

# Report

Report to:	<b>Climate Change and Sustainability Committee</b>
Date of Meeting:	<b>17 September 2020</b>
Report by:	<b>Executive Director (Community and Enterprise Resources)</b>

Subject:	<b>Sustainable Development and Climate Change Strategy 2022-2027</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ Seek approval for the review and development of the next Sustainable Development and Climate Change Strategy 2022-2027

## 2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the timetable for the review and development of the next Sustainable Development Strategy 2022-2027 is approved;
- (2) that the revised climate change and sustainability structure to support the Climate Change and Sustainability Committee is noted

## 3. Background

- 3.1. The Council published its first sustainable development strategy in 2007 in response to sustainability requirements set out by the Local Government (Scotland) Act 2003. The current strategy is the third sustainable development and climate change strategy, covering the period from 2017-2022.
- 3.2. The current strategy was approved by the Executive Committee on 6 December 2017 and provides a framework for contributing to national outcomes including Scotland's transition to a low carbon economy and building resilience to climate risks.
- 3.3. Since the development of the last strategy there have been many external factors that may have implications for the Council's current strategic approach to sustainable development and climate change and will also impact the pace and scale of implementation. These factors include changes in legislation, for example the new climate change targets of net-zero emissions by 2045; the declaration of a national climate emergency; Brexit; and changes to the socio-economic landscape due to the Covid-19 pandemic.
- 3.4. In response to the national declaration of a climate emergency, it was agreed at the full Council meeting on 25 September 2019 to establish a committee on Climate

Change and Sustainability to oversee climate change work across the Council. It was also agreed that officers would review the sustainable development and climate change strategy action plan and set new timescales reflecting the growing urgency of the climate change challenge and to meet or exceed the new national targets for Scotland.

- 3.5. Discussions between with senior management and elected members took place during October and November 2019 on the committee's draft Terms of Reference (ToR) and proposed structure. A draft ToR and a proposed structure were presented, in the first instance, to the Standards and Procedures Advisory Forum (SPAF) on the 9 December 2019 for consideration by all Groups. Following the SPAF, and the winter recess, the draft ToR and proposed structure were approved at the full Council meeting on 26 February 2020. The new Climate Change and Sustainability Committee will oversee the implementation of the sustainable development and climate change strategy.
- 3.6. It was agreed that awareness sessions would take place for committee members prior to the first committee meeting scheduled for 25 March 2020, however, due to a special Council meeting convened for the 25 March the Climate Change and Sustainability Committee was re-scheduled for the 13 May 2020. The awareness sessions had been arranged to take place during March 2020, however, due to the Covid-19 pandemic and lockdown restrictions both the awareness sessions and the first committee meeting had to be cancelled.
- 3.7. Covid-19 has also impacted the publication of Scotland's revised climate change plan which was due to be released in April 2020 following the new national climate change targets. The climate change plan is essential for guiding the Council's review of actions, therefore, the action plan for 2020-21 has undergone a 'light-touch' review in the absence of Scotland's climate change plan. It is anticipated that the climate change plan, which is subject to a separate report on this agenda, will be released later this year and will be key to the review of the strategy and future action plans.

#### **4. Sustainable Development and Climate Change Strategy 2022-2027**

- 4.1. The strategy will set out how the Council aims to develop sustainably and tackle climate change over the five-year period. The strategy will also provide a broad strategic direction for longer term planning, beyond the five-year period, to help to deliver on agreed outcomes and contribute to achieving the longer-term vision.
- 4.2. The preparation of the strategy is a comprehensive and lengthy process that consists of different stages and will involve engagement, communication, and consultation with Council Services and employees, partners, relevant stakeholders, the business community, community groups and individuals. The stages are summarised below:

