



Official Report
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DRAFT

Climate Action Committee

Comataidh

Gnìomh air a' Ghnàth-shìde

Thursday 3 September 2026

Session 7



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CLIMATE ACTION COMMITTEE

2nd Meeting 2026, Session 7

CONVENER

*Stuart McMillan (Inverclyde) (SNP)

DEPUTY CONVENER

*Ariane Burgess (Highlands and Islands) (Green)

COMMITTEE MEMBERS

*James Adams (North East Scotland) (Con)

*Claire Baker (Mid Scotland and Fife) (Lab)

*David Barratt (Cowdenbeath) (SNP)

*Martyn Day (Falkirk East and Linlithgow) (SNP)

*Sanne Dijkstra-Downie (Edinburgh Northern) (LD)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Alison Cumming (Audit Scotland)

Dr Richard Dixon (Environmental Standards Scotland)

Nick Halfhide (NatureScot)

Wendy Kimpton (Scottish Water)

Ciaran McGuigan (Zero Waste Scotland)

Dan Paris (Scottish Environment LINK)

Nicole Paterson (Scottish Environment Protection Agency)

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament Climate Action Committee

Thursday 3 September 2026

[The Convener opened the meeting at 09:38]

Interests

The Convener (Stuart McMillan): Good morning, and welcome to the second meeting in session 7 of the Climate Action Committee. I welcome everyone back after the summer recess—I hope that everyone had a relaxing period and is looking forward to the great amount of work that we have ahead of us.

Our first agenda item is a declaration of interests. I welcome James Adams MSP to the committee and invite him to declare any interests that are relevant to the committee's remit.

James Adams (North East Scotland) (Con): Thank you, convener. I refer members to my entry in the register of members' interests, as I remain as a local councillor in Aberdeenshire Council.

Decision on Taking Business in Private

09:39

The Convener: Item 2 is a decision on whether to take in private items 4, 5 and 6 on our agenda. Those items are, respectively, consideration of evidence, discussion of our approach to pre-budget scrutiny, and consideration of our work programme. Do members agree to do so?

Members *indicated agreement.*

Climate Action

The Convener: Item 3 is the first of our two introductory evidence sessions on the priorities in the committee's remit. As colleagues will be aware, today's session was arranged and organised before the programme for government was announced, earlier this week.

I welcome the first panel: Nick Halfhide, the chief executive officer of NatureScot; Wendy Kimpton, the director of strategy and regulation at Scottish Water; Ciaran McGuigan, the chief executive office of Zero Waste Scotland; Dan Paris, the director of policy and engagement at Scottish Environment LINK; and Nicole Paterson, the chief executive of the Scottish Environment Protection Agency.

I thank you all for attending this morning. Before members proceed to questions, I offer you the opportunity to make any brief opening remarks, starting with Nick Halfhide.

Nick Halfhide (NatureScot): Thank you for inviting me today, convener.

We know that we all benefit when nature is thriving, and that is what NatureScot is all about. We do that in a number of different ways; I will give the committee a few examples to set the scene.

We run major grant programmes such as the nature restoration fund and the peatland action project. Every year, we advise more than 1,000 farmers, crofters and land managers on how to bring nature back on their land and how to control deer. We issue thousands of licences for the management of wild species to make our land rich in nature—something that would otherwise be illegal. We welcome more than a million visitors and thousands of volunteers to our national nature reserves, and we enable renewable generation and transmission through the advice that we give to consenting authorities.

More than all of that, we convene partnerships so that we can restore nature together. There is a huge prize for us all if we can stop the decline in biodiversity by the end of this decade and substantially restore it by 2045, and that is at the heart of our approach. We also know that we can win that prize only if the public sector bodies take a joined-up approach to nature recovery, and we are doing that.

The Scottish Government has decided to strengthen that integrated approach by creating a new body. The new organisation will cement the joined-up programmes and deep professional relationships that we already pursue and enjoy. However, the real prize is—armed with statutory nature targets—to drive a joined-up approach across the whole public sector to prioritising

improvements in our natural world, meeting our climate change targets and building resilience to the global heating.

I am the chief executive of an organisation of more than 800 skilled and professional employees who are based in offices up and down the country and in our nature reserves, with a budget of about £100 million, and it is my job to help my colleagues through that significant change, keeping them focused on maintaining a high pace of delivery, shaping the scope of the new organisation and preparing for transition.

I am optimistic, as it is clear from the First Minister's announcement on Tuesday that the Scottish Government is focused on relentless delivery, and I welcome the many measures—and their high profile in the programme for government—for tackling the climate and nature crises. The Scottish Parliament and this committee, in particular, have a vital role in making the transition to a nature-rich Scotland as impactful and as fair as possible.

In my view, the best thing that the Scottish Parliament can do for nature in the current session is pass ambitious, clear and evidence-led statutory targets. Those targets will bring a nature-positive focus to the entire public sector, including the proposed new agency, and will signal to the people of Scotland that we need nature to thrive if we are to flourish.

Nicole Paterson (Scottish Environment Protection Agency): Thank you for inviting SEPA to contribute to the committee's early consideration of its priorities for the current session of Parliament. We welcome the opportunity to support the committee's work and to share our perspective on the environmental challenges and opportunities that Scotland faces. SEPA's role is to protect and improve Scotland's environment in ways that also support health, wellbeing and sustainable economic growth.

In our written evidence, we set out in some detail the broad range of our services, functions, duties and responsibilities, as well as the achievements over the past 30 years that have made SEPA such a vital part of Scottish society.

09:45

We are Scotland's principal environmental regulator, and we regulate activities that have the potential to affect air, land and water. We work with businesses to support compliance, tackle environmental crime and ensure that communities and the environment are protected. We are also Scotland's strategic flood risk management authority. Through flood forecasting, warning services, flood mapping and planning advice, we help communities, businesses and public services

to prepare for and respond to increasing climate-related risks. We provide the environmental science, monitoring and evidence that underpin decision making across Scotland. From river levels and water quality to climate resilience and environmental trends, our data and expertise help government, businesses and communities to make informed choices about the future.

We very much recognise the major challenges that Scotland faces, including climate change, nature loss and the transition to a circular economy, and we recognise that they do not align neatly to organisational boundaries. We therefore understand and welcome the First Minister's desire, expressed in Tuesday's programme for government statement, to align and bring together the expertise across the environmental bodies and make our interventions more impactful as we face those challenges together.

In the meantime, however, our work does not stop. We will continue to deliver the vital services that we provide for Scotland to the highest possible standard, and we will continue to improve them and place our customers at their heart. We will continue to deliver the environmental priorities that are important for Scotland.

I very much look forward to discussing those issues further and answering the committee's questions.

Ciaran McGuigan (Zero Waste Scotland):

Zero Waste Scotland is the nation's circular economy public body and the primary delivery vehicle for Scotland's circular economy strategy. Our role is to drive the system change that is needed to support Scotland's transition from a linear economy—one in which resources are used and discarded—to a circular one in which products and materials are kept in use for as long as possible.

We see the circular economy as a vital bridge between the environment and our environmental ambition and our economy and economic prosperity. Too often, those are viewed as competing objectives, but a more circular economy can help to deliver both. Circularity can reduce the environmental harms of raw material consumption and replace raw material extraction and import with domestically generated circular solutions that increase productivity, improve supply chain resilience, support innovation and create economic opportunities and high-value jobs, delivering tangible benefits for households, businesses and communities across Scotland.

A key lesson from our work is that the circular economy, much like climate action itself, cannot be delivered by a single organisation, within a single sector or within a single portfolio. The barriers and opportunities cut across the economy and society

as a whole. Success therefore depends on a systems approach, co-ordinated action across government supported by strong targets, strong alignment between environmental, economic and social objectives and strong partnerships with businesses, sectors and communities.

Scotland already has significant ambition and a strong policy framework in place. The priority now is delivery. From our perspective, the greatest opportunity lies in embedding circular economy principles across government and working with stakeholders in all parts of the system to ensure that existing commitments and opportunities are translated into actions that deliver lasting benefits. That is our focus.

Like our colleagues to my right, Nicole Paterson and Nick Halfhide, we strongly support the principles and objectives of public service reform in Scotland. We are committed to working collaboratively with the Scottish Government as a trio and as sister organisations—and, of course, with our key stakeholders—to create and shape the new organisation to be one that is fit for the future challenges and to capitalise on the opportunity to make our interventions more impactful.

Although structures might change, the imperative of building the circular economy that supports Scotland in tackling climate change, building economic resilience and reducing the nation's resource use remains. Again, like my colleagues, we will remain focused on that vital delivery as we help to shape the new body, including by continuing to build a wider understanding of the benefits of circularity, including those strong economic benefits, and continuing to develop and deliver the system changes that are needed to realise them.

Wendy Kimpton (Scottish Water): Thank you very much for the opportunity to give evidence.

Scottish Water is one of Scotland's largest infrastructure companies and one of the United Kingdom's leading utility providers. We provide drinking water and waste water services to customers across Scotland. We are publicly owned, we are run along commercial lines and we are independently regulated. That model has been really important to the success of Scottish Water over 20-odd years.

We are funded by customer charges—about 2.6 million households pay customer bills—but some Government borrowing is used to support infrastructure investment.

We are planning for the future through our strategic review of charges process, which is looking at the outcomes that we need to deliver between 2027 and 2033. We are also looking to

the longer term through our long-term strategy, which looks forward to 2050, to understand where we need to be in order to continue to deliver sustainable and affordable water services.

In doing that work, we are focusing on three significant challenges that Scotland's water sector faces. The first is the increasing impact of climate change and extreme weather; the second is changing patterns of population and demand; and the third is the need to renew and replace ageing infrastructure.

The challenges that we face and the opportunities to meet them are closely connected to the committee's work. The decisions that are taken now and over the next few years on climate adaptation, resilience and the water environment will shape the affordability, sustainability and reliability of water services for current and future generations.

We welcome the opportunity to contribute to the committee's consideration of its priorities for the session ahead.

Dan Paris (Scottish Environment LINK):

Thank you for the invitation to appear before the committee.

I represent Scottish Environment Link, which is a network of more than 50 environmental non-governmental organisations that work in Scotland, primarily on issues related to the natural environment.

Scotland's natural environment is one of our most important assets. In fact, I would argue that, alongside our people, it is our most important asset. However, it is in trouble. We are living through environmental crises—the intimately connected climate and nature crises—and we have seen this summer what that can look like, with significant wildfires, long dry periods and difficult growing conditions for crops. The environment that we all grew up in has already changed. We need to adapt to that and to take action to protect our natural environment and mitigate further climate change.

Nature can be the first line of defence against climate change. Restoring biodiversity goes hand in hand with climate action, so it is welcome that nature and nature targets are part of the committee's remit. We are very lucky to have an abundance of natural resources in Scotland. Our peatlands, temperate rainforests and seabird populations are all of global significance, and we have a duty and an obligation to protect those assets for future generations.

