

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE

Tuesday 24 February 2009

Session 3

£5.00

© Parliamentary copyright. Scottish Parliamentary Corporate Body 2009.

Applications for reproduction should be made in writing to the Licensing Division,
Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ
Fax 01603 723000, which is administering the copyright on behalf of the Scottish Parliamentary Corporate
Body.

Produced and published in Scotland on behalf of the Scottish Parliamentary Corporate Body by RR
Donnelley.

CONTENTS

Tuesday 24 February 2009

	Col.
CLIMATE CHANGE (SCOTLAND) BILL: STAGE 1	1541
PETITION	1587
Rural Fuel Prices (PE1181)	1587
SUBORDINATE LEGISLATION	1590
Scottish Road Works Register (Prescribed Fees) Regulations 2009 (SSI 2009/26)	1590

TRANSPORT, INFRASTRUCTURE AND CLIMATE CHANGE COMMITTEE **7th Meeting 2009, Session 3**

CONVENER

Patrick Harvie (Glasgow) (Green)

DEPUTY CONVENER

*Cathy Peattie (Falkirk East) (Lab)

COMMITTEE MEMBERS

*Rob Gibson (Highlands and Islands) (SNP)
*Charlie Gordon (Glasgow Cathcart) (Lab)
*Alex Johnstone (North East Scotland) (Con)
*Alison McInnes (North East Scotland) (LD)
*Des McNulty (Clydebank and Milngavie) (Lab)
*Shirley-Anne Somerville (Lothians) (SNP)

COMMITTEE SUBSTITUTES

Alasdair Allan (Western Isles) (SNP)
Gavin Brown (Lothians) (Con)
David Stewart (Highlands and Islands) (Lab)
Jim Tolson (Dunfermline West) (LD)

*attended

THE FOLLOWING GAVE EVIDENCE:

Chas Booth (Association for the Conservation of Energy)
Stephen Boyd (Scottish Trades Union Congress)
Anne Douglas (Prospect)
Ken Gibb (Sustainable Scotland Network)
Anil Gupta (Convention of Scottish Local Authorities)
Councillor Alison Hay (Convention of Scottish Local Authorities)
John Stocks (Carbon Trust)
Mike Thornton (Energy Saving Trust)

CLERK TO THE COMMITTEE

Steve Farrell

SENIOR ASSISTANT CLERK

Alastair Macfie

ASSISTANT CLERK

Clare O'Neill

LOCATION

Committee Room 2

Scottish Parliament

Transport, Infrastructure and Climate Change Committee

Tuesday 24 February 2009

[THE DEPUTY CONVENER *opened the meeting at 14:01*]

Climate Change (Scotland) Bill: Stage 1

The Deputy Convener (Cathy Peattie): Good afternoon and welcome to the seventh meeting in 2009 of the Transport, Infrastructure and Climate Change Committee. I remind members and the public to turn off their phones and pagers. I have received apologies from Patrick Harvie.

Item 1 is our fifth evidence session on the Climate Change (Scotland) Bill. Today, we will hear from three panels. The first will consist of representatives of the Convention of Scottish Local Authorities and the sustainable Scotland network. The second will consist of representatives of the Carbon Trust, the Energy Saving Trust and the Association for the Conservation of Energy. Finally, we will hear from the trade unions.

I welcome the first panel. We have Ken Gibb, chair of the sustainable Scotland network; and Alison Hay, spokesperson for regeneration and sustainable development, and Anil Gupta, leader for environment and regeneration, from COSLA.

We will be asking questions, but you are welcome to make brief introductory statements.

Councillor Alison Hay (Convention of Scottish Local Authorities): I will be brief. I do not want to say much, other than that we realise the importance of climate change. We sent you a submission, on which we are happy to answer questions. Thank you for giving us the time to do so.

Ken Gibb (Sustainable Scotland Network): I echo those sentiments. On behalf of all the local government officers and practitioners whom the network represents, I welcome and support the aspirations of the bill.

The Deputy Convener: Thank you.

I am interested in the bill's development and the consultation process. How have local authorities' views been taken on board?

Councillor Hay: In relation to consulting the public?

The Deputy Convener: Yes, in terms of the bill.

Councillor Hay: COSLA has been through quite a wide consultation. My regeneration team, which represents the 32 local authorities, has examined the bill. We have also set up a COSLA climate change task group, which includes representatives of not only councils but the Society of Local Authority Chief Executives and Senior Managers and the SSN. We have been through the bill and the consultation almost line by line. Our submission reflects quite a thorough consultation process and is a fair representation of the views that we heard.

The Deputy Convener: You are content with the consultation process.

Councillor Hay: Yes.

Ken Gibb: We took the opportunity to have a pre-consultation session at our annual conference in November 2007, which included 160 delegates from throughout Scotland. Not just local authorities but people with an interest in sustainable development had the opportunity to contribute to that session before the consultation was officially launched. We found that very beneficial—I hope that the Scottish Government did, too. Subsequently, we held a major seminar during the consultation period involving our network members and carried out an in-depth assessment of all the issues in the bill. From those two events and the individual responses that I know the committee has received from individual local authorities, I am content that you have an accurate reflection of the general views of local government.

The Deputy Convener: In a sense, you have answered my next question. I assume that you are content with the development of the bill and the consultation process. I am interested in how you have been consulted on public sector duties, about which we will hear more later. It is clear that such duties would have major implications.

Ken Gibb: That issue has certainly been considered. At the network, we are quite relaxed about the concept of public duties if they are properly framed. We recognised from the outset that there is already a general sustainable development duty under the Local Government in Scotland Act 2003. Any further duties would be a development of that concept.

Other duties potentially link to climate change, such as statutory responsibilities around energy efficiency under the Home Energy Conservation Act 1995, and the forthcoming carbon reduction commitment will be a duty, in a sense. We are relaxed about the overall concept. I do not wish to engage in the detail, as it might arise in relation to further questions, so I will leave it there at this stage.

Councillor Hay: Ditto. COSLA is not opposed to duties per se, but in light of our current duties, such as the sustainable development duty that Ken Gibb mentioned, and the biodiversity duty—there are a number of duties in the environment field—it would be useful to examine and rationalise them all, rather than impose a duty right away. The proposed enabling powers are a good way forward.

The Deputy Convener: There will be more questions on that later.

I am interested in targets. Do you feel that the 2050 target is ambitious enough?

Councillor Hay: The target is an 80 per cent reduction in emissions by 2050, which is ambitious enough. If we take into account what the United Kingdom Committee on Climate Change has suggested, 80 per cent is quite a tight target.

Ken Gibb: It is certainly ambitious, but whether it is ambitious enough is another issue. The indication is that if aviation continues to grow, we might, even with a 3 per cent cut in emissions, have to consider a 90 per cent target in order to beat the 80 per cent target. I think that 80 per cent is ambitious in moving us to the lower end of what we need to achieve to get the result that we seek.

Anil Gupta (Convention of Scottish Local Authorities): Given the way in which the bill is framed to enable advice to be sought from the UK Committee on Climate Change, we would accept upward revisions being made, as we are not experts in the area. How we position ourselves overall will also depend a great deal on international treaties. The target is useful, and we are also keen on the idea of a 2020 target as something for which we should aim.

The Deputy Convener: In a sense, that answers my next question. Do you agree that there should be an interim target? I am interested in alternatives—Mr Gibb has already proposed an alternative target. Do you have a view on that?

Ken Gibb: Again, it depends largely on the international scenario. The bill sets an interim target for 2030, but we should probably think about setting a target for 2020, in line with existing legislation and international obligations. With regard to the level of the reduction, whether we consider a 42 per cent target or a 34 per cent target depends on what happens at the Copenhagen conference and elsewhere. I know that that issue has been well aired. In a sense, the interim target is in the lap of bodies that are outwith the Scottish scenario. I presume that we can reflect on the advice as it develops in the months to come.

Councillor Hay: I agree.

Shirley-Anne Somerville (Lothians) (SNP): I apologise for missing the start of the meeting. I had to deal with an urgent constituency case.

Are annual targets the most appropriate mechanism for achieving carbon emissions reductions?

Councillor Hay: We are not opposed to annual targets, but we need to be careful not to set a carbon emissions reduction target of 3 per cent per council, as has been suggested. The 3 per cent target should be for the whole of Scotland, because people are at various stages in reducing their carbon emissions.

Ken Gibb: We are fairly agnostic on annual targets and on the level at which they should be set. I echo the comments that were made on sectoral targets. Setting a mandatory 3 per cent target for local authorities across the board would be a step too far; we are not yet at that stage of the game. We have yet to find out whether we will move towards such an approach as we move towards the 2030 scenario that is envisaged in the bill. We should certainly consider budgetary targeting, which would give us time to adjust authorities' performance over the piece in light of their individual circumstances. Much good work is being done, as I am sure members know, but we would be nervous about committing to an annual reduction for local government. That is currently too big an ask.

Councillor Hay: We would be happier with a rolling programme over a number of years—perhaps five years—than with a rigid approach.

Anil Gupta: Councils are concerned that unforeseen factors might result in our not being able to achieve reductions. For example, climate issues, such as a particularly cold winter, might cause problems. That is a reason for proposing a five-year rolling target. Councils would report every year, but the longer timeframe would enable the inevitable ups and downs to be averaged out. Indeed, future technological advances might allow for decarbonisation or a reduction in greenhouse gases.

We foresee quite lumpy progress towards the 2050 target, which must be taken into account, particularly as there will be increasing pressure on individuals to meet targets. There is a possibility that there will be mandatory cap and trade schemes, for example, so we should be careful not to create a rigid system that puts too great a burden on people.

Shirley-Anne Somerville: The pressure will exist from the start, and it is important that we make changes from the start: the issue is how much change we can make and how we make it. I would like there to be pressure on people to accept that change is required.

The challenge is to set annual targets that are challenging enough to ensure that people do not put off difficult decisions and no one is let off the hook, whether they are in the public sector or the private sector, and that are realistic and achievable enough to ensure that there is buy-in from local authorities and individuals. How do we strike that balance?

Councillor Hay: Councils are doing a number of things—I am not so sure about the general public, in relation to which there is a mixed picture. There is no doubt that local authorities are conscious that they must reduce carbon emissions. Authorities are all working with the Carbon Trust to measure emissions from their buildings, and they know that the ability to purchase or sell carbon credits will be in sight on the horizon. We have all signed up to Scotland's climate change declaration, as has the Scottish Government. Public bodies are all working hard to do what we can to try to reduce carbon emissions.

As far as members of the public are concerned, it is important that local authorities and other public bodies show a lead, but people's homes vary in construction and some are easier to sort out than others, which opens up a whole new discussion.

14:15

Ken Gibb: Alison Hay mentioned the carbon management plans that all councils are delivering with the Carbon Trust. I think that we are now in the sixth phase of a process that has been around for about five years. Over the piece, councils are reducing their emissions by the equivalent of 3 per cent per year. Over the period of the carbon management plans that are in place, that averages out at a 15 per cent reduction in emissions, which is an indication of our commitment.

As has been indicated, we are all committed to delivering on the climate change declaration. In addition, in the current single outcome agreements, 21 local authorities refer to reductions in carbon emissions, on which there are 36 indicators, half of which are SMART—specific, measurable, attainable, relevant and time-based—so we can report on what we do.

Efforts are being made on a voluntary basis. We are concerned that if mandatory percentages are set, certain local authorities will have difficulty meeting them. We think that the current process is in the spirit of the bill and that progress is being made towards the numbers that the bill aims to achieve. We will continue to refine, tighten and improve that process as we move further along the spectrum. I am quite content that we are okay in that regard.

Anil Gupta: You mentioned the setting of targets. Inherent in that is our capacity to deliver realistic targets. The majority of our emissions can be broken down into three sectors. Greenhouse gas emissions, which include methane emissions from waste disposal, probably account for between 40 and 45 per cent of local authority carbon dioxide equivalent emissions. The figure is the same for emissions from buildings. The remaining emissions are from transport. It is quite clear that with the targets for landfill diversion and the reduction in methane emissions from landfill sites, we will probably achieve reasonably rapid progress over the next 10 to 15 years.

