

Assessment of Scotland’s progress towards CERG priorities – January 2022



Overview and Purpose:

The assessment tracks the extent to which the Scottish Government has responded to the twelve recommendations set out in the [Climate Emergency Response Group \(CERG\) report ‘Delivering on Scotland’s response to the climate emergency’](#) (September 2021). The assessment summarises achievements and gaps in how the Scottish Government proposes to address the report’s 12 priorities and to deliver an emergency response to the climate crisis. The assessment also considers progress against CERG’s previous asks ([reports published in 2019 & 2020](#)). Those previous asks which overlap with our most current priorities are consolidated and included within the main assessment report, whilst progress against any remaining asks are addressed within a separate summary table (Section 2) at the end of this report.

Approach and Status:

The assessment reviews Scottish Government announcements and publications between August – December 2021 with particular focus on the Programme for Government 2021 and the Scottish Budget 22/23. It also takes into account the latest UK Climate Change Committee report [Progress in reducing emissions in Scotland](#) (December 2021), and the Scottish Government’s response to [Scotland’s Climate Assembly](#) (December 2021). The report includes relevant statements from the CCC where useful for comparison purposes.

CERG wishes to stress that this report is only a snapshot in time, accurate as of the end of December 2021, and only 3 months after the publication of our recommendations report in September 2021. CERG accepts that it may be missing some information, or **that** it may not have interpreted published information correctly, but has made best efforts to provide a fair and objective assessment. For purposes of transparency this assessment was made available online in March 2022. The table below shows the criteria used to guide the assessment process.

Policy Trajectory
↑ = policy signals moving in right direction in line with CERG’s proposals.
↔ = policy signals not really changing.
↓ = policy signals moving away from CERG’s proposals.

RAG ratings	Certainty & scale of investment (£)	Policy commitments	Speed (timelines, targets, scheme delivery)
GOOD	Sufficient budget allocated, long-term investment certainty, credible financing plan	Credible and specific policies, targets and regulations meet the vast majority of CERG’s asks	Government commitments align with CERG proposed timescales and/or a significant ramp up in government action on this issue.
GENERALLY GOOD	Budget allocated but insufficient to enable a rapid transition and/or financing plan not yet developed	Credible policy commitments against most aspects of CERG’s asks, but few gaps or uncertainties.	Government commitments ambitious but slightly behind CERG’s proposals. Significant Government action.
CONCERNS	Some funding commitments but unclear where significant part of funding will come from.	Significant gaps in policy & commitments which will hinder delivery against CERG’s asks.	Policy timelines too slow to drive urgent action and/or significant delays in delivery.
INADEQUATE	No clarity on investment or investment inadequately targeted.	Insufficient or no policy response.	No timelines or processes in place.

Summary of Findings (Progress against CERG's 2021 recommendations):

- Overall, progress has been made against all but three of our asks. However, **none have been met in full**.
- **'Climate and nature-friendly agriculture', 'climate-friendly diets', and 'unite central and local government'** are **rated red** across all assessment categories¹.
- **Half (50%) of all the ratings were amber**, indicating that some progress has been made in addressing the issue, but the group has concerns that either gaps remain, funding is insufficient, or the policy timelines are too slow to achieve Scotland's 2030 targets / emissions envelopes.
- **Half (50%) of the ratings on 'Speed' were red**, highlighting concerns that timelines set by Government are too slow or unclear to ensure delivery at the emergency pace required.
- The three proposals with one or more **light green ratings were green skills, nature-based solutions and citizen engagement**. There has been significant and commendable attention and emphasis on these issues, but the positive ratings have the following caveats:
 - Within these recommendations the findings are mixed, with some aspects lagging behind (eg land management / agriculture skills; outright ban on peat extraction; and commitment to roll out public dialogue about the actions recommended by the Climate Assembly)
 - There are strong dependencies within the skills agenda that need to be addressed to ensure that planned investment in skills leads to the desired outcome in terms of a just transition to net zero. This requires training / upskilling to be integrated and 'matched' at local / regional level and the creation of jobs through policy certainty, clear pipelines and investment.
 - CERG welcomes the Scottish Government's strong rhetoric around participation in the just transition process and citizen's assemblies, but there is a lack of clarity on what resources and skills are being put in place to enable this and improve the current consultation process. It also requires public confidence that the Government will respond to the outcomes of these processes.

