

Net Zero, Energy and Transport Committee
Tuesday 28 May 2024
19th Meeting, 2024 (Session 6)

Scottish Government climate change and environmental governance stocktake

Background

1. This paper provides background information on the main themes the Committee expects to discuss with the Scottish Government at its 28 May meeting.

Climate change governance

2. The Committee agreed to hold two evidence sessions in the first half of 2024 on how the Scottish Government is working to address the challenge of climate change by making Scotland “net zero” in greenhouse gas emissions by 2045; a target enshrined in statute. The Scottish Government has further committed to achieving net zero by way of a “just transition” that seeks to minimise rather than increase inequality and create new economic opportunities.
3. In these sessions, the Committee wishes to focus in particular on the machinery of government: the effectiveness of the structures the Scottish Government has in place to achieve this huge social and economic change.
4. The first session was with the Auditor General for Scotland on [12 March 2024](#), focusing on Audit Scotland’s report on [How the Scottish Government is set up to deliver climate change goals](#).
5. The report found improvements in the government’s climate change and net zero governance arrangements but identified missing elements of good governance. Recommendations included better alignment of governance groups, effective assurance arrangements, and a workforce plan for the Director-General Net Zero by Spring 2023. The report stressed the need for cross-government collaboration due to climate change’s cross-cutting nature. It also called for the Scottish Government to put in place more robust risk management measures for climate change. These themes were all discussed during the evidence session.
6. The Committee will follow up on this theme on 28 May when it hears from the Cabinet Secretary for Net Zero and Energy and officials.

Climate Change Committee Annual Scottish progress report for 2023

7. Relevant to this discussion is the CCC’s annual [Progress in reducing emission in Scotland – 2023 Report to Parliament](#) published on 20 March. [On 23 April](#), the Committee heard from the CCC’s Chief Executive, Chris Stark, and Scotland Champion Professor Keith Bell to discuss the report and its main finding that the target of achieving a 75% cut in greenhouse gas emissions by 2030 (against a 1990 baseline) was “no longer credible”.

Cabinet Secretary update on climate governance

8. In response to a Committee request to help it prepare for this session, the Cabinet Secretary [wrote on 10 May](#) with an update on the Scottish Government's programme of work on climate change. The letter outlines the Scottish Government's current climate change policies, legislation, and plans, as well as its engagement with the UK Climate Change Committee and cross-party discussions on climate change. It provides updates on the upcoming Climate Change Plan and the Cabinet Secretary's 18 April announcement (in response to the CCC's 20 March report), of a proposed new climate change bill to change interim net zero targets and climate action initiatives across different sectors.

Climate Change Peoples Panel

9. The evidence session is also the Committee's first opportunity to take evidence directly from the Scottish Government on the recent work of a "People's Panel" commissioned by the Committee.
10. On [19 September 2023](#), the Committee agreed to carry out post-legislative scrutiny of Section 91 of the [Climate Change \(Scotland\) Act 2009](#). This places a duty on the Scottish Government to publish a public engagement strategy for climate change and review it every five years. The strategy must propose actions to deliver its core aims: to inform the public of Scotland's statutory climate change targets, and to encourage them to play their part in achieving those targets.
11. To carry out the post-legislative scrutiny, the Committee agreed to commission a [People's Panel](#), comprising 23 people, selected at random but intended to comprise a broadly representative demographic cross-section of Scottish society. The panel published its report on [11 April](#). This sets out how the Panel had gone about its work and setting out a collective statement and 18 conclusions and recommendations to the Committee.
12. The Committee took evidence from a selection of participants from the Panel on [16 April](#). [The Committee agreed to bring the Panel's work to the attention of the Scottish Government and to seek its views on its conclusions and recommendations](#). The Scottish Government's response is annexed.

Environmental Governance Review

13. The other major theme likely to be discussed during this evidence session is Scottish Government policy on post-Brexit environmental governance. In June 2023, the Scottish Government laid in the Scottish Parliament the [Environmental Governance Arrangements: report](#), as required by the UK Withdrawal from the EU (Continuity) Act 2021.
14. The 2021 Act also requires the Scottish Government to consult on the effectiveness of environmental governance arrangements. The Scottish Government launched the consultation on 2 June and it closed on 13 October. All published responses are available on [the Scottish Government's website](#).