Beyond that, we require fairly considerable investment in infrastructure to make buildings more energy efficient. We need to be sure that we have in place long-term loan arrangements that help us to invest now to save in future, because we do not have such capacity in our finances at the moment.

On transport, we will have to wait for technological advances to provide alternatives to existing fuels. That will involve more use of batteries and electric vehicles and developments on the hydrogen front. We would probably want to seek advice about realistic targets in negotiation with the UK Committee on Climate Change or with a Scottish committee on climate change.

Shirley-Anne Somerville: My colleagues will ask about single outcome agreements and the climate change declaration, so I will leave that to them. Should targets on emissions from aviation and shipping be included in the bill?

Councillor Hay: From COSLA's point of view, yes.

Ken Gibb: The sustainable Scotland network believes that such emissions should definitely be in the bill.

Charlie Gordon (Glasgow Cathcart) (Lab): Mr Gupta began to comment on advisory functions in his response to question 3, but do you have a view on the bill's proposals in that area? In particular, what is your view on the idea of using the UK Committee on Climate Change in the first instance?

Councillor Hay: I think our submission says that COSLA is happy for the UK Committee on Climate Change to be used for advice, but that we will need to review the situation after a period of time to ensure that the advice that we get is relevant and pertinent to Scotland and its particular needs.

Charlie Gordon: Indeed. Can the UK committee adequately understand the unique Scottish model for local authorities and the wider public sector?

Councillor Hay: That is what we have to find out. I am not an expert on the people who are on that committee, but I looked at the list the other day and they are all eminent people. I hope that they have a broad knowledge of the UK that enables them to sit on the committee and ensure that it gives a UK perspective when it gives advice. As I said, we are content at the moment, but we must review the position in a year or so to see whether the committee's advice is helping.

Ken Gibb: I entirely support those comments. We have no reason to suspect that the UK committee will not pay due attention to particular Scottish circumstances, but time will tell.

Charlie Gordon: If views change and a decision is taken that we should look to Scottish expertise from the start, how confident are you about being able to step up to the mark professionally?

Ken Gibb: Are you asking us as a network or are you talking about Scottish—

Charlie Gordon: Well, what is your view on the professional capacity that is available to the Scottish public sector?

Ken Gibb: There is no doubt that the experience and knowledge that we have in Scottish local government would make us more than capable of making a meaningful contribution to the discussions that any group would have.

Councillor Hay: It is not just a question of Scottish local government. In Scotland generally, we have the expertise to set up a committee should we need to do so, but in the meantime I am content to let the UK committee have a go.

Charlie Gordon: Do you have a view on the proposed reporting arrangements? Do you anticipate any problems with the collation of information locally?

Councillor Hay: I am not sure what you mean.

Charlie Gordon: The bill requires annual reporting to Parliament on proposals and policies to meet any future annual emissions targets.

Councillor Hay: We are happy with reporting to the Scottish Government.

Ken Gibb: Our only concern is about areas over which local government does not have direct control or influence, such as some of the consumption data and what are known as area-wide emissions. Clearly, those are outwith the control and, to a large extent, the influence of local government. That is our only reservation. We have a fairly well-established system for and track record of recording, monitoring and, if necessary, reporting on our own emissions, so I am content that that aspect will not cause us any difficulties.

Councillor Hay: Local government is required to do a lot of reporting. We get a lot of people coming into councils to write reports on how well we are doing on various things. Particularly if Audit Scotland is to audit what we are doing, some training will be needed, but let us try to keep things as tight as possible when it comes to being audited and reporting.

Charlie Gordon: Those are useful comments. Thanks.

The Deputy Convener: We move on to some questions on the duties of public bodies. Are single outcome agreements and the climate change declaration leading to the required cuts in emissions? Can you give us any examples of best practice or indeed any examples of barriers to the success of voluntary agreements? What is happening at the moment? Is there good practice or are there barriers?

Ken Gibb: You will probably not be surprised to hear that the strengths are in energy efficiency and management. There is a well-established track record. The approaches to energy efficiency and management are fairly objective and reasonably well funded, and what has happened can be measured and recorded. That is not to say that energy efficiency and energy management—certainly in the context of some of the emissions targets—are particularly easy to deliver, but at least reporting and resource mechanisms are in place to move towards that.

Obviously, other issues are more contentious. Transport in general is an issue. A number of authorities are struggling to get to grips with local authority transport fleet management and business mileage. We have recognised for some time that we need to get involved with that agenda. A number of authorities are moving towards green travel plans, which we are keen to see developed. Excellent partnership work has been done with local partnership groups on funding and resourcing appropriate studies and facilitating the required infrastructure to help to move towards green travel. Such work needs further support.

The other issue, of course, is procurement, which is a major issue for us. We are fairly clued up on energy procurement—there is a fairly good set-up through Scotland Excel—but we have to get to grips with other possibly more difficult procurement issues.

I have given members a fairly wide indication of where we are strong and where we are weaker and need to improve. We recognise where we need to improve and have sought to address matters through our various single outcome agreements and the climate change declaration.

Anil Gupta: On reporting on the climate change declaration, we are quite happy that after a couple of years of a voluntary arrangement, more than half of the councils are reporting on how their commitments are being implemented. Obviously, we are aware that that does not necessarily represent a full glass, but given that the arrangements are voluntary and that what is happening here is far in excess of what is happening in Wales and England, we are keen to encourage the voluntary approach, which allows a diversity of practice to develop.

We want to engage further with the SSN and others in the not-too-distant future to address how we can consolidate best practice and produce internal arrangements to ensure that more people come on board, but we think that we have a success story that indicates a useful and sustainable way of proceeding in the meantime. Ultimately, if a public sector duty is developed under the powers that are given to ministers, we will expect the experience that we have developed to feed actively into the process, similar to the way in which experience fed into the public sector equality duties process, which members know about. There was considerable engagement by councils in that process. They tried to show their practices and have them incorporated in the legislation.

Councillor Hay: Things should move forward at a slightly quicker pace than they did under that process, however.

The Deputy Convener: That process was very slow.

Mr Gibb spoke about measuring. What process do you use to evaluate whether a job has been done properly?

Ken Gibb: We have a range of options. Earlier, I mentioned objective issues. We can use hard sums and measure hard deliveries in energy management, but with a lot of the other stuff, particularly moving towards the adaptation end, we can use an indicator that assesses where we are in the process—whether we have started it, whether we have started a consultation, or whether we have a fully developed, all-bells-and-whistles strategy that is under constant review. Those are the two ends of the spectrum. Most options sit in the middle. A combination of two approaches that involves what we can measure and assess fairly subjectively is often used. The other aspect is a general assessment of how the public perceive things to be being delivered locally.

There is a range. There is no simple answer, but we are seeking to make our indicators as firm as we can. That is part of what is at times a painful process that we are all going through with the

review of the SOAs, to ensure that we capture all our objectives with indicators that are as firm as possible. As I am sure the committee recognises, that is happening throughout Scotland. I hope that the new SOAs will be much better than the previous ones at identifying the issues that you have flagged up.

14:30

Councillor Hay: The SOA process is certainly the way to go. The second round of SOAs encompasses the agreement of the community planning partnerships. Sitting on those partnerships are all the groups that you would hope would be involved in what we have just been discussing. The SOAs are the way forward.

The Deputy Convener: We spoke earlier about the duties of public bodies. How successful do you think those duties are in relation to biodiversity, equalities and so on? Are local authorities and others able to deliver the ambitions of the duties or is that difficult for you?

Ken Gibb: The key to an effective duty is first of all that it is clearly defined. As I indicated earlier, that encompasses the full spectrum from what you have control over to what you might only be influencing to an extent. You will not be surprised to hear me say that there also needs to be appropriate support and resources for any duties that are introduced. A duty is all very well, but it needs to be properly defined, relevant to what is being asked for, and appropriately resourced.

Councillor Hay: Councils have a number of duties. You do not just set an action plan, then walk away and leave people to do things. You have to ensure that there is regular monitoring. As long as you keep the regular monitoring going, you are able to say, at the end of a year or whenever, whether something is working and whether it needs to be re-examined.

Anil Gupta: It is important that there is a clear role for an external body—probably Audit Scotland—to take a view on best value in relation to the public sector duty. We do not envisage a new climate change commission being set up in Scotland specifically to pore over all the public sector duties, from the police, health boards, colleges and so on. I do not know whether you have considered a particular route, but within the current arrangements, the Audit Scotland approach focuses our minds. Audit Scotland is involved in the evaluation of the SOA process, and it seems to fit very well.

Rob Gibson (Highlands and Islands) (SNP): Do you believe that placing climate change duties on public bodies is necessary in order for local authorities to contribute towards the targets of the bill?

Councillor Hay: As we indicated, although we do not oppose the imposition of duties in principle, it needs to be done in such a fashion that it takes into account everything that we are doing at the moment. To impose a duty just for the sake of imposing a duty is not a good idea. I hope that you agree that, as Ken Gibb has indicated, we have our minds fairly focused on what the Climate Change (Scotland) Bill entails. In principle, duties are fine, but there should be enabling powers to begin with and consideration should be given to what other duties we have, so that there is no overlap or contradiction and we do not take our eye off the ball. In principle, I would say yes to duties, but let us not rush into this.

Ken Gibb: I support that. Clearly, as Alison Hay has said, duties have value, but they need to be properly defined and consulted on so that we are in full partnership with the Government on them.

Anil Gupta: I want to expand on what Ken Gibb said about area-wide emissions. We have material from the Scottish Government that suggests that public sector bodies in Scotland are probably responsible for about 2 per cent of greenhouse gas emissions, so we need to keep things in proportion. If we wish to go beyond our own immediate emissions, we need to think about how easy it is to influence those with whom we have partnerships, including the private sector. If there is a public sector duty that goes beyond what we are currently doing, there must be ways and means to achieve a broader impact.

Rob Gibson: COSLA's written submission states:

"We are open to the development of a process that would identify the gaps and barriers to action within present structures and how any future duty might seek to overcome them."

In terms of the targets, if there are gaps and barriers, you ought to hint at what those might be.

Councillor Hay: Our submission goes on to say:

"One possible way forward would be the convening of a high-level ... Climate Change Steering Group bringing together key partners"

so that we can look at all this. I maintain that view, and I have been talking about that for quite some time. A cohesive Scottish drive to implement the Climate Change (Scotland) Bill must be led from the top. We do not have all the answers at the moment—there will be gaps and barriers somewhere. However, we need to look at it in an holistic way with all the public bodies, the private sector, which plays an important part in this, and the voluntary sector. All of us need to sit down and look at what we can do to ensure that the bill is as watertight as we can get it.

Rob Gibson: Therefore, you do not think that a specific duty should appear in the bill.

Councillor Hay: No.

Rob Gibson: Let us turn to adaptation and mitigation. The bill requires the development of a climate change adaptation plan. What are you already doing, which we have not discussed before, to increase resilience to climate change? That is a duty that local authorities can be involved in. What else could the bill define on that matter?

Ken Gibb: A range of things could be done. We are still catching up with the agenda and have had difficulty in properly assessing and measuring adaptation. We are mindful of the fact that the second stage of the consultation on adaptation is due to begin, and we will have a chance to give the matter further consideration then.

As far as adaptation is concerned, our mind is very much focused in the here and now on the increased risk of flooding. That is a serious issue now for many Scottish local authorities, which requires consideration of significant investment in roads infrastructure and the appraisal of assets. For example, a number of local authorities own reservoirs, some of which are quite old and, with an increasing number of climatic events, are becoming more prone to damage or flooding. Therefore, we also have concerns about our responsibilities for reservoirs under the Flood Risk Management (Scotland) Bill.

