



Stop Climate Chaos Scotland

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Edward Mountain MSP
Convener,
Net Zero, Energy and Transport Committee,
The Scottish Parliament,
Edinburgh,
EH99 1SP

29th January 2024

(sent by email to netzero.committee@Parliament.Scot, cc FPA.committee@parliament.scot)

Dear Mr Mountain,

Budget Scrutiny 2024-25

The Scottish Government's proposed budget for 2024-25 is currently undergoing scrutiny by the relevant committees of the Scottish Parliament. This includes the Net Zero, Energy and Transport Committee, which is due to take evidence from Ministers and officials at its meeting on Tuesday January 30 2024.

Stop Climate Chaos Scotland (SCCS) considers the budget to be an important overarching policy that should fully reflect the Scottish Government's climate change ambitions, including the achievement of the emissions' reduction targets as set by the Climate Change (Scotland) Act 2009, as amended.

It must therefore provide adequate funding to deliver the emissions' reductions policies, as set out in the current Climate Change Plan (and update) – as well as provide a financial framework to deliver the ambitious policies that are needed in the new Climate Change Plan, a draft of which is expected later this year. In addition, funding for this climate action should be raised fairly, by making the people and corporations causing the crisis pay the most.

In the light of this, SCCS considers that some **overall, strategic questions** that the Committee may wish to consider, in its scrutiny of the draft budget, should include: -

1. To what extent, and how, has the budget been assessed for its likely impact on Scotland's emissions? Does the Scottish Government's [Climate Change Assessment \(Annex J\)](#) adequately demonstrate the impact of the budget's proposals?

The assessment uses a high-level 'taxonomy' approach to 'categorising' both capital and resource spend – an approach that the Scottish Government [has accepted](#), in relation to the legal requirements applying to the Infrastructure Investment Plan, is insufficient. Should the more detailed analysis, as required by s.94A of the 2009 Act for the

Infrastructure Plan, be used to assess the budget – albeit that, for the budget, this would be good practice rather than a legal requirement?

2. In particular, is there sufficient funding for policies seeking to reduce emissions and is there sufficient mitigation for policies that will sustain/increase emissions – such that, taken together, emissions' reduction targets will be met?

Some individual issues related to specific policies, where concern has been raised by SCCS members and others, are noted below. However, these are examples – and there will, no doubt, be other issues that should be scrutinised.

3. Has sufficient attention been given, and resource allocations made, to ensure that the necessary social and economic changes, resulting from emissions' reductions, will be a just transition?

SCCS welcomes the [Just Transition Commission](#)'s focus on these crucial issues. In relation to the budget, do the Scottish Government's proposals reflect the Commission's [advice](#) that "just transition requires a genuine whole-of-government approach to delivery" and "public procurement is key to unlocking a just transition"?

4. Has sufficient attention been accorded to opportunities to 'make polluters pay' and/or to incentivise emissions' reduction in the design of revenue-raising measures?

To inform the debate on these, SSCS commissioned a report, published in 2022, on [the use of fiscal measures to tackle the climate crisis](#).

As noted above, SCCS members and others have raised concerns about some individual policy proposals in the draft budget, and their impact on the Scottish Government's ability to deliver emissions' reduction targets. These include:

1. **Woodland expansion:** It has been noted that the grant scheme to encourage tree planting is [facing cuts](#) of more than £32m or 41% (see also table A8.08). Given the importance of meeting woodland expansion targets, especially in the delivery of the "removals" targets set out in the Climate Change Plan, this is a concern. In light of this, the committee may wish to consider recommendation that this proposal be reconsidered. Options could include seeking to raise the resource allocation, seeking clarification of the impact on emissions and/or pressing that the resource is focused on those woodland types (long rotation or native) that provide the greatest emissions' benefits.
2. As with woodlands, the **restoration of peatlands** is an essential component of meeting emissions' reduction targets. SCCS therefore welcomes the resource allocated to this issue, and its maintenance. However, it should be noted that the annual targets for restoring 20,000 hectares each year has [never been met](#) in the five years since it was set. The Committee, while supporting ongoing resource allocation to this issue, may wish to seek clarification on what steps the Scottish Government will take to ensure delivery of restoration work.
3. As indicated in paper [NZET/S6/24/4/1](#), the Committee has previously discussed matters related to **the funding of bus services**. SCCS welcomes this focus as the availability of a fast and reliable bus service as a key driver of the modal shifts

necessary for the transport sector to meet emissions' reduction targets. It is, therefore, of [significant concern](#) that there are ['no plans' to provide funding for its Bus Partnership Fund](#). This is an example of a wider challenge in relation to transport policy/funding and climate change: the delivery of the transport policy commitments made in previous Programmes for Government Is increasingly ["off track"](#). In addition to considering the specific issue of the Bus Partnership Fund, the Committee may wish to consider whether transport investment is adequately structured to drive the changes needed to meet emissions' reduction targets and secure a just transition.

4. The budget also shows a significant fall in the resource allocation for "Climate Change and Land Managers Renewables Fund" (see table A4.01). This appears to be primarily due to a cut of £37.8m (or c.75%) to the **Just Transition Fund** (see table A4.11). Given the importance of a just transition to the overall delivery of climate change policies, this is (on the face of it) a significant concern. The Committee may wish to inquire into the reasons for this reduction and consider if and how other provisions have been made to support just transition outcomes.

[Stop Climate Chaos Scotland](#) ("SCCS") is a diverse coalition of over 60 civil society organisations in Scotland who campaign together on climate change. Our members include environment, faith and belief groups, international development organisations, trade and student unions and community groups. We believe the Scottish Government should take bold action to tackle climate change, delivering our fair share of action to keep global temperature increases below 1.5 degrees and supporting climate justice around the world.

I hope these brief comments are of value to the Committee in carrying out its scrutiny of the 2024-25 budget. Given their overall responsibility for budget scrutiny, I am copying this letter to Kenneth Gibson MSP, Convener of the Finance and Public Administration Committee.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mike Robinson', followed by a long horizontal line extending to the right.

Mike Robinson
Chair, Stop Climate Chaos Scotland