



# Sustainable Development

Third Annual Assessment of Progress  
by the Scottish Government



Sustainable  
Development Commission  
**Scotland**

**Front Cover**  
Edinburgh has more listed buildings than any other UK city apart from London. Renewable energy installations in these properties are extremely rare, especially in multi-occupancy buildings such as tenements. The Renewable Heritage project installed solar water heating panels to provide over 50% of the annual hot water requirement of 49 properties in the World Heritage Site.

**For more information see**  
[www.changeworks.org.uk/content.php?linkid=424](http://www.changeworks.org.uk/content.php?linkid=424)  
[www.sd-commission.org.uk/pages/built-environment.html](http://www.sd-commission.org.uk/pages/built-environment.html)

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# Executive Summary

The Sustainable Development Commission Scotland (the Commission) is the Scottish and UK Governments’ independent adviser on sustainable development. One of our key roles is to scrutinise the Scottish Government’s delivery of sustainable development through conducting an annual assessment.

This is our third annual report on progress. It provides a review of Government action on sustainable development from autumn 2008 until autumn 2009.

## Our Appraisal of Government Performance

The central message of our Third Assessment is that, now more than ever, sustainable development is the right guiding principle for all work of Government. More effective policy can be delivered through better integration even at a time of shrinking budgets. The Commission also believes that it is vital that action on climate change is set within a wider sustainable development framework.

Three themes infuse our dialogue with the Scottish Government as we support them and the people of Scotland in creating a sustainable economy, society and ecology. These three themes are **scale**, **urgency** and **interconnectedness**.

**Scale:** We remain a long way from sustainable development. Opportunities to flourish are not open to all; our ecological load is too great; and our economy is not resilient or sustainable. These challenges require integrated action that address all three issues together. Government has made progress in many areas but the scale of some of the challenges remains substantial – for example in fuel poverty.

**Urgency:** Many challenges are also urgent. Climate science shows us that we may be nearing the tipping point in the climate system beyond which change is rapid and severe. This presents us with a pressing challenge both within Scotland and globally. **The Climate Change (Scotland) Act** is an appropriate response to the challenges. Bold and radical decisions will need to be taken to deliver the targets set. This will require action across Government and far more effective engagement with the people of Scotland.

**Interconnectedness:** Sustainable development is by nature a highly interconnected way of thinking. It reaches into planning, built environment and policies pertaining to transport, agriculture, food and waste to name but a few. Government has made some moves towards greater integration but far more is required.

The Commission wishes to stimulate further detailed discussion as to whether or not our current economic model creates systematic impediments to ensuring all of Scotland’s people flourish. **Prosperity without Growth?** is our contribution to this discussion. While many economic levers remain reserved to Westminster we believe Scotland can help create a better approach to economic development.

**So, in summary, what specific progress has the Government made in the last year?**

**Indicators** show modest improvements in some areas. Renewable energy continues to grow and some business and education indicators also show positive trends. However many public health indicators continue to be poor, some areas of economic performance are weak and there is no evidence of a narrowing of the gap between highest and lowest earners. Greenhouse gas emissions are down by over 6% in the last year (2007) but long term trends on emissions are far below what the Government requires to meet the Climate Change (Scotland) Act.

The current administration has continued to develop **policy and strategy** in a range of areas, most notably around social inclusion, climate change, marine/fisheries and waste. New policy and strategy aspirations have been broadly consistent with sustainable development, with the five strategic priorities (Healthier, Greener, Smarter, Wealthier and Fairer, Safer and Stronger) providing a useful framework that ensures greater coherence in policy across the Government.

On **policy** we support the Government’s work on climate change and stress the scale of the challenge ahead and the need for tough decisions. We also support policy developments in health, food, waste and education. We are critical of transport policy and the lack of alignment between national planning guidance (which is much improved) and many of the actual planning decisions taken by Local Authorities.

On **corporate management** we criticise the progress Government has made on energy and transport – corporate emissions have actually gone up in the last year in sharp contrast to the aspirations of the Climate Change (Scotland) Act. We argue strongly that Government needs a Sustainable Operations on the Government Estate (SOG E) framework and a Sustainable Development in Government (SDiG) process. The former is certainly being actively considered.

In our last assessment we set **five challenges** for the Government. These reflect what we believe are the priority areas for action to move Scotland on to a more sustainable path over the coming years. On our **five challenges for Government** our view can be summarised as :

1. **Provide greater clarity over the way in which sustainable economic growth is to be pursued, its relationship with sustainable development and how it is supported by the performance framework**  
The last year has seen significant progress by Government in appraising the carbon impact of decisions. However many aspects of economic policy are still centred around economic growth as opposed to well-being and wider sustainable outcomes. Government must address this, and also adopt further economic indicators that help show wider policy outcomes. More fundamentally, Government must look further at alternatives to growth based economics.
2. **Enact a Climate Change Bill and associated delivery framework that moves Scotland to a low carbon economy over a short time horizon**  
Scotland now has the most ambitious climate change legislation in the world. This is something for which the Scottish Government and Parliament should be congratulated. Our challenge to deliver an effective Climate Bill has been met. The 2020 target of a 42% reduction in greenhouse gas emissions will require radical action in all areas of policy. Developing integrated

approaches to policy can help deliver more effective outcomes on climate change while ensuring that objectives are delivered in a way consistent with wider sustainable development.

3. **Recognise the growing problem of fuel poverty and renew its efforts to tackle fuel poverty**  
Government has established a new **Energy Assistance Package**. This is a positive step. Of greater concern is resourcing. Support for action has increased but the current level of funding is unlikely to meet the Government’s own 2016 target. This will not help the Government cut domestic greenhouse gas emissions at the rate required in the Climate Change (Scotland) Act.
4. **Build the right infrastructure to foster sustainable development actions and choices**  
In our previous report we were critical of the then draft Second National Planning Framework (NPF2). We have effectively engaged with Government on this and are now more supportive of the final NPF2. A new integrated Scottish Planning Policy (SPP) has also been developed over the last year. Again we have engaged with Government and are pleased that the draft SPP now addresses sustainable development properly. Our fundamental concern relates to the disconnect between national guidance and some local planning action.
5. **Use the power of the public sector spend to deliver more sustainable outcomes**  
In our last annual assessment we noted that Government was committed to publishing a **Scottish Sustainable Procurement Action Plan (SSPAP)** in late 2008. The Action Plan finally emerged in October 2009. This delay is extremely disappointing. We will now work to support effective delivery and to appraise how the SSPAP is taken forward by the public sector – it must deliver more sustainable outcomes.



# 1. Introduction

## Conclusion

To conclude, our assessment shows that Government has taken many positive steps to develop a framework for action – most notably in relation to climate change but also on waste, planning, health and food policy. In these areas the Government has set out an aspiration for a far more sustainable future. The challenge now is to deliver the desired results, as indicators in many areas are not showing a positive trend.

The constraints on public finances will be a major challenge for all Governments over the coming years. The Commission accepts that difficult choices on funding will have to be made. We believe that by focusing on integrated and sustainable outcomes and promoting innovation less money can actually deliver better outcomes.

No one body has a monopoly on the knowledge and expertise needed to create a sustainable Scotland. The Commission’s role is to work with Government to shape how Scotland will flourish sustainably. Many other individuals and groups within Scotland and beyond will also be involved in this conversation. We need to recognise the breadth and

depth needed in this dialogue to address the dual pressures of scale and urgency. We also need to understand fully the interconnectedness of both problems and potential solutions to the sustainable development challenges we face.

This Assessment is part of that conversation. Throughout this report we have highlighted work the Commission is undertaking that can help provide integrated solutions. This work ranges from behaviour change and effective transport planning to public health, providing tangible examples of what is possible. We hope to continue to engage with Government over the coming year, embedding these principles further into all work of the administration.

This is a critical time for sustainable development in Scotland. The unprecedented challenges ahead will demand an unprecedented commitment to developing only those policies which balance the needs of present and future generations with safeguarding the natural resources on which we – in Scotland and around the world – all depend. Through acting with conviction the Scottish Government can become an exemplar for others to follow.

The Nature Nurture Project, run by Aberdeen City Council and Camphill School, is an early years intervention programme for vulnerable children from some of the most deprived areas of Aberdeen City. Children aged from 18 months to 5 years, many of whom are on the child protection register, are offered outdoor play and learning to build their resilience. Preventing illness through public health work and giving all children outdoor education are two of the SDC’s Breakthroughs for the 21st Century

**For more information please see**  
[www.camphillschools.org.uk/naturenurture](http://www.camphillschools.org.uk/naturenurture)  
[www.sd-commission.org.uk/pages/breakthroughs.html](http://www.sd-commission.org.uk/pages/breakthroughs.html)



# 1. Introduction

## 1.1 The Commission and its role in Scotland

The Sustainable Development Commission is the Government’s independent adviser on sustainable development. The Commission was established in 2000 and is chaired by Will Day. Across the UK there are 11 Commissioners and a secretariat of more than 50 staff. We work with the UK Government, the Scottish Government, the Welsh Assembly Government and the Northern Ireland Executive.

There are two Commissioners for Scotland, Professor Jan Bebbington and Hugh Raven, supported by a secretariat team. The Sustainable Development Commission Scotland (The Commission) reports to the First Minister on governance structures, strategy and policy. We work closely with civil servants across the whole Administration in developing and reviewing policy. The Commission also focuses on building the capacity to integrate and promote sustainable development across Government.

## 1.2 The aim of the Third Assessment

A central role for the Commission in Scotland is to provide an annual independent review of progress on sustainable development. This role was set out in the previous administration’s sustainable development strategy *Choosing Our Future* and has been reaffirmed by this Government.

Our **First Assessment** was published in 2007 and reviewed the last year of the previous Administration.

The change of Government in May 2007 meant that a new cycle of reports was required. Our **Second Assessment** reviewed policy, indicators and corporate performance and was a detailed appraisal of the governance and performance management framework that the current Scottish Government established. These structures have remained largely unchanged over the last year and so are

not assessed again here. Instead this **Third Assessment** provides an update on policy and strategy developments as well as a consideration of indicator trends (published in detail as an online annex) and the Government’s success at ‘leading by example’.

Our **Fourth Assessment** will be published in late 2010. This will be a detailed strategic review of the Government’s performance looking at all relevant aspects of sustainable development structures, policy, practice, indicators and targets. It will focus on delivery across the term of Government and make recommendations to Government about the development of future strategies and the national performance framework.

## 1.3 Defining Sustainable Development

The Commission supports the vision for sustainable development set out by the UK, Scottish, Welsh and Northern Ireland Governments in their shared UK framework, *One Future – Different Paths*.<sup>1</sup> This identifies five principles for a sustainable society (Figure 1). Of these, two principles, *Living within Environmental Limits* and *Ensuring a Strong, Healthy and Just Society*, are the desired **outcomes** of policy. The other three principles are important **enablers** that will help us to deliver sustainable development.

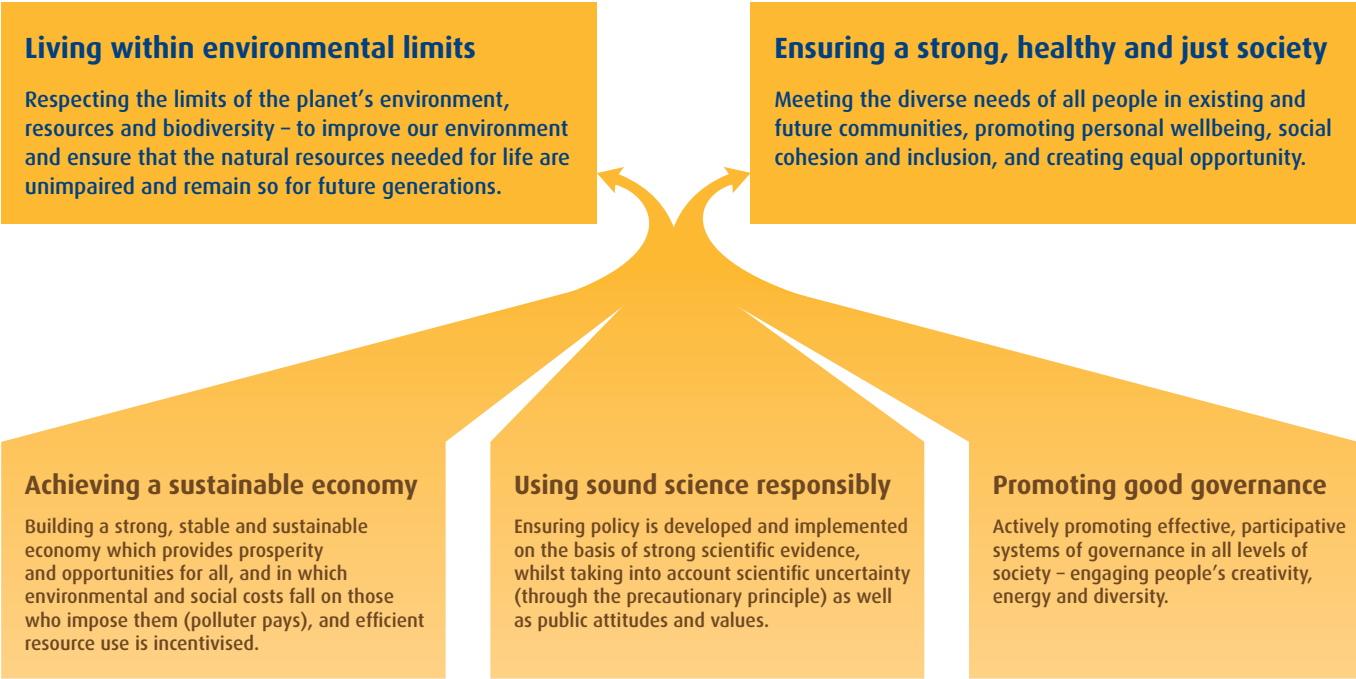
The Scottish Government has adopted a central Purpose for its work: ‘*To focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth*’.<sup>2</sup> This Purpose is supported by the **Government Economic Strategy** which is the guiding strategy of the administration. The Government has stated that it intends to mainstream sustainable development

across Government through its commitment to *sustainable economic growth*.

As noted in our Second Assessment, the Commission believes that the Government’s Purpose is broadly consistent with the above sustainable development framework, although they have chosen to place the strongest emphasis on one of the enablers, ‘*sustainable economic growth*’. Taken as a whole, the Purpose, with its emphasis on ‘*opportunities for all of Scotland to flourish*’ requires Government to address wider sustainable development issues.

Despite the adoption of the Purpose and National Performance Framework by Government, the Commission continues to believe that the five principles represent the clearest definition of sustainable development. Our analysis in this report is therefore based on the extent to which Government strategy and action aligns with these principles.

Figure 1 – The Five Principles of Sustainable Development



1.4 Methodology

The evidence base for this report has been drawn from a web and paper review of relevant strategies, policies, meeting minutes and frameworks and by discussion and consultation with Scottish Government officials.

Our report was also guided by an expert advisory group of external stakeholders.<sup>3</sup> We conducted an online survey of members of the Scottish Sustainable Development Forum, Scottish members of the Commission’s Panel and other stakeholders. The results were used to inform the appraisal more widely (see summary overleaf).

1.5 Structure of the Report

This report is divided into sections addressing the following aspects<sup>4</sup> of the Government’s overall approach to sustainable development, as laid out in Table 1 (opposite).

We have reviewed progress under each of the Government’s five Strategic Objectives. Table 1<sup>5</sup> illustrates how we have grouped issues to correspond with these Strategic Objectives. We have appraised each issue in terms of how it addresses the five principles of sustainable development.

<b>Chapter Two</b> Delivering a Sustainable Scotland – Performance on individual sustainable development issues	This chapter provides a review of progress in relevant policy areas. These areas are grouped under the Government’s five Strategic Objectives of Wealthier & Fairer, Smarter, Healthier, Safer & Stronger and Greener
<b>Chapter Three</b> Leading by Example – how the Government manages its own impacts	Demonstrating leadership on sustainable development is essential in encouraging others in society to act. This chapter reviews the Government’s action in managing its own estate and procurement
<b>Chapter Four</b> Conclusions	Here we present our overall conclusions, drawing together all the strands of analysis

Table 1: How the Government’s Strategic Objectives fit with sustainable development issues

<b>Wealthier and Fairer</b> Enable businesses and people to increase their wealth and more people to share fairly in that wealth	<ul style="list-style-type: none"><li>• Building a Strong Sustainable Economy</li><li>• Transport and travel</li></ul>
<b>Smarter</b> Expand opportunities for Scots to Succeed from nurture through to lifelong learning ensuring higher and more widely shared achievements	<ul style="list-style-type: none"><li>• Education for Sustainable Development</li></ul>
<b>Healthier</b> Help people to sustain and improve their health, especially in disadvantaged communities, ensuring better, local and faster access to health care	<ul style="list-style-type: none"><li>• Health and Wellbeing Strategy and Policy</li><li>• Fuel Poverty</li><li>• Estate management in the health service</li><li>• Food Strategy and Policy</li></ul>
<b>Safer and Stronger</b> Help local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life	<ul style="list-style-type: none"><li>• Planning</li><li>• Affordable Housing and Housing Supply</li><li>• Building Standards</li><li>• Scottish Sustainable Communities initiative</li><li>• Creating Sustainable Communities</li></ul>
<b>Greener</b> Improve Scotland’s natural and built environment and the sustainable use and enjoyment of it Building a Strong Sustainable Economy Transport and travel	<ul style="list-style-type: none"><li>• Climate Change and Energy</li><li>• Natural Heritage and Resources</li><li>• Waste</li></ul>

# Sustainable development still comes a poor second behind economic growth and I have seen no evidence that the Government is investigating alternative economic models.

## Slow progress on delivering sustainability

Policy frameworks are changing but many feel that there is little evidence that outcomes have changed yet as a result of the Governments objective of *‘creating a flourishing Scotland through sustainable economic growth’*. This is one of the main conclusions in the stakeholder survey for our 3rd Assessment. There is concern the Scottish Government has taken ‘sustainable’ out of sustainable growth.

36% of the survey respondents believe that the Scottish Government objective of sustainable economic growth is already influencing delivery of policy and will continue to do so in the future. A quarter believe the objective will influence delivery within the next five years.

The survey shows concern amongst respondents that the Scottish Government is focussing too heavily on economic growth to the detriment of social and environmental factors. One fifth of people who responded did not think the sustainable development principles were influencing delivery now and did not expect them to do so in the future.

Nearly half the respondents think the government is showing *commitment* to sustainable development but feel that it loses out to traditional economic development. One stakeholder said: ‘Sustainable development still comes a poor second behind economic growth and I have seen no evidence that the government is investigating alternative economic models. They continue to pursue policies that are ‘business as usual’.’

