



# Stop Climate Chaos Scotland

## Written evidence to the Infrastructure and Capital Investment Committee on the Draft Report on Proposals and Policies (RPP2)

*“The Parliament and the Government have won plaudits for setting ambitious climate change targets. It is right to be ambitious, and that places a responsibility on us to live up to our ambitions and meet the targets.”*

Nicola Sturgeon MSP, 7<sup>th</sup> November 2012

### Introduction

Stop Climate Chaos Scotland (SCCS) welcomes the opportunity to provide evidence to the Infrastructure and Capital Investment Committee on the Draft Report on Proposals and Policies (RPP2). In the evidence below, SCCS sets out why **the current draft does not provide a credible plan** for fulfilling the requirements of the Climate Change (Scotland) Act 2009 and highlights those areas which require the greatest attention.

The draft RPP2 has been published at a time of heightened awareness of the urgency with which we must tackle climate change. Recent reports from the World Bank<sup>i</sup>, World Economic Forum<sup>ii</sup>, International Energy Agency<sup>iii</sup> and UNEP<sup>iv</sup> have all highlighted how the high carbon emission trajectory we are currently pursuing will result in dangerous climate change. These authoritative accounts of the urgency for action are matched by record Arctic ice melt<sup>v</sup> in 2012, the hottest decade on record for global temperatures<sup>vi</sup>, and a growing body of evidence linking extreme weather events to climate change<sup>vii</sup>.

Although Scotland has the strongest climate legislation in the world, it is not alone in rising to the challenge of tackling climate change. An assessment by Globe International showed that 32 out of 33 surveyed developed economies have progressed or are progressing significant climate and/or energy-related legislation<sup>[8]</sup>. Christiana Figueres, the Executive Secretary of the UN Framework Convention on Climate Change (UNFCCC)<sup>viii</sup> has emphasized the importance of national legislation, saying “nothing is going to be agreed internationally until enough is legislated for domestically.” **It is therefore essential that Scotland has credible plans in place to deliver on its world-leading climate change legislation.**

In 2012, as the second RPP was being developed, SCCS set out three criteria<sup>ix</sup> for the plan to provide the necessary confidence that future annual targets will be met: **credibility, transparency and ambition**. In this evidence, we have assessed the extent to which the draft RPP2 meets these criteria and then provided answers to the Committees questions relating to transport, home energy efficiency and procurement.

### Summary

- There is an overreliance on proposals over policies, as well as on the EU increasing its climate change target. Unless all proposals described are fully implemented and the EU changes its level of ambition, Scotland will meet just one annual target between now and 2027.
- Transport measures which are already being funded should be ‘upgraded’ from proposals to policies.
- There is a lack of transparency in order to inform independent assessment of these plans.
- Emissions abatement potential is unexplained and potentially overstated in some cases.
- There is a lack of monitoring of existing policies in order to assess whether emissions savings are being made at the level forecast in RPP1.
- Milestones should be included in the plans in order to facilitate future monitoring and evaluation of policies.
- There is a need to integrate a strategic approach to low carbon behaviour change in policies and proposals.

### Transparency and readability of report

Rather than providing greater transparency of data, the **draft RPP2 provides less information than the first RPP**. It no longer distinguishes between UK, EU and Scottish policies as clearly as did previously, nor does it provide estimates of costs for proposals as the original report did. **This lack of information will frustrate future attempts to scrutinise the budget against the requirements of RPP**. In a number of cases, proposals are described in vague catch-all terms such as ‘Lower emissions potential in transport’, but no explanation is provided as to what this proposal would mean in practice. This has the effect of attributing significant carbon savings to poorly defined statements of possible future activities.

Unfortunately the draft RPP2 does not provide a full account of the benefits to be secured from its delivery. Although there is a figure provided for financial benefits it does not account for benefits from, for example, improved air quality, a

healthier population or reduced congestion. As a result, it provides only a partial account of the balance of costs and benefits, an area highlighted as important by Audit Scotland in their report from December 2011<sup>x</sup>.

In addition, unlike the first RPP, RPP2 also does not contain percentage reductions per sector compared to the 1990 baseline which makes it difficult to analyse the level of savings being attributed to meetings targets.

### Credibility of plans

SCCS is concerned that **RPP2 does not present a credible package of measures** to enable emissions targets to be met. As with RPP1, there remains a significant overreliance on both the EU raising its ambition and the full implementation of a large number of proposals. For instance, in 2020, 41% of savings from the homes and communities sector is to come from proposals, for transport the figure is just over 30%. This balance of effort between committed policies and ‘propositions’ (para 2.11.2 of RPP2) does not provide a blueprint to a low carbon economy.