Areas of notable good progress:

- The **Heat in Buildings Strategy** published in October 2021, was identified by CERG as a particularly good example where a sectoral strategy built in consideration of cross-cutting enabling factors (skills, finance) as part of its policy-making.
- CERG noted the **high-profile climate leadership** by Nicola Sturgeon and the Scottish Government throughout COP26, with particular progress around nature-based solutions. CERG hopes that the Scottish Government is able to build on the momentum generated at COP to push forward, maintain high public profile of climate change, and constructively engage the public in dialogue about the transition needed to net zero.

Areas of particular concern:

- While there has been a positive shift in the direction of policy for **climate and nature-friendly agriculture** progress is far too slow. Significant uncertainty remains about Scotland's post-CAP policy, with no plans to speed up decision-making. This aligns with the findings of the CCC.
- CERG's proposal on **'unite national and local government'** addresses a key challenge around the lack of resource and capacity within local authorities to deliver programmes on the ground, and is a key enabler for many of CERG's other recommendations. Without sufficient investment and capacity (or support to build capacity) local authorities will be unable to build and deliver programmes at pace (eg LHEES, transport), or to attract the scale of private sector investment needed.

¹ This aligns with the Committee on Climate Change's assessment (CCC, 2021), which highlighted low carbon agriculture and diet (alongside aviation) as significant gaps.

- **Climate friendly diet** remains a significant gap in the pathway to 2030 target, and there has been no progress made on this by the Scottish Government. The Government’s response to the Climate Assembly’s recommendation on diet was weak.

Summary table of the Scottish Government’s progress against CERG’s 2021 recommendations report: ratings

	Certainty & scale of investment (£)	Policy commitments	Speed (timelines, targets, scheme delivery)
RED (INADEQUATE)	4 (33%)	3 (25%)	6 (50%)
AMBER (CONCERNS)	6 (50%)	7 (58%)	5 (42%)
LIGHT GREEN (GENERALLY GOOD)	2 (17%)	2 (17%)	1 (8%)
GREEN (GOOD)	0	0	0
Not scored	0	0	0

Next Steps

- CERG has used the findings of this assessment to inform its priorities for 2022 (to be published summer 2022), and in its dialogue with the Scottish Government, stakeholders and experts.

Section 1:

Assessment of the Scottish Government's progress against CERG's 2021 Recommendations Report (December 2021)

CERG Proposal	Aligned CERG Asks	Policy Trajectory	RAG ratings			Comments / Gaps
			Certainty & scale of investment (£)	Policy commitments	Speed (timelines, targets, delivery)	
City Transformation	Zero-emission cities (2019) Initiate 4 new Green City Region Deals (GGAs) (2019) City & Town Infrastructure Transformation Programme (2020)	↔ Positive shift in some enablers -incremental not transformational	Good investment in active travel / transport, but not for city transformations			CERG initially proposed this in 2019 – GGAs are the only serious response from Gov and not enough. No aspiration for zero emission cities or shared ambition / expectation for big scale transformation. Lack of capacity & readiness in city local authorities a big problem and not being addressed. Positive increase in some of the enabling factors - eg record active travel budget (£150m), launch of GGAs & additional funding, 20 min neighbourhoods. However, overall an incremental and sectoral rather than transformative approach. This point on need for early and rapid action also picked up by CCC. - <i>need for early and rapid action on modal shift on transport (noting only incremental changes in behaviour to date)</i>
Greener non-domestic buildings	Energy efficiency retrofit scheme (2019) Enhance building standards (2020)	↑ Heat in Buildings Strategy is positive.	£336m			Regulation for non-dom is coming, but metric, phasing and dates unclear – call for evidence a slow start. Welcome that public subsidies for O & G boilers stopped. Advice and financial support have no change in budget. New /amended support schemes likely to be developed (timescales?). Missing from BEIS pilot of energy consumption benchmarking for large buildings. Concern that regs for smaller buildings lagging behind England. Need to engage sector to drive demand. £336m investment in energy efficiency & heat (unclear breakdown for non-dom). Under HBS, work in 2022 to explore how local tax powers (non-dom rates, council tax) can be used to incentivise change.

