

21 March 2025

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Convener
Net Zero, Energy and Transport Committee
Scottish Parliament

Dear Convener

Scottish Government Climate Change Plan

Thank you for your letter of 25 February, inviting me to set out what elements I would expect to see in the upcoming draft Climate Change Plan (CCP) to ensure it is credible and includes the information required to support effective scrutiny of progress and performance.

As you will appreciate, as Auditor General for Scotland I cannot make suggestions or comment on the policy content of the CCP. This is critical for maintaining my independence and for safeguarding the independence of our audit work from policy decisions. I can share however what we have identified as characteristics of effective plans for policy delivery from our audit work on the Scottish Government's climate change and other policies.

A clear and transparent CCP is essential for building a shared understanding among the Scottish Government, Scottish Parliament, delivery partners, scrutiny bodies and the public about how Scottish Ministers intend to meet the greenhouse gas emissions reductions set out in Scotland's first five-year carbon budget. To help achieve this, it would be important that the CCP uses accessible language, and that it explains all technical terms. The Scottish Government may want to structure the CCP around the sectors set out in the legislation, and it may wish to consider how best it will provide a clear line of sight between the five-year carbon budget and the policies and interventions that will contribute towards its delivery.

Our audit work on [Decarbonising heat in homes](#) and [Sustainable transport: reducing car use](#) has emphasised the importance of the Scottish Government having clear delivery plans for its policies. This is a key factor we identified was impacting on progress. We would therefore expect to see a CCP that focuses on delivery by reflecting clear outcomes and a sufficient level of detail on the actions that will deliver the five-year carbon budget and puts Scotland on a credible path to net zero greenhouse gas emissions by 2045. This is about considering if its actions are achievable and affordable. So, the plan may need to consider the intended outcomes and cost of each policy, and include enough information to support scrutiny of implementation, assessment of progress and holding of relevant bodies to account for delivery. Our work on [Planning for outcomes](#) provides some useful general lessons that the Scottish Government may want to consider.

We feel the plan would need to consider the following specific areas:

Greenhouse gas emissions reduction

We would expect the CCP to quantify the contributions that each of its policies will make towards achieving Scotland's five-year carbon budget. It may include:

- the total reduction in emissions required to meet the five-year carbon budget.

- the total reductions required in each sector to contribute towards this.
- the estimated reduction in emissions resulting from each policy or proposal over the five-year carbon budget period and, where relevant, over the period to 2045.

Policies to deliver the CCP

We would expect the CCP to set out well developed policies, grouped by sector, that Scottish Ministers have confidence they can deliver over the period of the five-year carbon budget and that provide some level of assurance that the required reduction in Scotland's emissions can be achieved. We would expect this to include:

- a brief explanation of how the policies contribute to reducing emissions, highlighting specific priority actions during the five-year period.
- the estimated reduction in emissions resulting from each policy (see above).
- where relevant, details of interdependencies with other policies to deliver the required emissions reduction and / or any legislative requirements.
- the assumptions underpinning the anticipated impact of the policy (for example, if it is reliant on new legislation or action by the UK Government).
- the wider impacts of the policy, for example the contribution towards the principles of a just transition or climate justice.

Timescales

For effective monitoring and reporting of progress, the CCP would need to identify the timescales for implementing each policy and for expected reductions in emissions.

Roles and responsibilities

To support accountability, the CCP would need be clear on which organisation has lead responsibility for delivering each policy, and who the main delivery partners are.

Costs

As set out in legislation, the CCP should aim to include an estimate of the costs of the policies in the plan. We would expect to see estimated resource and capital costs attached to each policy over the five-year period of the CCP. It would also be helpful, where relevant, to identify the potential total costs over the period to 2045. Ideally, the plan should show how costs are likely to split between public and private finance, to help quantify the scale of public funding that the Scottish Government needs to deliver the plan, assess general affordability, and inform future spending decisions.

To allow consistent monitoring and effective scrutiny of the impact of spending on individual policies, we recommend that there is a clear line of sight between the costs set out in the CCP and spending allocations in the Scottish Budget. The Scottish Fiscal Commission has highlighted improvements required in the data and information available to support a better understanding of the long-term fiscal implications of climate change ([Fiscal Sustainability Perspectives: Climate Change](#), March 2024).

Measures and indicators to support scrutiny of progress

The monitoring and evaluation of policies in the plan is essential for assessing progress and cost effectiveness, supporting accountability for delivery, and identifying improvement to current

and future activity. Scottish Ministers have committed to continue to report annually on progress in implementing the CCP. Annual reporting on Scotland's greenhouse gas emissions has a two-year time lag (i.e. the 2024 reporting is for emissions in 2022), so it will not be possible to judge immediately at the end of the five-year carbon budget if the Scottish Government has achieved its emissions reductions targets. A framework would therefore need to be in place for assessing progress against the policies and actions in the CCP, as an indicator of whether delivery against the plan and associated emissions reductions is on track.

Using SMART (specific, measurable, achievable, relevant and time bound) measures and indicators of policy delivery and performance at input, activity and output levels for each policy could help with regular assessment and reporting of progress. It would be helpful to have interim milestones for judging early progress, to support assessment of whether there is risk to outcomes and to enable the Scottish Government to take corrective action early, if needed. Ideally, the plan would need to be clear on sources of data and evidence that the Scottish Government will use to measure progress against the CCP, as well as identifying any gaps in the data and planned action to fill them.

Governance

It would benefit the CCP's delivery if it is clear about governance arrangements for effective oversight of risk management and performance management from the outset. This includes having clear accountability arrangements for each policy and for the plan, including for reporting to the Scottish Parliament as required by the Climate Change (Scotland) Act 2009. Our 2023 report on [How the Scottish Government is set up to deliver climate change goals](#) made recommendations for improving governance and risk management arrangements. We would expect that the plan carefully considers if it needs different arrangements that are better suited to the five-year carbon budget approach.

Providing the information set out above in the CCP should help to support effective scrutiny of progress by the Scottish Parliament, the Climate Change Committee, regulators and scrutiny bodies. Independent public audit has a vital role to play, and Audit Scotland, on behalf of the Auditor General and Accounts Commission, will continue to examine public sector action and spend to reduce emissions. This will include assessing progress and value for money of policies set out in the CCP. More details on Audit Scotland's role and approach to auditing climate change can be found in its [Auditing climate change strategy 2024](#).

I hope the information provided is helpful to the Committee.

Your sincerely

Stephen Boyle
Auditor General for Scotland