

Net Zero, Energy and Transport Committee

3rd Meeting, 2022 (Session 6), Tuesday, 25 January 2022

Evidence session with Local Government's business and private sector partners

Note by the clerk

Introduction

1. In November 2021, the Net Zero, Energy and Transport Committee launched an [inquiry into the role of local government and its cross-sectoral partners in financing and delivering a net-zero Scotland](#).
2. This inquiry aims to seek out the main barriers at a local level to Scotland reaching its net zero targets. It will consider what practical steps councils are taking to break them down, in partnership with business, the voluntary sector, and local communities. It will also highlight areas where change will be needed if councils are to play a full role in helping us achieve the goal of a net zero Scotland.
3. The inquiry will also consider:
 - what role the Scottish Government and its agencies can play in both supporting and, where necessary, challenging local government to work well with its partners to deliver net zero
 - how local government can play its part in ensuring a “just transition” to net zero.
4. The Committee launched this inquiry with an open [Call for Views](#) (which closes on 21 January 2022).
5. On 11 January, the Committee heard from two panels of representative councils with different net zero policies and targets. [The Official Report for this evidence session can be found here](#).
6. On 18 January, the Committee heard from two panels of cross-sectoral delivery partners on the route to net zero. [The Official Report for this evidence session can be found here](#).
7. On 25 January, the Committee will hear from two panels—

Panel 1 – private sector, umbrella organisations

- Tracy Black, Scotland Director, CBI Scotland;

- Barry McCulloch, Head of Policy, Federation of Small Businesses Scotland;

Panel 2 – finance providers

- Sandy Begbie CBE, Chief Executive Officer, Scottish Financial Enterprise;
- Jeremy Lawson, Chief Economist and Head of Climate Scenario Analysis, abrdn;
- Tim Lord, Head of Climate Change, Phoenix Group.

8. The purpose of this session is to explore the level and success of partnership working between the business and private capital community and local government to achieve the overall target of making Scotland net-zero by 2045:

- [The Confederation of British Industry \(CBI\)](#) is a not-for-profit membership organisation that speaks on behalf of 190 000 businesses.
- [The Federation of Small Business \(FSB\)](#) in Scotland works with the Scottish Government, elected representatives, councils and decision-makers across the country to support small businesses and the self-employed.
- [Scottish Financial Enterprise \(SFE\)](#) is the representative body for Scotland's financial services industry. Member companies range in size from global organisations headquartered in Scotland to small, locally-based support companies drawn from all areas of financial services.
- [abrdn](#) is a global investment company and asset manager based in Edinburgh
- [Phoenix Group](#) is the UK's largest long-term savings and retirement business.

Key inquiry questions

9. With the inquiry covering a broad range of issues, the Committee agreed a series of overarching questions to frame the inquiry:

Council planning, decision-making and capacity in relation to net zero

- 1) How effective are councils at strategic planning, budgeting, and making procurement decisions that align with net zero goals? If there are barriers, what are they?
- 2) What role can the local government planning system and local development plans do to help us reach net zero? Could the planning system do more?
- 3) What innovation, skills and capacity are needed in the local government workforce when it comes to making net zero achievable? Does that capacity exist or are there gaps?

Partnering to achieve net zero goals

- 4) How well do councils leverage in support and finance from the private sector for net zero delivery? Are City Region Deals being used effectively for this? What mechanisms or forums are there for sharing opportunities and good practice?

- 5) How well do councils partner with the voluntary sector and social enterprises to work towards net zero goals? Are there instances of good practice you can point to or areas where opportunities are being missed?
- 6) How well do councils involve local communities in decision-making on major net zero projects and how do they support community-led initiatives?

Role of the Scottish Government and its agencies

- 7) What is the Scottish Government doing to help the local government sector deliver on net zero goals? What, if anything, could it do more of to help the sector?
- 8) What is the role of enterprise agencies or other public bodies as enablers of joint working on net zero goals by local government and its cross-sectoral partners?

Local government work on net zero in particular areas

- 9) How are councils working with cross-sectoral partners to decarbonise heat in buildings and to ensure they have greater energy efficiency?
- 10) How are councils working with cross-sectoral partners to decarbonise transport (including encouraging active travel) and to improve air quality?
- 11) How are councils working with cross-sectoral partners to promote recycling and a "circular economy"?
- 12) How are councils working with cross-sectoral partners to use the natural environment (its "green infrastructure") to achieve net zero targets?

Next steps

10. The Committee want to hear as many informed views as possible, and to engage positively with councils, companies, SMEs, academia, voluntary organisations and grassroots groups.
11. The Committee will take formal evidence at committee meetings across early 2022. The Committee also intend to make visits, seeing practical examples of how councils work with their partners to deliver net zero.
12. Following this third day of evidence-taking on 25 January, and the closure of the call for views, the Committee will, in February, take stock of all evidence and information gathered so far, to inform an approach to evidence sessions and engagement work in Spring 2022. It aims to report to the Parliament in late Spring or early Summer 2022.