmannanshire Councils and the three Lothians Councils (and their shared Community Planning Partners) to address area-wide emissions. The project also provided guidance on using area-wide per capital CO2 data in Single Outcome Agreements and practitioner guidance on territorial and consumption based emissions modelling. The Local Footprints work significantly improved knowledge and understanding of area-
wide emissions across many local authorities, as well as work on local transport plans, local development plans and embedding climate change considerations in Strategic Environmental Assessment.

- **Sustainable Procurement**

SSN has improved understanding and engagement with sustainable procurement policy and practice. Our work has supported local authority sustainable development and procurement officers from at least half of Scotland’s local authorities to work better together. This work is essential in improving the context within which action on carbon emissions within public sector procurement can be taken forward. Our work on sustainable procurement has also provided collaborative improvement in local authority action on:

  - Sustainable timber procurement (working with WWF) where 24 local authorities made a pledge and have taken action to improve their procurement of sustainably sourced timber products.
  - Replication of good practice on the sustainable procurement of sustainable food and drink, working with the Soil Association, Scottish Government, Cairngorms National Park Authority and others. This work was inspired by the good practice demonstrated by **East Ayrshire Council** and **Highland Council**.

- **Climate Change Adaptation and Local Government**

The SSN has been a leader in supporting local authorities in the early adoption of good practice on climate change adaptation. From 2004 onwards we have run a series of events and have coordinated with the UK Climate Impacts Programme and Adaptation Scotland, to support local authorities in developing a coordinated approach to climate change adaptation. This has led to Local Climate Impacts Profiles being developed by nine local authorities, area-based projects run by Adaptation Scotland, training on the use of the UK Climate Projections and improved consideration of climate change impacts in land use planning, service plans and risk registers. This sharing of good practice is reflected in the adaptation sections of the SCCD reports.

**Communications and Knowledge Exchange**

- **SSN Newsletter**

The SSN publishes an electronic newsletter each week to around 600 people, within which we prioritise information on local government/public sector good practice on sustainable development and climate change. Feedback about the newsletter is extremely positive from our target audience. Many local authority climate change and
sustainable development officers use the newsletter to inform their own work and that of their councils.

- **Knowledge Hub**

The SSN facilitates a group on the Knowledge Hub, which acts as focal point and interactive space for members to discuss issues and to share challenges as well as solutions to problems. It is an effective online place to discuss in detail the good practice that is presented at SSN events.

- **Ad-hoc support via email and phone**

The SSN staff team also provides ad-hoc support for members via email and phone to assist them navigate the policy landscape, link them to appropriate contacts and facilitate other learning as appropriate.

**Professional Learning and Development Events**

- **Quarterly Network Meetings**

The SSN holds Quarterly Meetings on key areas of the climate change agenda and brings together key actors from the public sector and beyond to assist members in understanding ways to tackle particular aspects such as area wide emissions, sustainable food procurement, community engagement and climate change. Our upcoming Quarterly Meeting will be looking at community planning and public sector climate action, profiling a number of case studies from local authorities (including **South Ayrshire Council** and **Dundee City Council**).

- **Climate Change Mitigation Tools**

Events in September 2006 and March 2008 on climate change mitigation tools contributed to the development of Carbon Management Plans (on corporate emissions) by all local authorities and improved understanding and coordination of cutting-edge work on area-wide emissions. This work is now reflected in the reasonably consistent reference data used by all local authorities in reporting on their CO2e emissions in their SCCD reports.

- **Climate Change Communications, Behaviour Change and Community Engagement**

Events have been run in June 2007 and June 2011 which informed council activities on communications, behaviour change and community engagement. This is reflected in examples of staff engagement activities by the likes of **South Lanarkshire**, **South**
Ayrshire, City of Edinburgh, Scottish Borders, Falkirk and Fife Councils who have all used lessons learnt in developing their own local initiatives.

- **Single Outcome Agreements and Climate Change**

  The SSN has been at the forefront of helping inform and share experience of trying to embed climate change priorities into Single Outcome Agreements. This includes a number of events on SOAs and climate change (in 2008, 2009 and 2011 check), the provision of case studies and guidance, and the facilitation of practitioner liaison. Most local authorities refer to SOA and Community Planning links on climate change within their SCCD reports.

