

Net Zero, Energy and Transport Committee
Tuesday 10 February 2026
6th Meeting, 2026 (Session 6)

Evidence session on the draft Climate Change Plan: note by the Clerk

Introduction

1. The Climate Change Plan (CCP) is a strategy document which outlines how the Scottish Government intends to meet carbon emissions reduction targets across all portfolio areas and sectors of the economy. A [draft CCP \(covering the period 2026-40\) was laid on 6 November](#) for a period of 120 days.
2. The Net Zero, Energy and Transport Committee is leading a cross-committee effort to scrutinise the draft Plan. On 10 February, the Committee will hear from the Cabinet Secretary for Climate Action and Energy.

Background

3. The [Climate Change \(Scotland\) Act 2009](#) is the main Scottish legislation on climate change. Since coming into force, it has been amended by the [Climate Change \(Emission Reduction Targets\) \(Scotland\) Act 2019](#) and the [Climate Change \(Emissions Reduction Targets\) \(Scotland\) Act 2024](#).
4. Following the passing of these three Acts, Scotland has a statutory target of reaching net zero by 2045¹ and four “carbon budgets”² which map the required emission reductions from now to 2045. Carbon budgets were set by regulation, [following a report by the NZET Committee](#), in October 2025. These set out the maximum amount in carbon emissions that can be “spent” over a given period. Scotland’s carbon budgets last 5 years. Expressed as an average percentage reduction in emissions against the 1990 baseline, they are:
 - 2026 to 2030 – 57% lower
 - 2031 to 2035 – 69% lower
 - 2036 to 2040 – 80% lower
 - 2041 to 2045 – 94% lower.
5. Prior to setting the carbon budgets, the Scottish Government received [advice in May 2025 from the Climate Change Committee \(CCC\)](#), the advisory body on climate change to governments in the UK. The advice outlined a “Balanced

¹ “Net zero” is when greenhouse gases being emitted into the atmosphere from human-made processes (e.g. from burning fuels or from agricultural processes) are balanced out by removing the same amount (e.g. by sequestering carbon in trees or peatland or using technology to extract carbon from the air)

² This approach was adopted in Scotland as part of the 2024 Act. This method was already adopted for climate change legislation in Wales, Northern Ireland and the UK as a whole.

Pathway": "an ambitious but credible route to Net Zero for Scotland by 2045". The CCC pathway is referred to throughout the draft CCP.

Timeline of Parliamentary scrutiny

6. The 120 days that the draft CCP is laid in the Parliament end on 5 March. No statutory process is laid down for this period but the assumption behind this provision was that the Parliament and its committees would use this time to consider and report on the draft and ultimately debate it in the Chamber. This has been the case with all previous versions.
7. Once the 120 days are over, the Scottish Government has a statutory deadline of 90 days before which it must lay the final CCP. However, the Scottish Government has indicated, both in their [Programme for Government 2025-26](#) and in [correspondence with the NZET Committee](#), that they intend to lay the CCP before the Parliament dissolves for the 2026 election. The last day of Parliamentary business before the election is 26 March.
8. When laying the final Plan, the Scottish Government must also lay a statement setting out what changes, if any, they have made to the Plan in response to any representations made to them, including in committee reports or in their public consultation on the draft. The Scottish Government must also publish a response to any resolutions of the Scottish Parliament and any Scottish Parliament Committee reports within three months of them being passed or published.

Content of the draft CCP

9. Section 35 of the 2009 Act sets out matters that must be included in the CCP. These include:
 - the policies and proposals for meeting the carbon budgets during the period of the Plan (2026-2040);
 - the contributions (in measurable terms) towards meeting the emissions reduction targets made by both each sector and each group of associated policies;
 - an estimate of the costs and benefits associated with the policies set out in the Plan;
 - how the [Just Transition](#) principles have been considered in preparing the Plan – the principles are set out in full in [Section 35C of the Act](#);
 - an assessment of the progress made in implementing the policies and proposals set out in the most recent previous CCP.
10. The draft CCP itself is relatively short with the majority of the content included in the annexes. [Annexe 2](#) has further detail on the policies and proposals broken down by seven sectors:
 - Buildings (Residential and Public)

- Transport
- Waste
- Energy supply
- Business and industrial processes
- Agriculture
- Land use, land use change, and forestry

Two further areas are also considered:

- Nature and biodiversity
- Marine

Cross-Parliament scrutiny

11. The Scottish Parliament's Conveners Group set scrutiny of net zero as a strategic priority for the current session of the Parliament, reflecting the transformational impact of climate change across all committee remits.

12. Several Scottish Parliament committees are also undertaking scrutiny on parts of the draft CCP. (Some of this work is still ongoing.) Some committees have written to the Committee setting out information and, in some cases, recommendations:

- Annexe A: Letter from the Health, Social Care and Sport Committee, 30 January 2026³
- Annexe B: Letter from the Economy and Fair Work Committee, 29 January 2026
- Annexe C: Letter from the Criminal Justice Committee, 29 January 2026
- Annexe D: Letter from the Local Government, Housing and Planning Committee, 27 January 2026⁴
- Annexe E: Letter from the Citizen Participation and Public Petitions Committee, 23 January 2026
- Annexe F: Letter from the Constitution, Europe, External Affairs and Culture Committee, 23 January 2026

³ The Health, Social Care and Sport Committee is still carrying out scrutiny (likely leading to a short report) and sent this letter to assist this Committee in time for its final evidence session on 10 February.

⁴ The Local Government, Housing and Planning Committee sent this letter to share a summary of key themes in advance of this Committee's 10 February evidence session. It will report in due course.

- Annexe G: Letter from the Social Justice and Social Security Committee, 27 November 2025
- Annexe H: Letter from the Public Audit Committee, 6 November 2023

Evidence and information gathered on the draft CCP

Call for views and engagement

13. The Committee ran a Call for Views asking respondents what should be in the draft CCP from 27 June – 19 September 2025, with 101 responses received, which are [available on the Committee's webpage](#), alongside theme-based summaries prepared by the Scottish Parliament Information Centre.
14. The Committee also launched an [online consultation](#) once the draft Plan was laid, aimed at reaching people who do not normally take part in formal consultations. It used four themes from the [report of a "People's Panel"](#) commissioned by the Committee. These were: accessible and relatable climate policy; participatory and community-led decisions; transparency and accountability; and advice and financial support for households. This closed on 25 January.
15. The Committee met with Members of the [Scottish Youth Parliament's](#) Transport, Environment and Rural Affairs Committee on 13 January. The conversation was based around these same four themes.
16. The Committee also visited Aberdeen on 19 January:
 - The Committee visited and met with staff from the [Energy Transition Zone](#) in Aberdeen, and partner organisations [North East Scotland College](#), who run the Energy Transition Skills Hub and [ORE Catapult](#), who run the Floating Wind Innovation Centre.
 - Then the Committee met about 25 people from local community groups at the Aberdeen Science Centre. The same four themes as above were used to facilitate a discussion about the draft CCP.
17. A distillation of views from all this engagement work prepared by the Scottish Parliament Information Service (SPICe) has been [published on the Committee's webpage](#).

Previous meetings

18. The [Committee's first evidence session](#) on the draft CCP was on 25 November. The Committee took evidence from public sector regulators and advisory bodies. They provided a generalist overview, considering matters such as the draft's overall level of ambition, its deliverability, financing, governance, monitoring and evaluations.
19. [On 16 December](#), the Committee then heard from two panels:
 - The first considered similar themes to the panel on 25 November.

- The second panel discussed what the draft plan says about electric vehicles and developing charging networks for them.

20. [On 6 January](#), the Committee heard from two further panels:

- The first panel further considered the transport aspects of the draft Plan, focusing on modal shift, public transport and freight.
- The second panel covered matters in the waste section of the draft Plan.

21. [On 20 January](#), the Committee heard from a panel on the energy supply aspects of the draft Plan, focusing particularly on oil and gas, hydrogen, and carbon capture and storage.

22. [On 27 January](#) the Committee heard from a further panel on the energy supply chapter of the draft Plan, focussing on renewable energy.

23. [On 3 February](#) the Committee took evidence from the Cabinet Secretary for Transport and supporting officials on the transport chapter of the draft Plan.

Meeting on 10 February

24. The Committee will take evidence from the Cabinet Secretary for Climate Action and Energy at its meeting on 10 February.

25. The Committee's consideration of the draft CCP has sought to cover both the draft Plan as a whole: topics like deliverability, governance, monitoring arrangements, and public engagement – and the three policy sectors within the Committee's remit – energy supply, transport, and waste.

26. This meeting will be an opportunity to explore the key themes identified throughout the Committee's scrutiny, and those raised by other committees with the Scottish Government Minister with overall responsibility for the draft Plan. It will also be an opportunity to dive deeper into the two sectors within her remit: energy supply and waste.

Future work of the NZET Committee on the draft CCP

27. The Committee expects to publish its report in late February.

28. The Committee has agreed to take evidence from the Climate Change Committee on 3 March, following the publication of their annual Scotland progress report, which will include commentary on the draft CCP. This will help inform Members in advance of a debate in the Chamber, which is expected to take place just before the end of the scrutiny period on 5 March.

Clerks to the Committee
February 2026

Annexe A: Letter from the Health, Social Care and Sport Committee, 30 January 2026

Dear Convener,

RE: Summary of key themes from evidence on the Draft Climate Change Plan

I am writing to provide an interim summary of the key themes emerging from the Health, Social Care and Sport Committee's ongoing scrutiny of the draft Climate Change Plan (CCP) and its implications for health and social care in Scotland.

Given the timing of parliamentary business, it will not be possible to finalise and report our findings before your planned sessions with Cabinet Secretaries. We therefore offer this summary to support your preparatory work. In due course, the

Committee plans to present its findings from its scrutiny of the draft Climate Change Plan in the form of a short report. In that context, this letter should be read as a factual presentation of some of the main themes raised in evidence taken by the Committee so far rather than representing the views of the Committee itself.

To date, the Committee has held two evidence discussions on the draft CCP:

- On **13 January 2026**, we heard from **Professor Jill Belch** (University of Dundee and Royal College of Physicians of Edinburgh) and **Professor Peter Scarborough** (University of Oxford). Due to technical difficulties, two witnesses joining remotely – **Professor Ruth Doherty** (University of Edinburgh), and **Dr Andrew Sudmant** (University of Edinburgh) were unable to contribute orally, but indicated their intention to provide written evidence thereafter. We have received written evidence from **Dr Sudmant**.
- On **20 January 2026**, we took oral evidence from **Jane Miller** (The Health and Social Care Alliance Scotland – the ALLIANCE) and **Dr Joanna Teuton** (Public Health Scotland).