The table below is based on data from RPP2 and show how **only one target will be achieved if the Scottish Government implements only policies**. Even if the EU raises its ambition, all proposals would have to be implemented to the levels described if all of the legally-binding emissions targets are to be achieved.

EU shifts to 30%	Yes	Yes	No	No
All proposals implemented	Yes	No	Yes	No
All policies implemented	Yes	Yes	Yes	Yes
Outcome for annual targets 2013-2027	Hit all 15 targets	Hit seven targets (2013-19) and miss eight (2020-27)	Hit eight targets (2013, 2021-27) and miss seven (2014-20)	Hit only one target (2013)

Credibility is further undermined by a lack of detail regarding certain proposals that are expected to generate considerable savings beyond 2020. For instance, one transport ‘proposal’, Lower Emission Potential in Transport, does not start to contribute savings until 2025 and by 2027 is saving almost the same as the entire decarbonising vehicles agenda. The risk associated with reliance on possible future activity is compounded by the vague description of future action. The proposal simply refers to ‘a range of models used to predict transport emissions suggest that it may be possible to reduced predicted emissions, perhaps by as much as 0.75 Mt by 2027.’ There is no information to allow an informed interpretation of how likely this is or what steps need to be taken now to ensure it is realised.

RPP2 provides little evidence of the effectiveness of existing policies and as a result the Committee does not have the information needed to judge the credibility of emissions reductions attributed to different policies.

### Ambition

It is hard to identify an increase in policy effort in RPP2. Certainly the ‘step change’ in effort advised by the UK CCC is not apparent. For instance, the transport sector plans to achieve only 65% of the savings RPP1 set out to make; an actual reduction in policy effort rather than an increase. This is reinforced by the absence of *any* Scottish Government transport policies. By its own definition any current Scottish Government transport effort with a focus on emissions reduction is not currently happening at a “the intensity required for the abatement figures in this document” (P124 of draft RPP2). The low level of ambition is compounded by the reliance on action after 2020. Again, the transport sector provides a clear example with three times the emissions reductions expected between 2021 and 2027 as between 2013 and 2020.

### Transport

#### Progress on RPP1

Emissions from transport are higher now than they were in 1990, the baseline year. The first RPP said emissions from transport should be 1% lower in 2010 than the 1990 baseline, but the Scottish Government’s own report shows that they were actually 2% higher<sup>xi</sup>. As in the draft RPP2, the first RPP did not include any Scottish policies on transport, only proposals. However, the vast majority of the proposals included in the first RPP are not currently being sufficiently funded<sup>xii</sup>. It is therefore reasonable to say insufficient progress has been made, since the publication of the first RPP, in the transport sector to reduce emissions. It is not possible to provide a more detailed analysis on progress as appropriate monitoring has not been published by the Scottish Government to enable this to happen.

## RPP2

As in RPP1, there is a **total absence of Scottish Government policies on transport in RPP2**, the only emissions savings from policies being as a result of EU Directives. The text of the transport section clearly sets out that the Government is already allocating funds to a number of the transport proposals (e.g. cycling and walking infrastructure investment, car clubs, eco-driving), unfortunately the RPP2 also makes clear that they are not currently supported “at the intensity required for the abatement figures in the document” (para 7.4.6). **SCCS calls on those measures that are currently being funded be ‘upgraded’ to policies**, e.g. the Cycling Action Plan for Scotland (CAPS). The latter is just one example and there are many more within the transport section.

There is a considerable reduction in ambition for emissions abatement from the transport sector. For example, for 2020, RPP2 almost halves the effort expected from the transport proposals from 1,093 to 579ktCO<sub>2e</sub>, a 47% reduction<sup>xiii</sup>. In addition, the level of ambition in the early years is of particular concern. We cannot afford to wait until the 2020s to start taking action. The table below describes the balance between early and late action in the transport sector.

Transport proposals & policies (ktCO <sub>2e</sub> )	2013-2020	2021-onwards
RPP1	11,241	5,642 (2021-22)
RPP2	7,261	20,678 (2021-2027)

**Meeting the targets is heavily reliant on the proposal ‘Lower Emission Potential in Transport’ despite there being no convincing explanation of what is meant by this** (see para 7.4.40) or, why implementation of this measure should be delayed until the final three years (2025-27). Furthermore, the emissions savings expected from ‘Lower Emission Potential in Transport’ are expected to come at no extra cost.<sup>xiv</sup> To provide this revenue-neutral emissions saving from the transport sector,<sup>xv</sup> road traffic demand management measures would be required if the ‘reductions in use of the road network in favour of public transport’ are to be delivered. However, these are completely absent from the draft RPP2. It is unacceptable for Ministers to rely on a vague, unexplained proposal, in the final years of the plan, to achieve the required reductions from the transport sector. **SCCS recommends the Committee seek an evidence-based explanation for this proposal.** In the absence of this, this proposal should be removed from RPP2 and replaced with other transport measures in the early years to make up the shortfall. SCCS would suggest demand management measures as a possibility for this addition<sup>xvi</sup>.

