

Dear Richard,

With thanks to the Public Audit Committee for the opportunity to discuss Audit Scotland's report on "How the Scottish Government is set up to deliver climate change goals," I now provide the further details requested in your email of 14 September 2023.

1. Column 10: Details of the new governance framework and the revised terms of reference for the GCE.

Annex A contains a diagram of the governance framework. We have shared this with Audit Scotland and will continue to engage with them regularly as we continue our journey.

Annex B contains the refreshed Global Climate Emergency Terms of Reference .

2. Column 16: Details relating to the establishment and membership of the Cabinet Sub-Committee on the climate emergency

The GCE Board commissioned a Climate Governance Review in November 2020. One of the outcomes of this review was that Ministerial oversight be strengthened as SG climate action proceeds to the next phase of delivery.

A recommendation was made to explore requirement for any additional ministerial governance resulting from new portfolio arrangements and emerging Cabinet structures.

In October 2021 the First Minister approved the creation of the sub-committee, to be chaired by DFM and steered by Cab Sec NZET.

Full group membership below:

Cabinet Secretary for Transport, Net Zero and Just Transition
Deputy First Minister and Cabinet Secretary for Finance
Cabinet Secretary for Wellbeing Economy, Fair Work and Energy
Cabinet Secretary for Rural Affairs, Land Reform and Islands
Minister for Transport
Minister for Green Skills, Circular Economy and Biodiversity
Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights
Minister for Small Business, Innovation, Tourism and Trade
Minister for Energy and Environment
Minister for Local Government Empowerment and Planning

3. Columns 17/18: A copy of/ or link to the report you referred to that was published in May

Link to climate change monitoring report 2023 published 30 May 2023
[Climate change monitoring report 2023 - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/climate-change-monitoring-report-2023/pages/introduction.aspx)

4. Column 21: Details relating to grant assistance available to the public

The Scottish Government provides grant funding for installation of zero-direct emissions heating and energy efficiency measures, including insulation, through a range of schemes

which include the Home Energy Scotland (HES) Grant and Loan as well as our Warmer Homes Scotland and Area Based Schemes.

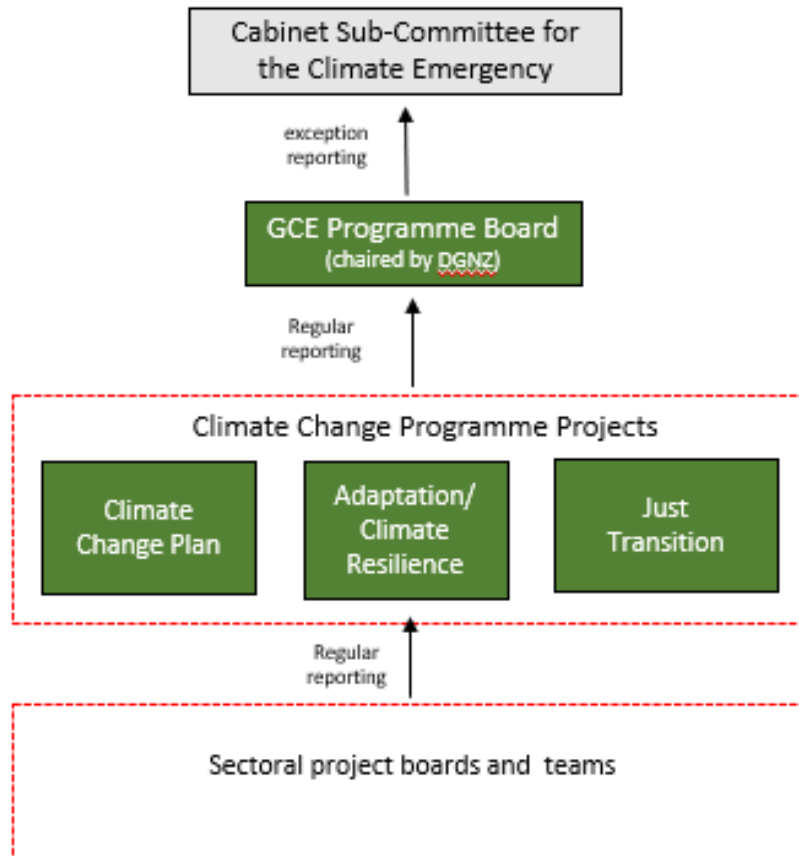
All domestic owner-occupied households in Scotland can apply for the HES Grant and Loan. The scheme provides grant funding for zero direct emissions heating up to £7,500 and for energy efficiency improvements – up to 75% of the combined cost of the improvements and up to the maximum grant amount of £7,500. There is also an additional £7,500 available as an optional interest free loan for both heat pumps and energy efficiency. A rural uplift of £1,500 applies to both the heat pump and energy efficiency grants. This uplift increases the heat pump grant flat rate and the maximum limit of the energy efficiency grant to £9,000.