One of the most important steps in the previous parliamentary session was the passing of the Natural Environment (Scotland) Bill, which, as other witnesses have said, means that we will be

setting statutory targets for nature restoration. It is the view of LINK members that we need to set ambitious and achievable targets. We share the concerns that Environmental Standards Scotland has expressed about the expected timelines for setting those targets, and we support its call for the Cabinet Secretary for Climate Action and Rural Affairs to confirm the date by which the targets will come into force, particularly so that we can ensure robust scrutiny of the targets and of the policy mechanisms that need to be put in place to achieve them.

I am sure that we will discuss public sector reform later in the meeting, and I am happy to share our views, as far as they extend, at that point. However, a fundamental point needs to be made: regardless of that reform, sufficient public funding is needed to tackle the nature crisis. As it stands, we do not spend enough money on reversing biodiversity loss and meeting our climate targets. The investment in the nature restoration fund is fantastic, and it should continue and increase in this parliamentary session. Investment in peatland action and in native woodlands is equally important. Whatever the public body landscape looks like, enough resources must be provided to ensure that public sector bodies can do the fundamental jobs that are required to meet our environmental targets.

The Convener: Thank you. We will come on to the issue of public service reform in our questions. I ask members and witnesses to keep their questions and answers as brief as possible, as we have five people on the panel and a wide range of questions will be posed. I want to ensure that we capture as much as possible today.

As I said at the outset, today's session was organised before the programme for government was announced. Some witnesses have indicated their initial reflections on the programme, but I would like to get a wider sense of their reflections on it, on how the various organisations will engage with the process and on what some of the biggest challenges might be.

Ciaran McGuigan: On Tuesday, alongside the programme for government statement, there was an announcement of news that is clearly significant for our organisation and is part of a significant overall reform programme. It is natural that there is a degree of uncertainty at the moment about the exact shape of things in the future, what the change means for individuals and how things will be done. Obviously, there is much work to be done to implement arrangements around the new organisation as well as possible.

However, what is already clear is that, as we have all stressed, there is a strong sense of how important it is that we lean into the opportunity to

work in a more joined-up way across the system and that we ensure that the vital work that the organisations do is enhanced, amplified and made better through the reorganisation. I think that our conversations on the issue to date have been characterised by a strong commitment to that approach and a strong sense of opportunity in how we approach the change. I am happy to speak for all of us when I say that there is a strong commitment to making it work and implementing the reorganisation effectively for the benefit of Scotland, its nature, its environment and its economy.

Without a doubt, there are challenges in implementing change of this scale, and those challenges are clearly magnified when set against the backdrop of whole-system change in other places. I think that all three representatives of the organisations that are involved in the change who are here today have stressed how important it is to maintain focus on the vital and urgent work that all of our organisations are already engaged in.

I talked about the circular economy being a bridge between the environment and the economy, and, from our perspective, some of the key things concern how we conceive of the opportunity for us to strengthen that bridge in order to manage nature and the environment in a way that protects and enhances nature, but also to ensure that nature is a foundation for a thriving economy. By the same token—this is very much where we come in—we must ensure that our economy and our economic systems are compatible with a thriving natural environment, thriving communities and overall prosperity.

There are some real strategic opportunities in the change, but the execution challenges are real. Obviously, those are what we will be focused on solving, in partnership with government and, importantly, through listening to key stakeholders such as the representatives on the panel today and people across Scotland through that consultation process. There is much still to do.

Nicole Paterson: SEPA very much welcomes the programme for government and, in particular, the reference to bringing together environment bodies. We have long believed that it is immensely important for Scotland that, given the scale of the challenges that we all face in terms of climate, nature and economy, as well as health and wellbeing, we are able to cohere around those issues and bring together the skills and the capabilities in the country to deliver better for Scotland, for its people and for its places.

The focus on having a single front door—one that will work well for businesses, customers and stakeholders—is important to us. It is also important that, within that, we are able to cohere

our resources around a much more place-based approach that responds to the needs of communities and, most important from our perspective, that responds to the significant climate challenge that we now face and the effects that we are experiencing across Scotland and across the United Kingdom even in this very year.

The fact that the programme for government will strengthen environmental delivery means, I think, that it has landed better with our staff than I had anticipated. Our staff are very focused on their delivery for the environment, and any strengthening of that is a positive.

10:00

Of course, it is challenging against a backdrop of what the new organisation may look like and the details of its delivery. However, over the past three years, SEPA has leaned very heavily into a self-funded transformation programme. We have 30 active initiatives in that programme, looking at all aspects of our delivery, and that delivery is focused on the future. That includes what future regulation will look like, how our customer service needs to shift and change and a number of other programmes. Importantly, it looks to the future and the service that we need to be, and that does not change with regard to coherence with the work of my colleagues who are here today and the future environment body.

We very much welcome the programme for government, we stand ready to support it and we will work proactively. We are working closely with our people, who, as I said, are very positive at the outset, leaning into it, but are, of course, challenged because there is great uncertainty around it as well. Nonetheless, the sense of being able to lean in, and of having the great privilege and opportunity to play a part in creating a new environment body that will deliver for Scotland in the face of the very significant challenges that we face, is not lost on me.

Nick Halfhide: My message is similar to what my colleagues sitting to my left have said, so I will not add to that, but I will tell you a bit of a story, if I may.

NatureScot already works closely on the ground with SEPA, in particular, but I am aware that we need to do more of that, so I would welcome anything that can deliver that better. In May this year, I went out with my board to Brechin and the South Esk catchment, where we are working with SEPA, Angus Council and others to reduce the absolutely terrible flooding that many of you will have seen in the town there. We went right to the top of the catchment and we saw work there that we have funded through the nature restoration fund to make it better—to soak up water and take

the peak off the flow. We now have an exciting programme of work on both the South Esk and the Dee, with SEPA, the Cairngorms National Park Authority and others, to see what we can do across the whole length of the catchment. Collectively, we can do an awful lot there to help reduce the flooding—although we will not get rid of it altogether—and improve the catchment for nature and for the businesses that will still be affected by a more predictable, or less severe, peak.

We are doing that work already, but we all know just how important and significant the challenge is. We need to be doing that across the country, so we would all welcome anything that can, in a sense, free up resources to allow us to do that better, to make sure that our evidence speaks better to the evidence from the other agencies, and to ensure that our staff work better together, or even within a single organisation, on the ground in the face of that huge challenge. We need to do better.

Wendy Kimpton: At Scottish Water, as I mentioned, part of our success is undoubtedly down to the strong, effective independent regulation that we are quite rightly subject to. It is a very important part of the model in Scotland.

We believe that what has been proposed reflects the wider need to work collaboratively. We raise that issue in our long-term strategy. Neither Scottish Water nor any other organisation can solve the problems that we are facing, particularly around a changing climate, alone, so anything that encourages greater collaboration is a really positive move, as we have just heard.

Dan Paris: We saw the announcement on Tuesday and we have not had an enormous amount of time to reflect on the potential implications. As a starting principle, I do not think that anybody would argue that the current set-up should be set in stone or that there should not be any consideration of reform. However, as witnesses are beginning to identify, there will inevitably be some opportunities for closer and more effective working through the reform process.

It should be said that it is a very large reform and it does not come without risks. It is going to be, to some extent, a destructive process. If that can be handled effectively, that is fantastic, but it is a process that is not without risk. One of the key issues will be what the focus of the new organisation ends up being. Although there is considerable overlap between the three public bodies, as has been discussed, those organisations are working on a wide-ranging series of very different policy areas. The overall focus of the new organisation needs to be on ensuring that we do not deprioritise any of those

areas, which are all important in their own right, particularly from our perspective. We need to ensure that nature is at the very heart of that work.

Where there might be an opportunity is in ensuring that all those public bodies work together on a new model that has a clear focus on ecological resilience, which will be one of the fundamental issues. We have already heard that catchment management is a really significant issue. We can do more to work together in a way that delivers with the focus on ecological resilience.

Going back to the point around resourcing, we cannot be blind to the fact that the public sector reform that we will go through is being driven in large part by the need to make spending reductions in this parliamentary session. The outcome of that is that how the organisation is set up, its name, where it is headquartered and its exact statutory basis will all be decided over the coming period, and this Parliament will have an opportunity to influence all of that. Fundamentally, we need to ensure that the organisation has the capacity, the skills and the resources to deliver. As I mentioned, as things stand, that capacity is not as strong as it could be. If we reached a position where that capacity was in any way eroded, or if we were losing skills, that would be the point when we would have serious concerns.

The Convener: Thank you very much. I am conscious that that first question has taken a fair amount of time to answer, but that is understandable because of what happened this week.

I have one very short question, and I would be grateful if the responses could be short. Clearly, the focus in the discussion thus far has been on the new organisation and its staff, which is understandable. Could a single organisation actually help the wider public to engage with the issue of climate change that we all have to address? It can be quite a confusing landscape, so could a single organisation help to engage more of the wider public?

Nicole Paterson: I will give a simple and straightforward answer: yes. The single front door model is important. As an agency, we see that a number of stakeholders have to visit a number of different bodies to get permits, authorisations and so on. Streamlining that work will help our businesses, stakeholders and communities.

Nick Halfhide: I agree, but it goes further than that. We have to design that approach into the new model from the start, because it does not happen automatically. If that is an objective for the design and purpose of the new organisation, we will build for success.

Ciaran McGuigan: I agree with regard to a lot of levels and lots of issues. It is important to recognise the breadth of focus that we are talking about. When thinking about a lot of our upstream work on economic systems change and creating a more sustainable economy for long-term health, and treating causes and not only symptoms, there are different key stakeholders and different key messages. One thing that we have to preserve is that, although we should absolutely take advantage of opportunities to join things up and simplify engagement, we also have to preserve the breadth of scope and focus and the breadth of system change that is required.

To reiterate, a key part of the opportunity is to bring together the environmental and sustainable economy conversations. Greater alignment on activities and priorities in those areas will be hugely beneficial.

Dan Paris: I agree with what the other witnesses have said. That objective should be built in. I also agree with Ciaran McGuigan's point that there needs to be breadth in the organisation.

My one caveat is that this is early in the process and there is not complete clarity on what is proposed in the programme for government—for example, there is not complete clarity on Scottish Forestry's role. In the programme, there is a separate commitment to look at land ownership and land management in the public sector, which we do not have clarity on. However, I broadly agree with the points that have been made.

Wendy Kimpton: From a Scottish Water perspective, simplicity of access and hand-offs is always beneficial, and that must be the same for members of the public. Across such a complex area with so many interrelated, fast-moving aspects, simplicity of message must be helpful.

The Convener: Ariane Burgess has a supplementary question.

Ariane Burgess (Highlands and Islands) (Green): I want pursue the line of conversation around public service reform. I will frame my concerns, some of which have been voiced already this morning. We have the 30 by 30 commitment, whereby we are supposed to protect and restore 30 per cent of Scotland's nature by 2030. That is less than four years away, and now there is talk of critical public bodies going through a large restructuring. Another issue that, for me, hangs over this whole session is the nature security assessment on global biodiversity collapse that was done by a UK joint committee.