The appraisal of such assets is now of concern to us. Whereas, in the past, they were perhaps fairly peripheral to a local authority's concerns, they have suddenly become quite central in terms of concerns over risks to infrastructure and human life. That is a whole new area, which goes beyond the simple consideration of emergency planning. That is a first stage in the process, but we need to move beyond that to strategic risk assessment not only of our infrastructure, which is quite costly, but of the maintenance of the key services that we deliver. Key services are often linked to appropriate infrastructure, especially in rural authority areas. We are concerned about a range of issues that are important here and now, without beginning to consider the problems that may become more prevalent as a result of increased heat events and prolonged periods of drought, which we may well face in the years and decades to come.

Councillor Hay: A number of local authorities are already looking at the matter. I have just come from giving a short presentation on flooding at the Scotland and Northern Ireland Forum for Environmental Research conference in Glasgow. SNIFFER is looking at the Flood Risk Management (Scotland) Bill, which is apposite as that bill and the Climate Change (Scotland) Bill go

hand in hand. The issue of flooding is linked to emergency planning to some extent, but there is no doubt that we must examine the impediments to natural flooding in our areas and what we need to do to allow that to occur.

It is also apposite that we have new planning legislation. We need to ensure that what we approve as planners does not cause more problems and that developers and house builders do not submit applications to build on flood plains without giving due consideration to mitigation, adaptation and so on. Local authorities are looking at many issues at the moment and will continue to do so, along with their partners. However—dare I mention it—resources will always be a problem for us, even if we identify what is wrong.

Alison McInnes (North East Scotland) (LD): You have touched on the issue that I want to raise. You have spoken a lot about the role of local authorities and the work that they do. I am particularly interested in the step changes that they can make as planning authorities. Could you say a little more about the role of local plans in moving forward the climate change agenda?

Councillor Hay: It is extremely helpful to focus on planning. When we construct local plans, we talk not just to planners but to the Scottish Environment Protection Agency, Scottish Natural Heritage and other bodies; we also look at transport infrastructure. All of those discussions have an impact on how we draw up local plans. Planning has an extremely important role to play in enabling us to identify where the problems and risks may be. We must take those into account when drawing up local plans.

Ken Gibb: The committee may be interested in hearing more about the local climate impacts project that the network is promoting in association with SNIFFER, of which I am sure members are aware, and the UK climate impacts programme. We have run a successful pilot in four authorities in Scotland, which is about to be reviewed with a view to its being rolled out much more widely. The project focuses on the current and historical impacts of intense weather events, how those are likely to change in the future and how local authorities should consider responding through planning, to which Alison Hay alluded, and service delivery. That piece of work is on-going, and we hope that the Scottish Government will continue to support it. We are sure that it will bear fruit and benefit local authorities and the Scottish public sector.

Rob Gibson: The pilot scheme is to be rolled out to other authorities. Is that a good example of local authorities sharing best practice on climate change mitigation and adaptation?

Ken Gibb: Undoubtedly.

14:45

Rob Gibson: Does any other example come to mind?

Ken Gibb: I cannot think of any general examples.

The Deputy Convener: Do not feel obliged to answer if nothing springs to mind.

Ken Gibb: Individual small examples may be happening elsewhere, but the pilot is probably as good an example as we have.

Alison McInnes: I want to ask about the bill's provisions that place a duty on ministers to promote energy efficiency and renewable heat. Are the provisions appropriate, and are they sufficient to achieve the ends that we need to achieve?

Councillor Hay: Earlier, I touched on what we can do with buildings that already exist. With new buildings, we can build in all the energy efficiency that we want to, but we have a legacy of buildings from away back. Many of those buildings are not energy efficient, so the question arises of how we deal with them and what resources will be required.

I am sure that the witnesses from whom the committee will hear later will discuss methods of working with older buildings. We are not saying that we need the Government to finance the whole thing, but money will have to be made available. I do not know whether I dare say this in an age when banks are not in good odour, but we will need to talk to them to encourage the use of loan schemes with which people feel comfortable, so that people can work on their homes to reduce carbon emissions. More discussion is needed in this whole area.

Anil Gupta: As committee members know, there is a European directive that places obligations on us to ensure energy efficiency in public buildings, and the first round of energy performance certificates was put in place in January. A review of that is on-going.

The process seems quite passive at the moment, and we are concerned about its achievements. When the recommendations at the bottom of the certificates are acted on, and if those recommendations are made mandatory, it will be important for us to consider how we can get funding, as Councillor Hay has suggested. It is fine to talk about spending to save, but we need a vehicle to allow us to make up-front investment. Making such investment will clearly not be all that easy for us.

Alison McInnes: In your written submission, you express concerns about overload in this area. Are the present provisions in the bill a duplication of provisions that already exist?

Anil Gupta: The whole picture will have to be considered, because things are getting confusing. It is a bit of a moveable feast. We expect that energy performance certification from Europe will cover buildings with a floor area that is quite drastically smaller than the present specified floor area of 1,000m². We would like some sort of floor, if you like, to be put on such reductions, so that we can size our tasks and plan properly. Councils will have a big role in enforcement and will have to recruit more staff. That will have to be taken into account, as well as the capital side.

When the powers come to be used, it would be good to be sure that an holistic view has been taken of all the legislation—whether European, UK or Scottish.

Ken Gibb: I concur with what has been said.

Alison McInnes: You have expressed concerns about resourcing, and it is clear that capital budgets are under heavy pressure. Have you any suggestions on how we can move forward?

Councillor Hay: I do not want to steal anybody's thunder, but I have mentioned that a central loan scheme might be set up. That idea can be elaborated on by others.

Alex Johnstone (North East Scotland) (Con): I understand that several local authorities provided the Finance Committee with written submissions on the financial memorandum but that that committee was unable to hear evidence from either COSLA or a local authority. Let me take the opportunity to ask a couple of questions on issues that arose from those submissions. First, a number of local authorities criticised the information that was included in the financial memorandum for being vague and for being based on assumptions that were merely best guesses based on disaggregated UK costs. Do you have any views on that?

Ken Gibb: I concur with that. I must confess that I read the questionnaire that came with the financial memorandum with a view to trying to provide a response, but I found it difficult to give a meaningful response to any of the questions. Therefore, I felt that it was inappropriate for me to provide a written response. I recognise the point that has been made.

Anil Gupta: We found it quite difficult to get advice on how we could respond. That is one reason for the gap. The task involved was quite difficult, so we did not submit a response specifically on the financial memorandum.

Alex Johnstone: Part 5 of the bill includes various regulation-making powers that could have a significant impact on local authorities. Do you have any view on the cost implications of those, or are those issues to which councils do not want to commit?

Anil Gupta: It is not so much that we do not want to commit. Our impression was that it is difficult even to start sizing the job at this stage. We expect to be fully involved in discussions and consultations on any secondary legislation that is proposed to cover those issues. However, the provisions are too vague at the moment.

Ken Gibb: I seem to recall that quite a lot of the issues were predicated on dealing with waste, which I felt was in the remit of another network.

Alex Johnstone: The submissions from Glasgow City Council and Highland Council highlighted their particular circumstances that might result in greater challenges and costs for them in meeting the targets under the bill. Do you have any views on how the various costs on local authorities could be accommodated equitably through the various funding allocations?

Councillor Hay: In general terms, each council receives a funding allocation. We are grateful that an awful lot of money that was previously ring fenced is no longer ring fenced, so we have a budget that we can use flexibly. It will be up to each council to prioritise how it spends its money. With funding becoming ever tighter and with our priorities in social work and education and so on, it is difficult to see how councils will be able to fit in everything that is expected from what is a very limited budget. However, each council must take its own decisions on how it spends its budget, based on local priorities.

Alex Johnstone: Do you expect national Government to consider the implications that such responsibilities will have on how the Government allocates funding to individual local authorities?

Councillor Hay: If we continue to work under the concordat, that will need to be done in conjunction with discussions with local government. It is up to local authorities how they spend their budgets. National Government has a set of priorities to which we try to align our priorities through the SOAs. By and large, I think that national and local government are not too far apart. However, at the end of the day, the budgets must be set by the councils, which need to allocate resources as they feel appropriate, based on what they feel are the needs of the local populace. For example, Moray Council and Perth and Kinross Council are faced with a big burden in trying to mitigate the effects of flooding, which happens quite a lot in their areas. That will become a priority for them and I assume that they will spend money on it. Councils do not all have the same priorities, so they will allocate money as they see fit.

Anil Gupta: If additional responsibilities are imposed on councils because of the bill and secondary legislation, the resources will need to

follow and we will want to be engaged about that and to have an open dialogue about what we require—that may be what Alex Johnstone is asking about. However, there is no great detail at this stage about what the obligations might end up being and what actions will be required, so we cannot start talking meaningfully about the resources that will be required. That is one of the difficulties that are caused by the amorphous nature of what is in the financial memorandum. We will need to discuss that in detail at some point, but we are not there yet.

Des McNulty (Clydebank and Milngavie) (Lab): I hear loud alarms. What you have just said reminds me a bit of single status agreements, which have been a financial catastrophe for local government. The bill is wide ranging, with arduous targets, and it will be delivered only through significant changes to local government's duties and practices. Is it not local government's responsibility to ask central Government, which wants the bill to be passed, to spell out in clear detail what it needs local government to do and the price of doing that because, otherwise, local government might not be able to guarantee to deliver the bill, although it might support it in principle? I am surprised that COSLA could not give evidence to the Finance Committee on the bill, or that the committee could not hear evidence from COSLA. It is axiomatic that we should not pass such a comprehensive bill, with so many implications, without clear understanding from local government of what is involved and the associated price tag.

Councillor Hay: Much of the detail will come out through the UK climate impacts programme—

Des McNulty: No, I am sorry, but you cannot do it that way. You cannot say that we will pass the legislation and then sort out the detail; it must be done the other way. We must have the detail before accepting the legislation.

Councillor Hay: I do not have a problem with saying that local authorities need to reduce the carbon emissions from their buildings, draw up plans to mitigate the effects of flooding and stop throwing all their rubbish into tips. I have no quibble with doing that sort of thing. It is implicit in signing up to such generalities, if you like, that there will be deep discussion between the Government, local authorities and their partners about how we go forward with the detail. I am not signing up to this just so that the Government can tell us what it wants us to do and expect us to fund it from budgets that are not going to rise. I would have thought that the sheer magnitude of the bill indicates to everyone that there is a cost attached. It is difficult to work out what that cost will be because there is so much in the bill and so much detail that councils and other organisations will

have to draw up. We cannot put a price tag on that at the minute.

It is a responsible way forward for local government to say that we are content with the generalities in the bill and are starting to do certain things already. There will be costs, but we need to sit down and talk about them.

Des McNulty: I will put on the hat that I formerly wore as convener of the Finance Committee. If you, as local government, say that you are prepared to sign up to a measure in principle but will come back and discuss the costs later, the Government—whatever Government it happens to be—will turn back to you and say that you signed up to the measure and it is under no obligation to fund the costs because they have not been prequantified. There must be a deal that concerns not aspirations, but concrete delivery mechanisms. Otherwise, we are just playing.

15:00

Councillor Hay: In that case, we will have to do nothing until we have had all those discussions. I do not know how long it will take until we sit down and discuss in intimate detail how much all the proposals will cost.

This is not in our submission and perhaps I am speaking out of turn, but I would like local authorities to continue along the voluntary track that they are on—to continue to draw up the plans that they have in train through the sustainable development duty, examine what their buildings emit and consider how they can improve transport infrastructure—and sit down responsibly with a responsible Government to discuss how we take all that forward for the future. Climate change is too big a topic and is too important to Scotland—to the world, in fact—for us to stop doing all that until we work out down to the last ha'penny how many pounds, shillings and pence we will need. If we do that, nothing will be done. I would far rather continue doing what we are doing and talk in a mature manner with everybody concerned about how to make progress.