RPP2 features only five budget lines for transport proposals compared to the 13 featured in RPP1.<sup>xvii</sup> This **significantly reduces the transparency of the document compared to its predecessor**. The change in format also makes it impossible to compare the effort expected from different policies (as listed in the text) with that expected in RPP1, despite these measures being essentially unchanged. **SCCS calls on the Committee to request the Government to provide a disaggregation of the data** in the same format as presented in p143 of RPP1 so that proper scrutiny can be carried out.

## Homes and Communities

### Progress on RPP1

RPP1 identified reductions in emissions from homes of 10% and 36% respectively for 2010 and 2020 (against a 1990 baseline). The bulk of these reductions were attributed to improvements in domestic building energy efficiency with more modest abatement from improving new build standards and renewable heat. Milestones on installation of loft and cavity wall insulation into all homes, installation of high efficiency boilers for those homes with gas central heating and at least 100,000 homes to have adopted some form of renewable heat technology were identified.

Scotland’s emissions from homes were 3% greater in 2010 than in 1990 and thus the 10% reduction attributed from homes was not achieved. Whilst considerable progress is being made towards these milestones, it is not clear whether Scotland is on track to meet these. Latest statistics (2011) reveal that whilst many homes have some insulation, just 42% of homes have 200mm or more and 34% of homes with cavity calls are yet to have cavity wall insulation. The Energy Saving Trust estimate that around 9,500 homes in Scotland have some form of renewable heating or hot water by end 2010 and based on the current rate of installation have identified that a ten fold increase in installation rates will be required in order to meet target for 100,000 homes to have some form of renewable heat technology<sup>xviii</sup>. Furthermore, it is questionable if these milestones are sufficiently challenging to ensure abatement levels for 2020 will be reached.

Since drafting RPP1, the government have made a welcome commitment to produce a National Retrofit Programme.

## RPP2

Given that emissions from homes have not fallen in line with the trajectory established in RPP1, and this in part contributed to Scotland missing the 2010 emissions target, a step change in delivery of measures to improve the energy efficiency of our housing stock is required. The RPP2 falls short of reflecting this.

Whilst **we welcome the inclusion of a proposal to introduce minimum standards for the private housing sector** we have some significant concerns about the ambition, timescale and effectiveness of the policies and proposals as outlined in RPP2, in particular:

- The lack of any timetable for when the National Retrofit Programme will have covered all Scottish households.
- The **length of time before the proposal for minimum standards would be introduced** (2018). Earlier introduction would help drive up demand for Green Deal and ECO schemes. SCCS recommends a minimum standard of energy performance for all private housing at the point of sale or rental, as of 2015.
- The reduced ambition and delayed timescale (to 2014) for implementing new build standards.
- The **lack of clarity around what the proposal 'Additional technical abatement potential in fabric and energy efficiency' is, and how it will be achieved**, particularly given the significant abatement attributed to this proposal. SCCS recommends the Committee seek further information on this proposal in order to assess its credibility.
- The level of abatement expected from smart meters in 2013 and 2014 given the mass roll out programme is not expected to start until 2014. There is also no explanation for the increased abatement attributed to smart meters from 2018 onwards in RPP2 compared to that in RPP1.
- The absence of any proposed milestones. **We recommend milestones on installation of insulation** across Scotland's stock specifying a minimum of 270mm and on solid wall insulation installation as a minimum of 230,000 - 10% share of the UK recommendation by the Committee on Climate Change).
- The lack of any proposal to use the Land and Buildings Purchase Tax and green council tax approach to incentivise energy efficiency improvements.

## **Procurement**

It is difficult to make any substantial analysis on the level of importance placed on procurement as a means to reduce emissions in the RPP2 as there is **very little reference to this important lever** within the document.

In the Business, Industry and the Public Sector section, considerable emissions abatement is attributed to the 'Public Sector' with an ambition to achieve 'a complete transformation' in this area by 2027. While sustainable procurement processes are one of the three areas identified to achieve this, there are **no proposals or policies relating to sustainable public procurement** within the RPP2.

RPP2 notes that **an accelerated programme of implementation, a "significant uplift of activity...across the entire public sector"**, will be needed (P113 of RPP2). To help gauge progress, SCCS urges mandatory reporting of emissions under the Public Bodies Duty in the Climate Change (Scotland) Act.

The Carbon Trust report<sup>xix</sup> identifies barriers to implementation on procurement, as well as the need for the financial business case for carbon reduction to be understood at senior levels and a lack of governance to measure actual emissions savings versus targets.