Review Stage	<ul style="list-style-type: none"> <li>➤ Determine current position and progress so far</li> <li>➤ Identify strategic issues to address</li> <li>➤ Identify internal and external factors that will have implications for the current strategic approach</li> <li>➤ Consider what needs to be included in the strategy based on current legislation, policies, plans and strategies, and current targets</li> </ul>
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	<ul style="list-style-type: none"> <li>➤ Review the current strategy's purpose, vision, themes, and long-term outcomes</li> <li>➤ Identify strengths, weaknesses, opportunities, and threats</li> </ul>
Development Stage	<ul style="list-style-type: none"> <li>➤ Development sessions and workshops – these will involve officers of the Council, elected members, partners and stakeholders, local communities, the business sector, the academic sector, young people, sustainability and climate change professionals, and peer organisations</li> <li>➤ Gather and analyse information</li> <li>➤ Align with other Council priorities, for example economic recovery and community wealth building</li> <li>➤ Determine how we intend to achieve the outcomes and who needs to be involved in delivering them</li> <li>➤ consider which initiatives will have the greatest impact and that will help to achieve the outcomes quicker</li> <li>➤ consider which initiatives are most urgent and make these a priority</li> <li>➤ Set short to mid-term smart goals</li> <li>➤ Agree KPI's to track progress</li> <li>➤ Examine any external or internal issues that can affect the outcomes</li> <li>➤ Consider the longer-term financial plan to support the outcomes</li> <li>➤ Strategic Environmental Assessment (SEA)</li> <li>➤ Equalities Impact Assessment (EIA)</li> <li>➤ Fairer Scotland Assessment</li> <li>➤ Public Consultation</li> </ul>
Implementation Stage	<ul style="list-style-type: none"> <li>➤ Develop and implement a communications plan</li> <li>➤ Prepare the first year's action plan and align with finance</li> <li>➤ Make officers clear of their responsibilities and duties in the implementation of the strategy and action plan</li> <li>➤ Develop any necessary training etc.</li> <li>➤ Launch of the strategy</li> </ul>

4.3 A new officers' climate change and sustainability steering group has been established, to support the Climate Change and Sustainability Committee. A copy of the steering group's Terms of Reference can be found at Appendix 1. The development of the strategy will be led by the Council's Sustainable Development Officer with support and direction from the climate change and sustainability steering group.

4.4 Project Review Groups will also be established to work on specific projects to help deliver the outcomes in the sustainable development and climate change strategy. It was also agreed that virtual climate change and sustainability network would be created to build on the already strong network of employees, with a work-related or personal interest in climate change and sustainability, across the Council. A copy of the new officers' climate change and sustainability structure can be found at Appendix 2.

## **5. Scotland's Climate Change Plan**

- 5.1. Scotland's awaited climate change plan is essential in the review and development of the strategy and reviewing climate change targets and timescales for the Council following changes in national carbon reduction targets and the declaration of a climate emergency. The publication of the plan has been delayed due to the Covid-19 pandemic.
- 5.2 The Climate Change Secretary, Roseanna Cunningham, wrote to the UK's CCC to request its independent expert advice on the best way forward in the unprecedented health and economics circumstances post-pandemic, and how the climate change plan can contribute, in due course, to a green recovery for Scotland.
- 5.3 The CCC wrote back to the Scottish Government on 6 May agreeing that delaying the climate change plan was the right decision and welcomed the Scottish Government's plans to reframe the plan in the context of a 'green pathway' to aid an economic recovery that is in line with Scotland's statutory net-zero targets. The CCC recommends that there is an integration of climate change policy with post-pandemic social and economic recovery plans and that actions are prioritised according to six principles for a resilient recovery. A copy of the CCC's recommendation can be found at Appendix 3. It is anticipated that the climate change plan will now be published towards the end of the year.
- 5.4 The aim of the new strategy will be to further integrate climate policy within decision making across the Council. Given that the new strategy will not be available until April 2022, it is recommended that in the meantime the Council considers the CCC's six principles in its decision making, particularly:
- avoiding locking in carbon emissions for the long-term that would require costly retrofit or offsetting at a later date; decarbonisation should still be a long-term priority and addressing this early will have a bigger positive impact and cost less, and
  - avoiding adding to the climate risks already identified for the Glasgow city region (as per the risks and opportunities assessment carried out by Climate Ready Clyde)
- 5.5 The strategy will inform and contribute to a 'green pathway' for South Lanarkshire economic recovery plans including consideration of the developing community wealth building agenda. A green economy can play a critical role in supporting the creation of local 'green-collared' jobs and training opportunities, for example through investment in green infrastructure or renewable energy and heat technology businesses; promoting and developing local supply chains; and the use and value of land and property assets that will enhance the environment and local communities.