Ken Gibb: I, too, hope that I am not talking out of turn, but we all realise that we could consider a range of spend-to-save proposals. For example, we are just beginning to get to grips with the carbon assessment of capital investment projects and the real return on investments. There is still a fair degree of scope to work within our existing budgets, which we clearly have to do at the minute, unless new resources are made available. However, there is scope for us to be more imaginative about how we make capital investments and spend revenue. We are engaged in that almost daily. That is the only situation that we can live with at the minute.

Des McNulty: There is uncertainty about how aspects of the bill might be delivered. However, the one thing that is certain is that it is not cost free. We are a responsible legislature and, if we are to pass legislation—particularly legislation that is as broad ranging as the Climate Change (Scotland) Bill—we require at least an outline delivery plan to enable us to understand what the proposals actually mean.

Local authorities account for something like 34 per cent of the budget. If, with all the expertise that is at their disposal, the bodies that spend 34 per cent of the budget are not able to provide us with an assessment of the bill's implications, how are we expected to perform our function? That is not about whether we are willing to tackle climate change or are in favour of tackling it, but about making a proper, rational and systematic assessment and asking what the bill means. With respect, Councillor Hay, if I was in government and you gave those answers to me, then came back to me two or three years later saying, "I'd now like some money," I would tell you that you should have said that before, because budget planning is associated with the bill. That is Parliament's point of view.

Councillor Hay: As I understand it, the bill is broad ranging. I agree that we need to know the cost. You were not here when we talked about the need for a minister-led body that could examine the issue, including the gaps, the barriers and where new resource will be needed. Such a discussion needs to be led from the top, but we are happy to engage in it. That and consideration of the bill can happen in tandem. We need to make progress on the bill and get on with doing something.

Shirley-Anne Somerville: A few different percentages have been bandied about, such as that local government gets 34 per cent of the budget. I think someone said earlier that it accounts for 2 per cent of emissions. Given the scale and importance of the issue, is it not advisable that we do not delay or seek to put barriers in the way of this important bill before the Copenhagen summits, simply because of 2 per cent of emissions? Given that we are talking about a framework document rather than policy directives, there is room for each local authority to come back with specific proposals. Each authority will be affected differently and can adapt to some of the climate change issues.

Councillor Hay: Yes. That is a sensible way forward.

Ken Gibb: Absolutely.

Alison McInnes: I want to return to something that Councillor Hay said earlier. She was at pains to stress that the investment that local authorities

will make is really up to them—she stressed their autonomy. Given my background, the witnesses will understand that I respect that autonomy. However, we are talking about tackling something unprecedented. I want to explore with you the tension between local autonomy and the need to address a much wider issue. You stressed that all local authorities had signed up to the climate change declaration. I would like an assurance that that is not something that is done and dusted and put away in the cupboard. Choices have to be made about social work, education and so on, but surely the commitments that you have made must underpin that. I would like to hear that assurance from COSLA.

Councillor Hay: We have set up the climate change task group, which I chair through COSLA. That group involves Ken Gibb's organisation, SOLACE and finance officers. We are monitoring anything to do with climate change—in other words, the declaration. We have taken an active interest in the bill and the adaptation consultation. We are doing what we can at our level, if you like, to ensure that we take forward the declaration, which the Government has signed, too.

Ken Gibb: It might be useful to say that the declaration is very much alive and developing. A number of authorities are looking at rolling it out across community planning partners and other public sector organisations. Some other organisations have used it as a starter for developing their own similar, but not identical, work. Some of the universities and other academic institutions are about to launch something in the same spirit that is allied to the declaration and which, to all intents and purposes, is seeking to achieve the same ends. The declaration is very much a developing piece of work. We seek to continue to expand and develop it.

Alison McInnes: I suppose that the proof of the pudding will be when we start to see changes in budget provision. When will those high-level commitments start to flow through into significant changes in budget spend?

Councillor Hay: They are already starting to come into the SOAs. If you look at them, you will see commitments to the climate change declaration.

Ken Gibb: There is a small caveat in that a lot of the climate change declaration stuff sits below the waterline in terms of action planning, so it might not appear as a high-level indicator in all the SOAs. In a significant number, it will appear more appropriately in the action planning part, which is the working end of the SOA, if you like.

Anil Gupta: On the carbon reduction commitment, about three quarters of our members are covered by the cap and the carbon trading

scheme, albeit that they are not terribly pleased to be involved in the trading scheme. The effect of that is that the councils that have been involved in the carbon trading councils programme that was launched by the Local Government Information Unit are taking it very seriously. Carbon use within councils' service functions is starting to become a main consideration alongside finance. We envisage that that is likely to roll out across a number of councils as the finance managers start to look at carbon as a mainstream consideration in their input to policy.

The Deputy Convener: I thank the witnesses for their evidence this afternoon. If there are issues that have been missed out of our discussion this afternoon, witnesses should write to the committee.

Councillor Hay: Thank you for listening.

The Deputy Convener: You are welcome.

15:10

Meeting suspended.

15:12

On resuming—

The Deputy Convener: I welcome the second panel. The witnesses have given evidence to the Economy, Energy and Tourism Committee on part 5, chapter 3 of the bill, which is on energy efficiency. The panel is aware that our focus today as lead committee is on parts 1 to 4 of the bill. The panel consists of John Stocks, who is the Carbon Trust's manager for Scotland; Mike Thornton, who is the Energy Saving Trust's Scotland director; and Chas Booth, who is the senior press and parliamentary officer for Scotland for the Association for the Conservation of Energy. Before we move to questions from the committee, does any panel member wish to make a short opening statement?

Chas Booth (Association for the Conservation of Energy): I will, for committee members who do not know us, briefly introduce the association. The association undertakes research and campaigns to reduce overall energy demand as part of a secure and sustainable energy future. Our work reflects the interests of our members—the major manufacturers and installers of energy-saving equipment across the United Kingdom—and is funded largely by them. We are members of the Stop Climate Chaos Scotland coalition and the Scottish fuel poverty forum.

Mike Thornton (Energy Saving Trust): The trust works to persuade the domestic audience—householders and citizens such as you and me—

to save carbon and energy in our daily lives, and hence to save money. We always figure that we have to engage with millions of people to produce mass change. Our interest in the bill focuses on that area.

John Stocks (Carbon Trust): We work largely with the business audience, helping businesses to deliver emission reductions now and in the future through the use of existing and future technologies.

We welcome the bill. We are particularly pleased about its emphasis on the numbers and on quantitative and not qualitative targets. We are also pleased about the rigorous approach that the Government has taken in setting annual targets and asking for detailed annual reports.

In our discussions with small businesses on how to set their carbon footprints, we say up front that they must spend time on careful consideration of the boundaries of their emissions footprints—what is in and what is out—and on careful setting out of those boundaries.

15:15

I see little detail in the first four parts of the bill about sorting out the boundaries of Scotland's footprint, nor do I see that a lot of thought has been given to the calculation methodology. Once you have that boundary, how do you calculate the footprint? You could argue that the detail can be worked out as time goes by and we progress with the bill.

It is important to any organisation that is presenting its carbon footprint that it knows what its data sources are and that those data are available. One concern I have is about whether there is a need for statutory obligations on energy suppliers and utilities to provide the right sort of data to Government and local authorities so that they can properly calculate their footprints.

The Deputy Convener: I am keen to get on to questions. You can perhaps address in your responses issues that you want to bring up.

Do you have general views on how consultation on the bill has been carried out, including on part 5?

Mike Thornton: The Energy Saving Trust feels that the consultation process was helpful and informative for all parties. I do not know what committee members think, but we definitely think that it is good that there were so many consultation responses—a phenomenal number—because one of the key targets for the bill and for the agenda that it sets out is engagement of organisations and the public. We definitely seem to have made a good start, which is encouraging, as far as it goes.

Chas Booth: I echo Mike Thornton's comments. The consultation was excellent. We attended a couple of events at which a number of stakeholders were encouraged to give their views. That was fantastic—the bill team is to be congratulated on how it consulted on the bill.

Our only concern is the lack of consultation on specific measures to tackle emissions from existing buildings. In February last year, the Scottish Government gave notice on its website of a forthcoming consultation on emissions from existing buildings. There was a consultation in, I think, November of last year on non-domestic buildings, but there is still to be a consultation on domestic buildings, which account for a third of Scotland's emissions, so there is a major gap. That is the only concern that I would highlight about the consultation process.

The Deputy Convener: You feel that that is “a major gap” in the consultation process.

Chas Booth: Yes. The bill as drafted wills the ends—the emissions reductions—but does not deliver the means to deliver them. Energy efficiency is the cheapest, quickest and most cost-effective way of delivering those emissions cuts, so there should be something in the bill on domestic energy efficiency. That is a major gap.

The Deputy Convener: I am interested in the targets. Are the 2050 and interim targets achievable? Will the bill work and achieve what it is meant to?

Mike Thornton: The trite answer is that if it does not, we are all in trouble. The previous panel made comments about new technologies, particularly in transport and so on, and there is no doubt that new technologies have a part to play, but in respect of saving carbon and reaching the targets in the bill, we do not need magic bullets: we need to apply consistently techniques, approaches and technologies that are already here, over the period for which the bill sets targets. If we do that we can achieve them.

I echo Chas Booth's comments that energy efficiency is very much part of the armoury that will be needed.

John Stocks: I could not be certain yet. I am not sure that I can stack up the sums to say, “Yes—I can see an 80 per cent reduction being achievable.” However, I see some very significant measures that together can start to produce very deep reductions. It will not be one action that will deliver a cut of 80 per cent; it will be a number of actions across the board because of how they add together.

If we can cause the energy consumption—heat demand and electricity demand—of buildings to fall dramatically through increased energy

efficiency, we can start to use low-carbon sources to meet that residual requirement for energy. If we add together the effects of a decarbonised electricity supply and of using renewable sources for heat, we will start to deliver the deep cuts that are needed if we are to achieve the 80 per cent target by 2050.

Chas Booth: We think that a target of at least 80 per cent by 2050 is right for Scotland. That is in line with what the Intergovernmental Panel on Climate Change recommends. It is important to keep that target under review. Clearly, there will be a role for a Scottish advisory body to ensure that the target reflects current science.

We believe that the target can be achieved with the right policies. The Scottish Government recently commissioned a report from AEA Technology on mitigating climate change in Scotland, which contained an assessment and identification of initial policy options. From memory, I think that it identified policies that would deliver a reduction of around 78 per cent in carbon emissions, which is only 2 per cent less than the target.

The Deputy Convener: What is your view on annual targets and the Scottish Government's suggested emission tracks?

Chas Booth: We think that annual targets are vital and that they should be set in statute from the start.

Our industry needs time to invest in the processes and the manufacturing equipment that we need in order to deliver insulation products and highly energy-efficient products. If our industry is to have the confidence to invest in that, we need to be certain that Government is serious about delivering those cuts. We think that the best way to do that is for Government to set annual targets in statute right from the start, which would be a way of saying that it is absolutely serious about delivering the cuts and that it wants the entire economy to help it to do that.

Statutory annual targets of at least 3 per cent, which I think is what was promised in the SNP manifesto, should be delivered from the very start.

Mike Thornton: We, too, support the use of annual targets. As the committee has been told on many occasions, the early cuts count most, because the sooner we start to make cuts, the smaller will be the area under the line on the graph of carbon emissions between now and 2050.

The bill takes the right approach, but we have to bear in mind what that approach means. Annual targets can lead to a temptation to meet each annual target in turn and to forget about the background question on how you will meet the annual targets in 15 years. There must be a twin-

track approach. That is implicit in the bill, but it is worth stating explicitly. There are elements that are on different timescales that need to be done at the same time as one another. For example, next year, we will have to work to meet the short-term annual targets at the same time as we are doing things that will put us on track for medium-term and longer-term targets. That way of thinking must be taken on board.