15. The Committee wrote to several key stakeholders about the Scottish Government's report and review and received responses from [SEPA](#), [Scottish Water](#), [ESS](#), [Scottish Environment LINK](#), the [UK Environmental Law Association](#), and the [Environmental Rights Centre for Scotland](#) (ERCS).
16. Upon reviewing the responses on 24 October, the Committee noted concerns raised by some respondents calling into question whether the Scottish Government's report fully met statutory obligations under the 2021 Act and querying its scope or depth of analysis.
17. In response to these concerns, the Committee wrote to the Cabinet Secretary, who [replied on 8 November](#) stating that the Scottish Government had met the Continuity Act's requirements "at every stage of the process". She stated that it would be premature to comment further on the consultation process's outcome before the Scottish Government lays a statement in Parliament, including its recommendations on next steps. The timing of this statement is still unknown.
18. The Committee held an evidence session on [16 January 2024](#) with environmental stakeholders to discuss the Scottish Government's report and environmental governance in Scotland more broadly. It also discussed these issues with Environmental Standards Scotland at its evidence session on [5 March](#). The Committee expects to pick up on main themes raised at these two evidence sessions during the discussion with the Cabinet Secretary, and to seek an update on when the statement on environmental governance will be laid.

Next steps

19. The Committee will consider the evidence it has heard at the end of the 28 May meeting and any next steps.

**Clerks to the Committee
May 2024**

Annexe A: Letter from the Cabinet Secretary on 10 May on matters relating to climate change

Dear Edward,

Thank you for the opportunity to appear before the Net Zero, Energy and Transport Committee to discuss the programme of work that the Scottish Government is undertaking on climate change. You asked to be provided with some information in advance of this to support the Committee's preparation for that session - please find my response to that request below which I hope the Committee will find useful.

Climate Change Plan and proposed Climate Change Bill

As I announced on 18 April, development of the next Climate Change Plan is now continuing in the context of forthcoming proposals for legislative change. My immediate priority is to address the points raised by the CCC in their latest progress report and introduce legislation to Parliament in due course.

It is important to underline that this Government remains fully committed to meeting our target of net zero emissions by 2045 at the latest. With emissions already cut by almost 50%, we are now entering the second half of our journey to net zero. While we are seeking to realign our target pathway to Climate Change Committee advice, it must be clear that there is no change in the challenge ahead: we have twenty years to finish the job and reach net zero. The hardest part of this journey is undoubtedly ahead of us and all parties must be prepared to join us in making the difficult delivery decisions that will be required to deliver our shared aim.

This means we must continue driving down emissions as fast as we can, in a way that is just and fair. That is why this Government announced earlier this month a raft of new climate action in transport, agriculture, taxation, land use and industry. In this next phase of our journey these announcements will set the context for the next Climate Change Plan.

The full package of new climate action can be found here but includes, for example:

- A plan to deliver approximately 24,000 additional electric vehicle charging points by 2030;
- Development of a new integrated ticketing system that people can use across all public transport;
- A pilot for methane suppressing food to reduce livestock emissions;
- Publication of our routemap for 20% car km reduction by Autumn 2024 with a timeline for implementing demand management (this will include consideration of how local government action can further incentivise the switch to EVs in addition to reducing overall car km); and
- Consultation on proposals to introduce a carbon land tax as part of considering fiscal and regulatory measures to incentivise peatland restoration, afforestation and renewable energy generation.

In the meantime, I will also be looking to make maximum progress across individual sectors covered by the Climate Change Plan, including through the Energy Strategy and Just Transition Plan along with the forthcoming draft Just Transition Plans on Land Use and Agriculture, Transport, and Built Environment and Construction, the Green Industrial Strategy and by putting in place new legislation for specific sectors through the Bills contained in the legislative programme.

As I set out in Parliament on 18 April, proposed amendments to climate change legislation are being developed to address a narrow range of revisions to the legislative framework, with the purpose of realigning our target pathway with Climate Change Committee advice, alongside moving to an approach based on 5-yearly carbon budgets. This new approach is crucial to ensuring our legislative framework better reflects the uncertain practical reality of net zero where, for example, a cold winter can drive up emissions simply by an increase in demand for home heating.