- **Annual Conferences**

  SSN Conferences have profiled numerous examples of good practice and this has contributed to improved understanding of the range and type of interventions local authorities can take on climate change. Good practice is typically profiled via presentations or case study posters. All of these are available online, for further reference. While it is hard to quantify how these events have lead to replication of good practice, some indications include:

  - Scottish Futures Trust: Energy Efficient Street Lighting – this project was presented at the SSN Conference in 2012 and SSN has since been working with Scottish Futures Trust to promote a toolkit they have produced to assist local authorities in analysing the financial and carbon impact of investing in energy efficient street lights.
  - Using Marginal Abatement Cost-Curve analysis to inform energy efficiency and local renewables investment, especially linked to CRC-Energy Efficiency Scheme impacts.
  - Collaboration on lessons learnt and models for public sector renewables development, and the potential for larger scale initiatives such as Energy Service Companies (learning from the likes of Woking Borough Council and Gussing Council in Austria)

**Supporting campaigns and community climate change projects**

- The SSN worked with the Climate Challenge Fund to promote the fund to communities through local authorities. The SSN encouraged members to act to increase funding applications in their local areas. There was a clear link between this work and an uptake in applications by communities in local authorities like East Dunbartonshire Council.
- The SSN worked with WWF to promote Earth Hour and all 32 local authorities in Scotland have signed up to the campaign.
- Through events such as the SSN conference and networking within SSN, the Fair
Trade campaign has grown significantly over the last few years in Scotland. At the SSN conference in 2009, East Dunbartonshire and Renfrewshire Councils both presented a poster on their Fair Trade activities and were two of the first councils to be Fair Trade Zones in Scotland. This has since been scaled up to more than half of all local authorities in Scotland, including all Scottish cities becoming Fair Trade Zones and Scotland becoming a Fair Trade Nation. The Chair of the SSN also sits on the Scottish Fair Trade Forum Board.

**Future work**

The SSN, with its renewed funding and increased staff resources will be continuing to improve the sharing and embedding of good practice in climate change with the public sector in Scotland. This future work will build on existing success and focus on researching and address the gaps and needs in this area, communicating and assisting to replicate good practice through peer to peer support and providing guidance and training on reporting. One specific tool that will assist with this process is the development of the online presence of the SSN to provide a space for active sharing of good practice.

**For further information please contact:**

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**Appendix 1 – Leadership, Governance and Management Summaries**

**Aberdeen City Council** addresses climate change through the sustainability agenda which is reported through the Enterprise, Planning and Infrastructure Committee. The Vice Convener of the committee was elected in 2011 to be the council's elected member to the North East Scotland Climate Change Partnership. The council's Chief Executive and senior managers sit on the Carbon Management Strategy Group.

In **Aberdeenshire Council**, management of the climate change agenda is tasked to Heads of Services throughout the council, with day to day responsibility for coordinating climate change resting with the Sustainability Officer within Infrastructure Services. There is also a cross cutting Sustainability Officers’ Group.

In **Angus Council**, the Carbon Reduction Member/Officer Group manages arrangements to fulfil the requirements of the Carbon Reduction Commitment Energy Efficiency Order 2010. In addition a Carbon Reduction Working Group was
set up and agreed that Carbon Champions should be established in each department in order to consider and develop the agenda.

In Argyle and Bute Council, climate change, including the Carbon Management Plan, comes under the Environment theme and is managed through the Environment Policy and Performance Group (PPG) which is chaired by an elected member. There is a Spokesperson and a Deputy Spokesperson for Environment.

Edinburgh City Council has specific CRC Project Board chaired by a Director with four senior managers representing Property, Legal and Sustainability. The Corporate Asset Management Group is made up of Heads of Service from all the departments, supported by key staff and oversees the in-house activities on reducing carbon emissions. The cross party working group on climate change comprises members from all five of the political parties in Edinburgh and oversees all work on climate change activity.

In Comhairle nan Eilean Siar a cross Departmental Carbon Management Team has been set up which is led by the Comhairle’s Head of Assets & Infrastructure. The team comprises officers from both organisations which report to their respective management structures.

In Dumfries and Galloway Council, responsibility for climate change action is undertaken by the Director of Planning and Environment Services who is a member of the Council’s Corporate Management Team. The chairperson of the Planning and Environment committee is an elected member, who also sits on the Carbon Management Plan steering group.

In Dundee City Council the Council's Climate Change Board is responsible for overseeing progress on climate change activity and in turn reports to the Council’s Policy and Resources Committee. The Board is chaired by the Chief Executive and comprises Directors from relevant departments, who are responsible for leading on aspects of climate change work.

In East Ayrshire Council, the Energy Strategy and Carbon Management Programme also outlines details of the Council's participation in the mandatory Carbon Reduction Commitment (CRC) Energy Efficiency Scheme and the Council has established a working group to take this forward. The Head of Corporate Infrastructure is the 'Energy Champion' for the Council.

In East Dunbartonshire Council, the Climate Change Team serves as the Council’s first point of contact for climate change. Formal responsibility will be extended to officers and managers outwith the Climate Change Team via the Carbon Management Monitoring Group (CMMG), which the Council has committed to creating through its revised Carbon Management Plan.
In **East Lothian Council**, Environment is the lead department for the Council on co-ordinating progress on SCCD. The Senior Environment and Consumer Services Manager is lead officer reporting to the Executive Director of Environment. There is a cross-departmental Carbon Management Team, overseen by a Project Board comprising Heads of Service from across the Council, together with the Cabinet Spokesperson on Environment.