John Stocks: Until recently, our growing economy and our business-as-usual approach have meant that there has been growing energy consumption. However, we have to turn that around so that there is declining energy consumption. It is therefore essential that we have routine and regular data to measure that. I strongly welcome annual targets and annual reporting.

Des McNulty: There are three basic criticisms of the bill. Earlier, with COSLA, I dealt with one of them, which is the issue of financial costings. I would like to raise the other two with you. One of them concerns the reductions in the medium term, and the fact that, between now and 2020 there is a flexible target, as it were, rather than an annual target of a 3 per cent reduction. Could we set a higher bar for the period between now and 2020? If so, where should the bar be set?

It has been suggested that the bill should include a commitment to public engagement and that consideration should be given to a framework for the delivery of public engagement. Should public engagement figure in the bill? That is an appropriate question to put to your organisations.

Mike Thornton: Engagement is key. Public awareness of climate change and the need to do something about it by cutting carbon emissions is high, but engagement as a result of that awareness is relatively low. The trick is to get people to understand that the issue is real and matters to them and that they will need to take action personally. The bottom line is that the country cannot make carbon savings of 80 per cent unless pretty much everybody agrees that they must play a part in that. People have to see that they must act and that benefits will be gained by their doing so.

Many of the benefits are to do with finance and lower energy bills, but there are also many benefits to do with quality of life. People often think that climate change means that they will not be able to have a car. They think, "No car—can't travel". We need to put the proposition that other forms of travel and public transport will be more convenient than driving oneself. There is a big job to be done to make people understand that the hair-shirt model of responding to climate change is not necessarily the future for them.

In the context of public engagement, the duties that the bill will place on public bodies are vital. Nobody can expect individual members of the public to engage unless the bodies that work for them are seen actively to be pulling in that direction.

John Stocks: I touched on the issue that Des McNulty raised in his first question when I talked about how it was business as usual, with rising demand, until about 18 months ago.

We need to turn that round by getting on to a trajectory of reductions of 3 per cent per year, but we must go through a transition if we are to reach that point. I agree with Mike Thornton that we need to do that as soon as possible. My guess is that we ought to be able to reach that point sooner than 2020; we should certainly aim to get there much sooner. Long-term action is needed, because before we start to see big changes we will need to have designed, built and put into operation buildings that have smaller carbon footprints. There will be a time lapse before we get onto a trajectory of 3 per cent annual reductions, but I doubt that it needs to take until 2020 for us to get there.

I agree with Mike Thornton on public engagement. Most private householders are also employees. We need to engage with people at home and at work on delivery of reductions.

Chas Booth: I also agree with what Mike Thornton said about public engagement. One of the best ways of engaging the public is for the public sector to take a lead. For example, we were pleased by the Westminster Government's commitment to procure only public buildings that are in the top quartile of energy performance. It would be extremely useful if the Scottish Government could match that commitment. That would be one way of ensuring buy-in from the public.

Des McNulty asked where the bar should be set in the middle distance. At the committee's meeting a few weeks ago, a witness suggested that the target should be for a reduction of about 50 per cent by 2020. We think that that is about right. However, annual targets are also essential.

The previous panel of witnesses today suggested that annual targets are not appropriate because of the so-called cold-winter effect, but we do not believe that that argument holds water because the variability that a cold winter would bring would not be sufficient to knock us out of the 3 per cent threshold. If the Government misses its 3 per cent target, it has to come back to Parliament and explain how that happened and how it will ensure that it gets back on track. It is not as if somebody is going to take the Government to court for missing its 3 per cent

target. All that has to happen is that the Government must focus on why it missed the target and on what it is doing to get back on track. We do not believe that the cold winter argument holds water.

15:30

Alex Johnstone: I bet you are surprised that I am raising the subject of aviation and shipping. Given your organisations' experience in benchmarking in both the business and domestic sectors, can you contribute anything to the measurement processes, which are currently discouraging some people from pushing for aviation and shipping to be included in the bill?

Chas Booth: I watched over the internet when transport industry representatives gave evidence to the committee a couple of weeks ago, and I was surprised, to put it mildly, that they argued, in effect, for a special case to be made. My understanding is that aviation and shipping emissions are already measured and reported to the IPCC under so-called bunker fuels. I fully accept that that measurement process might not be perfect, but it is better to have an imperfect process than no process. We entirely reject the idea that there should be special pleading for one sector of the economy simply because it contributes to economic growth. Our sector contributes a great deal to Scotland's economic growth, but we are not involved in special pleading. That would be entirely wrong, and it is wrong for other sectors of the economy to do that.

On your specific question, there are measurements in place to establish emissions resulting from the aviation and shipping sectors, so I cannot see any justification for leaving those sectors out of the bill.

Mike Thornton: You must think about the signal that you will send to other sectors if you exempt a sector in practice or in principle. Either the target is for everybody or, probably, it is for nobody.

John Stocks: Aviation and shipping have significant footprints in their own right—about 3 per cent—but the more important factor is probably their rate of growth. You must include them in the bill because you have got to curtail that growth. You need to put them under the same disciplines as every other sector.

On the point about our experience, we have done a lot of work on the carbon footprinting of products, and when we do that work we often consider transport costs. We begin to see one or two myths being broken as we factor in the emissions from transportation.

Charlie Gordon: I have a supplementary question on that point. Mr Booth said that, in the

context of the bill, his sector could contribute to economic growth and additional jobs. Do you have any figures to show in net terms what the bill could mean for the creation of jobs?

Chas Booth: Off the top of my head, no. I would need to get back to you on that. The one figure that springs to mind is that the Scottish Government announced that it aims to create—I think—16,000 jobs from the renewable energy sector. In my view, energy efficiency and insulation can do a lot more than that.

I do not know whether my colleagues have any figures on jobs.

John Stocks: No.

Mike Thornton: I have no specific statistics on that.

Chas Booth: I can certainly research that and get back to you.

The Deputy Convener: That would be helpful.

Alex Johnstone: What roles do your various organisations already play in advising the Scottish Government on emissions reductions?

Chas Booth: I can probably answer that in a very short space of time. The Association for the Conservation of Energy is a member of the Scottish fuel poverty forum—obviously, tackling fuel poverty in the right way can also reduce greenhouse gas emissions. We are also in fairly regular discussions with Scottish Government officials on, for example, the energy efficiency loan scheme that the Government hopes to introduce in the near future. We are in regular dialogue with the Government, but I hand over to my colleagues to comment on advice.

Mike Thornton: As I said at the beginning, the Energy Saving Trust delivers many programmes on the Scottish Government's behalf, most of which integrate with households to get them to reduce emissions through transport, microrenewables and energy efficiency. In delivering those programmes and discussing them with the Scottish Government, we feed back much experience on what works and does not work and we offer what we hope are insights and advice on pathways to make initiatives more effective.

The Energy Saving Trust has a strategy and policy team, two members of which are based in Scotland. We produce strategy and policy reviews and reports in our own right, which we present to and discuss with the Scottish Government in the hope of adding to the policy debate. We also have a wide range of expertise and statistics, which we place at the Scottish Government's service.

John Stocks: The Carbon Trust advises the Scottish Government in two ways. First, as the Scottish Government is a large administrative

organisation with a large footprint in its own right, we are taking it through carbon management in the same way as we have taken and are taking local authorities through it. We advise the Scottish Government in the same way as we advise any other large business client.

Secondly, our insights team considers policy options, and the output of its work is available to the Scottish Government. We routinely brief officials on that work and its implications for Scottish policy.

Alex Johnstone: I will move on to the main question on which I would like your opinions. The bill provides for the possible creation of a Scottish committee on climate change, but initial reliance will be on the UK Committee on Climate Change. Does the UK committee have the necessary expertise to perform the advisory role for the Scottish Government? With the benefit of your experience, do you feel that a Scottish committee would fulfil that role more appropriately?

Mike Thornton: Our view is that, as a previous panellist said, the UK committee provides a large centre of expertise. Some of the policies that affect UK and Scottish climate targets are UK policies, so the sensible default position is to wait and see. If the UK committee can focus on Scottish needs and circumstances, we see no reason why it should not deliver what the Scottish Government needs. The committee has the expertise, and we hope that it will also have the focus. If that proved not to be the case or if Scottish circumstances and needs required something that was closer to and more centred on Scotland, the option of the Scottish committee would exist. We would judge that on the evidence. Reinventing the wheel is not necessarily the most cost-effective strategy if another wheel is not needed. We cannot judge that yet.

Chas Booth: I disagree slightly with Mike Thornton, given what the UK Committee on Climate Change's first report says about Scotland. When this committee took evidence from the Committee on Climate Change's chief executive and one of its researchers a few weeks ago, they admitted that their first report took a broad-brush approach to Scotland—it might also be described as cursory.

I understand that, because we do not yet have a Scottish climate change act, the Committee on Climate Change's focus is on Westminster, but the initial report's broad-brush approach suggests that that committee does not have the resources to give independent advice in Scotland. I also question whether the UK committee has sufficient insight into the Scottish situation. On energy efficiency, for example, Scotland's building stock has a different profile. That means that the challenges are different in achieving the energy efficiency savings targets.

We would prefer a separate Scottish committee. It is of course important that, as Mike Thornton says, we do not reinvent the wheel, and that the Scottish committee has close links with the UK body, but at the moment the evidence suggests that the UK Committee on Climate Change does not have the expertise or resources to enable it sufficiently to perform the role that is envisaged for it in Scotland.

Mike Thornton: Perhaps that is the challenge that the committee faces. The question is, will it achieve focus and rise to that challenge?

John Stocks: On its website, the Committee on Climate Change sets out four priorities: to

“Provide independent advice to Government on setting and meeting carbon budgets and targets”,

to “Monitor progress”, to

“Conduct independent research and analysis”

and to “Engage with representatives”. In at least two of those areas, there is benefit for Scotland in getting the same output of independent research and analysis of global issues as the rest of the UK. I am a little more nervous about whether the committee, with its UK-wide structure, has the resources and time to dedicate to the large amount of Scotland-specific reporting that will be required to meet the bill's objectives.

Rob Gibson: My question relates to our improving knowledge of how progress will be measured through the annual reporting process. Do you think that the mechanism for reporting is sufficiently robust? How it could be improved?

John Stocks: I answered the question in part in my opening comments. I see little detail of the reporting and data-gathering mechanisms and calculation methods that will be used. I am uncomfortable about saying that we know that they are sufficiently robust. I am particularly concerned about data gathering, an issue with which our clients routinely have difficulties. You might think that it would be easy to get good data, but it is not. Unless we focus on data, know which data we want and put in place adequate provisions to ensure that they are made available, reporting will be weakened.

Rob Gibson: Has the Government not already indicated that data will be sourced from the IPCC? Is it not looking to provide the industry standard level of data? When we asked it about particular kinds of data procurement, that was the default position. Are you criticising the level or detail of those data?

John Stocks: I would have to look at the data to which you refer.

Rob Gibson: They relate to many of the issues that we are discussing. Are there specific points

about which you are uncomfortable? Can you identify a particular area in which the data hold no water?

John Stocks: I am particularly interested in data relating to the energy that is delivered in Scotland and whether there is provision for us to get robust data from the utilities.

Rob Gibson: Would anyone else like to comment on the issue?

Mike Thornton: My point relates not to data but to reporting. We are pretty supportive of the mechanisms for reporting, but those are limited to what the bill defines as Scottish emissions and will not take into account Scottish consumption of goods and services that generate emissions abroad. The Welsh Assembly Government is proposing to report separately on Wales's total consumption emissions. We float the idea that doing the same here might add to the picture that the Scottish Government gets of Scotland's overall carbon footprint. In earlier evidence-taking sessions, the point was made that there is potential for us to get that information out of the carbon footprinting tool, which might be a way forward. We think that it is important to take exported emissions into account.

Rob Gibson: We can certainly ask the minister about the matter.