Auditor General and Audit Scotland report

We have put in place a programme and governance structure to ensure that action is marshalled and directed to fulfilling our collective ambition on climate change. We welcomed the recommendations made by Audit Scotland in April last year and committed to implementing them as soon as possible. Indeed, as I hope the discussion at committee will demonstrate, we have made significant progress on this.

Since April 2023, we have built on the existing governance of our Climate Change Programme and developed streamlined, more clearly presented sets of roles, responsibilities, and relationships to clarify lines of accountability and assurance.

We have also embedded formal and consistent reporting across the Scottish Government. We have ensured our approach to risk management is systematic, effective, and robust and there is a clear risk escalation process in place.

Members of the Public Audit Committee will have seen evidence of this when my officials gave evidence last autumn. Indeed, when my officials last met with Audit Scotland in February this year, Audit Scotland was encouraged by the pace at which their recommendations had been implemented. Further, when the Auditor General appeared before NZET Committee on 12 March, he noted that response from the Scottish Government into the recommendations was appropriate.

Workforce Plan In the Public Audit Committee session on 12 March, Audit Scotland advised the Committee that workforce planning is an on-going exercise within the Director General Net Zero's areas of responsibility, with a continuous process of mapping the commitments under DG Net Zero to the resources and budget that are available and aligning them to priorities. This is a continuous management process and means that there is no one workforce plan, but multiple plans spread across DG Net Zero. I am, therefore, unable to provide you with a copy of a single workforce plan but can provide assurance that workforce planning is undertaken within DG Net Zero in a regular and consistent manner.

COP28 – Scottish Government outcomes

You asked for information on COP28 outcomes. I can confirm that the report on COP28 was [published](#) on 16 April 2024.

Cross-party discussions on climate change

The First Minister's Cross-Party Roundtable Discussion with Scottish Party Leaders took place on 1 February 2024. At this meeting the First Minister outlined progress made to date as well as future and current challenges in driving forward climate change policy.

Chris Stark, at that point Chief Executive of the Climate Change Committee, delivered a presentation with analysis on the Scottish context for climate change and we heard from each of the Scottish Party Leaders who detailed their own priorities and ambitions in regard to achieving net zero.

I separately attach a summary of what was discussed at this meeting.

The Scottish Government remains committed to continuing engagement across parliament on climate.

Climate Change Committee

With regard to the establishment of a Climate Change Committee (CCC) office in Scotland, consideration is ongoing and we will update the Committee on this matter in due course. In the meantime, the CCC continue to provide comprehensive advice for Scotland in line with the requirements of the Climate Change (Scotland) Act 2009 as set out in their corporate annual reports laid in the Scottish Parliament.

On development of the draft Climate Change Plan, Scottish Ministers would request the CCC's views on a draft plan after it is laid in the Scottish Parliament, as specified in the Climate Change (Scotland) Act 2009. While it is not a statutory requirement to involve the CCC with development of the draft plan, we have regular engagement. The CCC's annual progress reports on reducing emissions in Scotland have also been valuable in informing the Scottish Government's climate change policy development; recent progress reports will form a vital element of development of the next Climate Change Plan.

I hope that the information provided fulfils your requirements and I look forward to our discussion at Committee.

Yours sincerely,

MAIRI MCALLAN

FM Cross-Party Scottish Leaders Roundtable – 1 February 2024 – Meeting
Summary
Summary Note:

The First Minister (FM) and the Cabinet Secretary for Transport, Net Zero and Just Transition (MM) met with Scottish Party Leaders at Bute House 1 February 2024.

The discussion at this meeting was very productive and the group were given a presentation from Chris Stark (CS) on analysis the CCC have provided on the potential Scottish emissions gap. Furthermore, Scottish Party Leaders highlighted what they felt were the biggest challenges and opportunities in reaching net zero by 2045.

