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<b>Report To:</b>	<b>Environment and Regeneration Committee</b>	<b>Date:</b>	<b>2 March 2017</b>
<b>Report By:</b>	<b>Corporate Director, Environment, Regeneration and Resources</b>	<b>Report No:</b>	<b>ER&amp;R/CMT/SJ/</b>
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<b>Subject:</b>	<b>The Scottish Government Draft Climate Change Plan – The Draft Third Report on Policies and Proposals 2017-2032</b>		

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## **1.0 PURPOSE**

- 1.1 The purpose of this report is to inform the Committee of the Draft Climate Change Plan published by the Scottish Government in January 2017 and of the implications it may have for the operations of the Council, and for the Committee to agree the comments that were submitted on the Plan on behalf of the Council.

## **2.0 SUMMARY**

- 2.1 On 19 January 2017, the Scottish Government laid its new Draft Climate Change Plan before Parliament. The Climate Change Plan covers the period 2017-2032, setting a target to reduce greenhouse gas emissions in Scotland by 66% by 2032 from a 1990 baseline. To achieve this, the Scottish Government has provided ambitions and targets for the following economic sectors: Electricity; Services (i.e. non-domestic buildings); Residential; Transport; Industrial; Waste; Agriculture; Land Use, Land Use Change and Forestry.
- 2.2 The sectors most relevant to the Council are Services, Transport and Waste. Nearly all non-domestic buildings will be required to be heated using low carbon technologies, with which there are significant challenges. There are major implications for road transport, encouraging more active travel and the use of public transport and the deployment of low emissions and electric vehicles. The landfilling of waste will reduce to only 5% of all waste generated.
- 2.3 The Draft Climate Change Plan has a 60 day period set for Parliamentary scrutiny. Individuals and organisations were also permitted to provide comment until 10 February 2017. The Council's response expressed concerns to the Scottish Government over achieving the high target for decarbonising the heat supply to non-domestic buildings.

## **3.0 RECOMMENDATION**

- 3.1 It is recommended the Committee:
- (a) note the publication of the Draft Climate Change Plan;
  - (b) approve the Council's comments on the Draft Climate Change Plan as set out in paragraphs 6.1-6.3, which were submitted to the Scottish Government in order to meet the 10 February deadline for submitting comments.

**Stuart W. Jamieson**  
**Head of Regeneration and Planning**

## **4.0 BACKGROUND**

- 4.1 In 2009, the Climate Change (Scotland) Act was passed by the Scottish Parliament. The Act set an overall greenhouse gas emissions reduction target of 80% by 2050 with an interim target of 42% by 2020 from a 1990 baseline. The most recent Scottish Greenhouse Gas Emissions Data covering the year 2014 showed that Scotland had achieved a 45.8% reduction, thereby exceeding the interim target.
- 4.2 In December 2015, the United Nations Climate Change Conference was held in Paris. At the conference, a global agreement was made to limit the global temperature rise to 2°C by the end of the century and pursue efforts to limit the temperature increase even further to 1.5°C. This was termed the UN Paris Agreement and came into force on 4 November 2016.
- 4.3 In response to the above, the Scottish Government decided to draft a new Climate Change Plan setting out new greenhouse gas emissions targets for Scotland for the period 2017 – 2032. The new national target is a reduction in greenhouse gas emissions of 66% by 2032 from a 1990 baseline. Incorporated within this are targets and ambitions for sectors of the economy that have significant impacts on climate change.
- 4.4 The Scottish Government considers the public sector, and in particular local government, as having a major role to play in the implementation of the Climate Change Plan. This is with respect to reduction in the emissions of public sector organisations, for example through setting targets for non-domestic buildings, and through its wider influence in terms of Local Development Plans and engaging residents, businesses and the third sector within the local authority area. Moreover, local authorities are signatories to the Scottish Climate Change Declaration and have obligations under the Public Bodies Duties section of the Climate Change (Scotland) Act.

