



A Response to the Scottish Government's Climate Change Consultation

Introduction

The Wise Group

The Wise Group is one of Scotland's leading social enterprises. Our vision is to make a positive difference to individuals, communities and society; working with others to build stronger, greener communities and increase job opportunities.

The Wise Group's Sustainable Development Department delivers a number of programmes including the Energy Saving Scotland advice centre for the Strathclyde and Central area. It delivers a range of services that support individuals, businesses, communities and public bodies to make changes in order to live and work in a more sustainable way.

The range of delivered by the department includes:

- Advice services - on areas such as domestic sustainable energy, eco-driving, and energy efficiency and waste minimisation for businesses
- Energy and recycling education for primary, secondary and tertiary establishments and awareness raising activities supporting action in communities
- Support for Registered Social Landlords in reducing energy demand and installing relevant measures.
- Support to Local Authorities in adopting and implementing Scotland's Climate Change Declaration
- The provision of grants and loans to effect change - including the Scottish Community and Householder Renewables Initiative (SCHRI) and Loan Action Scotland.

Scotland's Climate Change Consultation

The Wise Group welcomes the proposed Climate Change Bill and is encouraged by the approach and tone taken within it. The assertion that Scotland can and should play a leading role in taking action on climate change is an important one, as is the recognition that we have a responsibility, as one of the leaders of industrialisation, to play an active role in mitigating its impacts.

A particularly significant aspect of the consultation document is the acknowledgement that long-term considerations such as climate change too easily become victims of the often short-term focus of the political process.

In setting out ambitious goals over a 40-year period, the Bill enables a more apolitical approach to be taken to this important issue.

Also welcome is the focus on the opportunities open to Scotland, as well as the threats. There is real potential for Scotland to be an international market leader in areas such as renewables technology; to develop new industries and areas of expertise and to generate new jobs.

The Wise Group's response to this consultation does not address every question asked, instead this response is limited those areas where a useful contribution can be made.

Response to Consultation Questions

Targets

1. Should a Scottish target be based on carbon dioxide only or the basket of six greenhouse gases?

There is a reasonable level of public awareness about the impact of carbon dioxide (CO₂) as a greenhouse gas but it is also a fact that carbon and carbon dioxide are often referred to interchangeably as climate change terminology is used without due care. It is understandable therefore that in this context of confusion, the notion of simplicity is an attractive one and that focusing just on CO₂ would be an easier approach for the Climate Change Bill to take.

However, whilst CO₂ is the best known of the green house gases it is also the least potent. As the consultation document (p14) itself acknowledges other gases, particularly perfluorocarbon and sulphur hexafluoride, have a far greater impact than CO₂ (being respectively 6,500-9,200 and 23,900 times more powerful). Focusing attention entirely on CO₂ masks a significant part of the problem and will lead to people changing only some of the behaviours that impact on climate change. An obvious example here is landfill as a generator of methane (CH₄). Without a due emphasis on the role of methane as a greenhouse gas it will be difficult to win the public argument about the need to reduce, reuse and recycle waste wherever possible, as part of the battle against climate change.

2. Should the Bill contain provisions to alter which gases are included, for example if the reliability of data for a particular gas improves or if science changes in the future about which gases cause climate change?

It is important that the Bill should have the flexibility to adapt to our changing knowledge and understanding of the science of climate change. As more is learnt about the way in which greenhouse gases interact with and

change our environment, the solutions that can and should be applied will also change.

There is also a need, however, to provide a degree of consistency from the start to the finish of the target period, to allow outcomes to be assessed and to measure the impact of climate change policies and measures. Whilst it should be possible to change the relative priorities of the targets related to the greenhouse gases detailed in the Bill, this should only be in a positive direction and should not involve the removal of any of the gases.

It is important that any such decisions are made on a clear and transparent basis as the result of independent, expert advice - as discussed further in the response to question 7, below.

3. The Scottish Government wishes to ensure that the Bill gives sufficient incentives to invest in energy efficiency and renewable electricity. Should the targets be based on source emissions; an end-user inventory; or on individual targets for energy efficiency and renewable electricity? Do you have any other suggestions?