Across these sessions, witnesses consistently emphasised the significant health impacts associated with emissions and the scale of the potential co-benefits from mitigation. Evidence presented by Dr Sudmant highlighted that actions in buildings and transport can yield particularly large social and health gains, often exceeding direct financial benefits, including through improved air quality, reduced exposure to cold homes and enhanced physical activity.

However, witnesses argued that health and inequality outcomes should be made explicit in the Plan and that these co-benefits should be integral to policy appraisal and budget decisions, rather than treated as secondary considerations. Dr Teuton advised that the CCP cuts across the building blocks of health and should be more explicitly treated as a public health intervention in the Plan.

She advocated a 'health in all policies' stance, in which climate measures are designed and delivered to reduce emissions while maximising health gains and safeguarding equity, thereby contributing to improved life expectancy and reduced health inequalities. Dr Teuton argued that this could be done using a place-based,

community wealth-building model. Jane Miller also underlined the important role of social care within this wider prevention agenda.

Air quality was a major theme. Witnesses observed that the draft CCP does not fully address important pollutants such as ozone and ammonia, both of which have demonstrable health effects. They also noted that indoor air quality is insufficiently covered in the draft Plan, particularly in relation to the interaction between insulation, ventilation and the risk of cold, damp and mould. The need for monitoring frameworks to ensure that improvements in building performance do not inadvertently worsen indoor conditions was highlighted repeatedly.

Inequality was also central to the evidence we heard. Jane Miller described the disproportionate effects of climate change on disabled people, those with long term conditions, unpaid carers and lower income households, and stressed the importance of designing mitigation measures to avoid widening existing health inequalities. Dr Sudmant similarly emphasised that co-benefits vary significantly by place and population, and that targeted, data driven implementation is critical to ensuring equitable outcomes. Witnesses highlighted that rural and island communities face distinct issues, including limited public transport, reliance on private vehicles and differing patterns of exposure and benefit, and that these differences should be explicit in the Plan.

Diet, food systems and agricultural emissions were discussed extensively, building on the Committee's ongoing scrutiny of the Good Food Nation National Plan. There was disagreement on the potential impacts of reducing meat production and consumption on health, diet, the economy and the environment. The Committee also heard differing views on ultra-high/ ultra-processed foods (UPFs). This focused on the impact of UPFs on health and the environment, including on GHG emissions, biodiversity, and obesity and other non-communicable diseases. There was consensus however on the complexity of the food system from production to consumption, and witnesses were clear that the draft CCP does not adequately acknowledge or address this complexity or the role of food in meeting climate and health objectives.

A further recurring theme across witnesses was the need for stronger governance, monitoring and accountability mechanisms. They argued that the draft CCP lacks quantifiable metrics in many areas, making it difficult to track delivery and outcomes. Dr Sudmant, among others, suggested that health and social co-benefits should be explicitly embedded in appraisal and budget processes, with place-based data used to guide prioritisation and ensure that benefits are realised where need is greatest. Witnesses also highlighted the importance of embedding public health expertise in planning and evaluation structures across Government.

Finally, communication and engagement emerged as significant issues. Dr Teuton and academic witnesses stated that current public communication does not convey the local, immediate health benefits of climate action and can lead to disengagement. Witnesses recommended clearer, more accessible messaging, stronger community involvement in design and delivery, and more emphasis on the lived experience of the individuals and groups most affected. They stressed that inclusive communication and coproduction are essential to ensuring

fairness, legitimacy and uptake of climate measures.

The Committee will continue to take further evidence on these issues in the coming weeks. Once our scrutiny is complete, we will publish a report and will share this with the NZET Committee to support your ongoing scrutiny of the CCP and related policy decisions.

Yours sincerely,

Clare Haughey MSP

Convener, Health, Social Care and Sport Committee

Annexe B: Letter from the Economy and Fair Work Committee, 29 January 2026

Dear Edward

Draft climate change plan 2026 - 2040

I am pleased to set out the Economy and Fair Work Committee's views on the Scottish Government's draft Climate Change Plan (draft CCP) for the attention of the Net Zero, Energy and Transport Committee, as lead committee for scrutiny of the draft CCP.

The [Climate Change \(Emissions Reductions Target\) Scotland Act 2024](#) moves from a system of annual reductions targets to one of 5-yearly carbon budgets. The draft CCP attempts to set out how the Scottish Government intends to meet the emissions reductions targets, agreed by the Parliament, and reach net zero emissions by 2045.

The Economy and Fair Work Committee has focused its scrutiny on the Business and Industry chapter of the draft CCP. The Committee was particularly interested in the economic impact of the draft CCP and how the Scottish Government intends to ensure workers benefit from the transition to net zero – often referred to as a just transition for workers.

Since 1990, emissions from industry have fallen by 57% in Scotland. However, emission reductions have not primarily been from decarbonising industrial processes. Instead, they have come broadly from the closure of industrial sites such as steelworks and papermills, and businesses changing what they manufacture toward less energy-intensive, higher-value output.

Last April saw Petroineos close Scotland's only oil refinery at Grangemouth and the shift to an import terminal for finished fuels. This closure resulted in significant direct job losses and losses for smaller businesses in the wider supply chain. The impact on the community and surrounding area has been stark. The imminent closure of ExxonMobil's Fife Ethylene Plant (FEP) at Mossmorran will result in further direct and contractor job losses.

Undoubtedly, both closures will contribute towards emissions reduction targets, but that "contribution" is at significant cost to jobs, livelihoods and communities. Closures create the risk of a skills drain, with jobs or workers moving from Scotland and ultimately the loss of Scotland's industrial base.

The Parliament is agreed that the move from fossil fuels towards greener energy is necessary to meet Scotland's emissions reductions targets, but the cost of electricity is a significant barrier.

Parliament is also agreed that the transition must be managed by both the Scottish and UK Governments creating the conditions to ensure the move presents economic opportunities and manages economic risks. The establishment of the Grangemouth Investment Taskforce, and the extension of its remit to cover Mossmorran to support workers to retrain and encourage investment, was welcomed. However taskforces and meaningful plans need to be in place before closures are announced and jobs

lost. The economy needs to see jobs lost in the fossil fuel industries being replaced at pace. This will require detailed and flexible workforce planning within and beyond the energy sector.

The plan to deliver net zero by 2045 must take a holistic approach to the potential costs and overall economic impact. A credible route-plan for ensuring that balance, financing and allocating the cost is needed. This is the context for the Committee's views.

In your letter to conveners of 9 October 2025, you suggested business and industrial processes and negative emissions technologies as areas that the Economy and Fair Work Committee may wish to consider. The Committee took evidence over two meetings focussing first on the [business and industry](#) chapter of the draft CCP and then on [Just Transition](#), a theme throughout the draft CCP. Just Transition has been an area of interest for this Committee throughout the Parliamentary Session. The Committee has undertaken scrutiny work looking at the North East and Moray, including the Scottish Government's Just Transition Fund and the Grangemouth area and its industrial future.

Given timetabling and other work programme constraints, the Committee was limited in the scope of its scrutiny of the draft CCP but earlier work fed into our considerations. I attach the key points from the Committee's two specific sessions on the draft CCP and set out the Committee's conclusions and recommendations for strengthening it. I trust these will be helpful for your scrutiny.

Yours sincerely,

Daniel Johnson MSP Convener

Draft Climate Change Plan business and industry chapter

The Business and Industry Chapter of the draft CCP covers **emissions from industrial processes**, primarily from fuel combustion in manufacturing and production processes and **non-domestic buildings** (not including public sector buildings) which primarily relates to heating the buildings and **negative emissions technologies** (NETs) such as carbon capture and storage.

The witnesses from whom the Committee took evidence, acknowledged the work that had gone into the draft plan but suggested it should be characterised more as an emissions reduction framework. Elements they expected to see in a climate change plan, such as resilience adaptations and a clear skills and jobs route map by sector, are not included.

There were also concerns about the lack of detail on financing, cost allocation and upfront costs. More clarity on what will be expected of businesses and organisations was asked for, alongside further consideration of the cumulative impacts on business, industry and consumers. Necessary actions should be clearly prioritised and then supported by a multi-year funding plan.

Professor Paul de Leeuw said when he read the plan he had "a little Ikea moment":

“I know what the starting point is, which is a flat pack, and I know what the end point looks like, which is net zero, but what I am missing is the instructions and the plan in the middle”.

David Thomson (Food and Drink Federation Scotland) said his members:

“would probably struggle to see...the link between the plan and the actions, whether financial support, policy support or legislative support...”

Industrial processes

The UK Climate Change Committee provided advice to the Scottish Government in 2025 and set out a “balanced pathway” to net zero by 2045. The Scottish Government has not clearly explained how and why its draft CCP departs from the Climate Change Committee’s advice.

In 2023, emissions from industry accounted for 13% of Scotland’s emissions. The same sector contributed £13.8 billion to Scotland’s gross added value and employed more than 166,000 people. Emissions from non-residential buildings (including public sector buildings) accounted for 5% of Scotland’s emissions. Since 1990, emissions from non-residential buildings have fallen by 31%. This is mainly due to improved energy efficiency.

Reducing emissions by decarbonising industry is likely to require processes to be electrified, to move away from fossil fuels for power and for electricity to be generated from low carbon sources. Industrial electrification at scale will require significant up-front capital investment to replace equipment and machinery.

For this to be cost-effective for industry, electricity will need to be cheaper than fossil fuels. The current high cost of electricity is a significant barrier. Alongside electrification, the draft CCP envisages a role for hydrogen technologies and “more efficient use of materials”.

Overall, the business and industry chapter of the draft CCP pushes emission reductions into future years and envisages lower reductions than the Climate Change Committee’s balanced pathway. Lower emissions reductions are made up for by NETs in the draft CCP. The draft CCP envisages NETs removing twice as many emissions than they are forecast to do by the Climate Change Committee’s balanced pathway.

It was emphasised to the Committee that the availability of low cost electricity would be a key trigger to enable market forces to drive the energy transition for most industries.

The UK’s high electricity prices were repeatedly cited as the major barrier to decarbonisation. The move from gas to electricity is not seen as currently financially viable for most industry. It was pointed out that electricity is currently four and half times more expensive than gas and included in the cost of electricity “there is a lot loaded in through compliance and distribution costs and green charge elements”.