I hear you all saying that the proposed restructuring offers a great opportunity, and I loved what Nicole Paterson said about having a single front door, which is important and is an issue that

came up a lot in session 6 at meetings of the Local Government, Housing and Planning Committee. However, as Dan Paris said, if we go down the proposed route, it is really important that we frame the purpose of the new organisation. This will be the first of a number of conversations that we will have over a period of time as we try to understand what the proposed restructuring will mean.

I want to ask Nick Halfhide about the challenges of data collection, which might also be a question for SEPA. An issue that has been brought up with me is the fact that we do not collect the right data. If we are to have a single body overseeing our environment, we need to have a data collection process that is accessible to the public. What I hear is that NatureScot collects some data but not all the data that it should collect, and that it puts that data online in the form of Excel spreadsheets. If we are to have a single body whose work is based on the scientific evidence, how do we ensure that it collects the right data? Could you see that happening as part of the proposed change?

Nick Halfhide: I am happy to answer that. I imagine that the situation is the same for my colleagues. We collect a vast amount of data, and, because it is so expensive to collect, we are always asking, "Are we collecting the right data? Are we making it available to the right people?"

I would gently challenge what you said. We have made huge strides in making our data more easily available to everyone, not least through our investment in the National Biodiversity Network, which helps to make data available—whether it is data that we pay for to be gathered or the huge volumes of data that come from citizen science—and we increasingly use a lot of high-tech methods, such as satellites in the sky, to ensure that we do that more efficiently. However, we have a long way to go. Ensuring that we have the right data is a real challenge.

The other danger is that we worry too much about data. We probably have more data than pretty much any other country on the planet. What really matters is how we organise that data and how we use it, because although we need to take the right actions, we need to get on with it. We cannot just worry that we do not have enough data. We have to act more quickly and take a far more adaptive approach, because we do not have time to gather endless data for no benefit other than that of the gathering of data. It is the application that matters.

Ariane Burgess: You say that we are gathering a lot of data and that we need to get on with taking action. I get that. However, because of the gull amendments to the Natural Environment (Scotland) Act 2026, you have been gathering

data on gulls but only on adults and juveniles and not on eggs, so we do not have a full picture of what is going on with our seabirds. That is a good example of the kind of thing that I am talking about.

In addition, at the moment—I would say that this goes for SEPA as well—the way in which the data is presented makes it really inaccessible for people who are trying to do citizen science or to help us to do better on nature and climate.

10:15

Nick Halfhide: I would accept that. As someone who lives in Nairn and has seagulls nesting on their roof, I know the challenges of living with gulls, and I also know how difficult it is to count them in an urban environment.

I absolutely accept that we need to do better at data collection. However, because it is hugely expensive to do that, we must focus on the most important things. Obviously, the issue of gulls has now become important. The law says that we must do that work, and we will do it.

It is about making choices. That applies on land and even more out to sea, where gathering data is really expensive. We have to use tech well but also choose where we invest our limited money.

Ariane Burgess: I will put my next question to some of the other witnesses. Could the ability to share data and think about how you collect it and work with it potentially improve if there was a joint environment body, and could the expense be reduced? I know that, at this stage, there are question marks about where we are going, but it is important for environment organisations to have data.

Nicole Paterson: First, we should recognise that all our work at SEPA is science and evidence based, so the point about the amount of data that we have is absolutely true and resonates. As we roll out new technologies, such as environmental DNA and genomic sequencing, the amount of data that we hold becomes even more vast. That data is useful to Scotland only if it is interpreted and made available in a way that we can all understand. In my role, I have been clear from the outset that we hold Scotland's data, or a component of it.

The new organisation should never just be about the sum of the parts. Yes, it should be greater than the sum of the parts, but the real opportunity and strength—this applies not just to data—is to design a new environment organisation for the future challenges that we face, so that it is aligned towards the future rather than the past. That must include data, digital and artificial intelligence.

The South Esk work provides a great example of our bringing to the fore the data that we hold and interpreting it. That began with a conversation more than three years ago with one of my colleagues in the Cairngorms national park in which we said, “We have the evidence and the data. We can advise you on what would be the best or the top five interventions, and you can make a choice about that.” If we scale up the pioneer catchments work, we will have impactful work at pace across Scotland. That has to be the holy grail.

Accessibility will be key. At SEPA, we have worked on that quite hard, but we still have work to do. We have a data strategy and a digital strategy, but we must recognise that we hold Scotland's data and that it is for the people and businesses of Scotland, so we have to make it more accessible. That is work in progress, and I hope that we can move much faster on it with the new organisation.

Ariane Burgess: I will move off data because, as I said, we will talk to you more about that in the future.

I want to ask about the idea of having a single land agency, which brings in Wendy Kimpton, Nicole Paterson and Nick Halfhide. What could be the benefits of public land being held within one agency?

Nick Halfhide: There are some obvious efficiency benefits of bringing land together, but we should point out that public land delivers many different things. It is very early days, but we must bear that in mind. At my end of the scale, we deliver sites that are rich in nature and are nodes for nature to expand out from. However, I said, we have more than a million visitors, so they are also places for people to engage in nature. The land that colleagues manage is far more in the productive and primary production space. Obviously, there is forestry, but some of the Crown Estate's land is farmland that produces food. We must consider whether we want a single body that covers the whole spectrum. That is an important question that we need to answer.

A final point is that we do an awful lot of close working already. At our property at Muir of Dinnet, on Deeside, we work closely with Forestry and Land Scotland, which is next door, and with the RSPB, which is the next door up. There is a lot of joint working and sharing, just as there was when we helped to fight the fire at Abernethy, when we literally ploughed a huge firebreak through our land and our staff helped the RSPB staff, who helped Forestry and Land Scotland staff. There are good examples already, but let us see where the potential lies.

Wendy Kimpton: I broadly agree with Nick Halfhide. I would add, though, that there are

opportunities to work even more closely together to understand the impact of land use. Where my mind was going on that question was towards issues such as raw water quality. The changing climate and land use changes are having a direct impact on the quality of the raw water that we receive and then treat, turning it into potable water. The opportunities are there.

Claire Baker (Mid Scotland and Fife) (Lab): I am sure that the committee will consider the single agency proposal in detail over the next while, but I have some initial questions for the three organisations that are involved. What is your redundancy policy? What discussions, if any, took place prior to the announcement being made? Have you estimated what resources will be required to deliver change? Does the proposal have an impact on your planned budgets? Finally, what is the timescale? NatureScot's press release suggested that it would be 2029, but has that been confirmed?

If you do not know the answer to those questions, when do you expect that you will know? What discussions are taking place with Government about how the process will be carried out?

The questions are for Nick Halfhide, Nicole Paterson and Ciaran McGuigan.

Nick Halfhide: Gosh—there is a lot in there, but I will do my best to help. The first thing to say is that it is very early days. We had a little prior warning so that we could get organised and hold simultaneous sessions with our staff. All the organisations did that at half past 3 on Tuesday, I think, so that the staff could hear it first from us, which was important in terms of management. We still have a lot of work to do on planning. The timeline is aspirational, but it was important that we could tell our staff what the Government's aspiration was. As you say, it is 2029.

Our human resources policies on redundancies are as they are at the moment, which is that we have a no compulsory redundancy part of our current pay deal. However, that is part of the detail that we will look at and, obviously, we will take a strong lead from the Scottish Government, which has made clear statements about the policy of no compulsory redundancies continuing.

Obviously, we need to think hard about how we will resource the change internally and how we will work with the Scottish Government, which I imagine will also be considering how it can make the transition and resource that. To state the obvious, we want this to be a huge success if it happens, and we all know that that needs resourcing up front to ensure not only that we get the mechanics right but, just as important, that we work with our people so that they feel part of the

transition rather than that it is being done to them. We need to ensure that they can see a future and have hope, because we need them to carry on delivering while we are doing this, and the thing that will take them through is having something that they can work towards, rather than the opposite, which would be dissatisfaction. We must give them hope.

Claire Baker: Nicole, I anticipate that your answer will be largely the same as Nick Halfhide's, but perhaps you could add into your response comments on what you will do to prevent staff from leaving. Often, when an organisation faces such a level of change, some staff start to think that they do not want to be there and look for an alternative.

Nicole Paterson: You are right that my answer is largely the same. One area that I want to revisit, though, is the fact that, as I have touched on already, SEPA is in a slightly different position on resources. On the other components, Nick was entirely correct and representative of us all.

On resources, I talked about our transformation programme, through which, over the past three years, we have self-funded investment in the skills, technologies, people and leadership that are needed to take us through a transformation. In the five programmes and the 30 initiatives that we currently have running, we have some capacity and capability, which are already leaning into that work.

Over the past three years, that has aligned with public service reform—before it was even talked about as public service reform, to be honest. For me, it has always been about driving efficiency, effectiveness, cohesion and much greater collaboration, whether that was about SEPA as a single agency or working with partners.

Claire Baker: How does the announcement disrupt that? We can see from the papers the amount of work that you have done on public service reform within the organisation. You have been on a particular path, and then this proposal comes along. How do you continue on that path? How does that fit with the announcement?

Nicole Paterson: I do not see it as disruptive per se, because our work has always run in parallel with public service reform. That is based on principles such as driving efficiency and effectiveness, improving customer service and investing in digital data. We have already touched on those areas this morning.

As people take time to reflect, there is, of course, a momentary pause, but the programmes have always been designed so that they were never solely for SEPA. We have always recognised that we operate within a much broader landscape that includes other public bodies, the civil service and

the Scottish Government. The programmes are aligned with, and continue to support, public service reform. The size or scale of our organisation, and whether we partner with other bodies, does not alter that.

On staff leaving, one of the very real aspects of such change is that it is a time of reflection for all staff. My organisation, which is in its 30th anniversary year, went through a similar process 30 or 31 years ago, after 92 predecessor organisations came together. Staff consider their career journeys, what they have experienced, where they have been and whether this is the next step that they wish to take, whether they wish to change direction or, indeed, whether they wish to retire.

My very early indication—and I caveat this because I have not spoken to all 1,250 staff in SEPA—is that there is a sense that there is a continued commitment to the coherent and compelling vision of improving Scotland's environment and climate resilience. However, it will, of course, be for each and every member of staff to make their own decision.

We want—I think that I can speak for my colleagues here—to move through this, involve staff and ensure that we get the best outcomes for everyone. Beyond that, there will be an individual question for each staff member.

Claire Baker: Mr McGuigan, the biggest cost in any organisation is staff, so when you make changes of this sort there is a money-saving process. Although a no compulsory redundancies policy is in place, surely part of this is about reducing head count. That is how organisations such as the one that has been announced save money.

Ciaran McGuigan: I am thinking about the change journey that we have been on as an organisation. As you may know, Zero Waste Scotland is only 10 years old. It was part of a UK-wide body but became a Scottish body. It was a private organisation and, over the past couple of years, we have transitioned into the public sector and we now look ahead to further change. Like Nicole Paterson's organisation, we have been running internal transformation alongside that transition and corporate-level change, delivering significant efficiencies along the way. All of that has been managed within a no compulsory redundancies arrangement.