The Wise Group strongly believes that the targets should be based on source emissions, if they are to have a meaningful impact on Scotland's greenhouse gas emissions and their international impact.

It is important that Scotland takes responsibility for the emissions it produces – it is not morally justifiable to take profit from the production process without also taking responsibility for the emissions that are a by-product of it.

4. Do you agree that the Bill should allow the means of measuring the target to be changed through secondary legislation to reflect international developments or unforeseen consequences of the Bill?

As stated in the response to question 2, the Wise Group agrees with the logic of building sufficient flexibility into the Bill to allow it to adapt to the changing context in which it is located, particularly considering the lengthy period covered by the targets. However, the caveat should be reiterated that this should only be on the basis of independent and expert advice.

7. Should the Bill allow the level of the 2050 target to be changed through secondary legislation? If so, should this only be allowed on the basis of independent, expert advice, to reflect international developments or unforeseen consequences of the

Bill? Should any changes to the target be limited to an increase in the target?

As stated above the Wise Group agrees that it is important to have a degree of flexibility within the Bill over the 40 year lifetime of the targets set.

Such changes should only be possible on the basis of 'independent expert advice' and moreover the source of that advice should be pre-determined within the legislation. There are many different voices within climate change world and an 'expert' can be found to support any different number of actions. The Bill should define the source of advice it intends to follow, such as the Intergovernmental Panel on Climate Change (IPCC), to ensure that a clear, consistent and objective approach taken is by whatever administration is in power at the time.

Any changes made should be limited to increases in the targets contained within the Bill and should not be a route for future administrations to give in to the sort of shorter-term political and spending pressures, as detailed in the consultation document, that can detract from this critical issue.

Supporting Framework

8. What factors should be taken into account when setting the level of budgets?

The factors detailed in the consultation document (p52/3) seem sensible and should be considered when setting the level of budgets.

9. How long should interim budget periods be?

A five-year budget period seems appropriate. Fit with the EU ETS and Kyoto phasing is an important consideration. Moreover five years is a long enough period to produce a real impact, yet short enough to allow changes to be made in response to monitoring of outcomes. Whatever the length of budget period, the critical element for success will be robust reporting so that any slippage behind targets is seen, understood and can be acted upon.

11. What should be the limit (in terms of absolute quantity or as a percentage of the budget period) on the amount of emissions which the Government can borrow from a following budget period?

In an ideal world there would be no borrowing across budget periods. However it is important to devise an approach that recognises that, in reality, there will be variances in performance against targets. Any system requires the right degree of flexibility to deal with this.

Whilst the Wise Group agrees that some element of borrowing should be available this should be strictly limited and only allowable when there is no possibility of meeting targets. The limit should be based on an independent assessment, possibly by the UK or Scottish Climate Change Committee, as to the level of underperformance that can realistically be compensated for during the next budget period.

12. Should the Bill include an interim point target? If so, what year (or years) should it be for (2020, 2025, 2030, etc.)? How should the level be chosen?

The Wise Group believes that there should be an interim point target, every 10 years. It is important to have regular points of scrutiny, as shorter-term actions and outcomes will determine what is achievable over the longer term.

Whilst we acknowledge the Scottish Government's concern about the credibility challenge that missing interim targets could pose, this element of challenge within the system is crucial, particularly when targets cover such a lengthy period. Without interim targets it will be very difficult to hold government to account with regards to performance or to have a clear sense of how close Scotland is to achieving its climate change goals.

Reporting Scrutiny and Framework

13. Should the Scottish Ministers be required to report on any other issues related to climate change in addition to the requirements already set out. If so, what and how often?

The issues outlined on page 60 of the consultation document should be reported on. In addition the Scottish Ministers should be required to report on any changes made to targets, the advice that formed the basis of this decision and why this decision was taken.

14. Is a process of Parliamentary scrutiny the appropriate way of holding the Scottish Government to account if targets or budgets are not met?

Yes

15. What should be the primary source of advice to the Scottish Government for setting emissions targets or budgets and why? Options include: the proposed UK Committee on Climate Change, a new Scottish Committee on Climate Change, an existing public body in Scotland, or the Scottish Government itself.