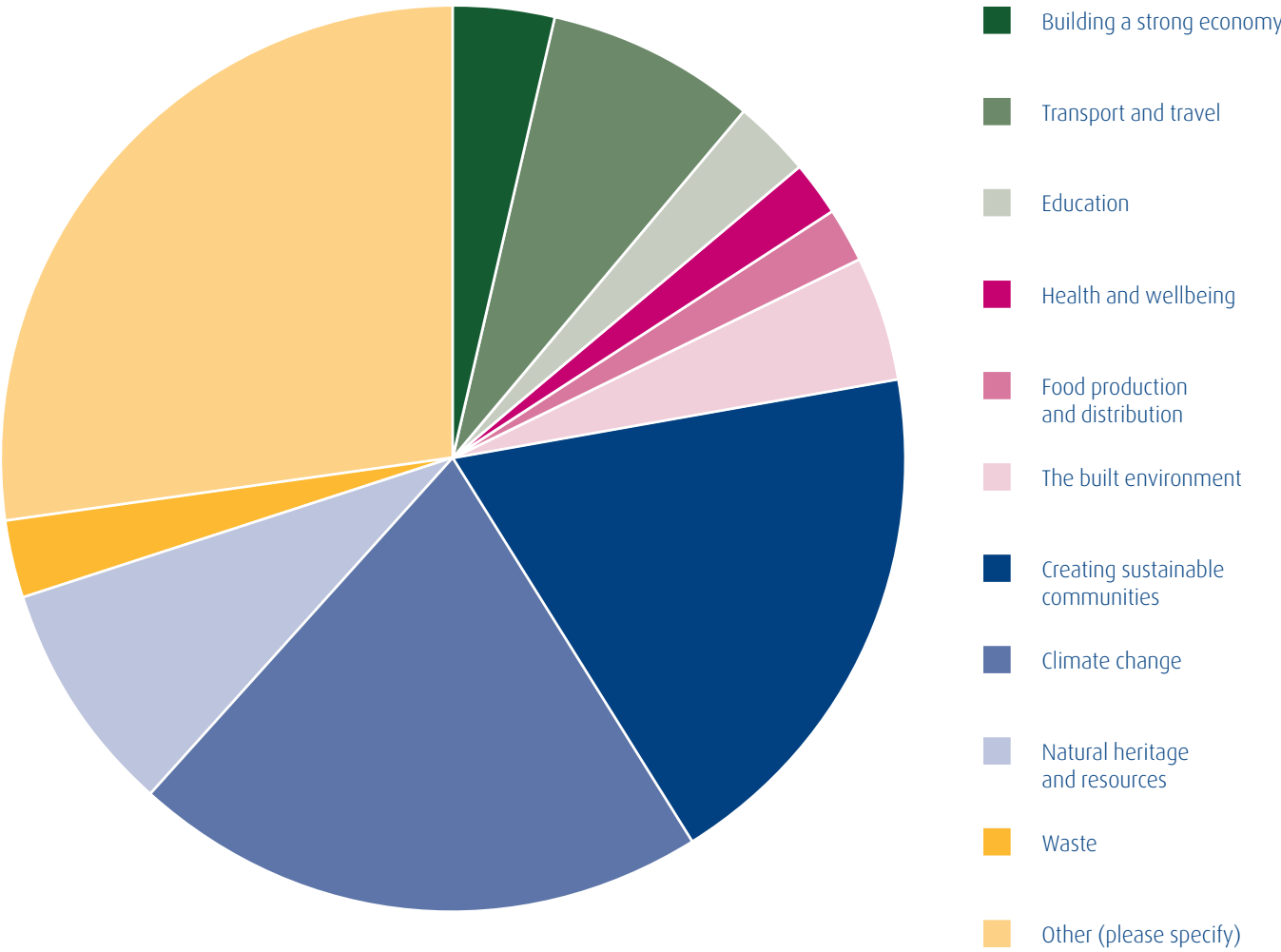
Over half of respondents said that they could see little or no evidence that the Scottish Government’s *actions* showed their commitment to sustainable development. Less than a fifth of respondents could see the National Performance Framework targets pointing to Scotland becoming more sustainable.

Comments point to a lack of clarity as to what the concepts entail for Government: ‘It is unclear how the concept of ‘sustainable economic growth’ and ‘sustainable development’ map on to each other. They are not synonymous.’

However, our survey does give the Scottish Government reasons to be proud. 75% of respondents believed Scotland’s priorities and actions for sustainable development are about the same as or ahead of the rest of the UK.

The 110 respondents saw the main two priorities for the Scottish Government as climate change and creating sustainable communities (see chart overleaf). However, a large number of respondents said that there was a need to prioritise all areas rather than just one, embracing a more holistic approach.

What do you think should be Government’s priority in furthering sustainable development?



Our approach to each of the five sections on **Delivering a Sustainable Scotland** is as follows:

- Score action on each sustainable development issue in terms of what relevant indicators show, and also on overall progress toward sustainable development
- Set out our key findings for each issue
- Provide an overview of the wider policy framework governing action in that policy area (documents are listed in order of their significance)
- Review the trends shown by indicators relevant to the topic in question
- Analyse progress toward sustainable development
- Provide recommendations for further action and set out what the Commission intends to do to facilitate progress.



# 2. Delivering a Sustainable Scotland

Performance on individual sustainable development issues

A simple scoring system has been employed to aid understanding of progress on each aspect of sustainable development. We have scored action on each sustainable development issue in terms of what the relevant indicators show and also on overall progress toward sustainable development as follows:

Icon	Definition
● ○ ○ ○ ○	Significant negative trend
● ● ○ ○ ○	Some negative trend
● ● ● ○ ○	No change or mixed trend
● ● ● ● ○	Some positive trend
● ● ● ● ●	Significant positive trend

Throughout this report we have highlighted Commission work and other good practice which we believe offers a way forward in dealing with the sustainable development challenges facing the Scottish Government. We will disseminate this work to Government and other public bodies over the coming year and explore how it can be used to promote more sustainable outcomes.

## Case Studies in this report

• Creating a Sustainable Economy – Prosperity without Growth	p16
• The Sustainable Transport Hierarchy	p20
• Reducing Carbon Emissions from Schools	p24
• Creating a breakthrough in public health	p27
• Food security and Sustainability: the perfect fit	p32
• Low Carbon Regions Wales	p36
• The Climate Challenge Fund	p48
• Cutting emissions through behaviour change	p49
• Ecosystem Services	p52
• Binn Farm Ecopark	p54
• A Sustainable Development in Government (SDiG) process for Scotland	p59

## 1.6 Report Appendices and Annexes

The appendices of this report contain further information: a list of references and an acknowledgement of those who helped prepare the report.

We have also prepared online annexes to this report. They provide more detail on our appraisal of Government

performance on indicators as well as our survey results and a list of Government strategies, Parliamentary Acts, and other reports and schemes relevant to this report. These can be accessed from our website at: [www.sd-commission.org.uk/scotland](http://www.sd-commission.org.uk/scotland)



Transition Town Forres, one of the projects supported by the Climate Challenge Fund, is helping the community work towards a lower carbon footprint. Community gardens and allotments are an important part of the project as well as wider awareness raising and feasibility studies. The aim is for Forres to be carbon neutral in twenty years time. Communities growing more of their own food was one of the SDC's Breakthroughs for the 21st Century

For more information please see [www.ttforres.org](http://www.ttforres.org) [www.sd-commission.org.uk/pages/breakthroughs.html](http://www.sd-commission.org.uk/pages/breakthroughs.html)



# 2.1

## Wealthier and Fairer

### 2.1.1 Building a Strong Sustainable Economy

Performance as shown by Indicators



Improvements in health and carbon purpose Targets but a decline in some other indicators

Overall progress towards sustainable development



A sustainable economy requires a narrowing of the inequality gap and far more rapid carbon reductions

#### Findings

- Over the last year Scotland, like all countries, has been faced with a very difficult economic situation. The global economic downturn presents a major challenge to the aim of developing a sustainable economy but also opportunities for more joined up and therefore efficient policy, investment in ‘green’ infrastructure and for a transition towards cleaner patterns of development
- The Government’s Economic Recovery Plan is in many respects aligned with sustainable development principles. The commitment to new ‘green’ jobs is welcome although there is room for more ambition
- Visit Scotland, working with Scottish Enterprise, Highlands and Islands Enterprise and Scottish Development International is developing a national tourism investment plan. It is essential that this plan is aligned with climate change and sustainable development objectives – tourism is a significant sector of the Scottish economy but one with major resource use implications.

#### The Policy Framework

<b>The Government Economic Strategy (2007)</b>	Along with the Spending Review, this is the central document for all work of the administration
<b>Scottish Budget Spending Review (2007)</b>	Set out the expenditure plans of Government over the three years to 2010–11
<b>Scotland’s Economic Recovery Plan (2008/9)</b>	Outlines how the Government intends to address the economic and employment problems caused by the global economic situation
<b>Skills for Scotland (2007)</b>	Sets out a framework for lifelong learning and skills development

#### Analysis

The last year has been a time of turbulence for the Scottish economy. Scotland has performed broadly in line with the UK as a whole in terms of conventional economic measures.

The economic situation has proved challenging to the Government in meeting many of its purpose targets. In line with many European countries Scotland is experiencing a period of lower GDP growth and rising unemployment. At the same time it can be anticipated that the recession may contribute to better performance on greenhouse gas (GHG) emissions, at least in the short term. This highlights the issue raised by the Commission in our last annual assessment: we have at present an economic system which is not structured to deliver economic, social and environmental aspects of sustainability at the same time, or to decouple growth from resource use.

The latter point is borne out by the Government’s latest ecological footprint data which shows that Scotland’s ecological footprint grew by 14% and our carbon footprint by 13% between 1992 and 2006<sup>6</sup>. The challenge going forward will be to ensure that, despite budgetary restraints, sufficient investment is made to deliver a low carbon and sustainable economy.

The Scottish Government has responded to the economic situation in a number of ways, most notably through the **Economic Recovery Plan**, announced in autumn 2008 and updated in March and October 2009.

The Government’s approach includes many elements that do support more sustainable growth, e.g. through action on energy efficiency, fuel poverty, social housing and in supporting businesses and employment. The commitment to 16,000 ‘green jobs’ is also welcome. However this target is no more ambitious pro rata than that for the UK as a whole and therefore does not fully capitalise on Scotland’s natural advantages in this field.

Looking forward, an **Environmental and Clean Technology (ECT) Action Plan** has been developed by the Scottish Environment Protection Agency (SEPA), Scottish Enterprise, Highlands and Islands Enterprise (HIE) and the Scottish Funding Council. It will join-up public sector support for companies wanting to develop green technologies, moving away from the current ad hoc nature of investment. Based on the Plan an ECT Strategy for 2010–13 will be published in spring 2010. We will review this plan in our next assessment.

It is vital that all investment in new capital projects is in line with sustainability principles. Planning reform must be effective not just in streamlining the decision making process but in creating sustainable low carbon communities (we consider this issue in more depth within our Climate Change and Energy and Built Environment chapters). Government is developing an **Integrated Assessment Framework** which will evaluate interventions for their economic, social and

environmental costs and benefits. The Commission hopes to engage with Government in the development of this framework and clarify how it links to the existing processes of Sustainability Appraisal and Strategic Environmental Assessment (SEA).

In some areas of the economy, e.g. tourism, no strong link has yet been made between the desire for economic growth and the need to address the carbon agenda. VisitScotland, working with the enterprise agencies and Scottish Development International (SDI) has developed a draft **National Tourism Investment Plan**, now being considered by the Scottish Tourism Forum. This must place sustainability at its heart, with tourism strategy aiming to deliver carbon reductions in line with Government targets and maximise local economic benefits.

There are alternative views as to how the latter can be achieved. In the Commission’s study on aviation<sup>7</sup> we concluded that, at present, there is not adequate evidence base to make informed decisions about the economic and carbon impacts of new air routes. There is evidence that the strong performance of the tourism sector in Scotland this year is in part due to greater numbers holidaying at home, keeping money within the Scottish economy.

We focus on tourism in this assessment given current developments in the policy framework. We will evaluate the wider integration of sustainability principles into investment in all key economic sectors in our Fourth Assessment report.

The **Council of Economic Advisers (CEA)** has continued to meet regularly throughout the last year and published its first annual report in December 2008. The report included a range of recommendations on climate change, planning and economic indicators with which the Commission agree. The Commission also supports the CEA recommendations that:

- The Government uses other measures of performance in addition to GDP
- The Government supports investment in green infrastructure on the basis that it could present a significant boost to the Scottish economy
- That infrastructure management skill in the public sector is developed.

We believe the Government must adopt these recommendations. The transition to a sustainable economy will require that investment is focused on green infrastructure – both in terms of clean technologies and in enhancement of the natural environment. Government should build on the commitment in the National Planning Framework for a Central Scotland Green Network and move to place the concept of ‘ecosystem services’ at the heart of economic policy.

# The Government needs to use other measures of performance in addition to GDP.

## Creating a sustainable economy

SDC’s “Redefining Prosperity” project has looked into the connections and conflicts between sustainability, growth, and wellbeing. The report *Prosperity Without Growth?* concluded that the financial crisis is directly linked to our current growth model. It states that our reliance on debt to finance the cycle of growth has created a deeply unstable system which has made individuals, families and communities inherently vulnerable to cycles of boom and bust. Economic growth has delivered its benefits at best unequally, with a fifth of the world’s population earning just 2% of global income, huge gaps between rich and poor in developing countries and disastrous environmental consequences.

The report sets out 12 steps to a sustainable global economy. The steps the devolved Scottish administration should take are:

**Building a sustainable economy by investing in public assets and infrastructures** The Scottish Government must invest in infrastructure that helps create integrated, fair and low-carbon communities. Ensuring that national and local planning policies and transport investment are fully aligned with these objectives must be a top priority.

**Improving macro-economic accounting** The Scottish Government is developing tools to assess the carbon impacts of all policy. Further work is required to develop the indicators we need to assess the sustainability of the economy.

**Protecting capabilities for flourishing, sharing the available work and improving the work life balance** As our material wealth has grown, so have levels of stress. Through the public sector the Government could take the lead in further reforms to the culture of work, and help support the wider needs of individuals, families and communities.

**Tackling systemic inequality** Scotland faces a huge divide between the richest and poorest – as demonstrated by health, education and life expectancy.

**Narrowing the gap between individuals and between communities is identified by the Government as a priority** But the evidence of the past few decades is that growth has widened the divide. Much more significant action in areas such as fuel poverty would help regenerate communities, create employment, improve living standards and health, and reduce GHG emissions.

**Strengthening human and social capital** Future growth must be in clean technologies. Radically different skills, based on a new education and skills strategy, are required to capitalise on such growth, ensuring Scotland benefits fully from these new opportunities.

**Respecting ecological limits imposing clearly defined resource/emission caps** The Scottish Government has made a commitment to cut greenhouse gases by 80%, and to move Scotland towards a ‘Zero Waste’ society. This needs to be followed through into policies, creating a society that lives within ecological limits. The new Climate Change (Scotland) Act must be delivered.

**For more information see:**  
[www.sd-commission.org.uk/pages/redefining-prosperity](http://www.sd-commission.org.uk/pages/redefining-prosperity)

**For more information on our other economics work, including A Sustainable New Deal, see:**  
[www.sd-commission.org.uk/pages/economics](http://www.sd-commission.org.uk/pages/economics)

Scottish Enterprise and HIE also have an important role to play in supporting sustainable economic growth. Scottish Enterprise is at present trialling the measurement of CO<sub>2</sub> reductions arising from its resource efficiency advice. It is also developing a tool to embed low carbon thinking into project development.

Both agencies should build on work to date and deliver a coherent and mainstreamed approach to the promotion of a low carbon and sustainable economy.

### Skills Development

The Scottish Government launched its **Skills Strategy** in 2007 and over the past year has focused attention on its four strategic priorities: Economic Improvement; Supporting Individuals; Further and Higher Education and Work-based Learning. We support the vision within this strategy with its emphasis on helping the hard to reach and excluded. We also welcome the progress made towards simplifying services and integrating them better into local communities. In this the Government has been working closely in partnership with Skills Development Scotland, Jobcentre Plus and Department for Work and Pensions. Pilots of a new integrated service that

enables more easy access to appropriate careers advice and skills training commenced in 20 sites from February 2009.

The last year has seen rising unemployment driven by the economic downturn. Several initiatives have been aimed at keeping people in employment or training, principally through **ScotAction** – the Government’s skills support package aimed at supporting Scotland’s economy out of recession. The Scottish Government plans to have 50,000 people in work-related training by 2011 and is funding a series of apprenticeships including in retail, life sciences, hospitality and energy efficiency.

We proposed in our last assessment that Government and Skills Development Scotland should review whether current programmes provide the skills required to develop a sustainable economy – such as in renewable energy or the retrofit of the housing stock. This issue is currently being addressed by Energy and Utility Skills and Summit Skills with a suite of new Modern Apprenticeships and up-skilling units under development for large and small scale renewable technologies. Work is also ongoing to develop Energy Efficiency qualifications. We will review the effectiveness of these in our Fourth Assessment.

## Recommendations for Government

- All capital expenditure and all investment supported by the Economic Recovery Plan and the Scottish Investment Bank must be based on the five principles of sustainable development and shown to deliver sustainable outcomes
- Government is developing an Integrated Assessment Framework which will evaluate interventions for their economic, social and environmental costs. The Framework must create an appraisal process that ensures sustainable development objectives are met
- There is a need for significant work to be undertaken on how Scottish tourism can flourish in a low carbon world. The national tourism investment plan must be aligned with objectives on climate change and adopt an evidence based appraisal of the impact of tourism on local and national economic development
- Government should require businesses in receipt of support from the Scottish Government or Scottish Enterprise/HIE to produce and implement a carbon reduction plan
- Government and Skills Development Scotland must ensure that the skills required for sustainable economic development are supported. We welcome the action taken to boost sustainability skills and will review this in our next assessment.

## What the Commission will do

- Engage with Visit Scotland and agencies to integrate sustainable development principles fully into the National Tourism Investment Plan
- Continue to discuss the issues raised in our *Prosperity Without Growth?* report with Government in light of sustainable economic growth’s role in the Government’s Purpose.



## 2.1.2 Transport and Travel

Performance as shown by indicators	<div><div></div><div></div><div></div><div></div><div></div></div>	Some small positive changes in modal split but sectoral GHG emissions still rising and other indicators negative
Overall progress towards sustainable development	<div><div></div><div></div><div></div><div></div><div></div></div>	There has been some movement towards recognition of the scale of change required to reduce transport emissions but there is still a gap between policy and what is required

### Findings

- Government has continued to develop the evidence and the tools to quantify carbon impacts of transport and the potential for the sector to contribute to the aspirations of the Climate Change (Scotland) Act. However the evidence shows that there will have to be a radical rethinking of transport priorities and funding if transport is to cut emissions in line with the 2020 carbon target. This will require bold leadership from Government
- Future transport policy needs to further stress the critical importance of active travel. Demand reduction techniques such as travel planning must become more important with less emphasis placed on large capital projects
- Responsibility for Regional Transport Partnerships (RTPs) rests with Local Authorities and their Community Planning Partners. While current national transport policy has a focus on improving connectivity between regions it is important that Government works with local authorities and other partners to ensure local, regional and national transport planning is aligned in delivering sustainable outcomes.