Issues discussed included:

- FM thanked all attendees for being available for the meeting and highlighted the Scottish Government's commitment to achieving net zero by 2045.
- MM added that net zero ambition can be paired with economic growth – highlighting the fact that we have reduced our carbon emissions on the 1990 baseline by 50%, whilst also seeing the economy grow by 57%.
- CS delivered a presentation where he highlighted global carbon emissions over the past 800-thousand years. CS added that we are now entering a plateau period with carbon emissions, as agreed at COP28.
- CS also portrayed carbon emissions in Scotland by sector and the make-up of each of these – noting that whilst a number of the sectors were sloping downwards in their carbon emission trajectory, we were not seeing any rapid decline.
- CS also presented a projected pathway the CCC have set out, on how Scotland can reach net zero by 2045, but stressed that policies to do so would need to be impactful and done in a way that is just and fair.
- CS highlighted within this trajectory, that as per previous advice from the CCC, that the 2030 target was unlikely to be met and that the annual targets that sat alongside the interim targets were not the best measure of carbon emission reductions.
- FM handed over to Party Leaders to deliver short interventions on the challenges and opportunities in reaching net zero by 2045.
- ACH highlighted the 3 biggest emitting sectors: Buildings; Industry; and Transport and stressed that in his view, progress on each of these sectors has been relatively slow.
- ACH demonstrated some Scottish Liberal Democrat Party pledges, including an emergency insulation programme and free retrofitting of heat pumps for low income households. Furthermore, there is a requirement for transport to be more fair – improved availability of and more environmentally friendly buses and trains.
- AS expressed that there was a shared ambition within the oil and gas sector for a just transition and that there was a requirement for partnership between businesses, industry and cross-government.
- AS also expressed that public confidence is very important and that we need to convince the public it means higher paying jobs, better working conditions and a cheaper cost of living. In addition, AS also stressed that Electric Vehicle

(EV) charging units need to be more affordable and so do low carbon vehicles.

- DR offered that insulating homes is a very easy solution to reducing carbon emissions and this has been the policy over preceding years. DR expressed some concern over how the framing of climate change lands with the general public has only gone so far and the particular issues experienced in the planning sector, which has been prone to delays of projects.
- DR raised education and green skills, highlighting a requirement to ensure that we are identifying skills which will be required in the coming years and ensuring that we have enough skilled labour to do the jobs required.
- LS emphasised that strengthening the economy is the right signal for the public. LS added that the 2045 target is stretching and that policy areas such as industry, agriculture, buildings and transport require major policies to decarbonise. It is important that at the heart of such policies is a shared ambition and responsibility, which ensures a transition that is just and fair.
- CS offered some closing remarks, adding that it was important that any arguments we make regarding climate change need to have co-benefits to get wider public buy-in e.g. increased employment.
- FM closed the meeting.

Annexe B: People's Panel on Climate Change, response from the Scottish Government, 23 May 2024

Dear Edward,

People's Panel on Climate Change

Thank you for your recent letter of 2 May highlighting the valuable work of the People's Panel. I would like to take the opportunity to thank the People's Panel for their collective statement and recommendations. As you noted in your letter, the panel made a number of recommendations in their report and I wanted to use this letter to directly respond to a selection of those most relevant to public engagement.

Public engagement has always been a core component of the Scottish Government's response to climate change in recognition of its importance as well as the statutory duty to engage the public. I agree with the panel that it is vital that everyone understands the nature and scale of the climate emergency, has access to information about how they can help tackle it and can participate and shape decisions about our national approach to climate change. That is why the Scottish Government continues to put engagement at the centre of our action on climate change, through our programme of Climate Action Hubs, Participation Programme and wider engagement work.

Through the Just Transition Participatory Budgeting programme, supported through the Just Transition Fund, we are empowering and supporting communities to have a direct say on how money is spent in their local areas. £2.5 million has been allocated over the past two years, supporting 98 community projects across the North East and Moray, and engaging 19,000 people in the voting process.

Also through the Just Transition Fund, support has been made available for delivery of the Just Transition Communities project. The project aims to actively engage communities across the region, including within deprived and disadvantaged areas, in discussions on what a just transition to net zero looks like for them. Key outputs from the first two years of delivery include: development of over 20 community action plans, over 30 community projects and over 1700 adults, and 3400 young people participating.