I previously spent 20 to 25 years in the private sector running transformation and integration programmes, and a no compulsory redundancy arrangement was not always part of those. However, in my experience, if you have real clarity about the destination and the pathway to achieving it, you can achieve a lot in terms of delivering

savings and efficiencies by managing the journey. There is natural change in an organisation over time, and I have always found that, if you have a clear end point and the right workforce plans and skills plans, and if you operate in a joined-up fashion, you can deliver efficiencies without everything having to be about a cliff-edge, large-scale compulsory redundancy programme. That is often the last thing that you want, and it will not necessarily be the best tool.

I have a long history of achieving cost savings before entering the public sector. Public sector reform is a bit like a busman's holiday for me, but I have genuinely found that a great deal can be achieved. Our head count is 14 per cent lower than it was when I joined the organisation, and we have not had a compulsory redundancy programme; that reduction has been managed through natural turnover.

There are definitely execution risks and questions that need to be answered, but I think that we can and should be confident that we can navigate through this change in a way that treats people with respect. We can lead with integrity, but we can also, as Nick Halfhide says, lead with optimism.

10:30

Martyn Day (Falkirk East and Linlithgow) (SNP): I am interested in the witnesses' views on whether a new, all-incorporating body can address an issue that is of concern to me, which is whether we have sufficient powers to assess the cumulative environmental impacts on a community, rather than just dealing with each one individually. A good example relates to Grangemouth, where we are dealing with industrial transition and development, flood risk and historical environmental impacts. How can we better assess the cumulative impact of all those issues, rather than looking at them one at a time? The body that deals with the bulk of such impacts is SEPA, but I am interested in the other witnesses' views, too.

Nicole Paterson: There are opportunities as we move forward, but, as a starting point, I will reflect on where we are at the moment. Grangemouth is a good example that shows that we are definitely moving in the right direction.

As committee members might be aware, in 2025, SEPA transferred our four main regulatory regimes into a new, integrated authorisation framework. At the time, that was described as a once-in-a-generation change, because it was so significant and substantial. Indeed, the approach has been recognised as world leading and has been shared with the heads of the European Environment Agency as part of the work on

simplification in Europe. The approach provides a simplified common framework for key activities that we regulate, with common tools, processes, timelines and tiers of authorisation, which therefore assists with the data and evidence that sit behind it. As we continue the programme, we will focus more on outcomes.

I will turn to the good example of Grangemouth. To support a just transition to net zero in Grangemouth and the work of the Grangemouth future industry board, SEPA has worked collaboratively with partners on the Grangemouth regulatory hub workstream. That has included piloting an innovative regulatory approach called outcome-based collaborative regulation. All stakeholders are working together to achieve shared aims and outcomes, with the approach aimed at regulating in a better way, but we can do that only if we have coherent base data. We have that at Grangemouth and we are moving in that direction. The approach supports better delivery of net zero and facilitates innovation while protecting communities and the environment because it works at the micro level—the environment level—which, in this case, is Grangemouth.

With the new body, there will be opportunities to build on the work that has been done by moving to much more coherent and collaborative outcome-based regulation.

Martyn Day: Do any of the other witnesses have thoughts on how their services could integrate with that model?

Nick Halfhide: You have put your finger on one of the biggest challenges of any nation, which is how to join up all the evidence and all the regulations so that they have the desired effect. I recognise that challenge, and you have suggested a powerful aspiration for the new body. If we cannot do that, we will be in a difficult position to push forward at pace with the sustainable economic growth that is needed and to build the sustainable resilience that we all want. We need to act quickly, but we also need to bring communities with us. The point that you are driving at is that, if local communities do not buy into or understand our approach because we have not presented things in a way that enables them to engage, we will miss half the equation. Therefore, what you have set out is a really important ambition for the new body.

Dan Paris: I will give a different example from Grangemouth. When you asked your question, I started to think about rivers, which are really interesting from an environmental policy point of view because they take in so much. They start in the uplands, at their source—there are issues relating to agricultural policy; the interaction with the riparian environment; pollution, including novel

pollutants; and flood risk management—and they go right down to the sea and the marine environment. Rivers interact with so many different bits of the policy landscape and the public sector that they provide a classic example of an area where taking a joined-up, strategic approach that looks at the issue at a large scale—in this case, that of the catchment—and has a focus on ecological resilience is key, as you can bring all those different challenges into one package that can be dealt with.

Wendy Kimpton: My mind went to a similar place, so I will build on that. Obviously, Scottish Water relies on the natural environment to provide our services. I am really interested in the outcomes-based collaborative approach that Nicole Paterson was talking about, and we really support that, as it helps Scottish Water better understand both our impact on the natural environment and the impact of others on the natural environment that we rely on to deliver sustainable and affordable services in the long term. That understanding of place and the interaction of various impacts is really important.

Ciaran McGuigan: Just to complete the set, I will say that I actually like the Grangemouth example. It is a good one to bring in because, as Nick Halfhide says, it involves the sustainable economy side as well as the sustainable environment side. We have worked closely with others in Grangemouth, thinking about the technological innovations and the just transition and new business opportunities there in terms of materials and feedstock as well as the introduction of businesses, so that we can grow a sustainable economic cluster.

I agree, though, that whichever lens you view things through, place-based approaches must be at the heart of what we do. We consistently find that there has to be a stakeholder partnership-driven approach in order to get that whole-system action and whole-system alignment. What we are talking about this morning is the opportunity to broaden that and ensure that the environmental and economic aspects of what we do are well aligned, so that we get sustainable and thriving places.

The key message that you are hearing is that we have to embed that approach in the new organisation.

David Barratt (Cowdenbeath) (SNP): I should perhaps start by saying that I have an interest of sorts in that I am a hydrologist with a background in flood risk and peat management and an interest in catchment management and the catchment-wide approach. Therefore, I was really pleased that the South Esk, in particular, was mentioned. We had a committee visit to the Tweed Forum last

week, but I am well aware of the work that is going on in the South Esk as well, so it is good that that was mentioned.

Boundaries and borders tend to be artificial, but catchments are natural, so they provide a fantastic environmental scale on which to look at things. With regard to interventions, I am interested in integration at a catchment scale but also at an operational scale. I think that that has the potential to be really powerful if it is done right, although there are risks as well as opportunities in that.

On the agenda around public sector reform, do you think that the creation of an environmental consenting and permitting body that is integrated across the land and sea environments presents opportunities? Currently, we have functions regarding consenting and permitting that cut across SEPA, NatureScot, the marine directorate and Scottish Forestry. Do you think that it would be a good aim to look at integrating those functions into a single environmental consenting body?

Nick Halfhide: I will go first again. The short answer is yes. The more and better integrated we are at land and at sea, the better we will perform. That is an important principle to hold on to. However, although regulation and the provision of licences is important, we need to think of the role of the new body as going beyond that. It should, by bringing our organisations together, also have significant funding clout. We have seen that that is an important tool.

The most underrated function is probably that of convening, which touches on the previous question. What you need is a body on the ground that can pull together the various parts in a way that involves not just regulation—although that will be one of our tools, and a licence can often be incredibly empowering—but also convening discussions, so that all the various voices can be heard.

With regard to the South Esk, the key role that we have all played has involved building trust locally with land managers, the community in Brechin and the businesses downstream, so that they can all come together. At that point, we can think about the tools that we need, where we need to invest in peatland restoration, where we need to give up some of the licences that SEPA might hold and where we might want to encourage deer management, for example, to reduce the pressure on the natural environment. Joining up those elements presents considerable opportunities at that local level. That is where the greatest benefits will be delivered for local communities and for nature, because activity happens not at the national level but in a particular place.

Nicole Paterson: On the example of the South Esk, I know that your visit to the Tweed Forum last

week showed the scale of the difference that can be made in catchment terms.

I guess that the issue goes back to the earlier question about how we draw boundaries and the need to use natural boundaries. One of the reasons why catchment-based approaches work well is that there is a common vision. It does not matter who the partners or the delivery bodies are, because the issue is about not collaboration but the common vision that links all the actions and activities. That is fundamentally important for coherence. What is significant in this discussion, though, is the fact that—going back to my earlier point about any new body having to be greater than the sum of the parts—we all already work together in many different ways.

Catchments are a great example of an extremely complex system, because they involve water quality, soil health, agricultural activities, the actions of landowners and the extractions of Scottish Water and other businesses from any particular river or watercourse. They are complex environments, but, if we can correctly convene activity in a way that is not about trying to get many different bodies to collaborate and work in partnership but is about ensuring that everyone has a single, place-based vision—which goes back to the single front door issue that I mentioned—and we are able to get the data, the science and the evidence to cohere, we will be able to win hearts and minds in a way that ensures that there is delivery in those areas. I am massively conscious of the fact that we all have a great amount of theory, policies and strategies, and that turning all of that into delivery at the pace and the scale required for Scotland is the challenge that sits ahead of us. If the new body can help to convene the necessary action that can help us to achieve the required pace and scale with that common vision, that will be a positive step.

Wendy Kimpton: Nicole Paterson beat me to most of what I was going to say. I will not repeat those points, but I will say that permitting is a really useful and powerful tool, and I agree that collaborative working is key to that.

The key point that I want to get across from the perspective of Scottish Water, which is looking out over the next 25 years or so, is that no organisation can solve the issues that we face on its own, so the development of an environment in which there is clear support and co-ordination from regulators can only be welcome. We see a lot of co-operation already, and we work closely with regulators, but anything that can strengthen that would be a benefit.

The Convener: Claire Baker has a brief supplementary question for Scottish Water on that point, and then we will go back to David Barratt.

Claire Baker: Part of the issue of water resilience is scarcity. There has been quite a lot of discussion around AI data centres over the summer, and there is a members' business debate on that subject today in the Parliament. Scottish Water has a key role to play in what will happen if we go ahead with establishing those data centres. It is a big issue for constituents, who want to know how much water each data centre is going to use. I know that, with regard to the project in Fife, Scottish Water has given assurances that the water levels are fine, but I do not think that people are really convinced, given the scale of that project.

Where does the policy around data centres fit into your planning around water scarcity? What considerations and thoughts have been given to working out what the establishment of such centres would mean for Scotland's water supply?

Wendy Kimpton: I will start by setting out the context. We produce about 1.5 billion litres of water every day, which is consumed by the people of Scotland. Obviously, we need to plan carefully to ensure that those supplies are safeguarded into the future. I keep talking about sustainable and affordable services. Managing impacts such as climate change and understanding where that water is going to come from is something that we take extremely seriously.

We are aware of 24 data centre applications that are under way at the moment, and we are in conversation with people with regard to about half of those proposals. We want to get the message across that people should come and talk to us early, as soon as they start to think about building such facilities. We prefer closed-loop systems, because they have a limited impact on the water supply in any particular area, and we would welcome data centres being located in areas without water scarcity. Ultimately, it is a matter for local authorities, but we are a statutory consultee, so we ensure that we put all views across. We have a ministerial objective to support economic growth, so we are trying to find the right way forward. As I say, people should talk to us early, build the data centres in areas where there is no water scarcity and focus on closed-loop systems. That will be the best way forward.

10:45

David Barratt: I think that Fife has been identified as an area with water scarcity.

Wendy Kimpton: I will write to the committee on that, because I do not have all the water scarcity information to hand.