### The Policy Framework

National Planning Framework For Scotland 2 (2009)	Aims to guide Scotland’s spatial development to 2030, and sets out strategic development priorities to support the Scottish Government’s promotion of sustainable economic growth. It will be supported by a consolidated Scottish Planning Policy (SPP) due to be published at the turn of the year
Strategic Transport Projects Review (2008)	Transport Scotland has undertaken the Strategic Transport Projects Review (STPR) to define the most appropriate strategic investments in Scotland’s national transport network from 2012
National Transport Strategy (2006)	Published in December 2006, this covers all areas of transport policy in terms of infrastructure investment and also ‘softer’ measures to manage demand. A review of the NTS is due in 2010

### Analysis

We noted in last year’s assessment that there was a lack of alignment between transport policy and sustainable development and urged the Government to reassess transport priorities, particularly given the challenge posed by climate change.

Since our last report there have been several major developments in the framework for transport.

The **Low Carbon Vehicles** consultation proposes that the public sector should exercise leadership through a 100% target for the use of low carbon vehicles in public sector fleets by 2020. The Scottish Government is also undertaking a **Smarter Choices, Smarter Places** pilot of seven demonstration towns, which aim to showcase and provide evidence on the best methods available to encourage residents to use more environmentally-friendly forms of transport alongside improvements to local infrastructure and services supporting active travel and public transport. Other initiatives include the **Park & Ride for Buses: A National Framework**, and Transport Scotland’s **Station Car Parks** consultation, both aimed at encouraging public transport use, active travel and behaviour change. We welcome these positive developments around sustainable travel.

In addition, the **Transport, Infrastructure and Climate Change Committee** is undertaking an inquiry into active travel, including progress so far and barriers to expanding active travel in Scotland. The Commission will follow this work with interest and will contribute where appropriate.

The **Strategic Transport Projects Review (STPR)**, published at the end of 2008, set out the strategic national transport infrastructure projects the Government intends to take forward up to 2030, which will be delivered subject to the transport allocation within future Spending Reviews and affordability. Within the STPR projects there is a greater emphasis on rail than was previously the case. We are concerned though that, despite lower emissions being one of three strategic outcomes of the STPR and of the National Transport Strategy, interventions set out within the Review will only take 1% off Business as Usual (BAU) carbon emissions growth. While action through the STPR only represents part of overall transport policy, this does not fit with the need to cut emissions by 42% (from 1990 levels) by the end of next decade. There remains a significant policy gap relating to carbon and transport.

In the last year the Scottish Parliament passed the **Climate Change (Scotland) Act** and the Government published the **Climate Change Delivery Plan**. The latter has a stated aim of ‘*almost complete decarbonisation of road transport by 2050 with significant progress by 2030 through wholesale adoption of electric cars and vans, and significant decarbonisation of rail by 2050.*’<sup>8</sup> Government has also published its **Carbon Account for Transport** (CAT – previously known as the Carbon Balance Sheet for Transport). This will

be used as a tool to monitor and review progress towards reducing emissions and will be updated regularly.

The question is whether there is now a greater alignment between transport and sustainable development objectives around emissions, health and social inclusion.

The **Carbon Account for Transport**, and the report **Mitigating Transport’s Climate Change Impact in Scotland: Assessment of Policy Options (MTCCI)**, show both the scale of the challenge and a lack of alignment between Government policy and emission reduction targets. The CAT does not allow for comparisons between projects, because assessment criteria are not standardised or consistent. This makes it less than ideal for making comparisons between projects, although it is intended that over time the tool will prove useful in informing and educating people about the carbon impact of transport interventions. The increased transparency that it brings will also act as a driving force for improving the consistency of modelling practice.

Even if all its policy scenarios are implemented, the MTCCI report shows that Scotland will only achieve approximately half the emission cuts needed to make transport’s full contribution to the Climate Change Act’s targets. While Government has recognised the significant gap between what transport policy is currently delivering and what it has to deliver, there is as yet no sense that Government is prepared to adopt the additional action required. The MTCCI also illustrates the challenge of implementing policies aimed at reducing transport emissions. Its scenarios will be very difficult to implement without widespread public support and changes in behaviour. The Commission recognises the great complexities involved in fostering behaviour change in the population, making the robustness of the policies crucial. We hope to engage further with Government on this issue over the coming year.

One particular tension we would highlight is that between *mobility* and *accessibility*. Mobility in this context means physical movement between places. Mobility can be provided by walking, cycling, public transit, ridesharing, taxi, automobiles, trucks and other modes and focuses on enabling people to travel. Mobility is improved by addressing issues such as congestion and journey times.

Accessibility, on the other hand, focuses on the destinations themselves. It is about enabling people to connect with each other and the goods and services they require. Mobility is a means to an end: accessibility is the desired result. In some instances focusing on accessibility may remove the need to travel altogether, for instance teleworking or video conferencing. In others it may involve ensuring that land use development patterns include a mixture of residential and employment opportunities.

Greater mobility is not necessarily sustainable; for instance, improving journey times also enlarges commuter catchment areas leading to a net rise in emissions and travel. Greater accessibility can help promote sustainability by reducing inequality, encouraging stronger social cohesion and supporting a sustainable economy.

We strongly recommend that Government focuses on accessibility as an outcome, rather than mobility-related targets. Smart travel strategies that maximise access to employment and facilities tend to be the best way to improve transport and support economic productivity, because they reduce the average distance between destinations and therefore total travel costs. A congestion reduction strategy may provide little or no benefit overall if it stimulates sprawl which reduces overall accessibility in a community, and may cause emissions to rise.

Strategies that focus on reducing the need for travel would more directly help to reduce the total amount of vehicle travel, and therefore emissions. These strategies include discouragement to driving, such as auto-restricted zones; and pricing strategies, including fuel taxes, parking fees and congestion pricing.

The Scottish Government must provide more clarity about what it intends to do to bring about modal shift, and move people to more sustainable forms of transport. We believe that modal shift can make a greater contribution to the Government’s **National Transport Strategy** (NTS) key strategic outcomes to improve journey times and connections, reduce emissions and improve quality, accessibility and affordability and would welcome more initiatives to encourage and enable travel behaviour change, and to reduce the need for travel.

The Sustainable Transport Hierarchy

The Commission is developing a hierarchy of transport options with the focus being on demand reduction, then modal shift and efficiency, with capacity increases only being a last resort.

1. **Demand Reduction** Aiming to reduce demand for **powered** transport. Increased demand for ‘active travel’ (cycling and walking) should be viewed positively. Demand reduction should be achieved through the widest possible application of spatial planning, fiscal interventions, behavioural change and technological measures (e.g. teleconferencing/ICT, working from home, home shopping, travel planning).

2. **Modal shift to more sustainable and space efficient modes** Focusing on four areas:

• Shifting away from motorised modes to cycling and walking

• Shifting from private motor vehicles to public transport

• Measures to shift freight from road to rail and ship

• Measures to shift away from unsustainable air travel

3. **Efficiency Improvements to existing modes** This covers a range of possible options including:

• Legislation to mandate vehicle efficiency improvements

• Encouraging higher vehicle occupancy rates

• Promotion of car clubs; eco-driving

• Measures to spread demand peaks on public transport

• Fuel switching to lower carbon modes

• Ease of shifting between modes

4. **Capacity increases for motorised transport** This should only be considered once the full potential impacts of 1–3 have been appraised, an explicit delivery programme determined, and the full effects of that programme included in assessing the residual role for 4. Any capacity increases that are required should be prioritised to the most efficient modes

We intend to publish a paper early in 2010 providing more detail on the hierarchy and on sustainable transport options for Scotland.

Demand for transport is affected not only by the national infrastructure being taken forward through the STPR but also by the cumulative effect of transport and planning decisions taken at a regional and local level. At present there appears to be a tension between objectives at different levels of Government with some national infrastructure likely to lead to the stimulation of local demand, and some local decisions causing pressure for new strategic roads. For instance, the NTS has two strategic objectives that are potentially conflicting; to reduce emissions, but also to improve journey times, which can lead to rising emissions as discussed above. One of the two national indicators on transport is about improving congestion, which again can impact negatively on emissions. We are interested in how the Scottish Government and Community Planning Partnerships address this tension through the use of planning, Single Outcome Agreements (SOAs) and other policy levers. A positive example is the way SOAs have been used to encourage active travel to school.

Better promotion of active travel is another important area for policy action. In its draft **Cycling Action Plan for Scotland** Government has expressed the ambition that by 2020, 10% of all journeys should be made by bike compared to just 2% of work journeys and 1% of school journeys now. This is welcome but will require significant investment in creating high quality, safe and attractive cycling routes and reducing the danger posed to cyclists by motor transport.

Since 2007, the Association of Directors of Public Health (UK) has led a collaborative partnership initiative to call on decision makers to take action on active travel by:

- Committing 10% of transport budgets to cycling and walking initiatives

• Setting a 20 mph default speed limit in residential areas

• Creating safe and attractive walking and cycling conditions

• Improving driver training and better enforced traffic laws

• Setting ambitious official targets for increases in walking and cycling.

The Commission supports these recommendations. Given that funding for active travel currently represents around 1% of the transport budget, a significant reallocation of transport funds will be required. We are therefore disappointed to see that in the recently announced draft budget for 2010/11, the Scottish Government has again missed an opportunity to signal its commitment to active travel with no increase to active travel funding within the transport budget, signifying a gap between the Scottish Government’s aims and its financial commitments.

Recommendations for Government

- Recognise the full scale of the transport emissions challenge, including the inherent tensions that must be resolved in order to achieve wider policy ambitions

• That Government clearly focuses on transport strategies aimed at improving accessibility, rather than mobility, and therefore also focuses on accessibility in its targets and outcomes

• Ensure that future revisions of the Carbon Account for Transport allow fair comparisons between different projects based on a standardised methodology
- Ensure better alignment between Climate Change targets and transport policy and maximise the contribution that transport will make to cutting emissions. This will require a sustained movement of funding away from roads to public transport and particularly to active travel and demand reduction

• Set a course to commit 10% of total transport expenditure to active travel, starting with the 2011 Budget and Spending Review. It is also important that the commitment in the Cycling Action Plan consultation to engage with CoSLA and Local Authorities on cycling is effectively delivered.

What the Commission will do

- Publish a paper assessing current Scottish transport policy, indicators and targets and how these can contribute to lowering emissions. Our paper will describe what a

sustainable transport strategy for Scotland might look like and address some of the complexities surrounding behaviour change.



2.2

Smarter

2.2.1 Education for Sustainable Development

Performance as shown by Indicators

Education is an area in which sustainability principles increasingly underpin policy in Scotland

Overall progress towards sustainable development

The education sector in Scotland is becoming more sustainable in terms of its operations and underlying philosophies, though there remains room for improvement

Findings

- Through the UN Decade of Education for Sustainable Development Group, the Government has successfully engaged stakeholders and generated momentum around the production of an action plan for the second half of the decade
- Sustainable development is becoming embedded in schools through Curriculum for Excellence, school estates policy and the eco schools programme. In higher and further education and community learning and development momentum is starting to build through initiatives such as the Universities and Colleges Climate Commitment Scotland.

The Policy Framework

<b>Learning for Our Future (2006)</b>	The Scottish Government’s Strategy for sustainable development education
<b>Curriculum for Excellence (2004) (ongoing)</b>	Sets out the Scottish Government’s vision for transforming Scottish education. Includes sustainable development learning experiences and outcomes
<b>Building the Curriculum 3: a framework for learning and teaching (2008)</b>	
<b>Experiences and Outcomes (2009)</b>	
<b>Strategic vision and key principles for Assessment (2009)</b>	

Analysis

Education is a policy area where there has been continued incremental improvement in performance over the last year. Improvements have been made both through the work of the expert working group on sustainable development education and through the wider work in the primary, secondary and tertiary sector.

In our First Annual Assessment<sup>9</sup>, the Commission committed to coordinate an expert working group to advise

the Scottish Government on the development of its action plan for the second half of the UN Decade of Education for Sustainable Development. This group was established January 2008 and has since met on a quarterly basis. The action plan is due to be launched in early 2010.

In January 2009 the Government organised a conference to celebrate Scotland’s contribution to the decade so far and to look forward to the next five years. In April 2009, the Minister for Schools and Skills, Keith Brown, represented the UK at the 2009 world conference on Education for Sustainable Development in Bonn, Germany.

Scotland’s efforts in recent years to be a leader on education for sustainable development, has achieved recognition and praise from organisations such as UNESCO. Sustainable development has been embedded into the **Curriculum for Excellence (CfE)** learning experiences and outcomes, which are currently being implemented across schools. Learning and Teaching Scotland are supporting schools in adapting to this approach. The newly established Developing Global Citizens team will be developing a programme of events and support for sustainable development education. We support the sustainable development learning experiences and outcomes but would welcome more clarity around how Her Majesty’s Inspectorate of Education (HMIE) intends to inspect against these, and how the Scottish Qualifications Authority (SQA) will reflect this element in its qualifications.

There have been a number of media reports of teachers feeling that they are not yet resourced and informed enough to implement CfE confidently in their classrooms. With the removal of ring fencing under the Concordat, and the recent constraints on public budgets, we are concerned that this fundamental shift in the way we educate our young people may not be adequately resourced and supported at the local level. The Government is aware of these concerns and Cabinet Secretary Fiona Hyslop set out a renewed focus on implementation in her speech to teachers at this year’s Scottish Learning Festival.

The **Eco Schools Programme** continues its strong track record in Scotland, with the 800th school recently reaching green flag status. The challenge now must be to move beyond the programme and seek ways to embed SDE throughout the life of schools, whether or not they are actively seeking eco-school status. There are also challenges for the Eco Schools Programme, such as ensuring relevance for the secondary sector and what to do with schools that achieve permanent eco-school status. It is also important that the impact of Eco Schools in delivering more sustainable outcomes – in terms of the school estate and pupil behaviour – is appraised.

The Scottish Government supports the **Universities and Colleges Climate Commitment Scotland**, which covers both Higher and Further Education and has 42 signatories to date, constituting over 66% of universities and colleges in Scotland. Signatories are committed to producing and publishing a five-

year Climate Change Action Plan by February 2010. Scotland’s Colleges have also developed a new CPD Unit, validated by the Scottish Qualification Authority, for college staff: *Teaching in Further Education: Sustainable Development Education*. This is an optional HN qualification (at SCQF Level 9) for lecturers and other suitably experienced staff.

In April 2009 Sustrans Scotland’s first-ever Hands Up Survey of how Scottish children travel to school was published. The survey showed that almost 52% of Scottish children travel to school by active travel methods, more than those who travel by car, bus or taxi (47.7%). This is encouraging but more work needs to be done to tackle the school run, for children and parents.

Within schools, the **Schools (Health Promotion and Nutrition) Act (2007)** continues to be a driver for more sustainable outcomes. Government requires schools to be health promoting and is encouraging the uptake of nutritionally balanced school meals, through the **Food and Drink in Schools (Scotland) Regulations 2008**. School meals are more nutritionally balanced, but uptake has not changed significantly in recent years. With obesity trends in young people still rising, encouraging healthy habits within schools remains a challenge.

The 2008 Audit Scotland report, **Improving the School Estate**, recommended the development of a new school estate strategy. Government has taking this forward through the School Estate Strategy Working Group, and recently published its new strategy, **Building Better Schools: Investing in Scotland’s Future**. We support this strategy, which has the potential to lead to significant improvement in the sustainability of the school estate. We welcome its aspiration of a ‘*sustainable school estate whose design, construction and operation is environmentally and energy efficient*’ and the fact that it has sustainability as a guiding principle for future planning and action. Over the coming year the Government will be working with CoSLA and authorities to develop a Financial Strategy and Implementation Plan to deliver the new Strategy.

In January the Government also announced a package of measures which will work towards a lower carbon school estate and meet the Government’s commitment to have renewable generation in every school as well as contributing to reducing greenhouse gas emissions. The Commission has undertaken work elsewhere in the UK that is of use to the Scottish Government’s aims (see box).

### Reducing Carbon Emissions from Schools

The Commission has done extensive work on carbon reduction in schools in England that is relevant to the Scottish school estate. The analysis presented in our Reducing Carbon Emissions from Schools report shows that emissions from the English schools system can be reduced by 80 per cent by 2050 with vital early action bringing deep cuts by 2020. The report presents scenarios for how these emissions reductions could be achieved and much of it will be relevant to the education sector in Scotland. The report identifies three key recommendations to Government:

- that Government establish and commit to an aim for carbon reduction for the whole schools estate
- that Government commits to an aim of 50 per cent reduction by 2020 leading to an 80 per cent reduction by 2050

- As a first step towards establishing this aim with schools, we recommend that Government adopts the same aim for its own operations.

The report also sets out recommendations for a detailed Carbon Management Strategy for the education sector.

**For more information see:**  
[www.sd-commission.org.uk/publications/downloads/Publish\\_Schools\\_Carbon\\_Strategy.pdf](http://www.sd-commission.org.uk/publications/downloads/Publish_Schools_Carbon_Strategy.pdf)

### Recommendations for Government

- That the Government, through effective engagement with all key stakeholders, delivers an ambitious Action Plan for the second half of the UN Decade of Education for Sustainable Development. This should focus in particular on further, higher and community education
- That progress in encouraging active travel to school is maintained and widened to consider active lifestyles
- That schools start to move beyond the Eco Schools Programme and seek ways to embed SDE throughout the life of schools, whether or not they are actively seeking eco-school status. That SQA and HMIE provide information on how they will reflect the SD element of Curriculum for Excellence in the qualification and inspection regime
- That in implementing the new School Estate Strategy the Government sets tough sustainability standards and guidelines for new school buildings, in line with the recommendations of our Reducing Carbon Emissions in Schools study
- That Government ensures trainee and practicing teachers are adequately supported in implementing Sustainable Development education and the Curriculum for Excellence.

### What the Commission will do

- Discuss with the Scottish Government how best to support action plan implementation for the second half of the UN Decade of Education for Sustainable Development
- Continue its capacity building work in this area, for example through organising events, undertaking research and disseminating information.

## 2.3 Healthier

### 2.3.1 Health and Wellbeing Strategy and Policy

**Performance as shown by Indicators**

**Overall progress towards sustainable development**

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Some improvement, but major areas of concern remain around alcohol, obesity and health inequality

We welcome a growing focus on preventative policy measures but a radical change towards integrated action is required

### Findings

- The Government has been active over the last year in developing the policy response for a range of public health issues including smoking, drinking and mental health, supported by the Equally Well Implementation Plan. Over time there needs to be a more radical shift in funding from illness treatment to public health
- The creation of a single Energy Assistance Package and the enhancement of funding on fuel poverty are both welcome. The scale of fuel poverty dictates however that a step change in funding from both Government and energy company programmes is required if the 2016 target is to be met
- Government is to be commended for funding the development of the Good Corporate Citizenship Assessment Model for the Scottish NHS. This model offers significant potential for better corporate management of sustainability in Scotland’s largest employer.

### The Policy Framework

**Tobacco and Primary Medical Services (Scotland) Bill (2009)**

Covers the sale and display of tobacco products and the provision of primary medical services

**Towards a Mentally Flourishing Scotland: Policy and Action Plan 2009–2011**

Sets out the Government’s plan for promoting mental wellbeing, reducing the occurrence of mental illness and improving the quality of life of those experiencing mental illness

**Changing Scotland’s Relationship with Alcohol (2009)**

Outlines the Government’s strategic approach to tackling alcohol misuse in Scotland

**Equally Well Implementation Plan (2008)**

Describes how the Government and Community Planning Partnerships will take forward Equally Well’s recommendations

**Good Places, Better Health Implementation Plan (2008)**

Recognises that the physical environment has a huge impact on both physical and mental health and establishes a framework for mobilising policy change to improve environmental experience, especially for deprived sections of the population

**Health Eating, Active Living (2008)**

Sets out action to improve diet, increase physical activity and to tackle obesity. It also commits the Government to the production of a longer term strategy to tackle obesity

**Sustainable Development Strategy for NHS Scotland (2008)**

Sets out how the health service in Scotland intends to address its environmental impacts and wider sustainable development issues

**NHS Scotland Efficiency and Productivity Programme: Delivery Framework (2009)**



# Action on fuel poverty can have significant economic, social and health benefits. In many instances it can also help meet the Government’s carbon targets.