The Wise Group believes that decisions with regards to setting emissions targets or budgets should be made in line with the recommendations of the IPCC as a minimum standard.

Scotland however should aim to exceed the international minimum – and so there is a clear role for a Scottish Committee on Climate Change made up of informed experts and providing an independent basis for Scotland’s setting of targets and budgets. This committee should work side by side, and if possible share some membership, with the UK Committee of Climate Change to ensure continuity of approach and that Scotland’s targets meet if not exceed those of the rest of the UK.

17. Which organisation should be tasked with monitoring the progress of the Scottish Government on reducing emissions and why? Options include: the proposed UK Committee on Climate Change, a new Scottish Committee on Climate Change, an existing public body in Scotland, or the Scottish Government itself. AND

18. If it were to be an existing Scottish public body, which public body is most suited to carrying out this task and why?

There should be a role for the UK or Scottish Climate Change Committee in providing this monitoring role, but there should also be a role for Audit Scotland in providing an additional and impartial voice, and separating the function of setting targets and monitoring their progress.

19. Should additional independent mechanisms for scrutinizing the effectiveness of the Scottish Government’s policies in reducing emissions be created by the Bill (in addition to any scrutiny already provided by the Scottish Parliament)?

Parliamentary scrutiny should be sufficient.

22. Are there any other functions related to climate change, existing or new, which should be carried out at arm’s length from the Scottish Government and why?

The three functions related to climate change that should be carried out at arm’s length are:

- Advice on targets
- Measurement of progress against targets
- Scrutiny of results

The Wise Group also believes that where possible these functions should be separated from one another, to allow true independence and objectivity at each stage of the process.

Supporting Measures

23. Should the Bill contain enabling powers to introduce a duty on certain parts of the public sector (i.e. local authorities and large public bodies) to take specified actions on climate change or other specified environmental issues? Why?

Whilst voluntary measures, such as the signing by all 32 Local Authorities of the Scottish Climate Change Declaration, are highly positive and to be applauded the Wise Group believes that it is important to place specific duties on public sector bodies. Here parallels can be drawn with the way in which the Race, Disability and Sex Equality Public Duties have worked in the equalities arena. Although many public bodies have played an active leadership role in promoting equality and diversity, it is clear that more has been achieved since the introduction of the duties.

Public bodies can and should play a key leadership role in areas as critical as climate change. The public sector has the capacity to be an influencer and creator of change, both through the actions it takes directly and by harnessing the power of procurement in order to influence contractors from the private and third sectors. In the field of equalities the public duties have resulted in public bodies making far greater demands of their providers, and a similar benefit could be gained from a public duty on climate change which would enable public bodies to demand more from the organisations with which it works.

28. As a potential non-legislative measure, should current Best Value guidance be amended to take specific account of climate change mitigation and adaptation? If so, how should Best Value guidance be amended?

Best Value Guidance has an important role to play in determining the way in which the public sector works and contracts with other organisations. It impacts on the quality of the decisions it takes and of the services and products that it purchases.

The Wise Group, as a social enterprise, gains a significant amount of its business via public procurement processes and as a result has considerable experience of the differing ways in which best value principles are applied by different public bodies. Too often the concept of best value is still seen in limited ways, with the greatest focus being on price, rather than on social, economic or environmental costs (or benefits).

It is clear that the environmental cost and/or return of a project should be a prime aspect of best value. It is false economy to look only at immediate direct costs when there are so many other additional impacts both positive or negative that one approach may have in comparison to another. Broadening

the definition of best value will allow procurement professionals to take more far sighted decisions that take into account the life time costs of a purchase, beyond that felt within a financial budget period.

Whilst the Wise Group fully agrees that Best Value Guidance should be adapted to take account of climate change mitigation and adaptation this must be backed up with clear training and monitoring of its use. There are currently many options open to procurement professionals, such as social clauses, that in the Wise Group's experience are too often not optimized. There would be a danger that changes to Best Value Guidance would have limited impact without this additional kind of intervention.

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