David Barratt: Very often, there is an east-west split.

Wendy Kimpton: Generally speaking, there is.

David Barratt: Witnesses have spoken about an integrated body having funding clout as well as taking a one-stop shop approach—I think that Nicole Paterson used the phrase “one-door approach”—and having a common vision. Achieving a common vision makes things easier from a regulatory point of view, but catchments tend to have many different farm owners and land managers, which all need to be integrated.

In my experience, it can be difficult to manage a landowner who has to go to multiple different agencies to achieve the same aim, particularly around targeted interventions such as peatland or river restoration. Those are good examples of interventions that can have multiple benefits in reducing carbon emissions, supporting biodiversity, reducing flood risk and addressing water scarcity, among many others. I am interested in better understanding how an overarching environment body could take a more integrated approach to interventions at a catchment scale. You have partly answered that question, but I would be interested in Dan Paris's view of what the remaining challenges would be and the gaps in such an integrated approach.

Dan Paris: You touch on an important point. When we are looking at the natural environment at the landscape scale, we are dealing with multiple landowners. Those landowners are sometimes public bodies and sometimes not. For a riparian project, we will most likely be dealing with multiple separate private farms that may have forestry and sites that are managed for nature. A diverse group of stakeholders will be involved in any of those projects. That is a persistent challenge, but there is not necessarily an easy answer to it. One of the approaches that has been trialled at the landscape scale involves traditional land use partnerships. In principle, our members are supportive of that approach of trying to bring people together using the convening power and working towards common objectives. It is not easy to get people who have different objectives for their land to agree to work together on a project if those objectives are seen to be in conflict.

Returning to ecological resilience, I think that we can start to make a difference if we find nature-based solutions that can have multiple benefits. I am unsure whether we need a new agency in order to do that. We can look at the opportunities for reform to improve the process. In principle, we should look for the areas where there are multiple benefits and prioritise those interventions.

David Barratt: It is really important to target multiple outcomes from the outset of any project, as it may mean that we are more effective in our interventions. For example, we could look at flood

risk issues in Brechin purely through the lens of flood risk, but we might be missing other aspects.

Nick Halfhide: It is very challenging to work with land managers, and it is really important that we harness all the levers of government. As the First Minister said, it is not just about setting up one new body—we need alignment. In land management, it is particularly important that we get agricultural support and that land managers align with any new body and put their regulatory force behind it.

James Adams: I have a question for Wendy Kimpton. You touched on the demand that AI will place on Scotland's water supply. Our papers note that your infrastructure is ageing and that demand is increasing. By what year does your programme of upgrades need to be completed in order to avoid significant disruption to Scotland's water and waste water services? Do you have a estimated cost for that? How do you envisage that the PFG reforms will impact your ability to do that?

Wendy Kimpton: Sorry—I did not quite catch the last part of what you said.

James Adams: How do you envisage that the PFG reforms will impact your ability to do that?

Wendy Kimpton: We are constantly replacing our infrastructure. A lot of our infrastructure was put in place in the previous century and for the weather that we experienced in the previous century. We have assets that have a very varied asset life, from simple things such as mobile phones to things such as reservoirs and sewers, which can last for a very long time, so we have an ongoing process of understanding what our assets need in order to enable us to continue to deliver our services.

Our long-term strategy lays out precisely what we believe we need to do to deliver sustainable and affordable services up to about 2050. We are going out about 25 years because that feels like a reasonable amount of time over which to be projecting. If you project too much further forward from that, you start to feel less safe about the accuracy of the projections that you can make, so we tend to account for a 25-year period. In the long-term strategy, we are very clear about the challenges that we face in terms of the growing and shifting population, the impact of a changing climate—which is changing more and more rapidly—and the ageing assets.

We estimate that, if we did everything as we do it now—if we assumed that nothing will change over the next 25 years—it would cost us about £50 billion to continue to maintain our assets. However, things are not going to stay as they are, and one key tool that we will use to bring that cost down is harnessing technology and innovation. Another key tool that we will use is working in partnership

with others, which is really important. It touches on all the things that we have been talking about today in relation to the support that we receive from our regulators as well as the support that we need from industry and our own customers in terms of the demands that are placed on our water networks. When I talk about water demand, people often just think about drinking water and drinking water demand, but demand is also placed on the sewer network, and how we can reduce the demands on those two networks will help us to bring down the potential cost of maintaining our assets.

The other thing to say is that it is a 25-year forecast, so the only thing that I can guarantee is that it will not be absolutely accurate. It is our best estimate, based on what we know now.

Sanne Dijkstra-Downie (Edinburgh Northern) (LD): Before I move us in a slightly different direction, I will pick up very briefly on Nick Halfhide's response to a question from Claire Baker about engagement ahead of the announcement on Tuesday. You mentioned that your organisation had had a little prior warning—I think that that was echoed by Nicole Paterson from SEPA as well. Should I take it from that that there was no previous engagement either by ministers or by Government officials on the merits of the proposals? If there was not, would you have expected there to be any?

Nick Halfhide: We are in constant dialogue with the Government and we have been talking with it for years about how to deliver public service reform, so it is true that this was one of the many different approaches that we had been discussing and that it had been seeking our advice on. However, it is also true that we did not know that the Government had decided that this was the approach it wished to continue with until a few days before, when the Government quite rightly said, "We're giving you the heads-up, in confidence, because you need to get ready so that you can then do right by your staff"—which meant that we could tell them directly.

Sanne Dijkstra-Downie: Okay. Great. Does either of the other organisations want to give its perspective on that?

Nicole Paterson: What Nick Halfhide said about our having had a constant dialogue is entirely true. We are in almost constant dialogue with our sponsor teams. Public service reform brings many opportunities, and each of us has talked about the art of the possible and what the best and the least-worst outcomes might be.

In the past week or so, there has been engagement with our board to help it to prepare and to inform the chairs. In my case, that was done via the director and then the cabinet secretary on

Tuesday, just before the First Minister stood up in Parliament. With regard to our preparedness for the final announcement, we did not know what that was going to be until it was made in the programme for government, although we knew about the direction of travel and that there would be a change. Together, we prepared to share that with our respective workforces at 3.30 pm on Tuesday.

Ciaran McGuigan: My answer is very similar—we had a similar experience.

Sanne Dijkstra-Downie: I want to turn to the climate change plan. What do you think the key deliverables under the climate change plan will be for your organisations over the next few years? Crucially, where do you think the biggest risks lie, especially in the context of the reforms that we have discussed, given the potential work that those will involve and the inevitable uncertainty that they will create, potentially over a number of years? Perhaps Mr Paris can start.

Dan Paris: With the climate change plan, our main interests are the policies that relate to the natural environment and, in particular, those that relate to land use. Fundamental to meeting our net zero target is the restoration of nature, particularly through peatland restoration and native woodland expansion. Those are two really important policy tools. They are also policy tools that need to be considered not purely in the context of climate emissions.

We can expand woodlands in a number of ways: we can plant a lot of trees, we can allow trees to regenerate naturally and we can have a variety of species. From LINK's perspective, the key thing when it comes to forestry is that we move towards a system that focuses on supporting natural regeneration and natural colonisation of woodlands, which requires tackling the drivers of woodland decline. That means that we need to have better deer management and to tackle invasive non-native species. Rhododendron ponticum is a particular issue in the rainforest zone on the west coast of Scotland.

On such issues, we need to look at the climate change plan not just as a counting exercise whereby we count emissions out and emissions in; we must look at the wider environmental policy. In that case, I am referring to the forestry grant scheme, which funds woodland creation.

Peatlands are such an important tool in tackling the climate emergency because peatlands in poor condition emit carbon, and most peatland in Scotland is in poor condition, which means that we have land that is actively making climate change worse. If we rewet the land, we will stop those emissions and, over time, those peatlands will become a carbon sink. That work is enormously

important and needs investment. We also need to ensure that our public landowners continue to do the job of using their estates in a way that will deliver that.

Again, we need to take an approach that is not just about counting emissions but that brings multiple benefits. For example, peatlands that are rewetted are more resilient to wildfires. An enormous number of biodiversity benefits can be obtained from protecting those natural resources.

Wendy Kimpton: It was a great question. The first thing to say is that Scottish Water is on track to meet its net zero ambitions by 2040.

I want to pick up on some of the points that have been made about collaboration. We are seeing very strongly—this has been evident to us for the past few years—that there is a need to adapt. I have talked about the fact that some of our assets were built for previous centuries. Therefore, we are working very hard on adaptation. To do that work, we need to collaborate with others.

With regard to what we are doing to meet our net zero targets, I give the example of our work at Loch Katrine, where we are planting enormous numbers of native trees and have done a great deal of peatland restoration. As well as helping massively with our net zero targets, that helps enormously when it comes to supporting water quality, so it delivers two benefits.

Sanne Dijkstra-Downie: Thank you. I also want us to focus on some of the risks. Those were all wonderful deliverables, but I am also very keen to hear where there might be potential pinch points.

11:00

Ciaran McGuigan: Sure. At Zero Waste Scotland, we work across a number of areas that are cited in the climate change plan, particularly those that are related to the circular economy, resource efficiency and carbon reduction. Most specifically, our work contributes to the consumption and lifestyle section of the plan and draws in all the work that is enshrined in the circular economy and waste route map and the CE strategy. I will not read out all the key deliverables in that. The key piece for us is around whole-system enabling actions such as product stewardship, really focused work in priority sectors, improving infrastructure through things such as construction reuse hubs and building a system that creates a more sustainable economy through the right upstream interventions and the right systemic approaches. Taking a real systems-based and place-based approach goes hand in hand with everything that we do.

That brings us to the risk piece in this. Earlier, I stressed that the real priority from a circular

economy perspective has to be working across the system and embedding the right interventions in the right places, not only as an environmental strategy but also in how we think about procurement, planning and economic development. That has probably been a bit of a theme this morning: we have to be able to convene all the system stakeholders in this period of change and maintain focus on the opportunity that we have. It is not just about doing so while we create the right organisation; it is about doing it in a changing landscape.

There are things that we do not yet know about, such as what the shape of local government or economic development might look like on a place-based basis, but the priorities are unchanged, so we need to maintain the right relationships, the right focus and the necessary co-ordination to achieve a reshaped economy that can deliver a sustainable environment and sustainable prosperity.

Nicole Paterson: SEPA has a number of significant roles across the climate change plan—through significant delivery as an agency and through the reporting role, both under the public body's climate change duties and as a named delivery partner for specific actions. In the interest of time, I will furnish the committee with information about our role in full only after the meeting is finished.

One area that I want to draw attention to is how we implement circular economy reforms, because that is some of the new work that is coming on stream. For example, digital waste tracking, which is work that does not respect geographic borders, will be in place across the whole of the UK from next year, alongside producer responsibility and compliance monitoring.

Your latter ask was about risks or challenges, and one of the really important roles that we fulfil is risk management and warning. Last week, I took part in a Royal Academy of Engineering round table that looked at the resilience of Scotland's infrastructure, and one of the real challenges in that area is the scale of the infrastructure. We have heard from Scottish Water colleagues about the body's infrastructure and asset challenges, but those challenges exist across the entirety of Scotland's infrastructure networks. So, funding is a significant challenge even if you look at it just through the lens of flooding and the preparedness for it that we, as a nation, will need.