The focus of what was to be the Sustainable Procurement Bill has shifted towards general Procurement Reform, with very little emphasis on sustainability. This is reflected in the RPP2 itself where it is stated: 'The Scottish Government's procurement reform work includes a series of proposals on the smarter use of public procurement to encourage innovation and growth' (P143), with no reference to encouraging sustainability and reducing emissions. SCCS has expressed our concern about this in greater detail in our consultation response<sup>xx</sup>.

SCCS welcomes the preparation of an action plan to, among other issues, identify 'what more might be done through our procurement activities' by October 2013.

## **About Stop Climate Chaos Scotland**

Stop Climate Chaos Scotland (SCCS) is a diverse coalition of over 60 organisations campaigning together on climate change, including environment, faith and development organisations, trade and student unions and community groups. For more information visit [www.stopclimatechaos.org/scotland](http://www.stopclimatechaos.org/scotland).

## References

---

- <sup>i</sup> *Turn Down the Heat*, World Bank, November 2012: <http://bit.ly/U5lask>
- <sup>ii</sup> *Global Risks 2013*, World Economic Forum: <http://reports.weforum.org/global-risks-2013/section-one/executive-summary/>
- <sup>iii</sup> *World Energy Outlook*, International Energy Agency, November 2012: <http://www.worldenergyoutlook.org/>
- <sup>iv</sup> *Emissions Gap Report 2012*, UNEP, November 2012: <http://bit.ly/10s5mDk>
- <sup>v</sup> National Snow and Ice Data Center, September 2012: <http://nsidc.org/arcticseaicenews/2012/09/arctic-sea-ice-extent-settles-at-record-seasonal-minimum/>
- <sup>vi</sup> [http://www.nasa.gov/home/hqnews/2010/jan/HQ\\_10-017\\_Warmest\\_temps.html](http://www.nasa.gov/home/hqnews/2010/jan/HQ_10-017_Warmest_temps.html)
- <sup>vii</sup> *Managing the Risks of Extreme Events and Disasters, IPCC*: [http://ipcc.ch/news\\_and\\_events/docs/srex/srex\\_press\\_release.pdf](http://ipcc.ch/news_and_events/docs/srex/srex_press_release.pdf)
- <sup>[8]</sup> GLOBE Climate Legislation Study, January 2013: <http://www.globeinternational.org/index.php/news/item/study-reveals-legislators-hold-the-key-to-tackling-climate-change>
- <sup>viii</sup> <http://unfccc.int>
- <sup>ix</sup> SCCS briefing on RPP2, May 2012: <http://beta.stopclimatechaos.org/sites/default/files/sccs-briefing-rpp2-final.pdf>
- <sup>x</sup> *Reducing Scottish Greenhouse Gas Emissions*, Audit Scotland, December 2011: [http://www.audit-scotland.gov.uk/docs/central/2011/nr\\_111208\\_greenhouse\\_gases.pdf](http://www.audit-scotland.gov.uk/docs/central/2011/nr_111208_greenhouse_gases.pdf)
- <sup>xi</sup> <http://www.scotland.gov.uk/Resource/0039/00397478.pdf>
- <sup>xii</sup> *Warning Signs*, Transform Scotland, September 2012: <http://transformscotland.org.uk/warning-signs-report.aspx>
- <sup>xiii</sup> Data is from P143 of RPP1 and P165 of draft RPP2.
- <sup>xiv</sup> The 'Total cost of proposals' line increases only from £130m in 2024 to £137m/£132m/£134m in years 2025/2026/2027.
- <sup>xv</sup> Indeed, the reference in §7.4.40 to "scope to manage reductions in use of the road network in favour of public transport" could be read as confirmation of this interpretation.
- <sup>xvi</sup> *SCCS briefing on RPP: Transport*, May 2012: <http://beta.stopclimatechaos.org/sites/default/files/sccs-briefing-rpp2-transport-final.pdf>
- <sup>xvii</sup> Compare the table on p165 of RPP2 with the table on p143 of RPP1.
- <sup>xviii</sup> [http://www.scottish.parliament.uk/S4\\_EconomyEnergyandTourismCommittee/Inquiries/Energy\\_Saving\\_Trust.pdf](http://www.scottish.parliament.uk/S4_EconomyEnergyandTourismCommittee/Inquiries/Energy_Saving_Trust.pdf)
- <sup>xix</sup> *Potential Carbon Abatement from the Scottish Public Sector*, Carbon Trust, December 2012: <http://www.scotland.gov.uk/Publications/2012/12/3885>
- <sup>xx</sup> SCCS response to Procurement Reform Bill consultation: <http://www.scotland.gov.uk/Resource/0040/00409691.pdf>