## **6 Next Steps**

- 6.1 The proposed timeframe below provides the next steps in the review, development and implementation of the next sustainable development and climate change strategy and the Strategic Environmental Assessment process.

<b>Next Steps</b>	<b>Proposed Timeframe</b>
SEA process (see table below for SEA dates)	January 2021 – June 2022
Review stage of the strategy: Agree vision, long-term outcomes, and the structure of the strategy	September – December 2020
Proposed outline structure of next strategy presented to Climate Change and Sustainability Steering Group for endorsement	January 2021
Proposed structure presented to the Climate Change and Sustainability Committee	10 Feb 2021
Development stage of the strategy: development sessions, engagement workshops, gather and analyse information, how we intend to achieve outcomes	Feb – July 2021
First draft of the new strategy presented to the Climate Change and Sustainability Committee	August 2021
Public consultation: partners, local communities, young people etc. – 6 weeks	September – October 2021
Consultation comments considered and reflected in final strategy as appropriate	October 2021
Consultation response findings presented to the Climate Changes and Sustainability Committee	November 2021
Production of desk top designed version of final strategy and environmental statement	November - December 2021
Implementation stage: Communication plan, prepare first year's plan (actions will have been agreed during the development stage), Raise awareness, training	November 2021 – March 2022
Final draft of the new strategy to the Climate Change and Sustainability Committee for approval	December 2021
Launch of new strategy	April 2022

### **SEA requirement**

Initial meeting to discuss SEA requirements	7 August 2020
Outline Strategy prepared	January 2021
Screening Report prepared and submitted to SEA Gateway	February 2021
Consultation Authorities consider Screening Report – 4 weeks	March 2021
Screening Determination prepared and submitted to SEA Gateway	By end March 2021
<b>SEA not required</b>	
No further action required other than to ensure SEA considerations reflected in Strategy	
<b>SEA required</b>	
Scoping workshop organised and held	April/May 2021
Scoping Report prepared and submitted to SEA Gateway	By end May 2021
Consultation Authorities consider Scoping Report – 5 weeks	By mid July 2021
Assessment carried out and Environment Report prepared	By end August 2021
Submitted to Gateway and public consultation alongside draft SDCCS – 6 weeks	By 1 September 2021
Consultation comments considered and reflected in final strategy as appropriate	By end October 2021
Strategy finalised for approval	December 2021

Final Strategy launched	1 April 2022
Post Adoption Statement	May/June 2022

6.2. Progress of the strategy's actions will be tracked using agreed performance measures and reported through the steering group in the first instance. Project Review Groups undertaking work on specific projects to deliver on the outcomes in the strategy will also report progress to the steering group. Regular tracking will form part of evaluation and review of the strategy and determine if the targets and timescales are being met, if not, then corrective action can be taken.

6.3 The actions in the strategy will be monitored and reported using the Council's performance management system IMPROVe. Progress reports will be presented to the Corporate Management Team and the Climate Change and Sustainability Committee bi-annually at Q2 and Q4.

## **7. Employee Implications**

7.1 Development of the next strategy will be a key task for the Sustainable Development officer with support and direction from the climate change and sustainability steering group. All Resources will have a responsibility to contribute to the implementation of the strategy to ensure that actions and targets are met.

## **8. Financial Implications**

8.1 Financing the strategy will be explored during the development stage of the strategy and may need to be funded from a range of finance options. Some actions may be funded from existing Resource budgets, however, the scale and pace of action needed to meet climate change targets and address the current climate crisis will require Capital investment and external funding and investment. The development of the strategy may help to leverage in additional funding and investment, however, alternative financial models may need to be considered.

8.2 Council Resources may require to further assess financial impacts and balance these against the social and environmental impacts in line with the principles of sustainable development and best value.