## **5.0 ITEMS FROM THE DRAFT CLIMATE CHANGE PLAN RELEVANT TO THE COUNCIL**

- 5.1 The Draft Climate Change Plan has been assessed in respect of matters contained therein that will most directly affect the Council. These are set out below.

### **The Planning System**

- 5.2 An essential element of the Scottish Government's approach to achieving the climate change targets is to ensure the Planning System supports decarbonisation. The National Planning Framework, Scottish Planning Policy and development plans are all important tools in moving towards a low-carbon future, through supporting green industry, renewable energy technologies, heat networks and more sustainable forms of transport.

### **Services**

- 5.3 'Services' refers to non-domestic buildings. The Council's estate is, therefore, directly implicated in this. In order to meet the targets given in the Plan, the Scottish Government states a need to achieve near zero carbon buildings by 2032. Efforts to 2025 will be concentrated on improving energy efficiency but after this low carbon heating will be prioritised. It is the Scottish Government's aim to replace all natural gas boilers with low carbon heating technologies by 2032.
- 5.4 The Scottish Government has set a target to improve the fabric of Scotland's non-domestic buildings resulting in a 10% reduction in their heat demand by 2032. The Scottish Government has designated energy efficiency as a National Infrastructure Priority with the cornerstone being Scotland's Energy Efficiency Programme (SEEP). £500 million has been committed to SEEP over four years from financial year 2017/18 and there will be an initial consultation on design of delivery programmes in early 2017. The 'SEEP Routemap' along with the programmes will be launched in 2018. SEEP will further include development of energy standards within building regulations and financial incentives.

- 5.5 The Scottish Government has set a further target that by 2032, 94% of non-domestic buildings heat is supplied using low carbon technologies. This will entail a complete transformation of the current infrastructure to heat buildings with the likely main technologies being in district heating and heat pumps. A number of mechanisms have been put in place to support this:
- The Low Carbon Infrastructure Transition Programme (LCITP) with funding of £76 million allocated to 2018;
  - The Non-Domestic Energy Efficiency Framework (NDEEF) and Project Support Unit to support procurement in terms of energy efficiency and low carbon projects;
  - The Heat Network Partnership and District Heating Loans Fund.

Local Authorities are also eligible for SALIX finance which provides interest free loans and a revolving fund for energy efficiency and low carbon projects.

## **Transport**

- 5.6 Transport accounts for 28% of greenhouse gas emissions in Scotland. The Scottish Government has set a target to reduce emissions from transport by 32% by 2032 from a 2014 baseline. This will require a significant decarbonisation of the transport system and technologies. The largest contributor to transport emissions is road transport making up 73%.
- 5.7 The Scottish Government is looking to local authorities to incentivise more rapid uptake of electric vehicles and Ultra Low Emissions Vehicles (ULEVs) through public procurement policies with regard to their fleets and preferential local incentives such as parking policies. In terms of public procurement, the Scottish Government will also consult Scotland Excel, COSLA and other partners. Local authorities will also be encouraged to consider the possibility of establishing 'Low Emissions Zones' which place restrictions on vehicles that exceed emissions benchmarks. These would have a specific focus on carbon emissions as well as general air pollution.
- 5.8 The Scottish Government plans to collaborate with local authorities in reducing traffic congestion and increasing use of public transport. It will also support the expansion of the electric vehicle charging network through providing funding to 2019 for publicly available charging points. Moreover, funding will be provided to support installation of workplace and domestic charging points. There are draft proposals in the EU Energy Performance of Buildings Directive to provide charging points in new residential and commercial developments. The Scottish Government will investigate how this could be trialled in Scotland and consider developing guidance on charging point provision for planning authorities.
- 5.9 To promote the uptake of Ultra Low Emissions Vehicles among the taxi and private hire sector, the Scottish Government plans to work with local authorities in reviewing licensing regulations. The Scottish Government also proposes workplace parking levies in relation to which it would work with local authorities and the rest of the public sector.
- 5.10 In 2017, there will be a review of the National Transport Strategy and Transport Bill. The Scottish Government indicates that climate change policies across the public sector in high level transport legislation, strategies and policies could be incorporated into these. Funding will be maintained until at least 2021 for infrastructure and behaviour change programmes that promote Active Travel.