In **East Renfrewshire Council**, the Council’s Environment Partnership has responsibility for addressing a wide range of environmental sustainability and climate change issues and is chaired by the Head of Service for the Environment Department. Councillor Eddie Phillips, the Council’s Environment Convener, previously recognised as the ‘Best Green Campaigner/Activist’ at the Scottish Green Awards, ensures environmental issues are addressed effectively at Cabinet level.

**Falkirk Council** is in the final stages of replacing its sustainability strategy and action plan with a sustainability and climate change strategy. Delivery of the Carbon Management Plan is coordinated by a Carbon Management Team which is jointly led by a senior officer and the Deputy Convenor of the Environment & Safety Committee.

In **Fife Council** on-going governance of carbon reduction is through the Officers, Senior Managers and Councillors carbon boards and groups. However responsibility for and action related to carbon and climate change are disseminated throughout the Council.

In **Glasgow City Council**, climate change, in accordance with the responsibilities designated in the Council’s Climate Change Strategy, is managed through existing working groups, with the theme leaders reporting through the Sustainability and the Environment Senior Officers Group on a scheduled/regular basis, rather than creating new forums and discussion groups. The climate change workload has been divided between the Sustainable Development Group and the Carbon Management Group.

**Highland Council** has a Member led Climate Change Working Group to oversee progress towards the commitments outlined in Scotland’s Climate Change Declaration. The Working Group meets four times a year and is made up of cross-party Members.

In **Midlothian Council**, political leadership and responsibility for the climate change agenda lies with the Council’s Cabinet. The lead Division of the Council is Corporate Resources. At operational level, the Climate Change & Sustainable Development Group of officers drives the Council’s approach to contributing to the achievement of sustainable development, including in relation to climate change. This group is chaired by the Planning Policy & Environment Manager.
In **Inverclyde Council** the Green Charter and Environment Group (GC&EG) oversees the implementation of the Charter and Carbon Management Plans. The GC&EG is chaired by the Vice-Convener of the Safe, Sustainable Communities Committee who is also the *Elected Member Champion* for climate change. In this role, he is supported by two other Elected Members. The Council’s Safe, Sustainable Communities Committee comprises 11 Elected Members including the Chair of the GC&EG. Membership of the GC&EG includes the Corporate Director, Regeneration and Environment, the Head of Regeneration and Planning, the Head of Environmental and Commercial Services and the SOA Programme Manager.

In **Moray Council** senior officers within the council responsible for delivering the major projects for carbon savings sit on the carbon management group. The Council has a portfolio holder for the Environment and also a Councillor representative on the COSLA Regeneration and Sustainable Development Group, which has climate change as a core remit.

In **North Lanarkshire Council**, mainstreaming climate change and sustainable development has been a particular focus. Membership of the Environment Working Group was being extended to include key partner agencies that have an important role in contributing to and supporting specific initiatives and our wider sustainable development agenda. The reconstituted working group would be renamed the Environment Partnership Working (EPG). The Council established a political champion for the Carbon Management Programme October 2008, which has been extended to include wider sustainability.

In **Orkney Islands Council**, plans are developed in consultation with any relevant community planning partners, approved formally by the Council and subsequently led by the Council’s Corporate Management Team, with regular progress reports to the relevant service committee or sub-committee.

In **Perth and Kinross Council** a Sustainable Development Member Officer Working Group was established and has representation from all political parties and Council services. The Council’s Corporate Management Group (Deputy Directors and all Heads of Service) has adopted the role of corporate sustainable development champion. Co-ordination of the Council's commitments under the SCCD is part of the remit of the Sustainability, Policy and Research Team based in the Planning and Regeneration Department.

The **Renfrewshire Council** Sustainable Development Working Group is a high level group that meets regularly to plan and monitor the progress of projects relating to sustainability in both Council assets and the community. Membership of the group includes representatives from all Services. The Corporate Asset Management Senior Management Team meets to discuss and progress corporate asset performance, including energy management.
Scottish Borders Council has a Carbon Management Board and Project Team which continue to oversee the Carbon Management Plan process. The Project Board is comprised of Departmental Directors and senior officers from each Council Department. A new Department of Environment and Infrastructure has been formed and the Director of this Department is charged with leading the Council’s carbon management agenda.

Shetland Islands Council has undergone an organisational restructure which is intended to implement arrangements to progress to a formal Climate Change Implementation Plan by 2013.