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						<i>CCC agree need for ambitious plan on non-dom, and ensuring sufficient capacity and financial support to local authorities to ensure LHEES delivered.</i>
Upskill the workforce	Rural Jobs Creation Programme; Green Future Skills; Green Enterprise Support (2020)	↑ Significant focus, new initiatives & new Minister but rural / farming still falling behind	Significant increase in Green Jobs Fund, NE Moray Just Transition Fund, Skills Guarantee.		Timing is absolutely essential here. Need to judge by outcome not investment & initiatives	Plethora of positive announcements, initiatives, Minister & good eggs of skills being built into sector plans ² - but also some significant gaps (eg agriculture). NE Just Transition Fund v welcome but roll out is slow (only 4% of Just Transition Fund in 2022 Budget). Essential for skills investment to align with policy pipelines and sectoral just transition plans (eg forthcoming Energy Strategy & Skills Guarantee for high carbon sectors)- too early to judge. Welcome recommendations from SAAB on addressing sustainability across the board in apprenticeships ³ - noting its urgency but no immediate Gov investment to deliver. PfG pledges support to SMEs to plan transition / reskill but no details on scale of this. Still waiting for definitive plan on how CESAP will be implemented / monitored. Need for transparent outcome-focused monitoring system to track whether the most urgent skill-gaps are being filled - eg #jobs transitioned, jobs created, compared with #needed (by sector, by location).
Mobilise public sector expenditure	Mobilise public procurement	↑	Increase to decarbonise public sector buildings, but still lacking investment in support systems for public sector to transform purchasing,		Primarily red because of need for more on whole life costing and mandating low carbon purchasing in grants needed to transform spend	Some progress but the big financial levers to prioritise carbon reduction that could rapidly shift public sector spend have yet to be addressed (mandating whole life costing, climate-related conditionality of Gov grants & using procurement of a service). New (non-statutory) guidance to transform public sector purchasing now published and work planned for 2022 to strengthen analysis and scrutiny of public sector reporting on climate (important and should be fast-tracked). Needs

² Eg Heat in Buildings Workforce Assessment Project, Offshore Wind, Energy Skills Partnership & National Energy Skills Accelerator.

³ Scottish Apprenticeship Advisory Board.

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						<p>stronger flexible support-system to address challenges and build internal capacity and systems.</p> <p>Welcome ambitious phased targets (and £200m funding) for decarbonisation of public sector buildings and incorporation of embodied carbon into the Net Zero Public Sector Building Standard . Gov committed to ‘investigate opportunities for whole life emission reporting, through building regulations or by other means’ by end of 2022.⁴</p> <p>On procurement, CCC states: <i>It should be ensured, however, that low-carbon choices will be prioritised, and no barriers are introduced from competing criteria such as reducing cost.</i> Page 98</p> <p>CCC also recommend: <i>setting out a plan for phasing in mandatory whole-life reporting followed by minimum whole-life standards for all buildings, roads and infrastructure by 2025, with differentiated targets by function, scale, and public/private construction.</i></p>
Unite central and local Government	n/a	↔ No action.				<p>Scot Gov aware of the problem but resource budgets are stretched and issue remains unresolved. NZET Committee calling for evidence (Jan 22). Resource Spending Review due May 2022, and Council tax no longer frozen. Involvement of Audit Scotland may help raise profile. GGA experience shows lack of capacity, maturity – won’t be the answer to large scale projects. Solutions – more £; redeploy and upskill LA staff (COVID experience); central support on data, research; redeploy and upskill national agency staff (eg enterprise agencies) focus on projects vs strategies. Put resource where can have the greatest impact (cities).</p>