## **9. Climate Change, Sustainability and Environmental Implications**

9.1 The sustainable development and climate change strategy contributes towards the Public Sector Climate Change Duties, the Biodiversity Duty and the UN Sustainable Development Goals.

## **10. Other Implications**

10.1 Failure to meet sustainable development and climate change objectives is one of the Council's top risks, therefore, this strategy will help to mitigate that risk by providing a strategic approach, targets and timescales to tackling climate change and developing sustainably

10.2 The city region's climate risk and opportunities assessment that was prepared through Climate Ready Clyde will also be used in the development of the strategy to identify and mitigate potential risks and maximise opportunities that a changing climate poses.

## **11. Equality Impact Assessment and Consultation Arrangements**

- 11.1 A public consultation on the strategy and the SEA will be undertaken. The strategy will also undergo an equalities impact assessment and a fairer Scotland assessment.

**Michael McGlynn**

**Executive Director (Community and Enterprise Resources)**

27 August 2020

### **Link(s) to Council Objectives and Values**

- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

### **Previous References**

- ◆ Executive Committee report on the Sustainable Development Strategy on 6<sup>th</sup> December 2017
- ◆ Full Council meeting on the 26<sup>th</sup> February 2020 – Climate Change and Sustainability Committee Terms of Reference and Structure

### **List of Background Papers**

- ◆ Sustainable Development Strategy 2007-2011
- ◆ Sustainable Development Strategy 2017-2022
- ◆ The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019

### **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

Lesley Hinshelwood, Sustainable Development Officer

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E-mail: [lesley.hinshelwood@southlanarkshire.gov.uk](mailto:lesley.hinshelwood@southlanarkshire.gov.uk)

**Sustainable Development and Climate Change Strategy**

**Climate Change and Sustainability Steering Group****Purpose**

The Climate Change and Sustainability Steering Group has been established to provide senior-level management and guidance on the action required in the Council's transition to a net-zero economy and society, help to build resilience to climate risks, and address the climate emergency. The Steering Group will also support the Council's Climate Change and Sustainability Committee.

**Responsibilities**

1. Provide management guidance on action required to meet the Council's sustainable development and climate change outcomes set in the Sustainable Development and Climate Change strategy
2. Provide leadership in the review of actions and timescales within the Sustainable Development and Climate Change strategy to meet national climate change targets and respond to the climate emergency
3. Support the development and implementation of the City Region's first Climate Change and Adaptation Strategy and associated action plan through Climate Ready Clyde
4. Coordinate the development of the Council's wider climate change and sustainability network and support climate change and sustainability works-streams and projects
5. Establish and monitor project review groups to drive action and innovation in delivering the Council's sustainable development and climate change outcomes
6. Encourage an innovative and collaborative approach to carbon reduction and climate change adaptation projects
7. Ensure that the principles of sustainable development and tackling climate change are embedded in Resource and Service plans, policies and strategies
8. Comply with the Public Sector Climate Change duties and the Biodiversity Duty.
9. Make recommendations to the Council's climate change and sustainability committee in the transition to net zero, and action to tackle the effects of climate change
10. Prepare agenda items for the climate change and sustainability committee meetings
11. Be an advocate for sustainability and climate change across the Council, its committees and in the wider community

**Sustainable Development Outcomes:**

- The council's carbon emissions are managed and reduced
- The council is environmentally responsible in the procurement, use and disposal of resources
- The public sector climate change duties are further embedded in service delivery and partnership working
- South Lanarkshire's natural environment is protected, enhanced, and respected
- South Lanarkshire's enhanced environment provides health and wellbeing benefits to local communities
- Homes and communities are energy efficient, environmentally sustainable, and fuel poverty is minimised
- The council's strategies, plans and policies support communities to live more sustainably, reduce carbon emissions and adapt to a changing climate



- Local communities are supported in taking action to be more environmentally responsible