Without low cost electricity, electrifying industrial processes is too expensive and the carbon budgets for industry are unlikely to be delivered without job losses.

There are significant questions about how gas will be replaced as a heat source, given its broad range of uses currently in industries key to Scotland's economies. Across the whole of the food sector, for instance, there is significant reliance on gas. Decarbonisation of heat is a significant consideration for manufacturers. Reference was made to the much lower price of electricity in other countries, for example in France where nuclear is the back-up, and in Norway where it is hydro. For some industrial processes, alternative options would include hydrogen but there was a clear call to decouple electricity pricing from gas and unlock low cost renewable capacity.

Concerns were not confined to the cost of and reliance on electricity. Currently, hydrocarbons are the common basic raw material for industrial production and supply chains for chemicals, pharmaceuticals and plastics. Although the chemicals industry is looking at alternative sources for future carbon requirements including bio-based carbon from forestry and farming, recycling and carbon capture, the alternative carbon sources are also energy intensive. The Committee was told that the chemicals industry is currently uncompetitive due to the price of energy and raw material costs.

During the Committee's discussions with witnesses, it was pointed out that for some high-heat industries, there was no "off the shelf" technology to switch over to using electricity. Even if there were, the price of electricity would make them too costly to use. The importance of the Acorn cluster being funded to provide a hydrogen network was stressed, given the potential for hydrogen to be used for high-heat processes.

A related concern was the availability and cost of grid connection to support heat and energy demand. There are known grid capacity and cost constraints. Last week, one of the biggest ScotWind funded projects in Scotland, the 125-turbine West of Orkney wind farm, was halted due to the cost of grid connection. Developers reportedly said that the cost of connecting to the network made it impossible to compete against other projects being proposed elsewhere in the UK. Until a resolution is found, the investment is on hold.

UK Emissions Trading Scheme (ETS)

The UK ETS is a mechanism for setting a carbon price for industry with the aim of polluter pays and creating a financial incentive to decarbonise. The ETS currently applies to power generation, aviation and energy intensive industries such as steelmaking, chemicals and cement manufacturing. The UK sets a cap on carbon allowances and allowances that can be traded. Over time, carbon allowances are reduced, increasing the price of carbon and the incentive to decarbonise.

The Chemical Industries Association expressed concern that the scheme is damaging UK industry's competitiveness and creating an incentive to relocate instead of decarbonise. In response, the UK Government recently announced a Carbon Border Adjustment Mechanism (CBAM) to take effect from January 2027. This is not mentioned in the draft CCP. However, it does appear that the impact of the UK ETS is included in the draft CCP baseline level of emissions reductions (and expected to occur without Scottish Government action).

Richard Woolley (Chemical Industries Association) noted that since 2021, in the chemicals sector, 40% of emissions reductions had come from site closures or the closure of production lines. He said only one site had been able to decarbonise and this was not replicable because the only reason it had been able to do it was due to previously selling hydrogen to an adjacent site that had since closed.

Smaller business

Although the draft CCP is aimed broadly at the biggest polluters, it is of relevance to smaller businesses. In Scotland most private businesses are small businesses. The Committee was told there is a disconnect between the draft CCP and small businesses with low awareness and a lack of practical guidance. Stacey Dingwall (Federation of Small Businesses) noted references in the draft CCP to Business Energy Scotland being a key source of support for small business but said feedback from her members suggested it took a couple of months for BES to respond to approaches.

Negative emissions technologies (NETs)

NETs have been given a prominent role in the draft CCP with the expectation that CO₂ transport and storage infrastructure will be constructed to enable carbon capture and storage (CCS). Project Acorn will be key to realising expectations.

There are several types of NETs. The most significant in terms of emission reductions in the draft CCP are Bioenergy with Carbon Capture and Storage (BECCS) which extracts CO₂ from biomass and Direct Air Capture with Carbon Storage (DACCS) which extracts CO₂ directly from the air.

The Centre for Energy Policy identified carbon capture and storage as a “comparative advantage” for Scotland suggesting it could contribute 3,000 jobs and

£300 million per year to economic output by the 2040s “if fully established”. However, within the range of new technologies that fall within the descriptor of NETs, some are unproven. There are also questions about long-term scalability and environmental impacts.

The draft CCP places greater emphasis on the contribution of NETs to meeting emissions reduction targets than advised by the Climate Change Committee. Although the draft CCP envisages almost twice the contribution to emissions reduction than was suggested in the Climate Change Committee’s “balanced pathway”, there is no detail on what Scottish Government assumptions have been used to support the increased role of NETs.

Professor de Leeuw told the Committee there was no way to get to net zero without carbon capture and storage. Both he and Richard Woolley strongly emphasised the importance of making progress with the Acorn project and receiving assurances that it will happen. There are worries, following the withdrawal of the main investor, about maintaining investor interest, planning permissions expiring and the loss of skilled people from the area.

The expectation had been that the UK Government would support all clusters equally to have carbon capture alongside hydrogen infrastructure. Richard Woolley expressed his industry's disappointment at the UK Government announcement last summer that only one regional hydrogen network would be supported (not the Scottish cluster) as this would now limit options for the chemicals industry.

Non-domestic buildings

Decarbonising non-residential buildings is likely to involve a mixture of replacing heating systems with low carbon alternatives alongside energy efficiency measures to reduce energy demand. The draft CCP envisages emissions from non-residential buildings falling more slowly than advised by the Climate Change Committee. In the time available, this was not an area that the Committee took any evidence on.

Just Transition for workers

Witnesses warned that the current approach to transitioning from fossil fuels risks offshoring emissions, with an associated risk to jobs and Scotland's industrial skills base. This would simply repeat historic patterns seen in previous deindustrialisation.

Richard Wooley warned that the loss of jobs in emitting industries would lead to the loss of capability to support national resilience. He spoke about scientists and engineers who had lost their jobs who were previously "making things that we are now importing from China". He also pointed to the pandemic and highlighted the vital role played by the chemicals industry making protective equipment, disinfectants and medicines.

Ryan Morrison (STUC) expressed concern about the level of investment, the return on jobs and the local benefit from the renewable energy sectors compared to oil, gas and nuclear, to deliver on the draft CCP. He pointed to the significantly lower job return per million pounds of turnover in offshore and onshore wind and called for more focus on the manufacturing side of renewables. He agreed with other witnesses that the draft CCP was more of an emissions reductions plan than a climate change plan. It was noted that the draft CCP makes no reference severe weather and the direct impact that might have on workers.

Although significant industrial and economic transformation will be required, ownership was also highlighted as a significant consideration. Trade unions suggested there should be more public and community stakes in, and greater control over, new green industries. This would better ensure benefits and wealth from renewables and emerging technologies were retained in Scotland.

Ryan Morrison said the STUC was interested in opportunities for national and municipal ownership. He pointed to the ScotWind projects in which he said Scotland did not have any ownership share. He referenced the case study in the draft CCP on the Orkney offshore wind farm, expected to return significant profits for the local authority but said there was nothing about it being expanded elsewhere. He referenced the Scottish National Investment Bank's investment in an asset management firm to secure the Iona wind partnership. He questioned why SNIB's investment had not been used to support part ownership for the local authority, instead of supporting ownership by an overseas asset management firm.

Overall, there was concern about the extent to which there was meaningful dialogue between trade unions, Government and employers about how transitions will work. Dougie Maguire (Unite the Union) spoke about workers from the industries that had closed having retrained, yet there being no new green jobs. He said, “we manufacture everything abroad, and everything to do with green energy is also being manufactured abroad”. Ryan Morrison agreed and said with the offshore skills passport, qualifications were logged, further training and qualifications gained but there was often no new job. He summarised:

“The question is whether we are creating a full pathway for those workers that starts with recognising the skills that they have in the job that they are in, understands the timeline of changes that are expected for them, supports them to reskill and then opens up opportunities for them on the other side”.

Claire Greer (GMB Scotland) also agreed with that assessment. She told the Committee that workers did not currently see the pathways, that their skills are being wasted and they are moving elsewhere for jobs.

The job prioritisation scheme put in place to support workers following the announcement of the Grangemouth oil refinery was welcomed but there was disappointment that those sorts of measures, and the furlough initiative introduced at Alexander Dennis, were not part of the draft CCP.

Strategy alignment, costs, benefits and risks

Investment in infrastructure and government strategic policy alignment will also be crucial to delivery on emissions reductions targets. Alignment between the draft CCP, the Scottish Government’s Green Industrial Strategy and NSET must be strong and consistent.

A key theme from both evidence sessions was the lack of detail on costs and benefits and on the Scottish Government assumptions used to underpin the draft CCP. Professor Karen Turner (University of Strathclyde) said that modelling of the numbers under different scenarios was needed. This would enable an assessment to be made of the key pathways for achieving emissions reductions and ensure that investments, already made, were supported to stay on track.

Professor De Leeuw said Scotland was losing more of its supply chain and workforce capacity than was being replaced by offshore wind and carbon capture and storage. He argued that strategic investment, at scale, ahead of final approval of projects was now required. He observed that between now and the early 2030s, the majority of wind activities would not be in Scotland, but the rest of the world. Most ScotWind developments are not due to happen until early 2030. To get ahead, his call was for Scotland to build supply chain capacity in advance of demand, otherwise “things will be built somewhere else” and the next generation of industry would be lost to Scotland.

Much of the action required to meet emissions reductions targets will come down to co-operation and co-ordination between the Scottish and UK Governments.

Professor Turner spoke about the need to consider Scotland's fiscal settlement. Richard Wooley said there was no plan without a funding to back commitments and that what was lacking was industrial decarbonisation funding which is needed "rapidly and we need it to be ensured for a minimum of three to five years".

Committee conclusions

There are legitimate questions about whether the draft CCP is a climate change plan or an emissions reduction plan. There are omissions in relation to resilience, adaptation, emissions and skills pathways broken down by sector.

The draft CCP does not provide an adequate level of detail on the pathways to net zero. It must set out much more clearly what actions are required, and by whom, and the actions that will happen without Government intervention or policy.

There is uncertainty on financing and cost allocation and a lack of data on the assumptions that underpin the draft CCP.

The draft CCP was criticised for lacking credibility and clarity, particularly in relation to providing security for workers. There are also questions about the timing of decarbonisation actions and the resultant gap between jobs lost in high emissions sectors and new jobs in renewables being created. There are also concerns about the nature of future jobs if Scotland is simply importing and not manufacturing.