⁴ [Scottish Government Response | Climate Assembly](#)

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Green City & Region Deals	Initiate 4 new Green City Region Deals (GGAs) (2019)	↑	Resource budget needed			<p>Good that SG has developed guidance on assessing carbon impact of City and Growth Deals, and is providing support to deal partners on implementation. However, the status and scope of the guidance is unclear – mandatory or voluntary; existing as well as future projects.</p> <p>SG indicates design of projects are changing due to guidance already. Uncertain if/how city region and growth deals will be aligned with net zero as there is no mention of carbon management work in PfG or other announcements. No statement from minister regarding status of guidance. Very small team delivering support to local authorities, most of which are under-resourced. CCC also backs up call by stating ‘Public money should not support industries or infrastructure in a way that is not consistent with the future net-zero economy or that increases exposure to climate risks’.</p>
Climate emergency a guiding principle in all planning decisions	Renewable electricity (2019)	↔			No actions to encourage immediate action or build capacity to deliver urgently.	<p>Draft NPF 4 does have net zero at its core which is positive change. However, more clarity is needed to give planning system and developers certainty – ‘must’ vs ‘should’, removing inconsistencies in other strategies, aligning infrastructure investment plans. Seen as disappointing for renewable energy and lacks clarity on peat – NPF4 lacks the urgency and strong language of Ministerial statements. No immediate actions on capacity or sending strong signal to planners that Scot Govt will call in major developments if climate not properly considered. Some provision for local authorities to increase fees to cover costs but this will not be enough to fill capacity and skills gap. Resource Spending Review offers an opportunity to address this.</p>

CERG Proposal	Aligned CERG Asks	Policy Trajectory	RAG ratings			Comments / Gaps
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Solve real and specific financing challenges	Scottish National Investment Bank (2019) (in part) Expanded Capital Investment Stimulus & Unlocking private investment with greater policy certainty (2020) both in part)	↑ Rapid developments since 2020 and CERG's 2020 assessment report. New team in place v open to engagement			Red because Gov not (yet?) committed to incubator approach (or similar) but note the issue is moving rapidly pushed by lots of different actors	Live discussions ongoing particularly around natural capital, buildings retrofit and transport. Work ongoing within Gov to build investible pipelines (essential) – place-based and sector-based (but notable gaps - agriculture, heat). Scot Gov acknowledges the challenges and wants to work collaboratively, but have not committed to running or resourcing an incubator-style approach for specific financing challenges as per CERG proposal. Green Market Solutions Programme looks promising but awaiting details (no budget allocated for 2022?). Capacity to build bankable projects remains critical gap. SNIB live, recapitalised for 2022 and investing but not acting as a demonstrator / de-risker to scale up private finance.
Climate & Nature friendly farming	£100m Agricultural Modernisation Fund (2019) Regional land use plans (2019)	↑ Movement very slowly in right direction but far too slow.	Downscaled to red – the Agriculture Transformation Programme has pretty much disappeared and no investment in skills capacity.	Downscaled to red - Despite positive shifts in rhetoric and tone the legislative timetable is too slow, and consultation on agricultural transformation is not bold enough		Movement in rhetoric and action since election which is much welcomed, but no clarity on future payment system or immediate introduction of conditionality. Agriculture Transformation consultation focuses only on efficiency schemes (what about remaining 60% emissions reduction?) Positive announcements on the Agri-Environment Scheme (£35.8m) & National Test Programme (£310m) as a starting point but reduction in rest of the Agri Transformation Programme. Agriculture Bill (2023) will be too late to result in the necessary reductions to meet the CCPu path (ref CCC). Skills, training and support for farmers to transition to net zero has been a gap since CERG's first report in 2019 and still not addressed. <i>CCC note urgent need for post-CAP low-carbon agriculture policy - no comprehensive framework to deliver the vision in the CCPu. The Agriculture Transformation Programme ... does not substitute for the scale and level of emissions cuts that could be driven by a coherent sector strategy.' CCC also promote a joined up strategy to consider both production and consumption of low carbon food.</i>