### **Membership**

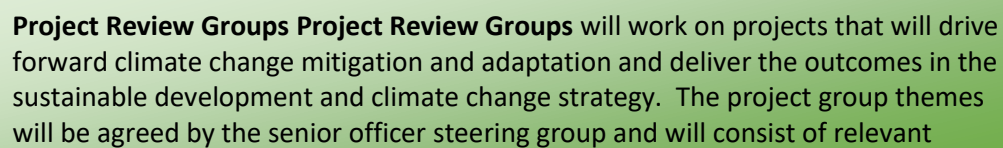
Members will be at senior management level with representatives from each Resource and key Services that deliver on the sustainable development and climate change outcomes. The following members have been nominated by their respective Executive Directors:

- Michael McGlynn (Chair), Executive Director of Community and Enterprise Resources
- Shirley Clelland, Head of Fleet and Environmental Health, Community and Enterprise Resources
- Craig Cunningham, NHS Lanarkshire, Health and Social Care Partnership
- Pauline Elliot, Head of Planning and Economic Development
- Gordon MacKay, Head of Roads and Transportation, Community and Enterprise Resources
- Frank McCafferty, Head of Property Services, Housing and Technical Resources
- Alistair McKinnon, Head of Facilities, Waste and Grounds, Community and Enterprise Resources
- Kay McVeigh, Head of Personnel Services, Finance and Corporate Resources
- Lynn Sherry, Head of Education (Support Services and School Estate) (East Kilbride), Education Resources

In addition, Lesley Hinshelwood, Sustainable Development Officer, and Julie Richmond, Carbon Management Officer, will also attend steering group meetings.

### **Meeting Arrangements and Practice**

The Climate Change and Sustainability Project Review Group will meet at least four times per year aligning with the meeting schedule for the climate change and sustainability committee. Ad-hoc meetings may be required as necessary





Independent advice to government  
on building a low-carbon economy  
and preparing for climate change

## Appendix 3

Roseanna Cunningham MSP  
Cabinet Secretary for Environment, Climate Change and Land Reform  
St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG  
Cc: Rt Hon Nicola Sturgeon MSP, First Minister of Scotland

6 May 2020

### Building a resilient recovery from the COVID-19 crisis

Dear Minister,

This letter is in response to your request for advice on a 'green recovery for Scotland'. As the Scottish Government considers its approach to rebuilding after the COVID-19 crisis we are writing to advise on how climate policy can play a core part.

Reducing greenhouse gas emissions and adapting to climate change should be integral to any recovery package. These remain scientific, economic and social imperatives and will only be delivered if ambitious steps are taken by the Scottish Government. There are clear economic, social, and environmental benefits from immediate expansion of the following measures:

- Investments in low-carbon and climate-resilient infrastructure.
- Supporting reskilling, retraining and research for a net-zero, well-adapted economy.
- Upgrades to our homes ensuring they are fit for the future.
- Making it easy for people to walk, cycle, and work remotely.
- Tree planting, peatland restoration, green spaces and other green infrastructure.

Delaying the update to Scotland's Climate Change Plan was the right decision, and we welcome your plans to reframe the Plan in the context of a 'green pathway' to aid an economic recovery that is in line with Scotland's statutory net-zero targets. An updated Plan, in conjunction with Scotland's second Climate Change Adaptation Programme, can help to rebuild Scotland with a stronger economy and increased resilience.

We set out specific opportunities in an annex to this letter. More broadly, we recommend that the Scottish Government, in partnership with Westminster, prioritises actions according to six principles for a resilient recovery.

1. **Use climate investments to support the economic recovery and jobs.** Our previous work has identified a detailed set of investments to reduce emissions and manage the social, environmental and economic impacts of climate change. Many are labour-intensive, spread geographically across the UK and will have high multiplier effects. Each of the Governments of the UK can act to bring these investments forward, often without direct public funding or by

co-financing to accelerate private investment, as part of a targeted and timely stimulus package with lasting, positive impacts. The Scottish National Investment Bank must play a central role if it is to achieve its primary mission of supporting Scotland's transition to net-zero carbon emissions.