## Analysis

### Health Strategy and Policy

In last year’s assessment we highlighted the need for more integrated action across Government, in order to meet effectively the scale of the health challenges facing Scotland. Health behaviour is notoriously difficult to influence. Figures in Scotland still show negative trends around drinking, obesity and exercise.

The last year has seen several policy announcements aimed at addressing some of our biggest health challenges in a joined up way. The **Tobacco Bill**, currently before Parliament, proposes a reduction in access to tobacco products, especially for young people. The **Alcohol Framework** contains similar measures aimed at reducing alcohol misuse, including another Alcohol Bill to be laid before Parliament later in 2009.

Mental health issues affect around a quarter of Scots at some point but are often overlooked in analysis of the overall health of the nation. **Towards a Mentally Flourishing Scotland: Policy and Action Plan 2009–2011** builds on the strong work the Government has undertaken around mental health improvement in recent years. These efforts have been internationally recognised by the World Health Organisation. It takes a cradle to grave approach to achieving good mental health at all stages of life, at work, in the community and at home. The SDC welcomes this Action Plan.

In February the Scottish Government published the **Five year review of ‘Let’s Make Scotland More Active’** (LMSMA) – its strategy for physical activity. The review suggests that Scotland remains ‘on track’ to deliver LMSMA but that focus needs to be on supporting development of infrastructure at a local level. This chimes with the SDC’s own assessment. National policies aimed at improving activity levels, such as the **National Sport Strategy *Reaching Higher***, prove difficult and resource intensive to implement at the local level. Physical activity can positively impact upon a number of national indicators, at a relatively low cost compared to other interventions. Though budgets are only likely to tighten in the current financial climate, this sector is relatively under-

resourced in Scotland. At a broader scale planning policies have to move further to place active travel and access to open/green space at their heart. Underpinning Scotland’s health problems are the deeply entrenched health inequalities that permeate our society. The **Equally Well Implementation Plan**, launched in December 2008, describes how the Scottish Government and Community Planning Partnerships aim to turn Equally Well’s recommendations into action. This has been linked to the Single Outcome Agreement (SOA) process and includes eight test sites which will explore how to redesign local services in an integrated way, without additional resources, and with respect to one or more of the priority areas set out in Equally Well. SDC Scotland welcomes the Implementation Plan which is a good example of national policy being taken forward in a co-ordinated, joined up way at local level. The challenge for SOAs and for Community Planning Partners is to build on the lessons learned from the eight tests sites and provide a far more integrated approach to inter-agency working than has been the case so far.

### Fuel Poverty

One of our five key challenges to Government in our Second Assessment was to act further on fuel poverty in line with the statutory commitment to eradicate fuel poverty “as far as is reasonably practical by 2016”.<sup>10</sup> Action on fuel poverty can have significant economic, social and health benefits. In many instances it can also help meet the Government’s carbon objectives. Government provides a regular estimate of fuel poor households in Scotland. It has calculated that for every 1% increase in fuel costs, 8,000 additional households become fuel poor, assuming no change in household incomes or energy efficiency. Energy Action Scotland (EAS) research estimates that in 2009 around one in three or 850,000 households should be classified as fuel poor. Current activity on energy efficiency is not improving the housing stock at a rate able to cushion the impact of fluctuating fuel costs or the falling household incomes of many Scots.

## Creating a Breakthrough in Public Health

In 2008, the Sustainable Development Commission UK launched its *‘Breakthroughs for the 21st Century’*, a collection of ideas to inspire and motivate policy-makers. In it Anna Coote, our health commissioner, advocates that by 2020 20% of all health spending should be dedicated to public health and preventing illness.

‘Currently, nearly all [the NHS’s] budget goes – directly or indirectly – on the treatment and care of illness, while it only spends 4% of the £92.3 billion (UK figures) it gets from taxpayers on prevention and public health. Yet more than half the illnesses treated by the NHS are preventable. This is unsustainable, unethical and unjust. Unsustainable, because in a low-growth or no-growth economy, there will be less money to pay for public services; funds for meeting unavoidable needs should not be spent on meeting those that could have been prevented. Unethical because avoidable risks – including obesity, mental illness, homelessness, incarceration and educational underachievement – undermine people’s well-being. And unjust, because the burden of risk falls most heavily on the poor.

We propose a radical shift in the focus of health spending – from treating illness to preventing it. A further 16% of the NHS budget should be dedicated to preventing illness, to achieve a total figure of 20% by 2020. This represents an additional 1.6% of the budget each year, and could be achieved by an incremental approach over the next ten years – small increases at first, accompanied by investment in research to consolidate the evidence base. A partnership approach would be essential, pooling NHS funds with those of local government, schools and other relevant agencies in order that they can work together to address the underlying social and economic determinants of health.’

### For more information see:

[www.sd-commission.org.uk/publications/downloads/SDC\\_Breakthroughs.pdf](http://www.sd-commission.org.uk/publications/downloads/SDC_Breakthroughs.pdf)  
  
[www.corporatecitizen.nhs.uk/resources.php/213/prevention-rather-than-cure-making-the-case-for-choosing-health](http://www.corporatecitizen.nhs.uk/resources.php/213/prevention-rather-than-cure-making-the-case-for-choosing-health)

We note that the Scottish Fuel Poverty Forum commented that the measurement of fuel poverty is based on a theoretical level of energy use at a standard price, rather than actual spend, which may mean that some improvements, such as switching from a standard tariff to a discounted tariff, will not impact on the official numbers of fuel poor. These improvements for households would not, therefore, be captured as part of the progress towards the 2016 target. We recommend that the Government considers whether a wider range of measures of progress to the 2016 target are required. In our Second Assessment we called for the Scottish Government to implement the Scottish Fuel Poverty Forum’s report’s recommendations in full. We are pleased to say that this has occurred, and the new **Energy Assistance Package (EAP)** is now being implemented. The Package is a four stage process that aims to better coordinate provision of advice and support, and ensure that enhanced energy efficiency measures are targeted on those most vulnerable to fuel poverty. While the scheme is in its early stages of delivery, initial take up for the scheme is low, particularly for provision of enhanced energy efficiency measures. It will be important that the Scottish Government continues to monitor delivery and ensure targets are met. The last year of previous programmes saw increased activity: the Central Heating Programme installed 14,430 systems and the Warm Deal

Programme treated 5,869 homes in 2008/9. These increases can be put down to additional funding being made available by Government, as well as a concerted effort by installers to maximise installations before contracts closed. We therefore hope this momentum will not be lost as the new scheme settles in. In addition to the Energy Assistance Package, the Scottish Government has established a CERT Strategy Steering Group to ensure that Scotland receives its share of funding from the UK Government’s **Carbon Emissions Reduction Target (CERT)** scheme. In July 2009, the Scottish Government also launched its own Home Insulation Scheme which will offer help in making homes more energy efficient for up to 100,000 households in 10 areas across Scotland and seek to sign householders up for insulation measures where their home is suitable. The scheme is supported by £15m of Scottish Government funding and matching investment is being sought from other partners. This will come mainly from investment by energy suppliers under the CERT scheme and from home owner contributions which will build up as the scheme is implemented. Taken together these measures are welcome. However, Government has not been clear about the cumulative impact of these schemes, and whether they will deliver the emission cuts needed to tackle climate change, while also delivering on the fuel poverty targets. While we believe that the EAP is a step in the right direction, we are not convinced that

To meet the 10 year insulation targets we need a step change in funding for energy measures, an expansion of Government staff resources and significant action to encourage, or even require, homeowners to insulate their homes.

Government has a clear understanding of what progress is currently being made towards the 2016 target, or the additional action it will take to get there.

The **Climate Change Delivery Plan** estimates that meeting the 2020 target will require that over 40% of solid wall dwellings, as well as all other properties, will have to be insulated to a high standard over the next ten years. This will necessitate a step change in the funding provided for energy measures, an expansion of Government staff resources devoted to this issue and also significant action to encourage or even require homeowners to allow such measures. **Conserve and Save – the Scottish Government’s Consultation on its Energy Efficiency Action Plan** invites views on options for the use of new powers in the Climate Change (Scotland) Act to require energy performance assessments of housing and to require action to be taken based on those assessments. The Parliament’s Economy, Energy and Tourism Committee recommends that £100–£170 million per annum is needed to make a real difference to performance<sup>11</sup> while the Government’s Consultation on its Energy Efficiency Action Plan includes a scenario indicating a potential cost of around £16 Billion to achieve emission savings in line with the 2020 interim target within the Climate Change (Scotland) Act.

**Estate management in the health service**

With support from Health Facilities Scotland (HFS) the health service in Scotland has made progress in a number of areas of estate management over recent years. NHS Scotland has strict energy performance standards for new and existing buildings

and has a 2009–2010 H.E.A.T. (Health, Efficiency, Access, Treatment) target to reduce energy consumption by 2% year-on-year. A follow-up H.E.A.T. target for 2010–2011 is currently in development.

The newly revised Scottish Capital Investment Manual for NHS Scotland requires all new healthcare capital schemes above £2m are to obtain a BREEAM Healthcare ‘Excellent’ rating (or equivalent) and all refurbishments above £2m to obtain a ‘Very Good’ rating.

A **Sustainable Development Strategy for NHS Scotland** was launched in 2009 to integrate existing work and provide a broader framework for action. Chief Executive letter CEL15 (2009) requires NHS Boards to nominate a board-level Champion for Sustainability and to develop and implement a Sustainability Action Plan for which the Strategy provides a framework and guidance.

The Scottish Government is funding a one-year **Good Corporate Citizenship** project. This is in line with a recommendation in our previous assessment. The Commission is leading the adaptation of the Good Corporate Citizenship Assessment Model (GCCAM) for use by NHS Scotland. The Commission is working closely with the Government, NHS Scotland organisations including Health Facilities Scotland (HFS), and other stakeholders to ensure the tool is closely linked to the Sustainable Development strategy and wider Government policy in Scotland. The project began in June 2009 and the Scottish tool is due to be launched in early 2010.

### Recommendations for Government

- Set a long term target to reallocate 20% of all health expenditure to public health and preventative measures
- Set out clearly what steps are being taken to deliver the 2016 fuel poverty target, and clarify what existing Scottish Government and UK Government programmes are expected to deliver in terms of reductions in fuel poor households
- Provide better resourcing for energy efficiency work in the domestic sector in order to meet the requirements of the 2020 target of a 42% reduction in emissions
- Make further progress on integrating health with wider policy especially in relation to transport/active travel and environmental improvement. Do more to create communities that encourage physical activity
- Work with the Commission, NHS Scotland and HFS to ensure the continued roll out of the GCCAM across all Health Boards in Scotland.

### What the Commission will do

- Take forward the development and implementation of a Scottish version of the Good Corporate Citizenship Assessment Model and support NHS Scotland and HFS in the uptake and implementation of the model.



### 2.3.2 Food Policy and Strategy

Performance as shown by indicators	<div><div></div><div></div><div></div><div></div><div></div></div>	The percentage of fish stocks deemed sustainable has fallen. Low level of consumption of fresh produce and high levels of sectoral GHG emissions.
Overall progress towards sustainable development	<div><div></div><div></div><div></div><div></div><div></div></div>	Diet of many Scots very poor with no significant improvements in recent years. Current agriculture and food policy causes a range of negative environmental impacts and does not maximise local economic benefit. New National Food and Drink Policy intended to address these issues

#### Findings

- Recipe for Success*, Scotland’s first food and drink policy, has been published. It is built around an aim for food and drink policy that is broadly in line with sustainable development and addresses many social, economic and environmental concerns. It is important that the Leadership Forum effectively addresses the social and environmental objectives in the Policy
- There is a need to extend the national nutrition standards for schools to the rest of the public sector. This was identified as an option to be considered further through *Recipe for Success* work
- Obesity and health indicators remain poor – to address this, the process of integrating action on social inclusion, health, planning, education and food policy must continue apace.

#### The Policy Framework

<b>Recipe for Success – Scotland’s National Food and Drink Policy (2009)</b>	Scotland’s first food and drink policy published following the work of the Food and Drink Leadership Forum
<b>Healthy Eating Active Living (2008)</b>	Sets out action to improve diet, increase physical activity and to tackle obesity. It also commits the Government to the production of a longer term strategy to tackle obesity
<b>A Forward Strategy for Scottish Agriculture Next Steps (2006)</b>	The strategy builds on and updates the 2001 agriculture strategy
<b>Hungry for Success (2003)</b>	The report sets out a whole school approach to food in all schools in Scotland. An implementation report was published in 2008
<b>The Schools (Health and Nutrition) Act 2007 and The Food and Drink in Schools (Scotland) Regulation 2008</b>	The Act and Regulation build on Hungry for Success and places a duty on education authorities and managers of grant aided schools to be health promoting and comply with the nutritional standards for food and drink

<b>Alcohol Framework for Action (March 2009)</b>	Outlines Government plans to reduce alcohol misuse in Scotland
<b>Food Security Think Tank (March 2009)</b>	Think tank report exploring the issues around Scotland’s food security including population, resource depletion and climate change

<b>Sustainable Procurement Action Plan (2009)</b>	Provides a framework for the integration of sustainability principles into all procurement across the public sector
<b>Marine Bill (2009)</b>	Introduces a framework for the sustainable management of the seas around Scotland to ensure that economic growth occurs within environmental limits

#### Analysis

This year saw the publication of **Recipe for Success**, Scotland’s first national food and drink policy. The policy built on the responses to a public consultation (Choosing the Right Ingredients) and detailed consideration of the desired outcomes of food policy undertaken by the Food and Drink Leadership Forum. The work was organised in five thematic workstreams on:

- Sustainable economic growth
- Healthy and sustainable food & drink choices
- Celebrating and safeguarding Scotland’s reputation as a land of food and drink
- Walking the talk – getting public sector procurement right
- Food security, access and affordability

There were over 500 responses to the food consultation, indicating the level of interest and concern in action on food. The Commission responded to the consultation and was also actively involved in the development of the Food and Drink Policy. Our Commissioner Prof. Jan Bebbington was ‘Environment Champion’ on the Leadership Forum along with others champions on health, economy and affordability. The Commission was also involved in the deliberations on the thematic workstreams.

We support the aim of the Food and Drink Policy ‘to promote Scotland’s sustainable economic growth by ensuring that the Scottish Government’s focus in relation to food and drink, and in particular our work with Scotland’s food and drink industry, addresses quality, health and wellbeing, and environmental sustainability, recognizing the need for access and affordability for all.’<sup>1</sup> We also support much of the analysis within the report which recognises that previous approaches to food have not delivered healthy, affordable and sustainable food and that there is need for a new version of

the ‘Scottish diet’. Support for community empowerment and a change from an ethos of ‘food consumers’ to ‘food citizens’ as a means of encouraging healthy eating is also welcome. The critical challenge for Government now is to deliver an effective Health and Sustainability Framework. The Commission hopes to engage and support Government in preparing this.

The Food and Drink Policy recognises the major challenge posed to agriculture by climate change. This issue has also been raised by recent Commission work on food security (see below). We support the commitment to carbon footprinting of the dairy industry announced in May 2009 but, as the Policy acknowledges, these is a need for far more work on the carbon impacts of the entire food system and on the adaptation response of agriculture and rural land use. It has been calculated that Scottish agriculture and food may account for up to 25% of all Scotland’s greenhouse gas emissions.<sup>12</sup>

Public sector food and drink procurement is worth about £130million. There has been positive work undertaken by some public bodies in improving the food provided e.g. East Ayrshire Council’s work on school dinners. This is supported by the **Schools (Health Promotion and Nutrition) (Scotland) Act 2007** which places a duty on education authorities and managers of grant aided schools to have regard to Ministerial guidance on the application of sustainable development principles when providing food or drink catering services in schools.

More action is required and it must be hoped that the **Scottish Sustainable Procurement Action Plan (SSPAP)**, launched on 28<sup>th</sup> October 2009, can provide further impetus for a radical change in public food purchasing. The Commission is disappointed by the long delay in the launch of the SSPAP. We will review the Plan fully in our next Annual Assessment.

# The Government has a major role to play in encouraging changes to the Scottish diet and drink culture.

We welcome the consideration being given to the adoption of National Nutritional Standards for the local authorities and the Scottish Prison Service and the appropriateness of such standards being enshrined as a statutory responsibility for local authority and grant aided schools through the **Schools (Health Promotion and Nutrition) (Scotland) Act 2007**. The Government has a major role to play in encouraging changes in the Scottish diet and to Scotland’s current drink culture. The **Alcohol Framework for Action** set out actions to address issues around reducing alcohol consumption, tackling the damaging impact alcohol misuse has on families and communities, encouraging positive attitudes and positive choices and improving the support and treatment available. Some actions are specific legislative measures designed to effect change in the short term. Many other measures outlined in the Framework – such as education and diversionary activities for young people and broader policies

to tackle poverty – are intended to help bring about the long term cultural change that is required. Food security is an issue that has risen rapidly up the agenda over the last year. The Government **Food Security Think Tank** (March 2009) considered these issues from a Scottish perspective. It noted that food security and self-sufficiency are different concepts and the terms should not be used interchangeably. It also noted that there are different levels of food security – global, national, regional, community and household – and considered the major challenges posed by climate change. The Commission has recently published a paper on food security – see overleaf. We hope to use this as the basis for discussion with Government.

## Food Security and Sustainability – The Perfect Fit

To be effective food security policy must be rooted in re-shaping food systems in line with sustainable development objectives. The Commission’s recent report, **Food Security and Sustainability – The Perfect Fit** recommends that Government adopts a new definition of food security. This should be based on feeding everyone sustainably, equitably and healthily; which addresses availability, affordability and accessibility; which is diverse, ecologically sound and resilient; and which builds the capability and skills for future generations. This overarching objective should be supported by Government encouraging the maximum appropriate food production, informed by specific sectoral assessments for grain, meat and dairy, fish, vegetables and other important crops.

In December 2009 the Commission will also publish **Setting the Table**, a report that seeks to define what a healthy and sustainable diet should be based on. We believe our reports set out a framework that can help the Scottish Government develop the broad aspirations of the Food and Drink Policy into an approach that delivers sustainable outcomes.

**For more information see**  
[www.sd-commission.org.uk/pages/scotland-food.html](http://www.sd-commission.org.uk/pages/scotland-food.html)

## Recommendations for Government

- Deliver the Health and Sustainability Framework. The Commission’s work on sustainable diet and food security is, we believe, useful in helping guide this work
- As suggested in the food policy, clarify the definition of ‘sustainable food’ and address the evidence gap with regard to some areas of the environmental impacts of food so that decisions on the sustainability of food can be made on a sound basis
- Ensure that carbon considerations are at the heart of food policy through identification and agreement of a framework with specific targets/goals for a reduction in GHG emission across the whole food supply chain, and for a reduced ecological footprint from the Scottish food system
- Adopt National Nutritional Standards for local authorities and the Scottish Prison Service. Consider the appropriateness of such standards being enshrined as a statutory responsibility as it is for local authority and grant aided schools through the *Schools (Health Promotion and Nutrition) (Scotland) Act 2007*.