The rationale for the Scottish Government having departed from the Climate Change Committee's suggested pathway, particularly the choice to place greater reliance on NETs in the draft CCP, is not clear. The Scottish Government's approach would appear to come with a higher degree of risk due to CCS, at scale, being unproven, untested and potentially costly.

The Committee is clear that the current cost of electricity is not a marginal obstacle to industrial decarbonisation but a binding constraint. Evidence repeatedly pointed to electricity prices that are materially higher than those faced by overseas competitors, driven in large part by policy, regulatory and system costs, rather than generation costs alone. In such circumstances, expectations that industry will electrify at pace are unrealistic. Given the significant concerns about high energy costs, and particularly the cost of electricity. The Committee concludes this is a major barrier to decarbonisation for industry.

In a 2024 report, the Scottish Fiscal Commission looked at how climate change could affect the Scottish Government's fiscal sustainability. The report considered the potential effects on public finances from damage created by climate change, the costs of adapting to a changing environment and actions to meet emissions reductions targets. The SFC's view is that the required additional public investment in devolved areas is significant.

The challenge of meeting net zero creates an inter-dependency between the Scottish and UK Governments. There are issues of linked funding and the Scottish Government's funding position is influenced by UK Government choices. Meeting emissions reduction targets will require significant multi-year funding.

Delivery of the draft Climate Change Plan is heavily dependent on sustained multi-year public investment, much of which lies outwith devolved competence and is shaped by UK Government fiscal decisions and the limitations of the current fiscal framework. That interdependency makes transparency on costs, on accountabilities of each government and funding assumptions essential.

The Committee is concerned that the draft CCP does not clearly set out the scale of public funding required, the opportunity costs for other public services, or the consequences if anticipated funding does not materialise. Without that clarity, there is a real risk that commitments are made which are neither affordable nor deliverable, undermining confidence in the plan and in long-term fiscal sustainability.

Regarding the UK Emissions Trading Scheme, there are concerns that without low cost electricity, industry will simply become unviable. The Committee heard strong evidence that the UK Emissions Trading Scheme is, in its current form, contributing to site closures and reduced domestic production rather than driving meaningful investment in decarbonisation. In the absence of affordable low-carbon energy alternatives, rising carbon costs risk accelerating carbon leakage, with emissions and jobs displaced overseas, rather than emissions being eliminated.

Committee recommendations

- Considering the questions about the nature of the plan and what has been omitted from it, the Committee recommends more work is undertaken to ensure the information on adaptations, resilience, cost and cost allocation and underlying assumptions are included in the finalised plan.
- The draft CCP needs to be clearer on the relative priority of actions to ensure there is a managed transition, otherwise there is a high risk of history being repeated with the loss of jobs and skills as industries close and emissions and jobs are offshored.
- The Committee calls for urgent reform of electricity pricing and cost allocation, including a review of levies and charges borne by users. Until this structural issue is addressed, the Committee cautions against placing additional decarbonisation obligations on industry, which risk further damaging competitiveness and accelerating de-industrialisation.
- The Committee recommends that any further tightening of carbon allowances should require careful assessment and calibration against energy costs and industrial competitiveness.
- The Committee draws the Scottish Government's attention to the evidence from STUC about national and municipal ownership and urges it to consider where there may be future opportunities for public investment and / or municipal ownership stakes in the energy sector.
- To deliver against agreed net zero targets there is a need for greater integration across the Scottish Government directorates and between

Government strategies and policies including industrial strategy, infrastructure project planning, energy policy and economic strategies.

- The Scottish Government must also do more to embed a direct participative role for the workforce, trade unions and professional bodies in climate change planning. Their involvement must be structural and not simply reactive, to ensure genuine participation in shaping the future.

Annexe C: Letter from the Criminal Justice Committee, 29 January 2026

Dear Convener,

Joint scrutiny of the draft Climate Change Plan

In my [letter of 1 December 2025](#), I set out the Committee's approach to scrutinising the efforts of key justice organisations to meet commitments under Scotland's climate change targets.

A summary of the evidence received during our pre-budget scrutiny sessions and through written correspondence is set out below along with the resulting conclusions and recommendations from our pre-budget scrutiny report.

Police Scotland and the Scottish Police Authority (SPA)

At our [meeting of 5 November 2025](#), DCC Alan Speirs set out the work of Police Scotland's sustainability team. He noted that it produces an annual report for the SPA board and that this year's report showed considerable progress is being made on reducing the organisation's carbon footprint.

DCC Speirs told the Committee it has become "really evident that, in some ways, we have taken the work on the estate as far as we can" in terms of meeting climate targets. He also noted that a large proportion of the fleet is made up of electric vehicles and that the "ambition is to continue to progress that."

Lynn Brown, Head of Finance, Police Scotland agreed that the estate and fleet are key areas of investment in relation to sustainability and that they want to "have a modern, fit-for-purpose estate." In its [response to the Committee's call for views](#) it was noted that of the overall capital expenditure plan for 2026-27 of £93.9 million,

£24 million is earmarked for investment in the estate and £15.2 million is planned for its fleet, including the continued development of an ultra-low emission fleet to meet climate change commitments.

With regards to the estate modernisation programme, Chris Brown, Chief Executive of the SPA commented that it allows Police Scotland to build efficiency in from the beginning "instead of having to patch things up later." However, he also highlighted that some of the reductions in Police Scotland's emissions relate to the disposal of buildings, some of which will go on to be used elsewhere in the public sector and was of view that "a more holistic approach is needed to ensure that the actions that we collectively take are, in the round, contributing to reducing emissions."

Scottish Fire and Rescue Service (SFRS)

In [written evidence](#), the SFRS set out the work undertaken during its 2020-25 Carbon Management Plan (CMP) which focused on three key areas; reducing energy waste, the installation of renewable energy generation and the removal of small-scale gas heating systems. Over £12 million was invested in carbon reduction

measures across the estate during this time and more than 400 projects were delivered to make sites more energy efficient. Completed work includes the

installation of heating control systems and solar panels and upgrades to building insulation and EV chargers.

The 2020-25 CMP reduced carbon by 4,784 TCO₂e over the 5-year period, which although significant, was only 68% of its original reduction target of 7,000 tonnes. SFRS notes that considerable progress was made during the first three years of the plan when external funding was available, but the reductions slowed in years 4 and 5 as reduced grant funding, internal budgetary pressures and resourcing impacted progress.

Its CMP for 2026-31 is currently being drafted and will include over 120 projects, requiring investment of more than £4.6 million. It is exploring the possibility of

installing a large-scale solar panel field at its Cambuslang site and the remaining oil boiler at Invergordon Community Fire Station and Training Centre will be replaced with electric heating. Multiple sites will benefit from smart heating controls, new windows and doors, insulation, LED lighting, and small-scale air sourced heat pumps.

SFRS advises that it will also continue to monitor the carbon footprint of purchased goods to record the impact of, and align procurement decisions with, its net zero targets.

In relation to its fleet, SFRS currently has EV chargers in over 140 sites to power over 260 electric vehicles (the majority of which are pool cars). Around a fifth of SFRS' light fleet are Ultra Low Emission Vehicles. The [SFRS Annual Performance Review Report for 2024/25](#) highlights that £1.4 million has been invested to reduce emission output of 24 Light Weight Rescue Pumps. Its light fleet was also expanded with 11 Ford Ranger pick-ups, 9 Kia Niro EVs, 16 eVito panel vans and 4 eCitan small panel vans. 20 electric cars were also purchased to replace leased electric vehicles.

With regards to its commitment to protecting communities from the impacts of climate change, such as wildfires and flooding, it has enhanced its wildfire preparedness through expanded training, deployment of specialised equipment and the appointment of 14 Wildfire Tactical Advisors. £397,735 was invested during 2024/25 into delivering the Wildfire Strategy as part of a £1.725 million investment which commenced in 2022/23. £35,000 has also been invested in PPE for Flood

First Responder Stations and an additional £30,000 was spent on the procurement of 200 life jackets to support water rescue operations.

Scottish Prison Service (SPS)

At our [meeting of 19 November 2025](#), we heard from Teresa Medhurst, Chief Executive of the SPS on how it's addressing its climate targets, particularly in light of the age of the current prison estate. Ms Medhurst told us that the SPS takes its responsibilities for tackling climate change very seriously and that it has been

factored into the facilities of their new builds. The closures of HMP Inverness and HMP Barlinnie will have a significant impact on reducing emissions, and the new facilities that replace them will meet all the new requirements and targets.

Ms Medhurst also noted that SPS has increased the capital funding that it requires for next year to meet its climate change obligations.

In addition, in evidence to the Committee on [26 November 2025](#), the Cabinet

Secretary for Justice and Home Affairs told members that the new HMP Highland will have zero direct emissions, and that no fossil fuels will be burned in the running of the new HMP Glasgow as it will be all electric.

The Scottish Courts and Tribunal Service (SCTS)

In [written evidence](#), the SCTS highlighted its [Sustainability Strategy](#), which sets out its ambition “to continue our progress on the path to net zero direct emissions by 2045”. It has already reduced its total emissions by 54% since 2009-10 and has a range of further activities planned or already underway. For example:

- it has invested in building energy management systems, metering, controls, and sensors to collect data and optimise how its buildings operate and reduce energy consumption.
- LED lighting upgrades continue to be rolled out across the estate.
- it has undertaken building fabric improvements, heating, cooling and ventilation improvements, and window upgrades (e.g. highly efficient vacuum glazing was recently rolled-out at Edinburgh High Court).
- it has installed Solar photovoltaic panels on 10 buildings with additional projects planned for the Office the Public Guardian, Glasgow High Court, and Glasgow Sheriff Court.
- opened more evidence by commission suites to reduce the need for vulnerable witnesses to travel to court. The introduction of facilities to allow remote witness testimony (e.g. for police and expert witnesses) has also reduced the need for them to travel to court.
- changed its whole pool car fleet to electric vehicles.

In terms of future plans, it is currently looking for opportunities to decarbonise heating systems, by assessing opportunities for heat pumps and is liaising with local authorities in relation to the development of heat networks. It is also looking at its procurement function to identify sustainability improvements in its contractual arrangements and is surveying staff on their travel patterns to see if more can be done to encourage sustainable travel.

The submission also highlights that due to the historic nature of many of its buildings, there is significant cost and practical challenges that come with investing the estate. It is of the view that these buildings not only need to be improved to increase their

energy efficiency but also to withstand the effects of climate-change related weather events.