2. **Lead a shift towards positive long-term behaviours.** There is an opportunity to embed new social norms, especially for travel, that benefit well-being, improve productivity, and reduce emissions. The Scottish Government can lead the way through its own operations (e.g. encouraging home working and remote medical consultations), through public communications and through infrastructure provision (e.g. prioritising broadband investments over the road network, improving safety for cyclists), and investing in measures to facilitate social distancing on public transport.
3. **Tackle the wider 'resilience deficit' on climate change.** This crisis has emphasised the importance of evidence-led preparations for the key risks facing the country. Comprehensive plans to reduce emissions and to prepare for climate change are not yet in place. Strong policies from across government are needed to reduce our vulnerability to the destructive risks of climate change and to avoid a disorderly transition to net-zero. Business must also play its part, including through full disclosure of climate risks. Plans must be implemented alongside the medium-term response to COVID-19 and will bring benefits to health, well-being and national security.
4. **Embed fairness as a core principle.** The crisis has exacerbated existing inequalities and created new risks to employment in many sectors and regions, placing even greater priority on the fair distribution of policy costs and benefits. The response to the pandemic has disproportionately affected the same lower-income groups and younger people who face the largest long-term impacts of climate change. The benefits of acting on climate change must be shared widely, and the costs must not burden those who are least able to pay or whose livelihoods are most at risk as the economy changes. It is important that the lost or threatened jobs of today should be replaced by those created by the new, resilient economy. The Just Transition Commission puts Scotland in a good position to begin to tackle the challenge of protecting and improving the lives of vulnerable workers, consumers and rural and island communities.
5. **Ensure the recovery does not 'lock-in' greenhouse gas emissions or increased climate risk.** It is right that actions are taken to protect jobs and industries in this immediate crisis, but we must avoid 'lock-in' to higher emissions or increased vulnerability to climate change impacts over the long term. Support for carbon-intensive sectors should be contingent on them taking real and lasting action on climate change, and new investments should be resilient to climate change.
6. **Strengthen incentives to reduce emissions when considering fiscal changes.** Changes in tax policy can aid the transition to net-zero emissions. Many sectors of the UK economy do not currently bear the full costs of emitting greenhouse gases. Revenue could be raised by setting or raising carbon prices for these sectors, and low global oil prices provide an opportunity to offset changes in relative prices without hurting consumers. The UK's future carbon pricing mechanism should be designed to ensure that an appropriate price for carbon is maintained even in times of external shocks, for example through a well-designed floor price. Several of these fiscal levers are reserved to the UK. The Scottish Government must work together with HM Treasury to ensure that the fiscal system is consistent with achieving net-zero emissions in Scotland.

The pandemic is a sharp reminder that the world's most challenging crises do not respect borders and require strong collaborative global action. As president of the COP26 UN climate talks in Glasgow and with incoming presidencies of the G7 and G20 the UK, together with Italy, can help to

steer a positive global response. Our international climate programme on both mitigation and adaptation will be more important than ever.

The credibility of the UK in the COP26 Presidency - and Scotland, as hosts - and as an international leader rests on taking action at home.

The Committee will expand on this advice in our annual Progress Reports to the UK and Scottish Parliaments later this year, alongside the statutory assessment of progress in reducing emissions. We will also consider how best to reflect the new circumstances in our advice on the level of the Sixth Carbon Budget (2033-2037) and Scottish and Welsh targets in December 2020. The Third UK Climate Change Risk Assessment evidence report is still scheduled for publication in summer 2021, although this date will be kept under review.

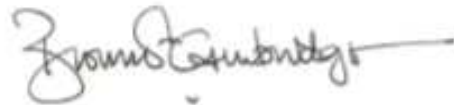
We stand ready to continue to support you in steering a course through this crisis and delivering a resilient recovery for all parts of the UK. We have written separately to the Prime Minister and the First Ministers of Wales and Northern Ireland.

Yours ever,



**Lord Deben**

Chairman, Committee on Climate Change



**Baroness Brown of Cambridge**

Chair, Adaptation Committee



## **Annex: Integrating climate policies in a resilient recovery**

### **1. The new context for climate policy**

The Governments of the UK have taken unprecedented steps to address the immediate threat to public health from COVID-19. The crisis has emphasised the importance of preparing for systemic risks, and the rapid changes that leaders, businesses and people of the UK can make in times of crisis.