I have attached a link to the website referred to for further information:

<https://www.mygov.scot/organisations/heat-energy-efficiency>.

Kersti Berge
DG Net Zero

Annex A



Annex B

GLOBAL CLIMATE EMERGENCY PROGRAMME BOARD TERMS OF REFERENCE – UPDATED AUGUST 2023

CONTEXT

The Global Climate Emergency (GCE) Programme and Board were established in autumn 2019 to co-ordinate and facilitate the short-term response to the declaration of a Global Climate Emergency by the then First Minister. In 2023 the programme was refreshed and renamed the Climate Change Programme.

The Board's key initial aim was to pivot the organisation onto a trajectory whereby it could deliver on the ambitious targets outlined in the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

The 2019 Act, created in direct response to the 2015 Paris Agreement, enshrines in law a target for net zero emissions of all greenhouse gases by 2045 at the latest – in a way which is line with just transition principles. It also sets legally binding annual targets, with an interim 2030 target of a 75% reduction that goes beyond what the Intergovernmental Panel on Climate Change has said is needed globally to prevent warming of more than 1.5 degrees.

The Board has taken on roles around oversight of delivery and development of future strategic policy directions for adaptation, aimed at building Scotland's resilience to the locked-in impacts of climate change. Scotland's statutory framework on climate change includes a five-yearly planning cycle on adaptation and resilience, which does not include headline quantitative targets in the same way as it does for mitigation, but instead requires strategic responses to independent assessments of climate-related risks.

In recent years, Scotland has been seen as a world leader in tackling climate change, and this is dependent upon our ability to deliver and implement the policies in the plans and programmes that set out how Scotland will become a net zero and climate resilient nation in a way that is fair and just. The Scottish Government will continue to face increasing scrutiny and challenge if progress is not made on credible delivery. This is equally the case on adaptation/climate resilience with the recent assessment from the Climate Change Committee on the Scottish Climate Change Adaptation Programme noting that policies across almost all sectors are not keeping pace with worsening climate impacts.

1. Purpose

The focus of the Global Climate Emergency Programme Board must, therefore, shift to provide a much stronger role on delivery monitoring and assurance, while still retaining that strategic oversight to ensure a cohesive cross government programme is being implemented to deliver transformational change required throughout our economy and society.

In addition to a new delivery monitoring focus, and the development of the next Climate Change Plan and Adaptation Programme, the GCE Board will provide strategic steer and co-ordination on a number of smaller cross-government deliverables which will support a whole systems approach to delivering a just transition to statutory emissions reduction targets and strengthening climate adaptation in Scotland.

To facilitate this focus, a Programme Plan will be created which will be underpinned by appropriately detailed project plans at sectoral level - typically held by the individual 'Sectoral Delivery Boards'. The lifetime of the Programme Board will be until the 'End of Programme Activity'.

The work of the Board will be underpinned by the five priority themes of:

- **Delivery and Implementation** - what action is being taken to transition and is it on track.
- **Monitoring and Evaluation** – are the actions having the impacts needed.
- **Finance** - funding just transition to net zero and increased resilience to climate impacts.
- **Communications** – bringing people with us in the transition.
- **Governance** – maintaining good governance in order to deliver a just transition.

2. Scope

Areas in scope include climate activity that requires collective senior SG official co-ordination and prioritisation/systems change activity, delivered by and/ or impacting:

- The Scottish Government;
- Scottish public bodies (and the delivery of public services);
- Business (private sector);
- The public/all aspects of Scottish society;
- Work with UK Government; and
- International engagement (including the COP27 Impact Programme).

Areas out of scope of the Board are outlined as follows - the Board will not:

- Have direct oversight and assurance of climate change, business-as-usual activity as outlined in directorate business plans e.g., community action, climate justice.
- Replace existing governance and accountability structures at Directorate and Ministerial level.
- Replace or replicate existing reporting arrangements with other relevant governance structures such as the Economy or Biodiversity Boards.