## **Waste**

- 5.11 The Council has a very good reputation with regard to waste recycling and works with Zero Waste Scotland on initiatives to prevent waste to landfill. The Draft Climate Change Plan maintains existing 2025 waste targets to recycle 70% of all waste, reduce food waste by 33% and reduce all waste sent to landfill to 5%. Moreover, the landfilling of biodegradable municipal waste will be phased out by 2020 and food waste will be reduced by 50% by 2030. The Draft Climate Change Plan also emphasises the

importance of the circular economy in avoiding waste by keeping products and materials in high value use for as long as possible.

### **Transformational change**

- 5.12 The Scottish Government is keen to engage all those who live and work in Scotland on climate change issues and the actions and outcomes arising from the Climate Change Plan. The changes in terms of energy, transport and other sectors will require large cultural shifts in addition to the technological and infrastructure changes. In September 2016 the Scottish Government commenced public discussions on climate change through its 'Climate Conversations' initiative. It would like to carry out more of these through local government along with the rest of public sector and third sector. The Scottish Government regards local government as having an important role in climate change engagement and easing the transition in making the changes required to achieve the ambitions of the Climate Change Plan.

### **Monitoring**

- 5.13 The Scottish Government has proposed a monitoring framework to track policy implementation and outputs and support learning and continuous improvement. It invites comments on the proposed framework and is considering possible future alignment with the Public Bodies Duties Public Sector Climate Change Reporting and Scotland Performs.

## **6.0 COMMENTS BY THE COUNCIL ON THE DRAFT CLIMATE CHANGE PLAN**

### **Low Carbon Heat for Non-domestic Buildings**

- 6.1 The Draft Climate Change Plan sets a target that 94% of heat supplied to non-domestic buildings is provided by low carbon technologies by 2032. This involves replacing gas as the main heat source to the electrification of heat powered by renewable energy and other sources such as hydrogen. Achieving the target will involve the rapid deployment of huge technological and infrastructure changes.
- 6.2 The Council's comments are that while it welcomes the ambition of the Scottish Government, there are significant challenges that lie ahead in achieving the target. The Council has concerns about the availability of low carbon technologies and the technical feasibility of their implementation. There are also issues in terms of resource, both human and financial. The public sector has been under significant financial constraint which is likely to continue. Delivering projects to achieve such transformational change will require a great deal of finance for expertise, materials and labour. Moreover, there are questions about whether there are or will be sufficient skills and expertise to implement the changes required.
- 6.3 The Scottish Government should consider these comments and work with the public and private sector on the best way forward to make the required changes to meet the target.

## **7.0 IMPLICATIONS**

### **Finance**

- 7.1 There are no direct financial implications arising from this report.

#### Financial implications

##### One off costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

## Annually Recurring Costs/Savings

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From	Other Comments
n/a	n/a	n/a	n/a	n/a	n/a

### Legal

7.2 There are no direct legal implications arising from this report.

### Human Resources

7.3 There are no direct human resource implications arising from this report.

### Equalities

7.4 There are no direct equalities implications arising from this report.

### Repopulation

7.5 There are no direct repopulation implications arising from this report.

## 8.0 CONSULTATIONS

8.1 The Carbon Reduction Officer attended the Sustainable Scotland Network Steering Group on 25 January 2017 in which the Draft Climate Change Plan was discussed. A representative from the Scottish Government also presented on the Plan and the role of the public sector in providing comment and in its implementation.

8.2 **Chief Financial Officer:** no requirement to comment.

8.3 **Head of Legal and Property Services:** no requirement to comment.

8.4 **Head of Organisational Development, HR and Communications:** no requirement to comment.

## 9.0 BACKGROUND PAPERS

9.1 The Draft Climate Change Plan can be viewed online at <http://www.gov.scot/Resource/0051/00513102.pdf>.