In addressing climate change, it is useful to distinguish between the outlook for the short, medium and long term.

- Short-term conditions are those changed most by the current crisis. This will alter the context for policies to reduce emissions and adapt to climate change. Measures to protect public health, particularly social distancing, will inevitably have an impact on the ability to deliver, physically, some measures in the short term. But it will also be possible to accelerate climate action in new ways, not least because of the common experience of the lockdown: cleaner air, home working, greater appreciation of nature and reduced business travel.
- The medium-term outlook will be influenced by the structural impacts on industry and employment, any lasting behaviour changes following the COVID-19 crisis and by the nature of the any recovery package. Scotland's greenhouse gas emissions have fallen during the crisis, but this is likely to be transient, with only a negligible impact on global warming, despite the radical changes in behaviour that have been required.
- Long term, the climate goals are not changed by the current crisis. Building resilience to climate change and transitioning to a net-zero economy remain scientific and economic imperatives. The systemic challenges and risks are well-understood and can be tackled with strong preparations and strategic policies – we summarised these in our letter to the Prime Minister in December 2019.<sup>1</sup>

It is not yet clear what the medium-term macroeconomic impacts of the crisis will be. There will be demand-side impacts, with job losses, business closures, and smaller pension pots if falls in the stock market prove long-lived. There are also likely to be supply-side effects, with disruption to supply chains, and challenges accessing labour and materials when needed.

### **2. Climate policies to support a resilient recovery**

To mitigate the demand-side effects, there is clear set of investments and other actions that can reduce emissions and prepare for climate change. These climate policies can be delivered in a timely and targeted way to encourage growth, training and jobs in some of the most affected sectors/regions. They have a large multiplier effect, and provide clear co-benefits for public health, well-being and the environment.

The Scottish Government should work with industry and our international partners to alleviate barriers on the supply side that could otherwise hold up progress in the net-zero transition and in increasing our preparedness for climate change.

Addressing the actions below will bring about a major improvement in Scotland's preparedness, building 'resilience headroom' for climate change and a wide range of other possible future shocks. They will also provide a major stimulus to an economic recovery that is built around sectors that are green and growing. Furthermore, they would improve air quality, which is critical to public health, and reduce society's exposure to external shocks (e.g. oil price volatility).

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<sup>1</sup> Available at: <https://www.theccc.org.uk/publication/letter-ccc-writes-to-the-new-prime-minister/>

Particular opportunities that support climate goals and the recovery and can be delivered in the nearer term in the context of social distancing include:

- **Reskilling and retraining programmes.** Scotland has a crucial role to play in delivering training and apprenticeships to develop the new and updated skills that are needed in the transition to net-zero and for the changing climate. In particular, new support to train designers, builders and installers is urgently needed for low-carbon heating (especially heat pumps), energy and water efficiency, passive cooling, ventilation and thermal comfort, and property-level flood resilience. The ability of a decarbonised manufacturing sector to compete in global markets is dependent on having a labour force with the requisite skills, not only in manufacturing products and materials, but also engineering, procurement and construction management services. If suppressed oil prices continue to affect Scottish jobs in the North Sea, we must retrain and redeploy this highly-skilled workforce in future low-carbon industries, including carbon capture and storage (CCS) and offshore and remote island wind.
- **Targeted science and innovation funding.** Research and innovation in low-carbon and adaptation technologies is crucial for achieving our climate goals, the development and diffusion of technologies internationally and driving costs down. The importance of research to understand fully the threats and learn how to manage them has also been highlighted by the COVID-19 crisis. This is equally important in respect of climate change, along with management of the changing energy system. Research and innovation is not the only driver of low-carbon and adaptation technologies, but supporting these activities now will enable medium-term focus on 'learning by doing' by deploying technologies at scale with the backing of good policy and supporting infrastructure.
- **Housing retrofits and building new homes that are fit for the future.** Where the skills to deliver these measures already exist, these projects can begin now, are labour-intensive, and have direct social benefits of more comfortable homes leading to improved well-being and health. New homes must be low-carbon, energy and water efficient and climate resilient, and energy 'passports' for existing homes and local energy plans could be rolled out across Scotland over the next few years. Moreover, deep retrofits to improve carbon and water efficiency and protect against overheating can be provided on a targeted basis, for example for the fuel poor or across social housing. As we emerge from the crisis, supply chains must be developed to extend the provision of whole-house retrofits, including the roll-out of heat pumps and other low-carbon heating, through the Energy Efficient Scotland Programme. This must be supported by investments in skills, training and extending funding for heat pumps in homes off the gas grid to 2025.
- **Strengthening energy system networks.** Electricity networks must be significantly strengthened across the UK to accommodate electrification of heat and transport. There is also an urgent need for measures to provide for more orderly and cooperative onshoring of offshore wind energy. New hydrogen and CCS infrastructure will be needed to support the next phase of the net-zero transition. Post-COVID-19 economic recovery presents an opportunity for governments, regulators and the industry to work together to accelerate these investments. The costs of these will need to be borne at some point as part of the net-zero transition in any case and can be recovered through modest increases in customer bills over periods of several decades.
- **Tree planting, peatland restoration and green infrastructure.** Scotland has the devolved powers and natural capital to lead the UK in delivering transformational land reform. Our net-zero recommendations call for landscape-scale change across the UK, targeted initially to where they are needed most. These measures can deliver significant benefits for the climate, biodiversity, air quality and flood prevention. Tree planting and peatland restoration can both bolster carbon sequestration and better prepare our environment for future climate change. The importance of urban greenspace to people has been highlighted by the COVID-19 crisis, but is in decline both in area and quality.



Restoring parks, urban tree planting, and supporting the green roof and sustainable drainage industries can help to bolster Scotland's adaptation services sector.

- **Making it easy for people to walk, cycle, and work remotely.** Restrictions on movement during this crisis and the potential for longer-lasting social distancing and home-working measures could mean a radically different context for transport policy. Dedicated safe spaces for walking and cycling, more bike parking and support for shared bikes can be tied to new public attitudes towards walking, cycling and green spaces. These local services can be prioritised in the areas of Scotland where investment is needed most. Public transport planning must be consistent with social distancing measures and address new concerns about public health. Transport and land-use planning in Scotland should be closely integrated to encourage walking and cycling, reduce dependency on cars, and bring cleaner air to the places people live. We should ensure that home working remains a widespread option; higher investment in resilient digital technology including 5G and fibre broadband should therefore be prioritised over strengthening the roads network.

Direct public spending on accelerated capital programmes can play a role. Various other levers are also available. These include standards (e.g. for new homes), targeting accelerated progress from regulated companies, co-financing (i.e. using anchor investments to 'crowd-in' private finance), and increased disclosure of climate risks such as recommended by the Taskforce on Climate-related Financial Disclosure (TCFD). Effective policy will require all levels of government to contribute – UK, national, regional and local – along with regulators, businesses and the public.

As we emerge from the immediate health crisis, the medium-term focus should shift towards measures that must be put in place to achieve the UK's Sixth Carbon Budget (covering the period 2033-37, on which we will advise in December) and to adapt to the biggest climate change risks. These include delivering critical infrastructure, land-use change and scaling up low-carbon supply chains (e.g. for heat pumps and electric vehicles) while delivering a just transition for vulnerable workers and consumers alongside high-productivity job creation in new industries.

The UK and Scottish Governments have already declared their intentions to deliver large-scale national infrastructure programmes. Many of these projects are critical to preparing for climate change and achieving net-zero emissions: flood and coastal erosion risk management; electric vehicle charging infrastructure; hydrogen production and carbon storage infrastructure; onshore wind, offshore wind and solar power. Acceleration of these projects should take priority.

High-speed telecommunications to support working from home, remote health consultations and the like are also vitally important. Other major low-carbon infrastructure projects may take more time to develop, but will strengthen the Scottish economy and build climate resilience.