3. Governance

The Board is chaired by the Director-General for Net Zero as senior sponsor. The SRO is the Director of Energy and Climate Change.

The GCE Board reports to the Cabinet Sub-Committee for the Climate Emergency (CSC-CE), with periodic updates to the Executive Team of the Scottish Government. The Board will maintain close alignment to other critical programmes, such as the Scottish Biodiversity

Programme Board and Land Use Transformation Board via regular reporting of progress and providing an escalation point on cross-government/sector climate issues and risks.

4. Remit

- Set strategic direction for the Scottish Government's response to climate change (mitigation, adaptation and just transition), supporting the work of the CSC-CE.
- Monitor delivery and drive progress of key deliverables/commitments, providing challenge and oversight, and ensuring alignment of activities through the critical pathway.
- Undertake quarterly delivery and risk assessments and provide assurance to the CSC-CE and the Executive Team that climate related activity is on track and working effectively across the organisation.
- Create deeper and more explicit links between our climate action and other strategic SG priorities (child poverty, covid/economic recovery and constitution), aligning policies and plans, recognising innovation and making links between cross-cutting initiatives.
- Champion climate action across the Scottish Government, helping to mainstream climate action across all government policy and public sector partners Provide challenge and support to the wider climate governance framework to ensure interdependencies are understood and considered, as well as mediating and resolving conflicts within the GCE programme or wider framework or escalating issues as required.

5. Working arrangements

The Board will meet on a monthly basis for the duration of the 2021-26 Parliamentary term, with the exception of during summer recess.

Throughout the Parliamentary term, the Board's role, Terms of Reference and work programme will be reviewed annually, to be followed by a full climate governance framework review as the parliamentary term draws to a close.

The Secretariat will aim to share papers a maximum of five working days to two working days in advance, distributing minutes and programme performance monitoring documents (e.g. action logs, highlight reports) up to five working days post meeting, to be agreed at the following meeting.

The agenda will be agreed by the SRO in advance of each meeting. Proposals for future agenda items should be sent to the Secretariat at least six weeks in advance of the proposed meeting.

Members are required to nominate an alternate representative in the event of absence and to advise the Secretariat to issue an invitation. If presenting a substantive agenda item, members may have an additional member of their team attend.

Only one general observer will be permitted per meeting on agreement with the Secretariat in advance of each meeting.

REPORTING ARRANGEMENTS

The GCE Board will receive regular reporting of progress via the GCE Programme Dashboard.

Sectors will be required to provide the Climate Change Programme Manager with the following information to create this dashboard.

6. Membership

Role	Position
Chair	DG Net Zero
Programme SRO and Accountable Member *	Director Energy and Climate Change
Programme Director	Joint Deputy Director Domestic Climate Change
Member	Joint Deputy Director Domestic Climate Change
Member	Deputy Director International Climate Change
Member	Deputy Director Energy Industries
Member	Deputy Director Consumers and Low Carbon
Member	Director International Trade and Investment
Member	Director Agriculture and Rural Economy
Member	Director Environment and Forestry
Member	Chief Executive Transport Scotland
Member	Director Marine Scotland
Member	Director External Affairs
Member	Director Budget and Public Spending
Member	Director Local Government and Communities
Advisory Member	Chief Scientific Advisor Environment, Natural Resources and Agriculture
Advisory Member	Director Communications and Ministerial Support
Advisory Member	Head of First Minister's Policy and Delivery Unit

Advisory Member	Senior Economic Advisor, OCEA
Challenge Member	Non-Executive Director
Challenge Member	Non-Executive Director

DRAFT STANDARD TEXT FOR SECTORAL BOARDS' TERMS OF REFERENCE UPDATES

Role and remit

The <<insert name of board>> role includes provision of oversight and driving delivery of <<insert Sector(s) name>> activities contained within the Climate Change Programme.

Reporting and escalation arrangements

Sectoral teams <<use wording best suited to your set up ie policy teams>> should provide the <<insert name of board>> with updates of progress of their activities within the Climate Change Programme and climate change risks on a monthly basis, as agreed between the respective boards.

The <<insert name of board>> should use this information to review and discuss the progress of their climate change sectoral plans and activities and climate change risks as this will provide increased understanding and control of work being undertaken to drive progress, joint working, risk identification and mitigation.

The information gathered for this purpose should then be used to provide regular reporting to the GCE Board. The GCE Board requires regular general progress updates, quarterly updates of the programme plan and Key Performance Indicators, as well as escalation of programme level risk as and when necessary.