South Ayrshire Council operates on a panel system - the portfolio holder with the responsibility for this area of work sits on the leadership panel and links to COSLA, chairs the South Ayrshire Sustainability Partnership and sits on the Management Board of the local Energy Agency among other significant local bodies. The Carbon Management Strategy Group now leads the delivery of the Council’s Carbon Management Implementation Plan. This group is chaired by the Head of Property and Neighbourhood Services within the Development and Environment Directorate and includes reps from each directorate. It is supported by an operationally focused Project Group, which is chaired by the Council’s Sustainable Development Policy Officer.

In South Lanarkshire Council, there is a Sustainable Development Officer Member group consisting of three elected members and three executive directors which meets three times per year to oversee all sustainable development business. The Sustainable Development coordination group consist of officers from all Council Resources, and is accountable to the officer member group for the implementation of the sustainable development strategy.

In Stirling Council, the Council Executive has appointed a Portfolio-holder for Environment, which also includes overview of sustainable development and climate change issues. A cross-party Strategic Forum to consider Sustainability, Economy & Environment issues was established in early 2010 and met 5 times during the 2010/11 financial year. The Assistant Chief Executive for Sustainability, Economy & Environment is the designated lead officer for corporate sustainable development and climate change issues. Co-ordination of the Council’s commitments under Scotland’s Climate Change Declaration is part of the remit of the Policy Officer (Sustainability), based in the Chief Executive’s Office.

West Dunbartonshire Council has an officer-led group, the Sustainability, Energy & Carbon Management Group which is led by the Corporate Asset Manager with the support of the Executive Director of Housing, Environmental & Economic Development department, who also undertook the role of Carbon Management Project Sponsor. It was proposed that and elected member is nominated to be represented in the following the 2012 Local Government elections.
West Lothian Council’s carbon management structure achieved a Gold award at the COSLA Excellence Awards 2011. The Carbon Management Board (CMB) has overall responsibility for climate change matters. It is chaired by the Head of Planning and Economic Development and Heads of Service from across the council sit on the CMB, as does the council’s Energy Manager and Climate Change Policy Officer. Under the board sit five project groups which work on carbon reduction projects and collectively report to the Carbon Management Board (CMB). A summary of items discussed at the CMB is provided on a quarterly basis to the council’s Executive Management Team, comprising the Chief Executive and the Depute Chief Executives. Reports from the CMB are taken to elected members through the Environment Policy Development and Scrutiny Panel (EPDSP) and also reported to the Council Executive, where appropriate.
SUPPLEMENTARY WRITTEN EVIDENCE FROM COSLA

PART 1 - Distribution Use of System (DUoS) charges

Purpose
1. To advise the Executive Group of the continuing issue with the significant street lighting cost increases implemented in 2012/13. Specifically the “pass through” cost burden involved in the Distribution Use of System (DUoS) Charges for unmetered Electrical Street Furniture.

2. The paper also suggests further actions members may wish to consider in terms of lobbying the power companies involved, OFGEM as well as the UK and Scottish Governments.

Recommendations
3. The Executive Group are requested to:
   i. Note the significant increases in pass through charges for 2012/13 which show substantial rises in DUoS charges for all councils across Scotland;
   ii. Discuss the explanation from the power companies involved in terms of rationale for the £6m increase this year and the continued wider ranges of high cost charging for electricity at certain times of the day;
   iii. Note the lobbying activities already undertaken on behalf of member councils on this matter with the power companies, regulators and Governments; and
   iv. Mandate the Development, Economy and Sustainability Spokesperson to write to the Secretary of State for Energy and Climate Change Edward Davey MP to seek an explanation of the anomaly in street lighting charges in Scotland.

Background
4. Street Lights and other unmetered electrical equipment such as Traffic Signals, Illuminated Traffic signs etc account for approx 18% of all Scottish Councils energy costs. Across Scotland, this type of equipment consumes an estimated 380GWhrs of electricity annually at an estimated cost of £43m.

5. The introduction of the National Energy Procurement Contract administered by Scottish Procurements on the 1st October 2009 has help mitigate some of the risks and large scale rises which have been prevalent in the wholesale world wide energy market in recent years. The National Procurement Contract has 180+ participating public bodies and >99% of public sector volumes are purchased through the contract. The flexible purchasing model used by the contract, allows for electricity to be purchased when market prices are low and in advance of when required.

6. The main benefit to Councils in this collaborative approach is that it not only achieves the best average market rate through collaboration and economies of scale, it should also provide a degree of certainty in relation to future budget requirements.

Pass through Charges and DUoS
7. The actual cost of electricity to Councils is made of two discrete elements: the raw energy price, which is administered through the National Contract and the pass through
charges or standing charges levied by the local Electricity Distribution Network Operator (DNO) which is not competitive but regulated by OFGEM (Electricity Regulator).