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Sustainable, healthy, climate friendly diets	Public guidance on sustainable, climate-friendly, healthy diets (2019)	↓ Consumption and diet notably absent from policy discourse despite CCC and Climate Assembly strongly recommending it.				No government statement regarding sustainable, climate-friendly diet. Local and organic food doesn't always mean low-carbon. Gov policy focuses on production not consumption. Diet is a significant gap in pathway to 2030 target. This gap also picked up by the CCC ⁵ . Scot Gov response to Climate Assembly only 'partially' supports recommendation to procure plant-based low carbon food by committing to ' <i>carefully consider the Assembly's recommendation</i> ' (one of the few of the CA recommendations that the Government didn't wholly support). Significant opportunities with Catering For Change, Good Food Nation Bill are not being used sufficiently.
Natural solutions to mitigate and adapt	n/a	↑	Slight increase in peatland restoration budget & nature restoration fund. Rapid moves on leveraging private sector investment (stronger safeguards needed). No investment in Blue Carbon in 2022 budget?	Particularly would like to see stronger action on stopping peat extraction & peatland restoration.		Significant focus on nature-based solutions. Long-term commitment of multi-yr funding to peatland, forestry, marine environment but private sector financing is needed to fill the significant gap but requires robust just transition safeguards to be in place (NB finance is mobilising very rapidly). NPF4 includes net zero, nature positive national priorities, but surprisingly weak on peat extraction ⁶ . Timescales of Natural Environment Bill slow and this is a requirement to lock in the targets and statutory responsibilities to deliver our proposals. Commitment to values-led high integrity natural capital market - Scottish Land Commission producing advice to ensure the natural capital market is in the public interest– this is essential but unclear if it will guarantee a fair share of costs and benefits from private investment in NBS. <i>CCC think more can be done to speed up peatland restoration particularly, and call for clear timeframes to</i>

⁵ 'need clear plan to address food demand to move towards low carbon, healthy and sustainable diets (e.g. through reducing meat and dairy consumption)'. CCC, 2021. Page 125

⁶ Timescales around ban of sale of peat unknown, and no commitment to prevent new permissions or extensions.

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						<i>end domestic peat extraction and the phasing out of its use in horticulture and as a fuel, and end burning management of peatlands and strengthened controls to restrict developments on peat</i>
Citizens to the heart of decisions	n/a	↑ Commitment to do more participatory engagement & co-design of Just Transition Plans	No information on what resource budget is needed or allocated to strengthen dialogue and deliberation. (Resource Spending Review?)			<p>Notable and high-profile climate leadership by Nicola Sturgeon and Scottish Government throughout COP26. Climate high in public consciousness but no commitment to maintain this through regular briefings. Strong rhetoric around participation in co-design and co-delivery of Just Transition Plans, institutionalising inclusive participatory democracy and building on legacy of Climate Assembly. Need to see the proof and investment to enable deliberation and build climate literacy. Detailed response to Climate Assembly report and commitment to engage again in 2022 and ongoing through Children’s Parliament. But NB hasn’t shifted Government position on some of the ‘sticky issues’ around flying and diet. Energy Strategy Just Transition Plan & NE Just Transition Fund will be test of inclusive co-design process. Capital Budget assigned for Climate Action & Just Transition Fund in 2022 (lacks detail)</p> <p><i>CCC is positive on public engagement – ‘they have been leading the UK in integrating public engagement into climate policy’ (page 60)</i></p> <p><i>And’the focus within the Scottish Government’s plans on a ‘just transition’ and on public engagement are commendable’ P 93</i></p>