## What the Commission will do

- Actively engage with Government in the development of the Health and Sustainability Framework to assess the impact of policy on diet and sustainability
- Provide advice to the proposed refocused Leadership Forum on food on the effective delivery of sustainable outcomes for food policy
- Help guide and support Government work through our current research on food security, sustainable diet and other aspects of food and agriculture policy.



# 2.4

## Safer and Stronger

### 2.4.1 Built Environment

Performance as shown by Indicators



Some progress on homelessness but more action required if targets are to be met. Provision of new housing has fallen

Overall progress towards sustainable development



Some improvement in performance of the housing stock but radical action required to meet carbon targets. Many planning decisions still not leading to integrated and sustainable communities.

#### Findings

- Over the last year the Government has been active in reshaping strategic level guidance on planning. The Second National Planning Framework has been published and presents a vision that is broadly in line with sustainability principles. Government is currently preparing a consolidated Scottish Planning Policy and it is important that this provides a clear steer to local planners on the centrality of sustainable development to all planning decisions
- Too many development plans and local planning decisions are still, in their cumulative impact, inconsistent with the creation of low carbon, inclusive and sustainable communities. Government must continue to work with CoSLA and planning authorities to deliver a radical change in planning that is centred on sustainable outcomes
- Scotland has a significant shortage of affordable housing. Government's commitment to bring forward expenditure on housing in 2008–10 was welcome and it is vital support is maintained despite tightening budgets
- Building energy standards are to be reviewed every three years until 2016. A Sullivan report update report will be published in early 2010. Both are welcome.

#### The Policy Framework

<b>Second National Planning Framework (2009)</b>	The NPF2 sets out a vision for planning and outlines 14 'national developments' to be taken forward. The Government will cooperate with the Parliament's Local Government and Communities Committee who intend to monitor progress on implementation of NPF 2
<b>The Sullivan Report: A Low Carbon Building Standards Strategy for Scotland (2007)</b>	A report to Scottish Ministers on how to move Scotland to a low carbon build environment. A Sullivan update report will be published early 2010
<b>Housing Supply in Scotland (2009)</b>	A report by the Housing Supply Task Force
<b>Firm Foundations: A Discussion Document (2007)</b>	Consultation Document on the Government's proposals for addressing market failure in housing supply in terms of both housing shortage and lack of affordability
<b>New Scottish Planning Policy (SPP) (in preparation)</b>	The new SPP seek to streamline and integrate planning guidance. It will be launched in early 2010

#### Analysis

The way we design and manage our communities has major sustainability implications. Good design can help promote social inclusion, reduce crime, create economic opportunities and cut our environmental footprint. We must ensure that future planning decisions do not just result in more efficient energy use than in the past, but actively contribute to Scotland's ambitious carbon reduction targets. Action to create active, more inclusive and balanced communities is also vital.

#### Planning

Planning policy in Scotland has been reframed in the last year. The Government's second National Planning Framework (NPF2) was published and Scottish Planning Policies (SPPs) are currently being consolidated into a single document. The Commission has been active in advising Government on the integration of sustainable development principles into both.

The NPF2 provides a framework for sustainable development to be considered effectively. The 'National Developments' it outlines include some innovative schemes such as the proposals for a Central Scotland Green Network and there is also a commitment to a carbon appraisal of all developments. However the Commission still has concerns about how it can be guaranteed that any new coal plant will include carbon capture and storage (CCS). We address this issue in the Climate Change and Energy section.

A consolidated Scottish Planning Policy (SPP) is also being prepared. The Commission has been actively involved in the development of the new SPP, stressing the need for sustainable development to be a clear guiding principle for all planning. We support the emphasis on sustainable development included in the draft SPP and will review the final SPP in our next Assessment.

National Planning guidance has, from a sustainable development perspective, improved significantly in recent years. Our concern is the lack of alignment between planning guidance on sustainable development and some decisions taken on the ground, the cumulative impact of which is unlikely to lead to socially or environmentally sustainable outcomes. Across Scotland there continue to be examples of developments where the opportunity to achieve a mix of uses has been missed, which are poorly served by public transport or which do not integrate different housing tenures.

The Climate Change (Scotland) Act requires rapid cuts in greenhouse gas emissions. This presents a particular challenge for planning. The Commission has been active in working on this issue with the Welsh Assembly Government (see box overleaf) and hopes to engage with the Scottish Government on this agenda over the coming year.

#### Affordable Housing and Housing Supply

Changing economic circumstances have created severe problems for the housing sector. This has severely tested the Scottish Government in its efforts to increase house-building to 35,000 per annum by the middle of the next decade. Indeed, in 2008/09 there has been a dramatic drop in the numbers of new homes being built. Statistics for the end of the third quarter of 2008 showed a drop of 74% in the number of private build new starts compared to the same period in 2007.<sup>13</sup>

The Government's Housing Supply Task Force, established to identify and tackle impediments to increasing the supply of housing in Scotland, reported in February 2009. Following publication of the report, the Scottish Government reconvened a revised task force in March 2009, with a new remit "...to prepare for a recovery in house building...".<sup>13</sup>

In response to the credit crunch, the Scottish Government has prioritised a number of measures. This has included bringing forward £120m of the **Affordable Housing Investment Programme**, meaning this programme now totals £644m for the year 2009/10. As part of this the Government is increasing funding for local authority homes, and has announced plans to legislate to end the right to buy on all new social housing.

It is essential that investment in affordable housing is maintained over coming years.

#### Building Standards

The **Sullivan Report**, published in 2007, sets out a range of recommendations aimed at increasing the carbon efficiency of the building stock to deliver an aspiration of total life zero carbon emissions by 2030. The Scottish Government now has a number of work streams conducting research and further analysis of how to deliver the report's recommendations.

On 27 February 2009, Stewart Stevenson, Minister for Transport, Infrastructure and Climate Change, announced that the Government intends to introduce new building standards for homes and non-domestic buildings in October 2010.<sup>14</sup> These will reduce carbon emissions by 30% beyond current standards. To this end, the Scottish Government is currently consulting on amendments to the **Building (Scotland) Regulations 2004** and supporting guidance. This is as an important step towards meeting the Sullivan targets.

It is clear that there is a significant amount of work currently going on within Government to enable the Sullivan Report to be implemented – an update report on progress will be published in early 2010. However, Government must be more transparent about the timescales and stages of this work so that it can maintain confidence amongst a wide group of stakeholders. From our discussions, it is clear that owing to the breadth and scale of this work, there is

confusion about what work is underway, and when changes from Government can be expected. It is hoped that the Sullivan update report will add clarity to this.

**Scottish Sustainable Communities Initiative (SSCI)**  
In May 2009 the Scottish Government published details of the 68 projects submitted to the SSCI. Eleven have been chosen as *‘having the potential to demonstrate the creation of sustainable communities.*’<sup>15</sup> The Scottish Government will be providing targeted support for these 11 projects around six key themes: connectivity, mixed communities, climate proofing, masterplanning, collaboration, and finance and infrastructure.

The initial reaction from stakeholders has been broadly positive. There are still significant challenges ahead in ensuring that these projects deliver on their sustainable aspirations, and that this good practice can be applied throughout Scotland. Certainly, the SSCI has avoided a lot of the criticism that was levelled at the UK Government’s Eco-Towns programme, in part perhaps because SSCI has selected a range of settlement sizes, with many of the sites being in an urban setting, and many also utilising brown field sites for development.

The Commission will continue to monitor progress with this scheme and the wider adoption of these principles in new developments across the country.

### Low Carbon Regions Wales

A central challenge for the Scottish Government and local authorities in coming years will be to ensure that planning decisions help create low carbon communities. The Commission in Wales, working with the Welsh Assembly Government, has sought to map out what this might mean in practice, focusing on the Wales Spatial Plan (WSP). This has been based on a two stage process.

The first ‘Towards Low Carbon’ phase – the **Preparatory Phase** – is aimed at establishing a network of stakeholders and a dedicated Low Carbon Working Group. The working group will coordinate and drive emissions reductions, whilst ensuring that the existing delivery mechanisms, policies and projects of each Wales Spatial Plan Area – and the messages in the WSP as a whole – are compatible with a low carbon future. This also includes producing a vision for each region’s infrastructure and services and aligning the regions’ Area Delivery Frameworks with a low carbon future.

The subsequent **Delivery Phase** requires the network of stakeholders to take ownership of the development and delivery of low carbon initiatives within their region. This includes:

- Maintaining a strategic overview of low carbon activity within the region to guide and co-ordinate projects, identify gaps, opportunities, synergies and potential for collaborative working

- Advocating the need to embed the target of becoming a Low Carbon Region into all relevant strategies
  - Sharing and scaling up best practice
  - Identifying and developing new carbon reduction activities within each region
  - Engaging with Wales wide initiatives to ensure local and regional issues are addressed
  - Partnership(s) with other regions in the UK and EU with similar characteristics that enable learning to be shared and fast and effective knowledge transfer
  - Developing a target setting, monitoring and review process.
- The Commission will present this work to the Scottish Government and use it as the basis for discussion as to how climate change objectives can be reconciled with planning policy here.
- For more information see**  
[www.sd-commission.org.uk/news.php/260/wales/low-carbon-regions-a-tailored-approach-to-cutting-greenhouse-gas-emissions-across-wales](http://www.sd-commission.org.uk/news.php/260/wales/low-carbon-regions-a-tailored-approach-to-cutting-greenhouse-gas-emissions-across-wales)

### Recommendations for Government

- Through the NPF2 and the revised SPP the Government has created a new framework for planning policy in Scotland. At the same time actual planning decisions are not always delivering sustainable and low carbon communities. Working with CoSLA and Local Authorities, the Government must move to ensure that the cumulative impact of planning decisions helps meet wider Government objectives on climate change and on social and environmental policy
- Publish and report on the implementation programme for the Sullivan report
- Ensure that learning from the Scottish Sustainable Communities Initiative is effectively disseminated. The aim must be to make such principles part of standard practice in all planning decisions.

### What the Commission will do

- Present the Commission’s work on Low Carbon Region Wales to the Scottish Government and use it as the basis for discussion on how local, regional and national spatial planning can help meet the objectives of the Climate Change (Scotland) Act.



### 2.4.2 Creating Sustainable Communities

Performance as shown by Indicators

Drug indicator shows positive trend but decline in crime indicators

Overall progress towards sustainable development

There are huge challenges in addressing issues of multiple deprivation in many Scottish communities. Too early to assess impact of Government’s framework to address these issues.

#### Findings

- Government policy has developed through the publication of **Achieving our Potential** and the **National Community Empowerment Action Plan**. The vision underpinning these documents are in alignment with the Government’s Purpose and with broad sustainable development principles
- Evidence of delivery of integrated action on the ground is less clear. The conversion of principles into practice remains a challenge for both Government and Local Authorities/Community Planning Partners.

#### The Policy Framework

<b>Fairer Scotland Fund (2008)</b>	Established as the central initiative to support community planning partnerships to regenerate the most deprived communities, tackle poverty and improve employability
<b>Enterprising Third Sector Action Plan (2008)</b>	The Plan aims to create an environment in which the third sector can thrive
<b>Achieving our Potential – A framework to tackle poverty and income inequality in Scotland (2008)</b>	The framework sets out the Government’s overall approach to addressing social inclusion issues
<b>National Community Empowerment Action Plan (2009)</b>	Developed jointly by the Government and CoSLA, the Plan highlights examples of good practice and outlines actions designed to encourage empowerment. Supported by a joint statement on Community Learning and Development

#### Analysis

Since 2007 the Scottish Government has made significant changes to the policy and strategy around poverty and social inclusion. At the strategic level the National Performance Framework includes purpose targets on Cohesion and Solidarity. The **Fairer Scotland Fund** has been established to provide a single source of funding for community regeneration and there has also been action to support the third sector. These actions were reviewed in our last annual assessment and their impact on inclusion and supporting communities will be appraised fully in the Fourth Assessment. The most significant change to the policy landscape since the last assessment has been the publication of **Achieving our Potential – a new framework for addressing poverty and inequality**. Prepared jointly with CoSLA, the framework outlines action to address the needs of the poorest households. The Framework is based around action in four key areas:

- Reducing income inequalities
- Introducing longer-term measures to tackle poverty and the drivers of low income
- Supporting those experiencing poverty or at risk of falling into poverty
- Making the tax credits and benefits system work better for Scotland.

The Framework compliments the **Early Years Framework** and **Equally Well**, also developed jointly with CoSLA. Work by community planning partners to tackle poverty and disadvantage is being supported by the £435 million **Fairer Scotland Fund**. £87million has been provided to the **Urban Regeneration Companies** to help attract and co-ordinate investment, improve physical infrastructure and help local people access new opportunities in their area. A further allocation of £36 million over three years has been made via the **Wider Role Fund** which supports work by Registered Social Landlords (RSLs) to reduce poverty and financial exclusion in the communities they serve. The Government has also published an online **Tackling Poverty Toolkit**, a **National Community Empowerment Action Plan** and **Working and Learning Together to Build Strong Communities**,

a joint statement with CoSLA on community learning and development. Funding of £30 million has been allocated through the **Scottish Investment Fund** and £12 million through a **Third Sector Enterprise Fund** to build the capacity of third sector bodies. Funding has also been made available to deliver business support to enterprising third sector organisations. The overall approach and the specific actions outlined in the Framework are aligned with sustainable development principles. The Framework addresses both personal barriers to progress such as education, income and employment opportunities but also wider impediments related to health, housing and poor neighbourhoods. There is also support for the third sector and community led initiative to help regenerate marginalised areas. The Framework therefore takes on board many of the recommendations of the Poverty Alliance consultation on behalf of the Scottish Government<sup>16</sup> around action on fuel poverty and mental and physical health. One area, however, that emerged from the consultation but is not addressed explicitly in the Framework is the need to provide access to employment for those without access to private cars. This can be done either through better planning or the provision of public transport. **Single Outcome Agreements (SOAs)** for Community Planning Partnerships (CPPs) provide the vehicle for addressing poverty in a way which is responsive to local conditions. The Commission intends to undertake a full review of SOAs in the next year and will report on the approach taken to poverty then. Our general view is that the removal of ring fencing of local government expenditure is welcome as it allows Councils to focus on local priorities. It does not however ensure that appropriate local resources are devoted to national priorities such as action on inequality. The development of this Framework jointly with CoSLA should help address this issue but through our planned appraisal of the individual SOAs we hope to assess the effectiveness of this approach in terms of outcomes. The preparation of a national action plan on community empowerment and a statement on community learning are both welcome. It is essential the principles of community empowerment are now fully adopted by Government and Local Authorities.

Recommendations for Government

- Work with CoSLA, Local Authorities and others to ensure that the principles of sustainability are fully adopted in all capital investment on regeneration and are built into the planning and design stages of all construction-related procurement activity
- Continue to work with CoSLA and Local Authorities to take forward the principles of the Community Empowerment Action Plan and ensure that the statement of community learning is enshrined in all areas of work.

What the Commission will do

- Undertake an evaluation of SOAs in terms of their impacts on local communities, looking at their integration of economic, social and environmental concerns and the delivery of sustainable outcomes.

2.5 Greener

2.5.1 Climate Change and Energy

**Performance as shown by Indicators**

Emissions of GHGs declined 6.8% last year (2007) after rising the year before. Good progress on renewable energy but poor performance on transport emissions

**Overall progress towards sustainable development**

Climate Change Act sets targets that require far steeper cuts in emissions than have so far been achieved.

Findings

- The passing of the Climate Change (Scotland) Act in summer 2009 is a landmark step in addressing climate change. Scotland now has the most ambitious climate change legislation in the world and the Government and Parliament must be commended for delivering this strong statement of intent
- The target to cut emissions by 42% by 2020 is particularly challenging and will necessitate bold and radical action across all areas of policy, involving significant reallocation of funding within and between policy portfolios
- The Government has published the carbon assessment of the Scottish Budget 2010–11, the first such appraisal undertaken anywhere, along with the Climate Change Delivery Plan and Carbon Assessment of Transport. While refinement of the methodology will be required, these represent significant contributions to the development of effective machinery for addressing carbon in Government. At the same time the long delay in publishing the Energy Efficiency Action Plan is disappointing
- Renewable electricity production continues to grow and Scotland is on course to meet its 2011 and 2020 targets. This is in part a result of effective Government reforms of the approval process for new renewable schemes
- The Scottish Environmental Attitudes and Behaviours Survey (SEABS) survey showed that many Scots are unaware of their impacts on climate change. It is clear that a step change in Government engagement on climate change is required if we are to achieve the behaviour change needed to meet the aspirations of the climate legislation.

The Policy Framework

<b>Climate Change (Scotland) Act (2009)</b>	The Climate Change (Scotland) Act passed into law in summer 2009
<b>Climate Change in Scotland Annual Report (2008/9)</b>	Annual update on progress in cutting emissions and addressing adaptation
<b>Climate Change Delivery Plan (2009)</b>	A precursor to the more detailed statutory report on proposals and policies that is to be produced in 2010 – this will set out plans for meeting annual targets up to 2022
<b>Changing Our Ways: Scotland’s Climate Change Programme (2006)</b>	The document set the framework to deliver carbon savings and to reduce Scotland’s vulnerability to climate change
<b>Adapting our Ways: Managing Scotland’s Climate Change Risks (2008/9)</b>	Two stage consultation to inform Scotland’s Climate Change Adaptation Framework



Analysis

This has been a landmark year in addressing Scotland’s carbon emissions following the enactment, with support from all main political parties, of a Scottish Climate Change Act. The Act is stronger than the initial Bill, most particularly in the setting of a more ambitious target for 2020 (see box below).

Scotland is a partner in the **UK Climate Change Act 2008** which achieved Royal Assent on the 26th November 2008. This establishes five year carbon budgets at a UK level and established the Committee on Climate Change to advise the UK and Scottish Administrations.

The Commission is strongly supportive of the Climate Change (Scotland) Act as a statement of real intent – it is now essential that the machinery is in place to ensure delivery. There are huge challenges facing Scotland in creating a reliable and sustainable energy system. We have to decarbonise not just our current electricity needs but also much of our transport and heating. We also face major challenges in securing energy supplies, in meeting the gap caused by the projected closure of some of Scotland’s main electricity generation plants, and in addressing fuel poverty.

The 2020 target poses an immediate challenge to Government. Work by both the Scottish Government and the UK Committee on Climate Change shows that the 42% target is feasible but requires policy to go beyond easy choices. In this context it is essential that the statutory report to be published next year sets out clear and effective emission reduction options for policy in every area. At present the

projections for transport emissions in particular do not align themselves with the ambition of the Act. Major challenges also face the Government in cutting emissions from heat and housing. The emissions of greenhouse gas from land use and land use change are significant in Scotland and must also be addressed.