8. There are 14 DNO operating in the UK, two operate in Scotland, Scottish & Southern Energy (SSE) and Scottish Power (SP). In general 11 Scottish Councils are located in SSE area and the remaining 21 in SP area.

9. All suppliers of electricity are charged by the local DNO for passing electricity across their cable networks. This charge is referred to as Distribution Use of System (DUoS) and is the largest of the non-competitive pass through charges.

Financial Implications for 2012/13

10. The effect this year on Councils in the SP area is an increase of 10.9% on 2011/12 costs which amounts to an additional total budget requirement of £2.64m across the 21 Councils. For the 11 Councils in SSE area the increase is considerably more severe and costs increased by 38.9%. This smaller group of councils will have to find an additional £3.19m to cover their electricity costs for street lighting and other unmetered electrical equipment in 2012/13. The difference in the scale of increases is attributed in the main to the difference in pass through charges for DUoS. The SSE charges for DUoS are significantly out of step with the other 13 DNO companies and are more than twice the UK average.

11. When this matter was initially raised through Society of Chief Transportation Officers in Scotland (SCOTS) in early 2012, the final figure for DUoS had not been set for 2012/13 and the initial figures given out equated to an £10m increase for 2012/13. This was subsequently revised and reduced to an £6m increase, which could be viewed as highlighting the potential lack of robustness of the original calculation/model used to construct the initial estimates.

Previous Lobbying

12. The Executive Group previously mandated the DES and R&C Spokesperson to write a letter to the Lord Mogg chair of OFGEM, as the regulator of the DUoS Charges and to the Chairs of Scottish Power (Ignacio Sanchez Galan) and SSE (Lord Smith of Kelvin) seeking an explanation for the significant increases across Scotland but also the great discrepancy between Scottish Power and SSE areas within Scotland. The letter was copied to the Secretary of State for Energy and Climate Change and the Scottish Government’s Minister for Energy, Enterprise and Tourism.

13. COSLA in their response to the recent Scottish Government consultation on the Procurement Reform Bill have raised this issue and the Development, Economy and Sustainability Spokesperson has specifically raised this in personal correspondence with the Deputy First Minister about procurement reform.

14. The point was made in regard to the consultation questions about the procurement of contracts designated as utilities and that member councils were extremely concerned about the inherent inequality between street lighting charges in Scotland and the rest of the UK. It was suggested that this is an example where a utilities contract procured with limited competition by private bodies should be subject to some provisions within the Procurement
Reform Bill to ensure transparency of pricing and competition to enable the public purse to deliver best value services.

15. The SCOTS representative at the October meeting of the UK Lighting Board raised this matter again. This officer advisory Board recommended that OFGEM should take a lead on this matter rather than councils being referred to the DNOs who in turn respond saying they are administratively constrained by the Common Charging Model methodology used to calculate charging levels.

16. COSLA and SCOTS officers met with OFGEM officials on 22 June 2012. An outcome of this meeting was that OFGEM agreed to ask SSE – the DNO whose charges are significantly higher than others across the UK and Scotland – to write Councils and clarify the rationale for the increase. SSE have written to the Councils in their area, however they continue to charge the higher rate, and Ofgem insist that the DNO is operating within the bounds of the regulation.

**SSE Position**

17. In summary, SSE have outlined to COSLA a short explanation of how they review and arrive at their DUoS charging levels. This involves the requirement via a DCUSA (Distribution Connection and Use of System Agreement) obligation for DNOs to establish the charging time bands for their DNO Area. SSE advised that it is their understanding that the principles for doing so are common to all DNOs.

18. SSE at the time the charging periods were established used 9 consecutive years of peak demand data as the basis for devising the relevant charging bands. This data was the aggregate peak demand for the current SSE area and reflected the geographical diversity (e.g. includes the most northerly and outlying points) of the region. The resultant charging periods reflect the times in which the actual peak demands occurred during this period of base data.

19. SSE have as part of their 2013/14 tariff setting processes, agreed to review the charging time periods. They agree that DNOs must be consistent in establishing their charging time periods, and SSE believe that the relevant methodology in the DCUSA facilitates this. The resultant charging periods should then reflect the diversity of the regions arising from geographic, demographic and business considerations.

20. Despite SSE explanations, there is still the unresolved issue of why SSE peak demand periods of the day (which attracts the highest DUoS rate) are significantly different from other DNOs. This is the key contributing factor to why SSE DUoS charges are so high and more than double the national average.

**Next Steps**

21. It is suggested to members that given the limited traction gained by writing to the SSE/SP and OFGEM earlier this year on this matter, that any further representation made on this matter should principally be to the relevant politicians in the UK and Scottish Government. This would be the Secretary of State for Energy and Climate Change in the UK Government copied to the Deputy First Minister and Minister for Energy, Enterprise and Tourism in the Scottish Government.
22. Members may also wish to consider whether correspondence should again be sent to the relevant Chairs of the power companies and regulator involved, advising them of our continuing position on this matter and the political correspondence which has taken place.