To raise another, very particular, challenge or risk, we produced our latest guidance on potentially vulnerable areas for Scotland. We have moved from 260,000 homes and businesses in Scotland being at medium risk of flooding to 400,000 being at medium risk, which is one in eight

homes and businesses in Scotland. It is becoming increasingly difficult for businesses and home owners to get insurance.

Those are two practical examples, but I will follow up with the committee with our full duties if that is helpful.

Nick Halfhide: I am delighted that nature—nature-based solutions and investing in nature—is at the heart of the climate change plan. As an organisation, we do a huge amount of practical investment, particularly through peatland action and the nature restoration fund.

You asked about the risks that exist at a national level. We are not moving quickly enough, we are not investing enough in mitigating them and the scale of the work is huge. We need to move on those areas. On a practical level, a lot of the peatland restoration work, for example, is in remote rural areas where there is not enough affordable housing, and we are competing with a much-reduced working population. Therefore, we need to address some practical issues in local authorities, as well as addressing the national picture.

Sanne Dijkstra-Downie: I have one more question, if we have time.

The Convener: Is it very brief? I am conscious that we are way over time.

Sanne Dijkstra-Downie: It is very brief—it is about the statutory nature targets. The Government has indicated that it will not look to introduce statutory nature targets this year. Do the timeframes concern you? I want to briefly hear your reflections on that.

Dan Paris: Yes, it does concern us. The Natural Environment (Scotland) Act 2026 is intended to lead to two key milestones: one is 2045, when we want to see nature substantially restored, and the other is 2030, which is when we are supposed to become nature positive or—in other words—when biodiversity is to stop its historic decline and start to turn around. It is 2026, so 2030 is not a long time away in ecological terms. If the targets are to meaningfully influence Government policy and action, as well as the performance of our public bodies and investment, we need targets to be in place as soon as possible. The targets need to be robust and scientifically evidenced, and they need to be SMART—specific, measurable, achievable, relevant and time-based. We also need to ensure that they are put in place in good time.

The Convener: Thank you very much to each of the witnesses for your evidence this morning. I am conscious that we have run over time, but I imagine that colleagues will want to ask other questions, so we will send them to you in writing.

Once again, I thank you very much for your contributions.

I will briefly suspend the meeting to change witnesses for the next panel and to have a very short comfort break.

11:06

Meeting suspended.

11:12

On resuming—

The Convener: I welcome to the meeting our second panel of witnesses to discuss priorities within the committee's remit. We are joined by Alison Cumming, executive director of performance, audit and best value at Audit Scotland; and Dr Richard Dixon, chair of Environmental Standards Scotland.

I ask the witnesses to make some brief remarks. We will then proceed to questions.

Alison Cumming (Audit Scotland): Thank you, convener. It is a pleasure to appear today on behalf of the Auditor General and to share with the committee some of our recent work on, and future plans for, public audit in relation to matters within the remit of the Climate Action Committee.

Audit Scotland has developed a strategy for auditing climate change, particularly through the Auditor General's section 23 performance audit programme, which includes some joint audits with the Accounts Commission. The programme that we are taking forward looks at the arrangements that are in place across public services to ensure that funds for tackling climate change and addressing climate adaptation deliver value for money and maximise impact.

One of the last reports that Audit Scotland published prior to the election recess drew on lessons from public audit with regard to transforming the approach to climate change, and it identified five key areas of challenge where the public sector needs to make progress in order to ensure an effective approach to tackling climate change. Those areas are leadership and collaboration; planning for delivery; financial planning; governance; and public engagement.

I am pleased to have the opportunity to discuss our work with the committee today and to hear about the committee's interests as we work with the Auditor General to develop his forward work programme on public audit.

11:15

Dr Richard Dixon (Environmental Standards Scotland): Thank you very much for the invitation to come and speak to you today.

Environmental Standards Scotland is a scrutiny body that was created five years ago by the Scottish Parliament to fill gaps left by Brexit. Our job is to ensure that environmental law works, so we look at public bodies to see whether they are implementing and delivering environmental law efficiently and effectively. We also look at whether the law itself is fit for purpose, and we consider examples in Europe and beyond to see whether there are any developments in environmental policy, law and scientific standards that we should be keeping pace with.

As a non-ministerial office, we report to Parliament rather than to ministers. That reporting will happen largely through this committee, so we hope that we will have plenty to do with you over the next five years. We work on a very broad range of environmental topics, from landfill sites to river pollution and from access to environmental justice to climate change strategy.

We have three principal ways of operating. First of all, we get representations from the public and from groups. We have had 102 of those, about a third of which are still live with us, and they can be on any topic that falls within our remit.

Secondly, we do, on our own initiative, analytical work on our four key priorities of climate, nature, resources and water, both fresh and marine. An example of that is our recent report on sewer overflows.

Finally, we have two new scrutiny functions that we are gearing up to deliver. One is on the Scottish Government's plans to deliver on the nature targets that will be set as a result of the Natural Environment (Scotland) Act 2026 and the other is on the delivery by local authorities of their legal duty to help deliver Scotland's climate targets.

To help us work with the local authorities on that, we have a set of enforcement powers. For a start, we use information notices all the time to get information from those authorities and other public bodies. We can also use a tool called an improvement report. So far, we have issued three of them—one on air quality management by the Scottish Government; another on the local authority climate duties, for which we now have a scrutiny duty; and the last on vehicle idling. We have powers to issue compliance notices and we can also take someone to judicial review. However, we have not had to use either of those powers so far.

A growing part of our work is monitoring agreements that we have come to with public

bodies over things that have to change and talking to them every year about whether those things have actually changed and about the progress that is being made on that work. I have to say that public bodies have, in the main, been co-operative and willing to talk to us and to come to a way forward without our having to use our enforcement tools. That is great, and it is also a quicker and less resource-intensive approach than our having to use one of those tools.

In summary and in conclusion, I look forward to working with the committee over the next five years.

The Convener: Thank you very much for those opening remarks.

Before I open with a question on the same theme I asked the previous panel about, with regard to the programme for government, I want to quote the Audit Scotland submission. It says that

“Significant sums of public money will be invested in activity to tackle and adapt to”

climate change.

It then says that that

“requires a transformation in approach to enable effective cross-sector collaboration over several years.”

What key reflections do Audit Scotland and ESS, as auditing and scrutiny bodies, have on the programme for government announcements, and what role will your organisations play in supporting the delivery of strategic Government commitments over the forthcoming year?

I ask Alison Cumming to start.

Alison Cumming: We are working through the implications of the programme for government for our future audit work programme. I would point very much to the remarks that the Auditor General made in his blog at the beginning of last week, I think, on the importance of attention to detail in the delivery of the reforms. We, in public audit, would not reach a view on the merits of those reforms but would want to see their being implemented well and that the Government is clear on the intended outcomes from them, that it puts delivery plans and resources in place and that there are costed plans in place to deliver on them. It is important that the measures of success are articulated in advance, because that will enable parliamentary committees and others to hold the Government to account for delivery.

The Auditor General has been clear that public service reform must be linked to addressing Scotland’s well-known financial sustainability challenges. Prior to the election, the Scottish Government quantified the fiscal gap as reaching £5 billion by 2028-29. Over the coming months, in the lead-up to the budget, we expect to get a

clearer understanding of how the reforms that the Government has announced will contribute to closing the fiscal gap.

Dr Dixon: We produced a detailed analysis of the draft climate change plan, which we discussed with your predecessor committee. Although we said that the plan obeyed the letter of the law, we identified a number of things that we thought were not right about it.

Although a lot more work had been done on the costing of policies in the plan compared with the previous one, there was a major lack of clarity on who will pay for the policies. Will it be the public sector, the private sector or individual consumers? Even if we know that it will cost a certain amount to deliver a certain policy that will reduce carbon emissions by a certain amount, we do not necessarily know who will foot the bill. There is a lack of transparency in that regard.

We felt that there was very little contingency planning, which your predecessor committee and, I think, the committee before that had called for. The climate change plan includes some large items that are supposed to result in lots of reductions in emissions—one of the major ones is negative emissions technologies—but, if they do not, there is no indication of what we will do instead. Which other policies will be ramped up if one policy fails to deliver what is expected of it? For example, it is very uncertain how much carbon capture and storage, which is a big feature of the plan, will deliver, and there is no contingency for that. There is a lack of contingency planning in the plan.

Again, although there is more than there was in the previous plan, there is still a lack of information on the exact emissions reductions that each policy will deliver each year, so it will be hard to monitor a policy and assess whether we are falling behind, because we have not been told the amount of emissions that are supposed to be reduced by a particular year. Those are the key issues that are missing.

I know that the committee is already thinking about the problem that was created by the process, with the Parliament running out of time for the second session running. The Parliament had the statutory number of days to consider and comment on the plan, but it was right at the end of the session, so members had to put aside other work to do that. There was no time for the Government to come back and say what it was doing in response to the Parliament’s comments, so members had to take the Government’s reassurance, for the second session running, that it had listened to everything that committees had said and had done something about it. That is very unsatisfactory.

I know that the committee has already written to the Cabinet Secretary for Climate Action and Rural Affairs about the issue, and I have seen her response. It says lots of things, but it does not say that the Government will try hard to make sure that that does not happen again in five years' time. If the committee were to keep making that point, that would be very helpful.

The Convener: As you will be aware, the cabinet secretary will be in front of the committee in a couple of weeks' time.

I have one other question, which I asked the first panel of witnesses, regarding the programme for government. We need to take the public with us on this journey to improve Scotland's role in addressing the climate situation. It could be perceived that there is a crowded landscape with a variety of organisations. Could bringing the organisations into one body, as was announced in the PFG, be beneficial in providing a single point of contact and making public engagement a bit simpler?

Dr Dixon: We are agnostic about whether having one bigger agency is better than having the current separate agencies—it could be or it could not be. Our concern is that we keep ensuring that environmental law works and that things are delivered—that there is a particular focus on delivery. One point, which only really started to come out at the end of the committee's earlier evidence session, is about the disruption that will happen in making the change. Even if where we are going will be much better than what we have today, there will be lots of disruption along the way.

Claire Baker raised the issue of staff leaving. We write to local authorities and public bodies such as SEPA and NatureScot all the time to ask them questions, and then we sit and debate with them how to move forward. In a situation where those bodies are being reorganised or merged, the people you have been talking to for three years about a particular issue might go, and when you are trying to talk about a particular function it might not be clear where that sits for a while. The transitional period will be really quite difficult. The committee will find the same when you talk to public bodies over the next three or four years. Inevitably, it will sometimes be a bit unclear who is doing what and how things are settling down. As I say, the destination might turn out to be great but the process will be disruptive.

I think that it will be difficult for us to get a timely and full response from public bodies when we contact them about our issues, because a lot of their mental space will be taken up with what is coming and they will be in the process of shifting chairs, shifting locations and losing people to new jobs or out of the organisation. The disruption

period will be a hard time for individuals in the organisations—we must not underestimate that. People will shuffle chairs and end up working in a different office or seat with a slightly different job, and they might have to apply for what is, in their eyes, their own job.