In future the targets for GHG reductions, and the rapidity of emission reductions, may have to become more ambitious still. As the Government’s 2008–09 report on progress<sup>1</sup> notes, the International Scientific Congress on Climate Change held in Copenhagen in March 2009 stated that worse case scenarios forecast by the Intergovernmental Panel on Climate Change are being realised or exceeded and that there is a real threat of catastrophic climate change unless we see significant global action. It is also worth noting that Scotland’s consumption based emissions continue to rise – this must be turned around.

Given the evidence from the most recent climate research it is essential that a strong and binding global deal is agreed at the Copenhagen Climate Change Summit in December 2009.

Renewable Energy and Energy Efficiency

More than 20% of Scotland’s electricity is produced from renewable sources and it is likely the 31% target set for 2011 will be met, in part because the approval time for new renewable developments has shortened. The Commission believes the Government should be commended for this

and for the publication of its **Renewable Energy Action Plan** which provides an effective framework for future progress. There have also been positive steps taken on micro-renewables with a change in permitted developer rights and greater funding (£40.5 million over 2008–11) for community renewable and micro-generation.

Looking forward, there remain major challenges in decarbonising Scotland’s electricity supply given the predicted closure of most of Scotland’s large nuclear and fossil fuel plants and the uncertainties about how best to fill the gap left by them. Decisions will need to be made on the role of coal (see below) and also on strengthening the electricity grid both within Scotland and with our neighbours.

A consultation on an **Energy Efficiency Action Plan for Scotland** has now been launched. The Commission is disappointed by the significant delay in bringing forward this consultation but welcomes the overall vision set out in the document. A particular challenge will be ensuring that the aspirations of the plan are properly resourced. We will address this and other issues in our consultation response and will review the final Action Plan in our next assessment.

Coal and Carbon Capture and Storage (CCS)

In May 2009 the First Minister launched ‘**Opportunities for CO<sub>2</sub> storage around Scotland**’.<sup>1</sup> It states that Scotland’s offshore carbon storage capacity is greater than the Netherlands, Denmark and Germany combined and that the development of CCS in Scotland could have the potential to support 10,000 jobs.

The Commission, in our forthcoming **Coal Position Paper** and elsewhere, will undertake an appraisal of coal and CCS against the five principles of sustainable development. Our paper will set out a range of questions which we believe the Scottish and UK Government have to answer if we are to proceed with adoption of this technology as and when it is shown to work. We plan to publish this in early 2010 and to use as the basis for discussion with Government.

We are working with the Government in developing its ‘roadmap’ for CCS in Scotland – it is anticipated that this will be published in December 2009.

Carbon Assessment

Government has now published its **Climate Change Delivery Plan**, a **Carbon Account for Transport** and a **Carbon Assessment of the 2010 –11 Draft Budget**. All represent important contributions to the development of an effective framework for action.

The latter is the first such appraisal undertaken by any Government worldwide. The Commission is strongly supportive of this and the other mechanisms to align policy to carbon impact.

The Assessment shows the total carbon impact of the Budget to be 11.5MtCO<sub>2</sub>e (million tonnes of carbon dioxide equivalent) out of a total carbon footprint for Scotland

of 85MtCO<sub>2</sub>e in 2004. It therefore demonstrates that Government spend has a significant impact but that the achievement of climate change goals will require action at UK and European level as well as further engagement with the wider Scottish population.

The Scottish Government has also published research looking at how to develop appraisal guidance for Scotland to integrate the impact of emissions into the wider appraisal framework of Individual Level Assessments (ILAs). The findings of the report were based upon pilot reports on the carbon impact of individual policy areas and were published alongside the budget. It is these ILAs that will help integrate carbon into decision making across policy. We support the extension of such assessments across all Government portfolios as soon as practicable.

Further papers on the high level assessment will be published along with a detailed statutory report on policy options (required by the Climate Change Act) by summer 2010.

Behaviour Change

The **Climate Change Delivery Plan** acknowledged that the ambition of the Climate Change Act will require not just action on technology but also significant behaviour change. However it does not offer a clear vision as to how the Government intends to change behaviour.

There is clearly much work to do. The Scottish Environmental Attitudes and Behaviors survey of March 2009<sup>17</sup> showed that many people in Scotland felt the environment was a global rather than a Scottish issue. Two fifths felt that they did not know much about climate change with 35% of the population believing that their lifestyle did not impact on emissions.

While Government has taken some steps to inform the public on climate change, and has supported the innovative work of the **Climate Challenge Fund**, effective delivery of the Act will require development of new and innovative engagement processes in partnership with all parts of the community (see box overleaf). The Commission will engage with Government on this over the coming year.

Adaptation to Climate Change

The release of new **UK Climate Projections (UKCP09)** should enable public and private sector organisations to better plan for future climate risks although this will require adequate support and guidance in the use of the probabilistic scenarios provided in the new projections. It is important that the Scottish Government builds on this through the production of the planned UK climate risk assessment being developed with Whitehall and the other devolved Governments.

The Commission is pleased to see progress towards the development of an **Adaptation Framework for Scotland**. We will review this in our next annual assessment.

### The Climate Change (Scotland) Act 2009

On August 4th 2009 the Climate Change (Scotland) Act received Royal Assent. The Act includes commitments to:

- 80% emission cuts by 2050 in all greenhouse gases from the baseline year (1990–95). Scotland’s share of the emissions from international aviation and shipping are included in targets
- 42% cuts in emissions of all greenhouse gases by 2020 – there is power in the Act to review this figure based on evidence on the highest achievable interim figure
- Provide annual targets for emissions for each year from 2010 to 2050
- Report annually on progress
- Ensure that at least 80% of emission reductions between years are made as a result of domestic action

- Provide for the setting up of a Scottish Committee on Climate Change if required
- Address climate change adaptation
- Set out duties to promote energy efficiency and renewable heat, develop new building regulations and support permitted development rights for micro-renewables and waste
- Place a duty on public bodies to consider mitigation and adaptation
- Report on consumption based emissions.

**For more information see:**  
www.scotland.gov.uk/Topics/Environment/climatechange/scotlands-action/climatechangeact

Climate Challenge Fund

The 2008 launch of a £27.4 million fund supporting community level action to cut carbon emissions presents an unprecedented opportunity to see what investment in community level action can do to help Scotland reach the ambitious targets set in the Climate Change (Scotland) Act. Over 160 funded community projects, ranging in scale from bids of just a few hundred pounds to carry out community surveys to million pound plus projects aiming to achieve significant levels of behaviour change, are now underway.

Some of the most energetic communities are working with funding from a range of sources to integrate the goal of lower carbon living with wider concerns around sustainability. For example, **Zero Carbon Dunbar 2025**, aims to involve the whole community in transforming Dunbar into a zero carbon, sustainable community by 2025. As a founding member of the project team puts it,

the project is about engaging “*the collective genius of our community in creating a positive vision of a sustainable and resilient, zero carbon future.*”

The community aims to reduce total carbon emissions by 10% each year with an impressive short term goal of cutting 2.5 tonnes of CO<sub>2</sub> per household. This is mainly to be achieved by engaging with householders to achieve significant behaviour change in relation to energy use in the home. The project has set out to be visible and accessible. For example, it benefits from having a drop-in advice centre, the BeGreen shop, on the High Street. It offers home energy surveys which emphasise the benefits to householders of tackling fundamentals such as insulation and organises follow-up visits to support people in keeping to commitments made.

Recommendations for Government

- Publish the statutory report on proposals to meet Climate Change targets and address the lack of alignment between current policy and climate change objectives. This will require bold and radical decisions to be taken in some areas
- Develop an effective route map for any future development of Carbon Capture and Storage (CCS) in Scotland based on the principles of sustainable development
  - Develop an effective process for the engagement of the Scottish people in action on climate change.

What the Commission will do

- Monitor the evolving policy framework for climate change mitigation and adaptation and assess the extent to which policy aspirations are aligned to actions
  - Continue to work with Government to prepare a route map for carbon capture and storage (CCS) in Scotland. Our input will be guided by the Commission’s Position Paper on Coal
- Advise Government on how to develop an effective process for engaging stakeholders and the wider Scottish public in creating the behaviour change necessary to achieve climate change targets
  - Respond to the Energy Efficiency Action Plan consultation and review the final plan in our Fourth Assessment.

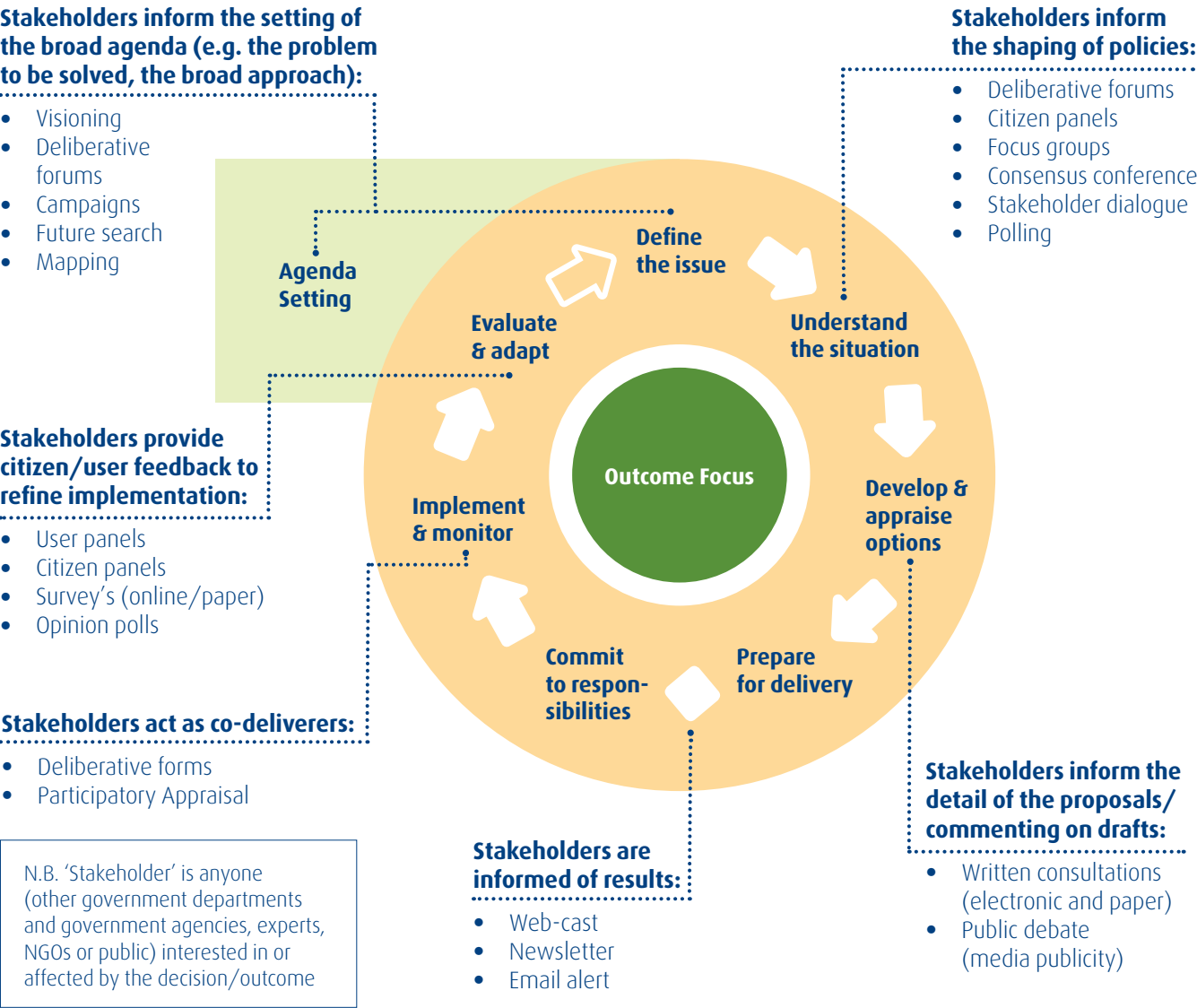
Cutting emissions through behaviour change

The nature of greenhouse gas emissions means dramatic reductions will affect the lives of every inhabitant of Scotland, changing the way we live and work, and making us look at our habits and routines. In short, achieving the Act’s targets will be a team effort never before undertaken in Scotland. The Commission believes this can only be done through a co-ordinated engagement process. Proper engagement is an investment which increases the **robustness** of the resulting policy, and the **likelihood of its implementation**.

Implementing the Act will require some tough policy choices. We believe the toughest decisions with the most political risks call for the greatest engagement. Processes must be framed to maximise creative solutions to complex problems, considering both the short and long term implications.

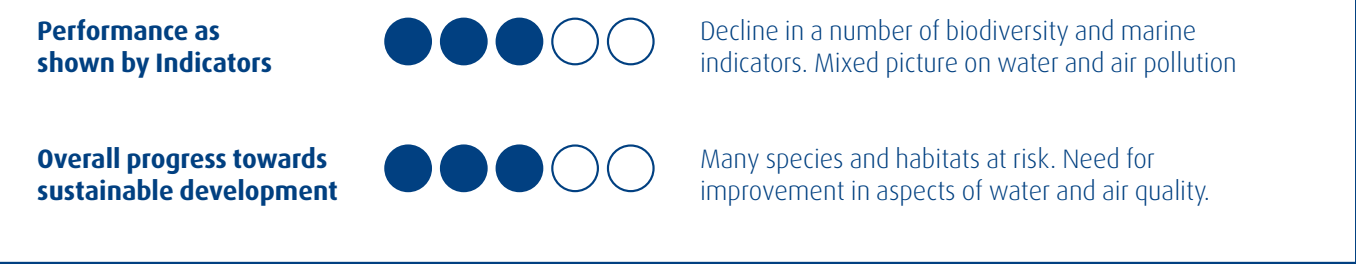
The figure below gives some examples of activities and how they can fit into a cyclical view of engagement around policy formation. Identification of each engagement activity’s role in the cycle is needed to clarify objectives, participants and engagement techniques.

Role of engagement in better policy decision-making





## 2.5.2 Natural Heritage and Resources



### Findings

- New data for Scotland’s ecological and carbon footprints shows that Scotland consumes more than twice its fair global share of the world’s resources and that our ecological and carbon footprints grew by 14% and 13% respectively between 1992 and 2006. Action must be taken to stabilise and then cut our footprint
- Significant strides have been made over the last year in developing the framework for marine issues in Scotland. Taken together the Marine (Scotland) Bill, the creation of Marine Scotland and the new Aquaculture Framework all offer the prospect of a more integrated approach to the management of our seas. The challenge will be to convert the vision provided into real improvements in ecosystem health, rapid growth in marine renewables and the creation of sustainable fisheries
- Improvements in the quality of our drinking water and our sewage/wastewater treatment have been achieved through a significant increase in energy consumption. Minimising the carbon impact of clean water presents a significant challenge.

### The Policy Framework

<b>Marine (Scotland) Bill (2009)</b>	Sets out a framework for the management of the seas around Scotland
<b>Draft River Basin Management Plan for Scotland (2008)</b>	Draft of plan for integrated catchment management, as required by the European Water Framework Directive. Final RBMPs for Scotland and Solway/Tweed to be published in December 2009
<b>Scottish Soil Framework (2009)</b>	Recognises the importance of soil to agriculture and wider land management in Scotland as well as to climate change
<b>Scottish Forestry Strategy (2006) and implementation Plan (2008–11)</b>	The Scottish Forestry Strategy sets out an overall vision for the sector
<b>A Fresh Start – The renewed Strategic Framework for Scottish Aquaculture (2009)</b>	Updates the approach to aquaculture setting future policy within wider economic, social and environmental objectives
<b>Sustainable framework for Scottish Fisheries (2005)</b>	Sets out how the Government intends to secure a sustainable future for Scotland’s sea fisheries

### Analysis

#### Ecological Footprint

In our last assessment we noted that Scotland’s ecological footprint far exceeds sustainable levels and that there are potential tensions between Government’s desire to reduce Scotland’s footprint and increase economic growth. We therefore welcome the Government’s inclusion of ecological footprint as an indicator in the National Performance Framework. New data (for 2006) on ecological and carbon<sup>18</sup> footprints has now been published. It shows that Scotland’s ecological and carbon footprints increased by 14% and 13% respectively between 1992 and 2006 and that we are consuming well beyond our fair share of global resources. Average annual growth in our ecological footprint was 0.9% between 1992 and 2006. Since 2003 there has been a 5% decline.<sup>19</sup> The largest contributor to our ecological footprint is food.

The data highlights the divergence between our domestic GHG emissions (which have declined since 1990) and our total carbon impact through our consumption of goods and services manufactured overseas. It supports the analysis of the Commission’s report *Prosperity without Growth*<sup>20</sup> which illustrates how little absolute decoupling of carbon and resource use from economic development there has been over the last two decades.

The challenge for Government is to stabilise and then reduce our ecological and carbon footprint. This will require action on infrastructure, policy and in encouraging behaviour change. The Commission believes the Government should prepare an Action Plan that sets out how our footprint can be stabilised and reduced over time.

#### Marine Policy

Marine policy has developed significantly over the last year. The **Marine (Scotland) Bill** was introduced to Parliament on April 29, 2009. It provides a framework for the management of the seas around Scotland, seeking to balance economic development with the need to protect the marine environment. At the core of the Bill is a new statutory marine planning system to sustainably manage the increasing, and often conflicting, demands on our seas. The Bill also provides for simpler licensing for new marine developments and new powers to protect the seas.

**Marine Scotland** was founded in April 2009 as a directorate of the Scottish Government. The Goal of the new directorate is *‘To manage Scotland’s seas for prosperity and environmental sustainability in order to promote sustainable economic growth and the achievement of our Marine Vision of clean, healthy, safe, productive, biologically diverse marine and coastal environments, managed to meet the long term needs of people and nature.’* This is underpinned by a series of objectives around marine policy and planning, renewable energy and fisheries.

The new legislation and the establishment of Marine Scotland both represent positive steps in developing a more coherent and integrated approach. The test for the new agency will be to resolve tensions between conflicting interests while effectively delivering a healthy marine environment, sustainable fish stocks and aquaculture and the necessary expansion of marine renewables.

Aquaculture is an industry of economic importance to Scotland but one which has suffered from concerns about health and environmental impact. A new aquaculture framework – **Fresh Start** – was launched in 2009. It provides a vision for aquaculture focused on producing a quality product, living within environmental carrying capacity and supporting local communities.

The Framework also includes new governance structures following some criticism of the **Ministerial Working Group on Aquaculture (MWGA)**. The aim of the new MWGA is to drive progress on priorities and outcomes in the framework. It is smaller and more focused with a champion for each theme and with an intention to involve other stakeholders more. The Commission believes the new Framework and Working Group offer a better structure for delivering a sustainable approach to aquaculture although much will depend on how the new approach is delivered in practice.

#### Water, Air and Soil Quality

The **Scottish Soil Framework** was published in May 2009. It recognises the importance of Scotland’s soils economically and environmentally and the challenge that climate change poses. The production of a Soil Framework for Scotland is a positive move and the document itself is balanced in its approach.

As required under the Climate Change (Scotland) Act, the Government is also committed to preparing a **Land Use Strategy** covering all of Scotland, urban and rural. The development of such a framework is vital. It should enable a balanced approach to addressing the competing pressures on land (for example between food production and carbon storage) and must be aligned fully with the principles of sustainable development and the National Planning Framework.