Crown Office and Procurator Fiscal Service (COPFS)

In a [follow-up letter to the Committee](#), COPFS indicated that it continues to exceed its target to reduce CO₂e emissions from the use of gas and electricity in its buildings by over 2.5% per year from the baseline year of 2022-23 with emissions reduced by 13% overall by the end of March 2025. A large part of the overall reduction is due to an increase in national renewable energy generation. An overall reduction in electricity consumption is partly due to the installation of PV arrays in some offices.

In addition, it successfully applied for funding from the Scottish Government Energy Efficiency Grant Scheme for two projects. The first was a complete low carbon retrofit of the Elgin COPFS office completed in 2024. The completed building achieved an EPC score of 6 and an A+ rating, a significant improvement on the previous D rating and will be Zero Carbon Ready for when the grid electricity is generated from 100% renewable sources.

The second project was a similar low carbon retrofit of Edinburgh Crown Office in 2025. Estimated savings from the retro fit are expected to be 467,472 kWh of electricity and tCO₂e: 85 tonnes. The completed building achieved an EPC score of 7 and an A+ rating, significantly improving on the previous D rating.

Scottish Government

At our [meeting of 26 November 2025](#), the Cabinet Secretary for Justice and Home Affairs noted the measures being taken by the organisations above and told members that tackling the climate emergency is a priority for the Scottish Government as a whole and the justice portfolio is expected to contribute in the same way as other areas.

In a [follow-up letter](#), the Cabinet Secretary noted that the Chief Constable of Police Scotland, the SPA, the SFRS, the SPS, the SCTS and the Scottish Legal Aid Board are all subject to the statutory climate change reporting duty. As such, they are required to report annually on their compliance with the climate change duties, on a mandatory basis and their reports are published on the [Sustainable Scotland Network](#) website.

It is clear from the evidence we received that the justice sector takes its responsibilities in relation to climate change very seriously and that there is a broad range of ongoing climate-focused work taking place across the key organisations. However, we made the following points in our [pre-budget scrutiny report](#):

- We recommend that the Cabinet Secretary should ensure that the upcoming Scottish Spending Review and the first Climate Budget clearly set out how the policies and efforts of justice sector stakeholders will be underpinned with dedicated resources to continue to address climate change (and cybersecurity) in a joined-up and coordinated way across the justice sector.

- Of particular note is the impact climate change is having on the role and work of the Scottish Fire and Rescue Service. We noted that this service is, quite literally, on the front-line of protecting the people of Scotland from climate-driven dangers such as increased flooding and wildfire events.

In the [Scottish Government's response to the Committee's report](#), the Cabinet

Secretary recognised the positive work that is taking place across the justice portfolio but stated that it is for individual organisations to prioritise and allocate sufficient budget from their annual settlements to meet their climate change requirements and responsibilities.

In addition, the Cabinet Secretary's response highlighted that the Scottish Government has been working with SFRS and rural stakeholders on improving both prevention, coordination on wildfire warnings and a joined-up approach to response. She also noted that flooding and wildfires are a core part of SFRS activity and are therefore included in the core funding provided to them.

I hope this is helpful in informing your scrutiny of the draft Climate Change Plan.

Yours sincerely,

Audrey Nicoll MSP Convener

Annexe D: Letter from the Local Government, Housing and Planning Committee, 27 January 2026

Dear Edward

Scrutiny of the draft Climate Change Plan (CCP)

The Committee has concluded its scrutiny of the CCP, which focused on two key areas within our remit – the ‘buildings’ element of the CCP, and the impact on and role of local authorities in its delivery.

We will consider our draft report at our meeting on 3 February, and once it is agreed I will send that to both yourself as Convener of the Net Zero, Energy and Transport Committee, and to the Scottish Government.

I am aware however that your Committee will be taking evidence from the Cabinet Secretary for Climate Action and Energy before then, and I am therefore writing to you with a summary of the key themes which have emerged during our scrutiny, in order that your Committee may take these into consideration when questioning the Cabinet Secretary.

The summary below does not represent conclusions or recommendations by the Committee, but outlines the key points raised by witnesses other than the Scottish Government.

Committee scrutiny

The Committee’s scrutiny has comprised the following:

- A round-table discussion with a wide range of stakeholders
- Oral evidence from local authority representatives
- Oral evidence from a panel of experts on skills and training, and on public engagement and support
- An informal online meeting with members of the public with experience of retrofitting their homes
- A visit to a heat network site in Midlothian
- Consideration of the written submissions made to the Net Zero, Energy and Transport Committee prior to publication of the draft CCP
- Inviting written submissions from local authorities, and from organisations providing oral evidence.
- Taking oral evidence from the Cabinet Secretary for Housing, and the Cabinet Secretary for Local Government and Finance.

Key themes: local authorities

In respect of our scrutiny of the role of local authorities in delivering the CCP and the impact on them, the following themes have emerged:

- The CCP is broadly welcomed, and the sector is committed to delivering net zero. However there is a need for a **detailed delivery framework** - a 'route-map' - to give clarity to local authorities. This could be co-produced by Scottish Government and Cosla.
- Local authorities are committed to tackling climate change and delivering net zero, but they face **funding and resource challenges**, with competing priorities (such as a shortfall in funding essential social care services), the need for multi-year funding to give certainty, and the need for skills and capacity- building given that authorities typically have only small teams working on delivering net zero.
- On the issue of **data and monitoring**, local authorities described a need for combining local and national intelligence, and the creation of indicators on delivery and progress to enable funds to be directed where needed and to change the course of action if required. Local authorities' data can be more up to date than emissions data, and therefore can provide early warning signals.
- As the CCP sets out, regional **collaboration** is important. The Committee heard about examples of successful cross-authority working which can be built on, and the sharing of best practice.
- **Transport** remains the biggest challenge for local authorities, which will require significant investment.
- With regard **energy** issues, local generation of renewables presents an enormous opportunity but there are challenges to ensuring community benefit.
- Authorities differ in the challenges which they face in boosting the use of **heat networks**, including a lack of finance and investment to scale up activity. Existing buildings may require upgrading, and in more rural and remote areas a dispersed population limits their viability.
- **Local Heat and Energy Efficiency Strategies (LHEES)** have been developed by all 32 local authorities setting out their long-term plan for decarbonising heat in buildings and improving their energy efficiency. These have been a valuable tool in collecting important data but are not in themselves a delivery mechanism.

Key themes: Buildings

With regard the 'buildings' element of the CCP, the following themes emerged from the evidence the Committee has received:

- Witnesses were concerned that the draft CCP does not bring forward new actions and may not sufficiently accelerate the pace of change. There were frustrations that there has been a ‘lost decade’ and a ‘drifting of policy’.
- Stakeholders had anticipated that a **Heat in Buildings Bill** (which the Scottish Government committed to laying during this session of Parliament) would provide the necessary clarity about the actions they need to take. However there will now instead be a Buildings (Heat and Energy Performance) and Heat Networks (Scotland) Bill which has been published in draft with the intention of laying it after this year’s election. Witnesses described the uncertainty which has been caused by delays to bringing forward heat in buildings legislation.
- The original Heat in Buildings Bill was to have mandated the installation of heat pumps, which will not be the case in the revised bill. Witnesses were concerned whether this will sufficiently drive action by homeowners.
- There is broad support for the CCP’s ambition to **decarbonise buildings by 2045**, but we heard concerns about whether it goes far enough or fast enough. Witnesses are concerned that the targets create a ‘cliff-edge’ scenario, with modest progress being made in the first decade, followed by unrealistic expectations later. There were calls for increased front-loading of investment and action.
- **Retrofitting** existing properties to ensure they are energy efficient and warm is seen as being vital. Witnesses described the importance of delivering this at scale and at pace, and ensuring that it is affordable for households. It was suggested that there needs to be a national plan for how this will be delivered.
- At the same time, retrofitting cannot be delivered by individuals alone, one building at a time – there needs to be a structured **area-based system** if it is to happen at the scale required. This systematic approach would enable local supply chains and skills to be developed, and keep down costs. Clear guidance could be provided about how specific **housing ‘archetypes’** can be made more energy efficient, and on how to retrofit Scotland’s tenements. There may be a role for local authorities in becoming trusted suppliers.
- There is a significant gap in **supply chains and in the skills required** across trades delivering construction and retrofit. At the same time there is an economic opportunity to create jobs, but delivering that will require significant investment in apprenticeships, re-training and retention, in particular for SMEs. The gap is more stark in rural and remote areas, with Highland council having to source contractors from within the Central Belt.
- **Consumers** need to be active participants in the transition to net zero, but people remain unsure where to obtain trusted advice. There needs to be a comprehensive public engagement strategy which recognises people’s different motives for taking action, and one-stop shops for retrofit guidance. Home Energy Scotland’s advice and support does not suit all circumstances,

and may not be able to respond to a significantly increased demand in the future.

- Rebalancing the **price of electricity** is essential to reduce the running costs of zero carbon heating, but the powers to do so lie with the UK Government. The costs for households of retrofitting (in particular the installation of heat pumps) is high, and there are some limitations to existing grants and loans which could be addressed.
- **Communities** need to be able to see the benefit of the transition to net zero. People are frustrated at living in close proximity to developments such as windfarms but their energy bills remaining high. The Committee heard about the challenges to community ownership.
- Witnesses described the importance of linking climate action with reducing **fuel poverty** and improving health outcomes. They welcomed the commitment in the CCP to reduce fuel poverty. The importance of making fabric improvements to properties was highlighted, in order to improve energy efficiency and reduce under-heating and associated health impacts.
- The CCP's reference to being **technology-neutral** was welcomed, although witnesses noted that the plan predominantly references heat pumps without referring to the role that other technologies can play such as air-to-air heat pumps.

I hope that this summary is of use to the Committee as it concludes its scrutiny of the draft Climate Change Plan.

Yours sincerely,

Ariane Burgess MSP Convener

Annexe E: Letter from the Citizen Participation and Public Petitions Committee, 23 January 2026

Dear Edward

Joint Scrutiny of the Climate Change Plan

I wrote to you on 9 December 2025 regarding joint scrutiny of the Scottish Government's draft Climate Change Plan.

In that letter, I brought to your attention the fact that, while the Citizen Participation and Public Petitions Committee had neither the scope nor the capacity to scrutinise the Scottish Government's draft Climate Change Plan, it had invited the Cabinet Secretary for Climate Action and Energy to provide oral evidence to the Committee, in relation to energy themes raised across a number of petitions currently under consideration. As planned, that session took place on 14 January 2026.