It will be hard for the public bodies, but it will also be hard for us as a scrutiny body to get answers and action out of them during the process. We engage with local authorities on many issues and their future is pretty uncertain just now. We also have a big agenda of work with SEPA and NatureScot. If they start to be not quite sure who is dealing with us, that will delay what we all want, which is the final delivery of a better environmental outcome.

The Convener: Alison, I know that that might be a bit of a challenging question for Audit Scotland, but I will bring you in.

Alison Cumming: I will do my best to answer it. I will start with a clarification. I think that, in my previous answer, I said that the Scottish Government has calculated the fiscal gap at £5 billion by 2028-29, but it is in fact by 2030. I apologise for misspeaking.

On the changes that are outlined for the environment bodies in the programme for government, as we would say about any public body merger, reducing the number of public bodies cannot be the end in itself. We must be clear about the intended outcomes from any structural change and ensure that governance and delivery arrangements are put in place to make the transition as smooth as possible. We must also ensure that there is the opportunity for accountability to Parliament and to others throughout the process on whether the objectives are being achieved. For example, we would expect there to be something akin to a business case, or a business case itself, that is clear on the rationale for the change and how the intended benefits will be delivered. We are watching with interest to see what further detail comes forward.

The Convener: Thank you.

Ariane Burgess: Scrutiny is a role that ESS, Audit Scotland and the committee all have in common. What might be the biggest challenges for the committee? How can we best complement what your organisations are doing on scrutiny and enforcement?

Alison Cumming: Audit Scotland has undertaken a range of work, but it tends to involve following the public pound and looking at significant investments that have been made or are planned by Government. Our scrutiny functions are about ensuring that the right arrangements are put in place to spend the money

well. We will not look at the merits of individual decisions.

Climate change programmes have been some of the most complex for the Government to deliver in recent years. That has often involved multiple public bodies and agencies, but also multiple parts of government, with the Scottish Government needing to work in partnership not only with its bodies but with local government. There is a particular challenge for us, which we have sought to reflect in our audit approach, in looking at not just how individual bodies or parts of the system are performing but how everything is coming together to deliver the outcomes.

11:30

Collaboration requires significant effort—it does not just happen by accident. That was one thing that we highlighted in our report “Transforming the approach to climate change: Lessons from public audit”, which was published earlier this year. One area of scrutiny that we are grappling with through the programme is how we bring a more holistic approach to scrutiny. That will be one of the challenges that the committee will want to consider in this session of Parliament.

Ariane Burgess: You talked about how you follow the public pound and make sure that the money is spent well, but you said that you do not really look at the merits of the actual programmes. Maybe that is something that we could look at.

Alison Cumming: Yes. We will look at the effectiveness of public spending in terms of the objectives that have been set, but there is certainly something that the committee can do, which public audit cannot do, on the merits of individual policy decisions that the Government makes.

Dr Dixon: On working together, we had a good relationship with your predecessor committee. We appeared before it eight times and gave evidence on the climate change plan and the Natural Environment (Scotland) Bill, for instance. I hope that we can continue that constructive relationship. We are not here to do your work for you, but we will bring you lots of things that will be of interest. Our scientific and policy analysis will help to inform your decisions and discussions and the questions that you ask of Government. I hope that that is the flavour of our relationship in the next five years.

The big challenge is the implementation of the climate change plan. One of the challenges that we face is that some things in government seem to be delayed more than people expected. Local authorities are getting new duties to produce climate plans and adaptation plans, but it looks as if that will take a year longer than anticipated. Those plans are supposed to help local authorities to report on whether they are meeting their duties,

and they are also potentially extra work for local authorities. At the same time as their future is uncertain, local authorities are being asked to do more things, which is a potential clash.

That is one challenge. On nature, the timescale for the development of nature targets seems to be longer than expected. It looks as if it might be three years before we have agreed the targets and then three years before the Government reports on whether we are on track to meet them. When the Natural Environment (Scotland) Bill became an act at the start of this year, nobody thought that it would be six years before we would know whether it was effective. That is a frustration. We have queried that issue with the Scottish Government, and we would be happy to show you the response and to continue to talk about that issue. There will be progress reports on the creation of the targets, so I urge the committee to ask to always be sent those progress reports, so that you can at least track that. I hope that we can make that timescale a bit shorter than it looks like it will be.

On resources, the Government has a circular economy strategy and is due to produce circular economy targets. It is really important to get those right, because they are about not only the resources that we create in Scotland and climate emissions associated with resource use but our impact globally. Is mining of rare earth minerals in China creating some awful impact over there that we are not really thinking about? Resource targets could focus our minds on those kinds of things. A really important part of our being a responsible global citizen is knowing the impact around the world of our resource use in Scotland. Those targets are important and, over the next few months, there will be developments in them.

Something that I could not find in the programme for government, which might be because it is coming in later years, is mention of a water bill. Before the election, there was discussion of a water bill being introduced. One of the really important reasons for introducing such a bill is that the standards for water treatment in Europe have been improved and, given our desire to keep pace with good environmental practice in Europe, we should be doing the same in Scotland. As a result, there was talk of a bill being brought in, but it was not mentioned in the programme for government. As I have said, that might be because it is coming in year 3, 4 or 5, but I am surprised that it was not even mentioned. Perhaps that is something else that you might want to ask the cabinet secretary about.

Those are my top priorities that the committee might want to look at over the coming period.

Ariane Burgess: That was very helpful. Thanks.

Claire Baker: Dr Dixon, you have, very helpfully, covered quite a few of the areas that I was going to ask about with regard to the climate change plan, and you have set out some of the things that we should be paying attention to. However, I think that you said that there are no interim targets. If that is the case, how can we monitor progress? I note from our papers that you said that you had found that the

“lack of interim”

targets

“could result in actions going off track”

and that we would not be able to find them. Indeed, you said in your initial remarks that it is not clear what each policy is meant to deliver by when. Therefore, how do we, as a committee, scrutinise progress?

There is also the question of when the climate change plan gets published and the lack of opportunity for parliamentary scrutiny. As you have pointed out, in the letter that we have had back from the cabinet secretary, she says that she has met the statutory obligations, but that still leaves the problem of a lack of scrutiny. Is it possible to change that? This probably shows my lack of knowledge of the area, but does the Government have to take all that time before it introduces the plan, or could it shorten that time and thereby give Parliament more time to engage with it?

Dr Dixon: On your last question, the letter from the cabinet secretary quite clearly says that the Government had to wait for the advice from the Climate Change Committee, it had to wait for the carbon budgets to be recommended, and then those budgets had to be accepted in legislation. In other words, the cabinet secretary has laid out three things that meant that the process took longer this time round. She has told you why the process was unsatisfactory and why it took longer.

However, none of those things will apply the next time, so there will be no excuse. There will be plenty of time, next time, for the Parliament to do its scrutiny, for the Government to come back to you and say, “Well, this is what we’re doing with the things you’ve asked us to do,” and for you, crucially, to have that final say and say, “That’s great,” or “That’s not good enough.” That is the bit that is missing.

Claire Baker: But, at the moment, the Government seems to be suggesting that the timescale will be the same as it was the last time and that it will be presenting the plan quite late again—that is, towards dissolution. However, you

have said that the reasons for the delay the last time do not apply this time, so it could be argued—

Dr Dixon: There were at least two—probably three—special circumstances that meant that, quite understandably, the process ran later than was ideal. However, none of those will apply the next time. Therefore, it is in the Scottish Government’s gift to say, “We will ask for CCC advice earlier on the budgets and on policies; we will create the plan earlier; we’ll bring you the draft earlier; and you’ll have the statutory period to look at it.” That will leave time at the end for the discussion to take place between the Government and the Parliament on finalising it.

There is no reason why the Government cannot do that, and I was a bit disappointed that the letter from the cabinet secretary did not say, “We will definitely do that.” I am sure that that will be an interesting conversation for you to have in a couple of weeks’ time.

As for your first question, on interim targets, there were annual targets in the previous regime and a minister had to come to Parliament every year to say how the Government had performed. If it had underperformed, a section 36 report would be required that said, “These are the extra things we’re going to do to make up for the carbon emissions that we didn’t save.” That happened some of the time and did not happen at other times; the section 36 report was a good mechanism, but it was not always honoured.

However, we do not have that any more, and, because there is no annual target, there is no obligation on the Government to come before Parliament every year. Therefore, it is much harder for the Parliament to judge whether we are on track. When the figures come out every year, ministers will, no doubt, make a statement to Parliament, saying, “These are the figures and we’re very pleased with them. Transport might be a bit off track, but electricity is doing really well,” but it will be much harder for you to judge whether we are actually on track, because there are no milestones and because the plan does not contain the level of detail that says, for example, “This policy on hydroelectricity should be delivering this much of a saving by a certain year.” You will not be able to say whether it is or not, because you will not have the figures.

It will be a harder job, but it will still be your job to hold the Government to account every year and to grill it on whether we are on track, which sectors are fully on track and which ones are not, and how we are doing on the big-ticket items that there is some uncertainty about, such as CCS. Are we on track? The Government might say that we are on track in a particular year, but can it tell us whether

we will deliver what we want in five years' time? Detailed questions are needed.

There is much more onus on the committee to understand the details of the policies that need to be delivered and to ask hard questions about them than there was under the previous regime, when we could see whether we were half a million tonnes under a target, which would be great, or half a million tonnes over a target, which would be a problem, and we could then ask what the Government was going to do about that. It is now much harder, but that is the job that the committee is faced with. We may or may not get involved in that work, but the Climate Change Committee will think about how it can help the committee in its role of assessing whether we are on track.

Claire Baker: In 2023, Audit Scotland looked at the Scottish Government's climate change goals and it commented on the CCP. Do you have any reflections on how we track progress? I know that your work is about following the public pound.

Alison Cumming: We wrote to your predecessor committee with some comments on the construction of the draft climate change plan. At the time, we had concerns about the lack of clarity on what successful implementation would look like and about the lack of clear and specific timescales. The Parliament has an important role in ensuring that it gets regular progress updates that allow members to provide scrutiny and assess the likelihood of the carbon budget being achieved over the five-year period.

We are working with the Auditor General on his future work programme. We do not have any specific audits on the issue planned at the moment, but we are looking closely at how things develop and whether there might be merit in and benefits from further public audit scrutiny in the next couple of years.

Sanne Dijkstra-Downie: Dr Dixon, you helpfully spoke about your concerns about the delays in setting the statutory nature targets, so I do not want to get into that issue in too much detail, but can you say a bit more about the impact in relation to where we are compared with where you hoped we would be? You mentioned the hope that we will reduce the timescales from three years to set the targets and a further three years to report on them. Do you have any recommendations for the committee, beyond our raising the issue with the cabinet secretary?

Dr Dixon: Dan Paris did a good job of illustrating why there is a problem. The targets and the plan to meet them are supposed to shape all our activity so that we deliver our nature objectives. If it takes a long time for them to be set, there is a problem for 2030, when we have the 30 by 30 target, because the nature targets will not contribute to

that target if they do not exist until five minutes before that target arrives.