The Government is also committed to publishing a final **River Basin Management Plan (RBMP)** for Scotland and another one for the Solway and Tweed catchments. Required under the European Water Framework Directive (WFD) these are due to be published in December 2009. The Commission is supportive of the integrated approach to catchment management required under the WFD. We will review the final plans in our next assessment.

The wider picture as shown by soil, water and air indicators is mixed. Industrial emissions have declined but local air quality has not improved and still remains outside

# The latest data on species and habitats shows that around one in five species and one in three ecosystems in Scotland are in decline.

target values (see Indicators report on SDC Scotland website for more). Audit Scotland is due to publish a review of air quality, the water environment, biodiversity and waste in early 2010 which will provide an appraisal of performance against targets in these areas.

There are major challenges facing Scottish Water in addressing the tensions between its water quality objectives and the need for radical cuts in greenhouse gas emissions.

### Rural Development and Land Management

The creation by Government of a single integrated rural development programme can be seen as a positive step in principle – although much rests on the way the funds are distributed. A review of the programme in May 2009<sup>21</sup> suggested that the programme should consider how to respond to the economic downturn and to climate change, particularly with regard to targets for new woodland and renewable energy. The Government has accepted the recommendations made in the review but there are challenges in ensuring that action on the ground matches the

Government’s ambitions for forest cover and clean energy. As noted above it is important that the planned Land Use Strategy addresses these issues in a way that maximises sustainable outcomes.

### Biodiversity

Some indicators of biodiversity show a positive trend but the overall picture on ecosystem and species health still presents cause for concern. The indicator of terrestrial breeding birds has improved. The percentage of protected sites in favourable conditions is also up though still well short of target. Latest data on species and habitats shows that around one in five species and one in three ecosystems in Scotland are in decline.

Some positive steps have been taken in seeking to integrate biodiversity with wider development. In particular the inclusion of the Central Scotland Green Network in the **National Planning Framework** is welcome. Despite this more could be done to integrate biodiversity into all new developments and to ensure that an ecosystems approach underpins all planning (see box below).

## Ecosystem services

Natural ecosystems provide huge economic benefits to communities in Scotland and across the planet. In recent years attempts have been made to quantify these benefits. Key benefits include nutrient recycling, food production, water regulation, waste treatment and cultural benefit. A report by Scottish Environment Protection Agency in conjunction with consultants Fim Crichton Roberts and the University of Dundee<sup>22</sup> estimates that the total value of Scotland’s ecosystem services is over £17 billion per annum – compared to around £20 billion from all manufacturing. A huge proportion of this value derives from the marine environment but considerable value is also provided by lochs, rivers and land management.

The value of these services must be properly reflected in Government land and marine management strategy and also used in assessing the overall impact of individual planning decisions.

For more information see European Environment vol.13: no.2

## Recommendations for Government

- Stabilise and then reduce our ecological and carbon footprint. This will require action on infrastructure, policy and in encouraging behaviour change. The Commission believes the Government should prepare an Action Plan that sets out how our footprint can be stabilised and reduced over time
- While positive steps have been taken to better integrate ecological principles into Government policy much remains to be done. The Government should move to integrate ecosystems thinking and fully reflect the value of ecosystem services into all aspects of policy, particularly planning.
- The water industry has a large carbon footprint caused by the treatment processes associated with improved drinking water quality and waste water treatment. To meet Scotland’s carbon targets significant action is required to cut this carbon footprint

## What the Commission will do

- Work with the Scottish Government to advise on how Scotland’s footprint can be reduced
- Continue to advise Government on the full integration of sustainability principles into national and local planning.



2.5.3 Waste

Performance as shown by Indicators

Recycling rates continue to rise and biodegradable municipal waste arisings are declining

Overall progress towards sustainable development

Strong progress on recycling, less on waste minimisation. Major challenges ahead if Zero Waste ambitions are to be met

Findings

- The scope of the Government’s draft Zero Waste Plan is ambitious. It sets higher recycling and composting targets and widens the focus of action on waste beyond recycling and beyond municipal waste
- Scotland’s performance on municipal waste recycling continues to improve with latest figures showing that 34.3% of municipal waste is now being recycled or composted (2008/9). The level of municipal waste going to landfill continues to fall
- Waste could play a role in meeting targets for renewable heat and more work is required to quantify this potential. The Commission is currently undertaking research on this issue for the Scottish Government.

The Policy Framework

<b>National Waste Strategy (1999)</b>	Scotland’s approach to waste management stems from this strategy which was published by SEPA and adopted by the Scottish Executive in 1999
<b>National Waste Plan (2003)</b>	This established the direction of the Scottish Executive’s policies for sustainable waste management
<b>Household Waste Prevention Action Plan (Scotland) (2007)</b>	Sets out actions that will be taken to stop the growth in municipal waste by 2010 and then reduce it thereafter
<b>Business Waste Framework (2007)</b>	Sets out how the Scottish Government will encourage greater reduction, reuse and recycling in business
<b>SEPA’s Thermal treatment of waste guidelines (2009)</b>	Update to the 2004 guidelines and sets out SEPA’s approach to permitting thermal treatment of waste facilities in its role as a consultee to the land use planning system
<b>Climate Change (Scotland) Act (2009)</b>	Sets targets for greenhouse gas emission reductions, and Part 5.5 gives the Scottish Government a new set of enabling powers related to waste which could be used to promote waste prevention and re-use, as well as improving separate collection of waste
<b>Climate Change Delivery Plan (2009)</b>	Outlines measures required to reduce emissions from waste by 1.0 MtCO <sub>2</sub> e by 2020 against 2006 levels of 2.5 MtCO <sub>2</sub> e
<b>Zero Waste Think Tank report (2010)</b>	Report of the advisory group set up to advise on Government policy. Paper to be published in early 2010
<b>Scotland’s Zero Waste Plan (2009)</b>	Consultation on the draft plan which will replace existing waste policy documents. Final plan due in 2010

Analysis

With the publication of a draft **Zero Waste Plan**, the Scottish Government has signalled a commitment to tackling waste in a more co-ordinated way. The Plan builds on the work of a number of advisory groups including the **Zero Waste Think Tank** that sat in 2008/09 and made a series of recommendations to the Government. The Commission’s Vice Chair, Prof. Jan Bebbington, was a member (in a personal capacity) of the Think Tank.

The Cabinet Secretary’s statement to the Scottish Parliament in January 2008 outlined what the Government meant by ‘zero waste policy’.<sup>23</sup> The draft Plan provides a strategic framework based on this statement.

The Plan reiterates higher targets for municipal recycling and composting of 70%, affirms a 25% cap on municipal energy from waste, and caps use of landfill at 5% (all by 2025). It also maintains the aspirational target of no growth in municipal waste beyond 2010, and considers a target to reduce the amount of commercial and industrial waste going to landfill by 150,000 tonnes a year.

The Plan is intended to replace the existing National Waste Plan, the Household Waste Prevention Action Plan and the Business Waste Framework.

As part of its work on Climate Change, the Scottish Government has also considered the role of waste. The **Climate Change (Scotland) Act** includes provisions

to give the Government the power to regulate over a number of waste areas, including provision of information, packaging reduction targets, deposit and return schemes and carrier bag charging. In the related **Climate Change Delivery Plan**, the Scottish Government outlines measures to reduce emissions from waste from 2.6 MtCO<sub>2</sub>e (2006 level) to 1.5 MtCO<sub>2</sub>e by 2020.

Waste performance against targets is positive. In 2008/09 34.3% of municipal waste was recycled or composted. Waste being sent to landfill also fell from 1,369,614 tonnes in 2007/08 to 1,255,718 tonnes in 2008/09.<sup>24</sup>

Our Second Assessment concluded that the Business Waste Framework and Household Waste Prevention Action Plan (Scotland) relied too heavily on voluntary action. We are therefore pleased to see that the Scottish Government is giving these issues greater priority by considering them as part of the Zero Waste Plan. In particular we are pleased to see that Government is considering setting targets for reducing municipal and commercial/industrial waste, considering a target for limiting the amount of commercial and industrial waste going to landfill, and carrying out further work to investigate the introduction of landfill bans for specific materials. We are also pleased to see that the climate change, energy and waste divisions of the Scottish Government are working together in a more coordinated way, an issue that was also highlighted in our Second Assessment.

Binn Farm Eco Park

One Scottish site is already taking the lead in demonstrating what a ‘Zero Waste’ approach to industry means. The Binn Eco Park, established in April 2009, is the first eco-innovation park of its kind to be established in Scotland. The eco park is based on three major industries:

- waste resource management and remanufacturing from recovered materials
- renewable energy production
- food production

Situated on a large, well established, integrated waste resource management facility the focus is on the production of raw materials from waste and the manufacturing of products from recovered materials. The site will also be a renewable energy centre that will produce energy from a range of sustainable technologies including gasification, anaerobic digestion, micro hydro and third generation bio-fuels that do not involve taking agricultural land out of food production. The waste heat from each of these processes will provide heating to the businesses on the park as well as enabling the creation of controlled environments for local food production and other plant based industries.

**For more information see:**  
[www.sita.co.uk/community/working-with-the-community/proposals-and-exhibitions/binn-farm-resource-recovery-park](http://www.sita.co.uk/community/working-with-the-community/proposals-and-exhibitions/binn-farm-resource-recovery-park)

# We need a transformation of our production and consumption patterns to make them sustainable.

In December 2007, the Commission provided advice to the Scottish Government on energy from waste in its report **A Burning Issue**. Many of the recommendations within this report are now being taken up. We are supportive of the new Thermal Treatment Guidelines that set high efficiency criteria for new waste plants, and we will be monitoring how these Guidelines are used in decisions on future waste plants throughout Scotland. The Scottish Government has announced policy to cap use of energy from waste for municipal waste treatment, and is now consulting on how to apply this cap. For example, Government is proposing that treatment by anaerobic digestion be excluded from this cap, something that is supported by the Commission.

In 2009, the Commission provided advice to the Scottish Government on renewable heat.<sup>25</sup> From this work, it is clear that energy from waste will play a limited role in providing for future heat needs. Our renewable heat work also showed that there is a lack of clarity over levels of waste that could be used to provide heat, and the expected thermal contribution

of these wastes. The Commission is currently looking into this issue in more detail for Government and will report separately on this.

To conclude there has been significant progress on waste policy over the last year based around a new vision that is far closer to a sustainable view of future policy. To deliver this vision of a truly sustainable waste policy far greater action is required, not just from Government, but from all parts of Scotland. What is required is a transformation of our production and consumption patterns to make them sustainable (see box on Binn Farm for an example of what can be achieved). While many of the policy levers for this are reserved to Westminster, the Scottish Government can lead the way in promoting closed loop production systems and more sustainable consumption patterns through action on behaviour change.

## Recommendations for Government

- Follow through on the Zero Waste Plan consultation to deliver a strong and clear Plan which maintains the draft's emphasis on minimising the impact of waste across all sectors by treating it as a resource
- Look in more detail at what contribution waste could make to renewable energy needs, both through gathering better waste data and through considering how application of SEPA's Thermal Treatment Guidelines will incentivise higher efficiency schemes in the future.

## What the Commission will do

- Continue to work with Government to help deliver its broad aspirations on Zero Waste and its work in specific areas such as energy from waste. We will be reporting to Government on energy from waste.

# 3. Leading By Example



The Glenturret Distillery, home of the Famous Grouse, uses fast-growing algae to absorb the CO<sub>2</sub> given off by the production of whisky. The Scottish Bioenergy pilot scheme passes the CO<sub>2</sub> through a collection of bioreactors turning it into useful fuel. Traditional Carbon Capture and Storage (CCS) or transports the CO<sub>2</sub> to underground sites for indefinite storage. This first bioreactor in Britain will show whether CO<sub>2</sub> and algae can create new economic opportunities. The process of algae carbon capture and sequestration is one of the SDC's Breakthroughs for the 21st Century

For more information see [www.scottishbioenergy.co.uk/news](http://www.scottishbioenergy.co.uk/news) [www.sd-commission.org.uk/pages/breakthroughs.html](http://www.sd-commission.org.uk/pages/breakthroughs.html)



# 3. Leading By Example

## Findings

- Performance in some key areas of estate management was poor in 2007/8. Of particular concern was the increase in greenhouse gas emissions from both buildings and transport over the previous year. Given the Government’s commitment to leadership through the Climate Change (Scotland) Act this situation must be turned around
- The Government has joined the Carbon Trust Carbon Management Programme. This provides a clear framework for action and it is hoped this will put carbon emissions back on a downward trajectory
- No progress was made in the last year against the water target. The achievement of the reductions needed by 2011 must be in doubt
- The Government’s waste record is good. Recycling rates remain high despite a slight fall in 2007/8. More importantly there was a significant (17%) cut in waste arisings over the previous year
- Current performance strengthens the Commission’s view that the Scottish Government should develop a framework for Sustainable Operations in the Government Estate (SOGE) and establish an equivalent to the Sustainable Development in Government (SDiG) process used in Whitehall. We welcome the Government’s interest in exploring this and hope to engage further over the coming year
- In our last annual report the Commission welcomed the establishment of high level *Leading by Example* groups for Government and the wider public sector. The Government’s internal High Level Group (HLG) has met three times and is developing a broad programme of action. There has been less progress with the external HLG but it is hoped that both can transform the commitments made into effective outcomes.

## Introduction

The last 12 months have seen a Government commitment to ‘Zero Waste’ and the passing of the Climate Change (Scotland) Act that includes a commitment to a public sector duty. All Government is also now operating within a more constrained financial context. Both the need for efficient operation and the need to minimise environmental impact require Government to reduce resource use. Government is rightly expected to lead on this agenda.

In this chapter we appraise both the corporate approach to sustainability and the success the Government has had in meeting the environmental targets set for its operations. Our review of current performance is based on data for 2007/8, the year covered by the Government’s most recent Environmental Report. We also comment on actions that have been put in place more recently which are intended to help support improved performance.

## The Government’s approach to Corporate Sustainability

The Scottish Government has significant direct and indirect impacts through its resource use, the behaviour of staff and the procurement decisions it takes. More widely, the Government has a role in influencing the action of the whole public sector in Scotland which taken together employs a significant portion of the Scottish population and which spends over £8 billion per annum on goods and services. The Government has for a number of years set targets for its corporate environmental impacts and reported annually on progress. We review progress against environmental targets below.

In our last annual assessment we proposed that Government should adopt the **Sustainable Development in Government (SDiG)** approach, already used by the UK Government and under development by the Welsh Assembly Government. The Commission believes that SDiG offers a model that could help the Government make better progress against its objectives (see box), building on the structural changes already undertaken by Government. We are encouraged by the Government’s interest in SDiG and the development of a Sustainable Operations in the Government Estate (SOGE)

framework. Over this year we hope to work with Government to develop such an approach.

In addition to annual environmental reporting, the Government established its **Leading by Example Programme** in May 2007. Two high level groups, one internal, one external, have been established to encourage better corporate performance in Government and across the public sector. The groups have received high level backing, being personally chaired by Permanent Secretary Sir John Elvidge. To date the internal High Level Group has met three times and agreed a range of actions (the external group has met twice). This high level commitment is welcome – we hope it can be translated into effective outcomes.

Government has also established an operational level Leading By Example group involving environmental managers from Government and key public bodies (including the Sustainable Development Commission Scotland) which meets regularly.

Government has published its **Travel Plan** backed by a full time co-ordinator. Despite the Plan being reasonably ambitious, performance on transport has been mixed. While recent years have seen a significant reduction in flights by Government staff there has been a growth in car use and a lack of progress in boosting cycling by staff. Because of this missed performance the Commission welcomes the review of the travel plan that is currently underway.

In terms of wider influence there has been positive action on health but further delays in the development of an effective sustainability framework for procurement.

The **Scottish Sustainable Procurement Action Plan (SSPAP)** was launched in late October 2009. The Commission is disappointed by the long delay in producing this report, though we recognise that this was because of a desire to strengthen the plan.

The SSPAP will provide a methodology and guidance for the embedding of sustainable procurement across the Scottish public sector and the development of organisational Delivery Plans to help achieve this. The Plan outlines sustainable behaviours and encourages organisations to self assess against the *Flexible Framework* benchmarking tool. Sustainability Best Practice Indicators (BPis) are being introduced in parallel with the SSPAP to assist public sector organisations gauge their progress. These actions are complimented by the introduction of the Procurement Capability Assessment which assists organisations to comprehensively benchmark their procurement capabilities and define improvement plans.

In parallel to developing the SSPAP, the Scottish Government has promoted the adoption of the ‘Quick Wins’ standards (sustainable specifications for commonly procured products) and issued a Scottish Procurement Policy Note, across the public sector, to this effect in October 2008. The Commission hopes that, taken together, these actions can help bring about a step change in the sustainability of procurement in terms of outcomes. We will review progress on this in future Assessments.

## A Sustainable Development in Government (SDiG) Process for Scotland

The Sustainable Development Commission (SDC) is the UK Government’s independent adviser on sustainable development and in Whitehall has a duty to report on government’s own sustainability performance. The Commission’s annual Sustainable Development in Government (SDiG) report, assesses government operations and procurement practices. It sets out how well the government is meeting its targets and highlights future challenges for government.

[www.sd-commission.org.uk/pages/sustainable-development-in-government-sdig.html](http://www.sd-commission.org.uk/pages/sustainable-development-in-government-sdig.html)

Through involvement in SDiG for a number of years the Commission believes that it offers an effective mechanism for delivering high performance. Among its advantages are:

- Independent scrutiny of progress, a vital part of a good governance model
- Detailed recommendations for improvement and capacity building
- Proven performance management model which drives further performance improvements
- Links well to government’s Leading By Example agenda
- Potential to roll-out to wider public sector
- Ability to benchmark against Whitehall departments (and perhaps Welsh Assembly Government).

Positive action is taking place on health where Government has funded a Scottish **Good Corporate Citizenship Assessment Model (GCCAM)**. Supported by Government, Health Facilities Scotland and the Commission, this programme is designed to build on the good work already undertaken in the Scottish health service to deliver a truly joined up approach to corporate working that encompasses

economic and social issues as well as environmental management. The Commission believes that GCCAM provides a model that could be easily transferrable to other areas of the public sector. We hope to engage Government in further discussion on this over the coming year.

Review of Progress against Environmental Objectives

Progress against the corporate environmental objectives set for Government was not good in 2007/8 (Table 2). Performance on building energy and on road transport was particularly poor, with the passing of the Climate Change (Scotland) Act emphasising further the disconnect between Government aspirations on greenhouse gas emissions and the actual example being set. No further progress was made in improving water efficiency on the Government estate. More encouraging was waste management, where recycling rates remain high and more importantly the total waste produced by Government fell significantly. It is not always possible to directly compare Scottish Government performance to that of the UK Government. However a review of those targets where comparison is possible shows that in general Whitehall performed better

over the last year than the Scottish administration. In recognition of the lack of progress on energy and carbon the Government has now joined the **Carbon Trust’s Carbon Management Programme**. This provides a clear framework for action and has identified actions which together could achieve a 30% cut in emissions. The Commission hopes that the Government’s current review of its Travel Plan will address negative transport trends and encourage further active travel and use of public transport. The Commission also welcomes the recent increase in staff support for Leading by Example work. This is a broad and demanding agenda and we do not believe that adequate staff support has been provided in the past.