As indicated in my letter of 9 December, I am now following up to provide an overview of some of the issues raised in the evidence session, which may inform further questions that the Net Zero, Energy and Transport Committee wishes to put to the Scottish Government, as part of its scrutiny of the draft Climate Change Plan.

As a reminder, the CPPPC had agreed for the evidence session to broadly focus on the following themes:

- community engagement and input for energy projects
- the cumulative environmental impact of developments and strategic oversight
- the interaction between the Scottish Government's and the UK Government's policies on energy

The basis for these themes was the Committee's continued consideration of the following petitions:

- [PE1864: Increase the ability of communities to influence planning decisions for onshore windfarms](#)
- [PE1885: Make offering Community Shared Ownership mandatory for all windfarm development planning proposals](#)
- [PE2095: Improve the public consultation processes for energy infrastructure projects](#)
- [PE2109: Halt any further pump storage hydro schemes on Scottish lochs holding wild Atlantic salmon](#)
- [PE2157: Update planning advice for energy storage issues and ensure that it includes clear guidance for the location of battery energy storage systems near residences and communities](#)
- [PE2159: Halt the production of hydrogen from freshwater](#)

- [PE2160: Introduce an energy strategy](#)

Community engagement with, and benefit from, renewable developments

The view expressed by the Cabinet Secretary for Climate Action and Energy in front of the Committee was that, while renewables and low carbon energy represented a large economic opportunity for Scotland, these must be managed “in a way that brings people with them”.

Community engagement

Some members highlighted that community engagement around energy developments was variable, and that local voices were often dismissed.

The Cabinet Secretary’s position was that community engagement should be a level-playing field and that, regardless of the type of energy projects, engagement with communities should not be voluntary. The Cabinet Secretary suggested that her own engagement with the UK Government in relation to the Planning and Infrastructure Act 2025 led to securing the ability for Scottish Government ministers to mandate community engagement for energy projects.

Community benefit

The Cabinet Secretary indicated that she was aware that communities may be concerned about the scale of developments. Her stated view was that community buy-in for energy developments is a problem because many communities do not see the benefit of these developments.

She thereby highlighted her hope to see community benefit from proposed developments also mandated at UK level. She indicated that, if or when that happens, the Scottish Government intends to consult on what community benefit should look like, what conditions should be associated with it, and what the extent of it should be.

Local vs national decisions

Some members highlighted the feeling amongst certain communities that there was a democratic deficit in decisions related to new developments and that, even when local authorities turn down an application, the Scottish Government can overrule that decision. The Cabinet Secretary was asked for information regarding the number of applications granted by the Scottish Government, and the number of decisions taken by local authorities but overturned by the Scottish Government.

The Cabinet Secretary suggested that she would provide that information to the Committee, and stated that she could not recall, since becoming a Minister, having called in an application decided upon by a council.

Impact of new energy developments

Impact on land use

Members raised questions about how the Scottish Government is tracking renewable energy developments and what the Government's view is on land use, particularly in terms of the loss of agricultural land and food production land to such developments.

The Cabinet Secretary indicated that the work by the National Energy System Operator (NESO) to develop both a Strategic Spatial Energy Planning (SSEP) and a Regional Energy Strategic Plan for Scotland would shape the way in which Scotland's energy infrastructure will need to develop over coming decades, in order to meet demand and energy security requirements and to assess the cumulative effect of developments on communities, land use and the environment.

Environmental impact

Members wished to know what assumptions the Scottish Government has made regarding the impact of hydrogen production on water usage. The Cabinet Secretary explained that water usage was continually assessed by Scottish Water and SEPA, for all high-water usage industries in Scotland, including hydrogen production. She highlighted that any developers requiring high volumes of water for their projects would have to engage with SEPA and Scottish Water before submitting a planning application.

The Cabinet Secretary recognised that water scarcity was becoming a pressing issue in Scotland. The Committee was told that, given these general concerns, Scottish Water, SEPA and the Scottish Government were working together to produce water scarcity reports and assessments of where water is needed, whether for hydrogen production or for something else.

Some members pressed the Cabinet Secretary on how the Government could ensure that water supply was available without affecting traditional industries, given that most hydrogen production was expected to be done on the East Coast, while most water reserves are on the West Coast. The Cabinet Secretary's response was that Scottish Water had a critical role in this matter, in terms of its investment in infrastructure and its assessment of requirements.

Impact on biodiversity

Members were interested to know how it was set out that impact assessments on pump hydro storage (PSH) projects should take into account the overall effect on salmon populations.

The Cabinet Secretary indicated that SEPA had a dedicated working group which was exploring the challenges to water courses associated with PSH projects, including the cumulative impact of developments, the lack of formal coordination agreements for developers working in the same body of water, and the impact on fish populations more generally. The Cabinet Secretary stated that SEPA was developing guidance for the consideration of cumulative impact of such developments and, to the Cabinet Secretary's understanding, would consult on any such guidance.

Members expressed concerns about the timing of such work, given that decisions on applications are taken at present. The Cabinet Secretary reiterated that these issues

were being explored by SEPA, and that, as and when more information would be available, this would be passed on to the Committee.

Energy sources and excess production

Some members suggested that, while most people were supportive of renewable energy as part of a balanced grid, there was a growing concern regarding the excess production of energy, as well as the issue of constraint payments. There was therefore a question regarding the need for a continuing backup of gas or nuclear sources, in order to maintain stability of the grid.

The Cabinet Secretary's view was that updated and improved capacity in the grid will allow more excess energy to be used and therefore avoid constraint payments. She underlined that the work commissioned from NESO will help the Scottish Government ascertain where the weak spots are in the grid and in energy generation in Scotland, and plan on the basis of that assessment.

The Cabinet Secretary agreed that a variety of energy sources was key, and that "as long as we rely on gas to heat our homes, we need to keep supplying it". The Cabinet Secretary indicated that she has engaged with the UK Government regarding the injection of hydrogen into the gas grid, which she was supportive of.

She also reiterated the Scottish National Party's policy against new developments related to nuclear energy.

Some members continued to express concerns regarding the timescale of the transition from oil and gas to renewables, and they suggested this would be unlikely to happen within a decade.

Energy Strategy and Just Transition Plan

The Committee requested an update on the publication of the Scottish Government's Energy Strategy and Just Transition Plan.

The Cabinet Secretary indicated that the Scottish Government needed to assess, and come to a view on, a number of Supreme Court judgments, particularly in relation to oil and gas licenses. In light of this, the Cabinet Secretary stated that she could not "give an answer to the question about when the final energy strategy will be published". However, she was hopeful that this would happen before the publication of the SSEP in the autumn of 2027.

Conclusion

As indicated previously, the CPPPC intention in inviting the Cabinet Secretary for Climate Action and Energy to provide evidence was to assist the Committee's consideration of the relevant petitions, in order to make as much progress as possible on the ask of the petitions before the end of the current parliamentary session.

While the Committee is yet to come to a view on the issues raised in the session, I trust that the above summary of the discussion will be useful to your Committee in progressing its scrutiny of the Scottish Government's draft Climate Change Plan.

Should you, or any of your team, have any queries on the above then please contact petitions.committee@parliament.scot.

Yours sincerely,

Jackson Carlaw MSP Convener

Annexe F: Letter from the Constitution, Europe, External Affairs and Culture Committee, 23 January 2026

Dear Edward,

Scottish Government draft Climate Change Plan

The Constitution, Europe, External Affairs and Culture Committee agreed to feed into the Net Zero, Energy and Transport Committee's scrutiny of the draft Climate Change Plan by considering within our Pre-Budget call for views how the culture and heritage sector supports the Scottish Government's priorities and outcomes relating to the Plan and to Net Zero.

The Committee's Pre-Budget call for views included the following questions relevant to the draft Climate Change Plan—

1. How is the culture and heritage sector addressing its own operational emissions in line with the Scottish Government's net zero ambitions?
2. What is the role of the culture and heritage sector in shaping and informing public attitudes on climate and sustainability, and in scrutinising and challenging the political response?
3. What impact might the Climate Change Plan have on the culture and heritage sector, and how could funding streams better support culture and heritage organisations to contribute towards net zero outcomes?

The responses to the call for views are available to view [online](#). Additionally, the Committee took evidence on the draft Plan at our meetings on [11 September 2025](#), [18 September 2025](#) and [25 September 2025](#).

Our [Pre-Budget report](#) outlines the evidence we received as well as a number of recommendations to the Scottish Government relating to the culture sector's role in shaping public attitudes, current funding challenges and the impact of audience travel. I have attached the relevant section of the report at Annexe A for your consideration.

Yours sincerely,

Clare Adamson MSP Convener

Constitution, Europe, External Affairs and Culture Committee


Pre-Budget scrutiny 2026-27: funding for culture, 4th Report, 2025 (Session 6)

Climate change and Net Zero

128. Respondents to the Committee's call for views indicated that organisations across the cultural and heritage sector are actively implementing a wide range of measures to reduce emissions and contribute to Scotland's net zero ambitions. Culture for Climate Scotland (CCS) noted that 46% of cultural organisations (reporting to it) were on track to be net zero by 2045.
129. Some of the actions highlighted in submissions included:
- Energy efficiency upgrades such as LED lighting, improved insulation, and Building Management Systems (e.g. NMS, Community Leisure UK).
 - Renewable energy integration, including photovoltaic panels (e.g. Museums Association referenced Gairloch Museum) and switching to green energy tariffs.
 - Sustainable exhibition and production practices, with reuse of materials and modular displays (e.g. Museums Association referenced Perth Museum's "Waters Rising").
 - Digital engagement and remote working to reduce travel emissions.
 - Carbon literacy training for staff and volunteers (e.g. Community Leisure UK members).
 - Promotion of sustainable travel, including cycle-to-work schemes and partnerships with transport providers (e.g. RSNO).
 - Circular economy initiatives, such as the Arts Resource Management Scotland (ARMS) project (see SCAN submission) and Lend & Mend Hubs in libraries (see SLIC).
 - Carbon budgeting and reporting, with sector-wide data collection led by CCS.


Shaping public attitudes

130. Submissions to the Committee's call for views outlined the impact of the sector on shaping public attitudes. Creative Scotland's submission stated that "research has shown that the cultural and creative sector are well placed to play this role, engaging with the narratives and challenges of climate change and helping us to envisage alternative futures." Additionally, the Museums Association highlighted that "Museums are ideal places for people to have big conversations about complex issues."