23. This report is also being considered by the Resources and Capacity Executive Group in early December with a similar recommendation to mandate the Resources and Capacity Spokesperson to sign off any agreed correspondence.

Conclusion
24. The Executive Group are requested to note the increases in DUoS charges in Scotland for 2012/13, the £6 million pound increase relative to 2011/12 costs, the significant geographical discrepancy in charges across Scotland and mandate the Spokesperson to address this matter with relevant Secretary of State and Ministers across the UK and Scottish Governments.

George Eckton
Chief Officer (DES Team)
george@cosla.gov.uk

Lindsay McGregor
SCOTS

November 2012
Part 1 - Distribution Use of System (DUoS) charges

Purpose
25. To advise the Executive Group of the continuing issue with the significant street lighting cost increases implemented in 2012/13. Specifically the “pass through” cost burden involved in the Distribution Use of System (DUoS) Charges for unmetered Electrical Street Furniture.

26. The paper also suggests further actions members may wish to consider in terms of lobbying the power companies involved, OFGEM as well as the UK and Scottish Governments.

Recommendations
27. The Executive Group are requested to:
   v. Note the significant increases in pass through charges for 2012/13 which show substantial rises in DUoS charges for all councils across Scotland;
   vi. Discuss the explanation from the power companies involved in terms of rationale for the £6m increase this year and the continued wider ranges of high cost charging for electricity at certain times of the day;
   vii. Note the lobbying activities already undertaken on behalf of member councils on this matter with the power companies, regulators and Governments; and
   viii. Mandate the Development, Economy and Sustainability Spokesperson to write to the Secretary of State for Energy and Climate Change Edward Davey MP to seek an explanation of the anomaly in street lighting charges in Scotland.

Background
28. Street Lights and other unmetered electrical equipment such as Traffic Signals, Illuminated Traffic signs etc account for approx 18% of all Scottish Councils energy costs. Across Scotland, this type of equipment consumes an estimated 380GWhrs of electricity annually at an estimated cost of £43m.

29. The introduction of the National Energy Procurement Contract administered by Scottish Procurements on the 1st October 2009 has help mitigate some of the risks and large scale rises which have been prevalent in the wholesale world wide energy market in recent years. The National Procurement Contract has 180+ participating public bodies and >99% of public sector volumes are purchased through the contract. The flexible purchasing model used by the contract, allows for electricity to be purchased when market prices are low and in advance of when required.

30. The main benefit to Councils in this collaborative approach is that it not only achieves the best average market rate through collaboration and economies of scale, it should also provide a degree of certainty in relation to future budget requirements.

Pass through Charges and DUoS
31. The actual cost of electricity to Councils is made of two discrete elements: the raw energy price, which is administered through the National Contract and the pass through charges or standing charges levied by the local Electricity Distribution
Network Operator (DNO) which is not competitive but regulated by OFGEM (Electricity Regulator).

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33. All suppliers of electricity are charged by the local DNO for passing electricity across their cable networks. This charge is referred to as Distribution Use of System (DUoS) and is the largest of the non-competitive pass through charges.

Financial Implications for 2012/13

34. The effect this year on Councils in the SP area is an increase of 10.9% on 2011/12 costs which amounts to an additional total budget requirement of £2.64m across the 21 Councils. For the 11 Councils in SSE area the increase is considerably more severe and costs increased by 38.9%. This smaller group of councils will have to find an additional £3.19m to cover their electricity costs for street lighting and other unmetered electrical equipment in 2012/13. The difference in the scale of increases is attributed in the main to the difference in pass through charges for DUoS. The SSE charges for DUoS are significantly out of step with the other 13 DNO companies and are more than twice the UK average.

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Next Steps

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George Eckton
Chief Officer (DES Team)
george@cosla.gov.uk

Lindsay McGregor
SCOTS
Investing in Energy Efficient Street Lighting

All Local Authorities have experienced significant increases in the cost of electricity – almost 20% in 2011/12. At the same time, there are exacting carbon emissions targets and street lighting is due to come within the scope of the Carbon Reduction Commitment scheme. Given that street lighting typically accounts for c.25% of both electricity costs and carbon emissions for a Local Authority, there may be significant savings to be gained from replacing some, or all, of the existing conventional lanterns with a more energy efficient technology.

SFT, in conjunction with SCOTS, has developed a Toolkit to assist Local Authorities understand the investment costs along with the carbon and financial benefits of investing in energy efficient street lighting. In addition the Toolkit will support a high-level feasibility study.

SFT has previously briefed the Directors of Finance on its work in street lighting and the Directors have been copied in on this letter given the potential benefits of the scheme and the need for financial input.