Section 2: Ratings of Scottish Government progress against CERG Proposals (2019/ 2020) not covered by above analysis

Summary of progress against CERG’s 2019 / 2020 recommendations:

The majority of CERG’s previous proposals (from 2019 & 2020 reports) are linked to issues addressed in the 2021 report. 6 of CERG’s previous recommendations (2019/2020) are distinct. CERG undertook a rapid, light assessment of the Government’s progress against these recommendations, presented in Section 2 below (excluding CCS which was not assessed)

- 60% of the ratings were Green or Light Green, showing good Government progress.
- As with the assessment against 2021 proposals, ‘speed’ had the least green ratings.
- Timescales to meet EPC C standards, investment and timescales to strengthen building standards and green scrappage were rated as amber.

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Establish a public-interest company to invest in and operate Carbon, Capture & Storage (CCS) infrastructure (12 immediate actions)	Not assessed	Not assessed	Not assessed	Note CC Plan relies on CCS to meet 2030 and 2045 targets. In 2020 assessment we noted Scot Gov was pursuing same outcome through another route (Acorn project). In 2021 report we decided not to focus on CCS and NETS as wanted to emphasise what was possible with immediate measures in decade of action.
Create a Scottish Heat Pump Sector Deal that provides clear long-term market signals for the accelerated installation of heat pumps in Scotland (12 immediate actions)				Heat Pump Sector Deal Expert Advisory Group set up and final report published (December 2021) (although later than hoped)
Accelerate Scotland’s energy efficiency retrofit (Domestic)	Record budget 2022.			Policy certainty big improvement, funding increased though still not enough on how this will be matched by private investment. Commitments to 1 million homes zero emissions by 2030; targets for EPC C and phase out dates for fossil fuel heat; stopping public subsidy for fossil fuel heat. National Public Energy Agency opportunity but also risks distraction. Local authority lack of capacity for LHEES and ABS delivery. Scot Gov team increased for implementation, now picking up pace.
Enhance Building Standards				HiBS reaffirms commitments to zero emission heating standard and some effort to phase in earlier for public sector, but 2026 too late. Review energy regs to reduce emissions and EE stronger in 2021 and 2024 – under consultation now. Net Zero Public Sector Buildings guidance (voluntary) phasing in to introduce zero emissions std sooner. Concern that

CERG Proposal	RAG ratings			Comments / Gaps
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				implementation not brought forward for all buildings – social housing should be quick win.
Scottish National Investment Bank (SNIB)				SNIB operational since Nov 2020, with net zero as one of its missions and so far committed £120m. SNIB investments not being used in the most effective way to unlock private capital and support community benefit and wellbeing outcomes.
Green Scrappage Scheme			n/a	Nothing on boiler scrappage in Heat in Buildings Strategy or agriculture machinery. No change since previous assessment which graded Amber. This may need to be revisited if Scotland falls further behind on meeting its emissions reduction

Background to CERG

The Climate Emergency Response Group (CERG) is a collection of like-minded leaders spanning Scotland’s private, public and third sectors, delivery organisations and membership bodies. The group aims to inform and influence the Scottish Government’s response to the climate emergency by providing practical, workable solutions that can be implemented – not in the future, but now.

CERG Steering Group membership

Andrew Bissell	Adam Liddle
Teresa Bray	Daisy Narayanan
Claire Daly	Stefanie O’Gorman
Sam Gardner	David Reay
Iain Gulland	Hannah Smith
Alex Irwin	Raphaelle Vallet
Andy Kerr	Sara Thiam
Sarah-Jane Laing	Mike Thornton
Fabrice Leveque	Morag Watson
	Paul White
Secretariat	
Elizabeth Leighton	Kate Studd