

# CONSUMER FOCUS SCOTLAND

## WRITTEN SUBMISSION

### Low Carbon Scotland: Meeting our Emissions Reduction Targets

2013 - 2027

#### Introduction

Consumer Focus Scotland welcomes the opportunity to submit our views on the report. Given the areas covered by our comments, we believe this response will be most relevant to the Economy, Energy and Tourism, and Infrastructure and Capital Investment Committees. In line with the committees' guidance, we provide only summary comments here; we would be pleased to expand on these comments at a later date.

This submission covers three areas:

- Climate change and the consumer interest
- Consumer attitudes and behaviours
- Brief comments on the policies and proposals set out in the report

In summary, we consider that actions to reduce climate change emissions are in the interests of consumers. However, as recognised in the report, different approaches to reduce emissions have different implications for consumers. We believe that actions which explicitly seek to maximise benefits for consumers while reducing emissions are both fairer and more likely to succeed.

#### Climate change and the consumer interest

Climate change is commonly discussed as a global environmental issue, the consequences of which are likely to be growing increases in the frequency of extreme weather events<sup>1</sup>. While the impacts of flooding or storms on those affected are clearly very severe, for consumers living in parts of Scotland less at risk of such events, climate change could be less likely to be seen as an immediate concern.

We would suggest, however, that there are two wider sets of consumer interests which should be considered in relation to climate change impact, adaptation and mitigation<sup>2</sup>:

- Changing weather patterns will increasingly affect global agricultural production, and thus the price of food and other primary products for consumers, regardless of where they live.

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<sup>1</sup> <http://www.scotland.gov.uk/Topics/Environment/climatechange/what-is>

<sup>2</sup> Adaption to a changing Climate, Consumer Focus  
<http://www.consumerfocus.org.uk/publications/13586>

- Public sector policy responses designed to reduce emissions have differing impacts – either financially or through changed behaviours - on consumers, in relation to their use of energy use at home, of transport and of material resources.

Following from the above, we consider that:

- It is clearly in the interests of all consumers in Scotland that the impacts of climate change are reduced as far as possible, regardless of their wider interests as citizens; and
- Given the impacts on consumers of many of the policies and proposals set out in the report, effort should be concentrated on actions which bring wider and immediate benefits to consumers. Well designed energy efficiency programmes which appeal to consumers because they reduce energy costs while also helping reduce emissions are more likely to build momentum for further action than measures could be seen as heavy handed or having unfair impacts.

We therefore welcome the tone and range of discussion of the introductory sections of the report. These clearly recognise the wider context in which emission reduction policies take place, and also the potential for actions to deliver wider social and economic benefits.

### **Consumer attitudes and behaviours**

Research<sup>3</sup> shows that consumers are more willing to take action to contribute towards wider goals when it is clear that the public and private sectors are also clearly seen to be taking action. Section 3.5 of the Scottish Government's report clearly summarises the lessons from behavioural research. We are pleased to see these highlighted, particularly the points about the need for both leadership and consistency of approach on the part of government.

We would, however, note that the power of example can work in the both directions. For example, consumers have in the past raised with us what they see as a lack of consistency between messages they receive around recycling and waste management approaches, contrasting with piles of commercial waste visible in city centres. Similarly, messages on energy efficiency need to be reinforced by good practice being consistently demonstrated in the public sector.

### **Comments on some specific proposals and policies**

#### **Energy / Homes and Communities**

Our research shows that, when given the opportunity to explore the issues in detail, consumers do understand the need for investment in electricity generation infrastructure, including renewables<sup>4</sup>. However, investment costs

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<sup>3</sup> I will if you will, Sustainable Development Commission <http://www.sd-commission.org.uk/publications.php?id=367>

<sup>4</sup> Who Pays? Consumer Focus <http://www.consumerfocus.org.uk/publications/who-pays>

will further add to consumers' bills. Investment in infrastructure therefore needs to be considered more closely alongside investment in energy efficiency measures to reduce costs for consumers.

It would be helpful if the comparative costs and benefits of different measures were integrated in the report alongside emission reduction potential, so that the balance between complementary actions in different sectors could be more easily compared. Further, the balance between the costs to consumers, the public sector and industry needs to be fair and transparent.

In terms of energy efficiency work, we have welcomed the continued commitment of the Scottish Government towards continuing publicly funded energy efficiency programmes which will help address fuel poverty. However, as the report highlights, energy costs have risen significantly in recent years, offsetting the benefits which have been delivered by recent energy efficiency programmes. Greater emphasis in energy efficiency is therefore needed to achieve existing aims, not least because of the scale of the outstanding challenge in rural areas, where lower cost measures such as loft and cavity insulation and efficient gas boilers are not suitable solutions.

In addition, we believe there is also more potential to integrate policies on energy production and consumption; our report *Reaping the Benefits*<sup>5</sup>, for example, highlights the potential for Community Benefit Funds from renewable energy developments to contribute towards energy efficiency measures at local level.

More widely, the rollout of the EU Emissions Trading Scheme will further increase consumer bills in coming years without providing any direct benefit in return. At present, the money raised will go to the Treasury. Consumer Focus is a member of the Energy Bill Revolution<sup>6</sup> coalition, which is campaigning for at least a proportion of the revenue to be used to support energy efficiency work, as is the case in some other European countries; such an approach would be of direct benefit to consumers in Scotland, as well as other GB countries.

## **Business, Industry and the Public Sector**

As recognised above, there is evidence that consumers' commitment to action is affected by what they see around them. It is therefore critical that non-domestic buildings, especially those in the public sector estate with a high footfall, are seen to exemplify good practice in terms of energy efficiency. Public sector buildings can also offer a means of demonstrating, in practice, new technologies such as renewable heating systems which are not yet widely understood by consumers. At the same time, the financial benefits of energy efficiency from energy efficiency investment can be highlighted to consumers.

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<sup>5</sup> <http://www.consumerfocus.org.uk/scotland/publications/reaping-the-benefits-of-renewables>

<sup>6</sup> <http://www.energybillrevolution.org/>

## **Transport / Waste and resource efficiency**

While it is not within our remit to comment in detail in these areas, we provide comments based on our previous work.

We would suggest that more could be done to consider service delivery in ways which reduce the need to travel. Access to fast, reliable broadband is increasingly critical to enable consumers to access the best deal for a range of services, including energy and delivery of goods. It would be helpful to examine how far investment in IT infrastructure can and does, in practice, reduce the need for travel at lower cost than investment in physical infrastructure.

In terms of consumer adoption of new approaches and behaviours in practice, the demonstrable success in the growth of recycling rates in Scotland in recent years could offer wider lessons for other sectors. Research on what has worked best and why could help add understanding to models of theoretical behaviour and the approaches promoted through the Greener Scotland campaign.

Finally, it is surprising that there is so little mention of Scottish Water in this chapter of the report. Given it is the largest single end consumer of electricity in Scotland and is currently laying plans to reduce carbon emissions, we would have expected resource use to include some detail on the potential for water efficiency to reduce emissions and costs alongside energy and materials management. Also, stronger national policy and links between water efficiency and energy usage are required to encourage more responsible water and energy use. The Scottish Government's Hydro Nation agenda presents further opportunity to incentivise water efficient behaviour, thereby increasing the value of Scotland's water and lowering carbon emissions.

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**13 February 2013**