The Panel challenges the Scottish Government to strive to increase the consistency and reach of its engagement. We acknowledge the call for honesty about the scale of the challenge, consistent evaluation of projects and commitment to understand where action is needed and barriers to participation. We are seeking ways to address this as we review our current engagement strategy. As you and the Panel will be aware, all our engagement activity is underpinned by our climate change public engagement strategy (PES). The PES

contributes to the Scottish Government's mission to maximise the opportunity of a fair, green and growing economy by encouraging and enhancing public involvement in taking climate action. In addition to the statutory requirement to review the strategy every five years, we have committed to a mid-point review which is due to begin shortly and will be completed this summer.

I can confirm that the Panel's report and recommendations will be used as part of this review to help shape and inform the remainder of the strategy's implementation. In addition to the Panel's report, the mid-point review of the PES will draw together the data we have collected from our programme evaluations to date, our national indicators and research to provide an assessment of our overall progress towards our strategic objectives.

We will also use this as an opportunity to gather feedback from key stakeholders and delivery partners on what aspects of the strategy they think are working well and any suggestions for improvement. The PES implementation plan for 2024/25 includes the Let's Do Net Zero marketing campaign, Climate Action Hubs, Public Participation Programme, Climate Engagement Fund, Climate Week and Climate Policy Engagement Network.

The Scottish Government is committed to supporting community climate action to enable communities to make the transition to low carbon and climate resilient living. The Panel concluded that collaboration with expert local and community-led organisations is the key to success citing the importance of education, the cultural sector and listening to the public about their experiences. I agree, which is why these are all key elements of the Government's current strategy and will continue to be. The Scottish Government has taken forward its [Open Government climate change commitment](#) and established a network of organisations and individuals to enable meaningful participation with delivery of climate change policy, providing advice, accountability and supporting transparency. This is known as the Climate Policy Engagement Network. The network is hosted through an online platform and is open to organisations or individuals across Scotland who have an audience or a skill relevant to the network and an interest in climate policy.

Government is currently supporting engagement with young people through the Climate Action Schools initiative and community-led action through our network of Community Climate Action Hubs. Through this framework, we are providing a vehicle for communities to come together and engage in collective climate action. The Scottish Government will be providing up to £5.5m of funding in 2024/2025 for our network of Climate Action Hubs alongside a support package to ensure it can deliver effectively. The hubs empower communities to identify the actions that are most appropriate to their needs. They support peer-to-peer learning, promote collaboration between projects, and help groups to take advantage of funding opportunities.

The Scottish Government also provides funding to Scottish Communities Climate Action Network (SCCAN) to support wider efforts to inform the public of the climate emergency and ways to take action in their local community. In particular, to help develop and grow the existing SCCAN network activity so as to better support and enable its members to proactively shape rapid and transformational change towards net-zero, and to build resilient communities.

The Panel called for more longer-term funding to support engaging with the public and communities on climate action. We are operating within a very tight economic environment but we have prioritised funding for engagement initiatives in 2024/25 where possible and we will always look to maximise the impact of that funding. In addition to the Climate Action Hubs outlined above, the Climate Engagement Fund is in its second year of operation. It was set up to enable external organisations and groups across Scotland to lead their own climate change engagement initiatives as ‘trusted messengers’. Eight projects were provided £550k funding last year and the latest application round has recently closed with a record number of applications to be assessed.

The Panel also called on Government to ensure there is an effective communication plan for engaging with the public and that positive climate stories are shared. It should be noted that the Scottish Government’s Let’s Do Net Zero (LDNZ) marketing campaign has so far been successful in reaching the target audience and motivating them to take action, with independent evaluation showing that visibility of LDNZ brand activity is key to driving individuals to take climate action. In addition, Scotland’s Climate Week is a Scottish Government initiative celebrating Scotland’s actions on climate change. It aims to raise awareness of how people, businesses and organisations can adapt to a low carbon lifestyle. It has been delivered annually since 2016.

I would like to take this opportunity to thank the Panel for their work and reiterate Government’s commitment to use the findings as part of our PES mid-point review later this year. The Scottish Government remains committed to engaging with the public and will continue to encourage and enhance public involvement in taking climate action.

In your letter you asked for further details on the establishment of the participative process Ministers committed to as part of the policy package announced in April. The intention is to use the PES mid-point review referenced above to help determine the most effective structure for this and I would be happy to provide further details to the committee in due course.

I will respond more fully to each of the individual recommendations following the mid-point review later this year.

MÀIRI MCALLAN