15:45

Chas Booth: I agree with Mike Thornton that it is important to measure exported emissions. The international standard is that targets are set in terms of production, but we think that consumption should also be reported, to ensure that we are not exporting all our emissions to China. The point has been made that, although Scotland's emissions dropped substantially when Ravenscraig closed down, we continued to use steel—we just imported it from China.

Rob Gibson: Okay. Let us move on to the duties of public bodies. We have just heard evidence from the local authorities. Do you think that the public sector generally is delivering the required emissions reductions just now, given the current knowledge?

Chas Booth: No, I am afraid not. I will give you two pieces of evidence that show that the public sector generally is not doing quite enough. Scottish planning policy 6 was introduced more than two years ago and requires that all new developments over a certain size incorporate on-site microgeneration in order to reduce the CO₂ emissions from those buildings. It is required that local authorities implement that national policy in their local plans. Nevertheless, recent research found that only eight of Scotland's 32 local

authorities have done that. To me, that suggests that local authorities are not taking action where they can.

Rob Gibson: I wonder why some authorities are slower than others in implementing the policy. Are there difficulties for authorities in applying SPP 6?

Chas Booth: I recognise and sympathise with the comments of the previous panellists about finance. If local authorities cannot access finance, that is a key issue. There is a central energy efficiency fund to which local authorities can apply for money to make energy efficiency improvements. We would like that funding to be increased and we would like the processes by which local authorities can apply to the fund to be streamlined and made less bureaucratic. Nevertheless, our perception is that local authority planners have not had the support and guidance from central Government that they should have had to ensure that SPP 6 was rolled out smoothly and effectively.

Some local authorities in England have been running similar planning policies for nearly a decade. There is lots of expertise out there and we would be more than happy to train up local authority planners in how to implement SPP 6. Unfortunately, we have encountered a certain resistance from the Scottish Government to our rolling out that guidance to local authority planners. We would not lay all the blame for the slowness of the roll-out on local authorities; some of the blame must lie with the Scottish Government.

Rob Gibson: This is opening up a whole can of worms that it could take a long while to get to the bottom of. We need some data. If local authorities are not delivering the required emissions reductions, should specific duties appear in the bill to ensure that they do?

Chas Booth: Yes, absolutely. The previous panel's main objection to that was the fact that funding is not available. We think that it is crucial that funding is made available to them, especially in the present credit-crunch climate. That is why we would like the central energy efficiency fund to be increased.

It may be a little cruel, but I would paraphrase the view of the previous panel as, after St Augustine, "Oh God, give me responsibility for climate change emissions, but not yet."

Rob Gibson: We do not need the hyperbole; we are trying to take people with us. We ought to be asking ourselves whether there are specific duties that should appear in the bill. We can talk about the money when the secondary legislation is introduced. Do you think that there are specific duties that must be in the bill now?

Chas Booth: Yes. As I said, there should be duties in the bill. The only objection that the previous panel raised was about the lack of finance. If finance is made available, there can be no reasonable objection to the bill placing duties on public bodies.

Rob Gibson: I am interested in teasing out of you the specific duties. What should they be?

Mike Thornton: I do not quite follow the question. Are you inviting us to suggest specific measures that local authorities should take to reduce emissions by 3 per cent a year?

Rob Gibson: I am talking about public bodies in general, not just local authorities. Many other bodies have a part to play.

Mike Thornton: The specific duty should be expressed as a sectoral or organisational target, so that it conforms to the target approach in the bill. That is my answer to the question. I agree that it is non-specific, but I think that that is the right approach. It is up to the organisations and bodies concerned to decide how they will achieve the target, but they must achieve it.

John Stocks: Local authorities and health boards must achieve the same level of cuts as everyone else, so if we need to achieve an 80 per cent cut, that is what they will have to achieve.

It is not long—it is two years, I think—since the Scottish climate change declaration was signed. There has been a lot of movement since then. Many organisations have come through carbon management. Some of the leaders that went through that process a few years ago are on a trajectory that makes it begin to look as if emissions reductions of between 2 and 3 per cent will be achieved each year. A large number of organisations are now going through carbon management; they are starting out on that path and are beginning to make cuts. From what I have seen of the plans that they are preparing, they are ambitious and plan to get on to the same trajectory. We know that some organisations have got there and that many others are moving in that direction, but it is a little too early to say whether they will succeed in making those reductions on a voluntary basis. They are on the right path. Huge changes have been made over the past two years.

Rob Gibson: Those were extremely helpful remarks; thank you very much.

Alison McInnes: The deputy convener pointed out that the Economy, Energy and Tourism Committee took detailed evidence on the bill's provisions on energy efficiency and renewable heat, but rather than simply requiring that an energy efficiency action plan be drawn up, should the bill include more specific legislative proposals?

Mike Thornton: Our overall view on the domestic sector's path to achieving an 80 per cent cut in carbon emissions is that, over time, regulation of some form will be required. A lot can be done voluntarily and through engagement, but if such deep cuts are to be achieved, some form of regulation will eventually be required, so we think that it might be appropriate to include in the bill a provision that would allow such regulation to be made in the future. Our view is that that is a necessary tool to have in the box as we move forward.

John Stocks: Buildings—business buildings, public sector buildings and domestic dwellings—make up the biggest single part of our carbon footprint. If we do not tackle buildings, we will not tackle climate change, but the bill makes little reference to them. As well as building new buildings to strict low-carbon standards, we need to start thinking about refurbishing the existing building stock to the same low-carbon standards. If the bill were to contain additional measures on energy efficiency and renewable heat, we would like them to be on buildings and the building regulations, particularly in relation to the refurbishment of existing buildings.

Mike Thornton: I do not want us to be too much of a double act, but the building regulations offer a pathway to greatly reducing carbon emissions from new build. When I mentioned regulation, I was referring to the need to regulate existing buildings. Two thirds of the buildings that will be standing in 2050 have already been built. When it comes to carbon emissions, retrofit is the big game in the domestic sector.

Chas Booth: I agree with many of my colleagues' comments. As I said earlier, the bill as it stands wills the end, but not the means. There are two energy efficiency provisions in the bill, one of which is for an energy efficiency action plan, which was first promised to us in 2004. Primary legislation is not needed to bring such a plan forward. In November last year, the Scottish Government promised that it would bring forward a plan by the end of 2008. We are extremely frustrated that it has delayed publishing a plan by at least another year. Of course, we welcome the statutory requirement for the Government to bring forward a plan, but such a requirement was not needed; the Government could have just got on and done it. We are frustrated because many things that do not need to be statutory have been put into the bill, whereas some provisions that should be statutory—such as giving ministers powers to require minimum energy efficiency standards at point of sale or rental; Mike Thornton mentioned that—are not in it. A number of studies show that such a provision will be needed for us to

achieve the 80 per cent cut that is required by 2050 and the fact that it is not in the bill is a major omission.

The Scottish Government cannot simply wish emissions away by setting targets; it must enable us—the wider Scottish economy—to deliver on those targets. The bill is hollow. It does not include measures that can help us to deliver on its targets and is, as it stands, doomed to failure. We will get nowhere unless amendments are lodged at stage 2 to tackle emissions from domestic buildings and strengthen the existing provisions for non-domestic buildings.

The second energy efficiency provision in the bill relates to non-domestic buildings. All that it does, as the previous panel made clear, is expand the provision for those buildings that will be required to have an energy performance certificate. The European Commission is already discussing going beyond that in considering what it wants from the energy performance of buildings directive, which is currently being recast. We think that it would be useful to include in the relevant section of the bill a measure that was included in the consultation that the Scottish Government put out late last year, which is to require that certain cost-effective improvements that are listed on the energy-performance certificate will be put in place by the building owner over a certain period of time. We think that that would be non-controversial as long as finance was available. An energy efficiency loan scheme already exists for small and medium-sized enterprises. It is not big enough—it should be bigger—but finance is available, so we cannot see any reasonable objection to such a measure being included in the bill at stage 2.

The Deputy Convener: Members have no more questions. I thank the panel for coming to the meeting. Please feel free to write to us if you think that we have not covered any issues that we should have covered.

I suspend the meeting to allow a changeover of witnesses.

15:57

Meeting suspended.

16:01

On resuming—

The Deputy Convener: I welcome the third panel of witnesses to the meeting. Stephen Boyd is assistant general secretary of the Scottish Trades Union Congress, and Anne Douglas is national secretary for Prospect. Do you want to raise any issues before we move on to questions?

Stephen Boyd (Scottish Trades Union Congress): I thank the committee for the opportunity to give evidence on this very important bill.

I would like first to highlight the reporting on our submission by BBC Scotland this morning. I do not know whether anyone here heard it, but it was based on something of a misapprehension that our written evidence speaks only about energy workers. I hope that it is reasonably clear to everyone that our submission covers the potential for the bill and climate change generally to impact on all the workers whom we represent. I would not like people to labour under the misapprehension that we are focusing on one sector only.

Our written submission refers to the work that has already been carried out by the joint forestry trade unions on the adaptation part of the bill. The forestry trade unions are sending a further written submission to the Rural Affairs and Environment Committee, so that evidence will be provided to you in due course.

The Deputy Convener: Thank you. I will start with the questions.

How much engagement did the STUC have during the development of the bill?

Stephen Boyd: Are you asking about internal engagement?

The Deputy Convener: I am asking about consultation around the bill and its development.

Stephen Boyd: We did not respond in writing to the first Scottish Government consultation, which reflects the considerable pressure that we were under last year, as you can imagine, with the deteriorating economy. We have looked quite closely at the bill now, and have had the opportunity to address it through our democratic structure. It has been discussed by a number of our committees, so I am quite confident that the written evidence that we have provided to the committee has the full backing of the STUC and our affiliated trade unions.

Anne Douglas (Prospect): I completely agree with Stephen. As part of that democratic committee structure, I was involved in the consultation along with the other affiliates.

The Deputy Convener: How does the STUC develop a coherent policy on climate change? How do you respond to the issues around climate change and the bill?

Stephen Boyd: We have done a number of things during the past few years. Although it pains me somewhat to say it, we have relied on the work that has been carried out by the Trades Union Congress at UK level. It has put a considerable amount of resource into the greening the

workplace agenda. The TUC benefited from Carbon Trust funding—which we have been unsuccessful in obtaining to date—which has allowed it to promote a very progressive agenda on the issues that we discussed in our written submission, including greening the workplace, the just transition framework, the transitional skills strategies, and so on. The TUC has developed a lot of material, with which I would be more than happy to provide to the committee.

Last year, we also held our first annual climate change conference at which we had a number of speakers from the Government and other stakeholders. It was an important event for pushing climate change up the trade union agenda in Scotland. We are looking to hold another similar event later this year. It is fair to say that unions are now far more engaged in the issue than they were previously.

Anne Douglas: If I may, I will just supplement that slightly. Different affiliates will do different things, but the committee might be interested to know that Prospect has run two pilot schemes on greening the workplace. One was with Scottish Power in Motherwell in an office environment, rather than a power station. A number of employees wanted to become environmental reps, which was interesting and good, as was the company's buy-in on working jointly to try energy efficiency measures in the workplace. Within a year, that Scottish Power site managed to reduce by 10 per cent its carbon emissions through jointly agreed initial measures. It has identified more measures and, if they were implemented—some, if not all, would have costs—the company would reduce its carbon footprint by 40 per cent.

The second pilot organisation is public sector rather than private sector—the National Library of Scotland, here in Edinburgh. We have one training course and are about to embark on another. Fifteen employees in the National Library have expressed an interest in becoming environmental reps. Again, management has agreed to set up a joint committee, and we hope to develop that.

I want to pick up on something that a previous witness said about public engagement. We have found that members who are not normally active in trade unions want to become active in environmental campaigns that we run, which clearly pleases us as trade unions. However, trade union members are not just employees; they are also householders and, in many cases, shareholders, either directly or indirectly. To go back to Stephen Boyd's point about funding, we believe that trade unions and the environmental reps, of whom we are appointing increasing numbers, are a good way to get to an audience that goes much wider than just employers and fellow employees. They reach a much wider social

landscape in Scotland and, indeed, in the rest of the UK.