The Toolkit comprises:

- technical guidance, which has been produced in conjunction with SCOTS Lighting Group and advisers Ove Arup & Partners;
- commercial guidance, which looks at a range of commercial structures and sources of finance which are available to facilitate an investment into the street lighting asset and
- technical and financial models which allow Local Authorities to quickly calculate the capital cost associated with upgrading their street lighting assets and introducing a central management system. The technical model also forecasts the energy, maintenance and carbon costs to allow comparison of the existing assets to the upgraded assets. The financial model enables a Local Authority to assess the payback taking into consideration the cost of finance. The models also forecast future carbon emissions.

Cost/
The Toolkit and feasibility study will allow Local Authorities to analyse the impact of investing in energy efficient street lights, both in terms of future energy costs and meeting carbon reduction targets. It will also inform the assessment of the investment need across Scotland.

It is recognised that Scotland has exacting carbon emissions targets and that affecting an investment into a Local Authority’s street lighting assets has the potential to deliver significant savings, protection against future energy costs rises, and also make a material impact in the achievement of Scotland’s environmental targets.


Support will also be provided to Local Authorities who wish to participate in the form of:

- a training session in the use of the Toolkit which will help them to develop their high level feasibility study. To maximise the benefit of the session we recommend that representatives from the street lighting, finance and sustainability teams attend, and

- assistance in the development of the feasibility study from both SFT and Ove Arup Partners. This will be in the format of telephone support.

The sessions are as follows:

1. Glasgow on Tuesday 12th March, 10:30am to 2:30pm
2. Edinburgh on Tuesday 16th April, 10:30am to 2:30pm
3. Perth on Tuesday 30th April, 10:30am to 2:30pm

The sessions will be split into two sections to cover the technical model in the morning and the financial model in the afternoon.

We hope you will be able to attend one of the sessions. Please reply to Anne Robertson (anne.robertson@scottishfuturestrust.org.uk) to let us know on which date you wish to attend and who will be attending from your Authority. Once we know numbers attending, we shall book a suitable venue and inform you and provide directions.

Yours sincerely,

Vivienne Cockburn
Scottish Futures Trust

Cc: Director of Finance
SFT Update – Low Carbon and Energy Efficiency
Directors of Finance

Tony Rose and Vivienne Cockburn
23 November 2012

www.scottishfuturestrust.org.uk
Agenda

1. Green Deal

2. Street Lighting Update

3. Developments in Energy Efficiency Financing

www.scottishfuturestrust.org.uk
Forecast Increases in Electricity Prices

- **DECC real increase + 2.5% nominal inflation**
- **2.5% nominal inflation factor**

Local Authority Electricity Bills - £130m pa

www.scottishfuturestrust.org.uk
What can Green Deal deliver for Local Authorities?

Birmingham – Forecast Benefits

<table>
<thead>
<tr>
<th>Measure</th>
<th>2015</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs created and safeguarded</td>
<td>2,000 direct &amp; indirect FTEs</td>
<td>8,000 direct &amp; indirect FTEs</td>
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<tr>
<td>Property owners benefiting</td>
<td>15,000 40 non-dom</td>
<td>61,000 1,000 non-dom</td>
</tr>
<tr>
<td>Total annual savings for households and benefits</td>
<td>£2m</td>
<td>£12m</td>
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<tr>
<td>People helped out of fuel poverty</td>
<td>12,000</td>
<td>48,000</td>
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<tr>
<td>Reduction in tonnes of CO2 emitted pa</td>
<td>18,000T</td>
<td>108,000T</td>
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</tbody>
</table>

Forecast investment £600m by 2020

Source: Public Report to Cabinet, 160712

www.scottishfuturestrust.org.uk
Issues and Ultimate Benefits

Issues
- Policy Objectives
- Market activities
- Potential in LA area

Benefit - ECO
- Green Deal (owner occupiers, private rented, non-domestic)
- National Retrofit Programme (social housing)
- Individual Local Authority deals

Local Authority Approaches
- Procurement timing
- Additionality
- Financing

www.scottishfuturestrust.org.uk
## Local Authorities Role Under the Different Approaches

<table>
<thead>
<tr>
<th>Local Authority Role</th>
<th>Do Minimum</th>
<th>Frameworks</th>
<th>CIC</th>
<th>Green Deal Partnership Model</th>
<th>Green Deal Provider</th>
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</thead>
<tbody>
<tr>
<td>Procuers Green Deal services</td>
<td>-</td>
<td>✓</td>
<td>?</td>
<td>✓</td>
<td>-</td>
</tr>
<tr>
<td>Provides Green Deal support to local suppliers</td>
<td>✓</td>
<td>-</td>
<td>✓</td>
<td>?</td>
<td>-</td>
</tr>
<tr>
<td>Markets the Green Deal</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Promotes and packages demand</td>
<td>-</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Responsible for Green Deal Set-up Costs</td>
<td>-</td>
<td>-</td>
<td>?</td>
<td>?</td>
<td>✓</td>
</tr>
<tr>
<td>Responsible for Green Deal operational costs</td>
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<td>✓</td>
</tr>
<tr>
<td>Responsible for sourcing finance for Green Deal Plans</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>?</td>
<td>✓</td>
</tr>
</tbody>
</table>