Table 2: Summary of Review of Performance of Government Estate

Aspect of Estate Management	Performance against target	Performance in relation to Whitehall	Comments
Environmental Management System	The Government’s aim is to produce a corporate level Management Review using Greencode software by the end of March 2010	N/A	The original target was to establish Environmental Working Groups and implement the EMS at all 14 target buildings by March 2007. This target was missed and a new target set for March 2008. In the end 12 buildings did establish Working Groups by this date – the two that did not are buildings which the Government plans to vacate in the near future

Aspect of Estate Management	Performance against target	Performance in relation to Whitehall	Comments
Energy	<p>Target is to cut emissions by 12.6% by 2011 from a 1999/2000 baseline</p> <p>In 2007/8 energy related CO<sub>2</sub> emissions were 2.5% higher than the year before and only 2.2% below levels in the base year of 1999/2000</p> <p>The Government also has a longer term target to cut emissions by 30% by 2020</p>	<p>Whitehall performance has been better. Since 1999/2000 UK Government departments have cut emissions by 6.3% and made significant progress over the last year</p>	<p>Performance on energy in the last year has been poor with emissions increasing. Overall there has been no improvement in emissions since 2000/1 and on current trends the Government will not meet its 2011 target</p> <p>Emissions from electricity use fell over the last year but those from direct fossil fuel use rose by 15%</p> <p>The Government has now joined the Carbon Trust’s Carbon Management Programme which will provide a proper framework for action on emissions</p>
Waste	<p>The Government achieved a waste recycling rate of 76% in 2007/8. This is a fall of 2% on the year before and is below the 80% target set</p> <p>The Government has also committed to cut waste arisings by 10% by 2011 using this year (2006/7) as a baseline</p> <p>In the longer term the aspiration is to reduce waste arisings by a quarter by 2020</p>	<p>UK Government departments have a far lower recycling rate (35%) than the Scottish Government. Over the longer term they have performed better than the Scottish administration in cutting waste arisings (achieving a 28.8% reduction since 1999/2000 ) but less well over the last year</p>	<p>The recycling rate achieved (76%) represents a modest fall on the previous year but falls short of the Government’s target</p> <p>More important from a sustainable development perspective is the need to reduce waste generated. On this measure the Government is performing well – waste arisings in 2007/8 were 17% below the previous year which in turn were 11% down on the year before. Waste generated per staff member also fell. This is a welcome trend following an increase in waste of 18% in 2004/5</p> <p>The Government is now able to calculate the greenhouse gas emissions from its waste</p>

Aspect of Estate Management	Performance against target	Performance in relation to Whitehall	Comments
<b>Water</b>	<p>The Government aim is to cut water per person per year to 5.5m<sup>3</sup> by 2020. The 2005 baseline figure was 7.37m<sup>3</sup></p> <p>Consumption per person rose slightly in 2007/8, up to 6.84m<sup>3</sup> from 6.79m<sup>3</sup> in 2006/7. Taking into account margin of error this represents a static position. It is not clear why this has been reported in the Government’s official performance report as positive performance</p>	<p>Targets set by the Scottish Government are expressed differently to those in Whitehall. The UK Government has revised its target and now aims to reduce office water consumption by 25% by 2020. Whitehall has cut overall water use by 17.8% since the baseline year of 2004/5</p>	<p>As noted in the first column, consumption per person is broadly stable, rising slightly in 2007/8 to 6.84m<sup>3</sup> from 6.79m<sup>3</sup> per person in 2006/7</p> <p>It is not clear why this has been reported in the Government’s official performance report as positive performance. Overall water consumption is significantly down from the 8.40m<sup>3</sup> per person recorded in 2002/3 but more concerted action is required to meet the target</p>
<b>Transport and Travel</b>	<p>Target is to cut carbon emission from travel by a fifth by 2011 and by 40% by 2020 against the 2005/6 baseline</p> <p>Emissions over the last year have increased by 6%</p>	<p>Whitehall has cut road vehicle emissions by 10.3% from 1999/2000 and has made impressive progress since 2006/7 when emissions actually rose by 1.5%</p>	<p>Travel performance has been disappointing in the last year following several years of positive trends. The Government continues to make progress in cutting flights but this has been more than offset by a rise in the use of private cars for work. This must be addressed through further action around the Government Travel Plan</p>
<b>Carbon neutrality</b>	<p>Government has targets to ensure the core Government estate is carbon neutral by 2012 and to fully offset emissions from business travel</p>	<p>Target is the same as for Scotland</p>	<p>Since 2006 the Scottish Government has charged a carbon levy for specific areas of corporate travel to allow investment in appropriate projects to offset all emissions relative to business travel</p> <p>The Government has recognised that any carbon offset must be undertaken within a framework where the priority is to reduce emissions. The Commission supports this. The administration holds ‘banked’ credits from flights and road transport and is deciding at present what to do with these. The Commission believes that any action taken to offset the emissions must be equivalent to the VALID principles agreed to by the UK Government with Scottish Government involvement</p>

Aspect of Estate Management	Performance against target	Performance in relation to Whitehall	Comments
<b>Biodiversity</b>	<p>The biodiversity target, to undertake inventories of flora and fauna at all 14 target buildings by March 2007, was achieved as far as possible</p>	<p>N/A</p>	<p>Government has undertaken a range of actions to promote biodiversity across the estate</p>
<div>Recommendations for Government</div>			
<ul style="list-style-type: none"> <li>Work to address the areas of poor performance – energy and transport</li> <li>Work to ensure a more rigorous approach to sustainability reporting, in particular in reporting the environmental performance of the Government estate</li> <li>Ensure that the internal and external Leading by Example groups build on their work to date to deliver positive outcomes on corporate performance in Government and across the public sector</li> </ul>			
<ul style="list-style-type: none"> <li>Assess the staff resources allocated to supporting corporate action on the environment. While these resources have been recently increased they remain small given the task in hand and the potential for significant financial and environmental benefits</li> <li>Together with the Public Procurement Reform Board and the Procurement Centres of Expertise, promote effective adoption of the Scottish Sustainable Procurement Action Plan across all public bodies.</li> </ul>			
<div>What the Commission will do</div>			
<ul style="list-style-type: none"> <li>Advise on the introduction of a SOGE equivalent framework and Scottish SDiG process for Government estate management</li> <li>Maintain our support for the GCCAM work with NHS Scotland and explore with Government the potential for a similar approach across the public sector</li> <li>Monitor progress on the sustainability of procurement as reflected in Delivery Plans across the public sector.</li> </ul>			



## 4. Conclusions



Fintry residents are proud to have their name on the community wind turbine. The community has been hailed as the greenest in Scotland after a programme of energy efficiency and insulation measures was funded by revenue from the community owned wind turbine. 2.4 million tonnes of CO<sub>2</sub> could be saved every year if similar schemes were rolled out across Scotland.

**For more information see**  
[www.fintrydt.org.uk/](http://www.fintrydt.org.uk/)  
[www.sd-commission.org.uk/pages/energy.html](http://www.sd-commission.org.uk/pages/energy.html)

# 4 Conclusions

Our previous Assessment was published as the world entered a period of economic turbulence. The past year has therefore been a challenging one for the Scottish Government as it has been for administrations around the world.

Looking forward, the next few years also present challenges. Constraints in public finances will lead to pressure on budgets for years to come. At the same time we require rapid cuts in greenhouse gases and resource use and also concerted action to reduce inequality and ill-health and improve quality of life.

The Commission believes that the embedding of sustainable development across Government and society is not just a necessity (in terms of addressing pressing environmental challenges and enhancing wellbeing); it is also the only effective framework for the delivery of positive outcomes in a joined-up and efficient way. Now

more than ever, sustainability is the answer. The challenge for Government is ensuring that it uses a sustainable development approach that gets to the nub of problems and promotes long term solutions rather than short term quick fixes.

Throughout this report we have highlighted work the Commission is undertaking that can help provide the integrated solutions needed. This work ranges from behaviour change to effective transport planning to public health, providing tangible examples of what can be done. We hope to continue to engage with Government over the coming year, embedding these principles further into all work of the administration.

So, in conclusion, what progress has the Scottish Government made in the last year?

## Indicators

Indicators show modest improvements in some areas. Renewable energy continues to grow and some business and education indicators also show positive trends. However many public health indicators are still poor, some areas of economic performance are weak and there is no evidence of a narrowing of the gap between highest and lowest earners. Greenhouse gas emissions are down by over 6% in the last year (2007) but long term trends on emissions are far below what the Government requires to meet the Climate Change (Scotland) Act.

As noted in our Second Assessment there remain important gaps in the indicator set. We are also disappointed that baseline data has not yet been provided for a number of National Performance Framework indicators.

## Policy and Strategy

The current administration has continued to develop policy and strategy in a range of areas, most notably around social inclusion, climate change, marine/fisheries and waste. New policy and strategy aspirations have been broadly consistent with sustainable development, with the five strategic priorities (Healthier, Greener, etc) providing a useful framework that ensures greater coherence to policy across Government. While there is greater consistency in policy and strategy, there

still remains a significant gap between aspirations, action on the ground and outcomes as shown by indicators. Areas such as health and climate change show that radical change is required if we are to create desired results. Action must be bold and based upon a fundamental shift in approach. It will require far greater integration – for example linking planning, housing, education, food, transport, social, economic and health policy to create healthier outcomes.

## Five Challenges for Government

In our last Assessment we set five challenges for the Government. These reflect what we believe are the priority areas for action to move Scotland on to a more sustainable path over the coming years. Progress over the last year on our challenges is assessed below.

### Challenge One

**Provide greater clarity over the way in which sustainable economic growth is to be pursued, its relationship with sustainable development and how it is supported by the performance framework**

In our Second Assessment we evaluated the Government’s Economic Strategy. Our conclusion was that, while the Government’s Purpose is potentially compatible with sustainable development there are inherent tensions between growth (as defined by GDP) and wider economic, social and environmental outcomes.<sup>26</sup> Over the last year this has been recognised by the Government’s Council of Economic Advisors. While care must be taken not to extrapolate too much from short term trends, there has been a divergence in the Government’s Purpose Targets: latest figures show greenhouse gas emissions are down but GDP and some social indicators show a negative trend.

At the wider scale the latest footprint data shows that Scotland’s overall impact in terms of our consumption has grown since 1992 due to our greater sourcing of goods from abroad. The Commission’s **Prosperity without Growth?**<sup>20</sup> report explores these issues in more depth and suggests some first steps that Government could take to promote a sustainable economy.

The last year has seen significant progress by Government in appraising the carbon impact of decisions – much more however needs to be done. The **Economic Recovery Plan** also contains many positive elements and the Government and Enterprise Agencies are also showing a greater interest in clean technologies.

Despite the Government’s over arching purpose being to ‘let Scotland flourish’ many aspects of economic policy are still centred on economic growth as opposed to well-being and wider sustainable outcomes. Government must address this, and also adopt further economic indicators that help show wider policy outcomes. More fundamentally, Government must look further at alternatives to growth-based economics. While limited in terms of economic powers, the Scottish Government has the potential for leadership on new economics.

### Challenge Two

**Enact a Climate Change Bill and associated delivery framework that moves Scotland to a low carbon economy over a short time horizon**

Scotland now has the most ambitious climate change legislation in the world. This is something for which the Scottish Government and Parliament should be congratulated. Our challenge to deliver an effective Climate Bill has been met.

Equally importantly, Government has made significant progress in developing a delivery framework for the Climate Change (Scotland) Act – this has included the publication of a carbon assessment of the draft 2010/11 budget, the Climate Change Delivery Plan and a Carbon Assessment of Transport. Further work is ongoing which will lead to the development of a statutory plan by summer 2010 setting out detailed policy options.

The Government should be commended for devoting significant resources to these tasks. The work that has been undertaken has often been the first of its kind undertaken anywhere.

The 2020 target of a 42% reduction in greenhouse gas emissions will require radical action in all areas of policy. Developing integrated approaches to policy can help deliver more effective outcomes on climate change while ensuring that objectives are delivered in a way consistent with wider sustainable development. The latter point is critical; vital though climate change action is, it must be undertaken in a way that also delivers better outcomes across policy portfolios.

### Challenge Three

**Recognise the growing problem of fuel poverty and renew its efforts to tackle fuel poverty**

As we suggested in our last assessment the recommendations of the Fuel Poverty Forum have been taken up in full by the Government. Establishing a new **Energy Assistance Package** is at the heart of these recommendations. The Package is a four stage process that aims to better coordinate provision of advice and support, and ensure that measures are targeted on those most vulnerable to fuel poverty.

Initial take up of the package has been low, and further action by Government is required to encourage adoption. Of greater concern is resourcing. Support for action has increased but, based on the Parliament’s analysis, current levels of funding are unlikely to meet the Government’s own 2016 target. This will not help the Government to cut domestic



greenhouse gas emissions at the rate required in the Climate Change (Scotland) Act. Reallocation of resources is required. Tackling fuel poverty is an area with huge economic, social and environmental benefits and should be a priority for Government spend.

The finalised Energy Efficiency Action Plan must be backed by resources that are sufficient to deliver a radical improvement in domestic energy performance

Challenge Four

Build the right infrastructure to foster sustainable development actions and choices

The framework for planning in Scotland has undergone significant change over the period since our last assessment. In our previous report we were critical as to the balance of National Projects within the then draft Second National Planning Framework (NPF2) and the lack of carbon appraisal of projects. We therefore welcome the changes made by Government in developing the final NPF2 – changes which address many of the issues we raised. The last year has also seen the development of a new integrated Scottish Planning Policy (SPP). Again we have engaged with Government and are pleased that the SPP now better addresses sustainable development and emphasises its importance to all planning.

Our fundamental concern relates to the disconnect between national guidance and some local planning action. We accept that the nature of the process means change to local policy takes time – however radical change is required if we are to create sustainable, integrated communities

that promote health, wellbeing and low resource use living. Further action is required by Government to engage with Local Authority/City Region planners on this. Government targets on climate change, health and quality of life will not be achieved unless change happens.

Challenge Five

Use the power of the public sector spend to deliver more sustainable outcomes

Public sector expenditure on goods and services in Scotland is vast – around £8 Billion every year. The choices made in procurement therefore have significant impacts – good or bad – on local economies, on society and on the environment.

The delivery of sustainable procurement requires an effective framework to guide purchasing decisions. In our last annual Assessment we noted that Government was committed to publishing a **Scottish Sustainable Procurement Action Plan (SSPAP)** in late 2008. It was finally published in October 2009. The Commission is disappointed by the long delay in launching this important document.

The focus in the next 12 months must be on how the Scottish Government, the Public Procurement Reform Board and the procurement Centres of Expertise can collectively make significant improvements to the sustainability of procurement activity across the public sector. We hope to engage with Government and others on this issue in the coming months and will review progress on this in our next Assessment.

and promoting innovation less money can actually deliver better outcomes.

This is a critical time for sustainable development in Scotland. The unprecedented challenges ahead will demand an unprecedented commitment to developing only those policies which balance the needs of present and future generations with safeguarding the natural resources on which we – in Scotland and around the world – all depend. Through acting with conviction the Scottish Government can become an exemplar for others to follow.

In Conclusion

To conclude, our Assessment shows that Government has taken many positive steps to develop a framework for action – most notably in relation to climate change but also on waste, planning, health and food policy. In these areas the Government has set out an aspiration for a far more sustainable future. The challenge now is to deliver the desired results, as indicators in many areas are not positive.

The constraints on public finances will be a major challenge for all governments over the coming years. The Commission accepts that difficult choices on funding will have to be made. We believe that by focusing on integrated and sustainable outcomes

# Endnotes

<sup>1</sup> *One Future Different Paths* (2005). The UK Sustainable Development Framework of the UK Government, Scottish Executive, Welsh Assembly Government and the Northern Ireland Government

<sup>2</sup> Scottish Government (2007). The Government Economic Strategy.

<sup>3</sup> This involved representatives of Audit Scotland, Scottish Sustainable Development Forum (SSDF), Sustainable Scotland Network, WWF Scotland, Scottish Environmental Protection Agency (SEPA), Scottish Natural Heritage (SNH) and Scottish Enterprise.

<sup>4</sup> More detailed reviews of Indicators and Government’s own Performance are included as online annexes. See [www.sd-commission.org.uk/scotland](http://www.sd-commission.org.uk/scotland)

<sup>5</sup> A full table showing how each individual issue relates to the section headings of *Choosing Our Future* is included in the Appendix.

<sup>6</sup> Ecological footprint is a composite indicator and there is thus a degree of uncertainty about absolute figures and trends.

<sup>7</sup> Sustainable Development Commission (2008). *Breaking the Holding Pattern*. A new approach to aviation policymaking in the UK.

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<sup>10</sup> Scottish Fuel Poverty Forum (2008). *Towards 2016 – The Future of Fuel Poverty Policy in Scotland*.

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<sup>12</sup> Scottish Government (2008) *Climate Change and Scottish Agriculture: Report and recommendations of the Agriculture and Climate Change Stakeholder Group* (ACCSG).

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<sup>14</sup> Scottish Building Standards Agency. [www.sbsa.gov.uk/latestupdates/consul\\_energy09.htm](http://www.sbsa.gov.uk/latestupdates/consul_energy09.htm)

<sup>15</sup> Scottish Government (2009). Scottish Sustainable Communities Initiative – Report. May 26, 2009.

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<sup>17</sup> Scottish Government (2009). SEABS’08: The Scottish Environmental Attitudes and Behaviours Survey 2008. [www.scotland.gov.uk/Publications/2009/03/05145056/0](http://www.scotland.gov.uk/Publications/2009/03/05145056/0)

<sup>18</sup> Please note that ‘carbon’ refers to all greenhouse gases.

<sup>19</sup> Ecological footprint is a composite indicator and there is thus a degree of uncertainty about absolute figures and trends.

<sup>20</sup> Sustainable Development Commission (2009). *Prosperity without growth? The Transition to a sustainable economy*.

<sup>21</sup> Scottish Government (2008). Scottish Rural Development Programme 2007-2013. April 2008.

<sup>22</sup> Williams, E., Kind, V., Roberts, M., Firn, J. and McGlashan, D. (2003). The value of Scotland’s ecosystem services and natural capital. European Environment, Vol.13: no.2

<sup>23</sup> Rural Affairs and Environment Minster Richard Lochhead’s statement to Holyrood Parliament, January 24, 2008. [www.scotland.gov.uk/News/This-Week/Speeches/Greener/vision-for-waste/](http://www.scotland.gov.uk/News/This-Week/Speeches/Greener/vision-for-waste/)

<sup>24</sup> SEPA Landfill Allowance Scheme reports 2007/08 and 2008/09. [www.sepa.org.uk/waste/waste\\_data/waste\\_data\\_reports/landfill\\_allowance\\_scheme.aspx](http://www.sepa.org.uk/waste/waste_data/waste_data_reports/landfill_allowance_scheme.aspx)

<sup>25</sup> SDC Scotland (2009). *Renewable Heat in Scotland*. Report to the Scottish Government, July 2009.

<sup>26</sup> SDC Scotland (2008). *Sustainable Development. A review of progress by the Scottish Government*.



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