Charlie Gordon: Do you believe that the emissions reduction targets in the bill are achievable?

Stephen Boyd: Yes. As we said in our written submission, they are challenging, but achievable—given appropriate investment.

Charlie Gordon: I asked the previous panel whether they had a feel for what the net increase in jobs might be from implementation of the bill's proposals. We hope to get information in due course about that. Do you have a feel for what the bill's impact on existing jobs might be or for what new jobs might be created? Should we have a debate—in the context of the bill—about development of new skills, or about adapting skills as will be required to move to the low-carbon economy that is needed to hit the bill's targets?

Stephen Boyd: Yes, I think we should. For a number of years now, we have heard extravagant rhetoric from politicians of every persuasion about the potential jobs dividend from developing our renewable energy and environmental sectors. We are supportive of that agenda and believe that jobs can be derived from that. On balance, we expect that to be beneficial to Scotland. However, I do not think that the detailed work has been done that would allow us to make a properly informed estimate of the net jobs impact. There are bound to be pluses and minuses, but it is difficult to give detail.

Charlie Gordon: I am interested in the minuses, too. Is there a potential downside or threat to existing jobs from the bill?

Stephen Boyd: If the bill's implementation is not properly managed through our just transition strategy, as we outlined in our written submission, and if people are not sufficiently engaged in the agenda—I do not think that they are, at present—I can envisage situations developing whereby difficult decisions are made to close energy-intensive workplaces in order to meet targets. Clearly there is a potential downside.

One of our concerns is that, for a number of years and in Administrations of all persuasions, the underlying philosophy appears to have been that if we get the market broadly right, the jobs will appear—the market will deliver them. We do not believe that that is the case. There has to be a far more interventionist strategy. For a number of years, we have spoken at length about the need for a low-carbon industrial strategy for Scotland. Government has to act; it has to intervene to ensure that the jobs appear as we develop the sector.

Charlie Gordon: The Prospect witness has already given examples of the involvement of workers and trade union members in environmental activities in their workplaces and has reminded us of their wider role as citizens. Does the STUC have a system of communicating climate change messages to its affiliates? Are you aware of other programmes of behaviour change that are being driven by the unions?

Anne Douglas: On how the STUC communicates, a fairly extensive report was written after the conference last year to which Stephen Boyd referred. The report and the various contributions that were made by speakers at the conference were circulated widely among our affiliates.

I cannot talk for all unions, but when Prospect meets members of branches at annual conferences, we always have a session on the environment, just as we always have a session on international development. We do not talk just about pay and overtime rates; the discussion is wider than that. I have no doubt that other affiliates do similar things.

I hope that I understood your question on behaviour change correctly. I would point to the example of health and safety reps. Union reps have improved the health and safety performance of their employers to the extent that research says that those workplaces are more productive as well as being healthier for people to work in.

The other example to which I would point is union learning reps—the lifelong learning agenda has come to the fore. Employers, as well as the STUC, would argue that workplaces where there are union learning reps working with colleagues and employers are more productive, and people are more geared up to be flexible and to move as jobs change. On the low-carbon industrial strategy to which Stephen Boyd referred, having union learning reps in place is key to our beginning to change the skills of employees so that they do not lose out as a result of the climate change agenda.

Shirley-Anne Somerville: I want to follow up on one of the points that Charlie Gordon made. Anne Douglas gave the example of Scottish Power in Motherwell. I assume that the management was fully on board and was working in partnership with the union in that case. Are there other areas where you—Prospect or the STUC—would have liked to do more work, but where management has put up barriers or does not see the advantages to itself, never mind to wider society?

Anne Douglas: I am not aware that we have come across any examples of management saying no, but I am also honest enough to say that we have targeted the approaches at managements that we think will be sympathetic, in

order to try to get some success stories under our belt, which we can then roll out to other employers with which we deal. The two cases that I mentioned are in Scotland. There are a number of other examples in the private sector and the public sector in the rest of the UK. I am happy to let the committee have the details, if you would find that helpful.

Shirley-Anne Somerville: That would be useful.

16:15

Stephen Boyd: The STUC tends to hear the good-news stories; stories about arrangements collapsing tend not to filter through to the centre. I have attended various conferences but I have not heard many stories about arrangements collapsing, which reflects the fact that the approach has tended to be targeted at workplaces in which working relationships are good, as Anne Douglas said. The approach has been taken in a number of workplaces in the manufacturing sector down south, where relationships tend to be more positive than they were in the past.

An interesting aspect of the agenda, which Anne Douglas mentioned, is the very positive benefit to trade unions in the context of our organising agenda and recruitment of new members—early work has been done on that. Perhaps there will be a different response from employers as we go forward, but we can only hope that that will not be the case.

Shirley-Anne Somerville: Has the STUC taken a position on the inclusion in the bill of emissions from international aviation and shipping?

Stephen Boyd: It seems entirely reasonable for the bill to include Scotland's share of emissions from both sectors. We did not go into detail on the matter in our submission because we have not done detailed work on how emissions might be measured and assessed, which would enable us to comment on the provisions in the bill. However, if the bill is to have credibility, it would be reasonable to include emissions from aviation and shipping.

Des McNulty: In paragraph 2.3 of your submission you said:

"it is somewhat disappointing that the Bill has not been accompanied with more detailed work on potential economic and employment impacts."

Do you agree that it is imperative that there should be a systematic job impacts evaluation before the bill is implemented? Would the STUC have an important role to play in such an evaluation?

Stephen Boyd: Such an evaluation would be desirable. As you can imagine, I spend a lot of time discussing the economic downturn with a

range of stakeholders in various forums, and a pretty constant refrain from some quarters is that there should be no new legislation that will impact on business. That is not a position that we support. As members know—Rob Gibson, in particular, will be bored of hearing this in the Economy, Energy and Tourism Committee—Scotland, as part of the UK, is a lightly regulated economy, and it is entirely proper that legislation should be introduced on important issues such as climate change.

However, it is imperative that in legislating we are as clear as possible about a bill's potential impact, so that we can negate the inevitable arguments about the dangers of taking strong unilateral action. Therefore, we would support work on job impact evaluation.

Des McNulty: Does the STUC have a position on whether nuclear energy should be part of Scotland's energy mix? What is your reaction to the view of the UK Committee on Climate Change that Scotland's not having nuclear power would put the country at a competitive disadvantage due to higher energy costs?

Anne Douglas: The STUC's position on energy is that a balance of generation sources is needed to ensure security of supply. That should include nuclear, and there should be further development of renewables and coal—clean coal, where possible—as well as oil and gas.

In the context of the bill, it is clear that because nuclear power does not produce CO₂ the continued use of nuclear power can only help us to achieve the targets that have been set UK-wide, and the targets that the committee is considering. I am not able to respond on higher energy costs, but I can say that we cannot in the future have a secure energy supply in Scotland in which nuclear is not part of the mix.

Des McNulty: Paragraph 4.1 of your submission states:

"The STUC tends towards support for a separate Scottish Climate Change Commission to advise the Scottish Government".

If goes on to say that that commission

"should be charged with determining whether or not any reduction in emissions has been consistent with wider economic and social objectives".

Will you comment further on that?

Stephen Boyd: The previous panels demonstrated that everyone understands that we need to engage the public in the whole agenda. From the STUC's perspective, in engaging the public we have to help people to understand that they have a stake in change, and that that change is not being undertaken in a way that is actively detrimental to their interests. It is potentially quite

unhelpful to have the main advisory body advising only on meeting the targets. It is entirely consistent with the wider aims of the Scottish Government and, in particular, of the Parliament, that the reporting mechanism should seek to address the wider economic and social agenda and not just the stark emissions targets in the bill.

Des McNulty: That is an interesting argument. Is your view, therefore, that the technical expertise of the UK Committee on Climate Change might be more appropriate in relation to considering the strictly scientific aspects of the issue, and that there is a need for a Scottish advisory body that is more involved with issues such as public engagement and the economic and social implications of climate change? Is that the kind of balance that you are pointing to?

Stephen Boyd: We are open-minded about it. There is a case to be made for a separate Scottish advisory body, given that there is a different legislative framework. A substantial part of the relevant policy is devolved and the public sector landscape is different in Scotland. If, as you suggest, the UK Committee on Climate Change were to provide the technical expertise, and a separate Scottish advisory body was established, we would look on that with interest.

Des McNulty: One of the criticisms of the bill is that the 3 per cent year-on-year reductions will not kick in until 2020. It has been suggested by witnesses that we need to get up to 3 per cent earlier than 2020. Does the STUC agree with that? What are the practicalities of introducing a higher interim target, in terms of climate change and perhaps also in economic and social terms?

Stephen Boyd: There is a compelling case for the emissions reductions to be front-loaded. That goes back to my earlier comments about the need to be far more robust in relation to the evidence base and the potential net jobs impact and so on. If we were to move towards a more front-loaded approach, it would make that all the more imperative.

Rob Gibson: Leaving aside for a moment the issues in relation to the bill that we have dealt with in the Economy, Energy and Tourism Committee, as you know, the bill sets requirements for annual reporting to Parliament, and on proposals and policies to meet any future annual emissions targets. The STUC believes that the reporting mechanism is robust, but you might want to expand on that. Can the STUC and Prospect suggest ways in which it can be improved?

Stephen Boyd: I was interested in the comments from the previous panel, particularly those from the Carbon Trust. If I can digress slightly, I attended a meeting of the national textile forum a week ago last Friday. The forum has

introduced a sustainability strand to its work, and I was keen to interrogate that a wee bit. I asked the employers around the table which of them had used the services of the Carbon Trust. All of them had, and all had found the service to be excellent, but only one thought that it derived real benefits. The others' perception was that the interventions that the Carbon Trust suggested they should implement would be far too expensive for them. However, under further interrogation it appeared that there is very little understanding of the net CO₂ emissions savings. I have some concerns about how it will all pan out, if we look at this as a stark cost-driven issue and consider the reporting elements and the data capture that John Stocks from the Carbon Trust mentioned. It could be extraordinarily difficult to engage companies in ensuring that what they are doing in the workplace to reduce emissions is properly reported and collated at the Scotland level. That should not stop us trying, but we should be aware of the difficulties.

Rob Gibson: It struck me that John Stocks was saying that as we are going along we are improving both our understanding of how to collect the data and the accuracy of the data. Given the enabling powers that we have in respect of annual reporting, some of the data will improve over the years. Is it not a case of suck it and see?

Anne Douglas: To some extent, that is right, but it is important to have the mechanisms in place. The danger is not that some organisations will not go along with their responsibilities but that we end up with the lowest common denominator of reporting. It is therefore important that a robust mechanism is in place so that everyone's reporting is up to the same standard, and comparisons can be made within industries and within sectors.

When we embarked on the programme with the Scottish Power office, getting to the position where we and Scottish Power were confident about the size of the carbon footprint was not a straightforward exercise. Because such reporting will be—assuming that the bill is passed—such a new experience, it is important that the mechanism is robust and simple so that everyone can comply with it.

Stephen Boyd: The work that the TUC and the Carbon Trust in England have carried out jointly on emissions reductions is clearly tightly audited. However, the myriad ad hoc workplace relationships between employers and trade unions on emissions reduction are probably not being audited at all. There is a job to do there to provide such support.

Rob Gibson: We can see from previous evidence that collaboration with people who collect the information is central to our making a better job of emissions reduction. Given that, the duties

on public bodies are an important part of reducing carbon emissions and so on. Stop Climate Chaos's evidence was unequivocal in saying that climate change duties should be placed on public bodies. Does the STUC have a view on why the bill is vague in this area?