[www.scottishfuturestrust.org.uk](http://www.scottishfuturestrust.org.uk)
Options for financing the Green Deal

The Green Deal Finance Company

Local Authority

Other private sector sources (may be limited)

www.scottishfuturestrust.org.uk - 20pt text
The Green Deal Finance Company – guiding principles

TGDFC was established in response to the need for the underlying cost of finance for the Green Deal to be as low as possible

- TGDFC is a **not for profit organisation** so minimises the cost of capital
- Offers a cost of finance to all households using a **standardised credit policy**
- **Minimises associated set up and administration costs** across the industry
- Enables **quick and regular aggregation** and refinancing in the capital markets
- Passes the benefits of **strong investment grade finance** directly to households.
- **Available to all accredited providers**, irrespective of membership position.

By providing low cost finance to accredited Providers, TGDFC enables the market to develop and allows for strong competition between Providers to the benefit of end users.

*(Source: The Green Deal Finance Company)*

www.scottishfuturestrust.org.uk
Green Deal Financing - Pricing

Cost of Green Deal
- Loan Losses (0.25%)
- Opex* (1.53%)
- Buffer (0.25%)
- Base Cost

Margin

Underlying Finance
- Others
- GIU
- Warehousing

(Source: The Green Deal Finance Company, June 2012)
How do Local Authority’s provide finance?

Private & Confidential

PWLB

2.9% to 4.5%, depending on terms

LAs

Terms to be agreed by Partnering Authorities (6% in model)

Green Deal Provider

Final rate depends on LA loan rate, plus estimated take up and pricing of risks and fixed costs - 7.40% in model for 15k homes

Homes

(Source: Newcastle City Council)

www.scottishfuturestrust.org.uk
Cost of finance - sensitivities

Effect of unit numbers on APR:
- 15,000 homes: 7.41%
- 12,500 homes: 7.56%
- 10,000 homes: 7.81%
- 7,500 homes: 8.24%

Effect of default rate on APR:
- At 2%: 7.10%
- At 4%: 7.41%
- At 6%: 7.71%
- At 8%: 8.03%

(Source: Newcastle City Council)
Green Deal Developments

1. Scottish Cities Alliance – priority area led by Edinburgh Council

2. Green Deal – launched October but operational January


www.scottishfuturestrust.org.uk
Street Lighting: The Investment

• Investment in LEDS and Central Control System: £6.6m in 2014/15 and 2015/16 (c.17,500 street lighting units)

• Savings: £9.4m over 20 years if funded with PWLB @ 3.31% over 20 years

• Savings: £19.5m over 20 years if funded through capital reserves
Cumulative Savings Profiles

Cumulative Savings Chart

Year ending 31 March

- Cumulative Savings after financing costs
- Cumulative Savings before financing costs
- Initial Investment

www.scottishfuturestrust.org.uk

ARUP
Analysis of results

Savings

- Street Lighting typically accounts for 20-25% of a LA's electricity consumption
- Investment delivers c.60% decrease in electricity consumption – 12%-15% saving

www.scottishfuturestrust.org.uk
Points to consider

- Column Condition
- Column Spacing
- LED Cost
- LED Efficiency

www.scottishfuturestrust.org.uk
Affordability including column replacement

**Prudent assumptions** - £3m column replacement, phasing of electricity savings during installation, realisation of maintenance savings

[Website Link](http://www.scottishfuturestrust.org.uk)
Street Lighting – Discussion Points

- SFT developing a Toolkit – LA feasibility studies
- Possibility of enabling funding – support in feasibility studies, conditions surveys, central procurement support
- Directors of Finance: is this of interest? Could Local Authorities commit to the feasibility study? If this demonstrated savings would they commit to taking the Business Cases to their Councils?
Energy Efficiency

- SG estimate a £200m investment required by LA’s to meet 2020 targets
- Various commercial structures to deliver this. SFT exploring those with (i) no capital impact; (ii) savings are guaranteed and pay for work.
- Are these structures likely to be of interest to Local Authorities?
- Pilot projects?
Contact Details

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Email: tony.rose@scottishfuturestrust.org.uk
Mobile: 07764 132 228

**Viv Cockburn**
Email: viv.cockburn@scottishfuturestrust.org.uk
Mobile: 07766 006 028

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