



Briefing 17/28 – August 2017

Climate Change Bill Consultation

To: All Chief Executives, Main Contacts and APSE Contacts in Scotland
For information only to England, Northern Ireland and Wales

Key issues

- **Increase Target for Emission Reduction from 80% to 90% by 2050. Interim Targets for 2020, 2030 & 2040 and Annual Targets based upon these.**
- **Targets will now be reported as a percentage change. Targets will be set by Secondary Legislation.**
- **Consultation requires feedback on potential impact and challenges of the new bill. The deadline for responding is Friday 22 September 2017**

Link to Consultation - <https://consult.scotland.gov.uk/energy-and-climate-change-directorate/climate-change-bill/>

Link to Consultation Paper - <http://www.gov.scot/Resource/0052/00521930.pdf>

Scottish Government Consultation

The Climate Change Bill is to build upon the [Climate Change \(Scotland\) Act 2009](#), following recommendations from the [Committee on Climate Change \(CCC\)](#).

The headline change is an increase in the Emission Reduction Target by 2050, with the rest of the bill proposing procedural changes to assess and measure progress towards that target, or to bring consistency to the way these targets are measured and reported.

The final section of the bill focuses on the impact the bill will have, and it is here that the Scottish Government is particularly looking for advice.

Increased Target for Emission Reduction

The Climate Change Bill proposes to set the target for a 90% reduction in greenhouse gas emissions from baseline levels¹, achieved by 2050. This follows the advice of the CCC in line with limiting the rise of global temperature to 1.5°C. This is also consistent with the Paris Agreement, which aims to limit the rise in Global Temperature below 2°C during this century, with the aim to also meet the 1.5°C goal. The CCC considers the 90% target to be at the “very limit of feasibility”.

Modelling using Scottish Data² indicates that this would have an estimated cost equivalent to ‘just under 3% of cumulative Scottish GDP.’ This compares with 2% cumulative Scottish GDP for the current 80% target. The paper claims this to be an opportunity for Scottish Businesses to be “cost competitive and attractive on an international setting”.

In 2015 the renewable energy sector supported 58,500 jobs in Scotland, generating a turnover of £10.5 billion, which was 14% of the total UK Turnover in the sector, making it higher than population share.

The bill also contains provisions to allow for a future net-zero target to be set. Currently modelling does not make this a realistic goal for 2050, so the bill proposes that ministers set this for the second half of the century following regular reviews of the evidence. This is also in line with CCC advice and the Paris agreement.

Interim Targets

To meet the 2050 target, the bill is also proposing a set of interim targets for Scottish Emissions. The CCC has advised on targets for 2020 (56% reduction), 2030 (66%), and 2040 (78%).

The 2020 target has changed from 42%, to account for changes in measurement and reporting that will be detailed in later sections, as well as for the increased 2050 target and more accurate data compared to 2010, when the target was first set.

In addition to these 10-year targets, the bill proposes that annual targets calculated linearly within each 10-year period, are automatically updated if there are any adjustments to the 10-year targets. Table 1 in the Consultation Paper shows current and proposed targets.

Procedural Changes

There are a number of procedural changes being introduced alongside the new targets.

Currently, there is a disparity between the 2020 and 2050 targets, which are reported as a percentage change, and the current annual targets which are measured in tonnes of carbon dioxide equivalent (tCO₂e). This bill would mean that all figures would be reported as a percentage change from the baseline, which has the advantage of being less sensitive

¹ The Baseline Period is 1990 for Carbon Dioxide, Methane and Nitrous oxide, and 1995 for the F gases. Box 2 of the paper gives more detail.

² The Integrated Market Emissions System (TIMES) is detailed in Box 3 of the paper.

to changes in the greenhouse gas inventory, and is easier to understand. The bill would also remove the [EU Emissions Trading System \(ETS\)](#) adjustment from Scottish figures with regard to meeting the 2050 goal. The CCC advise that this change will increase transparency of measuring progress. All other policy will continue to remain consistent with the operation of the EU ETS cap, and it is expected that statistics will be published to show both the actual and adjusted figures. It is also not currently known if the United Kingdom will remain in the EU ETS after Brexit.

The bill proposes that targets continue to be set by [Secondary Legislation](#), however that the flexibility of those targets be increased by this bill. The criteria Scottish Ministers must abide by when setting targets will need reworked to take into account other changes proposed by this bill. The Scottish Government is seeking advice on what these criteria should be.

Currently, a Report on Proposals and Policies (RPP) will cover a 16 year period, with the next due in 2021 for the years 2033-2037. The bill proposes to change the name of these to "Climate Change Plan", and the Scottish Government is seeking advice on both the length of time these plans should account for, and how frequently these should be drafted. An example given is that it may be preferable to draft these after Paris Stockades³ every 5 years.