Stephen Boyd: I do not have a view about the bill being vague, but I certainly support the duty being imposed on public sector bodies. Previous experience, particularly in relation to equalities, suggests that the imposition of duties is necessary to provoke the required action.

Rob Gibson: The previous panel referred to local authorities, health boards and the like. Should we have an extensive list of public bodies that should have a duty to report?

Stephen Boyd: The starting point should be that the duty should apply to all public sector organisations.

Rob Gibson: It is as simple as that.

Stephen Boyd: Yes.

Rob Gibson: If that is understood, is there a need to spell it out?

Stephen Boyd: Yes.

Rob Gibson: Have you any specific ideas on what such public duties should be? We are talking about annual reporting. In the light of your experience of working with Scottish Power employees, can you suggest better ways of establishing how to cut carbon emissions?

Anne Douglas: I am not sure in respect of reporting. A number of matters can form part of an audit. If the audit is done and the actions that are identified by the audit are carried out, the most important issue is the output—the difference between the position at the start and that at the end. I am not sure about reporting the whole audit action-plan process. It is necessary to report what has been done, but it is more important to report what has been achieved rather than how it has been achieved.

16:30

Rob Gibson: We are interested in outcomes. We can anticipate a rolling programme, as all parts of all organisations have to work out what they are achieving every year. The experience that you described is important but limited; we are aiming for a situation in which all organisations go through such a process. Trade unions, employees and employers, whether they are in the public or private sector, will have to undertake an exercise that will become pretty well standard if we are to gather meaningful data.

Anne Douglas: The exercise will be pretty well standard, but I am not sure that the approach will be different from the approach that organisations currently take to governance or corporate social responsibility, which to a large extent includes environmental measures. The better organisations are probably already halfway there, in that they consider that they have a duty to report on corporate social responsibility.

The Deputy Convener: I want to pursue Rob Gibson's line of questioning about duties on public bodies. You mentioned the importance of corporate governance. Is the approach that is envisaged in part 4 already best practice for local authorities and public bodies? As Stephen Boyd said, placing a duty on bodies in relation to equalities made a difference, because although people had been saying for a long time, "We're doing equality and it's fine," there had been no way of measuring what was being done. Local authorities and public bodies have a responsibility to institute best practice, but is it also important to place a duty on them in relation to performance on climate change targets, so that Audit Scotland can consider what they are doing to meet the targets?

Anne Douglas: It is important that public bodies demonstrate best practice. However, I am concerned that if reporting is mandatory we will end up with reports that meet only the minimum requirement. I would not want authorities to end up doing the least possible reporting.

Alison McInnes: Are the provisions on the promotion of renewable heat and energy efficiency appropriate and sufficient to deliver what is needed?

Stephen Boyd: Your previous witnesses made apposite comments in that regard. There is a massive job to be done, particularly given the legacy of poor quality housing in Scotland. That aspect of the bill could be made more robust.

Des McNulty: The bill covers a range of matters, and a criticism that has been made is that although parts 1 to 4 cover the principles of responding to climate change, other issues have been just tacked on in part 5. You made clear to another committee your views on the provisions on forestry. Do you have reservations about other aspects of part 5?

Stephen Boyd: Nothing is jumping out at me at the moment. There are aspects of part 5 on which we have no view, such as the provisions on muirburn. The gaps that we perceived in the bill are to do with public engagement and how the proposed approach can be reconciled with the Government's wider economic and social agenda. Those are the matters on which we would like more work to be done.

The Deputy Convener: I thank the witnesses for their evidence. Please feel free to write to us about any issues that you think that we have not covered.

16:34

Meeting suspended.

16:36

On resuming—

Petition

Rural Fuel Prices (PE1181)

The Deputy Convener: We move on to agenda item 2. Members will have a copy of the paper; are there any comments?

Rob Gibson: There is an impasse here. Although it seems that the Scottish Government will go on asking, the UK Government is not going to address the substance of the petitioner's interests. The issue of unfair fuel prices will not go away.

I wonder whether we might take the petition forward in other ways, in light of our concerns about climate change and given that transport is one of our responsibilities and that there are ways in which transport being made more carbon friendly could reduce the costs for people in rural areas. I would like us to give a response—although not right now—that says how people who have to travel greater distances can be helped in future. The petitioner is saying that people in the Western Isles have a problem, but the same is true in much of rural Scotland, and the more far flung they are, the more people complain about these things. Rather than just say that we cannot help, can the committee do something to take the petition forward?

The Deputy Convener: You are talking about something within our remit rather than that of Westminster.

Rob Gibson: Yes.

Alex Johnstone: I have considerable sympathy for the problem that the petition highlights, and for that reason alone I would like the committee to do all it can, within its remit, to progress the petition.

There are weaknesses in the ideas that the petitioner has proposed, and they perhaps extend beyond our remit. For example, I am concerned about demands that fuel prices should achieve parity with mainland city prices. That is perhaps unachievable and undesirable in a two-market economy that is important to the success of all Scotland, including its peripheral areas. However, fuel prices in peripheral areas and the islands are sometimes set on an exploitative basis. For that reason, we could consider regulatory alternatives that ensure that pricing is competitive, even when limited access to fuel makes that difficult.

Des McNulty: The Scottish Government has made representations to the UK Government about the issues, and we have seen the exchange of correspondence. If we look at the things that are

within the committee's remit, two issues come to mind. One is to do with the definition of island communities as opposed to rural communities. One thing that defines an island community is that it is reached by ferries, although there are some peninsular ferry journeys. We could ask the Scottish Government to examine the ways in which fuel is conveyed to the islands and to consider island-specific pricing, in order to establish whether something can be done. That is an additional issue in how the companies set prices, particularly for islands.

Dialogue could perhaps take place between the Scottish Government and the major oil companies. It is not just a question of prices, as there are issues of fuel availability in some locations and the sustainability of petrol stations in some rural communities and islands in particular. There is scope for us to raise those issues with the Scottish Government and to report back to the petitioner on what is happening.

Charlie Gordon: The petitioner's case has some merits, and it is interesting that Alistair Darling did not reject the argument in principle. He entered into a dialogue in correspondence with John Swinney and said that he did not see a practical way to meet the aspirations. I can therefore see why the Scottish Government wants to run with the issue.

For all I know, there might be scope for debating the matter in the chamber. I am not a great one for replicating the big punch-ups that we have in the chamber in this or any other committee, and this committee has a lot on its plate just now. Having read the report from the clerks, I think that the clerk to the Public Petitions Committee should have pointed out that, strictly speaking, the matter is reserved.

Somebody has decided to bat the issue to this committee because we have the word transport in our title. It is fine if people want to come up with a practical suggestion on where else we could bat the issue to, as we have a lot of other stuff to pursue. John Swinney has plenty of opportunities to pursue the argument, which—I repeat—has some merit, but I do not want to get involved in the substance. I would like to get my life back once we get through the Climate Change (Scotland) Bill and everything else that we are supposed to be doing.

Alison McInnes: I support the concern at the heart of the petition, which, as everyone else has said, involves the exorbitant fuel costs in remote areas and the islands in particular. We are right to consider the petition to establish whether there is a way through the issue.

I am disappointed at the inflexibility from the Treasury. Although Charlie Gordon has said that the Treasury has not completely ruled out the argument, it seems to be putting a lot of barriers in the way of moving forward. We need to do something and consider the issue further.

Rob Gibson: Some of the responses—for example, that the Scottish Government intends to meet with representatives of Scottish Fuels—tie in with Des McNulty's suggestion. Perhaps we can have an advocacy role with Westminster and the Treasury, saying that we have heard the argument and are happy for the Scottish Government to raise it whenever it has the opportunity but that we ask the Treasury to examine the matter seriously. Alistair Darling did not close the door, so perhaps he can take a little time out and think about how he might help the far-flung parts of the United Kingdom.

Des McNulty: I do not want to be seen to be unsympathetic to rural areas other than islands, but I think that islands are a separate case. Some of the arguments that the Treasury has made about rural areas other than islands would not necessarily apply to islands. We could offer a different argument by narrowing the issue—which is a bit blurred in the way that it is stated in the petition—to focus on the specific issues that islands face.

I offer that as a suggestion alongside my other two suggestions: that we ask the Scottish Government to speak to the oil companies and that we look at the arrangements for conveying fuel to islands to establish if any mitigating measures can be taken in that context.

16:45

The Deputy Convener: There has been quite a discussion on the issue. Might it be worth writing to the minister so that he can consider issues that the Scottish Government can deal with? I am reluctant to take on board an argument with Westminster—that is not our job or in our remit—but there are issues that are relevant to the folk whom we represent. Should we write to the minister?

Rob Gibson: Concerning the conveyance of fuels to islands?

The Deputy Convener: Yes—on matters that the minister can take forward and report back to us on.

Des McNulty: I suggest that we write to the minister and ask him to take up the issue of the conveyance of fuel to and the availability of fuel in the islands. If he wants to continue the correspondence with Westminster, there might be some value in specific correspondence about the

position of islands as distinct from other rural areas.

The Deputy Convener: We could ask the minister to raise that in his discussions with Westminster, as well as the issue of what can be done in Scotland.

Alison McInnes: Given Alistair Darling's close knowledge of Scotland, we should ask the minister to address some of the issues that he has raised and build a case to take back to the Treasury rather than get into a wrangle. A genuine dialogue should be developed to make the case. I do not want the issue to be viewed as a stand-off—some effort should be made.

The Deputy Convener: Do members agree with my suggestion?

Charlie Gordon: If you decide not to go with the clerk's view, that is fine—I will not gainsay it—but strictly speaking the clerk is right.

Subordinate Legislation

Scottish Road Works Register (Prescribed Fees) Regulations 2009 (SSI 2009/26)

16:47

The Deputy Convener: Agenda item 3 is subordinate legislation.

Des McNulty: Agreed.

The Deputy Convener: That is fine. [*Laughter.*] Does the committee agree that it does not wish to make any recommendations in relation to the instrument?

Members indicated agreement.

The Deputy Convener: We now move into private session.

16:47

Meeting continued in private until 17:07.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice at the Document Supply Centre.

No proofs of the *Official Report* can be supplied. Members who want to suggest corrections for the archive edition should mark them clearly in the daily edition, and send it to the Official Report, Scottish Parliament, Edinburgh EH99 1SP. Suggested corrections in any other form cannot be accepted.

The deadline for corrections to this edition is:

Friday 6 March 2009

PRICES AND SUBSCRIPTION RATES

OFFICIAL REPORT daily editions

Single copies: £5.00

Meetings of the Parliament annual subscriptions: £350.00

The archive edition of the *Official Report* of meetings of the Parliament, written answers and public meetings of committees will be published on CD-ROM.

WRITTEN ANSWERS TO PARLIAMENTARY QUESTIONS weekly compilation

Single copies: £3.75

Annual subscriptions: £150.00

Standing orders will be accepted at Document Supply.

Published in Edinburgh by RR Donnelley and available from:

Blackwell's Bookshop

**53 South Bridge
Edinburgh EH1 1YS
0131 622 8222**

Blackwell's Bookshops:
243-244 High Holborn
London WC1 7DZ
Tel 020 7831 9501

All trade orders for Scottish Parliament documents should be placed through Blackwell's Edinburgh.

Blackwell's Scottish Parliament Documentation
Helpline may be able to assist with additional information on publications of or about the Scottish Parliament, their availability and cost:

Telephone orders and inquiries
0131 622 8283 or
0131 622 8258

Fax orders
0131 557 8149

E-mail orders
business.edinburgh@blackwell.co.uk

Subscriptions & Standing Orders
business.edinburgh@blackwell.co.uk

Scottish Parliament

RNID Typetalk calls welcome on
18001 0131 348 5000
Textphone 0845 270 0152

sp.info@scottish.parliament.uk

All documents are available on the Scottish Parliament website at:

www.scottish.parliament.uk

Accredited Agents
(see Yellow Pages)

and through good booksellers