131. Several exhibitions were highlighted by respondents, including “Rewrite the Future” at the Wardlaw Museum (MGS submission) and “Waters Rising” at Perth Museum (Museums Association), which were said to have engaged audiences with climate themes. Participatory projects like “Sewing Hope: Quilts for Climate Change” (Museums Association) and the RSNO’s “Sounds of the Deep” schools initiative were said to demonstrate how creative programming can foster climate literacy and intergenerational dialogue.
132. CCS told the Committee that cultural organisations “reach the hard-to-reach groups and provide welcoming spaces” and “provide creative, accessible and restorative ways of having conversations about climate change.”
133. CCS also highlighted the Scottish Government’s climate change public engagement strategy, which contains a reference to the role of the cultural sector, and the climate change public engagement fund that certain organisations in the cultural sector have taken advantage of. However, CCS noted that the fund is “very small” and oversubscribed, explaining that “The application success rate was something like 12 or 13 per cent during the last round of funding. Loads of organisations want to do public engagement work on climate change but are not able to access the funds to do it.”
134. CCS went on to state that it is—
 interested in how funds that are being mobilised to address the environmental emergency can be used by the cultural sector, because we have a lot of the skills that are needed and I do not think that they are being taken advantage of at the moment. It is an important funding stream.

135. **The Committee recognises the role of the culture sector in shaping public understanding of, and attitudes towards, climate change. We recommend that the sector’s role be recognised in the Scottish Government’s Climate Change Plan and that the Scottish Government considers how funding to support net zero ambitions could be used to further the impact of the culture sector on public attitudes.**

Funding challenges

136. Submissions highlighted several further challenges facing the sector. For example, HES stated that—
 With nearly a fifth of Scotland’s homes and a large proportion of public and civic buildings constructed before 1919, the challenge of decarbonising the built environment cannot be met

without sustained action on traditional buildings. Preserving and adapting existing historic buildings presents a major opportunity to avoid the emissions associated with demolition and new construction, while the use of traditional materials and skills ensures compatibility, durability, and low-carbon performance over the long term.

137. Respondents to the call for views also noted that achieving net zero will require substantial capital investment. Retrofitting historic buildings, upgrading heating systems, and improving energy infrastructure are costly and complex, particularly for listed or heritage properties. NMS said—

” Achieving net zero is contingent on finding alternative carbon-free heating sources for four sites which are heated from gas boilers. Sourcing alternative heating solutions is technologically challenging and expensive, beyond our annual operating budgets. We can only achieve this level of change through partnership working and major external funds.

138. **We invite the Scottish Government to outline how it intends to address the substantial capital investment required in the culture and heritage sector in order to meet its climate change and net zero ambitions.**

Audience travel

139. The Committee heard from CCS that audience travel to and from cultural events and venues is the largest source of emissions associated with the cultural sector and that, as such, “in terms of value for money, it is useful to focus on that.”
140. CCS suggested that possible solutions include the provision of bus travel from surrounding areas to venues through working with community transport groups or private bus companies. This, they stated, could be provided through the cultural partner itself, through collaboration with transport providers, or through the implementation of a levy on ticket sales to subsidise travel for those who need it.
141. In evidence, the Committee asked whether organisations in the culture sector experience pressure to prove that they are encouraging international visitors, rather than thinking about how the sector might focus on serving a domestic audience or address

some of the impacts of audience travel. CCS responded that, though experiences vary, “there is still a pressure, in that cultural organisations, in order to be seen as being in the top flight of what they do, have to be seen to have that international impact.”

142. CCS noted, however, that this appears to be changing, citing as an example the recent funding decisions from Creative Scotland which made the international aspect criteria non-compulsory, compared with the situation in previous years. This, they explained, resulted in a greater number of smaller community arts organisations receiving funding “that do the kind of work that does not have an international impact but has enormous local significance.”
143. Noting the reliance on international visitors of, for example, the festivals in Edinburgh, CCS highlighted that there are “difficult questions for the culture sector about international travel” and that part of this involves “thinking about how we can do more to serve local audiences and value that kind of work.”
144. In evidence, the Cabinet Secretary told the Committee that the Scottish Government is focussing efforts on increasing public transport use and that there is a need to ensure that the culture sector is “properly served with the ability for people to travel with the least environmental impact possible.”

145. The Committee notes the evidence heard that audience travel to and from cultural events and venues is the largest source of emissions associated with the cultural sector. As such, we welcome the Cabinet Secretary’s confirmation that the Scottish Government is focussing efforts on public transport use. The Committee requests more details on how the Scottish Government is supporting greater use of public transport to cultural events or sites and how progress is being measured.

146. Noting the evidence heard that there are “difficult questions for the culture sector about international travel”, we also ask the Scottish Government to outline what steps it is taking to address aviation emissions associated with audience travel.

Annexe G: Letter from the Social Justice and Social Security Committee, 27 November 2025

Dear Edward,

Scottish Government Response on Fuel Poverty Targets

In response to the request for the Social Justice and Social Security Committee to contribute to scrutiny of the Climate Change Plan, the Committee sought an update from the Scottish Government on its fuel poverty targets.

Following its meeting on Thursday 20 November, the SJSS Committee agreed to forward the Scottish Government's response to the Net Zero, Energy and Transport Committee to support its scrutiny of the Plan.

Please find the Cabinet Secretary for Housing's response attached as an annex to this letter.

Yours sincerely,

Bob Doris MSP Deputy Convener

Social Justice and Social Security Committee

Annex

Dear Bob,

Thank you for your letter of 14 October 2025 on behalf of the Social Justice and Social Security Committee which seeks an update on progress towards our statutory fuel poverty targets. I am responding as Cabinet Secretary with portfolio responsibility for fuel poverty - however the link between both portfolios is clear and we continue to work collaboratively to progress our climate and fuel poverty ambitions.

Progress towards our ambitious fuel poverty targets, as set in The Fuel Poverty

(Targets, Definition and Strategy) (Scotland) Act 2019, is measured as part of our long-standing national Scottish House Condition Survey (SHCS). The SHCS provides a snapshot of the Scottish housing stock in each survey year, including fuel poverty rates, with the most recent survey estimating that 861,000 households (34% of all households) were in fuel poverty in 2023, of which 491,000 (19.4% of all households) were in extreme fuel poverty.

The next SHCS findings for 2024 will be published early 2026 and will include local authority estimates of fuel poverty based on a three-year average for 2022 to 2024. Meanwhile, we continue to undertake scenario modelling on the impact of the energy price cap on fuel poverty rates for the typical dual fuel household paying by direct debit.

Based on Ofgem's [announcement on 27th of August 2025](#), Scottish Government's [published scenario modelling](#) suggests that during October to December 2025 there will be around 830,000 fuel poor households in Scotland – 33% of all households.

This is an increase of 10,000 households from estimates for July to September 2025.

We continue to progress actions within our devolved powers towards raising household incomes and improving the energy efficiency of our homes, however it is clear that the fundamental fiscal and policy levers to make a real difference lie with the UK Government. This is further emphasised by published Scottish Government modelling estimates that if energy prices returned to 2019 levels, then there would be 389,000 fewer households in fuel poverty in Scotland in 2023, with a fuel poverty rate of 19 per cent, representing 472,000 households.

It is essential that the UK Government takes urgent action to address the high energy bills faced by the people of Scotland – in an energy rich country like Scotland, people should not be struggling to pay their bills. In particular, the UK Government must urgently deliver a social tariff in the form of an automatic and targeted discount on energy bills to address unaffordable bills at source.

I trust that the Committee finds this letter helpful. Yours sincerely,

MÀIRI MCALLAN

Annexe H: Letter from the Public Audit Committee, 6 November 2023

Dear Edward

Net Zero and climate change scrutiny

Thank you for your letter of 3 July 2023, seeking information on how Parliamentary committees can work together to scrutinise the Scottish Government's forthcoming draft Climate Change Plan (CCP). As you will be aware, scrutiny of the CCP does not fall within the Public Audit Committee's remit. However, recent scrutiny work undertaken by our Committee in relation to net zero and climate change may be of relevance to your Committee's work in this area.

We therefore agreed to write to you, setting out the key issues arising from our scrutiny of the Auditor General for Scotland's (AGS) report on [How the Scottish](#)

[Government is set up to deliver climate change goals](#) and our scrutiny of the Major Capital Projects and Programmes (MCP) falling under the "Enabling the transition to Net Zero emissions and environmental sustainability" theme of the Scottish Government's Infrastructure Investment Plan. The Committee hopes that its scrutiny in these areas will help support your forthcoming scrutiny of the CCP.

On [18 May 2023](#), the Committee heard evidence from the AGS on his report, which focuses primarily on the governance and risk management arrangements that the Scottish Government has in place to deliver its net zero targets and adaptation outcomes. On [29 June 2023](#), we took evidence from the Scottish Government on its [September 2022 MCP update](#) with a focus on the delivery of net zero and climate change ambitions. We then took evidence from the Director-General (DG) Net Zero on issues that were raised during both of these evidence sessions at our meeting on [7 September 2023](#).

Governance arrangements

The AGS's report is clear that the delivery of climate change ambitions is dependent on all eight DG areas embedding climate change considerations into their financial and policy decision making processes. The report states that the DG Net Zero is responsible for working with all DG's, and their respective directorates to ensure climate change is considered as part of the activities they lead on. During the evidence session, the AGS stated that the Scottish Government's governance arrangements—

“support a complex area of delivery that has many interdependencies across Government, in what might be essentially competing areas of policy”.

Exhibit 3 of the report sets out the Scottish Government's corporate and climate change governance arrangements. One of the key messages from the AGS's report is that the Scottish Government has improved how it organises itself to support the delivery of its climate change goals, but that further improvements to key aspects of governance are required. During evidence, the AGS stated that “action needs to be taken on governance and risk management to ensure that collaboration takes place”.

When giving evidence to the Committee, the DG Net Zero told the Committee that since the AGS's report had been published, the Scottish Government had "revised the terms of reference for the Global Climate Emergency (GCE) Board and established a new governance framework that more clearly sets out the roles of all the individuals involved in climate change delivery, including the role of the Deputy Director (DD) group, which we no longer see as being a pivotal part of the governance structure, but as support to the GCE board". The Scottish Government's new governance framework can be found [on the Committee's webpage](#).