Impact

The Scottish Government aims to assess the impact of the bill through Equalities Impact Assessment (EQIA), [Child Rights and Wellbeing Assessment](#) and socio-economic assessment. A draft for CRWIA is provided.

A "Just Transition" is a goal of the bill, with it highlighting energy efficiency as a way to make homes warmer and reduce fuel poverty in addition to delivering reduced emissions. The Scottish Government recognise that "decarbonisation policies have the potential to lead to unintended adverse impacts", hence why there is a need for feedback.

They have also published a [Partial Business and Regulatory Impact Assessment](#) to assess changes to the economic model and a [Strategic Environmental Assessment](#) as well.

APSE Comment

Local Authorities have a large role to play in meeting any environmental targets, and are already engaged in many different projects to meet current emissions targets. It is therefore important that the people who will be expected to meet any new targets have their say about how realistic those targets are. APSE encourages our membership to respond to this consultation and ensure that their expertise is encouraged. The full list of questions is available in the appendix to this document.

The consultation paper mentions that there will be an increase in cost from 2% to 3% of cumulative Scottish GDP, but does not detail where that money is coming from. Whilst it may be true that the economic benefits outweigh the costs, it needs to be clearer where

³ Box 6 in the Consultation Paper

any initial investment money can be found. APSE would also want to seek clarity that any initial costs would not place additional further financial burdens on increasingly hard pressed council budgets.

APSE has resources available to its members to help in meeting any current and future obligations. In particular, there is research into the [economic change](#) that will occur as a result of greener policies. [APSE Energy](#) is another service that will allow local authorities to meet their energy demands in an effective and environmentally friendly fashion and APSE will continue to provide briefings on any policy change that will have an impact on local authorities meeting these targets.

Response Details

If you wish your comments to be included in an APSE response to this consultation paper, please send them to Garry Lee at glee@apse.org.uk by Friday 15 September 2017. Alternatively, you can submit your response online directly by [clicking here](#). The closing date for responses to this consultation is Friday 22 September 2017.

Iain Scherr
Research and Coordination Officer

Appendix 1

Consultation Questions	
Q1	Do you agree that the 2050 target should be made more ambitious by increasing it to 90% greenhouse gas emission reduction from baseline levels? Yes/No (Please explain your answer)
Q2	Do you agree that the Climate Change Bill should contain provisions that allow for a net-zero greenhouse gas emission target to be set at a later date? Yes/No (Please explain your answer)
Q3	<p>a) Do you agree that the 2020 target should be for greenhouse gas emissions to be at least 56% lower than baseline levels? Yes/No (Please explain your answer)</p> <p>b) Do you agree that a target should be set for greenhouse gas emissions to be at least 66% lower than baseline levels by 2030? Yes/No (Please explain your answer)</p> <p>c) Do you agree that a target should be set for greenhouse gas emissions to be at least 78% lower than baseline levels by 2040? Yes/No (Please explain your answer)</p> <p>d) Do you agree that annual emission reduction targets should be in the form of percentage reductions from baseline levels? Yes/No (Please explain your answer)</p>
Q4	Do you agree that annual emission reduction targets should be in the form of percentage reductions from baseline levels? Yes/No (Please explain your answer)
Q5	Do you agree that annual targets should be set as a direct consequence of interim and 2050 targets? Yes/No (Please explain your answer)
Q6	Do you agree that all emission reduction targets should be set on the basis of actual emissions, removing the accounting adjustment for the EU ETS? Yes/No (Please explain your answer)
Q7	<p>a) What are your views on allowing the interim and 2050 emission reduction targets to be updated, with due regard to advice from the CCC, through secondary legislation?</p> <p>b) What do you think are the most important criteria to be considered when setting or updating emission reduction targets?</p>
Q8	<p>a) What are your views on the frequency of future Climate Change Plans?</p> <p>b) What are your views on the length of time that future Climate Change Plans should cover?</p> <p>c) What are your views on how development of future Climate Change Plans could be aligned with Paris Stocktake Processes?</p> <p>d) How many days do you think the period for Parliamentary consideration of draft Climate Change Plans should be</p>
Q9	What are your views on the proposal that any shortfall against previous targets should be made up through subsequent Climate Change Plans?

Q10	What are your views on these initial considerations of the impacts of the Bill proposals on Scotland's people, both now and in future generations?
Q11	What are your views on the opportunities and challenges that the Bill proposals could have for businesses?
Q12	<p>a) What are your views on the evidence set out in the Environmental Report that has been used to inform the assessment process? (Please give details of additional relevant sources).</p> <p>b) What are your views on the predicted environmental effects as set out in the Environmental Report?</p> <p>c) Are there any other environmental effects that have not been considered?</p> <p>d) Do you agree with the conclusions and recommendations set out in the Environmental Report?</p> <p>e) Please provide any other comments you have on the Environmental Report.</p>
Q13	Are there any other thoughts you have about the proposed Climate Change Bill not covered in your earlier answers?