Nothing else is standing still. Agricultural policy is being reformed in various ways right now. Every week, something changes in agricultural policy or land use policy, and those changes have an impact on biodiversity, but there are no targets for those policies to refer to. In the absence of high-level targets and a strategy for meeting them, those policies could take us in completely the wrong direction, intentionally or unintentionally, because there is no clear framework for them to sit under. The longer we take to set targets, the more policies that did not reference those targets when they were created will be baked in. That is why the delay is a problem.

Sanne Dijkstra-Downie: What is your advice regarding the committee's involvement in potentially reducing the timescales?

Dr Dixon: The committee's role is to hold the Government to account. There should be close questioning of the cabinet secretary on the timetable, because there has been a message about commencement that implies that the timetable is three years, but that might not be right. The committee should ask what the Government's plans are and why the process takes that long. Clearly, an element of consultation must be built in, so the targets could not be set tomorrow, but a lot of work has been done on them. For several years, committees have been meeting to think about what the nature targets should be. A lot of work has already been done, so it cannot be that hard to get to something that you could consult on and then come to a final conclusion on—you would think. We are now too late to speed up the climate duties, but we probably can make the nature targets go faster if the will is there to do it. That is the close questioning that you need to do to understand why the Government thinks that it is going to take that long and whether there are ways in which that could be made quicker.

11:45

Sanne Dijkstra-Downie: Ms Cumming, is Audit Scotland doing any relevant work on the nature targets specifically or the nature crisis in general that you think it would be helpful to highlight to the committee?

Alison Cumming: It is not an area that is currently in the Auditor General's programme. We are considering it in terms of future priorities, but I am afraid that there is no specific work or plans that I can share with the committee this morning.

Sanne Dijkstra-Downie: I have another question on a very different topic, which is El Niño preparedness. We have seen today warnings from the UN and the World Meteorological Organization

about the upcoming El Niño, which is a natural phenomenon that has been exacerbated by man-made climate change, with potentially devastating extreme weather events lasting into 2027. It feels like it might be a glimpse into a time when those kinds of events are more sustained and more frequent. Mr Dixon, when it comes to adaptation for such events, are Scotland's environmental bodies doing enough to prepare?

Dr Dixon: There is a Scottish national adaptation programme—SNAP—which is now SNAP 2. The Climate Change Committee looked at it and said that it was quite a lot better than the one for England but still not good enough. That was the message that it gave us.

The answer must be that there is some work but there is more to do. People's expectations of what the future climate in Scotland might look like have changed for the worse in the past couple of years because of El Niño, the wildfires, very low river flow and what has happened in Europe in terms of drought and wildfires.

If you watch the UK news, you hear about drought and you see brown fields and rivers that do not have any flow in them. Down south, it seems like climate disaster is happening. Up here, we have had much less of that. We have had a bit more rain and we have had less extreme heat. It felt like a hot summer, but we have not had the disaster that they might think they are having down south. However, it is clear that that is coming. If you were to write SNAP 3, you would be starting from assumptions about things moving faster and becoming more extreme, so there is a need to revisit that, even though SNAP 2 is not that old.

Then, of course, it is about delivery. SNAP 2 has some clever stuff in it, but, where local authorities need to do something, are they doing it? Where other public bodies need to do something, are they doing it? Are some of the big public bodies, such as the national health service in Scotland, thinking about what happens when the temperature gets so high outside? Are they thinking, "Will our buildings be cool enough to house patients in the wards, or will they not cope?"

I know that there is a lot of work in looking at those kinds of things, but joining all of that up and making sure that public bodies are thinking about what the extreme might be sooner would be helpful.

Martyn Day: I am conscious of the time, so I will just ask one question of Alison Cumming. It relates to the fiscal structure around flood prevention. Some of your recent work examined flooding in communities. Are we at risk of creating a false economy by expecting councils to deliver major long-term flood prevention infrastructure with relatively short-term funding amid uncertainty

around reorganisation? If so, what should we, as a committee, do about it?

Alison Cumming: The Auditor General and the Accounts Commission, as you said, reported on flooding in communities in August 2025. That report was clear that we did not consider the funding mechanisms that are in place for major flood schemes fit for purpose. There are undoubtedly insufficient safeguards in place to manage cost increases, which creates challenges for local authorities.

The annual budget setting and confirmation of annual funding awards makes it difficult, obviously, to plan on a multiyear basis, as those projects and programmes take more than one financial year to deliver. I will not comment directly on the way in which local government reorganisation might impact on that, because we do not know enough yet for us to provide a public audit view. I apologise on that point.

The Scottish Government and the Convention of Scottish Local Authorities agreed to our recommendations on the need to review the funding approach for eligible cycle 1 major flood schemes and the need to agree and publish the timeline for cycle 2 funding. This is similar to what Dr Dixon set out, but the expected costs of flood measures have increased considerably over the past 10 years. There was a near trebling between 2015 to 2025 on the specific schemes that were being considered, which resulted in fewer properties being protected. We consider that the Scottish Government and local government need to work together on that to develop a more effective and sustainable approach.

David Barratt: Where responsibility cuts across multiple different organisations, there is a risk that nobody will take overall responsibility and delivery will fall short. However, Dr Dixon also highlighted very well that, with public sector reform, the same risks can come about during transition periods. Audit Scotland highlighted in its 2023 report that there was a need for the Scottish Government to

"Better align climate change governance groups ... with ... clear reporting lines and escalation procedures".

Three years on, how do you assess whether those challenges have been resolved? If they have been resolved, are we about to face new challenges in the ways that Dr Dixon highlighted? How do we address those?

Alison Cumming: We are doing some more detailed follow-up work in that area and are looking at the implementation of the recommendations. In our March 2026 report, we highlight the importance of the right structures being put in place to support collaboration where different public bodies and agencies need to work with the Scottish Government. We have not looked in detail

at the governance arrangements for the new climate change plan, but the recommendations and the lessons that we have highlighted will remain relevant considerations for the Scottish Government as it puts those arrangements in place.

David Barratt: What happens when scrutiny from either organisation identifies a problem but the response from the Government or a public body is inadequate? Do the current mechanisms provide sufficient assurance that recommendations will actually lead to change?

Dr Dixon: We have enforcement mechanisms, as I mentioned, and we have had to use the big one—an improvement report—three times. Each time, that was targeted at the Scottish Government. When an issue has been raised through a representation that has been brought to us or through our own work, we have looked at it, agreed the problem, made recommendations on what should change and gone to the appropriate public bodies. In each case, the Scottish Government was the top body in relation to the issues, and we said, “These things need to change.”

The Scottish Government can come back to us and say, “We agree but, instead of doing A, B and C, we are going to do X, Y and Z, because we think that that would be more efficient.” If we think that that is fine and it will achieve the objective, that is okay. However, in each of those three cases, although the Scottish Government agreed that there was a problem and agreed with almost all the things that we asked it to do, there was a sticking point, so we moved to an improvement report. That is a report that we write saying, “We think that these things should change. The Government has agreed to do this, but it hasn’t agreed to do that. We think that it is important, and this is what should happen.” That report comes to Parliament. Your predecessor committee got to debate those reports or to hear from us about them.

The Scottish Government has six months, or a bit longer if it consults, to produce an improvement plan saying what it is going to do about the issue. For instance, in the case of climate change duties, we asked for in-depth, scope 3 emissions reporting from local authorities. The Scottish Government said that it did not want to have that as a statutory obligation. In its improvement plan, the Government proposed that it would have a process whereby that would be discussed and consulted on, and that there would be some process whereby local authorities were helped to do scope 3 emissions reporting, but it would not be a statutory obligation. So, that improvement plan did not deliver what we wanted in that regard.

There is happier news in the programme for government, which includes a small mention of Environmental Standards Scotland—it says that the Government will consult on increasing the fines for vehicle idling, which have not changed for 20 years. That was the subject of another improvement report. The key sticking point was changing that fine, and the PFG seems to say that the Government is definitely going to do that, which is good news.

We have some other tools. We have the power to take an organisation to a judicial review, which is a rather expensive, complex and risky thing to do. So far, we have not had to do that, but we could take a public body or a group of public bodies to a judicial review or join someone else’s judicial review. We can also issue a notice that requires a public body to comply with a particular thing, and, if it does not, we can take it to court for not having done so. If a local authority—to pick a random example—says, “No, we don’t want to do that,” we can issue a compliance notice. Again, we have not had to do that.

Some people criticise us for not using those tools, but we see it as a success when we manage to come to an agreement that achieves the environmental outcome without the need for those big sticks. However, as I said, when we have come to such an agreement, we do a lot of monitoring to see whether the public body is doing what it said that it would do. In some cases, progress has been slow and we have threatened to use the tools that we have. That seems to have unblocked whatever the blockage was and things have got back on track. It is not always completely smooth sailing, but the system seems to us to be working reasonably well in that we come to an agreement and it gets delivered, and, in that way, the environmental outcome that we are all after is delivered.

Alison Cumming: We are in quite a different place when it comes to public audit. We do not have any direct enforcement powers; we make recommendations to the Scottish Government and to other public bodies.

At the moment, we are considering whether there are ways in which we can strengthen direct accountability in relation to whether our recommendations are accepted or otherwise by public bodies and by the Scottish Government when we make them. We report to Parliament primarily through the Public Audit Committee, and the Public Audit Committee routinely takes evidence from the Scottish Government’s accountable officer and other relevant accountable officers, asking them whether they accept the recommendations. We are considering how we could strengthen those arrangements so that we could get clearer written responses that would

make public what the Government intended to do. From a sceptical audit point of view, we recognise that it is easy for someone to say that they are going to accept a recommendation but it is sometimes harder to see it through to completion.

Although we follow up on our recommendations to find out whether they have been implemented, it might be of interest to the committee to find out what has been done in response to the recommendations that the Auditor General and the Accounts Commission have made on relevant issues in our recent audit work.

The Convener: I have one brief question for Dr Dixon. Earlier this year, ESS published its reports on protecting Scotland's seafloor and controlling invasive non-native species. Has ESS had any further dialogue with, or any communication or response from, the Scottish Government on those two reports?

Dr Dixon: Yes. In both cases, there is live and frequent discussion between ESS and the appropriate bits of the Scottish Government about how to proceed. On invasive non-native species, the process has been reasonably straightforward. We think that there should be better guidance and that more powers should be available, and I think that the Scottish Government is looking favourably at that.

On seafloor integrity, things are a bit more difficult. That raises some challenging issues, but a constructive discussion is under way. As yet, there is no hint that we would move to any kind of enforcement, because a sensible discussion is taking place. At some point, there will be a resolution on that, which will involve us publishing an agreement with the Scottish Government about how we move forward.

The Convener: Thank you.

I thank both of our witnesses for their evidence to the committee. Dr Dixon, you mentioned that you would share some correspondence with the committee. If that would be possible, it would be appreciated if you could do that.

That concludes our business in public. We now move into private session to consider the remaining items on our agenda.

12:00

Meeting continued in private until 12:52.

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Official Report
Room T2.20
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