The Committee was concerned to read in the AGS's report that governance arrangements to help Scotland adapt to the impact of climate change are less developed than those for reducing emissions. During evidence, the AGS told us that comprehensive governance and risk management arrangements that bring parity to the work on adaptations and the work on climate change is required. The DG Net Zero confirmed during evidence that climate change adaptation is now "one of the three key pillars of the climate change programme that the GCE Board will oversee". He also confirmed that the Scottish Government was still to formalise responsibility for the delivery of the changes required on adaptation across all sectors and that the development of the next climate change adaptation plan would include working on the production of a monitoring and evaluation framework.

The Committee highlights its concern that governance arrangements to support adaptations to climate change are not yet as fully developed as those in place to reduce emissions.

Cross-government collaboration

We heard from Audit Scotland during evidence that—

"There is a desire in the Scottish Government to have collaborative working, but the systems are not in place to support it".

We also heard from Audit Scotland during evidence that there is a lack of direct reporting links between key Scottish Government bodies, such as the Global Climate Emergency (GCE) Programme Board, the Deputy Director network and the policy delivery boards and that there is a reliance on having the same individuals sitting on various groups.

The AGS's report states that—

"frequent changes to complex, cross-cutting governance arrangements, and the lack of clear documentation, makes it difficult for teams across the Scottish Government to see where responsibilities lie and could hinder collaborative working on this cross-cutting priority area".

During evidence, the DG Net Zero provided examples of how cross-government collaboration is taking place. One such example was in respect of how the Director of Budget and Public Spending from the DG Scottish Exchequer sits on the GCE Board, in addition to having "all the directors of all the sectors on that Board, as well as directors from DG Economy". Previously in his evidence session, the AGS welcomed the DG Scottish Exchequer playing a more active role in climate change matters. However, during evidence, Audit Scotland also highlighted that "a lot of the work happens within

policy boards and at directorate level and we just cannot see how those link in, so we cannot see how these things are connected”.

The Committee notes the progress that has been made to strengthen cross-government collaboration by making changes to climate change governance arrangements. However, we wish to highlight the comments made by the AGS during evidence that “there are some gaps, and some collaboration is happening, but there is a lot of work still to undertake” and that there is a need for greater transparency.

Lack of assessment of the impact of policies and spending on emissions

The AGS’s report states that the Scottish Government does not routinely carry out carbon assessments or capture the impact of spending decisions on its carbon footprint in the long term. The report explains that this means that the Scottish Government does not know the impact of its policies or its spending on greenhouse gas emissions. During evidence, the AGS expressed the view that—

“...for many years, there has not been a clear enough alignment between spending plans and outcomes from spending plans in relation to climate emission reductions and the wider connection between budgets and the national performance framework.”

Policies

The AGS’s report highlights that the Scottish Government does not assess how far the policies outlined in the CCP update will contribute to net zero. The report added that following recommendations from the Climate Change Committee, the Scottish Government is in the process of reviewing its emissions reductions pathways to net zero for the new CCP. We heard from Audit Scotland that—

“There is a commitment from the Scottish Government to consider the carbon impact of significant policies at an early stage, but the timescales for that are still not clear”.

During evidence, the DG Net Zero acknowledged this was a “a fair reflection of where we are at the present time” and confirmed that the weaknesses identified by the AGS and by the Climate Change Committee would be addressed in the forthcoming CCP.

The Committee is of the view that providing detail on the emissions that each policy in the CCP will deliver is an important aspect of the forthcoming CCP.

Spending and investment

Case study 1 in the AGS’s report highlights work undertaken by the Fraser of Allander Institute in 2022, to look at improving assessment of the carbon impact of the Scottish Government’s spending decisions and the Scottish Budget.

During evidence, the AGS stated that the research showed that:

“although work is going on, there has been a lack of alignment with regard to some of the carbon assessments that have been made and the Scottish budget.”

We also heard from the AGS that the Scottish Government “needs to be clear what public spending is contributing to managing the implications of climate change”.

The AGS’s report also states that “the Scottish Government does not know how much the policies proposed in the current Climate Change Plan Update will cost and so is uncertain whether sufficient money will be available to support the commitments it has made”. The report goes on to state that there is a legal requirement that the next version of the CCP is fully costed.

During the evidence session with Scottish Government officials on MCPs, we heard of underspends on particular schemes, where demand had not picked up as quickly as had been anticipated when initial budget allocations were set. Examples included bus priority investment, the heat network, the low carbon manufacturing challenge fund, the emergency energies technology fund and peatland restoration.

During evidence, the DG Net Zero told us that some of these schemes were demand led, and that demand had not materialised as expected. He commented that “the capital review that is underway just now will take a look at and be cognisant of capital across the piece, including in relation to net zero activity”. We also heard from the Scottish Government that some of the figures, such as those for the emergency energies technology fund were showing the cost to date, while the budget for the fund covers the whole of this Parliamentary session.

The AGS’s report notes that some progress has been made in considering climate change in budget planning and spending. The report also notes that DG Scottish Exchequer staff are working with other DG areas to gain a collective understanding of competing financial and policy pressures, policy affordability and the impact of spending on climate change.

During evidence, the Committee also explored how the Scottish Government planned to ensure that its net zero projects were viable and attractive propositions to investors. The DG Net Zero confirmed that his directorate is working closely with the DG Economy, whose directorate is “focused on identifying marketable and investable propositions, whether in Scotland or other areas”. The DG Net Zero also confirmed that, following the success of securing a “good level of private investment in the transformation of the bus fleet to a low-carbon fleet through pump priming with Scottish Government money”, a similar piece of work is being undertaken on electric vehicle charging points.

The Director of Energy and Climate Change told the Committee during evidence that private finance can be ‘levered’ in a range of ways. They also confirmed that there was “a role for the Scottish National Investment Bank in providing public sector money for projects and investments that are not commercially viable on their own”.

The Director of Energy and Climate Change also highlighted the work undertaken by Scottish Enterprise and other enterprise agencies to support investments.

The Committee considers that it is vital that all costings in the next Climate Change Plan are made following informed assessments, to ensure that the targets they support are realistic and achievable.

The Committee is also of the view that given the climate emergency—

- **urgent action should be taken where monitoring reveals that the rate of take up is lower than expected;**
- **the CCP should set out credible approaches to ensure take up of demand led schemes occurs at the pace required; and**
- **the Scottish Government must ensure that its net zero projects have access to funding in order to deliver on its climate change ambitions.**

Just Transition

During evidence, we heard from the AGS that:

“there will need to be prioritisation and difficult choices along the way to deliver a balanced budget and outcomes that meet the Scottish Government’s policy objectives, which include ensuring a just transition, meeting climate change emission reduction targets and spending”.

We asked the DG Next Zero how the Scottish Government plans to secure public participation and promote a shift in public behaviour, to ensure the take up of schemes that impose direct costs on the public such as domestic heating systems and electric vehicles. The DG Net Zero acknowledged that behavioural change and societal transformation “is probably the hardest thing to undertake as we head on our journey to next zero”. He confirmed that this is part of the work of the GCE Board and the work of each of the teams across each sector in the Scottish Government.

The Committee asked the DG Net Zero to provide information on what grant assistance and resources are available at ‘ground level’ to help people make the transition to a different heating system and install home insulation. That information can be found [on the Committee's webpage](#).

The Committee strongly believes that the Scottish Government must continue to actively promote the support available to ensure maximum public participation in schemes to help achieve its ambitious net zero targets.

Risk management

The AGS’s report states that the Scottish Government’s climate change risk management arrangements remain underdeveloped. The report goes on to add that:

“Scotland’s targets to reach net zero emissions and adapt to climate change will require deep and rapid change across the whole of society”.

In particular, the AGS’s report highlights that the Scottish Government has identified a high risk of it not meeting its net zero targets and failing to adapt to the impacts of climate change. This concurs with the most [recent report of the Climate Change](#)

[Committee](#), which also highlights that there is a high risk of the Scottish Government not meeting its climate change goals.

The AGS's report states that the GCE Board does not have risk management arrangements in place, despite a recommendation from a 2019 review that this should be a priority. The report highlights that this is a weakness that the Scottish Government must address. During evidence, Audit Scotland confirmed its surprise that the GCE Board had no risk arrangements in place, given its remit is to provide oversight and assurance of climate change at a corporate level.

One of the key messages in the AGS's report is that the Scottish Government's evidence base and processes to identify and score risks is not always clear and that actions to address risks are sometimes vague. We heard from the AGS that:

“...a number of risk registers at different levels in the Scottish Government outline actions to address the various risks in not achieving the Government's climate change goals. However, we found that those actions are sometimes quite vague and that it is not clear exactly what needs to happen, what the Government intends to happen and what the expected impact of that action would be.”

The Committee raised this issue with the DG Net Zero in evidence and asked how the Scottish Government is identifying, monitoring and reviewing risks so that there is clear sight of how they are being addressed. The DG Net Zero confirmed that a new structured risk approach has been put in place that mirrors the approach taken by the DG Economy at a corporate level and has “been cascaded through the sectors and their boards, and those risks are now flowing up to a climate-change-specific risk register”. The DG Net Zero added that he “was comfortable that [the Scottish Government] have addressed the specific points in the report, but we need to socialise that approach, so that it becomes normal activity”.

The Committee highlights its concern that several risk registers contained actions which were vague and unclear. While steps have been taken to address this, we consider this to be an area that merits further scrutiny.

Workforce plan and workforce capacity

The AGS's report states that the Scottish Government has identified issues of workforce capacity and capability as key challenges, at both organisation wide and DG Net Zero levels. The report goes on to state that—

“Some work has recently been done to explore resource requirements within DG Net Zero but it is difficult to calculate the impact of climate change policy on resource requirements across wider areas of government. All other DGs should consider how climate change ambitions may impact on their workforce requirements. It is unclear if the Scottish Government has enough staff with the skills needed to deliver on its climate change commitments.”

The report recommended that the Scottish Government ensure that a DG Net Zero workforce plan is in place by Spring 2023. When giving evidence, the DG Net Zero confirmed that a workforce plan has been produced and ratified by the Scottish Government's Executive Team. However, it is still not clear to the Committee whether the Scottish Government has the workforce capacity and capability, as a whole, to deliver on its climate change commitments.

The Committee notes that a DG Net Zero workforce plan is now in place. However, the Committee suggests that there may be merit in exploring the steps that the Scottish Government is taking to ensure it has the workforce capacity and capability to deliver its climate change commitments in all Scottish Government directorates.

I can also confirm that I and other Members of the Public Audit Committee are happy to participate in the Chamber debate on the draft Climate Change Plan.

I hope that this is helpful in assisting your Committee's scrutiny of the CCP. Yours sincerely,

Richard Leonard MSP Convener